



SCV WATER AGENCY REGULAR BOARD MEETING

Tuesday, August 2, 2022
Meeting Begins at 6:00 PM

Members of the public may attend by the following options:

In Person

Santa Clarita Valley Water Agency
Rio Vista Water Treatment Plant
Boardroom
27234 Bouquet Canyon Road
Santa Clarita, CA 91350

See Agenda for additional location.

By Phone

Toll Free:
1-(833)-568-8864
Webinar ID: 161 389 6693

Virtually

Please join the meeting from your
computer, tablet or smartphone:

<https://scvwa.zoomgov.com/j/1613896693>

Have a Public Comment?

Members of the public unable to attend this meeting may submit comments either in writing to ajacobs@scvwa.org or by mail to April Jacobs, Board Secretary, Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. All written comments received before 4:00 PM the day of the meeting will be distributed to the Board members and posted on the Santa Clarita Valley Water Agency website prior to the start of the meeting. Anything received after 4:00 PM the day of the meeting will be made available at the meeting, if practicable, and posted on the SCV Water website the following day. All correspondence with comments, including letters or emails, will be posted in their entirety.

(Public comments take place during Item 3 of the Agenda and before each Item is considered. Please see the Agenda for details.)

This meeting will be recorded and the audio recording for all Board meetings will be posted to yourscvwater.com within 3 business days from the date of the Board meeting.

Disclaimer: Attendees should be aware that while the Agency is following all applicable requirements and guidelines regarding COVID-19, the Agency cannot ensure the health of anyone attending a Board meeting. Attendees should therefore use their own judgment with respect to protecting themselves from exposure to COVID-19.

Santa Clarita Valley Water Agency
Rio Vista Water Treatment Plant
27234 Bouquet Canyon Road
Santa Clarita, CA 91350
(661) 297-1600

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**SANTA CLARITA VALLEY WATER AGENCY
REGULAR BOARD MEETING AGENDA**

**SANTA CLARITA VALLEY WATER AGENCY
RIO VISTA WATER TREATMENT PLANT
BOARDROOM
27234 BOUQUET CANYON ROAD
SANTA CLARITA, CA 91350**

AND

**DIRECTOR COLLEY
TELECONFERENCE SITE LOCATED AT
100 HEBGEN MOUNTAIN ROAD
WEST YELLOWSTONE, MT 59758
1-(661)-378-4748**

TUESDAY, AUGUST 2, 2022, AT 6:00 PM

IMPORTANT NOTICES

This meeting will be conducted in person at the addresses above. As a convenience to the public, members of the public may also participate virtually by using the **Agency's Call-In Number 1-(833)-568-8864, Webinar ID: 161 389 6693 or Zoom Webinar by clicking on the link <https://scvwa.zoomgov.com/j/1613896693>**. Any member of the public may listen to the meeting or make comments to the Board using the call-in number or Zoom Webinar link above.

However, in the event there is a disruption of service which prevents the Agency from broadcasting the meeting to members of the public using either the call-in option or internet-based service, this meeting will not be postponed or rescheduled but will continue without remote participation. The remote participation option is being provided as a convenience to the public and is not required. Members of the public are welcome to attend the meeting in person.

Attendees should be aware that while the Agency is following all applicable requirements and guidelines regarding COVID-19, the Agency cannot ensure the health of anyone attending a Board meeting. Attendees should therefore use their own judgment with respect to protecting themselves from exposure to COVID-19.

Members of the public unable to attend this meeting may submit comments either in writing to ajacobs@scvwa.org or by mail to April Jacobs, Board Secretary, Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. All written comments received before 4:00 PM the day of the meeting will be distributed to the Board members and posted on the Santa Clarita Valley Water Agency website prior to the start of the meeting. Anything received after 4:00 PM the day of the meeting, will be made available at the meeting, if practicable, and will be posted on the SCV Water website the following day. All correspondence with comments, including letters or emails, will be posted in their entirety.

OPEN SESSION BEGINS AT 6:00 PM

1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **PUBLIC COMMENTS** – Members of the public may comment as to items within the subject matter jurisdiction of the Agency that are not on the Agenda at this time. Members of the public wishing to comment on items covered in this Agenda may do so at the time each item is considered. (Comments may, at the discretion of the Board’s presiding officer, be limited to three minutes for each speaker.) Members of the public wishing to comment on items covered in Closed Session before they are considered by the Board must request to make comment at the commencement of the meeting at 6:00 PM.

4. **APPROVAL OF THE AGENDA**

5. **CONSENT CALENDAR**

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5.1	*	Approve Minutes of the July 19, 2022 Santa Clarita Valley Water Agency Regular Board of Directors Meeting	7
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5.4	*	Authorize the General Manager to Enter into an Agreement with GSI Water Solutions, Inc. for the First Year of Groundwater Sustainability Plan Implementation	43
5.5	*	Approve a Resolution Authorizing FY 2022/23 Water Supply Contract Payments	53
5.6	*	Approve a Contract Amendment with Robert D. Niehaus, Inc. for Ratepayer Advocate Services	59
5.7	*	Approve a Professional Services Agreement with Chandler Asset Management, Inc. for As-Needed Investment Advisory Services	69
5.8	*	Approve Receiving and Filing of May 2022 Monthly Financial Report – https://yourscvwater.com/wp-content/uploads/2022/07/Check-Register-May-2022.pdf	119
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11.	<u>WRITTEN REPORTS FOR INFORMATIONAL PURPOSES ONLY</u>	<u>PAGE</u>
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12.	<u>PRESIDENT’S REPORT</u>	
13.	<u>AB 1234 WRITTEN AND VERBAL REPORTS</u>	<u>PAGE</u>
13.1	Other AB 1234 Reports	
14.	<u>DIRECTOR REPORTS</u>	
15.	<u>CLOSED SESSION</u>	
15.1	Conference with Legal Counsel – Existing Litigation – Paragraph (1) of Subdivision (d) of Government Code Section 54956.9, Santa Clarita Valley Water Agency v. Whittaker Corporation, Case No: 2:18-cv-6825 SB (RAOx)	

16. **CLOSED SESSION ANNOUNCEMENTS**
17. **DIRECTOR REQUESTS FOR APPROVAL FOR EVENT ATTENDANCE**
18. **ADJOURNMENT IN MEMORY OF SALLY HILL**

- * Indicates Attachment
- ◆ Indicates Handout

Note: The Board reserves the right to discuss or take action or both on all of the above Agenda items.

NOTICES

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning April Jacobs, Secretary to the Board of Directors, at (661) 297-1600, or in writing to Santa Clarita Valley Water Agency at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Santa Clarita Valley Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.yourscvwater.com>.

Posted on July 27, 2022.

M65

Minutes of the Regular Meeting of the Board of Directors of the Santa Clarita Valley Water Agency – July 19, 2022

A regular meeting of the Board of Directors of the Santa Clarita Valley Water Agency was held at Santa Clarita Valley Water Agency 27234 Bouquet Canyon Road, Santa Clarita, CA 91350 at 6:00 PM on Tuesday, July 19, 2022. A copy of the Agenda is inserted in the Minute Book of the Agency preceding these minutes.

DIRECTORS PRESENT: Kathy Armitage, Beth Braunstein, Ed Colley (Via Zoom), William Cooper, Jeff Ford, Maria Gutzeit, R. J. Kelly, Gary Martin, Piotr Orzechowski and Lynne Plambeck.

DIRECTORS ABSENT: B. J. Atkins.

Also present: Administrative Technician Terri Bell, Assistant General Manager Steve Cole, Board Secretary April Jacobs, Chief Operating Officer Keith Abercrombie, Communications Manager Kathie Martin, Controller Amy Aguer, Director of Finance and Administration Rochelle Patterson, Director of Operations & Maintenance Mike Alvord, Director of Technology Services Cris Perez, General Counsel Joe Byrne, General Manager Matthew Stone, Information Technology Technician I Jonathan Thomas, Principal Engineer Jason Yim, Senior Engineer Shadi Bader, Water Quality Specialists Jenny Anderson and Dean Takashima and Water Systems Supervisor Ryan Bye, as well as additional SCV Water Agency staff and members of the public.

President Martin called the meeting to order at 6:00 PM. A quorum was present.

President Martin announced the passing of SCV Water Board Vice President Jerry Gladbach. The Board observed a moment of silence in memory of Jerry Gladbach and flowers were placed at his seat in his honor. Board members, staff, several representatives from local elected officials’ offices and the public were then given an opportunity to make comments.

After all comments were heard on Jerry Gladbach and the public was given an opportunity to make additional public comments on items not on the Agenda, the President called for a brief recess at 6:56 PM.

President Martin reconvened the meeting at 7:07 PM.

There were no changes to the July 19, 2022 Board Agenda and it was accepted as shown (Item 4).

Water Systems Supervisor Ryan Bye and Water Quality Specialists Jenny Anderson and Dean Takashima gave a presentation on the Public Health Goals Report (Item 5).

Upon motion of Director Cooper, seconded by Director Gutzeit and carried, the Board approved the Consent Calendar which included Resolution No. SCV-289 by the following roll call votes (Item 6):

Director Armitage	Yes	Director Atkins	Absent
Director Braunstein	Yes	Director Colley	Yes
Director Cooper	Yes	Director Ford	Yes
Director Gutzeit	Yes	Director Kelly	Yes
President Martin	Yes	Vice President Orzechowski	Yes
Director Plambeck	Yes		

RESOLUTION NO. SCV-289

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
AUTHORIZING EXECUTION OF A QUITCLAIM DEED – PARTIAL RELEASE OF
EASEMENT TO WAL-MART REAL ESTATE BUSINESS TRUST**

<https://yourscvwater.com/wp-content/uploads/2022/07/SCV-Water-Approved-Resolution-071922-Resolution-SCV-289.pdf>

Upon motion of Director Cooper, seconded by Director Ford and carried, the Board (1) approved Resolution SCV-290 for a construction contract with Pacific Hydrotech Corporation in an amount not to exceed \$8,486,950, (2) authorized the General Manager to execute a purchase order with Hazen and Sawyer for an amount not to exceed \$500,000 for engineering services during construction and (3) authorized the General Manager to execute a work authorization with MWH Constructors for an amount not to exceed \$700,000 for construction management and inspection services for the Santa Clara and Honby Wells PFAS Groundwater Treatment Improvements project by the following roll call votes (Item 7.1):

Director Armitage	Yes	Director Atkins	Absent
Director Braunstein	Yes	Director Colley	Yes
Director Cooper	Yes	Director Ford	Yes
Director Gutzeit	Yes	Director Kelly	Yes
President Martin	Yes	Vice President Orzechowski	Yes
Director Plambeck	Yes		

RESOLUTION NO. SCV-290

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
AWARDING A CONTRACT TO PACIFIC HYDROTECH CORPORATION
FOR THE SANTA CLARA AND HONBY WELLS PFAS
GROUNDWATER TREATMENT SITE CONSTRUCTION PROJECT**

<https://yourscvwater.com/wp-content/uploads/2022/07/SCV-Water-Approved-Resolution-071922-Resolution-SCV-290.pdf>

Upon motion of Director Kelly, seconded by Director Plambeck, the Board voted whether to delay discussion and action on the Vacant Division 3 seat until the August 16, 2022 regular Board meeting. The motion received 4 Ayes and 6 Nos and did not pass as shown by the following roll call votes (the majority vote for Item 7.2 is 6) (Item 7.2):

Director Armitage	Yes	Director Atkins	Absent
Director Braunstein	Yes	Director Colley	No
Director Cooper	No	Director Ford	No
Director Gutzeit	No	Director Kelly	Yes
President Martin	No	Vice President Orzechowski	No
Director Plambeck	Yes		

Director Plambeck made an amended motion to Director Cooper's motion below, that the process for appointment to the Division 3 seat vacated by Director Atkins move to the July 26, 2022 special Board meeting. The amended motion was seconded by Director Kelly and after a vote of 4 Ayes and 6 Nos the amended motion did not pass as shown by the following roll call votes (Item 7.2):

Director Armitage	Yes	Director Atkins	Absent
Director Braunstein	Yes	Director Colley	No
Director Cooper	No	Director Ford	No
Director Gutzeit	No	Director Kelly	Yes
President Martin	No	Vice President Orzechowski	No
Director Plambeck	Yes		

Upon motion of Director Cooper, seconded by Vice President Orzechowski and carried, the Board directed staff to start the process for appointment for the Division 3 seat vacated by Director Atkins by the following roll call votes (Item 7.2):

Director Armitage	No	Director Atkins	Absent
Director Braunstein	No	Director Colley	Yes
Director Cooper	Yes	Director Ford	Yes
Director Gutzeit	Yes	Director Kelly	No
President Martin	Yes	Vice President Orzechowski	Yes
Director Plambeck	No		

Assistant General Manager Steve Cole gave a presentation on the status of the Recycled Water Program (Item 8).

General Manager's Report on Activities, Projects and Programs (Item 9).

There was no General Manager's report.

Committee Meeting Recap Report for Informational Purposes Only (Item 10).

Director Armitage mentioned the upcoming retirement of Senior Engineer Jim Leserman and asked that the Board's best wishes be passed on to him.

There were no other comments on the recap report.

President's Report (Item 11).

There was no President's report, but he did remind the Board of the special Board meeting that will take place on Tuesday, July 26, 2022 at 6:00 PM.

AB 1234 Written and Verbal Reports (Item 12).

Written reports were submitted by Director Gutzeit which were included in the Board packet. Additional written reports were submitted by President Martin and Directors Braunstein and Gutzeit which were posted on the SCV Water website and are part of the record.

Director Armitage reported that she attended the Executive Committee Meeting of the Special Districts of North Los Angeles County held virtually on July 19, 2022.

There were no other AB 1234 Reports.

Director Requests for Future Agenda Items (Item 13).

Director Kelly requested that, since the Water Conservation reports are presented at the the Water Resources and Watershed Committee meetings and are not presented to any of the other Committees, a presentation be made to the Board. General Manager Stone stated that we could bring this item to the Finance and Administration Committee if he would like, it would just need to be put on the agenda. Director Kelly stated he would prefer that this item come back to the full Board, however staff would like to present it.

Director Plambeck asked that the above be combined with an update on the status of the Agency's banked water that is available from Kern County, as she thought there was an issue with the ability to transfer water. She added that maybe an overall drought update, which could cover that, might be more appropriate.

Director Armitage asked that the Board take into consideration and discuss establishing a student scholarship program in honor of Vice President Jerry Gladbach, which could provide a scholarship to a Santa Clarita Valley high school graduate who plans to pursue a degree in water resources. The program might be funded through donations rather than ratepayer money.

There were no other requests for future items.

The meeting was adjourned in memory of E. G. "Jerry" Gladbach at 10:09 PM (Item 14).

April Jacobs, Board Secretary

ATTEST:

President of the Board

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BOARD MEMORANDUM

DATE: July 8, 2022

TO: Board of Directors

FROM: Courtney Mael, P.E. *CM*
Chief Engineer

SUBJECT: Approve a Resolution Authorizing a Purchase Order to Kennedy/Jenks Consultants for Inspection Planning Services for the Castaic Conduit Pipeline Reaches 3 & 4 Project

SUMMARY

In 2013, Castaic Lake Water Agency's Pipeline Inspection Program (PIP) identified various pipelines to be inspected. The Castaic Conduit pipeline is the next pipeline planned for inspection. The Castaic Conduit was divided into six different reaches. Out of all the reaches, reaches 3 & 4 were decided to be inspected first using the inspection criteria. The next step is to perform a planning level study to identify the pipeline improvements needed to allow for inspection along with identifying the inspection procedures for reaches 3 & 4. The inspection planning services work for the Castaic Conduit Pipeline Reaches 3 & 4 project was advertised and three (3) proposals were received. Staff is recommending award of an inspection planning services purchase order to Kennedy/Jenks (KJ) Consultants.

DISCUSSION

The PIP evaluated the regional pipelines and identified the Castaic Conduit to be the next pipeline to be inspected in the system mainly due to its age, diameter, and pipe material. Out of all the Castaic Conduit reaches, reaches 3 & 4 were prioritized for inspection due to their rating.

KJ has provided a proposal to provide inspection planning services for the Castaic Conduit Pipeline Reaches 3 & 4 project. The inspection planning services will include but are not limited to, existing data review, providing preliminary design report, preliminary drawings, CCTV planning, cathodic protection evaluation, construction cost estimate, and attending meetings, etc. Based on KJ's qualifications and proposal, staff is recommending KJ to provide inspection planning services for the project.

CEQA DETERMINATION

The proposed action today is the adoption of a resolution for an inspection planning services purchase order with Kennedy/Jenks Consultants for the Castaic Conduit Pipeline Reaches 3 & 4 project. The project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15262, Statutory Exemptions for Feasibility and Planning Studies, as the planning services will analyze and make recommendations regarding potential infrastructure improvements.

The planning services contract is also exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3), the

“common sense exemption,” which provides that CEQA applies to projects that have the potential for causing a significant effect on the environment. Here, the Agency finds the planning services purchase order exempt from CEQA as “it can be seen with certainty that there is no possibility that the activity in question” as it consists of only planning services and so will have no “significant effect on the environment.”

On July 7, 2022, the Engineering and Operations Committee considered staff’s recommendation to approve a resolution authorizing a purchase order to Kennedy/Jenks Consultants for inspection planning services for the Castaic Conduit Pipeline Reaches 3 & 4 project.

FINANCIAL CONSIDERATIONS

The project is included in the Agency’s FY 2022/23 Capital Improvement Program Budget for the Castaic Conduit Pipeline Reaches 3 & 4 project. The inspection planning services will be performed on a time and materials basis with a not-to-exceed amount of \$165,000.

RECOMMENDATION

That the Engineering and Operations Committee recommends that the Board of Directors approve the attached resolution authorizing a purchase order to Kennedy/Jenks Consultants for an amount not to exceed \$165,000 for the inspection planning services for the Castaic Conduit Pipeline Reaches 3 & 4 project.

Attachment

M65

RESOLUTION NO. _____

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
AUTHORIZING A PURCHASE ORDER TO KENNEDY JENKS
FOR INSPECTION PLANNING SERVICES FOR THE
CASTAIC CONDUIT PIPELINE REACHES 3 & 4 PROJECT**

WHEREAS, the Agency determined that Castaic Conduit is an important component of Agency's water supplies; and

WHEREAS, the proposed Castaic Conduit Pipeline Reaches 3 & 4 project are a component of the Agency's pipeline inspection program; and

WHEREAS, the project is found to be exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15262, Statutory Exemptions for Feasibility and Planning Studies, as the planning services will analyze and make recommendations regarding potential infrastructure improvements; and

WHEREAS, the project is also found to be exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3), the "common sense exemption," which provides that CEQA applies to projects that have the potential for causing a significant effect on the environment; and

WHEREAS, the Agency finds the project exempt from CEQA as "it can be seen with certainty that there is no possibility that the activity in question" as it consists of planning services that do not have a construction component to them, and so will have no "significant effect on the environment"; and

WHEREAS, a Notice of Exemption (NOE) will be submitted to the State Clearinghouse and both Los Angeles County and Ventura County within five (5) days of the execution of this resolution;

WHEREAS, it is in the Agency's best interest that the Board of Directors, on behalf of the SCV Water, authorize its General Manager or Chief Engineer to authorize a purchase order in the amount not to exceed \$165,000 to Kennedy Jenks for inspection planning services; and

NOW, THEREFORE, BE IT RESOLVED, That the SCV Water Board does hereby find and determine as follows:

SECTION 1. RECITALS. The Board finds that the administrative record has been completed in compliance with CEQA, the CEQA Guidelines, and that the finding of exemption from CEQA reflects the Board's independent judgment.

SECTION 2. LOCATION AND CUSTODIAN OF RECORDS. The documents and materials associated with the project and the NOE that constitute the record of proceedings on which these findings are based are located at the offices of the Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Rd, Santa Clarita, CA 91350. The Custodian of Record is April Jacobs.

RESOLVED FURTHER that the SCV Water Board of Directors does authorize its General Manager or Chief Engineer to authorize a purchase order to Kennedy/Jenks for inspection planning services for an amount not to exceed \$165,000 for the Castaic Conduit Pipeline Reaches 3 & 4 project.



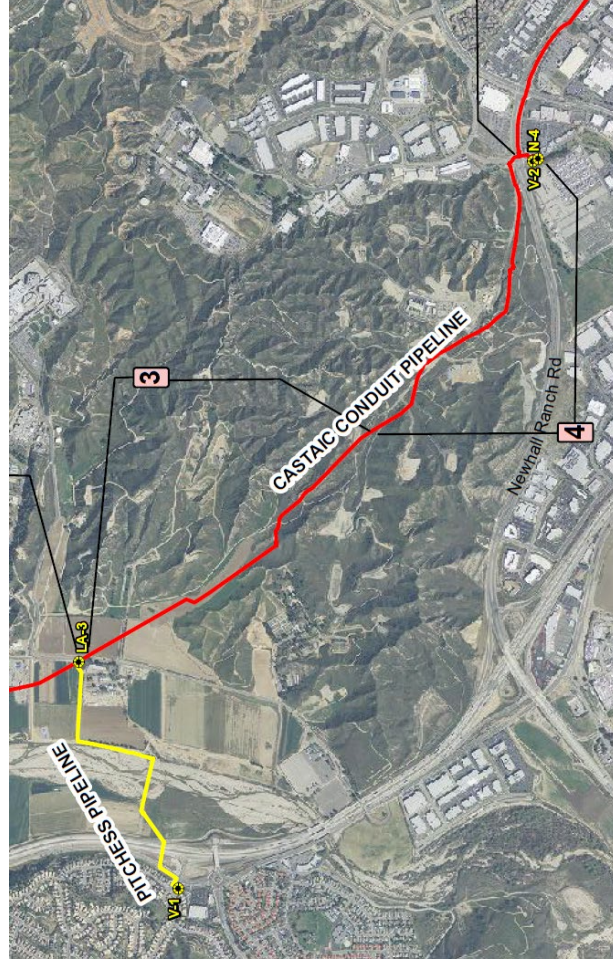
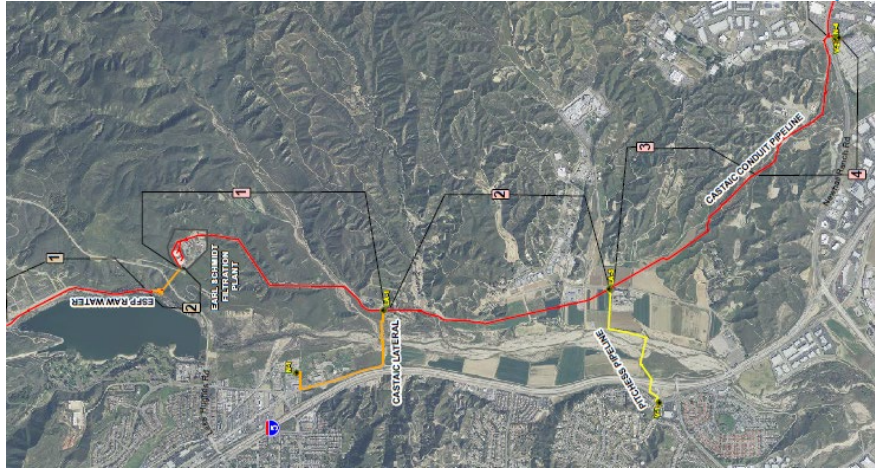
SCV
WATER

August 2, 2022

Inspection Planning Services for the Castaic Conduit Pipeline Reaches 3 & 4 Project

Board Meeting

CCP Reaches 3 & 4 Project Location Map



CCP Reaches 3 & 4 Project Project Outline

- Castaic Conduit was identified as one of the regional pipelines to be inspected by the Pipeline Inspection Program Report.
- Out of all the reaches, reaches 3 & 4 were decided to be inspected first using the inspection criteria.
- Next step to perform a planning level study to identify the pipeline improvements needed to allow for inspection, identifying the inspection procedures for reaches 3 & 4.
- Three (3) proposals were received from Consultants and Kennedy/Jenks was selected.



CCP Reaches 3 & 4 Project Project Schedule

- Purchase Order Award Phase:
 - July 7, 2022: Engineering and Operations Committee
 - August 2, 2022: Board Meeting
- Planning Phase:
 - August 8, 2022: Notice to Proceed
 - January 15, 2023: Inspection Planning Services completion



CCP Reaches 3 & 4 Project Recommendation

The Engineering and Operations Committee recommends that the Board of Directors approve:

- The attached resolution authorizing a purchase order to Kennedy/Jenks Consultants for an amount not to exceed \$165,000 for the Inspection Planning Services for the Castaic Conduit Pipeline Reaches 3 & 4 Project.



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BOARD MEMORANDUM

DATE: July 8, 2022

TO: Board of Directors

FROM: Courtney Mael, P.E. *CM*
Chief Engineer

SUBJECT: Approve a Resolution Adopting the Initial Study-Mitigated Negative Declaration Under the California Environmental Quality Act and a Resolution Authorizing a Purchase Order to Kennedy/Jenks Consultants for Final Design Services for the Well 205 Groundwater Treatment Project

SUMMARY

Well 205 has been shut down since 2012, when perchlorate was detected. In addition, trace levels of volatile organic compounds (VOC), in particular, trichloroethylene (TCE) were detected. SCV Water is planning to add perchlorate and VOC groundwater treatment at Well 205. The planning work to identify the work needed was successfully completed by Kennedy/Jenks Consultants (KJ). The next step is to perform the final design services for the project. KJ provided a proposal for the final design services and staff is recommending approval of a resolution authorizing a purchase order to KJ for final design services for the Well 205 Groundwater Treatment project (Project).

DISCUSSION

As a result of perchlorate concentrations in the well water that exceed the State of California's Division of Drinking Water (DDW) Primary Maximum Contaminant Level (MCL) and VOC concentrations that exceed DDW's detection limit, SCV Water is planning to provide groundwater treatment at Well 205. Well 205 is located at 24439 Valencia Blvd., Valencia CA. The design capacity of Well 205 is 2,700 gallons per minute (gpm). Treatment systems would be installed to permit operation of the well at the design capacity in order to maximize flexibility to use Well 205 as a plume containment well.

The Project would involve construction and operation of a new groundwater treatment facility for treatment of perchlorate and other groundwater contaminants at the existing Well 205 site. The project site area is approximately 1.75 acres. Under the proposed project, all existing facilities would remain in place. The new treatment facility would consist of a chemical building, water tanks, pumps, and treatment equipment alongside existing facilities at the site. The project site would be paved where a truck would drive into the facility. The proposed project would not increase the production capacity of Well 205. Due to the increased pressure demands of the new groundwater treatment process flow, the proposed project includes an upgraded pump head inside the Well 205 building. The existing Well 205 well pump has a production capacity of 2,700 gallons per minute (gpm). The proposed project would replace the existing well pump housed inside the Well 205 building with a new 2,700-gpm, 800-horsepower (HP) pump. The facility would operate 24 hours per day, 365 days per year. The project would construct a new 612-square foot chemical building approximately 10 feet

southeast of the existing Well 205 building. The new chemical building would consist of a concrete masonry unit material and would be constructed to match the architectural style of the existing concrete masonry unit Well 205 building. The chemical storage building would consist of a liquid ammonium sulfate room and a sodium hypochlorite. The non-hazardous chemicals would be stored in recessed concrete double containment and double-walled chemical tanks, which provide additional protection against any spills or leaks. The chemical building would be locked.

KJ has successfully provided the planning services for the Project. The final design services will include but are not limited to, providing final design, construction plans, technical specifications, construction cost estimate, design calculations, permits, attending meetings, etc. Based on KJ's performance on the planning services, staff is recommending KJ to provide final design services for the Project.

This Project helps meet SCV Water Strategic Plan Objective D.2: "Proactively install, operate, and maintain groundwater treatment infrastructure to avoid impacts on water supply reliability (e.g. VOCs, perchlorate, PFAS, etc.)".

CALIFORNIA ENVIRONMENTAL QUALITY ACT CONSIDERATIONS

With the assistance of Rincon Consultants, an Initial Study/Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Program (MMRP) were prepared for the Project in accordance with the requirements of the California Environmental Quality Act (CEQA) and the State CEQA Guidelines.

The IS/MND and MMRP were prepared to identify potentially significant impacts on the environment which would result from the project and concluded that these impacts can be avoided or reduced to a level of insignificance with adoption and implementation of the mitigation measures outlined in the MMRP. Environmental factors that require mitigation measures to reduce impacts to less than significant include biological resources, cultural resources, geology and soils, hazards and hazardous materials, hydrology and water quality, and tribal cultural resources.

CEQA PUBLIC REVIEW PROCESS

On April 19, 2022, SCV Water circulated a Notice of Intent (NOI), provided notice in the Santa Clarita Valley Signal, and released the draft IS/MND in compliance with CEQA requirements for a 30-day review and comment period by the public and reviewing agencies. The review period ended on May 19, 2022.

Two comment letters were received, one from the California Department of Transportation (CalTrans) which requested that a permit be obtained for any oversized-transport vehicles on State highways, and the second from the California Department of Fish and Wildlife (CDFW), responses to which have been provided in the Final MND.

FINAL CEQA DOCUMENTS FOR BOARD APPROVAL

The State CEQA Guidelines (California Code of Regulations ("CCR") Section 15074, Public Resources Code Section 21092) require public agencies to review and consider an Initial Study, Mitigated Negative Declaration (MND) and comments received during the public review period prior to the adoption of the MND. Adoption of the Final MND is dependent on the finding by the

Board that, based on the whole record before it, there is no substantial evidence, with the mitigation measures required by the MND, that the proposed project will have a significant impact on the environment, and that the MND reflects the Lead Agency's independent judgment and analysis. The Final MND is attached as Exhibit A.

Additionally, the State CEQA guidelines (CCR, sec 15097) require public agencies adopting an IS/MND to adopt a program for monitoring or reporting to ensure that mitigation measures in the IS/MND are implemented to mitigate or avoid potentially significant environmental impacts. The Mitigation Monitoring and Reporting Program (MMRP) is incorporated into the Final MND in Exhibit A.

All the above documentation, including other materials that constitute the record of proceedings upon which the Lead Agency decision is based, is on file at the Santa Clarita Valley Water Agency, 26521 Summit Circle, Santa Clarita, CA 91350 and on the yourscvwater.com website Document Library web page at: <https://yourscvwater.com/wp-content/uploads/2022/06/Well-205-Final-MND.pdf> and a paper copy may be obtained by contacting the Executive Assistant, Elizabeth Adler at eadler@scvwa.org.

The proposed actions are a resolution adopting the Well 205 Groundwater Treatment Project IS/MND and adopting a resolution to approve a purchase order to Kennedy/Jenks for engineering services for the final design of the Well 205 Groundwater Treatment Project. The whole of the action also includes the operation of the Project. The term "Project" in CEQA refers to the whole of an action and to the underlying activity being approved, not to each governmental approval. (CEQA Guideline §15378(a), (c)–(d).) This definition ensures that the action reviewed under CEQA is not the approval itself but the development or other activities that will result from the approval.

PUBLIC OUTREACH

On July 31, 2021, SCV Water staff and consultants met remotely with the Woodlands Homeowners Association (HOA) Board and residents, who live close to the project site, to present general project information, exhibits and views of the proposed project, and an invitation for residents to submit questions and comments. At a follow-up meeting with the HOA president and one board member on April 29, 2022, SCV Water presented responses to questions raised at the July 21, 2021, meeting.

On July 7, 2022, the Engineering and Operations Committee considered staff's recommendation to approve a resolution adopting the Initial Study-Mitigated Negative Declaration under the California Environmental Quality Act and a resolution authorizing a purchase order to Kennedy/Jenks Consultants for final design services for the Well 205 Groundwater Treatment project.

FINANCIAL CONSIDERATIONS

The Project is included in the Agency's FY 2022/23 Budget. The final design services will be performed on a time and materials basis with a not-to-exceed amount of \$520,000.

RECOMMENDATIONS

The Engineering and Operations Committee recommends that the Board of Directors approve a resolution adopting the Well 205 Groundwater Treatment Project Initial Study/Mitigated

Negative Declaration (State Clearinghouse [SCH] No. 2022040340) and a resolution authorizing a purchase order to Kennedy/Jenks Consultants for an amount not to exceed \$520,000 for final design engineering services for the Well 205 Groundwater Treatment project.

Attachments

M65

RESOLUTION NO. SCV-XXX

RESOLUTION OF THE SANTA CLARITA VALLEY WATER AGENCY BOARD OF DIRECTORS ADOPTING THE MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT FOR THE WELL 205 GROUNDWATER TREATMENT PROJECT

WHEREAS, the Santa Clarita Valley Water Agency (SCV Water) determined that remediated groundwater is an important component of future water supplies; and

WHEREAS, the proposed Well 205 Groundwater Treatment Project (Project) is a component of the 2020 Urban Water Management Plan; and

WHEREAS, an Initial Study for the Project has been completed pursuant to CEQA which identifies potentially significant effects on the environment which would result from the Project, and concludes that these impacts can be avoided or reduced to a level of insignificance with adoption and implementation of certain mitigation measures therein identified and listed; and

WHEREAS, based on the Initial Study, a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Plan was prepared in accordance with CEQA, which finds that any potentially significant environmental effects of the proposed project would be sufficiently mitigated to a level of insignificance with implementation of mitigation measures specified therein; and

WHEREAS, in accordance with State CEQA Guidelines Section 15072(b), on April 19, 2022, SCV Water mailed a Notice of Intent to Adopt the Draft MND to all responsible and reviewing agencies, the Office of Planning and Research, and members of the public that have requested notice; the Agency also published the Notice of Intent to Adopt the Draft MND in the *Santa Clarita Valley Signal*, a newspaper of general circulation; and

WHEREAS, as required by State CEQA Guidelines section 15072(d), the Notice of Intent to Adopt the Draft MND was concurrently posted by the Clerk of the Board for the County of Los Angeles; and

WHEREAS, in accordance with State CEQA Guidelines section 15073, the Draft MND was circulated for at least 30 days, from April 19, 2022, through May 19, 2022; and

WHEREAS, SCV Water received two written public comments from the public or reviewing agencies during the comment review period; and

WHEREAS, SCV Water has responded to these two comments and has included the responses herein; and

WHEREAS, the Final MND, MMRP and public comment responses is on file at the Santa Clarita Valley Water Agency, 26521 Summit Circle, Santa Clarita, CA 91350 and on the yourscvwater.com website Document Library web page at: <https://yourscvwater.com/wp-content/uploads/2022/06/Well-205-Final-MND.pdf> and a

paper copy may be obtained by contacting the Executive Assistant, Elizabeth Adler at eadler@scvwa.org; and

WHEREAS, a notice of public meeting relating to the MND was duly given and posted in the manner and for the time frame prescribed by law, and the Engineering and Operations Committee held a public meeting on July 7, 2022, at 5:30 P.M., as part of its decision process concerning the Project; and

WHEREAS, the Engineering and Operations Committee recommended that the SCV Water Board of Directors (“Board”) approve a resolution adopting the Final MND and Mitigation Monitoring and Reporting Program (“MMRP”); and

WHEREAS, a notice of public meeting relating to the MND was duly given and posted in the manner and for the time frame prescribed by law, and the SCV Water Board held a public meeting on the Project on August 2, 2022, at 6:00 P.M., as part of its decision process concerning the Project, at which time all persons wishing to comment in connection the MND were heard; and

WHEREAS, no comments made during the public review period, and no additional information submitted to SCV Water have produced substantial new information requiring recirculation of the MND or additional environmental review of the Project under State CEQA Guidelines section 15073.5; and

WHEREAS, all the requirements of the Public Resources Code and the State CEQA Guidelines have been satisfied in connection with the preparation of the MND, which is sufficiently detailed so that all of the potentially significant environmental effects of the Project, as well as feasible mitigation measures, have been adequately evaluated; and

WHEREAS, the SCV Water Board reviewed the IS/MND and MMRP; and

WHEREAS, the SCV Water Board, acting as a Lead Agency, will need to adopt the MND; and

WHEREAS, the SCV Water Board has determined that the proposed Project can be approved because there is no substantial evidence in light of the whole record that the Project may have a significant effect on the environment; and

WHEREAS, the SCV Water and its Board have considered all of the information presented to it as set forth above and this Resolution and action taken hereby is a result of the Board’s independent judgment and analysis.

NOW, THEREFORE, BE IT RESOLVED that the SCV Water Board does hereby find and determine as follows:

SECTION 1. RECITALS. The SCV Water Board finds that the foregoing recitals are true and correct and are incorporated herein as substantive findings of this Resolution.

SECTION 2. COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT. As a decision-making body for the Project, the SCV Water Board has reviewed and considered the information contained in the MND, comments received,

and other documents contained in the administrative record for the Project. Based on the Agency's independent review and analysis, the SCV Water Board finds that the MND and administrative record contain a complete and accurate reporting of the environmental impacts associated with the Project, and that the MND has been completed in compliance with CEQA and the State CEQA Guidelines.

SECTION 3. FINDINGS ON ENVIRONMENTAL IMPACTS. Based on the whole record before it, including the MND, the administrative record, and all other written and oral evidence presented to the SCV Water Board, the SCV Water Board finds that all environmental impacts of the Project are either less than significant or can be mitigated to a level of less than significant under the mitigation measures outlined in the MND and the MMRP. The SCV Water Board finds that substantial evidence fully supports the conclusion that no significant and unavoidable impacts will occur and that, alternatively, there is no substantial evidence in the administrative record supporting a fair argument that the Project may result in any significant environmental impacts. The SCV Water Board finds that the MND contains a complete, objective, and accurate reporting of the environmental impacts associated with the Project and reflects the independent judgment and analysis of the SCV Water Board.

SECTION 4. ADOPTION OF THE MITIGATED NEGATIVE DECLARATION. The SCV Water Board hereby approves and adopts the MND as the Lead Agency.

SECTION 5. ADOPTION OF THE MITIGATION MONITORING AND REPORTING PROGRAM. In accordance with Public Resources Code section 21081.6, the SCV Water Board hereby adopts the MMRP, attached hereto as Exhibit "A". In the event of any inconsistencies between the Mitigation Measures as set forth in the MND and the MMRP, the MMRP shall control.

SECTION 6. LOCATION AND CUSTODIAN OF RECORDS. The documents and materials associated with the Project and the MND that constitute the record of proceedings on which these findings are based are located at the offices of the Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Rd, Santa Clarita, CA 91350. The Custodian of Record is April Jacobs.

SECTION 7. NOTICE OF DETERMINATION. The SCV Water hereby directs staff to prepare, execute, and file a Notice of Determination with the Los Angeles County Clerk's office and the Office of Planning and Research within five (5) working days of adoption of this Resolution.

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RESOLUTION NO. SCV-XXX

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY AUTHORIZING A
PURCHASE ORDER TO KENNEDY/JENKS CONSULTANTS FOR FINAL DESIGN
SERVICES FOR THE WELL 205 GROUNDWATER TREATMENT PROJECT**

WHEREAS, Santa Clarita Valley Water Agency (Agency) determined that Well 205 will need Perchlorate and Volatile Organic Compounds (VOC) Treatment; and

WHEREAS, the planning services have been successfully completed by Kennedy/Jenks, Consultants; and

WHEREAS, the proposed Well 205 Groundwater Treatment Project (Project) will include installation of a new perchlorate ion exchange treatment system, VOC treatment train, backwash system, and various appurtenances; and

WHEREAS, all the requirements of the Public Resources Code and the State CEQA Guidelines have been satisfied in connection with the preparation of a Mitigated Negative Declaration (MND), which is sufficiently detailed so that all the potentially significant environmental effects of the Project, as well as feasible mitigation measures, have been adequately evaluated; and

WHEREAS, the SCV Water Board reviewed the MND; and

WHEREAS, the SCV Water Board, acting as a Lead Agency, adopt the MND at a regular Board meeting on August 2, 2022; and

WHEREAS, it is in the Agency's best interest that the Board of Directors, on behalf of SCV Water, authorize its General Manager to authorize a Purchase Order in the amount not to exceed \$520,000 to Kennedy/Jenks Consultants for final design services.

NOW, THEREFORE, BE IT RESOLVED that the SCV Water Board does hereby find and determine as follows:

SECTION 1. RECITALS. The SCV Water Board finds that the foregoing recitals are true and correct and are incorporated herein as substantive findings of this Resolution.

SECTION 2. LOCATION AND CUSTODIAN OF RECORDS. The documents and materials associated with the project that constitute the record of proceedings on which these findings are based are located at the offices of the Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Rd, Santa Clarita, CA 91350. The Custodian of Record is April Jacobs.

RESOLVED FURTHER that the SCV Water's Board of Directors does authorize its General Manager to accept said proposal and does therefore authorize the SCV Water's General Manager to issue a Purchase Order to Kennedy/Jenks Consultants for the Final Design of Well 205 Groundwater Treatment Project (Project), for an amount not to exceed \$520,000.

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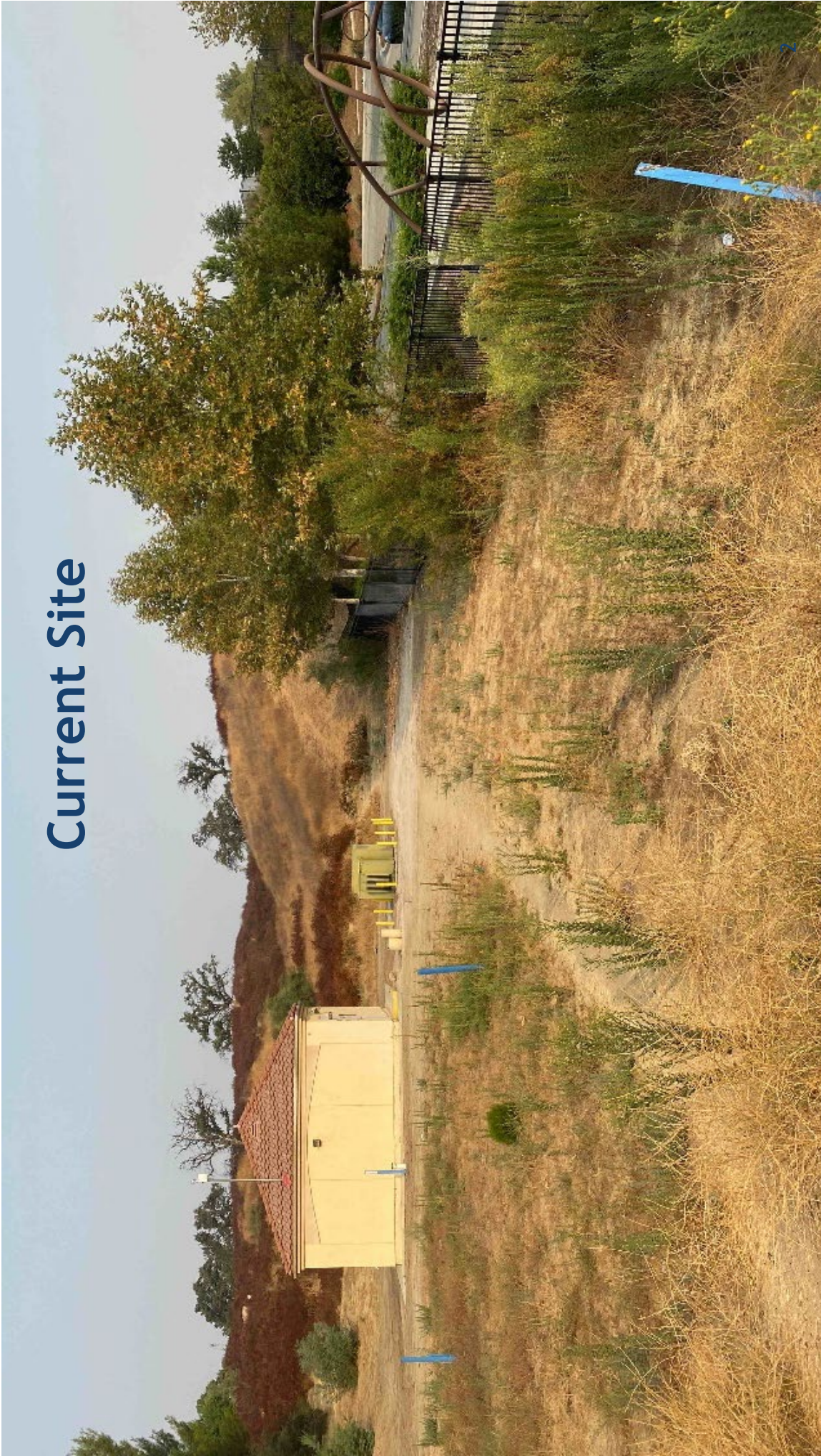
SCV
WATER

August 2, 2022

CEQA and Final Design Services for Well 205 Groundwater Treatment Project

Board Meeting

Current Site



Background

- Valencia Water Company constructed Well 205 in 2000.
- Capacity 2,700 gpm
- Disinfection only treatment
- Perchlorate detected in 2012.
 - Currently above MCL
- Voluntarily taken out of service.
- VOCs subsequently detected at trace levels.
- Followed NCP / CERCLA protocols
- Kennedy Jenks performed planning and predesign study

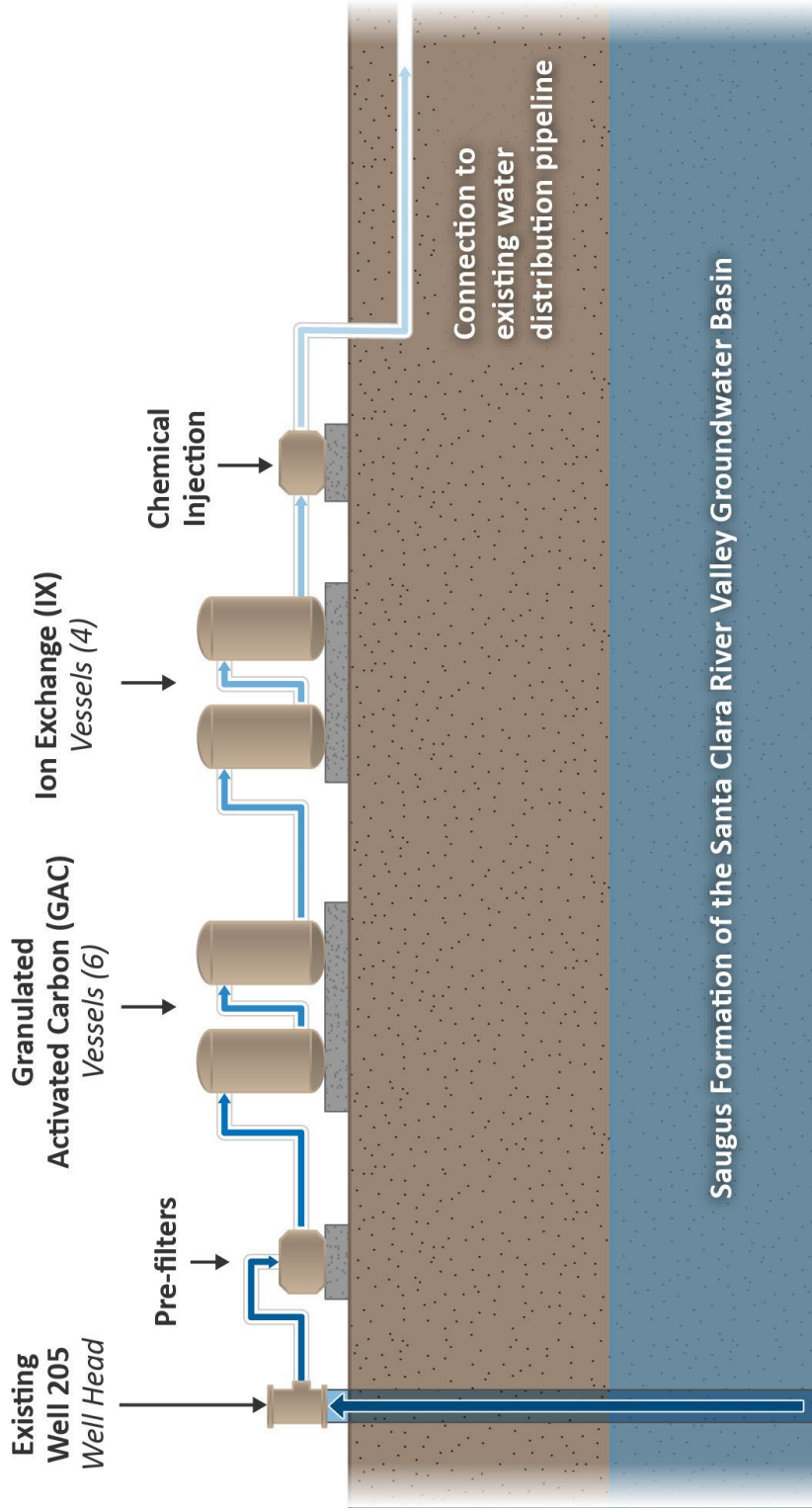


Proposed Remedy

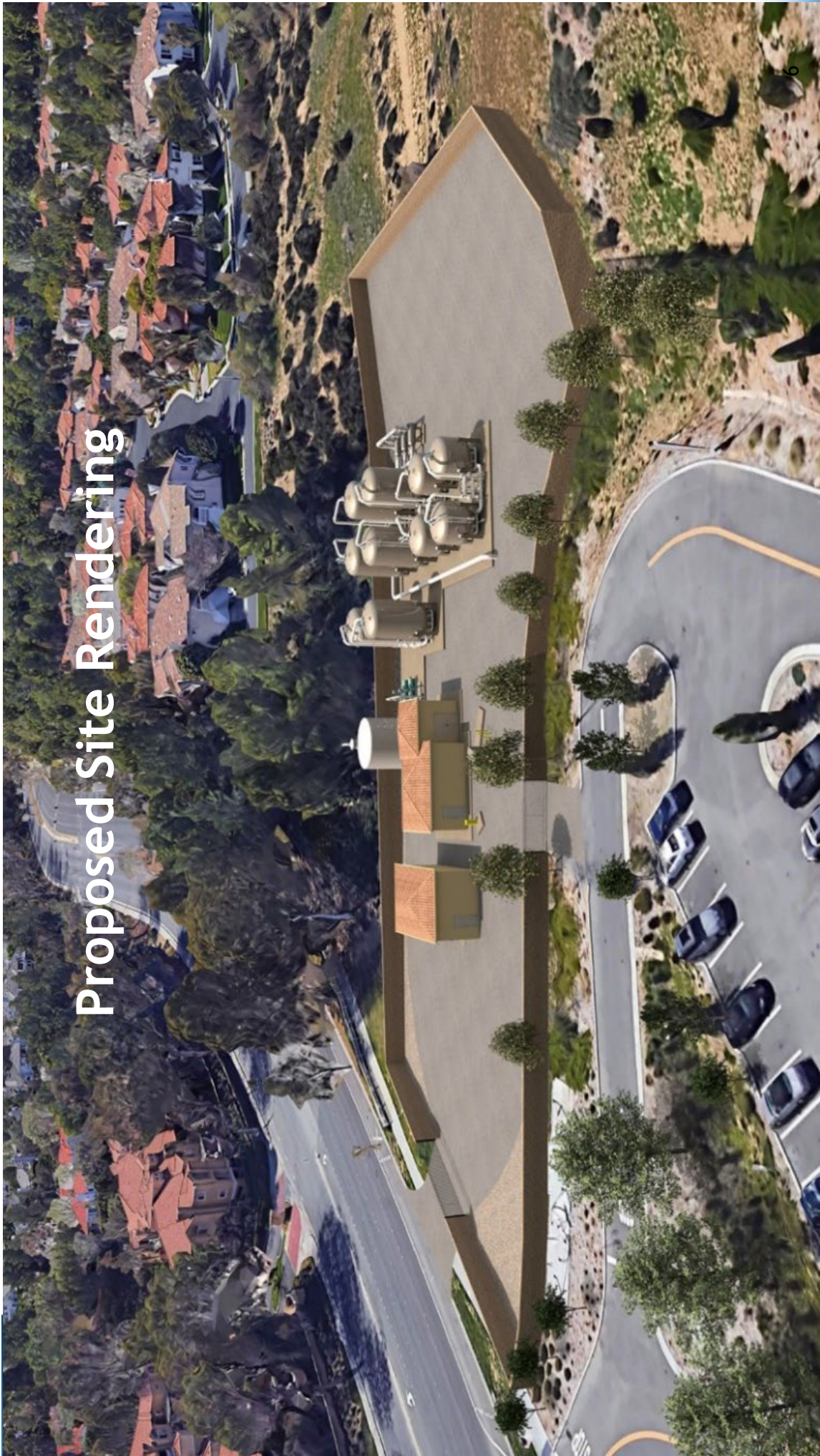
- Maintain 2,700 gpm capacity
 - Maximize flexibility to contain plume
- Construct treatment systems.
- Pretreatment
 - Prefilters
- Perchlorate removal
 - Ion exchange
- VOCs removal
 - Granular Activated Carbon (GAC)
- Upgraded disinfection
 - Chloramines



Process Flow



Proposed Site Rendering



CEQA

- Initial Study/Mitigated Negative Declaration properly advertised and circulated April 17-May 17, 2022.
- Two comments received.
 - Cal Trans
 - California Department of Fish and Wildlife
- Comments addressed.
- All findings were
 - Less than significant with mitigation incorporated,
 - Less than significant impact, or
 - No impact



Well 205 Groundwater Treatment Project

Schedule

- Purchase Order Award:
 - July 7, 2022: Engineering and Operations Committee
 - August 2, 2022: Board Meeting
- Design: August 2022 - July 2023
- Bidding/Award: September 2023 - November 2023
- Construction: January 2024 - June 2025



Well 205 Groundwater Treatment Project Recommendations

The Engineering and Operations Committee recommends that the Board of Directors approve:

1. A resolution adopting the Well 205 Groundwater Treatment Project Initial Study/Mitigated Negative Declaration (State Clearinghouse [SCH] No. 2022040340); and
2. A resolution authorizing a purchase order to Kennedy Jenks Consultants for an amount not to exceed \$520,000 for final design engineering services for the Well 205 Groundwater Treatment project.



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BOARD MEMORANDUM

DATE: July 14, 2022

TO: Board of Directors

FROM: Dirk Marks *DM*
Interim Director of Water Resources

SUBJECT: Authorize the General Manager to Enter into an Agreement with GSI Water Solutions, Inc. for the First Year of Groundwater Sustainability Plan Implementation

SUMMARY

With completion of the SCV-GSA's Groundwater Sustainability Plan (GSP) in January 2022, SCV-GSA work efforts now transition to GSP implementation. This requires consultant support to address data collection and management needs, analysis, and outreach. Staff recommends SCV Water procure professional services from GSI Water Solutions, Inc. to provide technical support for implementation of the GSP with a not to exceed contract amount of \$200,000. GSI has extensive knowledge of the GSP, the groundwater flowmodel, and the public outreach process and successfully completed preparation of the GSP.

DISCUSSION

In January 2022, consistent with the Sustainable Groundwater Management Act (SGMA), the SCV-GSA adopted the first GSP for our local groundwater basin. Adoption of this plan came after over 3 years of plan development and coordination with its member agencies and stakeholders.

The GSP carefully examined basin history, including groundwater levels, pumping patterns, and historical land uses. It also considers future pumping plans (used in the 2020 Urban Water Management Plan), and incorporates climate change considerations and basin metrics (called Sustainable Management Criteria).

To obtain needed information, perform the associated analysis, identify potential adaptive management actions, and pursue other ongoing implementation work, consultant services are necessary.

Given the complexity of the work effort to be undertaken under this first year, staff sought and received a proposal from GSI Water Solutions, Inc. (GSI) to assist with the first-year of GSP implementation. A description of the anticipated work is discussed briefly below and in more detail in the attached proposed Scope of Work. Staff has concluded that contracting with GSI would be the most cost-effective means to accomplish this work given that GSI was the primary technical consultant during the development of the GSP and it has a proven track record and specialized experience to efficiently support GSP implementation.

The GSI proposal is composed of the following three tasks.

Task 1- Establish Ongoing Monitoring Program and Protocols

This task considers several existing data sources required for the GSP and develops protocols to accept them and check them for data quality to ensure data in the database remains of high quality. GSI will work with SCV Water, and/or a data consultant to facilitate housing the data in a data management system. Protocols for analysis and collection of data for Land Subsidence monitoring are also included. Wellhead reference point elevation truthing is also included, with SCV Water collecting the elevation data and GSI using it to correct any reference point elevations and review existing sustainable management criteria to determine if refinements based on new elevation data are needed. Support to ESA is also included for work it will conduct for upland GDE investigations. Also support to CV Strategies for a domestic water quality monitoring program is included, as well as support to CV Strategies for a non-de minimis (>2-acre feet extraction per year) metering program.

Task 2 – Perform Ongoing Monitoring, Reporting, and Outreach

This task includes evaluation of monitoring data including for water levels, water quality, surface water flow, and land surface elevations. It includes evaluation of data and reporting of it relative to basin metrics. It also includes development of the state-required annual report and associated analysis and data uploads to the state.

Task 3 – Meetings and Project Management

This task captures meetings and project management hours for all the subtasks in the proposal, as well four GSA staff meetings, two board meetings, and bimonthly phone calls with SCV Water.

No other on-call services are proposed at this time but may be added later, if warranted.

The SCV-GSA's Board utilizes the contracting approaches employed by SCV Water and in this case, its board is also required to authorize execution of consultant contracts in excess of \$100,000. At its June 30, 2022, meeting, the SCV GSA adopted its FY2022/2023 budget that includes funding a first-year contract for GSI to implement the GSP for a not to exceed value of \$200,000.

On July 13, 2022, the Water Resources and Watershed Committee considered staff's recommendation to authorize the General Manager to enter into an agreement with GSI Water Solutions, Inc. for the First Year of Groundwater Sustainability Plan Implementation.

FINANCIAL CONSIDERATIONS

Funding for the proposed scope of work is included in the FY 2022/23 Water Resources Department Operating Budget.

RECOMMENDATIONS

The Water Resources and Watershed Committee recommends that the Board of Directors authorize the General Manager to enter into an agreement with GSI Water Solutions, Inc. for the First Year of Groundwater Sustainability Plan Implementation.

Attachment

MBS



Scope of Work and Fee Estimate

To: Rick Viergutz, Santa Clarita Valley Water Agency

From: Jeff Barry, GSI Water Solutions, Inc.
John Porcello, GSI Water Solutions, Inc.
Michael McAlpin, GSI Water Solutions, Inc.

Date: June 30, 2022

RE: Proposed Scope of Work for Santa Clarita Valley Groundwater Sustainability Agency
Year 1 Groundwater Sustainability Plan Implementation

Introduction

GSI Water Solutions, Inc. (GSI), is pleased to present this proposed scope of work to help the Santa Clarita Valley Groundwater Sustainability Agency (SCV-GSA) implement projects and management actions outlined in the SCV-GSA Groundwater Sustainability Plan (GSP) within the first year following adoption of the GSP.

Scope of Work

The tasks below describe GSI's proposed scope of work to help the SCV-GSA begin to implement the monitoring program and management actions outlined in the Santa Clara River Valley Groundwater Basin, East Subbasin (Basin) GSP within the first year following adoption of the GSP. Task 1 includes developing the programs and protocols for collecting and compiling the various sets of data that are included in the GSP monitoring program. It also includes developing the approach to addressing some of the data gaps discussed in the GSP. Task 2 includes conducting routine monitoring, evaluation, and reporting of water levels, surface water flow, subsidence, and water quality data and it includes preparation of the annual report that must be submitted to the California Department of Water Resources (DWR) by the end of March 2023. Task 3 includes GSI participation in SCV-GSA Staff meetings and SCV-GSA Board of Directors meetings.

Task 1 – Establish Ongoing Monitoring Program and Protocols

The monitoring programs described in the Basin's GSP are based primarily on existing monitoring programs. The types of data that are of particular interest include:

- Groundwater levels
- Surface water flow
- Groundwater and surface water quality
- Subsidence
- Extractions
- Groundwater-dependent ecosystems (GDEs) within the identified GDE areas

Subtask 1.1 – Groundwater Level, Surface Water Flow, and Groundwater and Surface Water Quality Monitoring Protocols

Existing monitoring programs in the Basin include the following entities and agencies:

- Santa Clarita Valley Water Agency (SCV Water) groundwater elevation and water quality monitoring programs
- County of Los Angeles (LA County) Waterworks District 36 groundwater production well monitoring
- LA County Flood Control District Groundwater Elevation monitoring
- LA County Department of Public Works (LACDPW) streamflow gauging and land surface elevation benchmarks
- U.S. Geological Survey streamflow monitoring
- CASGEM – Santa Clara River Valley Basin – Santa Clara River Valley East
- University NAVSTAR Consortium (UNAVCO) Plate Boundary Observatory
- California Drinking Water Watch
- Department of Toxic Substances Control (Whittaker-Bermite)
- Santa Clarita Valley Water Agency Salt and Nutrient Management Plan monitoring
- Santa Clarita Valley Sanitation District of LA County
- FivePoint LLC and other private pumpers
- De minimus well owners
- Online data sources for InSAR and Enhanced Vegetation Index (EVI) satellite imagery

Each agency or entity above uses different data collection and reporting protocols and has different monitoring and reporting timelines. GSI will develop protocols and regularly acquire the data from each source with a focus on consistency, efficiency, and minimizing potential for data loss, duplication, or unintentional manipulation due to any format or platform discrepancies. Other monitoring elements such as frequency of monitoring and data collection, data storage, and data management will also be reviewed by GSI so that we establish a repeatable process for obtaining and processing data in the future. GSI will work with the SCV-GSA's data management team to standardize how the data are received, establish what Qa/Qc protocols will be followed prior to importation into the DMS, and develop standardized reports for selected sets of information. GSI will also review the FivePoint data sharing agreement and attend monthly data sharing meetings as directed by the SCV-GSA.

Subtask 1.2 – Land Subsidence Monitoring Protocols

Prior to development of the Basin's GSP, land subsidence data had not been compiled and evaluated to assess the effects of groundwater extraction on land surface elevations. Land surface elevation data are available from Interferometric Synthetic Aperture Radar (InSAR), UNAVCO CGPS SKYB (located north of the San Gabriel fault and separated from the main area of the Basin where municipal pumping occurs), and from LA County for elevation benchmarks located in the Basin. The SCV-GSA plans to conduct additional monitoring of land surface elevations at selected key locations on a bi-annual basis. InSAR data, land surface elevation data previously collected by LA County, and the additional subsidence benchmark data will be assessed annually for indications that subsidence is occurring.

LACDPW has a network of over 100 benchmarks in the Basin as part of a larger survey network in LA County. LACDPW surveys these benchmarks approximately every 6 years (last surveyed in 2018). The SCV-GSA plans to use a combination of InSAR data and measured land surface elevation data at selected LA County benchmarks for the monitoring locations for the Basin's land subsidence monitoring program. The SCV-GSA intends to monitor subsidence twice annually at locations where future groundwater level declines could cause subsidence and damage critical infrastructure. Benchmark locations used by LA County will be identified for monitoring ground surface elevations at locations where the largest changes in groundwater levels are expected and where critical

infrastructure exists. GSI will work with SCV-Water and LA County to determine which benchmarks are most suitable and to establish monitoring protocols that the SCV-GSA will follow. In addition, GSI will correlate datums that have been used in the past by LA County with datums established by the SCV-GSA so that the two datasets are consistent.

It is assumed that SCV-Water will identify locations of critical infrastructure within the Basin. Referencing the location information of critical infrastructure, GSI will work with LA County to identify existing benchmarks to be included in the Basin's land subsidence monitoring network. GSI will also coordinate with LA County to understand control points for the existing monitoring network, as well as vertical datum(s) that have been used historically. Using the identified LA County benchmarks and available InSAR data, GSI will develop a land subsidence monitoring plan for the Basin. The plan will include monitoring frequency of the LA County benchmarks as well as protocols for downloading and reviewing InSAR data.

Subtask 1.3 – Wellhead Reference Point Elevation Survey

A survey of the reference point elevations is needed for all existing and planned new wells that are part of the Basin's groundwater level monitoring program. This is needed because not all wells in the program have been surveyed and because different datums have been used in the past. The planned reference point survey will ensure that all groundwater level data are referenced to the same vertical datum in the future. Further, some elevation surveys in the riverbed near GDE monitoring wells will be needed to better determine depth to groundwater beneath the riverbed.

The reference point elevation surveys will be completed by SCV Water. Following completion of the reference point elevation survey, GSI will review the results of the survey for completeness relative to existing water level data and correct reference point and groundwater elevation information. GSI will also review the results of the Light Detection and Ranging (LiDAR) survey completed by ESA for the Water Resiliency program and identify discrepancies with other elevation data for river thalweg and GDE monitoring sites. The data from both surveys will be made available for importation into the DMS. In addition, GSI will use these data to update land surface and groundwater elevations in the groundwater model in order to generate new hydrographs for predicted future water levels at representative well locations. This exercise will also include review of minimum thresholds, measurable objectives, and trigger levels for groundwater levels established in the GSP and reconciling those elevations with new water level elevations based on the new reference point survey information. GSI will produce a table showing original and updated groundwater elevation minimum thresholds, measurable objectives, and GDE trigger levels for each representative well.

Subtask 1.4 – Upland (Potential) GDE Verification

Potential GDEs were identified in upland areas (e.g., Placerita Canyon, Savannah Oaks area) outside the main Santa Clara River channel and tributaries. Comments received from the SCV-GSA Stakeholder Advisory Committee on the Basin's GSP indicated additional field verification of these areas is desired; specifically, assessment of geology and groundwater elevations to determine whether these areas should be included in the ongoing GDE monitoring program.

GSI will assess groundwater elevations and geology in the areas of potential GDEs identified by Environmental Science Associates (ESA) in the Basin's uplands, and complete the following steps:

1. Coordinate with ESA who has a separate contract with the SCV-GSA to perform a biological survey of the potential GDE areas to identify existing plant and animal communities.
2. Conduct a review of available historical publications, available well logs, and nearest groundwater level data for the potential GDE areas not identified in the GSP, if any.
3. Use enhanced vegetation index data (EVI, time series, and map view) for the potential GDE areas as a screening tool to assess historical changes in area vegetation annually during the summer.

4. Estimate the depth to groundwater in the areas using nearest well data, if any, and the groundwater flow model.
5. Provide an opinion about whether the potential GDEs are supported by groundwater in a principal aquifer that can be affected by pumping in the Basin.

GSI will provide pertinent information and text regarding the geologic setting and groundwater conditions to ESA who will prepare a report to the SCV-GSA under a separate contract.

Subtask 1.5 – Domestic Water Quality Monitoring Program

Some well operators are considered de minimis extractors (meaning a person who extracts, for domestic purposes, 2 acre-feet or less per year). Domestic wells are presently not included in existing groundwater quality or water level monitoring programs in the Basin. Because this group of groundwater users may be affected by groundwater management actions initiated by the SCV-GSA in some areas of the Basin, it will be necessary to establish (1) where there are domestic wells that could be affected by groundwater management actions and (2) a water quality sampling program for selected wells to establish a baseline data set for domestic well water quality and water levels. Once the baseline has been established, specific needs for future water quality sampling will be better understood.

The number of de minimis extractors in the Basin are not known with a high degree of accuracy but are estimated to reflect approximately 500 acre-feet per year extraction. GSI's scope of work for this subtask is to attempt to identify the number and location of de minimis wells in the Basin. Aerial photography and Google Earth will be used to identify properties and homes that are not served by SCV Water. The results of this evaluation will be presented in a technical memorandum and on a map. GSI will assist CV Strategies with identifying general areas within the Basin for outreach where domestic wells may be located that could provide useful data and/or be affected by groundwater management actions. GSI will provide CV Strategies with descriptions of the information that would be requested from the domestic well owners as part of the outreach effort.

Prior to enrollment into the proposed domestic well monitoring program, GSI will complete a review of candidate well locations and well construction information, review the wells with the SCV-GSA, and provide recommendations of wells to be enrolled. The review will allow the SCV-GSA to understand the spatial coverage and aquifer coverage of the domestic well monitoring network and minimize duplication of data points while ensuring the program collectively represents domestic well users.

GSI will develop a monitoring plan to measure groundwater levels and water quality in domestic wells enrolled in the domestic well monitoring program as a result of the outreach completed by CV Strategies.

Subtask 1.6 – Non-De Minimis Metering and Reporting Program

The GSP outlined a program that would require all non-de minimis extractors to report extractions annually and use a water-measuring method satisfactory to the SCV-GSA in accordance with Water Code § 10725.8. Non-de minimis extractors include, but may not be limited to, agricultural wells, golf course wells, and other non-municipal supply wells. It is anticipated that the SCV-GSA plans to develop a policy to implement this program. The information collected would be used to account for pumping, to analyze projected basin conditions, and to complete annual reports and 5-year GSP assessment reports.

GSI, with input from SCV-GSA and CV Strategies, will develop a Non-De Minimis Well Registration and Well Meter Installation/ Extraction Measurement Program, which will include the following steps:

- 1) Develop an inventory of non-de minimis well and meter information using existing data sources. We expect the number of non-de minimis wells to be on the order of 10-15 based on past outreach during GSP Development. This effort will include review of the well inventory database developed in conjunction

with GSP preparation and any additional non-de minimis wells identified through CV Strategies outreach effort (Step 3).

- 2) Research existing well registration and metering programs that are currently being implemented in other water agencies and prepare a summary memorandum. The summary memorandum would include example well registration forms and extraction reporting forms used by others. Coordinate with GSA Staff to obtain Board of Directors input on a well registration and metering approach.

Working with CV Strategies, hold a workshop with the SCV-GSA and stakeholders to share the approach to the proposed Non-De Minimis Metering and Reporting Program and get stakeholder feedback. Workshop topics would include a discussion of how extraction data would be used for the GSP and why it is needed for our local GSP, what data would be collected and used, and feedback on the proposed Non-De Minimis Metering and Reporting Program Document. GSI understands that the SCV-GSA would develop any forms following workshops.

Task 2 – Perform Ongoing Monitoring, Reporting, and Outreach

Subtask 2.1 – Ongoing Water Level, Surface Water Flow, and Land Surface Elevation Monitoring

GSI will request monitoring data for water levels, surface water flow, and land surface elevations from the Basin’s DMS in accordance with the Basin’s monitoring plans described in Task 1 above. To reduce costs the proposed approach does not reinvent reports normally pulled from the DMS, unless necessary. The philosophy is a standard set of reports will be prepared each quarter and can quickly be reviewed by anyone who has them.

GSI will review water level and river flow data quarterly, or at a frequency consistent with when data are available from the existing programs, by SCV-Water. Ground surface elevation data collected by SCV Water and InSAR data obtained by GSI will be reviewed by GSI two times per year as data are made available. GDE area water level monitoring and assessment will be conducted quarterly during the months of November through May and monthly from June through October as data are made available. Water quality data will be compiled on an annual basis by SCV-Water.

Water level monitoring results will be compared with established minimum thresholds and measurable objectives and presented in an email to SCV Water on a quarterly basis three times per year. Fourth quarter results will be presented in the annual report described below. Groundwater levels collected during summer months from GDE monitoring wells will be plotted versus time and compared to established GDE trigger levels. These data plots will be transmitted to SCV Water via email within 1 week of receipt of the data.

Subtask 2.2 – Domestic Water Quality and Water Level Monitoring

Once the wells to be included in the domestic well monitoring program described in Subtask 1.5 have been identified, SCV Water will complete an initial round of water quality sampling and water level monitoring to document baseline conditions in the Basin. The results from the initial monitoring event will be documented in a report of findings prepared by GSI and will be used to advise future sampling efforts and proposed domestic well monitoring program. Data collected during the event will be archived and managed by SCV Water in its DMS. Prior to finalization of the report, GSI will meet with SCV-GSA to discuss the draft findings. Information, such as well location, will be generalized. It is assumed that groundwater quality analytical results will be transmitted by SCV Water to the respective domestic well owner.

Subtask 2.3 – Prepare Annual Report

Annual reports covering the previous water years monitoring efforts are required to be submitted to DWR by April 1 of each year. In addition, DWR now requires that water level data for the previous fall and following spring be uploaded to the DWR portal. The annual reports provide required monitoring data, such as water levels, water quality, extraction volumes and trend analysis. Annual reports are made available to basin stakeholders. Annual reports discuss trends, compare monitoring data to the Basin’s sustainable management criteria, and report

management actions and projects implemented to achieve sustainability. Annual reports allow promotion of best water use practices.

GSI has developed the following scope of work based on our understanding of the requirements as outlined in the SGMA Emergency Regulations and our experience preparing the previous SCV-GSA annual report. Several discrete data sets are required to be included in the annual report for each water year, including the following:

- Groundwater elevations for each principal aquifer
- Groundwater extraction volumes
- Groundwater quality
- Surface water supply and usage volumes (currently not applicable to the Basin)
- Total water-use volumes
- Status of subsidence monitoring
- Changes in the volume of groundwater in storage

GSI will prepare an initial administrative draft report for SCV-GSA staff review and will finalize the report once comments are received. The report will be based on data collected and the analysis performed as described above, on other data that may become available, and on ongoing discussions with the SCV-GSA staff. The report will also include a discussion of progress toward addressing data gaps and meeting sustainability goals. The report and monitoring network data will be uploaded to the DWR portal once approved by the SCV-GSA Board. Water level data for the following spring (2023) will be compiled and submitted to DWR through the portal.

Task 3 – Meetings and Project Management

GSI has budgeted for ongoing project management and the following meetings and calls with SCV staff: four SCV-GSA staff meetings, bi-monthly phone calls, and two Board meetings.

Task 4 – On-Call Services

No On-Call services have been identified at this time. SCV-Water may amend the scope and budget for this task, if warranted.

Fee Estimate

GSI's proposed budget to complete the tasks on a time-and-materials basis is \$200,000, as shown in the following table. Our standard rate sheet for this project is attached.

Tasks	Labor Hours	Labor Cost	Direct Expenses	Total
Task 1 - Establish Ongoing Monitoring Program and Protocols	405	\$74,000	\$0	\$74,000
Subtask 1.1 - Groundwater Level, Surface Water Flow, Groundwater and Surface Water Quality Monitoring Protocols	105	\$20,400	\$0	\$20,400
Subtask 1.2 - Land Subsidence Monitoring Protocols	55	\$9,900	\$0	\$9,900
Subtask 1.3 - Wellhead Reference Point Elevation Survey	70	\$14,900	\$0	\$14,900
Subtask 1.4 - Upland (Potential) GDE Verification	40	\$7,000	\$0	\$7,000
Subtask 1.5 - Domestic Water Quality Monitoring Program	75	\$11,800	\$0	\$11,800
Subtask 1.6 - Non-De Minimis Metering and Reporting Program	55	\$10,000	\$0	\$10,000
Task 2 - Perform Ongoing Monitoring, Reporting, and Outreach	535	\$92,300	\$500	\$92,800
Subtask 2.1 - Ongoing Water Level, Surface Water Flow, and Land Surface Elevation Monitoring	180	\$30,800	\$500	\$31,300
Subtask 2.2 - Domestic Water Quality Monitoring	85	\$14,500	\$0	\$14,500
Subtask 2.3 - Prepare Annual Report	270	\$47,000	\$0	\$47,000
Task 3 - Meetings and Project Management	170	\$32,600	\$600	\$33,200
Project Totals	1,105	\$198,900	\$1,100	\$200,000

Assumptions

The presented scope of work and fee estimate includes the following assumptions:

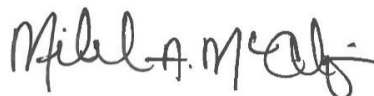
- SCV-GSA data management team will work with the Basin DMS host to develop protocols and templates for data uploads and downloads
- SCV-Water will plan, coordinate, and conduct the wellhead RPE survey
- The SCV-GSA and CV Strategies will plan for and complete all public outreach efforts and public workshops for the Domestic Water Quality Monitoring Program
- To meet proposed deliverable deadlines, GSI will be provided data necessary to draft reports, figures, and tables in a timely manner
- Data management associated with the tasks described above will be completed by SCV-Water, the Basin DMS host, or the appropriate responsible entity
- DMS data requests, made by GSI to complete the tasks described above, will be delivered in a timely manner, complete, and have gone through a Qa/Qc process

We thank you for your consideration of this proposal and look forward to continuing to work with you in the future.

Sincerely,
GSI Water Solutions, Inc.



Jeff Barry
Principal Hydrogeologist



Michael McAlpin, PG
Consulting Hydrogeologist



BOARD MEMORANDUM

DATE: July 19, 2022
TO: Board of Directors
FROM: Rochelle Patterson *RP*
Director of Finance and Administration
SUBJECT: Approve a Resolution Authorizing FY 2022/23 Water Supply Contract Payments

SUMMARY AND DISCUSSION

The Agency has received the Department of Water Resources (DWR) 2023 Statement of Charges. This invoice has been combined with the 2022 Statement of Charges to develop the attached resolution authorizing contract payments during FY 2022/23. The fixed charges total \$24,827,586, as shown in the attachment. The variable charges depend on the water deliveries during the course of the year, but are estimated not to exceed \$9,000,000.

Due to the timing of the DWR statement of charges, which usually becomes available annually in July, the attached resolution authorizes the July 2023 payment in June 2023.

On July 18, 2022, the Finance and Administration Committee considered staff's recommendation to approve a resolution authorizing FY 2022/23 water supply contract payments.

FINANCIAL CONSIDERATIONS

DWR payments are fully funded by Agency-set property tax revenues received from Los Angeles and Ventura Counties.

RECOMMENDATION

The Finance and Administration Committee recommends that the Board of Directors adopt the attached resolution authorizing the General Manager to disburse funds from the State Water Contract Fund, subject to adjustments, in a timely manner to meet the Water Supply Contract and Devil Canyon-Castaic Contract payment obligations due during FY 2022/23.

RP/ed

Attachments

M65

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RESOLUTION NO. SCV-___

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
AUTHORIZING WATER SUPPLY CONTRACT PAYMENTS
FOR FISCAL YEAR 2022/23**

WHEREAS, the Castaic Lake Water Agency on April 30, 1963 contracted with the State of California through the Department of Water Resources for a water supply pursuant to the California Water Resources Development Bond Act; and

WHEREAS, the Castaic Lake Water Agency on June 23, 1972 joined in the Devil Canyon-Castaic Contract, which amended payment terms of the State Water Contract to require Agency payment for debt service on bonds issued under the contract and operation and maintenance of certain facilities; and

WHEREAS, pursuant to SB 634, the Santa Clarita Valley Water Agency (SVC Water) was created on January 1, 2018 and is the successor entity to the Castaic Lake Water Agency (CLWA) and the Newhall County Water District (NCWD); and

WHEREAS, the Santa Clarita Valley Water Agency is currently entitled under the Water Supply Contract, as amended, to a total Annual Table A amount of 95,200 acre-feet; and

WHEREAS, the Water Supply Contract, as amended, requires the Santa Clarita Valley Water Agency to make payments to the Department of Water Resources for water service on account of (1) a Delta Water Charge, (2) a Transportation Charge, (3) a Devil Canyon-Castaic Contract Charge, (4) an Off-Aqueduct Power Facilities Charge as an addition to the Transportation Charge, and (5) a Water System Revenue Bond Surcharge; and

WHEREAS, pursuant to Article 29 of the Water Supply Contract and Articles 17 and 22 of the Devil Canyon-Castaic Contract, the Santa Clarita Valley Water Agency has received statements of charges embracing and detailing payments for FY 2022/23; and

WHEREAS, a summary of the charges contained in the statements is attached to this resolution and the total of the invoiced FY 2022/23 Water Supply Contract charges is \$24,827,586, plus Variable Operation, Maintenance, Power and Replacement Charges.

WHEREAS, this action also approves payment of the July 2023 Water Supply Contract charges, including Variable Operation, Maintenance, Power and Replacements Charges, in June 2023, which is required by the Water Supply Contract.

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of the Santa Clarita Valley Water Agency authorizes the General Manager to disburse funds from the State Water Contract Fund, subject to adjustments, in a timely manner to meet the Water Supply Contract and Devil Canyon-Castaic Contract payment obligations due for FY 2022/23.

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FY 2022/23 Water Supply Contract Payments

	Delta Water Charge	Transportation Charge	Devil Canyon Castaic Charge	Off-Aqueduct Power Charge	Water System Revenue Bond Surcharge	Total
August 2022	461,961	852,872	15,698	4,770	-	1,335,301
September	461,960	852,872	15,698	68,610	-	1,399,140
October	461,960	852,872	15,698	4,770	-	1,335,300
November	461,960	852,872	15,698	4,770	-	1,335,300
December	461,960	852,872	15,698	4,769	-	1,335,299
January 2023	2,216,551	1,856,768	-	8,518	1,214,727	5,296,564
February	421,019	1,056,553	-	8,518	-	1,486,090
March	421,019	1,056,553	-	72,188	-	1,549,760
April	421,019	1,056,553	-	8,518	-	1,486,090
May	421,019	1,056,553	-	8,518	-	1,486,090
June	421,019	1,056,553	-	8,518	-	1,486,090
July	2,216,551	1,856,768	-	8,518	1,214,725	5,296,562
Total	\$ 8,847,998	\$ 13,260,661	\$ 78,490	\$ 210,985	\$ 2,429,452	\$ 24,827,586

DMS #29217

Reflects Invoice 23-005-T, dated June 30, 2022

7/13/2022

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BOARD MEMORANDUM

DATE: July 19, 2022

TO: Board of Directors

FROM: Rochelle Patterson *RP*
Director of Finance and Administration

SUBJECT: Approve a Contract Amendment with Robert D. Niehaus, Inc. for Ratepayer Advocate Services

SUMMARY

On August 6, 2019, the Agency entered into a three-year contract with Robert D. Niehaus, Inc. (RDN) to serve as the Agency's Ratepayer Advocate (RPA). Staff is seeking a one-year extension of the RDN contract, as well as an increase to the compensation in the amount of (not to exceed) \$25,200, in order for the consultant to participate as the RPA in the Valencia retail capacity fee study.

DISCUSSION

In November 2018, the Agency developed a rate-setting process that included an independent RPA function consistent with the Agency Act, (Section 14(b)–14(d). The purpose of the RPA is to provide independent third-party peer review to the Board of Directors and to the public in the SCV Water rate-setting processes, which includes retail rates, wholesale rates, facility capacity fees, and retail capacity/connection fees. The Board of Directors shall not eliminate the RPA role before January 1, 2023. On and after January 1, 2023, the Board of Directors may eliminate the RPA role with an affirmative vote of four-fifths of its membership.

Over the past three years, Agency staff and RDN presented, and the Board adopted, facility capacity fees (effective July 1, 2020), retail water rates (effective July 1, 2021) and wholesale water rates (effective April 1, 2022).

In order for RDN to continue as the RPA and work with the Agency on the Valencia retail capacity fees, as well as any updates to existing fees, a contract amendment will need to be executed.

On July 18, 2022, the Finance and Administration Committee considered staff's recommendation to approve a contract amendment with Robert D. Niehaus, Inc. for ratepayer advocate services.

FINANCIAL CONSIDERATIONS

The scope of work under the existing contract has been completed. A proposal has been received in the amount of \$25,200 (not to exceed) for RPA services related to the Valencia retail capacity fees, and will be additional compensation added to the contract amendment. Funds for

the contract amendment (attached) are included in the FY 2022/23 Finance and Administration Department Budget (101-1501-53236-000).

RECOMMENDATION

The Finance and Administration Committee recommends that the Board of Directors approve the attached contract amendment, extending the RDN contract for RPA services for one-year, and adding \$25,200 (not to exceed) to the contract in order to review the Valencia capacity fee study.

RP

Attachment

M65

Agreement Number: A1920-003-16229

Amendment Number: 2

**CONTRACT AGREEMENT AMENDMENT
AMENDMENT NO. 2**

**Santa Clarita Valley Water Agency
27234 Bouquet Canyon Road
Santa Clarita, CA 91350
Telephone (661) 297-1600 FAX (661) 297-1611**

AND

Legal Entity Name:	Robert D. Niehaus, Inc.
Address Line 1:	140 E. Carrillo St.
Address Line 2:	Santa Barbara, CA 93101
Telephone Number:	805-962-0611
Contact Person:	Robert D. Niehaus

This is Amendment No. 2 to Contract Agreement number A1920-003-16229 between Santa Clarita Valley Water Agency, ("SCV Water"), and Robert D. Niehaus, Inc. (RDN) dated August 7, 2019.

Amendment No. 2 Increases the Agreement amount by \$25,200 (from \$98,415 to \$123,615) and extends the term of the Agreement through August 6, 2023.

NOW, THEREFORE, the parties agree that Contract Agreement shall be amended to read as follows:

Section 1. SCOPE OF WORK

1.1 Addition of SCV Water Capacity Fee review - attached

Section 2. COMPENSATION

2.1 Amount – increases by \$25,200 not to exceed \$123,615 ("Maximum Amount").

Section 8. TERM OF THE AGREEMENT

8.1 Period of Services – The Term of the Agreement shall be extended through August 6, 2023

All other terms and conditions of the Agreement shall remain the same.

Accepted:

Santa Clarita Valley Water Agency

Robert D. Niehaus, Inc. (RDN)

By: _____

By: _____

Name: Matthew G. Stone

Name: Robert D. Niehaus, Ph.D., (RDN)

Managing Director/Principal

Title: General Manager

Title: Economist

Date: _____

Date: _____

Agreement Number:	A1920-003-16229
Amendment Number:	2
Budget Code:	1501
Account Number:	53236
Project Code:	N/A

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May 16, 2022

Santa Clarita Valley Water Agency

Attn: Eric Campbell, Chief Financial Officer
24631 Avenue Rockefeller, Valencia, CA 91355
P: 661.294.0828
E: ecampbell@scvwa.org

Robert D. Niehaus, Inc.

Robert Niehaus, Managing Director
140 E Carrillo Street, Santa Barbara, CA 93101
P: 805.962.0611

SUBJECT: RDN Quote for SCV Water Capacity Fee Review

Dear Mr. Campbell,

Robert D. Niehaus, Inc. (RDN) is pleased to submit our quote to provide a review of independently calculated capacity fees for the Valencia service area. Since September 2019, RDN has supported SCV Water with independent review to the Board of Directors and customers when regional facility capacity fees and retailed water rates were being established. We added a layer of transparency for Board consideration and provided our expertise as a rate consultant to Agency staff throughout the process. For this project, Ms. Ichiko Kido will transition to the role of Senior Technical Advisor and Mr. Anthony Elowsky will be the primary point of contact for the agency. Ms. Kido will continue to support the agency as a sub-consultant to RDN. Mr. Elowsky has trained under Ms. Kido and we are confident he will provide SCV Water with the same level of accuracy, rigor, and attention.

In line with State Legislature (SB 634) requirements, we understand that SCV Water seeks Ratepayer Advocate support to provide a technical review to validate new capacity fees to ensure compliance with the Mitigation Fee Act (AB 1600).

The enclosed proposal details our proposed approach and costs for this task. Should you have any questions regarding our quote, please do not hesitate to reach out. Thank you for your consideration.

Respectfully submitted,

A handwritten signature in blue ink that reads "Robert D. Niehaus".

Robert D. Niehaus, Ph.D.
Managing Director



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Capacity Fee Review Technical Approach

RDN will review the independent capacity fee development process and validate that the cost of new development equitably bears the cost of additional demand on the Agency's systems. RDN will serve as a representative of Agency ratepayers to ensure that the new capacity fees are equitable and compliant. We propose to work iteratively with the selected capacity fee consultant throughout the study, to ensure that each step of the process appropriately serves Agency customers. These iterative assessments will ensure that the correct methodology is used to develop capacity fees and will ensure that Agency's recommended fees comply with the Mitigation Fee Act (AB 1600). Key factors in reviewing and supporting the development of the capacity fees include:

- Ensure the valuation methodology used by consultant is most applicable to the Agency's projected growth and financial goals
- Assess the Agency's current facility capacity and its value, to ensure arcuate "buy-in" portion of the fee
- Evaluate scheduled capital projects and verify that costs are proportionally allocated to future customers
- Project customer growth and demand using proven econometric techniques

The following tasks further detail key components of our review.

Task 1. Review Asset Valuation Methodology

We will review the calculation of SCV Water's system asset value to ensure that new customers are allocated proportional costs to reimburse existing customers for their advanced investment in maintaining the Agency's system extra capacity. We will evaluate the selected valuation method (original cost, replacement cost, or replacement cost less depreciation) is appropriate for the Valencia Division considering its current needs and growth projection. We will independently assess possible deductions and additions, such as assets funded by grants and developer's fees, and capital reserves built by current customers, to ensure the proposed fees accurately reflect a fair reimbursement by new customers.

Task 2. Review Capital Projects Included in Fee Calculation

RDN will work with the selected consultant to ensure future capital projects included in the fee calculation reflect only the expansion and upgrades of the system capacity to accommodate future customers. We will ensure the proposed fees align with the Agency's master plan and capital improvement plan.

Task 3. Review Customer Capacity Demand

We will review the estimated future customer demand is reasonable and appropriate. If Equivalent Dwelling Unit (EDU) count is used in the fee calculation, RDN will evaluate the assumptions of future EDU counts using our economic and financial expertise. Future EDU counts should be based on sound and defensible methodologies, which may include linear regressions, Monte Carlo simulations, and/or deterministic models. RDN will ensure that the proposed solution that is best able to meet capacity fee objectives while considering impacts on developers and ratepayers.

Task 4. Project Management/Meetings

We will attend regular virtual progress meetings with the capacity fee consultant and agency to ensure that a thorough review of new capacity fees is completed in a timely manner. Our proposal assumes attendance at all meetings will be virtual. RDN is add in-person in-person to the scope of work if desired by the Agency.

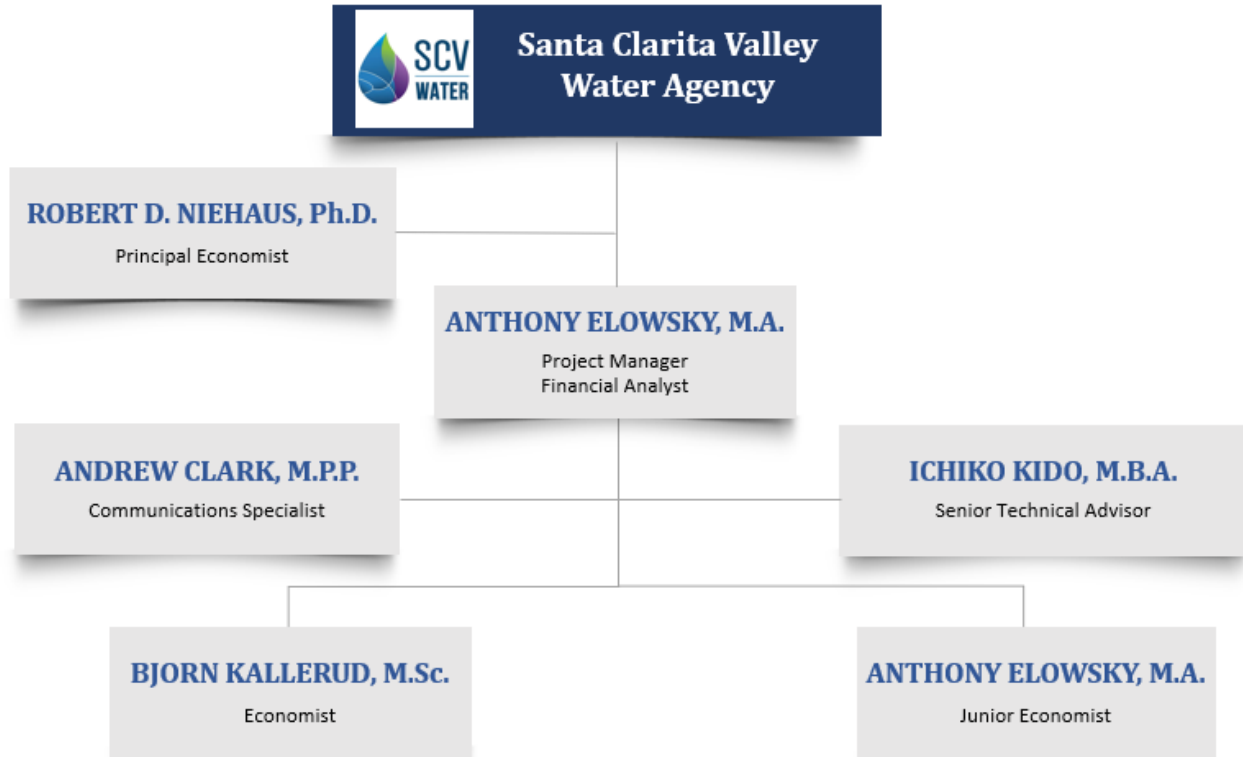
Task 5. Draft and Final Reports

RDN will prepare a draft report detailing the analyses involved in our review and provide any necessary recommendations. We will incorporate any Agency feedback into the final report.

Team Qualifications

RDN’s proposed project team is led by our principal economist, Dr. Robert Niehaus, and project manager, Anthony Elowsky, and Ms. Ichiko Kido as a senior technical advisor. Mr. Elowsky will serve as the Agency’s main point of contact. Full resumes for key staff are appended to this proposal.

Figure 1. Team RDN Project Organization, Key Personnel





Cost Proposal

The table below presents our not-to-exceed cost proposal to provide a capacity fee review. Our not-to-exceed proposal for the capacity fee review is \$25,200.

Figure 2. Not-to-Exceed Cost Proposal

Tasks	Robert D. Niehaus, Inc.				Total Hours	Total Cost
	Principal	Senior Advisor	Project Manager	Associate Analyst		
Task 1. Review Asset Valuation Methodology	2	4	16	6	28	\$4,920
Task 2. Review Capital Projects Included in Fee Calculation	2	6	16	6	30	\$5,300
Task 3. Review Customer Capacity Demand	2	6	12	6	26	\$4,600
Task 4. Project Management / Meetings	2	6	8	6	22	\$3,900
Task 5. Draft and Final Reports	2	4	16	18	40	\$6,480
Total Hours	10	26	68	42	146	
Hourly Rate	\$290	\$190	\$175	\$130		
Total Project Costs	\$2,900	\$4,940	\$11,900	\$5,460		\$25,200

Figure 3. RDN Labor Rates

Analyst	Labor Category	Hourly Rate
Robert Niehaus, Ph.D.	Principal	\$290
Ichiko Kido, M.B.A	Senior Analyst	\$190
Anthony Elowsky, M.A.	Associate Analyst	\$175
Andrew Clark, M.P.P.	Associate Analyst	\$130
Zachary VanDinther, B.S.	Associate Analyst	\$130
Bjorn Kallerud, M.Sc.	Associate Analyst	\$130

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BOARD MEMORANDUM

DATE: July 19, 2022

TO: Board of Directors

FROM: Rochelle Patterson *RP*
Director of Finance and Administration

SUBJECT: Approve a Professional Services Agreement with Chandler Asset Management, Inc. for As-Needed Investment Advisory Services

SUMMARY AND DISCUSSION

In June 2022, the Agency issued a Request for Proposal (RFP) for investment advisory services. There were five (5) responses to the RFP, and based on the results of the scoring matrix, Chandler Asset Management, Inc. (Chandler) was selected as the firm that will best meet the Agency’s needs.

The duties of the investment advisor are:

- Confirm that the Agency’s investment policy complies with California Government Code (Code), encompasses the latest industry best practices, and meets the Agency’s preferences for ensuring safety and liquidity while optimizing investment return; and
- Work with Agency staff to analyze cash requirements in order to optimize the allocation between funds needed for liquidity and near-term capital projects, and funds that can be invested in longer term investment strategies designed to optimize return and meet long-term capital project requirements; and
- Seek to enhance the diversification of the Agency’s portfolio by safely expanding the investment options permitted by California Government Code, subject to the Agency’s comfort level; and
- Develop a comprehensive investment strategy that supports the Agency’s financial goals, current budgetary objectives, and long-term general plan. The strategy will seek to increase interest income as well as protect and enhance portfolio market value by actively diversifying sectors, issuers, maturities, and possibly portfolio duration.

The submissions were individually scored based on the responses to the required minimum qualifications and evaluation criteria as specified in the RFP. Minimum qualifications consisted of the firm’s number of years in business, portfolio managers registered with the Security and Exchange Commission, and total funds under management. The evaluation criteria included the firm’s communication practices; firm’s experience; qualification and success in providing services to agencies similar to SCV Water; quality of the proposal; the qualification of the firm’s personnel; and the firm’s references from agencies comparable to SCV Water. Cost was a factor in the overall ranking, but was not included in the scoring matrix, as fee schedules were not consistent between firms.

	CHANDLER	PFMAM	PUBLIC TRUST
EVALUATION CRITERIA SCORING	187	182	170
RANKING	1	2	3

On July 18, 2022, the Finance and Administration Committee considered staff's recommendation to approve a professional services agreement with Chandler Asset Management, Inc. for as-needed investment advisory services.

FINANCIAL CONSIDERATIONS

Annual costs were compared for the top three scoring proposals.

Staff expects that the Agency can increase the amount of funds being invested and types of investments to offset some, if not all, the annual fees. Of the Agency's approximately \$300 million in cash and investments (May 2022), staff is estimating that approximately \$150 million can be placed under management. Total assets under management does not include liquid investments, such as LAIF, and is not included in the annual fee.

Fees - Assets Under Management (AUM)	CHANDLER	PFMAM	PUBLIC TRUST
First \$150 million	6bps (0.06%)		
Next \$150 million	4bps (0.04%)		
Assets \$300 million	3bps (0.03%)		
First \$100 million		8bps (0.08%)	
Next \$100 million		6bps (0.06%)	
Next \$100 million		5bps (0.05%)	
Above \$300 million		4bps (0.04%)	
First \$100 million			6bps (0.06%)
Next \$100 million			5bps (0.05%)
Assets \$200 million			4bps (0.04%)
Estimated Annual Fees (\$150 million AUM)	\$ 90,000	\$ 110,000	\$ 85,000

Investment advisory annual costs are included in the FY 2022/23 adopted budget (101-1501-53236-000).

RECOMMENDATION

The Finance and Administration Committee recommends that the Board of Directors authorize the General Manager to enter into a Professional Services Agreement with Chandler Asset Management, Inc. for as-needed investment advisory services.

RP

Attachment

M65

Request for Proposal (2223-IAS-28313)
for:

**SANTA CLARITA VALLEY
WATER AGENCY**
INVESTMENT ADVISORY SERVICES

CHANDLER ASSET MANAGEMENT, INC.

6225 Lusk Boulevard
San Diego, California 92121
Direct: 858-546-3737, Toll free: 800-317-4747
info@chandlerasset.com | chandlerasset.com



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June 10, 2022

Santa Clarita Valley Water Agency
27234 Bouquet Canyon Road
Santa Clarita, California 91350

Sent electronically: rpatterson@scvwa.org

RE: Request for Qualifications 2223-IAS-28313, Investment Advisory Services

Dear Mrs. Rochelle Patterson and the Department of Finance and Administration,

On behalf of *Chandler Asset Management, Inc.* (“Chandler”), we thank you for the opportunity to submit our firm’s proposal and present our qualifications to provide investment advisory services for **Santa Clarita Valley Water Agency (“Agency”)**. Chandler is an independent, 100% employee-owned, SEC-registered investment adviser founded on the tenets of public agency investing. Chandler proudly adheres to the CFA Institute Code of Ethics and Standards of Professional Conduct. Our firm provides comprehensive investment solutions for local governments comparable to the Agency’s desired Scope of Services in our home state of California for 34 years. We share your fiduciary duty and are guided by the objectives of safety, liquidity, and return. As of March 31, 2022, Chandler manages over **\$26 billion in firm-wide assets**, including ***\$3.8 billion in assets for water, wastewater, and utility districts nationwide.***

Since 1988, Chandler has assisted public agencies in fulfilling their fiduciary duty to their constituents by providing high-quality fixed income portfolios in a prudent investment framework. We utilize investment strategies that conform to all applicable federal laws and California Government Codes regarding qualified investments for public entities. The Agency will benefit from direct access to their assigned team members that are fully committed to not only meeting but exceeding your expectations for the investment management of the Agency’s funds as a fiduciary as well as for client service and reporting during the engagement. We will be proactive in our communication with you and your staff and look forward to attending frequent, in-person, and virtual meetings with the Director of Finance and Administration, Finance Committee, Board of Directors, and finance staff.

We have reviewed the Agency’s request for proposal, investment policy, and current portfolio and believe that we can add significant value to your investment program through the strategies summarized below, and explained in greater detail in our proposal:

- Confirm that the Agency’s investment policy complies with California Government Code (“Code”), encompasses the latest industry best practices, and meets the Agency’s preferences for ensuring safety and liquidity while optimizing investment return;
- Work with Agency staff to analyze cash requirements in order to optimize the allocation between funds needed for liquidity and near-term capital projects and funds that can be invested in longer-term investment strategies designed to optimize return and meet long-term capital project requirements;
- Seek to enhance the diversification of the Agency’s portfolio by safely expanding the investment options permitted by California Government Code, subject to the Agency’s comfort level and;

- Develop a comprehensive investment strategy that supports the Agency’s financial goals, current budgetary objectives, and long-term general plan. The strategy will seek to increase interest income as well as protect and enhance portfolio market value by actively diversifying sectors, issuers, maturities, and possibly portfolio duration.

Our commitment to providing personalized client service is equal to our commitment to meeting your investment objectives, and is reflected in the following:

We understand your investment perspective. Since its inception, Chandler’s foundations have been rooted in the public sector. The firm’s founder and Chief Executive Officer served as investment officers of large California public agencies with the same objectives for their investment programs that guide our firm today. We understand that the investment program must support the Agency’s financial goals while enhancing safety and liquidity within a framework of legal conformity. Chandler’s significant expertise in safeguarding our clients’ funds while generating compelling risk-adjusted returns over many market cycles highly qualifies us to meet the needs of this engagement.

We are experts in California public agency investing. Chandler’s investment professionals are experts in all applicable federal laws and California Statutes regarding qualified investments for public funds. The Agency’s assigned key investment and client service contacts, **Jayson Schmitt, CFA, Alaynè Sampson, and Mia Corral Brown** have decades of public sector investment experience and are active in organizations relevant to public fund investment best practices, including the Government Finance Officers Association (GFOA), the Association of California Water Agencies (ACWA), the California Society of Municipal Finance Officers (CSMFO), the California Debt and Investment Advisory Commission (CDIAC), and the California Municipal Treasurers Association (CMTA). Our staff members are highly regarded industry experts and frequent participants, speakers, and sponsors at industry conferences and events across California as well as nationwide.

We are committed to client success. We are dedicated to our role as fiduciaries to our clients and understand the public role that your investment staff has in the stewardship of taxpayer funds. The firm invests in best-in-class technology and resources that assist our investment professionals to develop both long-term and short-term strategies that are significant to the overall financial program. Our consolidated reports provide transparency of the entire investment program, and we commit the full resources of the firm to ensure your success. We are immensely proud of our client retention record, which we attribute to our belief that *“if we do what is right for our clients, our own success will follow.”*

As the firm’s CEO, I am authorized to bind the firm and to act in this capacity. I have reviewed the Sample Professional Services Contract and respectfully request that the Agency amends section 1.2 to allow Chandler to act as their agent when transacting on the Agency’s behalf. I certify that all the information provided in our proposal is accurate, firm, and irrevocable, and shall be valid for 120 days, from June 10, 2022. Furthermore, we confirm that we have reviewed the Agency’s responses to proposers’ questions as well as all referenced attachments.

If you have any questions during the proposal evaluation period, please do not hesitate to contact **Mia Corral Brown, Senior Relationship Manager** directly at (619) 459-5021 or via email at mcorral@chandlerasset.com. Thank you.

Sincerely,

CHANDLER ASSET MANAGEMENT, INC.



Martin Cassell, CFA
CEO

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CHANDLER APPENDICES

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<i>ACORD Certificate of Liability Insurance</i>	<i>Appendix C</i>
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<i>Sample Client Monthly Account Statement, Quarterly Investment Report, and GASB 40 and 72 Reports</i>	<i>Appendix F</i>
<i>Proposed Additional Terms</i>	<i>Appendix G</i>
<i>Correlation Matrix</i>	<i>Appendix H</i>

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1. COMPANY INFORMATION

1.1. Year Organized.

Chandler was founded in 1988 by Kay Chandler as a result of her experience serving as an Investment Officer for the County of San Diego for eight years, and the City of San Diego for another two years. With many responsibilities for treasury management and finance functions within these departments, Ms. Chandler recognized that public entities with limited time and resources could benefit from external professional expertise and technological resources to help manage their investment programs. In 1991, Martin Cassell, Ms. Chandler's successor on the investment staff of the City of San Diego, joined the firm. Mr. Cassell now serves as Chandler's CEO.

Over the years, Ms. Chandler and Mr. Cassell carefully assembled a team of professionals with the specialized professional expertise and technical skills necessary to structure highly effective fixed income cash and core investment programs for cities, counties, and other local government entities. The firm manages \$26 billion as of March 31, 2022, including \$21.3 billion in separately managed accounts for 180 public agencies. All of the firm's Portfolio Managers are CFA charter holders and are committed to strengthening and sharing their knowledge of prudent standards of investment management for public funds. The comprehensive services we offer including portfolio management, regulatory guidance, and increased transparency through comprehensive reporting are designed to meet the specific needs of public agencies.

Chandler remains committed to our principles of conservative fixed income management as the firm continues to evolve in response to our client's needs and the public investment climate. As a result of our significant growth and in support of our objectives, we serve our clients from six other offices besides our San Diego headquarters, located in Denver, Colorado; Orlando, Florida; Ventura, California; Oakland, California; Marin County, California; and Seattle, Washington. The firm's professional staff currently totals thirty-eight (38) individuals and includes thirteen (13) investment team members.

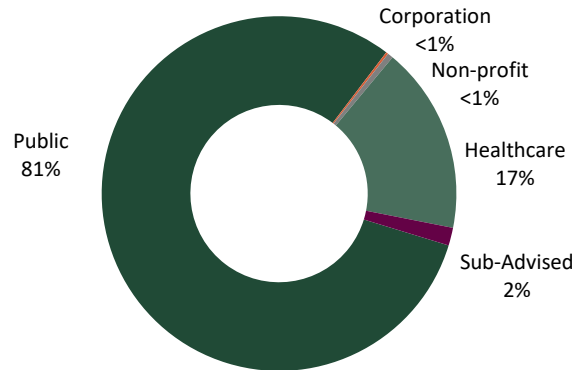
1.2. Number of Clients.

As of March 31, 2022, Chandler's firm-wide assets under management total \$26.0 billion. Public agency funds total \$21.3 billion and comprise 81% of the firm's assets. Our public sector clients include **180 public agencies**, comprised of cities, counties, special districts, and States.

Chandler Client Types and Total Firm Assets Under Management
As of March 31, 2022

Client Type	# of Accounts	AUM (\$MM)*
Public Sector	362	\$21,298
Corporate	12	\$45
Healthcare	34	\$4,147
Non-profit	30	\$142
Sub-Advised	305	\$203
Other	11	\$15
Total	754	\$26,039

*Other includes DC Plan, Church, and Higher Education assets. Chandler assets under management as of 3/31/2022.



Chandler manages portfolios that are comprised of asset classes in the U.S. fixed income universe that align with our clients' objectives of **safety**¹, **liquidity**, and **return**. In California, these are assets that are permitted by California Government Code 53601 and 53635. The composition of Chandler's portfolios includes high-quality, short-term investment-grade, U.S. dollar-denominated securities including but not limited to *U.S. Treasuries, Federal Agencies, municipal bonds, negotiable CDs, Corporate notes, Supranational securities, asset-backed securities, mortgage-backed securities, and commercial paper.*

1.3. Type of clientele (defined by industry and size of portfolio).

Chandler's focus is on the management of high-quality fixed income securities in strategies that span the yield curve for public entities and other risk-conscious institutions. Our clients share common objectives for their investment programs that prioritize *safety*¹ of principal, *appropriate liquidity*, and *risk-adjusted total return over a market cycle* and comply with federal laws and state legal requirements. All of Chandler's public agency clients' funds are structured as separately managed accounts. We customize portfolios to comply with individual clients' investment directives for operating funds, debt service, capital improvement, and any other funds that may have specific constraints. Our clients include cities, counties, water and wastewater districts, transportation authorities, school districts, higher education, healthcare districts, insurance funds, foundations/endowments, not-for-profit organizations, and corporations. Our minimum portfolio size for discretionary institutional investment management is \$20 million. We provide complete investment services and treasury management support for a public entity investment program, including:

- Investment Management
- General Revenue Funds
- Bond Proceeds
- Capital Project Funds
- Debt Service Funds
- Reserve Funds
- Post-Employment Benefit Trusts/OPEB
- Portfolio Review
- Investment Policy Development and Review
- Portfolio Accounting
- Compliance Monitoring and Reporting
- Fixed Income Education and Training

¹ While our conservative investment approach promotes safety, investing in securities carries varying degrees of risk and we cannot guarantee safety of principal.

1.4. Number of staff (i.e., investment-related staff only).

We currently have 13 staff members on Chandler’s investment team.

Chandler Investment Professionals by Classification

Classification	Number of Professionals
CEO	1
Co-Chief Investment Officers	3
Portfolio Managers/Analysts	3
Portfolio Strategists	4
Assistant Portfolio Managers	1
Associate Portfolio Managers	1
Total:	13

As of March 31, 2022, the firm’s six CFA-level investment team members and four portfolio strategists manage 201 institutional client relationships totaling \$26.0 billion, for an average of under 30 relationships per investment professional.

1.5. Assets under management.

As of March 31, 2022, Chandler manages a total of \$26 billion. Please see question #1.2 for a detailed asset under management breakdown.

1.6. Number of offices.

Chandler maintains seven (7) offices. We serve our clients from six other offices besides our San Diego headquarters, located in Oakland, California; Marin County, California; Ventura, California; Denver, Colorado; Orlando, Florida; and Seattle, Washington.

1.7. Location of corporate headquarters.

Our corporate headquarters is in San Diego, CA. The firm’s executive administration, portfolio management, operations, and compliance teams will serve your staff from the firm’s corporate headquarters in San Diego, and all portfolio management activities will be performed in the same time zone as the Santa Clarita Valley Water Agency.

Chandler Asset Management, Inc.
Corporate Headquarters
 6225 Lusk Boulevard
 San Diego, California 92121
 Main: 858.546.3737 | Toll free: 800.317.4747
 Fax: 858.546-3741
www.chandlerasset.com

1.8. Related organizations.

Chandler is a fully independent, 100% employee-owned California corporation with no subsidiary relationships, affiliations, or relationships with other financial institutions. In 2017, Chandler’s key shareholders and Executive Management Team introduced an Employee Stock Ownership Plan (“ESOP”) that aligns with the firm’s values and culture of shared success. Every employee is an owner through the ESOP Trust, which owns 68% of the firm and is the primary shareholder. We believe that this structure contributes to our ability to attract and retain the highest quality investment professionals as well as to sustain growth, promote accountability, and best serve current and prospective clients well into the future. There have not been any material changes to the firm’s control structure, organization, or management in the past three years, and none are expected during the contract term for the Agency’s engagement.

1.9. Discussion of past or present litigation or regulatory actions involving the firm.

None. Neither Chandler nor any of its officers or employees has ever been subject to any regulatory censure or litigation by the SEC, NASD, or other regulatory agencies concerning the investment management and advisory services it provides.

1.10. Name of custodian.

As part of our services, we can assist you in reviewing custodial and safekeeping arrangements. Our Operations Team will review your current custodial arrangement, including contractual arrangement, services provided, your satisfaction with the services, and their cost. If necessary, we can make recommendations for revisions in your existing relationship or assist you in selecting a new custodian that best meets your needs.

- If the Agency currently has a satisfactory third-party custodian, we will provide a sample letter for you to send to the custodian which describes the relationship between Chandler and the Agency, and which permits us to settle trades with your custodian on your behalf, or;
- If the Agency would like to review custodian relationships, Chandler can recommend several that can provide high-quality custody services and/or participate with the Agency in an RFP process.

2. HISTORICAL PERFORMANCE

2.1. Return of total accounts of the investment advisor for the last 3mos, one, three, five, and ten years.

Based on our investment team’s preliminary review of your investment policy, we believe that the below Chandler strategies are best suited for your investment needs.

To ensure that we provide all our clients with accurate data, we complete an annual GIPS review on the core composite performance. Please refer to question #2.2 for the GIPS compliant composite performance data.

2.2. Return of comparable composite accounts of the investment advisor for the last 3mos, one, three, five, and ten years.

Included below are composite performance and characteristics below since March 31, 2021, for Chandler’s **Limited Maturity Strategy**, a 1–3-year strategy, the **Short-Term Bond Strategy**, a 1–5-year strategy, and for the **Intermediate Strategy** Chandler’s Limited Maturity and Short-Term Bond strategy composites are comprised of individually managed accounts with an average modified duration equal to the modified duration of the *ICE B of A 1-3 Year US Treasury Index* and the *ICE B of A 1-5 Year US Treasury & Agency Index*², respectively, and a final stated maturity of individual securities of five years. These strategies constitute a segment of the methods we employ for our institutional clients, of which three (3) are listed below.

Chandler Composite Performance – Gross and Net of Fees

<i>As of March 31, 2022</i>	Three Months	One Year	Three Years	Five Years	Ten Years
Chandler Limited Maturity (gross) <i>(inception: 9/30/88)</i>	-2.20%	-2.56%	1.05%	1.31%	1.08%
Chandler Limited Maturity (net)	-2.21%	-2.61%	1.00%	1.26%	1.03%
<i>ICE BofA 1-3 Year US Treasury Index</i>	-2.34%	-2.84%	0.88%	1.08%	0.86%
Chandler Short Term Bond (gross) <i>(inception: 9/30/95)</i>	-3.23%	-3.72%	1.13%	1.42%	1.44%
Chandler Short Term Bond (net)	-3.28%	-3.67%	1.08%	1.37%	1.39%
<i>ICE BofA 1-5 Year US Treasury & Agency Index</i>	-3.40%	-3.89%	1.01%	1.28%	1.21%
Chandler Intermediate Bond (gross) <i>(inception: 10/95)</i>	-4.00 %	-3.96 %	1.29 %	1.61%	1.61 %
Chandler Intermediate Bond (net)	-4.05%	-4.01%	1.24 %	1.56%	1.56%
<i>ICE BofA 1-10 Year Government Index</i>	-4.01%	-3.94%	1.06%	1.35%	1.31%

Based on Chandler’s Limited Maturity, and Short-Term Bond composites as of 3/31/2022. Performance results are presented gross and net of fees. Net returns are for a sample of 5.20 basis points (0.052 of 1%) proposed for a \$250 million account and are hypothetical and not based on an actual client’s account. The performance has been calculated using historical composite performance. Gross performance does not reflect payment of advisory fees and other expenses which will reduce performance. Past performance is not a guarantee of future results. All investment strategies have the potential for profit or loss. Market conditions or economic factors may alter the performance and results of a portfolio. Investment advisory fees are disclosed in the firm’s form ADV Part 2A. Performance for periods greater than one year is annualized. Please see GIPS Composite Reports and important disclosures in the Appendix. For one-on-one presentations only.

2.3. Correlation with the S&P 500, Barclays Bond Index, and other indexes.

Chandler has created a Correlation Matrix based on our preliminary assessment of the Agency’s investment policy and the permitted investments within the California code. Please see the *Correlation Matrix* in the **Appendix**.

2.4. Maximum drawdown in any one month in the last ten years.

Provided below are the maximum drawdown data in any one month in the last ten years for the proposed strategies:

Maximum Drawdown	
Strategy	Maximum Drawdown
Chandler Limited Maturity Composite	0.43%
Chandler Short Term Bond Composite	0.80%
Chandler Intermediate Bond Composite	1.41%

The table above represents the average maximum draw-down within each applicable strategy. This data is compiled from GIPS compliant composites from 12/31/12 – 12/31/21. Performance for periods greater than one year is annualized. Market conditions or economic factors may alter the performance and results of a portfolio. Past performance is not indicative of future results. Please see important disclosures in the Appendix.

3. QUALIFICATIONS

3.1. Qualifications of principals and professional staff (Please specify those individuals who will be directly responsible for this account).

Listed below are the team members assigned to work on the Agency’s investment portfolio. A top priority of our firm is to provide superior service to our clients and function as an extension of their staff. Chandler’s investment management, client service, compliance, operations, and sales and marketing teams will coordinate their efforts to not only fulfill but also exceed the expectations you have for your investment manager. The Agency will have several teams dedicated to providing desired services, and systems and technology that support these services, as well as metrics implemented to ensure our desired level of service excellence, is maintained. The investment professionals manage an average of under 30 relationships per team member.

Chandler Asset Management Professionals for Santa Clarita Valley Water Agency

Contact Name and Title	Role in Engagement	Industry Tenure	Firm Tenure	Education
Investment Management				
Jayson Schmitt, CFA <i>Co-Chief Investment Officer</i>	<ul style="list-style-type: none"> • Co-Chief Investment Officer • Co-leads the investment team • Implements portfolio strategies • Research and Analysis • Co-Chair of <i>Quantitative Analysis Committee, Sector Committee, and Multi-Asset Class Committee</i> 	28 years	27 years	B.A. Economics, San Diego State University, Chartered Financial Analyst (CFA®)
Alaynè Marie Sampson <i>Senior Portfolio Strategist</i>	<ul style="list-style-type: none"> • Senior Portfolio Strategist • Monitors alignment with client objectives and policies • Member of <i>Sector Committee</i> 	16 years	1 year	B.A. Women’s Studies, Cornell University
Engagement Management & Client Service				
Mia Corral Brown <i>Senior Relationship Manager</i>	<ul style="list-style-type: none"> • Senior Relationship Manager • Primary client contact • Conducts onboarding process • Oversees client communication • Ensures and coordinates project deliverables 	25 years	18 years	B.A Speech Communications, San Diego State University
Stacey Alderson, CTP <i>Senior Client Service Manager</i>	<ul style="list-style-type: none"> • Client Service Contact • Reviews Investment Policy • Schedules training and educational presentations 	24 years	8 years	B.B.A. Accounting, University of Montevallo, Certified Treasury Professional (CTP®)

Compliance & Oversight				
Martin D. Cassell, CFA <i>CEO</i>	<ul style="list-style-type: none"> • Chief Executive Officer • Leads the firm’s vision, oversight, and strategy • CFA® designation 	<i>35 years</i>	<i>31 years</i>	B.S. Finance, California State University, Hayward, CFA® charter holder
Nicole Dragoo, JD, IACCP <i>President</i>	<ul style="list-style-type: none"> • Head of Firm Administration, Compliance, Operations, and Human Resources • Responsible for regulatory compliance and legal matters • Directly manages investment operations • Oversees firm’s administrative functions 	<i>22 years</i>	<i>21 years</i>	B.A. Business Economics, J.D. University of San Diego; Investment Adviser Certified Compliance Professional (IACCP) designation
Joseph Kolinsky <i>Chief Compliance Officer</i>	<ul style="list-style-type: none"> • Leads Firm Compliance • Oversees firm’s compliance program • Regulatory compliance, trade compliance, and Code of Ethics 	<i>30 years</i>	<i>2 years</i>	B.A. Economics, Iona College

Investment Management Professionals

Portfolio Managers. Drawing from their collective expertise, the Investment Management Team develops and implements strategies for the Agency based on a thorough, well-rounded analysis of investment ideas that are specific to the strategy and your investment objectives. **Jayson Schmitt (CFA), Co-Chief Investment Officer**, and his colleagues on the Investment Management Team employ our research-based methods to structure investment solutions that address the Agency’s dual needs for liquidity and return, implement the portfolios’ strategies in a customized manner, and conduct securities transactions in the accounts. Jayson serves as a member of the firm’s Executive Committee, is Co-Chair of the *Quantitative Analysis Committee, Sector Committee, and Multi-Asset Class Committee*, and provides daily oversight of the investment management process.

Alaynè Sampson, Senior Portfolio Strategist, will be the portfolio strategist for the Agency. Alaynè has key advisory responsibilities that include monitoring the investment strategies for alignment with client objectives, reviewing and revising investment policies, adequately addressing anticipated cash flow needs, and providing research and education on investments. As an investment team member with senior stature within the firm, Alaynè oversees investment management activities for many of the firm’s municipal clients as well as top client relationships in Southern California as measured by assets under management.

Relationship Management and Client Service

Mia Corral Brown, Senior Relationship Manager, will be the Agency’s engagement manager and day-to-day contact. Mia joined the firm in 2004 and has eighteen years of experience providing client service to public sector clients in Southern California. She is actively engaged with Chandler’s clients in Southern California and works side by side with them in onboarding their client relationship when they select Chandler as their external adviser. Mia will regularly attend meetings with the Agency and their investment contacts to ensure

client service and available resources to Agency’s staff. She is a regular participant at California public agency conferences and has served on several associations’ committees that determine the curriculum for these events each year. She is also a founding Board Member and Advisor for Women in Public Finance’s (WPF) San Diego chapter. Mia will coordinate the firm’s resources from all departments throughout the engagement to ensure all needs are met and will meet with your staff and investment team contacts in person.

Stacey Alderson, CTP, Client Service Manager, will support in serving the Agency and its staff. Stacey is in our Denver office and will be accessible as a resource for any calls or in-person visits. Your relationship managers will work closely with you – reviewing investment policies, assisting with custodial relationships, and providing investment training among other things. Chandler’s client service and marketing teams provide responsive service and follow-through to completion for any pressing or immediate needs of the Agency and its staff. Our client service personnel are adept at handling the non-investment needs of the engagement and will escalate any issues and route them through the correct channels, if necessary.

Oversight and Compliance

The firm’s **CEO, Martin Cassell (CFA)** provides oversight of all aspects of the firm and leads the investment team and implementation process of our proprietary quantitative models and strategy.

The firm’s **President, Nicole Drago, JD (IACCP)**, is responsible for the firm’s strategy and administration and oversees the compliance and operations departments. She also leads the onboarding process of new client accounts and heads a team that communicates effectively with accountants, custodians, and administrators during the transition period and for the duration of the relationship. **Joseph Kolinsky, Chief Compliance Officer**, leads the day-to-day compliance requirements, regulatory filings for the firm, and Code of Ethics implementation and training.

In addition to the firm’s SEC registration, the below members of Chandler’s Investment Management Team are registered representatives:

Chandler Registered Representatives

Investment Adviser Representative	CRD Number
Martin D. Cassell, CFA	4330905
Stephen Church	6878939
Daniel Delaney, CFA	7378402
William Dennehy II, CFA	2397527
Julie K. Hughes	5397196
Genevieve C. Lynkiewicz, CFA	4462193
Christopher McCarry, AIF	4472441
Carlos Oblites	5350645
Ted J. Piorkowski, CFA	1857510
Scott D. Prickett, CTP	1901448
Jayson Schmitt, CFA	4892847

For detailed résumés of all team members, please see the *Professional Biographies* in the **Appendix**.

3.2. Number of years of experience in investment management.

Managing fixed income portfolios for California local governments has been the core of our business since the firm's inception in 1988. Chandler's professionals are experts in fixed income investments as they relate to local governments. We structure our clients' assets to ensure that their funds are (1) invested prudently, (2) available when needed to meet capital obligations, (3) achieve competitive returns, and (4) rebalanced appropriately to maintain the desired profile. We work closely with our clients to address specific investment objectives and risk tolerances as they relate to overall sound financial management while maintaining the focus and discipline to help guide portfolios through challenging market cycles. Our clients select us as their investment manager because of our:

- Extensive experience serving public agencies. The combined experience of the firm's senior shareholders as investment officers within large public agencies shaped their perspectives in leading a firm with a focus on the management of public funds, and assisting a public entity's staff in fulfilling their fiduciary duty to their constituents;
- Investment and credit review processes custom-tailored for local governments and designed to ensure that our client's funds are safe;
- Expertise in California Government Codes that govern the investment of public funds;
- Track record in establishing and expanding investment programs that support the budgetary goals of our clients;
- Ability to manage fixed income portfolios through changes in the interest rate cycle to the benefit our clients;
- Comprehensive monthly reports that are accurate, timely, and add transparency to the investment program;
- Dedicated client service team to ensure proactive client communication, and;

We work with clients as a fiduciary on every aspect of the investment program ensuring that investments support the Agency's financial goals. We focus on the analysis of risk and return, investment policy development and review, maturity analysis, cash flow evaluation, and forecasting. The entire professional staff understands the challenges public agencies and their finance staff face due to their public role and responsibility in the stewardship of taxpayer funds. All the proprietary tools and processes the firm has developed are in response to public agencies' unique investment objectives, constraints, and requirements for adherence to state codes or statutes. Moreover, our portfolio management, market research, credit analysis process, accounting, and reporting resources are extensive, and scalable to meet additional needs. We also assist with models for accounting and journal entries and work with clients individually during onboarding and beyond to help them set up their internal accounting templates.

Fixed Income Investment Expertise Focused on California Public Agencies

Chandler has a long-standing commitment to the public sector, and we believe our history of helping public entities meet their financial goals highly qualifies our firm to assist the Agency with the range of investment services it seeks. As a California domiciled firm, we take enormous pride in the depth and strength of the relationships cultivated in our home state and manage over \$21 billion for institutional clients in California alone. Nationwide, we work with 201 public agencies and believe that our experience and focus on these entities have given us a unique perspective on helping local governments and other risk-conscious entities achieve their financial goals.

Experience Specific to Water and Wastewater Entities

We are acutely aware of the responsibility of a water district to ensure water quality, protect water supplies and reliability, and procure cost-effective services amongst evolving legislation and environmental regulations. Combined with California’s ever-present drought conditions, water-smart behavior and planning for future water usage is a prudent practice, requiring strategic resource planning and responses as well as investments of capital in equipment and infrastructure. We believe every revenue source the District maintains is of paramount importance, no matter how little it contributes to the bottom line. An investment approach involving disciplined, long-term strategies will provide the Agency with an investment program designed to control risks and provide competitive returns and support your vision, “To provide exemplary water management for a high quality of life in the Santa Clarita Valley.” and facilitate water availability to residents and businesses in Santa Clarita Valley. Chandler has deep expertise in the management of investment funds for local water districts and other rate-setting agencies and has a significant understanding of the cash flow requirements and capital funding needs that are unique to these entities. We currently manage \$3.8 billion for thirty-three (33) water, wastewater, and utilities districts nationwide, including the following clients:

Chandler’s Representative Water and Wastewater District Clients

Client	Managed Since	AUM (\$MM)	# of accounts
Orange County Sanitation District	2014	\$877	2
Coachella Valley Water District	2019	\$379	1
Reedy Creek Improvement District	2019	\$415	9
Rancho California Water District	1996	\$323	10
Western Municipal Water District	2001	\$215	1
Elsinore Valley Muni. Water District	2017	\$208	1
Alameda County Water District	2019	\$165	1
Tampa Bay Water	2016	\$163	3
San Diego County Water Authority	2014	\$124	2
Colorado Springs Utilities	2014	\$133	13
Moulton Niguel Water District	1995	\$128	5
Vallecitos Water District	2018	\$52	1

**Chandler’s water, wastewater, and utility district clients with assets over \$50 million are listed in descending order by assets under management. It is not known whether the listed clients approve or disapprove of Chandler Asset Management and the advisory services provided. Assets as of 3/31/2022. This list includes both discretionary and non-discretionary clients who have given us permission to list.*

The above accounts include operating cash and reserves, risk pool reserves, bond project accounts, bond reserves, capital project accounts, and other post-employment benefit funds, each separately managed to fulfill its specific objectives within its own risk profile. We propose to manage the Santa Clarita Valley Water Agency’s portfolio in a manner that is customized to meet your specific financial and investment goals and would provide the Agency’s staff with the same level of diligence, client service, and investment expertise that we provide to all our clients.

One of the firm's guiding principles is participation in the development of best practices in the management of public funds. Our investment and client service professionals serve as committee members and are active participants and sponsors of national and regional associations that develop recommended best practices and training curricula, including the Government Finance Officers Association (**GFOA**), the California Association of Joint Powers Authorities (**CAJPA**), the California Society of Municipal Finance Officers (**CSMFO**), the California Municipal Treasurers Association (**CMTA**), the California Debt and Investment Advisory Commission (**CDIAC**), and the **CFA Institute**. We are often involved in drafting investment legislation and recommending best practices on a state and national level and providing guidance on safe and effective practices for the management of public funds. In addition, Martin Cassell, *CEO*, was a member of the GFOA's Committee on Treasury and Investment Management for his full term, recently ending in 2021. This committee tracks new developments in cash management and develops best practices for government officials at all levels. Carlos Oblites is a member of the GFOA's Committee on Retirement and Benefits Administration (CORBA), which tracks new industry practices, regulatory and legislative developments, and issues best practices to assist public pension and personnel officers effectively manage state and local retirement funds and employee benefits.

3.3. Discussion of investment philosophy.

We believe that through effective risk management, we can enhance the potential for higher **total returns** for risk-conscious clients while maintaining their shared primary objectives of **safety**² and **liquidity**. Our approach utilizes investment processes and strategies we have developed over three decades, and focuses on:

- Safety² of principal;
- Appropriate levels of liquidity;
- Diversification of risk;
- Compliance with policies, legal requirements, and risk/return objectives; and
- Active management to generate investment income and total return.

We implement this philosophy by structuring investment portfolios to achieve performance that consistently exceeds the returns of a selected market benchmark over a market cycle, while always maintaining each client's tolerance for risk. We reduce exposure to market risk by diversifying the portfolio by issuer and security type, as well as by establishing and maintaining a target portfolio duration that is consistent with the investment objectives.

Chandler's singular focus stems from the investment philosophy of our clients that prioritizes safety² and liquidity above chasing returns that may put their principal at increased risk. As a result of this focus, we take a conservative approach regarding all aspects of the investment and portfolio management process. Our methods for developing the investment objectives and constraints for our clients are customized after an extensive review and thorough understanding of the investment policy, risk tolerances, as well as the current and expected mandates of the client's specially purposed funds.

² While our conservative investment approach promotes safety, investing in securities carries varying degrees of risk and we cannot guarantee safety of principal.

3.4. Discussion of your customer service philosophy.

Superior client service and needs-focused communication is a pillar of our corporate structure and extends from portfolio management down to all external correspondence. All methods of communication including email and telephone between Chandler and our clients shall be clear, informative, and timely. Answering the telephone is everyone's responsibility at the Firm, and clients can expect direct access to senior investment personnel and client service team members well versed in their portfolio during the hours of 8:00 am to 5:00 pm Monday through Friday. Chandler expects that emails and phone calls are to be returned promptly, aiming for within the hour, but not to exceed the end of the day.

To measure our success at achieving client objectives within the appropriate risk profile and client constraints, we report performance, compared to the client's selected benchmarks, each month. Chandler measures portfolio performance monthly and quarterly on a total return basis, providing a complete snapshot of the outcomes resulting from investment decisions since total return measures the percent change in the value of a portfolio over a defined historical period. The total return of the portfolio is compared to carefully selected benchmarks which have been selected in collaboration with clients as the appropriate metric for assessing performance relative to their risk tolerances and investment objectives.

The firm will employ a host of resources to ensure quality work and cost control for the engagement with the Santa Clarita Valley Water Agency. These include our:

- Dedicated compliance team that ensures our recommendations meet the requirements of the California Government Code and encompass industry best practices;
- Proven investment process and models, which will be utilized to identify opportunities and quantify risk;
- Operations team which controls the quality of client data; detailed accounting, and performance reports each month that have been checked for accuracy and quality by Chandler's operations staff. Reports are compared to external custodian's records, and Chandler provides a reconciliation of transactions and balances for congruency, and;
- Competitive execution practices based on the firm's expertise, industry contacts, and transparent shopping process which can incrementally add value through savings over time.

On a qualitative basis, we measure our performance by our client's satisfaction with our service. We encourage ongoing discussions with our clients to ensure that the investment strategy remains consistent with the understood goals and objectives yet remains flexible enough to propose creative solutions when your needs evolve. In the past, we have engaged independent third parties to survey our clients to gauge their satisfaction and to find ways to improve our service.

4. RELEVANT EXPERIENCE

4.1. Include a list of your public/government clients.

Provided below is a sample list of some of our public/government clients:

Cities		
Alameda, CA	Imperial Beach, CA	Pittsburg, CA
Agoura Hills, CA	Indio, CA	Pomona, CA
American Canyon, CA	La Habra, CA	Poulsbo, WA
Arcata, CA	Lakewood, CO	Riverside, CA
Brea, CA	La Mirada, CA	San Clemente, CA
Breckenridge, CO	Leesburg, FL	San Leandro, CA
Buena Park, CA	Longboat Key, FL	San Marcos, CA
Camarillo, CA	Long Beach, CA	San Mateo, CA
Corona, CA	Louisville, CO	So. San Francisco, CA
Costa Mesa, CA	Merced, CA	Sunnyvale, CA
Cupertino, CA	Milpitas, CA	Tacoma, WA
Danville, CA	Monterey, CA	Tracy, CA
Deltona, FL	Moreno Valley, CA	Truckee, CA
Dublin, CA	Mountain View, CA	Tustin, CA
Elk Grove, CA	Murrieta, CA	Vallejo, CA
Erie, CO	National City, CA	Westminster, CA
Fairfield, CA	Newport Beach, CA	Westminster, CO
Fountain Valley, CA	Palm Springs, CA	W. Sacramento, CA
Counties and States		
Alpine, CA	Gwinnett County, GA	San Benito County, CA
Amador, CA	Mendocino, CA	San Diego County, CA*
Buncombe County, NC	Modoc, CA	Santa Clara, CA
Calaveras County, CA	Lake County, CA	Sierra, CA
Dakota County, MN	State of Nevada	
State of Delaware	Pitkin County, CO	
City & County of Denver, CO	Routt, CO	
Special Districts and Other Government Entities		
Alameda Corridor Trans. Authority, CA	Palomar Health, CA	
Alameda County Water District, CA	PRISM, CA	
Authority for CA Cities Excess Liability, CA	Rancho California Water District, CA	
California Earthquake Authority	Redwood Empire Muni. Insurance Fund, CA	
California Insurance Pool Authority, CA	San Bernardino Municipal Water District, CA	
California Joint Powers RMA, CA	San Diego County Water Authority, CA	
Colorado Springs Utilities, CO	San Diego County Regional Airport, CA	
Eagle River Water & Sanitation District, CO	South Coast Water District, CA	
Elsinore Valley Municipal Water District, CA	Tampa Bay Water, FL	
E-470 Public Highway Authority, CO	Transportation Corridor Agencies, CA	
First 5 Alameda County, CA	Three Valleys Municipal Water District, CA	
Fontana POA Retiree Benefits Trust, CA	Vallecitos Water District, CA	

LA County Metro. Transportation Authority, CA Maricopa County Community College District, AZ Moulton Niguel Water District, CA Orange County Sanitation District, CA Orange County Transportation Authority, CA	Walnut Valley Water District, CA WestEd, CA Western Municipal Water District, CA Whittier Area Schools Ins. Authority, CA Yolo County Public Agency RMIA, CA
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**A sample listing of the firm’s public agency clients shown in alphabetical order. This list includes only clients that have given permission to be listed. Includes discretionary and non-discretionary relationships. It is not known whether the listed clients approve or disapprove of Chandler Asset Management, or the services provided. *Advised assets only.*

4.2. Include three references that we may contact. Recommended are clients most similar to SCV Water in type and size of business and similar services requested.

Chandler is pleased to provide the following Chandler is pleased to provide references for the Santa Clarita Valley Water Agency:

Chandler Current Client References

Client Name	Contact	AUM*	Client Since	Services Provided
Coachella Valley Water District 75515 Hovley Lane East Palm Desert, California 92211	Geoffrey Kiehl <i>Director of Finance</i> Ph: (760) 398-2661 gkiehl@cvwd.org	\$379 M	2019-present	Operating funds in a 1-3-year strategy
Elsinore Valley Water District 31315 Chaney Street Lake Elsinore, California 92530	Bob Hartwig <i>Assistant General Manager</i> Ph: (951) 894-8729 rhartwig@evmwd.net	\$208 M	2017-present	Operating funds in a 1-3-year strategy
Western Municipal Water District 14205 Meridian Parkway Riverside, California 92518	Kevin Mascaro <i>Director of Finance</i> Ph: (951) 571-7160 kmascaro@wmwd.com	\$234 M	2001-present	Operating funds in a 1-10-year strategy

** Chandler assets under management as of 3/31/2022. This list includes discretionary clients that have been permitted to be listed. It is not known whether the listed clients approve or disapprove of Chandler Asset Management or the services.*

5. REPORTING, PORTFOLIO EVALUATION AND REVIEW OF ACCOUNTS

5.1. Frequency of reporting to clients (e.g.: monthly, quarterly).

Chandler offers monthly and quarterly reporting to clients. The reports Chandler provides to the Agency will provide transparency to your portfolio and will assist your staff with their accounting duties, alleviating and even eliminating intermediary steps required to compile internal reports. We can provide comprehensive reporting that is tailored to meet the Agency's unique needs, as well as meet the competitive demand of the marketplace.

Online Client Portal: Chandler's *Client Portal* is the custom computer-based analytical tool that provides clients with secure access to a variety of digital files, including customized reports, trade tickets, and documents, as well as the ability to download daily transactions and holdings, historical monthly statements, and quarterly reports. The *Portal* offers online access and is also designed to be viewed on mobile devices. Reports can be downloaded in Excel format and easily mapped and integrated into your internal reporting requirements, aggregating your data for effective analysis, and improving your operational efficiencies. Access to the *Chandler Client Portal* is available to individual contacts selected by the client, and is accessible 24 hours a day, 7 days a week.

Monthly Statements: We provide monthly portfolio accounting and performance statements as part of our regular services. Each monthly statement begins with a one-page management summary of portfolio characteristics that provides a thorough overview of the portfolio, including performance relative to the selected benchmark(s), followed by a statement of compliance. A detailed asset listing, including cost, book, and market values, a transaction ledger, an earned interest report, and a cash flow report follow the summary page.

Monthly statements are accessible on the *Chandler Client Portal*. Clients receive an email notification stating that the statement is available for download no later than the third business day following month-end.

Quarterly Reports: We also provide quarterly investment reports in a format designed to facilitate discussion between Chandler investment professionals and the Agency's staff. The report presents portfolio characteristics, return, compliance, and a summary of accounts under management using graphs, charts, and illustrations in a format that is effective for management, elected officials, and interested members of the public. We provide this report for our regular meetings with the Agency.

Reports will be prepared by state law and the Governmental Accounting Standards Board (GASB) and are compiled to meet your specific needs. Chandler Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and prepares and presents its performance in compliance with these standards. Chandler is independently verified by ACA Performance Services for firm-wide GIPS® compliance.

Chandler provides monthly portfolio accounting and performance statements as well as mark-to-market fair value pricing for securities in accordance with GASB 31. We provide a GASB 40 report to all governmental clients, which provides the information needed to prepare the required fiscal year-end portfolio risk assessment, and we will be able to assist the Agency in drafting the narratives for GASB notes.

We have developed a GASB 72 report which is available by fiscal year-end. The GASB 72, Fair Value Measurement and Application, issued in February of 2015, requires government investments to be measured

at fair market value. It also requires disclosures regarding how fair value was measured, what hierarchy the investment fits into, and any special valuation processes used.

Chandler’s investment and operations professionals remain dedicated to staying in front of all GASB pronouncements, interpretations, and implementation guidelines as they affect our government clients from a reporting and compliance perspective.

Please see Chandler’s *Sample Monthly Statement and Quarterly Report* in the **Appendix**.

5.2. Form of your reports (please provide sample).

Chandler offers monthly statements, quarterly reports, and GASB 40 & 72 Annual Reporting. Chandler enables its clients to keep track of and download their records by accessing the *Client Portal*. The records we keep and the frequency in which we disseminate them are as follows:

Monthly Statements: Monthly statements include a summary of portfolio characteristics, performance, and full accounting details. Reports, as well as holdings, trade tickets, and historical data, are available to the Agency via Chandler’s online reporting tool, the *Chandler Client Portal*. Monthly reports are available no later than the third business day following month-end.

Portfolio Reports

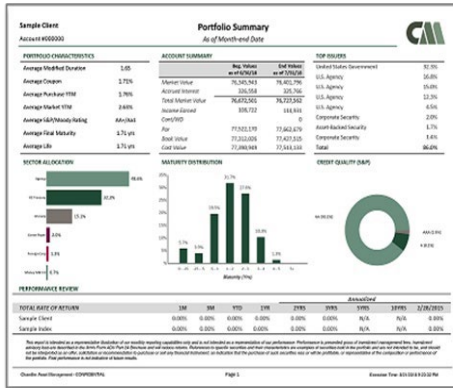
- *Portfolio characteristics*
- *Account Summary Detail*
- *Sector Allocation*
- *Maturity Distribution*
- *Credit Quality*
- *Total Rate of Return*

Accounting Reports

- *Security Holdings*
- *Transactions*
- *Amortization/Accretion*
- *Interest Income and Accruals*
- *Realized & Unrealized Gains and Losses*
- *GASB 40 & 72 Annual Reporting*

Chandler’s monthly reports conform to reporting standards established by state legal requirements and statutes governing public investments and include full asset listings including the fair market value of investments, issuer, maturity date, interest rate, transactions for the period, and a description of the funds and investment programs. In addition, Chandler offers its clients transparency through a *Statement of Compliance* with state legal requirements and the investment policy, and a one-page summary with portfolio characteristics and total return for the various period compared to market benchmarks.

Monthly Portfolio Summary



This sample report is being provided for illustrative purposes to demonstrate Chandler’s reporting capabilities. References to specific securities and their characteristics are examples of securities held in a portfolio and are not intended to be, and should not be interpreted as an offer, solicitation, or recommendation to purchase or sell any financial instrument, an indication that the purchase of such securities was or will be profitable, or representative of the composition or performance of the portfolio.

In addition, Chandler’s reports will detail the following:

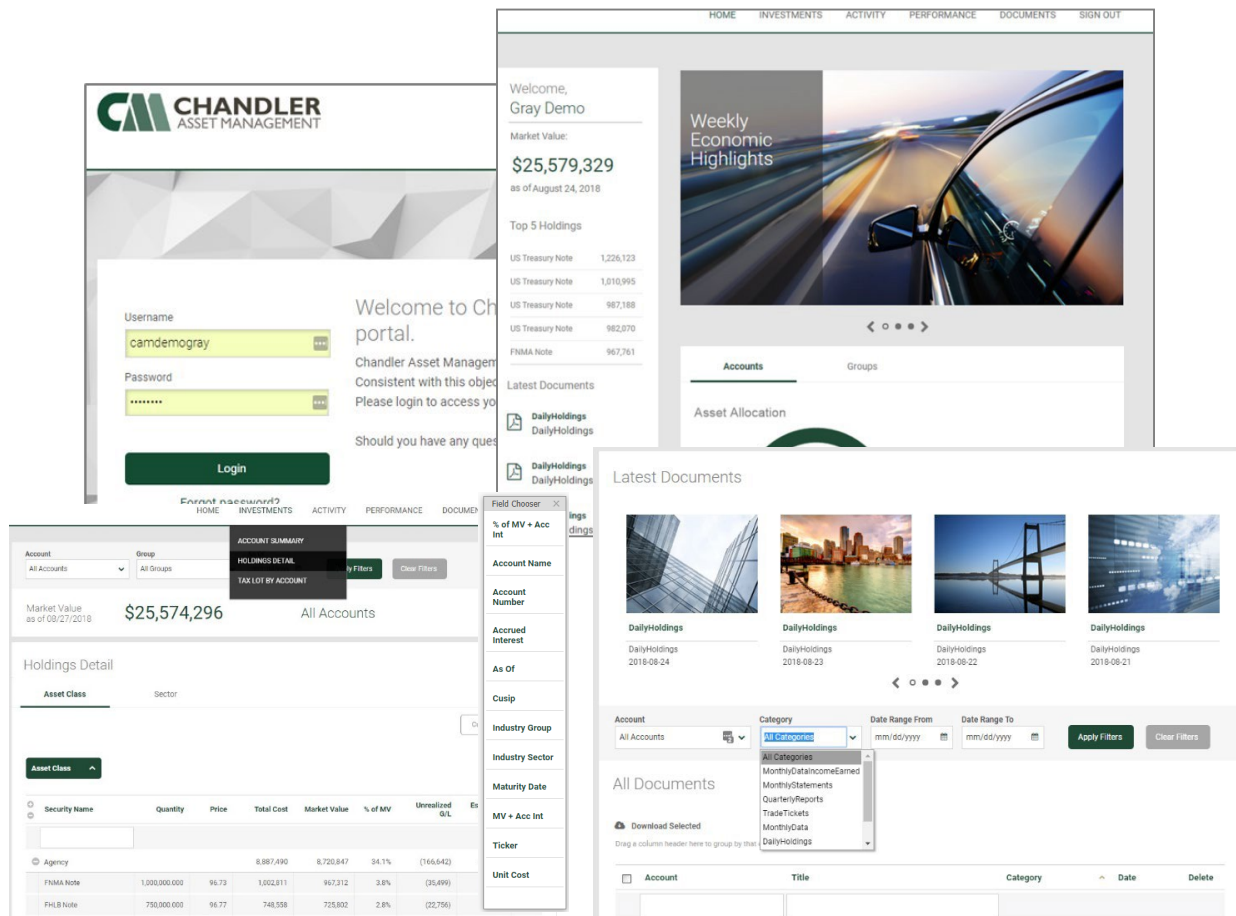
- A Holdings Report, showing security description, par value, cost, book value, market value, accrued interest, gain/loss, book yield, duration, maturity, Moody’s, Fitch, and S&P ratings, and percent of portfolio for each holding.
- A cash flow projection from upcoming investment maturities and interest payments.
- A Transaction Ledger that reports all acquisitions, dispositions, interest payments, cash contributions and withdrawals, and any other transactions for the period. An Earned Interest Report, displaying all interest earnings, including accrued and received interest, amortization, and accretion in a detailed form and summarized.

Quarterly Reports: We present quarterly investment reports in a format designed to facilitate discussion between Chandler investment professionals and the Agency’s staff. The report provides current economic data, portfolio characteristics, and returns on both an aggregate basis as well as for individual portfolios, compliance, and a summary of accounts under management using graphs, charts, and illustrations in a format

that is effective for management, elected officials, and interested members of the public. We provide this report for our regular meetings with the Agency.

Online Client Portal: Chandler’s client reports, holdings, transactions, trade tickets, special reports, and other documents are available to the Agency on the *Chandler Client Portal*, a web-based reporting tool provided to clients as part of our comprehensive services. Reports can be downloaded in Excel format that can be mapped to your internal reporting requirements. There is no extra cost associated with the use of the portal. Chandler does not require the Agency to purchase any additional programs or software that would be required for services under this engagement, relieving the need to allocate capital to ensure portfolio optimization, policy compliance, financial reporting, and other crucial aspects of managing your funds.

Chandler Client Portal



The collage displays several key features of the Chandler Client Portal:

- Login Page:** Shows a login form with fields for Username (camdemogray) and Password, and a Login button.
- Dashboard:** Features a navigation menu (HOME, INVESTMENTS, ACTIVITY, PERFORMANCE, DOCUMENTS, SIGN OUT), a welcome message for Gray Demo, a Market Value of \$25,579,329 as of August 24, 2018, and a 'Weekly Economic Highlights' section with a car image.
- Holdings Detail:** A table showing security details for an Agency account.

Security Name	Quantity	Price	Total Cost	Market Value	% of MV	Unrealized G/L
Agency			8,887,490	8,720,847	94.1%	(166,642)
FNMA Note	1,000,000,000	96.73	1,002,811	967,312	3.6%	(35,499)
FHLB Note	750,000,000	96.77	748,558	725,602	2.8%	(22,956)
- Latest Documents:** A grid of document thumbnails for DailyHoldings reports from 2018-08-24 to 2018-08-21.
- Field Chooser:** A dropdown menu for selecting report categories like All Categories, Monthly/Income/Earned, etc.

These sample reports are being provided for illustrative purposes to demonstrate Chandler’s reporting capabilities. References to specific securities are examples of securities held in a portfolio and are not intended to be, and should not be interpreted as an offer, solicitation, or recommendation to purchase or sell any financial instrument, an indication that the purchase of such securities was or will be profitable, or representative of the composition or performance of the portfolio.

The *Chandler Client Portal* can integrate seamlessly with treasury management solution software and enterprise resource planning (“ERP”) software to provide increased data aggregation and transparency. Clients who log into the portal can download financial information to integrate it with financial and investment management systems like Tyler-Munis and Sympro. It has been our experience that over time, many clients using our reporting package concurrently with treasury management software find that our reporting module is robust enough to provide all the data they will need to report on their investments. As a result, many of our clients end up achieving savings by removing the redundancy of a separate software solution.

Chandler’s *Client Portal* is accessible via Chandler’s website at clients.chandlerasset.com to anyone with an internet connection and login/password credentials. The system is compatible with Windows operating systems and allows for downloading of files in multiple formats. The *Chandler Client Portal* can be accessed 24 hours a day, 7 days a week.

We confirm that Chandler’s comprehensive reports and *Client Portal* will meet or exceed all of the

Agency's accounting and reporting requirements. At the Agency's request, we can participate in a demonstration of our portal and reporting capabilities, provide tips and tools to customize your preferred view, access account information, access historical documents, and export information into the Agency's internal programs. We assist with models for accounting and journal entries and work with clients individually during onboarding and beyond to help them set up their internal accounting templates.

We have provided our *Sample Client Monthly Account Statement, Quarterly Investment Report, and GASB 40 and 72 Reports* in the **Appendix**.

5.3. Frequency of portfolio evaluation.

We will develop a regular schedule of in-person client meetings that meets your preferences. Typically, our clients request them on a quarterly or semi-annual basis. We will prepare presentations for these meetings, which include market information, current and proposed investment strategies, portfolio characteristics, performance, and expectations for the coming quarter. This format is designed to promote discussion between our team and your staff. A senior member of the investment management team as well as your relationship manager will attend these meetings. Chandler's professionals excel at the type of communication required to provide full transparency of your investment portfolio, assisting with translating the details of the entire investment program efficiently and effectively to the board, committees, and the public at large.

Apart from regularly scheduled meetings, the Chandler team maintains the flexibility to attend any ad-hoc meetings with the Agency's staff or Board. Further, clients can expect direct access to senior investment personnel and relationship managers well-versed in their portfolio at any time during business hours via phone or email.

We recommend meeting at least quarterly to review the portfolio's progress and current market conditions. Sometimes, more frequent meetings are required when the Board of Directors requests additional presentations. We are committed to keeping you fully informed of local issues, investment strategies, market conditions and developments that are relevant to your investment program and that could potentially impact you from risk, opportunity, operational and statutory perspectives. Jayson Schmitt, Alayne Sampson, and additional individuals from the firm's investment management team will regularly meet with you to present the investment portfolio to the Agency's finance staff, Board of Directors, and additional stakeholders. Chandler's professionals excel at the type of communication required to provide full transparency of your investment portfolio, assisting with translating the details of the entire investment program efficiently and effectively.

In addition, we communicate regularly via email to our clients with updates which include:

- Weekly economic updates provide a concise summary of economic and market news of the current week, key economic indicators, as well as topics for the next week's economic data releases. The update is sent via email to clients and interested parties each Friday;
- Monthly newsletter that includes a market summary, treasury yield curve graph, and monthly percent changes, as well as economic data and statistics; and
- Ad hoc emails and communication such as Fed rate news, education pieces, white papers, technology, and product updates.

5.4. Compliance with California Government Code Sections 53601 et seq for investing and 53646 (b)(2) and (3) for reporting standards.

Chandler maintains strict compliance with California Code Sections 53601 et seq for investing and 53646 (b)(2) and (3) for reporting standards. Chandler uses robust order management (“OMS”) and portfolio compliance software from **Bloomberg AIM** for ensuring compliance with client objectives, policies, and legal requirements on a pre-trade, post-trade, and end-of-day basis. At the inception of an engagement, a compliance officer codes each element of the investment policy and guidelines into the Bloomberg system. Since each trade originates in the system, pre-trade compliance testing is generated each time a portfolio manager prepares to execute a transaction. The system prohibits the execution of the trade if it does not comply with your investment policy. If an “alert” is triggered for non-compliance, it cannot be overridden by an investment manager and is escalated for review by compliance professionals.

Oversight of portfolio compliance and trade order management is conducted by Chandler’s dedicated Compliance Department, headed by Chief Compliance Officer Joseph Kolinsky, and which functions separately from the portfolio management team under the appropriate segregation of duties. As a part of our regular process of policy and guideline monitoring, we provide clients with a monthly detailed Statement of Compliance, based on our complete review of our client’s investments. This report details adherence to requirements such as permitted investments, minimum credit quality, maximum maturities, and concentration limits. This Statement also serves as an effective means of reporting compliance to the governing body.

In the event of a compliance violation, the details and actions taken to correct the violation would be detailed in this report.

Further procedures to ensure compliance with state laws, your investment policy, objectives, and directives include:

- A daily reconciliation of transactions and cash balances with custodian information.
- A month-end review of the portfolio to confirm compliance with the Investment Policy.
- A comprehensive weekly process to ensure credit quality meets your policy standards as well as our strict quality requirements.
- A portfolio structure that satisfies liquidity objectives with short-maturity securities and return objectives with higher duration investments.
- Frequent communication between our team and yours to help us stay informed of any new developments that may modify your objectives.
- Meetings with your staff as frequently as you choose to provide additional opportunities to review portfolio composition and performance at a high level.

Through Bloomberg AIM’s integration, Chandler optimizes its workflow automation and improves synchronicity with our clients’ internal accounting and portfolio management systems for more centralized and efficient operations. The Bloomberg AIM system provides seamless data integration that improves trading and compliance, as well as post-trade automation such as trade and security master file (SMF) data automatically sent to our accounting system. Its compliance monitoring features calculate and monitor asset class exposure, as well as issuer size, and concentration limits, as well as compliance with the Agency’s investment guidelines and legal requirements.

5.5. Frequency of account review by the Consultant and willingness to meet with management to make recommendations and discuss performance.

We are available to provide a level of involvement that is appropriate for you. Chandler’s Client Service Team and your Portfolio Manager will work with you to establish an understanding of the information you need on a timely basis. Our outreach will include emails, telephone calls, and personal visits that will help us understand the information you need to assist you in communicating effectively with us. We will not overburden you with questions or requests.

Your team will be available to you every day. Typically, someone who knows your account will be able to speak with you immediately; if not, our callback will be no later than the close of business on the same day. Initially, we will be in contact often while the details of the account setup are finalized. For a non-discretionary relationship (the client would like to maintain control as to whether or not to purchase a certain security at a given time), one of our investment professionals will call to discuss our recommendations for your approval before making the trade. Daily, investment team members will compare the characteristics of each of your portfolios to its defined target structure, using our proprietary system. The system compiles account data and highlights how the portfolio differs from its target duration, term structure, and sector allocation. Our Portfolio Managers then review and analyze the differences. If the team decides that a change in portfolio structure would benefit the Agency, your Lead Portfolio Manager will call to discuss our recommendations. If you concur, team members will execute the necessary transactions.

5.6. Copy of the advisor’s most recent ADV.

Chandler Asset Management is registered with the U.S. Securities and Exchange Commission under the Investment Adviser’s Act of 1940. The firm acknowledges its fiduciary duty to its clients and makes investment recommendations as a “Prudent Expert”. We have provided our most recently filed *Form ADV Parts 1 and 2* in the **Appendix** as part of our submission.

<i>CRD Number</i>	<i>SEC Number</i>
107287	801-44378

Chandler is a California corporation in good standing. In addition, the firm qualifies as a Small Business in California through the Department of General Services, with certification ID 1747894, expiring September 30, 2023.

6. RECOMMENDED ASSET ALLOCATION

6.1. Recommended asset allocation

To recommend an asset allocation, an in-person meeting will be scheduled to “kick-off” the relationship, gain an understanding of your investment objectives and constraints, and encapsulate the goals for your overall program. We will conduct detailed reviews of the Investment Policy as well as the current portfolio to gain an understanding of cash flow needs, risk tolerances, permitted securities, credit profile, duration targets, and current maturity structure. We will confirm that the Investment Policy provides for the Agency’s primary objectives of safety³, liquidity, and return, incorporates all aspects of the California Government Code related to investing public funds, and may make recommendations to achieve these goals. We conduct a benchmark study that analyzes the risk/return characteristics of different investment approaches and their associated benchmarks for your consideration that align with the Agency’s investment goals. The result of these discussions will be a management directive governing the investment of funds as well as additional services that may be required to support staff and treasury management operations.

The Chandler team has designed the entire investment process, including portfolio construction and security selection, and the selection of benchmarks to promote the objectives of safety³, liquidity, and total return, or yield. Our approach to structuring the portfolio is designed to fulfill those requirements in a way that addresses the Agency’s specific investment needs in light of budgetary and financial realities. The steps would proceed as follows:

Review of the Investment Policy. To address safety³, liquidity, and/or return, we propose to conduct an in-depth review of the investment policy document governing the investment of funds to ensure alignment with the California Government Code as well as current industry best practices. Our review will take place in collaboration with your staff and will focus on:

- Confirming appropriate limitations of permitted investments to promote diversification and ensure safety³ of funds; and
- Ensuring that the language of the Investment Policy offers clarity to safely capture opportunities to enhance return.

We encourage ongoing discussions as needed to ensure that the investment strategy and allocation of funds to diversified fixed income sectors remain consistent with your understood goals and objectives. We will regularly consult with Agency staff on ways to expand investment guidelines with the intent to ensure they are exposed to the broadest opportunity set, while still focusing on the primary objectives of safety³ of principal and access to cash.

Development of Investment Strategies Specific to the Agency. To enhance return, we propose to develop a customized investment strategy that addresses your return requirements, balanced with your preferences for managing risk. Given the current size of the Agency’s investment portfolio, multiple strategies will be considered to meet the objectives for funds with a specific purpose. We will construct a disciplined investment approach that will serve the Agency through different market cycles and will allow for closely controlled risks while capturing market opportunities to enhance the performance of the portfolio. Our approach will include

³ While our conservative investment approach promotes safety, investing in securities carries varying degrees of risk and we cannot guarantee safety of principal.

a review of sectors, a discussion of various fixed income strategies, and a benchmark study that is appropriate for each segment of the Agency’s funds.

Implementation of Investment Strategies. We search diligently to add value at every stage in our process. Our approach is to purposefully segment the portfolio into two components—liquidity and long-term strategies. The liquidity portfolio is customized to provide funds for disbursements as needed, per the client’s direction to us. We manage the long-term portfolio, consisting of funds not currently needed for cash flow, to enhance expected earnings and long-term growth within the constraints of your risk profile and return objectives. We will work to execute the investment approach by performing daily analysis of market conditions to identify opportunities and risks, conducting in-depth credit analysis through our diligent credit review process to protect the Agency’s funds from downgrades and bankruptcies, and ensuring that we obtain the best execution for each transaction, seeking multiple price quotations on all purchases and sales to get the best price.

Structuring the Agency’s Portfolios. We propose to segment and diversify the Agency’s investments in portfolios that are carefully managed through their duration structure and maturity distribution. Through portfolios of individually owned securities, the Agency can manage the asset allocation and maturity distribution of its portfolios based on its specific needs, objectives, and risk tolerances.

While we know the Agency’s cash flow needs are of paramount importance to its investment program, we may wish to explore with the Agency the benefits of allocating funds to a duration target or a known cash flow date as a possible alternative to shorter-duration investments in LGIPs or bank balances. This structure will seek to provide liquidity from maturing securities as well as higher returns by utilizing a portfolio of securities managed to a slightly longer duration.

Segmented Investment Portfolio	
Liquidity Portfolios	Reserve Portfolio
<ul style="list-style-type: none"> • Matching maturities to known expenditures • The average maturity of the portfolio is typically <i>1 year or less</i> • LGIPs provide a liquidity “cushion” • Money market instruments offer diversification • May invest in: <ul style="list-style-type: none"> - Commercial Paper - Treasury Bills - Agency Discount Notes - Certificates of Deposit 	<ul style="list-style-type: none"> • Targeted generally to a higher duration to coincide with possible liabilities and enhance the potential to increase earnings • The portfolio includes securities that mature from between 0-5 years or longer, but may be concentrated from between 1-3, 1-5 years, or 1-10 years, specific to each client. • May invest in: <ul style="list-style-type: none"> - U.S. Treasury Securities - U.S. Agency Securities - High-Quality Credit Securities

For liquidity purposes, we will explore a solution that could include using investment pools, LGIPs, or segregation into a portfolio of short-duration securities where funds are invested to a short-duration target or a known cash flow date.

As financial conditions and the market environment changes as they have over the last few months, we adapt our portfolio strategy to reflect the opportunities available to meet our clients' return objectives. We structure our clients' portfolios to potentially achieve risk-adjusted returns over a market cycle and our processes are designed to filter the market noise and search for opportunities that will achieve the long-term goals of our clients. We are confident that our experienced team and time-tested processes would benefit the Agency's investment program through our partnership and add value to the investment program.

Chandler Investment Policy Review

We have conducted a preliminary review of the Agency's *Investment Policy, effective date February 2022*, and find that in general, it is a robust directive that includes many best practices and provides for the Agency's primary objectives of *safety*⁴, *liquidity*, and *return*. We have made some observations resulting from our review and have initial recommendations for prudent best practices that aim to align the investment policy more closely with California Government Code, add clarification and consistency, mitigate risk, and ultimately increase the potential for risk-adjusted returns over a market cycle. Chandler recommends the following:

- **Delegation of Authority:** Add language that allows engagement of external investment advisors, who are authorized to engage in transactions with broker-dealers on behalf of the Agency using a competitive bidding process;
- **Authorized and Suitable Inve:** Remove the issuer rating "A" rating limitation for mortgage pass-through security to align to the current code;
- **Diversification:** There is an inconsistency in the policy in that CP and Medium-Term Notes are allowed up to 10% per issuer, whereas the policy diversification limits corporate issuers to 5%;
- **Reporting:** Enhance the reporting requirement language to include quarterly transaction reporting.

Chandler Portfolio Holdings Review

We have reviewed SCV Water's *Agency-wide General Funds Invested* of March 31, 2022, and believe we could add value in several areas to improve the overall risk return profile of the portfolio.

Increase Diversification through Additional Security Types

The Agency's investment portfolio currently has large allocations to Federal agencies, cash equivalents and investment pools (approx. 60%), with lesser allocations to non-government securities. We believe the Agency's investment portfolio would benefit from exposure to additional investment types permitted by California law as well as increasing its allocation to asset classes already permitted by the Agency's Investment Policy which are not fully utilized in the portfolio. For example, the Agency's investment policy permits higher exposures in U.S. Treasuries, medium term corporate notes, commercial paper, and negotiable certificates of deposit, which not only may achieve higher earnings but also increase diversification by issuer, credit quality and maturity. Increasing the allocation to these securities can reduce the overall risk profile of the portfolio through diversification while maintaining compliance with the Agency's investment policy and California law.

Chandler's investment team closely follows trends in the new issue market to take advantage of the cyclical swings in issuance in order to obtain attractive spreads over the risk-free Treasury rate. The seasoned professionals at Chandler are also well versed in the technical differences between various issuers in the Agency's investment universe, and frequently adjust the underlying issuer and sector exposure to take advantage of market anomalies that investors with the specialized training, experience and tools can consistently identify. Should the Agency decide to expand its corporate exposure either within the terms of

⁴ While our conservative investment approach promotes safety, investing in securities carries varying degrees of risk and we cannot guarantee safety of principal.

its current policy or broaden the policy to permit additional exposure to corporate securities, Chandler's professionals can safely exploit the opportunities provided by investments in this sector adding to the earnings of the Agency's portfolio.

In addition, the portfolio does not currently have a direct exposure to U.S. Treasury securities, widely known to be the most liquid and risk-free investment type in the Agency's investible universe. To promote additional portfolio diversification as well as safety⁵ and transactional liquidity, we suggest having an exposure to this asset type.

Implement a Dynamic Term Structure of the Portfolio's Maturities

The current maturity structure of the Agency's portfolio are heavily allocated to overnight securities. The Agency's investments may benefit from a more dynamic term structure designed to capture inefficiencies in the yield relationships between different maturities. After ensuring the Agency has sufficient liquidity to meet cash needs, we would structure the portfolio's maturities based on the shape of the yield curve, the expected direction of interest rates, and the additional yield received for different maturity ranges. By implementing a dynamic yield curve strategy, the Agency will add an additional layer of diversification embedded in the structuring of its portfolio while looking for opportunities to enhance returns.

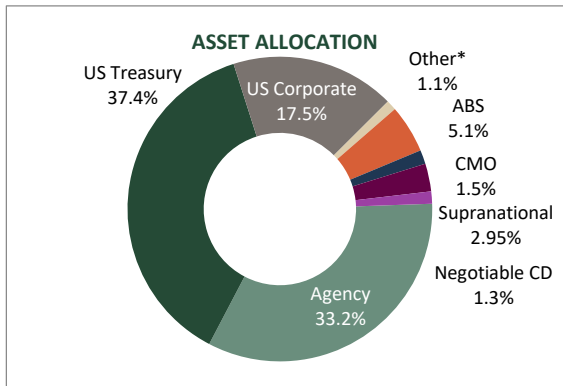
As financial conditions and financial markets change as they have over the last few months, we adapt our portfolio strategy to reflect the opportunities available to meet our clients' objectives. Our clients' portfolios are structured to achieve their long-term goals and our processes are designed to filter the market noise and search for opportunities that will achieve their long-term goals. We are confident that our experienced team and time-tested processes would benefit the Agency's investment program and add long-term value.

Chandler Sample Asset Allocations

Based on our evaluation of your investment policy and holdings, we have provided the asset allocation and top ten holdings for three of the strategies we believe might be of interest to the Agency.

⁵ While our conservative investment approach promotes safety, investing in securities carries varying degrees of risk and we cannot guarantee safety of principal.

Chandler Limited Maturity Asset Allocation



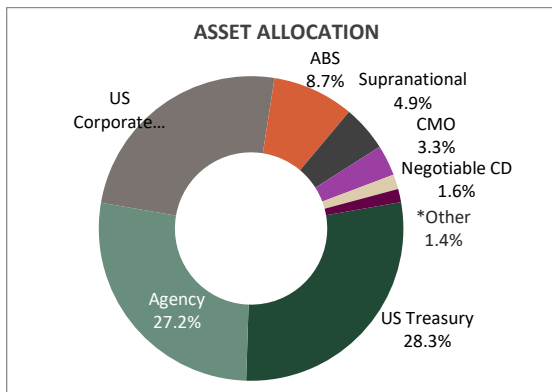
*Other includes Municipal Bonds, Cash, MBS and Commercial Paper

SAMPLE ISSUERS

- Deere & Company
- Federal Farm Credit Bank
- Federal Home Loan Bank
- Federal Home Loan Mortgage Corp
- Federal National Mortgage Association
- Inter-American Dev Bank
- Intl Bank Recon and Development
- JP Morgan Chase & Co
- Toyota Motor Corp
- United States Treasury

Chandler assets under management as of 03/31/22. Based on the ten largest issuers in the composite, listed alphabetically. Holdings subject to change and should not be considered as a recommendation to buy, sell or hold any security. Excludes cash and cash equivalents.

Chandler Short Term Bond Asset Allocation



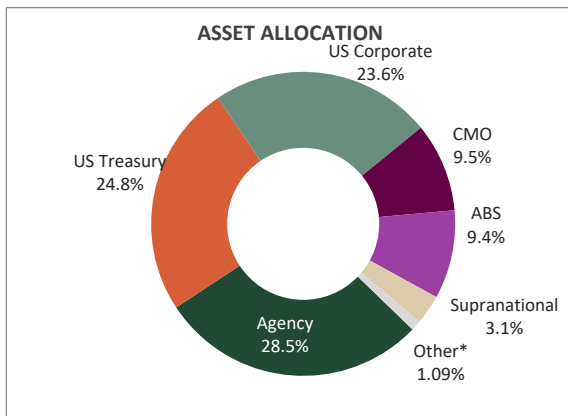
*Other includes Municipal Bonds, Cash, Commercial Paper and MBS

SAMPLE ISSUERS

- Bank of America Corp
- Federal Farm Credit Bank
- Federal Home Loan Bank
- Federal Home Loan Mortgage Corp
- Federal National Mortgage Association
- Honda ABS
- Inter-American Dev Bank
- Intl Bank Recon and Development
- JP Morgan Chase & Co
- United States Treasury

Chandler assets under management as of 03/31/22. Based on the ten largest issuers in the composite, listed alphabetically. Holdings subject to change and should not be considered as a recommendation to buy, sell or hold any security. Excludes cash and cash equivalents.

Chandler Intermediate Bond Asset Allocation



*Other includes Municipal Bonds and Cash

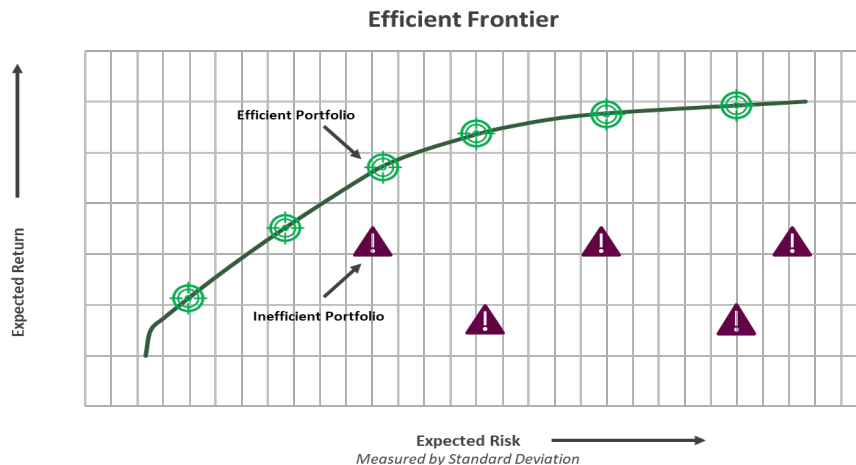
SAMPLE ISSUERS

- Bank of America Corp
- Berkshire Hathaway
- Federal Home Loan Bank
- Federal Home Loan Mortgage Corp
- Federal National Mortgage Association
- Hyundai Auto Receivables
- Inter-American Dev Bank
- Tennessee Valley Authority
- Toyota ABS
- United States Treasury

Chandler assets under management as of 03/31/22. Based on the ten largest issuers in the composite, listed alphabetically. Holdings subject to change and should not be considered as a recommendation to buy, sell or hold any security. Excludes cash and cash equivalents.

6.2. Include an analysis of the efficient frontier of the recommended asset allocation and a discussion of the risk/reward spectrum for your recommendations(s).

The efficient frontier is dependent on a broad set of asset classes beyond the fixed income securities permitted by the Agency’s investment policy. The expected and volatility of returns for each asset class are the primary inputs used to calculate and find portfolio with the highest expected return at the least risk level—the “Efficient Frontier.” In the graph below, the Efficient Frontier is depicted as a dark green curved line that spans a rate of return on the vertical axis while horizontal volatility on the axis that measures risk by the standard deviation of return. The optimal portfolio lies on the green line, depicting a portfolio that best compensates investors for their given risk tolerance. Without the inclusion of asset classes outside fixed income, the efficient frontier analysis is not the best tools for recommending incorporating asset classes into the portfolio and the expected risk/reward for the Agency. Rather our proprietary HAM model is a preferred to tool to help structure a portfolio incorporating the individual risk profile of our clients.



6.3. For the investments included in your recommended portfolio, please provide a current (as of December 31, 2022), one, three, five, and ten-year annual returns compared to relevant indexes (both before and after fees)

We have included performance and characteristics below through December 31, 2021, for Chandler’s **Limited Maturity Strategy**, a 1–3-year strategy, the **Short-Term Bond Strategy**, a 1–5-year strategy, and for the **Intermediate Strategy**. Chandler’s Limited Maturity and Short-Term Bond strategy composites are comprised of individually managed accounts with an average modified duration equal to the modified duration of the *ICE B of A 1-3 Year US Treasury Index* and the *ICE B of A 1-5 Year US Treasury & Agency Index*⁶, respectively, and a final stated maturity of individual securities of five years. These strategies constitute a segment of the methods we employ for our institutional clients, of which three (3) are listed below.

Chandler Composite Performance – Gross and Net of Fees

<i>As of December 31, 2021</i>	One Year	Three Years	Five Years	Ten Years
Chandler Limited Maturity (gross) <i>(inception: 9/30/88)</i>	-0.48%	2.20%	1.83%	1.33%
Chandler Limited Maturity (net)	-0.53%	2.15%	1.78%	1.28%
<i>ICE BofA 1-3 Year US Treasury Index</i>	-0.55%	2.02%	1.61%	1.09%
Chandler Short Term Bond (gross) <i>(inception: 9/30/95)</i>	-0.93%	2.65%	2.11%	1.62%
Chandler Short Term Bond (net)	-0.98%	2.60%	2.06%	1.57%
<i>ICE BofA 1-5 Year US Treasury & Agency Index</i>	-1.09%	2.41%	1.89%	1.35%
Chandler Intermediate Bond (gross) <i>(inception: 10/95)</i>	-1.49 %	3.32 %	2.58%	2.05 %
Chandler Intermediate Bond (net)	-1.54%	3.27%	2.53%	1.00%
<i>ICE BofA 1-10 Year Government Index</i>	-1.63%	2.97%	2.29%	1.68%

Based on Chandler’s Limited Maturity, and Short-Term Bond composites as of 12/31/2021. Performance results are presented gross and net of fees. Net returns are for a sample of 5.20 basis points (0.052 of 1%) proposed for a \$250 million account and are hypothetical and not based on an actual client’s account. The performance has been calculated using historical composite performance. Gross performance does not reflect payment of advisory fees and other expenses which will reduce performance. Past performance is not a guarantee of future results. All investment strategies have the potential for profit or loss. Market conditions or economic factors may alter the performance and results of a portfolio. Investment advisory fees are disclosed in the firm’s form ADV Part 2A. Performance for periods greater than one year is annualized. Please see GIPS Composite Reports and important disclosures in the Appendix. For one-on-one presentations only.

Chandler develops and implements portfolio strategies tailored to meet the exact needs of each client. We group portfolios with similar characteristics into composites for the purpose of computing and reporting GIPS®-compliant performance results. GIPS® represents an industry-wide standard for performance calculation and reporting which facilitates comparison among investment firms. Chandler Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and prepares and presents its performance in compliance with these standards. Chandler is independently verified by ACA Performance Services for firm-wide GIPS® compliance. A copy of the firm’s most recent GIPS® Verification Letter is included in the **Appendix**.

⁶ Please see important disclosures in the Appendix.

7. RESEARCH AND INVESTMENT DECISIONS

7.1. Provide research methods and resources (external and internal)

Chandler devotes considerable resources to enhancing our own in-house capabilities and evaluating research from outside sources that we incorporate into our own proprietary processes. Aided by inputs from the different investment committees, decisions are made by the investment team regarding duration positioning, sector allocation, term structure, and issue selection within the firm's macro view of the economic environment and broad-based view on interest rates and leading economic indicators. The investment team then incorporates these decisions as they apply to each individual portfolio. As our primary focus is on the management of fixed income securities for public agencies, the firm's analytical rigor is dedicated to the investment types we purchase on behalf of our clients—US Treasuries, Federal Agencies, corporate bonds, commercial paper, negotiable CDs, asset-backed/mortgage-backed securities, as well as the value identified between sectors and individual issuers.

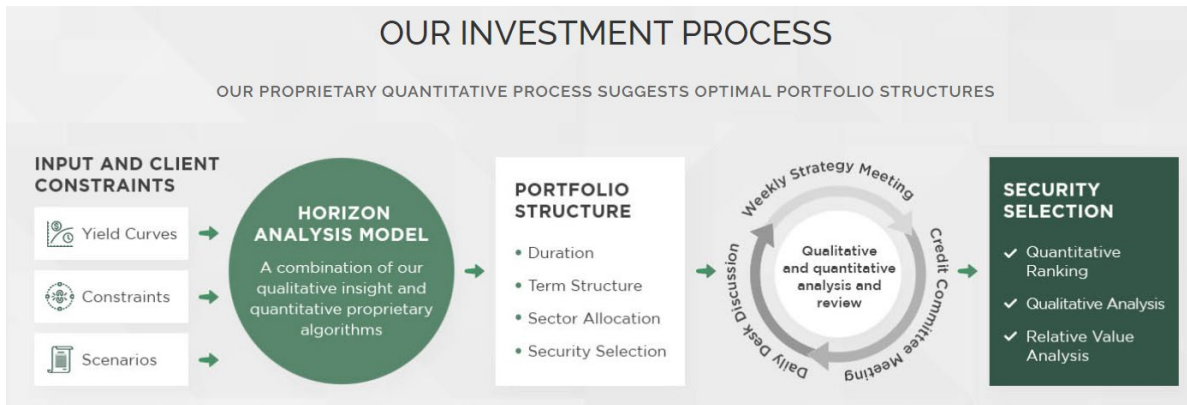
Chandler conducts 100% of its research in-house. Internally developed, proprietary tools such as our **Horizon Analysis Model ("HAM")** and **credit review/security selection** provide a quantitative foundation for Chandler's portfolio construction process. In addition, the investment management team subscribes to a variety of private research providers including BCA Research, Oxford Economics, Egan Jones, and CreditSights to augment the overall research efforts of the firm. The team keeps abreast of sell-side research from a broad group of domestic and international investment banks. These tools not only provide data for our investment processes but ensure that our clients have access to the most current and relevant market information. Chandler's professionals also conduct research projects on an ad hoc basis on issues concerning our industry and our clients, such as changes in the brokerage world, studies on how legislative changes impact our clients, and research on new sectors or investment structures as appropriate for our clients' portfolios.

Proprietary Tools and Best-in-Class Resources for Portfolio Constructions

Chandler's proprietary **Horizon Analysis Model** is the quantitative foundation for the portfolio construction process. The model enables our portfolio management team to integrate their research into the portfolio management process in a disciplined and repeatable way. Inputs to the model include:

- current yields on Treasury, agency, and corporate securities;
- specific client constraints, such as maturity restrictions and maximum sector exposure; and
- nine different probability-weighted forecasted interest rate scenarios that may occur at the six-month horizon date. Our analysis of current macroeconomic conditions is one of the factors we consider as we develop the nine scenarios that comprise the third input to the model.

Chandler's Investment Process



Through an iterative process, the model generates the “optimal portfolio structure” (duration, maturity distribution, and sector allocation), which we define as the portfolio that achieves a return greater than the benchmark in each of the nine scenarios. That is, the model generates a portfolio structure that we expect will outperform the portfolio’s benchmark over a wide range of possible future interest rate movements. The Investment Team then evaluates the optimal portfolio structure and using their expertise and judgment, may adjust as they begin the construction of the portfolio. This combination of a rigorous quantitative structure and experienced qualitative oversight is a hallmark of all of Chandler’s portfolio management activities.

Periodic Rebalancing – With the passage of time, portfolio characteristics tend to drift away from the desired structure. For that reason, the team reruns the *Horizon Analysis Model* monthly and reevaluates the optimal portfolio structure and rebalances to obtain the desired sector allocation and duration target as market conditions change. In addition, the benchmarks used by our clients for performance measurement are reconstituted monthly; therefore, we realign our portfolios with these benchmarks. As part of our active management approach, we will also rebalance when we find securities of superior value in terms of expected return or reduced risk or to adjust the credit quality of a holding for the portfolio.

Credit Analysis and Security Selection

Chandler conducts credit research in a team environment comprised of investment professionals as part of the firm’s *Credit Committee*. **William Dennehy, CFA, Co-CIO** is the chair of the *Credit Committee* which also includes additional members of the investment team. The firm’s proprietary credit research process identifies stable and improving credits to include in client portfolios. Although the Nationally Recognized Statistical Rating Organizations (“NRSROs”) typically determine the initial eligibility of a security, Chandler does not rely on these ratings to determine whether a security is suitable for a Chandler portfolio. Chandler’s *Credit Committee*, with input from the entire investment team further vets the suitability of an investment based on our own internal research and a thorough understanding of each client’s investment objectives and risk tolerances. This combination of qualitative and quantitative analysis enables the team to identify and invest in securities consistent with our clients’ objectives of safety⁷, liquidity, and return.

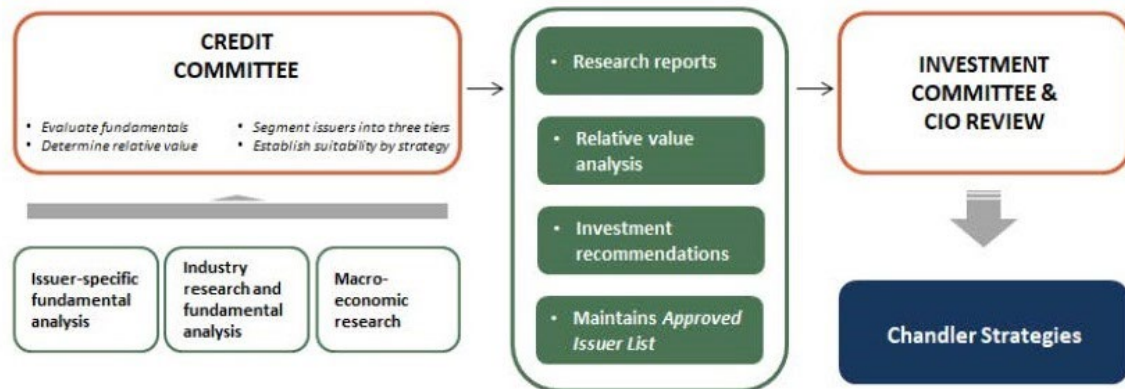
The dynamic nature of the process also provides the team with the ability to detect weak and deteriorating credits, which may be removed from client portfolios and Chandler’s *Approved Issuer List*. In determining the

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suitability of a security, the *Credit Committee* analyzes company fundamentals with a focus on relative balance sheet strength and the overall earnings outlook of the issuer, paired with Chandler’s view of the forward-looking macro-economic environment. After the fundamental outlook of an issuer has been ascertained, the *Credit Committee* focuses on the relative value of current and historical spreads of both the issuer and its industry sector. Chandler’s internal credit process is designed to identify and evaluate changing fundamentals and the current relative value of issuers versus sector peers.

The *Credit Committee* meets weekly to rank corporate issuers into three tiers and categorizes those securities based on individual client risk tolerance and policy guidelines. Each sector and issuer is reviewed at a minimum of once per quarter or four times per year. The goal is to be proactive in identifying and investing in stable and improving credits, and in avoiding deteriorating credits.

Chandler’s Credit Review Process



In addition to the formal Credit Committee meetings, all credits are monitored on a continuous basis. The Credit Committee monitors the overall news flow on each issuer on our approved list (i.e., earnings, press releases, management presentations or conferences, rating changes, etc.). The gathered information is distributed to the entire investment management team daily. In the event the fundamentals of the underlying security change, the Credit Committee may act to add or remove the issuer from our approved credit list or move it within the appropriate tier.

External Systems

In addition to our internal research tools and capabilities, the following external systems and software support our trading, portfolio accounting, and client reporting:

- *PAM for Securities Accounting system (Princeton Financial Systems)*- Main source of record where all portfolio transactions are stored. Holdings information is based on the transactions entered. Also stores SMF records, pricing, ratings, performance calculations, and other supporting data.
- *SQL Database*- Stores enterprise operational data such as account information, reporting/configuration, credit/index information, etc. Also stores copies of PAM data. Main source of information for 95% of our reporting. Remaining information comes from PAM, Access, or Bloomberg AIM reports.
- *SQL Reporting/Report Manager*- Main application that creates, automates reports, and displays reports.
- *Bloomberg AIM - Order Management System*. Imports holdings information from PAM and sends trading transactions to PAM. Also gets trade ticketing information, allocations, OASYS, settlement instructions enrichment. Compliance system used for pre-trade, post-trade, and end-of-day compliance testing and

straight-through processing of investment transactions.

- *Bloomberg AIM - Investment Manager.* The Bloomberg AIM system provides seamless data integration that compliance, as well as post-trade automation such as trade and security master file (SMF) data automatically sent to our accounting system. Its compliance monitoring features will calculate and monitor asset class exposure, as well as issuer size and concentration limits, as well as compliance with the Agency's investment guidelines and legal requirements.
- *Effects of Security Purchases/Sales.* Bloomberg AIM also allows the portfolio manager to test the effects that new securities will have on an existing portfolio. For example, the team can propose a trade in Bloomberg AIM, and determine what impact the position will have on the portfolio's overall duration. In addition, we can perform an analysis on how a portfolio will be affected given a specified change in interest rates to ensure the portfolio will continue to meet the objectives of the portfolio. We also can see the impact of security transactions on the portfolio not only from a portfolio management standpoint but also the implications to the accounting such as the gain/loss of a security sale.
- *Electra Reconciliation System and Data Retrieval Services* – Custodian to PAM reconciliation system. Gathers and consolidates bank and manager data each night/morning, as it becomes available.
- *OASYS-* Product by OMGEO that communicates trade allocations to other participating OASYS brokers
- *Confirm/Affirm-* Product by OMGEO where the details of trades are communicated between the broker and Chandler to achieve settlement. This helps streamline settlements and notifies parties when trades details do not match.
- *Salesforce CRM* – Contact management, portfolio settings, report distribution settings.

The Agency is not required to purchase any additional programs or software that is utilized for services under this engagement, relieving the need for to allocate capital for portfolio optimization, policy compliance, financial reporting, and other crucial aspects of managing your funds.

7.2. Discussion of the investment decision-making process (committee, portfolio manager, external investment managers, etc.)

The firm employs a sub-committee system for effective analysis, decision-making, and communication. Individuals may generate and develop investment themes through their independent research to bring to the entire Investment Management Team or their committee meetings, or one of the committees may collectively source an idea or theme through discussion. Additionally, the entire Investment Committee participates in regular off-site meetings for short, intermediate, and long-range planning. These meetings provide a forum in which every member of the team has input on the formulation and implementation of our strategies.

Chandler’s Investment Management Committee

Investment Management Committee				
William Dennehy II, CFA Co-Chief Investment Officer		Scott Prickett, CTP Co-Chief Investment Officer		Jayson Schmitt, CFA Co-Chief Investment Officer
Martin Cassell, CFA Chief Executive Officer				Dan Delaney, CFA Senior Portfolio Manager
Genny Lynkiewicz, CFA Senior Portfolio Manager				Ted Piorkowski, CFA Senior Portfolio Manager
Julie Hughes Senior Portfolio Strategist				Christopher McCarry, AIF Senior Portfolio Strategist
Alaynè Marie Sampson Senior Portfolio Strategist				Carlos Oblites Senior Portfolio Strategist
Stephen Church Assistant Portfolio Manager				Charlotte Powell Associate Portfolio Manager
Economic and Market Analysis Committee	Credit Committee	Quantitative Analysis Committee	Sector Committee	Multi-Asset Class Committee
<ul style="list-style-type: none"> Economic Outlook Market Analysis Develops Interest Rate Scenario Inputs for Horizon Analysis Model (HAM) 	<ul style="list-style-type: none"> Fundamental Credit Analysis Security Relative Value Analysis Maintains Approved List 	<ul style="list-style-type: none"> Reviews Committee Data Produces HAM Analysis Improves Model Methodology 	<ul style="list-style-type: none"> Sector Valuation New Sector Analysis Develop Valuation Inputs 	<ul style="list-style-type: none"> Reviews Global Markets and outlook Sets Capital Market Expectations Reviews and Enhances Investment Vehicles

Members of the **Investment Management Committee** meet weekly to review the findings and recommendations of the committees, market conditions, and client portfolio characteristics to determine short-term strategies and any need for portfolio rebalancing. In addition, team members meet off-site on a semi-annual basis and discuss economic, market, and credit conditions using committee research to establish the firm’s investment outlook, portfolio target characteristics, and sector strategy for the ensuing six months. These meetings provide a forum in which every member of the team has input on the formulation and implementation of our strategies.

Chandler’s subcommittees contributing to the investment themes and strategies implemented on behalf of our clients include:

- The **Economic and Market Analysis Committee** focuses on the development of economic inputs and interest rate scenarios for the *Horizon Analysis Model (HAM)*, the proprietary tool we employ to assist in developing portfolio structure. It also sets the macro-economic tone and investment strategy for our fixed-income investments and structuring of client portfolios given the current market climate.
- The **Sector Committee** is tasked with sector valuation methodology, analysis of option-adjusted spreads, including opportunities both among sectors and between issuers, along with evaluation of new instruments and sectors for suitability.
- The **Credit Committee** is responsible for evaluating issuers for inclusion, monitoring, and possible removal from the firm’s *Approved Issuer List*. The entire Portfolio Management Team and *Chief Investment Officer* Martin Cassell will review the committee’s recommendations, including additions to and deletions from the firm’s *Approved List*. Ultimate approval of credits is the responsibility of Martin Cassell. The committee’s output ensures that the securities purchased for client portfolios are consistent with their risk profile.

-
- The **Quantitative Analysis Committee** develops and sets the structure for the *HAM* and evaluates the model's process for improved technology and methods. The results of the *HAM* output are used to develop general characteristics of the strategies.
 - **The Multi-Asset Class Committee** prepares the firm's Capital Market Assumptions, basing them on the firm's analysis of the global markets and our forward-looking outlook of the market environment. The Committee then develops the Efficient Frontier, and reviews and recommends initial and ongoing portfolio asset allocations and fund vehicles for our clients.

8. FEES

8.1. Indicate all fees involved for each of the services you are proposing to provide.

Chandler is pleased to provide comprehensive, full time discretionary investment advisory services to the Agency as described herein Chandler’s proposal and in the Agency’s *Scope of Work* in accordance with the following fee schedule:

Proposed Fee Schedule for the Santa Clarita Valley Water Agency

Assets Under Management	Annual Asset Management Fee
First \$150 million	0.06 of 1% (6 basis points)
Next \$150 million	0.04 of 1% (4 basis points)
Assets over \$00 million	0.03 of 1% (3 basis points)

Our proposed fee schedule is all-inclusive for the services that Chandler provides, including full-time investment advisory and portfolio management services, technological resources, onboarding and implementation, online access to the *Chandler Client Portal*, comprehensive reporting, meetings, personal visits, educational offerings for your staff, as well as the additional treasury support services described herein in Chandler’s proposal. Chandler does not charge fees on funds held in Local Government Investment Pools. Fees are firm for the entire initial contract term and the Agency will not be subject to any increases during this period.

Our fee schedule *does not* include charges that the Agency would incur for third-party custodial services, which, as an important control in the investment process, is not provided by Chandler.

8.2. Include a breakout of the initial and ongoing consulting fees and the custodial and management fees as a percentage of the dollar value of the assets.

Our proposed fee schedule is all-inclusive for the services that Chandler provides, including full-time investment advisory and portfolio management services, technological resources, onboarding and implementation, online access to the *Chandler Client Portal*, comprehensive reporting, meetings, personal visits, educational offerings for your staff, as well as the additional treasury support services described herein in Chandler’s proposal. Chandler does not charge fees on funds held in Local Government Investment Pools. Fees are firm for the entire initial contract term and the Agency will not be subject to any increases during this period.

Fees are based on the dollar amount of assets under management and are not based on transaction volume. Management fees will accrue as long as there are assets in the portfolio, even if there is no activity during the period. Fees are charged monthly in arrears and can be debited directly from your third-party custody account. Since the firm calculates fees based on the average balance of assets under our direct management (market value including accrued interest), they will fluctuate based on portfolio value.

Examples of the fees assessed to the Agency at different asset levels according to the above proposed tiered fee schedule are as follows:

<u>Total Assets Under Management</u>	<u>Annual Fee in Basis Points</u>	<u>Annual Fee in \$ dollars</u>
\$250 million	5.20 bps	\$130,000
\$300 million	5.00 bps	\$150,000
\$350 million	4.71 bps	\$165,000

8.3. Discuss the frequency in which such fees will be evaluated and the maximum amount of any increase to be expected.

The fees will not increase for the duration of the contract. Since the firm calculates fees based on the average balance of assets under our direct management (market value including accrued interest), they will fluctuate based on portfolio value.

9. OTHER SERVICES

9.1. Please address any alternative or additional services that you are capable of providing that may be of benefit to SCV Water.

Chandler can provide additional services that will add value to the Agency’s investment program including:

- Strategy development or customization of strategies suitable to the Agency’s investment program;
- Other Post-Employment Benefit (“OPEB”) Management. Chandler has been managing post-employee benefit accounts such as pension trusts and medical benefit trusts for clients since 2003. We use a multi-asset class strategy (Chandler’s “MAC” Strategy) to achieve the objectives and target return of the plan;
- Management of the Agency’s cash in strategies including short-term securities as an alternative to LGIPs/other overnight investment pools;
- Targeted educational sessions on fixed income and financial topics and issuance of Continuing Professional Education (CPE) credits;
- Management of bond reserves and/or bond proceeds;
- Custodial bank/safekeeping review and selection;
- Culture of compliance.

We look forward to discussing the full suite of service offerings Chandler can provide as investment adviser.

9.2. Discuss your experience in rendering such services.

Chandler is able to render such services because our deep experience with public agencies. Leveraging resources from across the firm, we provide advice and investment manager analysis while bringing clients a personalized and local perspective. We are an investment management firm founded by former investment officers of large public agencies, providing our clients with depth and context in our ability to understand your unique needs and how a successful investment program adds value to your entity’s bottom line.

Chandler manages high-quality fixed income securities and multi-asset class portfolios spanning the yield curve and for various duration mandates for public entities and other institutional clients. All of Chandler’s public agency clients’ funds are structured as separately managed accounts. We customize portfolios to comply with individual clients’ investment directives for operating funds, debt service, capital improvement, long-term OPEB and pension-like funds, and other funds that may have specific constraints. Our clients include municipalities, counties, special districts, foundations/endowments, not-for-profit organizations, healthcare districts, higher education, and corporations. We provide complete investment services and treasury management support for a public entity investment program, including:



Investment Management

- *Operating and Bond Funds*
- *General Revenue Funds*
- *Reserve Funds*
- *Multi-Asset Class strategies designed to meet a return target*
- *Post-Employment Benefit Trusts/ OPEB*
- *Separately managed portfolios of individual securities*

- *Capital Project Funds*
- *Debt Service Funds*
- *Customization of strategies for individual client needs*
- *Sharing fiduciary duty of our clients*


Treasury Management Support

- *Cash flow Analysis/Forecasting*
- *Investment policy development, review, and monitoring*
- *Investment policy certification*
- *Custodial selection and review*
- *Reconciliation and settlement with custodian*
- *Online Client Reporting Tool*
- *Accounting templates and set-up assistance*
- *Education webinars and training*
- *CPE credit issuance*
- *Ad hoc presentations to staff and stakeholders*


Service and Communication

- *Transparency through monthly statements and quarterly reports*
- *GASB 40 and 72 Reports*
- *Confirmation of compliance with investment policy*
- *Dedicated engagement manager to ensure satisfaction with services*
- *Frequent meetings to review portfolio*
- *Direct contact with investment professionals*

9.3. Describe your ability to make recommendations to SCV Water on its Investment Policy.

We understand that an investment policy is crucial to the development and maintenance of a public agency's investment program. We begin each relationship with a thorough review of each client's investment policy, during which we make recommendations and use it to formalize the investment mandate for each client's portfolio(s). Suggestions are meant to provide clarification, increase return potential, and improve risk management. We have written or revised investment policies for almost all of our government clients, and we customize each policy to mirror the client's specific objectives and tolerances.

We will customize your policy to reflect:

- California Government Codes
- The Agency's Investment Policy
- Specific Client Directives
- Chandler's Best Practices

With over three decades of experience serving California public agencies, we are well-versed in the California Government Code as it applies to public agency investing and are actively involved with associations that develop recommended best investment practices, including the California Society of Municipal Finance Officers (CSMFO), the California Municipal Treasurers Association (CMTA) and the Government Finance Officers Association (GFOA). In reviewing investment policies, we look for clearly defined portfolio objectives and constraints.

At the start of the engagement, we will consult with you to understand and quantify your investment objectives, risk profile, and expected outcomes. We will then document what we have learned. In that way,

our strategy and your policy complement each other. Once the investment policy is approved, it becomes the operating guideline for the portfolio. In addition, we will review your investment policy annually to ensure that your policy is updated as your objectives and cash flow requirements change over time. The policies we draft state in clear, unambiguous language the risks that are acceptable to a client and the investment strategies that we may undertake to achieve the client's goals.

Our policy review includes, at a minimum, the following areas:

- Scope of the policy that defines which funds are covered by the policy
- Investment objectives that clearly define how safety⁸, liquidity, and return will be attained
- Standard of care (Prudent Expert)
- Delegation of authority
- Ethics and conflicts of interest
- Authorized investments
- Management of market and credit risk
- Safekeeping and custody of securities
- Reporting requirements
- Performance standards

⁸ *While our conservative investment approach promotes safety, investing in securities carries varying degrees of risk and we cannot guarantee safety of principal.*

10. OTHER CONSIDERATIONS

- 10.1. SCV Water will select one advisor as the result of the RFP process. That advisor may or may not have a direct role in the investment of SCV Water funds. The advisor may direct funds to be invested with multiple managers including with firms and in investment opportunities other than those directly involving the advisor. The advisor will have overall responsibility for the SCV Water portfolio and will consult with SCV Water Finance and Administration Committee as required.**

We look forward to discussing the full suite of service offerings Chandler can provide as investment adviser.

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Monthly Financial Report

MAY 2022

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Statement of Revenues and Expenses

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SCV Water
Statement of Revenues and Expenses
For the 11th Period Ending 5.31.22

	(A)		(B)		(C)		(D)		(E)		(F)		(G)		(H)
	Actual	Budget	Current Period		Variance	Percent	Operating Revenues		Actual	Budget	Year-to-Date		Variance	Percent	
			Budget	Variance			Operating Revenues	Percent			Budget	Percent			
(1)	\$ 7,025,785	\$ 8,538,020	\$	(1,512,236)		(18%)	(a) Water Sales	\$ 79,731,197	\$ 76,842,181	\$	2,889,017	4%	(1)		
(2)	24,362	5,699	18,663	327%	Water Sales - WWR	327%	106,470	62,693	43,778	70%	(2)				
(3)	12,604	34,037	(21,433)	(63%)	(a) Water Sales - Recycled	(63%)	329,888	374,408	(44,520)	(12%)	(3)				
(4)	50,034	100,000	(49,966)	(50%)	(b) Misc Fees and Charges	(50%)	252,413	900,000	(647,587)	(72%)	(4)				
(5)	<u>\$ 7,112,784</u>	<u>\$ 8,677,756</u>	<u>\$ (1,564,973)</u>	<u>(18%)</u>	Total Operating Revenues	(18%)	<u>\$ 80,419,969</u>	<u>\$ 78,179,281</u>	<u>\$ 2,240,688</u>	<u>3%</u>	(5)				
(6)	\$ 170,491	\$ 353,695	\$ (183,204)	(52%)	(c) Management	(52%)	\$ 5,091,471	\$ 3,946,328	\$ 1,145,143	29%	(6)				
(7)	970,453	1,368,007	(397,554)	(29%)	(d) Finance, Admin & IT	(29%)	14,336,783	15,481,942	(1,145,159)	(7%)	(7)				
(8)	191,868	186,257	5,611	3%	Customer Care	3%	2,329,528	2,161,345	168,183	8%	(8)				
(9)	757,243	913,771	(156,528)	(17%)	(e) Trans & Distribution	(17%)	10,497,401	10,444,588	52,813	1%	(9)				
(10)	1,529,501	1,241,284	288,217	23%	(f) Pumping Wells & Storage	23%	10,974,970	12,408,251	(1,433,281)	(12%)	(10)				
(11)	339,007	783,490	(444,483)	(57%)	(g) Water Resources	(57%)	4,803,246	8,865,071	(4,061,825)	(46%)	(11)				
(12)	362,191	978,018	(615,827)	(63%)	(h) Source of Supply	(63%)	6,807,195	10,712,201	(3,905,006)	(36%)	(12)				
(13)	786,233	907,394	(121,161)	(13%)	(i) Water Quality, Treatment & Maintenance Engineering Services	(13%)	10,257,124	10,011,212	245,912	2%	(13)				
(14)	279,278	291,681	(12,403)	(4%)		(4%)	3,569,537	3,369,338	200,198	6%	(14)				
(15)	<u>\$ 5,386,264</u>	<u>\$ 7,023,597</u>	<u>\$ (1,637,333)</u>	<u>(23%)</u>	Total Operating Expenses	(23%)	<u>\$ 68,667,255</u>	<u>\$ 77,400,276</u>	<u>\$ (8,733,021)</u>	<u>(11%)</u>	(15)				
(16)	\$ 1,726,520	\$ 1,654,160	\$ 72,360	4%	Net Operating Revenues (Expenses)	4%	\$ 11,752,714	\$ 779,005	\$ 10,973,709	1409%	(16)				
(17)	\$ 4,407,429	\$ 4,249,054	\$ 158,375	4%	Non-Operating Revenues and (Expenses)		\$ 42,559,373	\$ 44,700,350	\$ (2,140,977)	(5%)	(17)				
(18)	(1,228,041)	(3,935,736)	2,707,695	(69%)	Non-Operating Revenues ¹	(69%)	(15,990,158)	(43,293,099)	27,302,941	(63%)	(18)				
(19)	-	-	-	0%	Capital Improvement Projects - Pay Go Debt Service	0%	(32,912,555)	(32,960,792)	48,237	(0%)	(19)				
(20)	<u>\$ 3,179,388</u>	<u>\$ 313,317</u>	<u>\$ 2,866,071</u>	<u>915%</u>	Net Non-Operating Revenues and (Expenses)	915%	<u>\$ (6,343,340)</u>	<u>\$ (31,553,541)</u>	<u>\$ 25,210,201</u>	<u>(80%)</u>	(20)				
(21)	\$ 4,905,908	\$ 1,967,477	\$ 2,938,430	149%	Increase (Decrease) in Net Position	149%	\$ 5,409,374	\$ (30,774,535)	\$ 36,183,910	(118%)	(21)				

Monthly Changes of more than 10% and \$20,000

- (a) Budget projection based on a seasonal trend. Historical trend of water sales will be used in FY 2023. Year-to-date actual is still tracking higher than budget.
- (b) Fees coming in less than budget due to COVID-19 limitations.
- (c) Timing of Perchlorate Litigation expenses.
- (d) Less than expected Outside Services and Insurance expense.
- (e) Less than expected Outside Services.
- (f) Utility expense actuals higher, by approximately \$500K, than budgeted amount. SCE invoiced for billing corrections (unread meters). Year-to-date departmental expense still tracking below budget.
- (g) BMP Implementation is under budget due to lower conservation program participation
- (h) Budget based on a level trend. Historical trend of water purchases, and updated information, will be used in FY 2023.
- (i) Less than expected materials and supplies expense (includes chemicals), consistent with lower water sales.
- (j) Pay-Go Capital Improvement Project actuals coming in less than budget.

¹ Non-Operating Revenues include: Grants & Reimbursements, 1% Property Tax, Cell Sites, FCF, Lab Revenues, Interest Income

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Debt & Cash Position

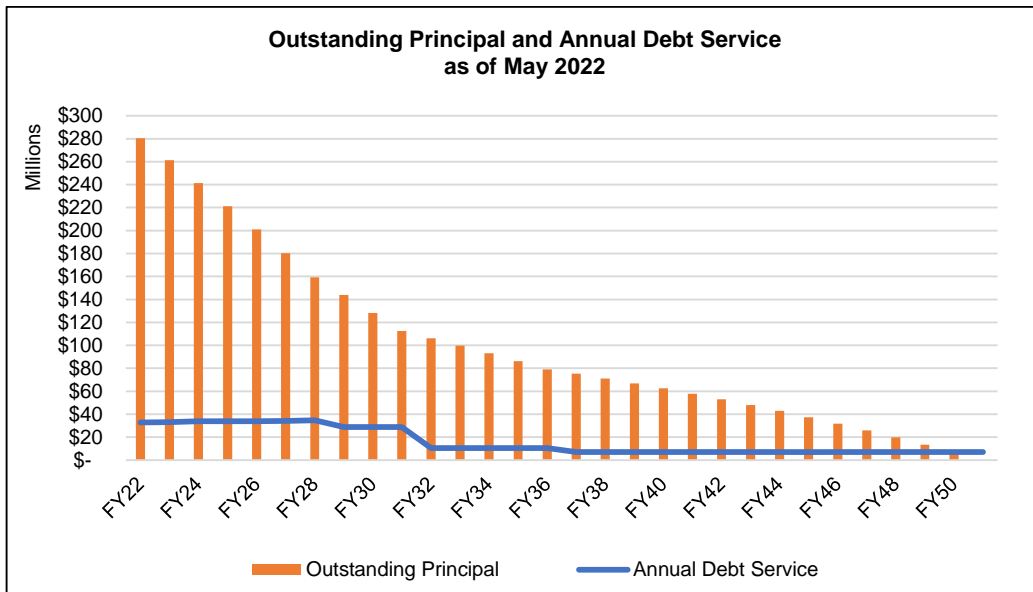
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This report reviews the Agency’s outstanding principal and debt service on an annual basis, cash balances of unrestricted, restricted, and reserve funds as of May 31, 2022, and the total current and non-current assets as of June 30, 2021.

DEBT SERVICE

The outstanding principal debt as of May 31, 2022, is \$280,289,218* with an annual debt service of \$32,917,555. The debt payments are due in August and February of each fiscal year.

The outstanding principal and annual debt service payments shown in the graph below consists of the current outstanding debt and associated payments. It does not include potential future debt which may be approved and issued to partially fund construction projects.

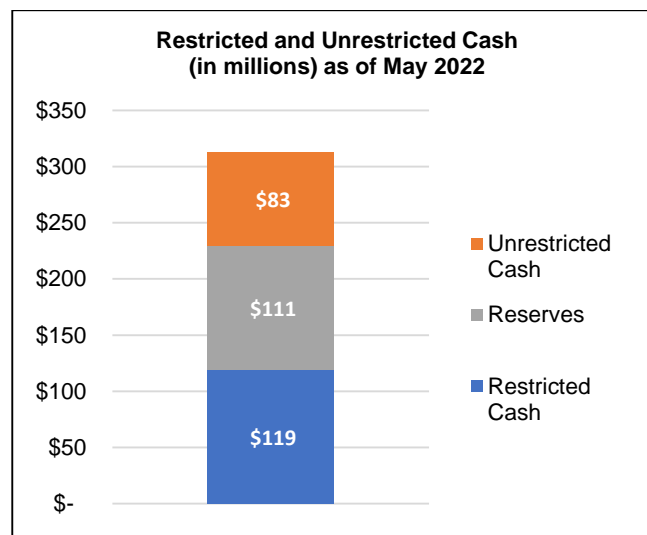


*The outstanding principal of VWD Acquisition Interfund Loan of \$63,411,661 is excluded from the outstanding principal balance.

CASH POSITION

As of May 31, 2022, the Agency has:

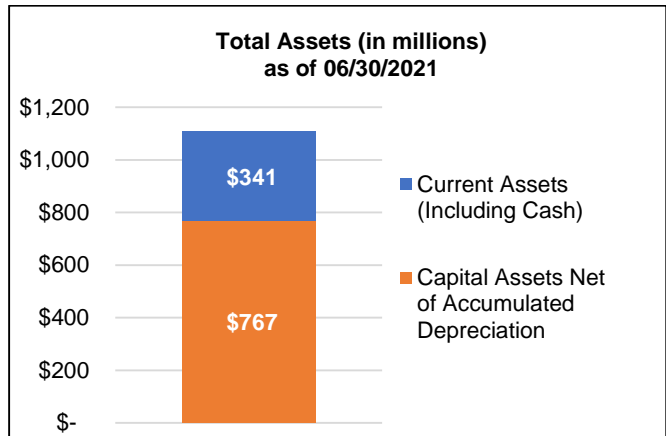
- Fully funded reserve balance of \$111,125,886 as per the agency policy, and
- Restricted cash of \$118,688,596 which includes the Facility/Retail Capacity Fee Funds, State Water Project Fund, and remaining Bond Proceeds, and
- Unrestricted cash of \$83,015,743 to meet the Agency’s payment obligations such as operating expenses (including debt service), payroll expenses, insurance, CIP Pay-Go, etc.



TOTAL ASSETS

As of June 30, 2021 (audited), the total assets consist of:

- Current Assets including cash with a balance of \$341,153,720, and
- Capital Assets Net of Accumulated Depreciation with a balance of \$766,983,482.



Ten Largest Disbursements Check Register

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SCV Water

Ten Largest Disbursements

May 1, 2022 to May 31, 2022

No.	Date	Supplier_Name	Invoice_Description	Method	Amount	Payment #
1	05-11-2022	Department of Water Resources	Monthly Variable - Mar 2022	CHECK	956,422.00	52440
	Department of Water Resources				956,422.00	
2	05-31-2022	So. California Edison Co.	Acct-2152 4/29/22 Statement	AUTO_DEBIT	529,824.38	12318
	So. California Edison Co.				529,824.38	
3	05-11-2022	Sites Project Joint Powers Authority	Sites Reservoir - Phase 2C Participation	CHECK	500,000.00	52458
	Sites Project Joint Powers Authority				500,000.00	
4	05-27-2022	Pacific Tank & Construction, Inc.	Cherry Willow Tanks Construction - Progress Payment #12	SCV_ACH	458,108.90	12154
	Pacific Tank & Construction, Inc.				458,108.90	
5	05-25-2022	Rosedale-Rio Bravo Water Storage District	Power Charge Adjustment - Jan & Feb 2022	CHECK	362,191.06	52644
	Rosedale-Rio Bravo Water Storage District				362,191.06	
6	05-31-2022	So. California Edison Co.	Acct-2152 5/6/22 Statement	AUTO_DEBIT	267,348.74	12321
	So. California Edison Co.				267,348.74	
7	05-25-2022	Core & Main LP	3/4X1/8 THK RUBBER MTR WASHER	SCV_ACH	438.00	12151
			Octave Programming Cable	SCV_ACH	642.19	
			4" Octave Meter CU FT	SCV_ACH	2,440.70	
			850 CL HYD 8HOLE 4X2-1/2 PLAST	SCV_ACH	28,711.79	
			850 CL HYD 6HOLE 4X2-1/2 PLAST	SCV_ACH	28,711.79	
			12X2 MJ TAPT CAP	SCV_ACH	470.82	
			1 COUPLING MIPXPJCTS	SCV_ACH	709.77	
			6 EBAA MEGALUG W/ACC	SCV_ACH	3,340.57	
			B3211-6 FLG BFV EXPY	SCV_ACH	2,703.72	
			1" ARI D040 Air Release Valve/ Ball Valve	SCV_ACH	1,669.92	
			1 CPLG MIPXPJ	SCV_ACH	2,261.94	
			MJXFL RW GV OL ON	SCV_ACH	4,471.67	
			1" ALLEGRO METER CF	SCV_ACH	157,511.04	
Core & Main LP				234,083.92		
8	05-11-2022	Rosedale-Rio Bravo Water Storage District	Power and O&M Charges - March 2022	CHECK	208,653.14	52464
	Rosedale-Rio Bravo Water Storage District				208,653.14	
9	05-18-2022	Woodard & Curran Inc.	Provide Final Design for the Southend Recycled Water Main Extension (Phase 2C)	SCV_ACH	191,943.78	12072
	Woodard & Curran Inc.				191,943.78	
10	05-25-2022	Pacific Tank & Construction, Inc.	Cherry Willow RW Tanks PP#11	SCV_ACH	185,238.84	12127
	Pacific Tank & Construction, Inc.				185,238.84	

SCV Water

Ten Largest Disbursements

May 1, 2022 to May 31, 2022

Total	3,893,814.76
Total-All Disbursements Issued During May 2022	7,764,701.10
Largest Ten Vendor Payments as Compared to Total	50%

Director Reimbursements

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CA Govt. Code Section 53065.5

List of Reimbursement for "Individual Charges" = \$100 or more

Annual Disclosure for Fiscal Year 21

DIRECTORS

P-Card (VISA) Transactions Updated as of: 5/31/22 *May PCard transactions affect June cash.

Date	Recipient of Reimbursement	Reason for Reimbursement	Amount
04/11/22	Cooper, William	ACWA Board Meetings, Sacramento, CA 3/24/22-3/25/22 Expenses (Lodging)	171.60
04/11/22	Cooper, William	ACWA Board Meetings Sacramento, CA 3/24/22-3/25/22- Travel Expense (Airfare, Mileage, Parking)	484.28
04/11/22	Cooper, William	ACWA Strategic Plan Workshop, Sacramento, CA 4/19/22 Expenses Travel Expense (Airfare, Mileage, Parking)	530.70
04/29/22	Armitage, Kathye	P-CARD (VISA) - Remote Room for Board Meeting, San Diego CA 4/5/22	263.27
04/29/22	Braunstein, Beth	P-CARD (VISA) - Remote Room for Board Meeting, San Diego CA 4/5/22	263.27
04/29/22	Ford, Jeff	P-CARD (VISA) - ACWA DC2022 Annual Washington ,Washington D.C. 9/18/22-9/21/22 -Registration	630.00
04/29/22	Kelly, R.J.	P-CARD (VISA) - ACWA 2022 Spring Conference, Sacramento, CA 5/2/22-5/5/22 -Travel Expense (Airfare)	297.95
04/29/22	Kelly, R.J.	P-CARD (VISA) - ACWA DC2022 Annual Washington ,Washington D.C. 7/12/22-7/14/22 -Registration	760.00
04/29/22	Martin, Gary	P-CARD (VISA) - KHTS Road Trip Sacramento, CA 6/1/22 -Travel Expense (Airfare)	128.98
04/29/22	Martin, Gary	P-CARD (VISA) -ACWA 2022 Spring Conference, Sacramento, CA 5/2/22-5/5/22 -Travel Expense (Airfare)	297.95
04/29/22	Martin, Gary	P-CARD (VISA) - KHTS 2022 DC Trip 9/18/22-9/21/22 - Registration	1,490.00
04/29/22	Martin, Gary	P-CARD (VISA) - UWI Annual Conference 8/24/22-8/26/22- Registration	525.00
05/04/22	Braunstein, Beth	SDLF Governance Conference, San Diego, CA 5/3/22-5/6/22 - Expense (Lodging)	611.97
05/04/22	Braunstein, Beth	SDLF Governance Conference, San Diego, CA 5/3/22-5/6/22 - Expense (Parking)	75.00
05/05/22	Armitage, Kathye	ACWA 2022 Spring Conference, Sacramento, CA 5/2/22-5/5/22 -Expense (Lodging)	504.74
05/05/22	Armitage, Kathye	ACWA 2022 Spring Conference, Sacramento, CA 5/2/22-5/5/22 -Travel Expense (Lodging)	414.18
05/05/22	Atkins, BJ	ACWA 2022 Spring Conference, Sacramento, CA 5/2/22-5/5/22 -Expense (Lodging)	614.32
05/05/22	Atkins, BJ	ACWA 2022 Spring Conference, Sacramento, CA 5/2/22-5/5/22 -Expense (Lodging, Meals)	484.18
05/05/22	Cooper, William	ACWA 2022 Spring Conference, Sacramento, CA 5/2/22-5/5/22 -Expense (Parking, Mileage)	882.94
05/05/22	Cooper, William	ACWA 2022 Spring Conference, Sacramento, CA 5/2/22-5/5/22 -Expense (Lodging, Meals)	588.70
05/05/22	Kelly, R.J.	ACWA 2022 Spring Conference, Sacramento, CA 5/2/22-5/5/22 - Travel Expense (Parking, Mileage, Airfare)	830.11
05/05/22	Kelly, R.J.	ACWA 2022 Spring Conference, Sacramento, CA 5/2/22-5/5/22 -Expense (Lodging, Meals)	122.42
05/05/22	Martin, Gary	Transportation-Taxi)	820.26
05/05/22	Martin, Gary	ACWA 2022 Spring Conference, Sacramento, CA 5/2/22-5/5/22 -Expense (Lodging, Meals)	
05/05/22	Martin, Gary	ACWA 2022 Spring Conference, Sacramento, CA 5/2/22-5/5/22 -Expense (Parking, Mileage, Ground Transportation-Uber)	
			150.54
			11,942.36

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Director Stipends

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DIRECTORS STIPENDS PAID IN JUNE 2022
For the Month of May 2022

Director Kathy Armitage

Date	Meeting	Amount
05/03/22	ACWA 2022 Spring Conference	\$239.00
05/04/22	ACWA 2022 Spring Conference	\$239.00
05/05/22	ACWA 2022 Spring Conference	\$239.00
05/10/22	One-on-One Meeting with General Manager	\$239.00
05/12/22	Executive Committee Meeting of the Special Districts of North LA County	\$239.00
05/17/22	Regular Board Meeting	\$239.00
05/19/22	SCVEDC Elected Public Officials Night	\$0.00
05/24/22	Special Board Meeting	\$239.00
	Stipend Total	\$1,673.00
	Total Paid Days	7
	Total Meetings	8

Director B. J. Atkins

Date	Meeting	Amount
04/22/22	SCWC Quarterly Luncheon	\$239.00
05/02/22	Travel to ACWA 2022 Spring Conference	\$239.00
05/03/22	ACWA 2022 Spring Conference	\$239.00
05/04/22	Travel Home from ACWA 2022 Spring Conference	\$239.00
05/17/22	Regular Board Meeting	\$239.00
05/19/22	SCVEDC Elected Officials Night	\$239.00
05/24/22	Special Board Meeting	\$239.00
	Stipend Total	\$1,673.00
	Total Paid Days	7
	Total Meetings	7

Director Beth Braunstein

Date	Meeting	Amount
05/03/22	ACWA 2022 Spring Conference	\$239.00
05/04/22	ACWA 2022 Spring Conference	\$239.00
05/05/22	ACWA 2022 Spring Conference	\$239.00
05/19/22	SCVEDC Elected Public Officials Night	\$239.00
05/17/22	Regular Board Meeting	\$239.00
05/24/22	Special Board Meeting	\$239.00
	Stipend Total	\$1,434.00
	Total Paid Days	6
	Total Meetings	6

Director Ed Colley

Date	Meeting	Amount
05/11/22	Water Resources and Watershed Committee Meeting	\$239.00
05/16/22	Finance and Administration Committee Meeting	\$239.00
05/17/22	Regular Board Meeting	\$239.00
05/24/22	Special Board Meeting	\$239.00
	Stipend Total	\$956.00
	Total Paid Days	4
	Total Meetings	4

Director William Cooper

Date	Meeting	Amount
05/02/22	ACWA 2022 Spring Conference Committee Meetings	\$239.00
05/03/22	ACWA 2022 Spring Conference	\$239.00
05/04/22	ACWA 2022 Spring Conference	\$239.00
05/05/22	ACWA 2022 Spring Conference	\$239.00
05/11/22	Water Resources and Watershed Committee Meeting	\$239.00
05/12/22	Rescheduled Engineering and Operations Committee Meeting	\$239.00
05/17/22	Regular Board Meeting	\$239.00
05/18/22	ACWA Region 8 Meeting	\$239.00
05/23/22	Agenda Planning Meeting	\$239.00
05/24/22	Special Board Meeting	\$239.00
	Stipend Total	\$2,390.00
	Total Paid Days	10
	Total Meetings	10

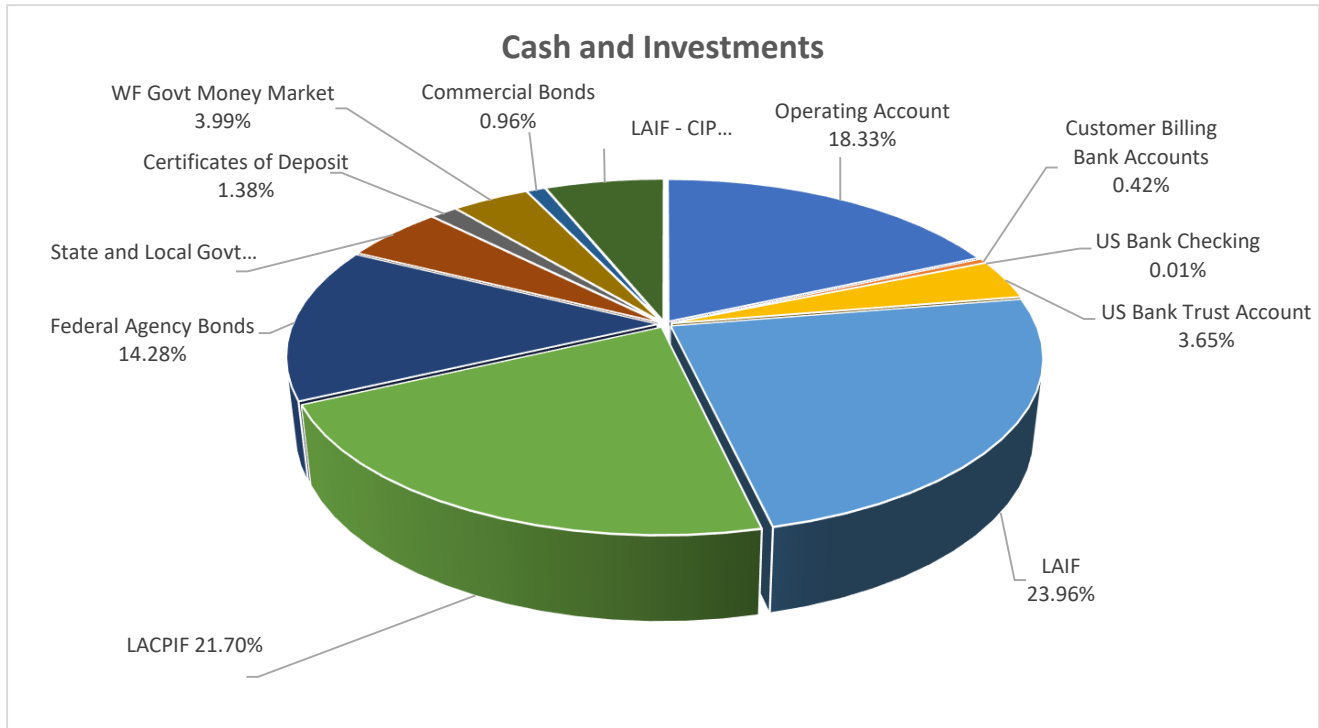
Director Jeff Ford

Date	Meeting	Amount
05/11/22	Water Resources and Watershed Committee Meeting	\$239.00
05/12/22	Rescheduled Engineering and Operations Committee Meeting	\$239.00
05/17/22	Regular Board Meeting	\$239.00
05/24/22	Special Board Meeting	\$239.00
05/31/22	2022 KHTS Sacramento Bus Trip	\$239.00
	Stipend Total	\$1,195.00
	Total Paid Days	5
	Total Meetings	5

Investment Report

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Santa Clarita Valley Water Agency
Cash and Investment Summary
 5/31/22



Operating Account-Incl FCF's, SWP & CIP	XXX-10101	\$	57,331,010	18.33%
Customer Billing Bank Accounts	101-10105		1,300,843	0.42%
US Bank Checking (1% Prop Tax)	101-10201		29,956	0.01%
US Bank Trust Account (1% Prop Tax)	101-10202		11,427,830	3.65%
LAIF - Operating	101-11061		74,937,057	23.96%
LAC Pooled Investment Fund	101-11062		67,896,529	21.70%
Federal Agency Bonds	101-11064		44,684,835	14.28%
State and Local Government Bonds	101-11065		16,148,995	5.16%
Certificates of Deposit	101-11066		4,323,760	1.38%
WF Government Money Mkt Fund	101-11067		12,476,740	3.99%
Commercial Bonds	101-11068		3,000,000	0.96%
LAIF - CIP	220-11002		19,272,668	6.16%
		\$	312,830,224	100.00%

Estimated Refundable Developer Deposits:

\$ 14,238,147 Included in totals

Portfolio-wide Investments:

Average Yield 1.325%

Rochelle Patterson
 Treasurer/Director of Finance & Administration

Amy Aguer
 Controller

All investment actions executed since the last report have been made in full compliance with the Investment Policy, and the Agency will meet its expenditure obligations for the next six months as required by Government Code Section 53646(b)(2) and (3), respectively.

SCV Water
Consolidated Cash & Investment Summary
5/31/2022

	<u>Note</u>	<u>Acct #</u>	<u>Balance</u>	<u>Total</u>	<u>% of Total</u>
<u>AGENCY FUNDS</u>					
Cash & Sweep Accounts					
Operating Account-Incl FCF's, SWP & CIP		XXX-10101	\$ 57,331,010		
Less: Restricted Cash (FCFs, SWP & CIP)	1	2XX-10101	(1,248,259)		
Customer Billing - enQuesta Account		101-10105	505,002		
Customer Billing - Northstar Account		101-10107	795,841		
US Bank Checking (1% Prop Tax)		101-10201	29,956		
US Bank Trust Account (1% Prop Tax)		101/204-10202	11,427,830		
Less: Restricted Cash US Bank Accts -SWP	1	204-10201/10202	-		
Subtotal - Cash & Sweep Accounts Unrestricted				\$ 68,841,381	22.01%
 Investments - Unrestricted					
Local Agency Investment Fund		101-11061	\$ 74,937,057		
LAC Pooled Investment Fund		101-11062	67,896,529		
Federal Agency Bonds		101-11064	44,684,835		
State and Local Government Bonds		101-11065	16,148,995		
Certificates of Deposit		101-11066	4,323,760		
WF Government Money Mkt Fund		101-11067	12,476,740		
Commercial Bonds		101-11068	3,000,000		
Less: Restricted Investments - FCF	2	202-11002	(9,883,306)		
Less: Restricted Investments - SWP	3	204-11002	(88,284,363)		
Subtotal - Investments Unrestricted				\$ 125,300,248	40.05%
 Cash and Investments - Restricted					
Facility Capacity Fee Fund - Cash	4	202-10101	\$ -		
Facility Capacity Fee Fund - Investments	5	202-11002	9,883,306		
State Water Project - Cash (WF & US Bank)	6	204-10XXX	2		
State Water Project - Investments	7	204-11002	88,284,363		
Subtotal - Investments Restricted				98,167,671	31.38%
TOTAL AGENCY CASH & INVESTMENTS				\$ 292,309,300	
 <u>CAPITAL IMPROVEMENT PROJECT FUNDS</u>					
Cash & Sweep Accounts	8	220-10101	\$ 1,248,257		
Local Agency Investment Fund - Restricted		220-11002	19,272,668		
TOTAL CAPITAL IMPROVEMENT PROJECT FUNDS				\$ 20,520,925	6.56%
TOTAL CASH AND INVESTMENTS				\$ 312,830,225	100.00%

7/12/2022

Notes

- 1 Less: Restricted Cash - FCF's, SWP & CIP
- 2 Less: Restricted Investments - FCF's Legacy SCWD
- 3 Less: Restricted Investments - State Water Project
- 4 Restricted Cash - FCF's (Regional Legacy)
- 5 Restricted Investments - FCF's (SCWD Legacy)
- 6 Restricted Cash - SWP (State Water Project)
- 7 Restricted Investments - SWP (State Water Project)
- 8 Restricted Cash - CIP 2020A Bond Proceeds

5/31/22

Agency-wide General Funds Invested:

Description	Cost	Rate	Yield	Purchase Date	Maturity Date	Life Days	Rem. Days	Average Interest
1 Local Agency Investment Fund (LAIF)	74,937,057	0.684%	0.684%	Various	Liquid	N/A	N/A	42,714
1 LA County Pooled Invest Fund (LACPIF)	67,896,529	0.800%	0.800%	Various	Liquid	N/A	N/A	45,264
1 Wells Fargo Gov't Money Market	12,476,740	0.540%	0.540%	Various	Liquid	N/A	N/A	5,615
3	<u>\$ 155,310,327</u>		<u>0.060%</u>					<u>93,593</u>

**State and Local Agency Investment Portfolio
Wells Fargo records these at Par value**

1 San Bernardino Com College Dist Bonds	1,050,078.70	1.964%	1.964%	03/22/22	08/01/23	497	427	20,624
1 State of California GO Bonds	1,946,780	2.250%	2.862%	01/25/19	10/01/23	1710	488	43,803
1 Semitropic Improvement District	1,302,045	2.262%	2.262%	10/30/19	12/01/23	1493	549	29,452
1 State of California GO Bonds	3,098,130	3.000%	3.000%	05/28/19	04/01/24	1770	671	92,944
1 San Diego Successor Agency	1,147,938	3.000%	2.052%	10/23/19	09/01/24	1775	824	34,438
1 L.A. Cnty MET Transp BA Bonds	3,159,800.00	5.130%	5.130%	12/29/21	06/01/25	1,250	1097	162,098
1 Univ of Cal Ca Revenues Txb1-Relief	1,270,703.25	3.063%	3.063%	12/29/21	07/01/25	1,280	1127	38,922
1 Cal St Txb1-Variou Purpose-Bid group	3,173,520.00	2.650%	2.650%	12/29/21	04/01/26	1,554	1401	84,098
8	<u>\$ 16,148,995</u>		<u>3.142%</u>				<u>6,584</u>	<u>506,378</u>

Avg Remaining Life 823 Days

Certificates of Deposit

1 Comenity Capital Bank - WF CD	250,000	3.150%	3.150%	07/16/18	07/18/22	1463	48	7,875
1 Live Oak Bkg Co - WF CD	250,000	1.550%	1.550%	03/06/20	09/06/22	914	98	3,875
1 Goldman Sachs Bank - UBS CD	200,000	2.290%	2.290%	10/24/17	11/01/22	1834	154	4,580
1 UBS Bank USA Salt LA UT- UBS CD	200,000	0.150%	0.150%	11/13/20	11/21/22	738	174	300
1 WEBBANK - WF CD	250,000	0.100%	0.100%	12/28/20	12/28/22	730	211	250
1 SYNCHRONY Bank - UBS CD	200,000	1.280%	1.280%	04/13/20	04/17/23	1099	321	2,560
1 BMW Bank North AME - UBS CD	200,000	0.250%	0.250%	11/13/20	05/22/23	920	356	500
1 Beal Bank USA - WF CD	250,000	0.600%	0.600%	01/05/22	01/03/24	728	582	1,500
1 First State Bank/NE - WF CD	250,000	0.500%	0.500%	01/12/22	01/12/24	730	591	1,250
1 TIAA FSB Florida - UBS CD	200,000	0.400%	0.400%	03/31/21	04/09/24	1105	679	800
1 American National Bk - UBS CD	244,388	0.250%	0.250%	06/08/21	05/21/24	1078	721	611
1 New York Cmnty Bk - UBS CD	245,000	0.350%	0.350%	06/08/21	06/03/24	1091	734	858
1 Leader Bank NA MA - UBS CD	244,373	0.250%	0.250%	06/08/21	06/03/24	1091	734	611
1 Greenstate Credit AI US - UBS CD	245,000	0.450%	0.450%	06/08/21	06/17/24	1105	748	1,103
1 LUANA Savings Bank- WF CD	250,000	0.250%	0.250%	12/30/20	07/01/24	1279	762	625
1 Texas Exchange Bank - UBS CD	200,000	0.500%	0.500%	07/22/21	07/30/24	1104	791	1,000
1 UBS Bank - UBS CD	200,000	0.700%	0.700%	10/14/20	10/28/24	1475	881	1,400
1 Morgan Stanley PRI NY - UBS CD	245,000	1.640%	1.640%	04/01/20	03/05/25	1799	1009	4,018
1 Sallie Mae Bank - UBS CD	200,000	1.880%	1.880%	11/22/19	11/20/24	1825	904	3,760
19	<u>\$ 4,323,760</u>						<u>10498</u>	<u>37,475</u>

Weighted Avg Yield

0.867%

Avg Remaining Life 553 Days

**Federal Government Agency Investment Portfolio
Wells Fargo records these at Par value**

1	FFCB - WF	2,000,560	0.120%	0.120%	02/02/21	01/12/23	709	226	2,401
1	FFCB - WF	2,000,000	0.180%	0.180%	01/13/21	07/13/23	911	408	3,600
1	FHLB - UBS	3,000,000	1.125%	1.125%	04/12/22	10/12/23	548	499	33,750
1	FHLB - UBS	3,000,000	1.800%	1.800%	02/28/22	02/27/24	729	637	54,000
1	FHLB - WF	2,996,580	2.125%	2.125%	03/25/22	02/28/24	705	638	63,677
1	FHLB - UBS	2,000,000	1.875%	1.875%	03/14/22	03/14/24	731	653	37,500
1	FHLB - UBS	2,000,000	1.500%	1.500%	03/25/22	03/28/24	734	667	30,000
1	FFCB - WF	5,000,000	0.270%	0.270%	01/05/21	04/05/24	1186	675	13,500
1	FHLB - UBS	200,005	0.750%	0.750%	11/24/21	05/24/24	912	724	1,500
1	FHLB - UBS	235,000	1.350%	1.350%	02/24/22	05/24/24	820	724	3,173
1	FHLB - UBS	4,500,000	0.400%	0.400%	06/08/21	08/29/24	1178	821	18,000
1	FFCB - WF	1,997,700	0.875%	0.875%	11/18/21	11/18/24	1096	902	17,480
1	FHLB - WF	2,000,000	0.400%	0.400%	02/26/21	11/26/24	1369	910	8,000
1	FHLB - WF	996,470	3.063%	3.063%	01/03/22	01/13/25	1106	958	30,522
1	FHLB - WF	2,000,000	0.690%	0.690%	06/10/21	06/10/25	1461	1106	13,800
1	FNMA - WF	3,985,680	0.500%	0.500%	11/12/20	11/07/25	1821	1256	19,928
1	FNMA - WF	1,992,840	0.500%	0.500%	11/12/20	11/07/25	1821	1256	9,964
1	FHLB - UBS	280,000	0.500%	5.000%	04/15/21	04/29/26	1840	1429	1,400
1	FHLB - UBS	1,500,000	0.600%	0.600%	06/09/21	06/30/26	1847	1491	9,000
1	FHLB - UBS	3,000,000	0.500%	0.500%	06/08/21	06/30/26	1848	1491	15,000

20 \$ 44,684,835 17471 386,195

Weighted Avg Yield 0.894% Avg Remaining Life 874 Days

1 JP Morgan Chase Financial 3,000,000 3.125% 3.125% 05/13/22 05/13/24 731 713 93,750

1 \$ 3,000,000 713 93,750

Weighted Avg Yield 3.125% Avg Remaining Life 713 Days

Cost

Weighted Avg Yield 0.506%

Liquid Investments - LAIF, LACPIF, WF MM	155,310,327	
State and Local Agencies	<u>16,148,995</u>	
Certificates of Deposit	<u>4,323,760</u>	
Subtotals by Agency		
FED AGENCY-FHLMC	0	0%
FED AGENCY-FNMA	5,978,520	13%
FED AGENCY-FFCB	10,998,260	25%
FED AGENCY-FHLB	<u>27,708,055</u>	<u>62%</u>
	<u>44,684,835</u>	<u>100%</u>
Commercial Bonds	3,000,000	

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BOARD MEMORANDUM

DATE: August 2, 2022

TO: Board of Directors

FROM: Steve Cole *SM*
Assistant General Manager

SUBJECT: Approve a Resolution Adopting the Santa Clarita Valley Water Agency in Support of Inclusive Communication and Engagement

SUMMARY

Over the past twelve months, SCV Water, in consultation with Kearns & West, has been working to identify potential gaps in SCV Water's communication and engagement efforts with customers and identify additional communication strategies where needed.

The impetus for this project was a growing focus on Diversity, Equity and Inclusion measures across the spectrum of engagement in the water industry and beyond and increasing diversity across our service area. It is crucial for SCV Water to understand the needs, priorities, and goals of diverse communities in the service area, inform customers of issues and opportunities that may affect their service, especially service disruptions, and meaningfully engage customers and water users in agency decision-making processes in order to achieve its mission of providing responsible water stewardship to ensure the Santa Clarita Valley has reliable supplies of high-quality water at a reasonable cost.

Deliverables of the project have included:

- Community Characteristics Assessment
- Research on Existing Guidance and Practices for Water Agency Communication and Engagement
- Community Leaders Interview Summary
- SCV Water Program Managers Interview Summary
- Draft Initial Implementation Actions
- Draft Board Resolution

Our goals for this analysis were as follows:

- Understand community socio-demographics to better identify disadvantaged communities that may face service issues.
- Uncover racial inequities in service areas and then work to address these inequities.
- Conduct stakeholder assessments, invest in local relationships, and create more touch points to learn about customer needs in an ongoing way.
- Understand and identify hard-to-reach customers and develop reliable communication channels to them.

DISCUSSION

The population in the SCV Water Service Area are racially diverse, even while being somewhat less diverse than surrounding areas. Customers come from a multitude of racial and ethnic backgrounds. The largest racial and ethnic group is white, reflecting about 47.6% of the population. This percentage of white to nonwhite residents in SCV Water is greater than the California state average (36%) and the Los Angeles County average (26%). The second largest racial and ethnic group in SCV Water is Hispanic/Latinx, representing 31.7% of the population (compared to 39% for all of California and 49% for Los Angeles County). The third largest group is Asian, representing 13.5% of the population (compared to about 15% for both California and Los Angeles County).

Thirty-four percent of all residents in the SCV Water Service Area speak languages other than, or in addition to, English. Four percent of all 18+ residents do not speak English well or at all. Spanish is the most widely spoken language, after English, in the SCV Water Service Area. Twenty percent of all residents speak Spanish, making it a potential priority for increasing language access at SCV Water (about 47,000 people). About 19% of these Spanish speakers don't speak English well or at all.

The Board is being asked to consider adoption of a resolution in support of inclusive communication and engagement. A proactive statement of this intent would provide ongoing guidance, and a commitment to our customers to meaningfully inform and involve them in agency decision-making around planning, management, and operations. The resolution and action plan could also increase SCV Water's competitiveness for state/federal grants that have equity components.

Also attached is a draft Initial Implementation Actions. This list has been culled from the priorities and needs identified as we interviewed community leaders as well as program managers in our agency. These actions were selected as being feasible with current staff and financial resources and serve as a starting point for our efforts. The memo has been kept at a high-level, so as not to exclude any populations or communities we may not have been able to include in this initial research and preparation. It will be a living document that evolves to accommodate additional learning and expanded outreach. Some sample actions include:

- Develop quickly deployable public notification procedures in the languages used by residents
- Partner with social services and community organizations to reach more vulnerable residents
- Use communication forms that residents are most comfortable with; utilize existing networks into the community (i.e., Spanish language television and radio).
- Assess opportunities to do in-person outreach at events (e.g., church events, neighborhood and cultural celebrations, parades, etc.) in and for communities that are especially harder-to-reach (e.g., those that speak Spanish, are older, have limited internet access).

Both the draft Board resolution and Initial Implementation Actions aim to align with the Five-Year Strategic Plan and build upon ongoing work led by the Communications team and other Agency programs.

FINANCIAL CONSIDERATIONS

The Engagement Gap Analysis has been supported through contracts with Kearns and West and funds have been accounted for in Fiscal Years 2021/22 and 2022/23.

RECOMMENDATION

The Public Outreach and Legislation Committee recommends the Board of Directors adopt a resolution of the Santa Clarita Valley Water Agency in support of inclusive communications and engagement

Attachments

MBS

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RESOLUTION NO. _____

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
IN SUPPORT OF INCLUSIVE COMMUNICATION AND ENGAGEMENT**

WHEREAS, the Santa Clarita Valley Water Agency is an integrated regional water agency which demonstrates excellent communication and engagement with water customers or users in the Santa Clarita Valley, and

WHEREAS, it is crucial for SCV Water to understand the needs, priorities, and goals of diverse communities in the service area, inform customers of issues and opportunities that may affect their service, especially service disruptions, and meaningfully engage customers and water users in agency decision-making processes in order to achieve its mission of providing responsible water stewardship to ensure the Santa Clarita Valley has reliable supplies of high-quality water at a reasonable cost, and

WHEREAS, the shared values identified in the 5-Year Strategic Plan directly inform communication and engagement efforts, including *Innovation* to continually learn and grow, *Excellence* to exceed customer expectations, *Trust* to partner with community stakeholders, *Integrity* to have the highest ethical standards, exhibiting honesty, transparency, and respect for customers within the community, and

WHEREAS, the communities, households, and individuals served by the Santa Clarita Valley Water Agency have diverse backgrounds – related to their race and ethnicity, spoken languages, socio-economic status, and/or identities mentioned in the Board Policy on Fair Treatment and the Use of Authority ([Government Code §12940](#)). These qualities shape customer’s unique needs and priorities as well as how they experience and interact with their water service and the Santa Clarita Valley Water Agency, and

WHEREAS, the California State Water Resources Control Board¹ and the Department of Water Resources² have undertaken efforts to better communicate with and engage diverse California communities, especially those which are communities of color, socio-economically disadvantaged, or environmentally burdened in order to address inequities and injustices related to water quality, access, delivery, and involvement, and

WHEREAS, the Santa Clarita Valley Water Agency will endeavor to:

1. Provide “best in class” service by learning more about the experiences, needs, and priorities of diverse communities, households, and individuals which rely on the water provided by the Santa Clarita Valley Water Agency
2. Foster trust and ongoing partnerships by deepening or forming new relationships with these communities, households, individuals, and the organizations which serve them
3. Develop ways to reach and inform *all* water users about issues of interest or that may be relevant to them — such as emergencies involving water quality or supply disruptions

¹ California State Water Resources Control Board, [Racial Equity Resolution](#), 2021

² CA Department of Water Resources, [DAC Involvement Program](#), 2021; DWR [Stakeholder Communication and Engagement](#), 2018

4. Strengthen engagement opportunities for all communities, households, or individuals to assure meaningful involvement in the decisions which could affect them in a regular, accessible, and inclusive manner
5. Innovate and continually learn by evaluating communication and engagement efforts in an ongoing way based on water customer or user feedback and priorities

NOW, THEREFORE, BE IT RESOLVED, the Santa Clarita Valley Water Agency will seek to reach and involve all water users and develop policies and efforts which strive to achieve tangible progress towards the objectives listed above, and

BE IT FURTHER RESOLVED, the SCV Water Board of Directors, hereby adopts this Resolution to strengthen inclusive communication and engagement.

DRAFT

DRAFT POTENTIAL IMPLEMENTATION ACTIONS

SCV Water Communication and Engagement Gap Analysis

The potential implementation actions shared below are designed to address the unique needs, priorities, and interests of community leaders and SCV Water program managers while directly contributing to SCV Water’s overall mission and reflecting the guidance of regulatory agencies and water industry groups.

The draft board resolution guides the agency in strengthening communication and engagement across the diverse communities of SCV Water’s service area, especially in communities of color, socio-economically disadvantaged communities, or environmentally burdened communities. The actions offer an avenue to demonstrate SCV Water’s continued commitment to excellence.

Below are five potential implementation actions. The actions were selected based on how they address identified gaps and contribute meaningfully to the Board resolution points, as identified in the table below. We look forward to discussing these actions with you to ensure their appropriateness, authenticity, and feasibility.

Table 1: Matrix displaying what Board resolution points the potential implementation actions address.

Points from the draft board resolution on inclusive communication & engagement	Potential Actions				
	1	2	3	4	5
1. Learn more about the experiences, needs, and priorities of diverse communities, households, and individuals that rely on the water provided by the Santa Clarita Valley Water Agency to provide “best in class” service		X	X		
2. Deepen and form new relationships with these communities, households, and individuals as well as the organizations that serve them to foster trust and ongoing partnership		X	X		X
3. Develop ways to reach and inform <i>all</i> water users about issues that are of interest and relevant to them —such as emergencies involving water supply and quality disruptions	X	X	X	X	X
4. Strengthen engagement opportunities for all communities, households, and individuals to be meaningfully involved in the decisions that could affect them in a regular, accessible, and inclusive manner	X	X	X	X	X
5. Evaluate communication and engagement efforts based on feedback and priorities in an ongoing way to better innovate and continually learn and grow		X	X	X	

1. Establish communication and engagement in languages other than English, especially in Spanish.

- For urgent communications, provide information in English, Spanish, and in the language spoken by any non-English-speaking group that exceeds 10 percent of persons in the service area. For each non-English-speaking group that speaks a language other than Spanish and that exceeds 1,000 residents but is less than 10 percent of the persons in the service area, provide information regarding the importance of the communication and a telephone number or address where the public water system will provide either a translated copy of the material or assistance in the appropriate language. SCV Water can explore if there are service providers who could help with

translations. This proposal is based upon a broader application current public notice requirements for public water systems in the [California Code](#) related to elevated contaminant levels.¹

- For non-urgent communication and engagement, conduct a basic analysis to determine what translation and/or interpretation services might be valuable for outreach for a program, service, or activity and if underserved communities may be impacted. When underserved water users or customers could be impacted, or when the program, service, or activity involves addressing a specific equity issue, then a more targeted effort to offer translation and/or interpretation should be pursued. The following metrics can be used as a basic analysis to assess if additional translation and/or interpretation services may be valuable to pursue:
 - The number or proportion of people with limited English proficiency to be affected (e.g., if this is greater than 10 percent of people in the service area that are likely to be affected).
 - The frequency with which people with limited English proficiency come in contact with or are affected by the program or activity.
 - The nature and importance of the program, activity, or service provided.
 - The resources available and the costs of interpretation/ translation services.

This proposal for non-urgent communications draws upon translation guidance from the [Department of Health and Human Services](#).

- Translate resources that are both digital (e.g., PDFs, embedded flyers, meeting information) and hard copy (e.g., brochures, flyers, handouts).
- Deepen outreach on public television channels and radio stations on Spanish-speaking stations like Telemundo (Channel 52), Univision (Channel 34), Azteca (Channel 54), and TeleFutura (46).²
- Continue with the plan to offer language translation in a widget on SCV Water's redesigned website so people can translate resources into their preferred language.
- Continue offering call-in customer care support in other languages.

2. Make additional connections with community partners to better understand other diverse communities and potential communication and engagement needs and opportunities.

- Consider hosting (2-5) more one-on-one interviews with community leaders that support, represent, and/or work with individuals that have identities or statuses listed in the SCV Water Board Policy on Fair Treatment and the Use of Authority, prioritizing those identities and statuses not represented in the interviews already conducted. Use the interviews to better understand how identities and statuses affect experiences and interactions with water service and SCV Water. These conversations could build on the interviews already conducted, using the same interview guide and questions.
- Collect and memorialize information including:
 - Avenues to learn from and listen to community partners, such as by attending community-based organization meetings to better understand their priorities and concerns.³

¹ See the *Community Characteristics Assessment Memo*, “Languages Spoken” section for more information. A data set of U.S. Census American Community Survey language data can be built to support translation/interpretation decision-making.

² See the *Community Characteristics Assessment Memo*, “Reaching and informing customers and their communities about water-related issues and opportunities” section for more potential media outlets.

³ See *Community Leader Interview Summary Memo*, “Connecting with diverse communities and understanding their needs, priorities, and goals” section for example organizations.

- Avenues to answer questions and listen to the water service interests, priorities, and concerns of community partners, such as through hosting coffee hours or informal conversations with SCV Water staff and/or Board members to hear information and ask questions related to SCV Water.
- Methods for SCV Water to distribute information about updates, service disruptions, programs, and opportunities for customers to provide feedback and get involved.⁴
- Work with SCV Water program managers and staff to incorporate findings and new understanding from community partners into their work.

3. Advance and refine outreach and engagement with community partners, especially those that serve and work with underserved or vulnerable communities, households, and individuals.

- Identify community partners to work with, including service providers (NGOs and City/ County agencies) that work with individuals and households that are vulnerable, such as those experiencing homelessness, food insecurity, and the elderly.⁵
- Review SCV Water’s existing engagement and communication efforts internally and with partners and identify best engagement and communication channels for community members. Conversations with partners could take place through via one-on-one talks, focus groups, stakeholder advisory groups, or other means that are convenient for SCV Water and its partners. In conversation, and based on partner feedback:
 - Identify opportunities to adjust content, language, rhetoric, and overall outreach techniques so all water users can engage with and benefit from SCV Water’s programs.
 - Check in with service providers and, as relevant, cross-share content to ensure individuals and households through Santa Clarita Valley have equitable access to the resources that could support them (e.g., with rebates and bill support).
 - Assess opportunities to do in-person outreach at events (e.g., church events, neighborhood and cultural celebrations, parades, etc.) in and for communities that are especially harder-to-reach (e.g., those that speak Spanish, are older, have limited internet access).⁶
 - Promote connections with family and youth through participation in family-friendly events and outreach with and for school communities.
 - Identify modes of communication that work best for immediate attention and emergency outreach for different water users and customers as specific populations may use different modes. Develop an approach for how to use these modes of communication during an emergency and ensure they are used only when needed.⁷

⁴ See *Community Leader Interview Summary Memo*, for numerous examples of suggested methods from organizations interviewed. These form an initial base of ideas. This action will help build that database by reaching more organizations that serve different populations and communities.

⁵ See *Community Characteristics Assessment Memo*, “Reaching and informing customers and their communities about water-related issues and opportunities” section for specific service providers.

⁶ The *Community Leader Interview Summary Memo* contains numerous potential places for in-person events that will be utilized.

⁷ See *Community Characteristics Assessment Memo*, “Reaching and informing customers and their communities about water-related issues and opportunities” section for specific modes of communications.

4. Create a SCV Water guide and provide internal training for public engagement to be used across SCV Water programs and engagement efforts.

- Develop a consistent process for how SCV Water staff can assess, design, and conduct engagement with water users and customers. A brief guide can include prompts like the following:
 - Outline how input from engagement will be used and how this input will inform SCV Water decisions.
 - Set clear goals for engagement that could be shared internally and with engagement participants.
 - Identify how engagement can be made relevant to the unique needs, interests, and priorities of communities in the service area.
 - Identify appropriate avenues for feedback – including less burdensome methods like surveys or questionnaires by phone, text, or email that would be especially beneficial for audiences with limited time or resources to attend meetings.
 - Assess how the chosen engagement effort would be relevant to underserved communities. Refine as necessary to make sure it is accessible and relevant for communities that have historically been marginalized from decision-making.
- Offer internal staff training on inclusive communication and engagement to help them effectively and respectfully engage with water users and customers and communicate in effective, accessible terms.


5. Proactively engage new customers to help them understand SCV Water, their water bills, and water conservation opportunities. ⁸

- Identify opportunities to inform new water customers and users and the groups that support them so they can better understand 1) components of their bills and what they mean, 2) how to better manage costs through water conservation practices, and 3) where their water comes from. Potential avenues to inform customers could be through tabling, partnering at events, holding trainings, and providing written info materials to service providers and other organizations.
- Create new written and online outreach materials to share with new water customers/ users about how to understand and manage their bills and reduce costs through water conservation.
- Identify opportunities to share these materials with first-time homeowners and renters, new water customers, and the organizations that support them (including rental property managers and organizations that help house people).

⁸ See Community Leader Interview Summary Memo, “Connecting with diverse communities and understanding their needs, priorities, and goals” section for more information and suggestions. Some organizations interviewed are potential partners for this action.



BOARD MEMORANDUM

DATE: July 21, 2022
TO: SCVWA Board of Directors
FROM: April Jacobs
Board Secretary 
SUBJECT: Approve a Resolution Approving and Accepting Negotiated Exchange of Property Tax Revenues Resulting from Annexation of Territory Known as Reorganization 2020-01 (Tesoro Del Valle) Tax Rate Areas 2477, 6789, 6828, 6832, 8723, 13348, 13349, 13350, 13351, 13352 and 13697

SUMMARY

The County Sanitation Districts of Los Angeles County is requesting approval and acceptance of a negotiated exchange of property tax revenues resulting from the annexation of territory known as Reorganization 2020-01 (Tesoro Del Valle) to the City of Santa Clarita, detachment from County Library, and Transfer between the City and the County for certain improvements, facilities, assessments and other related items.

DISCUSSION

California Revenue and Taxation Code Section 99, for specified jurisdictional changes, the governing bodies of affected agencies shall negotiate and determine the amount of property tax revenue to be exchanged between the affected agencies.

RECOMMENDATION

That the Board of Directors approve the attached negotiated exchange of property tax revenues resulting from the annexation from of territory Known as Reorganization 2020-01 (Tesoro Del Valle) to the City of Santa Clarita, detachment from County Library, and Transfer between the City and the County for certain improvements, facilities, assessments and other related items, Tax Rate Areas 2477, 6789, 6828, 6832, 8723, 13348, 13349, 13350, 13351, 13352 and 13697.

AMJ

Attachment

M65

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County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

FESIA A. DAVENPORT
Chief Executive Officer

July 13, 2022

April Jacobs
Santa Clarita Valley Water Agency
27234 Bouquet Canyon Road
Santa Clarita, CA 91350

Dear Ms. Jacobs:

**JOINT TAX TRANSFER RESOLUTION
CITY OF SANTA CLARITA REORGANIZATION NO. 2020-01 (TESORO DEL VALLE)**

Enclosed is a Joint Tax Transfer Resolution (Resolution) to be adopted by your agency, which also includes seven (7) original signatures pages for agency execution.

The original signature pages are required to ensure that each affected agency receives a fully executed Resolution with original signatures. Please assist our office in facilitating the processing of the enclosed Resolution by executing and returning signature pages to:

Julia F. Orozco
County of Los Angeles, Chief Executive Office
Policy Implementation and Alignment Branch
500 West Temple Street, Room 726
Los Angeles, CA 90012

The City of Santa Clarita is requesting an accelerated approval process. Please return original signature pages to the County of Los Angeles before August 1, 2022. In addition, please provide scans of the fully executed signature pages to Doyle Chow of the Chief Executive Office at dchow@ceo.lacounty.gov.

Board of Supervisors
HILDA L. SOLIS
First District

HOLLY J. MITCHELL
Second District

SHEILA KUEHL
Third District

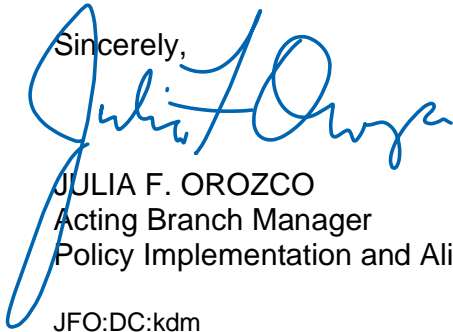
JANICE HAHN
Fourth District

KATHRYN BARGER
Fifth District

April Jacobs
July 13, 2022
Page 2

Should you have any questions concerning this matter, please contact Doyle Chow at (213) 863-0055.

Sincerely,



JULIA F. OROZCO
Acting Branch Manager
Policy Implementation and Alignment Branch

JFO:DC:kdm

Enclosure

**JOINT RESOLUTION OF THE BOARD OF SUPERVISORS, AS THE GOVERNING BODY OF THE COUNTY OF LOS ANGELES, THE CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY, AND THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT,
AND THE
CITY COUNCIL OF THE CITY OF SANTA CLARITA, THE BOARD OF DIRECTORS OF THE GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT, THE SANTA CLARITA VALLEY SANITATION DISTRICT OF LOS ANGELES COUNTY, THE ANTELOPE VALLEY RESOURCE CONSERVATION DISTRICT, AND THE SANTA CLARITA VALLEY WATER AGENCY, APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM THE ANNEXATION OF TERRITORY KNOWN AS REORGANIZATION 2020-01 (TESORO DEL VALLE) TO THE CITY OF SANTA CLARITA, DETACHMENT FROM COUNTY ROAD DISTRICT NO. 5, AND WITHDRAWAL FROM THE LOS ANGELES COUNTY LIBRARY, AND TRANSFER BETWEEN THE CITY AND THE COUNTY OF CERTAIN IMPROVEMENTS, FACILITIES, ASSESSMENTS, AND OTHER RELATED ITEMS**

WHEREAS, the City of Santa Clarita (City) initiated proceedings with the Local Agency Formation Commission for Los Angeles County (LAFCO) for the annexation of territory identified as Reorganization 2020-01 to the City;

WHEREAS, pursuant to Section 99 of the California Revenue and Taxation Code, for specified jurisdictional changes, the governing bodies of affected agencies shall negotiate and determine the amount of property tax revenue to be exchanged between the affected agencies;

WHEREAS, the area proposed for annexation is identified as Reorganization 2020-01 and consists of Parcel 1 & 2 with approximately 1,786± acres of inhabited territory to the City and annex Parcel 1 with approximately 1,609± acres to the Greater Los Angeles County Vector Control District; and affected territory generally known as “Tesoro del Valle” is located north of the intersection of Copper Hill Drive and Avenida Rancho Tesoro;

WHEREAS, effective July 1, 2011, the City has withdrawn from the Los Angeles County Library, and therefore, all unincorporated territory annexed to the City after that date will also be withdrawn from the Los Angeles County Library;

WHEREAS, the Board of Supervisors of the County of Los Angeles (County), as governing body of the County, the Consolidated Fire Protection District of Los Angeles County, the Los Angeles County Flood Control District, and on behalf of Road District No. 5, and the LA County Library; the City Council of the City; and the governing bodies of the Greater Los Angeles County Vector Control District, the Santa Clarita Valley Sanitation District of Los Angeles County, the Antelope Valley Resource Conservation District, and the Santa Clarita Valley Water Agency, have determined the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation of the unincorporated territory identified as Reorganization 2020-01, detachment from County Road District No. 5, and withdrawal from the LA County Library, is as set forth below;

WHEREAS, the area proposed for annexation includes a benefit assessment area formed pursuant to the Benefit Assessment Act of 1982 (California Government Code Sections 54703 et seq.), known as Drainage Benefit Assessment Area (DBAA) No. 35;

WHEREAS, DBAA No. 35 was established for the purpose of collecting annual assessments from parcels located in Tesoro Del Valle, to pay for the operation and maintenance of drainage improvements consisting of biofiltration basins and associated access roads, vegetated swales, proprietary Modular Wetland Systems, and associated low flow conveyance piping, as more particularly described in the "DRAINAGE BENEFIT ASSESSMENT AREA (DBAA) NO. 35 ENGINEER'S REPORT, TESORO DEL VALLE MASTER PLAN PROJECT TRACT NO. 51644-1" (Drainage Improvements), serving the parcels in subdivision Tract No. 51644-1;

WHEREAS, construction of the Drainage Improvements has not been completed as of the date of this joint resolution, but their completion is required pursuant to a subdivision improvement agreement and secured by performance bonds;

WHEREAS, the area proposed for annexation includes storm drains, street, sewer facilities, and water quality facilities in the Tesoro Highlands Vesting Tentative Tract Map (VTTM) No. 51644-1 (Tesoro Highlands Subdivision) which are in various stages of completion, ranging from initial planning to constructed, which the County intends, and the City agrees, shall be transferred or assigned as provided in this resolution;

WHEREAS, the area proposed for annexation includes the Tesoro Highlands Subdivision, the maps for which the County and City agree shall be reviewed and approved as provided in this resolution;

WHEREAS, portions of the area proposed for annexation are located in a Federal Emergency Management Area (FEMA) designated area of special flood hazard and regulatory floodway;

WHEREAS, stormwater and other surface water runoff from the area proposed for annexation is regulated by ORDER NO. R4-2021-0105, NPDES PERMIT NO. CAS004004, WASTE DISCHARGE REQUIREMENTS AND NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) PERMIT FOR MUNICIPAL SEPARATE STORM SEWER SYSTEM (MS4) DISCHARGES WITHIN THE COASTAL WATERSHEDS OF LOS ANGELES AND VENTURA COUNTIES (MS4 Permit) or successor permits issued by the Los Angeles Regional Water Quality Control Board;

WHEREAS, the City and the Los Angeles County Flood Control District are parties to an existing maintenance agreement, Agreement No. CBRP20160323-01, pertaining to the maintenance of trash excluder devices (i.e., any device which partially blocks the opening or outlet of a catch basin to prevent trash from entering the storm drain system, including Connector Pipe Screen devices, installed at the opening of or

inside any catch basin owned by the Los Angeles County Flood Control District) located within the City;

WHEREAS, storm drains, basins and other flood protection improvements (Flood Protection Improvements), sewers, sewer infrastructure and water quality facilities (collectively, Facilities) are proposed to be constructed within the area proposed for annexation by the developer of subdivision VTTM No. 51644-1;

WHEREAS, some Flood Protection Improvements have not been completed as of the date of this joint resolution, but their construction is required pursuant to a subdivision improvement agreement and secured by performance bonds;

WHEREAS, the area proposed for annexation includes Facilities that have been already constructed, installed, or accepted by the County, the County intends, and the City agrees, the ownership of and responsibility for such Facilities shall be transferred to the City as provided in this resolution;

WHEREAS, the area proposed for annexation includes roads, road-related facilities and improvements and road easements which have been or are to be transferred to the County, the County intends, and the City agrees the ownership and responsibility for such roads, road-related facilities and improvements and road easements will be transferred to the City;

WHEREAS, the County intends, and the City agrees, that the City will assume ownership and responsibility for any easements, other than storm drain easements, that are located in the area proposed for annexation that have not already been accepted by the County;

WHEREAS, the County intends, and the City agrees, the County shall retain any fees paid into the Valencia Bridge and Major Thoroughfare Construction Fee District (VBMT District) for the area proposed to be annexed prior to the date of the annexation; and

WHEREAS, the annexation area of Reorganization 2020-01 includes streets and appurtenant street assets including traffic signs, pavement markings, curb markings, raised pavement markers, and traffic signals already constructed, installed, or accepted by the County, which the County intends, and the City agrees, the ownership of and responsibility for shall be transferred to the City as provided in this resolution.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The negotiated exchange of property tax revenue between the County and the City, resulting from Reorganization 2020-01 is approved and accepted.

2. For the fiscal year commencing in the year after the filing of the statement of boundary change for Reorganization 2020-01 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, property tax revenue received by County Road District No. 5, attributable to

Reorganization 2020-01, shall be transferred to the County, and the County Road District No. 5 share in the annexation area shall be reduced to zero.

3. For the fiscal year commencing in the year after the filing of the statement of boundary change for Reorganization2020-01 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, a base of One Hundred, Ninety-Eight Thousand, Five Hundred, and Twenty-Nine Dollars (\$198,529) in property tax revenue attributable to the LA County Library, within the territory of Reorganization2020-01, shall be transferred to the City-Santa Clarita Library Fund, and the following ratios of annual property tax increment attributable to each respective Tax Rate Area in the Reorganization2020-01 territory shall be transferred from the LA County Library to the City-Santa Clarita Library Fund as shown below, and the LA County Library’s share in the annexation area shall be reduced to zero.

Tax Rate Area	Annual Tax Increment Ratio Transfer to the City	Tax Rate Area	Annual Tax Increment Ratio Transfer to the City	Tax Rate Area	Annual Tax Increment Ratio Transfer to the City
2477	0.028192949	13699	0.028139617	13762	0.028098851
6789	0.028683695	13700	0.028098851	14812	0.02819295
6828	0.028306067	13701	0.028139617	14865	0.028194058
6832	0.028590949	13702	0.028099952	15426	0.028234941
8723	0.031188135	13703	0.028171837	15640	0.028139617
13348	0.027872598	13704	0.028139617	15641	0.028192949
13349	0.030371569	13705	0.028139617	15839	0.028099952
13350	0.030790135	13706	0.028098253	15840	0.028098851
13351	0.028235317	13707	0.028139617	16129	0.028098851
13352	0.028192949	13761	0.028099952	16130	0.028098253
13697	0.028139617				

4. For the fiscal year commencing after the filing of the statement of boundary change for Reorganization2020-01 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, the following ratios of annual property tax growth as shown below shall be transferred from the affected taxing entities to the Greater Los Angeles County Vector Control District (“District”) as a result of Reorganization No. 2020-01 to the District. The other affected taxing entities’ share of property tax growth in the Tax Rate Areas shall be adjusted to reflect transfer to the District:

Tax Rate Area	Annual Tax Increment Ratio Transfer to the District	Tax Rate Area	Annual Tax Increment Ratio Transfer to the District	Tax Rate Area	Annual Tax Increment Ratio Transfer to the District
6789	0.000155906	13352	0.000155779	13707	0.000155906
6832	0.000155779	13697	0.000155906	15426	0.000155906
8723	0.000150369	13699	0.000155906	15640	0.000155906
13348	0.000153714	13701	0.000155906	15641	0.000155768
13349	0.000148085	13704	0.000155906	16130	0.000155779
13350	0.000150369	13705	0.000155906		
13351	0.000155906	13706	0.000155779		

5. For the fiscal year commencing in the year after the filing of the statement of boundary change for Reorganization 2020-01 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, Three Hundred, Seventy-Six Thousand, Six Hundred, and Eighty-One Dollars (\$376,681) in base property tax revenue shall be transferred from the County to the City.

6. For the fiscal year commencing after the filing of the statement of boundary change for Reorganization 2020-01 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, the following ratios of annual property tax increment attributable to each respective Tax Rate Area in the Reorganization 2020-01 territory shall be transferred from the County to the City as shown below and the County's share shall be reduced accordingly:

Tax Rate Area	Annual Tax Increment Ratio Transfer to the City	Tax Rate Area	Annual Tax Increment Ratio Transfer to the City	Tax Rate Area	Annual Tax Increment Ratio Transfer to the City
2477	0.052904526	13699	0.051797893	13762	0.052712857
6789	0.059909032	13700	0.052712857	14812	0.052904526
6828	0.053041833	13701	0.051797893	14865	0.052901333
6832	0.054094259	13702	0.052709665	15426	0.051970954
8723	0.075371378	13703	0.063257765	15640	0.051797893
13348	0.048239167	13704	0.051797893	15641	0.051714162
13349	0.056961323	13705	0.051797893	15839	0.052709665
13350	0.062863824	13706	0.05152837	15840	0.052712857
13351	0.051971664	13707	0.051797893	16129	0.052712857
13352	0.051714163	13761	0.052709665	16130	0.05152837
13697	0.051797893				

7. The City agrees that upon completion of the Drainage Improvements, as evidenced by written notice from the County, the City will take ownership of and responsibility for the operation and maintenance of the Drainage Improvements.

8. For the first fiscal year commencing after the completion of the Drainage Improvements, as evidenced by written notice from the County, and every fiscal year thereafter, the City shall be responsible for the administration of DBAA No. 35, including the collection of the annual assessments.

9. The City acknowledges and agrees that from and after the effective date of Reorganization 2020-01, the City will be solely responsible for the enforcement of federal, state and municipal flood plain management regulations within the area annexed pursuant to Reorganization 2020-01 and shall assume all responsibility for administering and ensuring compliance with the requirements of the National Flood Insurance Program in connection with the annexed area.

10. From and after the effective date of Reorganization 2020-01, the City shall assume responsibility for compliance with the requirements and obligations of the MS4 Permit as they relate to the area annexed pursuant to Reorganization 2020-01.

11. Promptly after the effective date of Reorganization 2020-01, the City shall amend the Watershed Management Program for the Upper Santa Clara River Watershed to reflect that the area annexed pursuant to Reorganization 2020-01 is within the jurisdiction of the City.

12. Promptly after the effective date of Reorganization 2020-01, the City shall amend the Coordinated Integrated Monitoring Program for the Upper Santa Clara River Watershed to reflect that the area annexed pursuant to Reorganization 2020-01 is within the jurisdiction of the City.

13. Promptly after the effective date of Reorganization 2020-01, City shall amend the existing cost-sharing Memorandum of Understanding for the Upper Santa Clara River Watershed group to reflect that the area annexed pursuant to Reorganization 2020-01 is within the jurisdiction of the City.

14. From and after the effective date of Reorganization 2020-01, the City shall assume ownership of and responsibility for all trash excluder devices (i.e., any device which partially blocks the opening or outlet of a catch basin to prevent trash from entering the storm drain system, including Connector Pipe Screen devices, installed at the opening of or inside any catch basin owned by the Los Angeles County Flood Control District) located in the area annexed pursuant to Reorganization 2020-01, and shall promptly amend the existing maintenance agreement (Agreement No. CBRP20160323-01) with the Los Angeles County Flood Control District to add the catch basins located within the annexation area.

15. The City ensures that Tesoro del Valle provides a emergency secondary means of road access to the adjacent unincorporated Tapia Ranch tract subdivision project, TR53822.

16. The City agrees that it will satisfy conditions necessary for parcel map and grading plan approval.

17. Upon the effective date of annexation, the City agrees that responsibility for maintaining hillside and ridgeline protections standards specified in the Castaic Area Community Standards District as described and defined in the Los Angeles County Code shall be transferred to and assumed by the City.

18. Upon the effective date of annexation, the City agrees that responsibility for maintaining ridgeline protections, grading limitations, and development standards for residential projects specified in the San Francisquito Community Standards District as described and defined in the Los Angeles County Code shall be transferred to and assumed by the City.

19. Upon the effective date of annexation, the City shall assume responsibility for implementing and enforcing the Mitigation Monitoring and Reporting Program ("MMRP") included in the Environmental Impact Report as certified and approved by the County for the Tesoro Del Valle project in November, 2018.

20. The City agrees that that it will abide by and maintain all of the protections listed as mitigation measures with respect to the Santa Clara River Significant Ecological Area.

21. The Regional Housing Needs Assessment allocation for the area shall be transferred from the County to the City. Accordingly, 820 "above-moderate income" units shall be transferred from the County to the City as a result of the annexation.

22. In addition to the mitigation measures detailed in the MMRP, the City shall assume responsibility for enforcing any conditions of approval and map conditions that were required as part of the project entitlements.

23. From and after the effective date of Reorganization 2020-01, the City shall assume ownership of and responsibility for all streets and appurtenant street assets including traffic signs, pavement markings, curb markings, raised pavement markers, and traffic signals already constructed, installed, or accepted by the County and located in the area annexed by the City pursuant to Reorganization 2020-01.

24. The County Lighting Districts are impacted by the Reorganization No. 2020-01 (Tesoro Del Valle). Upon approval of Reorganization No. 2020-01, those portions of County Lighting Maintenance District 1687 and County Lighting District LLA-1 (Unincorporated Zone) located within the proposed annexation boundary shall be withdrawn from County Lighting Maintenance District 1687 and detached from County Lighting District LLA-1 (Unincorporated Zone), respectively. The responsibility for the

administration, operation, and maintenance of the existing streetlights located therein shall be transferred to the City effective upon the date of the jurisdictional change

25. From and after the effective date of Reorganization 2020-01, the City shall assume ownership of and responsibility for all Facilities already constructed, installed, or accepted by the County and located in the area annexed by the City pursuant to Reorganization 2020-01.

26. From and after the effective date of Reorganization 2020-01, the City shall be responsible for accepting the dedication of any Flood Protection Improvements within the area annexed pursuant to Reorganization 2020-01 that are completed after the effective date of Reorganization 2020-01. After acceptance by the City, the City may request the Los Angeles County Flood Control District to accept the transfer of any such Flood Protection Improvements.

27. From and after the effective date of Reorganization 2020-01, the City shall assume ownership of and responsibility for all road, road-related facilities and improvements and any road easements already constructed, installed, or accepted by the County and located in the area annexed by the City pursuant to Reorganization 2020-01.

28. From and after the effective date of Reorganization 2020-01, the County shall retain fees paid for the area to be annexed into the VBMT District prior to the date of annexation.

29. Facilities, roads, road-related facilities and improvements, streets and appurtenant street assets the Tesoro Highlands Subdivision that have been cleared for construction or started construction but not accepted by the County, upon the date of annexation, shall continue to require construction inspection by the County. However, the City shall have final approval and be required to accept the Facilities upon final approval. Notwithstanding, the County shall have the authority to assign, and the City shall accept the assignment of the Multiple Agreements and related security for the Subdivisions' Facilities. The City would then assume all further approval and acceptance responsibilities of those Facilities.

30. Facilities, roads, road-related facilities and improvements, streets and appurtenant street assets for the Tesoro Highlands Subdivision that have not been cleared for construction but have involved County review, upon the date of annexation, shall continue to require review by the County for the County review fees paid thus far. However, the City shall, after County review fees have been exhausted, collect any necessary additional review fees, perform the remaining reviews, and have final review and approval of the plans, and be required to permit, inspect, and accept the Facilities upon final approval. Notwithstanding, the County shall have the authority to assign, and the City shall accept the assignment of the Multiple Agreements and related security for the Subdivisions' Facilities. The City would then assume all further approval and acceptance responsibilities of those Facilities.

31. Upon the effective date of annexation, the County shall continue to review the remaining Tesoro Highlands Subdivision maps until the paid County review fees have been exhausted. However, the City shall, after County review fees have been exhausted, collect any necessary additional review fees, perform the remaining reviews, and have final review and approval of the maps and be required to accept the Final Maps upon final approval.

32. The County and City each agree to take such further actions as necessary to effectuate and implement the terms of this resolution in good faith.

PASSED, APPROVED AND ADOPTED this _____ day of _____,
2022 by the following vote:

AYES:

ABSENT:

NOES:

ABSTAIN:

Santa Clarita Valley Sanitation District
of Los Angeles County

Signature

Print Name and Title

ATTEST:

Secretary

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(Signed in Counterpart)

PASSED, APPROVED AND ADOPTED this _____ day of _____,
2022 by the following vote:

AYES:

ABSENT:

NOES:

ABSTAIN:

Antelope Valley Resource Conservation District

Signature

Print Name and Title

ATTEST:

Secretary

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(Signed in Counterpart)

PASSED, APPROVED AND ADOPTED this _____ day of _____,
2022 by the following vote:

AYES:

ABSENT:

NOES:

ABSTAIN:

Santa Clarita Valley Water Agency

Signature

Print Name and Title

ATTEST:

Secretary

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(Signed in Counterpart)

PASSED, APPROVED AND ADOPTED this _____ day of _____,
2022 by the following vote:

AYES:

ABSENT:

NOES:

ABSTAIN:

Santa Clarita Valley Water Agency

Signature

Print Name and Title

ATTEST:

Secretary

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(Signed in Counterpart)

PASSED, APPROVED AND ADOPTED this _____ day of _____,
2022 by the following vote:

AYES:

ABSENT:

NOES:

ABSTAIN:

Santa Clarita Valley Water Agency

Signature

Print Name and Title

ATTEST:

Secretary

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(Signed in Counterpart)

PASSED, APPROVED AND ADOPTED this _____ day of _____,
2022 by the following vote:

AYES:

ABSENT:

NOES:

ABSTAIN:

Santa Clarita Valley Water Agency

Signature

Print Name and Title

ATTEST:

Secretary

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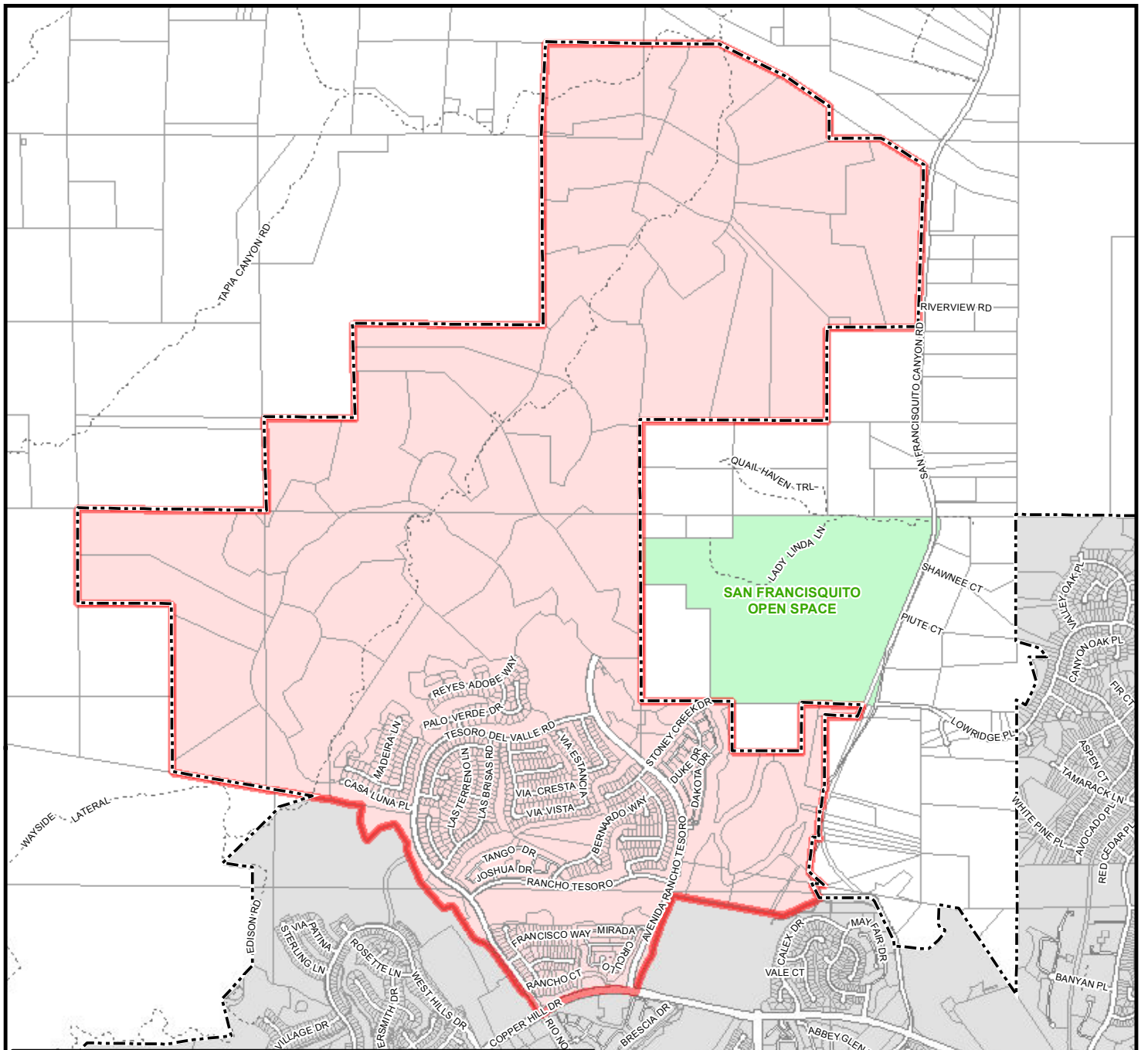
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
(Signed in Counterpart)

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City of **SANTA CLARITA**
Tesoro del Valle
Annexation Boundary
Vicinity Map



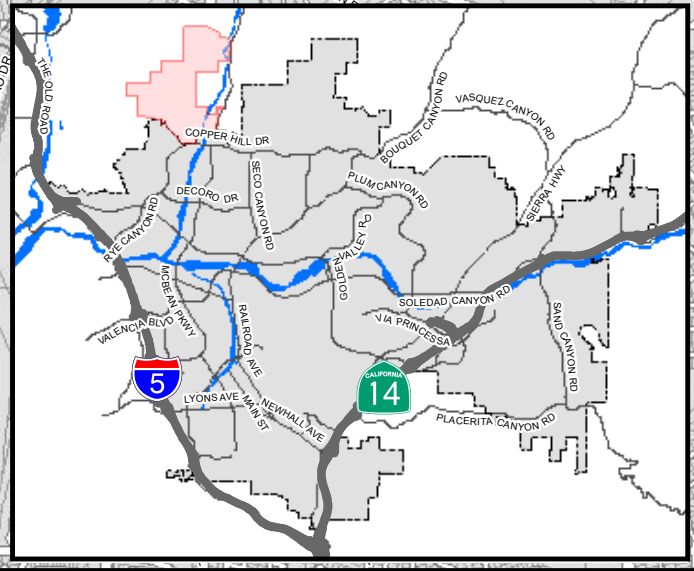
-  Tesoro del Valle Annexation Boundary
-  City-owned Property
-  Parcel Outlines
-  City of Santa Clarita Boundary
-  City of Santa Clarita Sphere of Influence

1,000 500 0 1,000 Feet

Parcel data: Copyright January 2019, ParcelQuest & County of Los Angeles. All rights reserved.

The City of Santa Clarita does not warrant the accuracy of the data and assumes no liability for any errors or omissions.

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BOARD MEMORANDUM

DATE: July 8, 2022

TO: Board of Directors

FROM: Courtney Mael, P.E. *CM*
Chief Engineer

SUBJECT Approve a Resolution Authorizing a Purchase Order to Hazen & Sawyer for Planning Services for the Master Plan Project

SUMMARY

SCV Water is planning to evaluate its potable and raw water systems to determine potential capital improvement projects to provide system reliability and capacity for existing and future needs. This will be SCV Water's first Master Plan that would evaluate the overall water system as one water system. Staff is recommending approval of a resolution authorizing a purchase order to Hazen & Sawyer for planning services for the Master Plan project.

DISCUSSION

On March 1, 2022, staff issued a Request for Proposal (RFP) to several of its on-call consultants for planning services for the Master Plan and on April 27, 2022, staff received proposals from five (5) consultants. The proposals were reviewed and evaluated by a team of staff from Engineering, Water Resources, Administration, and Operations & Maintenance.

The evaluation was based on the following criteria: responsiveness (conformance and compliance) to the RFP requirements, project understanding, responsibility (resources/capability/qualifications/availability) to perform the work, scope of work, and schedule. After the initial evaluation of the five (5) proposals, two (2) firms were selected for interviews. After the interview process, the evaluation team recommended Hazen & Sawyer to perform the planning services for the Master Plan.

This will be SCV Water's first Master Plan and it will evaluate the former regional and retail water systems as one water system. The scope of work will include but is not limited to updating and calibrating the agency's overall valley wide hydraulic model, determining risk of pipeline assets, and identifying capital improvements needed to address existing and future demands, regulations, and other risk factors.

This project helps meet SCV Water's objective and Strategic Plan Objective B.1: "Plan, design and build facilities to meet demand including storage capacity and interconnections between regional and retail water systems." and B.2: "Plan and budget for long-term replacements and improvements."

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CONSIDERATIONS

The proposed action today is the adoption of a resolution for a purchase order to Hazen & Sawyer for Planning Services for the Master Plan project. The project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15262, Statutory Exemptions for Feasibility and Planning Studies, as the planning services will analyze and make recommendations regarding potential infrastructure improvements.

The project is also exempt from environmental review under the CEQA pursuant to CEQA Guidelines Section 15061(b)(3), the "common sense exemption," which provides that CEQA applies to projects that have the potential for causing a significant effect on the environment. Here, the Agency finds the project exempt from CEQA as "it can be seen with certainty that there is no possibility that the activity in question" as it consists of only planning services, and so will have no "significant effect on the environment."

On July 7, 2022, the Engineering and Operations Committee considered staff's recommendation to approve a resolution authorizing a purchase order to Hazen & Sawyer for planning services for the Master Plan project.

FINANCIAL CONSIDERATIONS

The project is included in the Agency's FY 2022/23 Budget for the Master Plan project. The planning services would be performed on a time and expense basis with a not to exceed budget of \$1,525,000.

RECOMMENDATION

The Engineering and Operations Committee recommends that the Board of Directors approve the attached resolution authorizing a purchase order to Hazen & Sawyer for an amount not to exceed of \$1,525,000 for planning services for the Master Plan project.

Attachment

M65

RESOLUTION NO. SCV-XXX

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
AUTHORIZING A PURCHASE ORDER TO
HAZEN & SAWYER FOR THE
MASTER PLAN PROJECT**

WHEREAS, Santa Clarita Valley Water Agency (SCV Water) is planning to prepare a Master Plan to meet its Strategic Plan Objective B.1: “plan, design, and build facilities to meet demand including storage capacity and interconnections between regional and retail water systems” and B.2: “plan and budget for long-term replacements and improvements”; and

WHEREAS, the project is found to be exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15262, Statutory Exemptions for Feasibility and Planning Studies, as the planning services will analyze and make recommendations regarding potential infrastructure improvements; and

WHEREAS, the project is also found to be exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3), the “common sense exemption,” which provides that CEQA applies to projects that have the potential for causing a significant effect on the environment; and

WHEREAS, the SCV Water finds the project exempt from CEQA as it “it can be seen with certainty that there is no possibility that the activity in question” as it consists of planning services that do not have a construction component to them, and so will have no “significant effect on the environment;” and

WHEREAS, a Notice of Exemption (NOE) will be submitted to the State Clearinghouse and both Los Angeles County and Ventura County within five (5) days of the execution of this Resolution;

WHEREAS, on March 1, 2022, SCV Water issued a planning services Request for Proposal (RFP) to several of its on-call consultants on PlanetBids for the Master Plan; and

WHEREAS, on April 27, 2022, proposals from five consultants were electronically received on the Agency’s website page on PlanetBids pursuant to the Agency’s RFP for the Master Plan; and

WHEREAS, it is in the SCV Water’s best interest that the Board of Directors, on behalf of the SCV Water, authorize its General Manager to award a purchase order to Hazen & Sawyer for planning services in the amount of \$1,525,000; and

NOW, THEREFORE, BE IT RESOLVED, That the SCV Water Board does hereby find and determine as follows:

SECTION 1. RECITALS. The Board finds that the administrative record has been completed in compliance with CEQA, the CEQA Guidelines, and that the finding of exemption from CEQA reflects the Board's independent judgment.

SECTION 2. LOCATION AND CUSTODIAN OF RECORDS. The documents and materials associated with the project and the NOE that constitute the record of proceedings on which these findings are based are located at the offices of the Santa Clarita Valley Water

Agency, 27234 Bouquet Canyon Rd, Santa Clarita, CA 91350. The Custodian of Record is April Jacobs.

RESOLVED FURTHER that the Agency's Board of Directors authorize its General Manager to issue a Purchase Order to Hazen & Sawyer for planning services for the Master Plan project for the total sum of \$1,525,000.

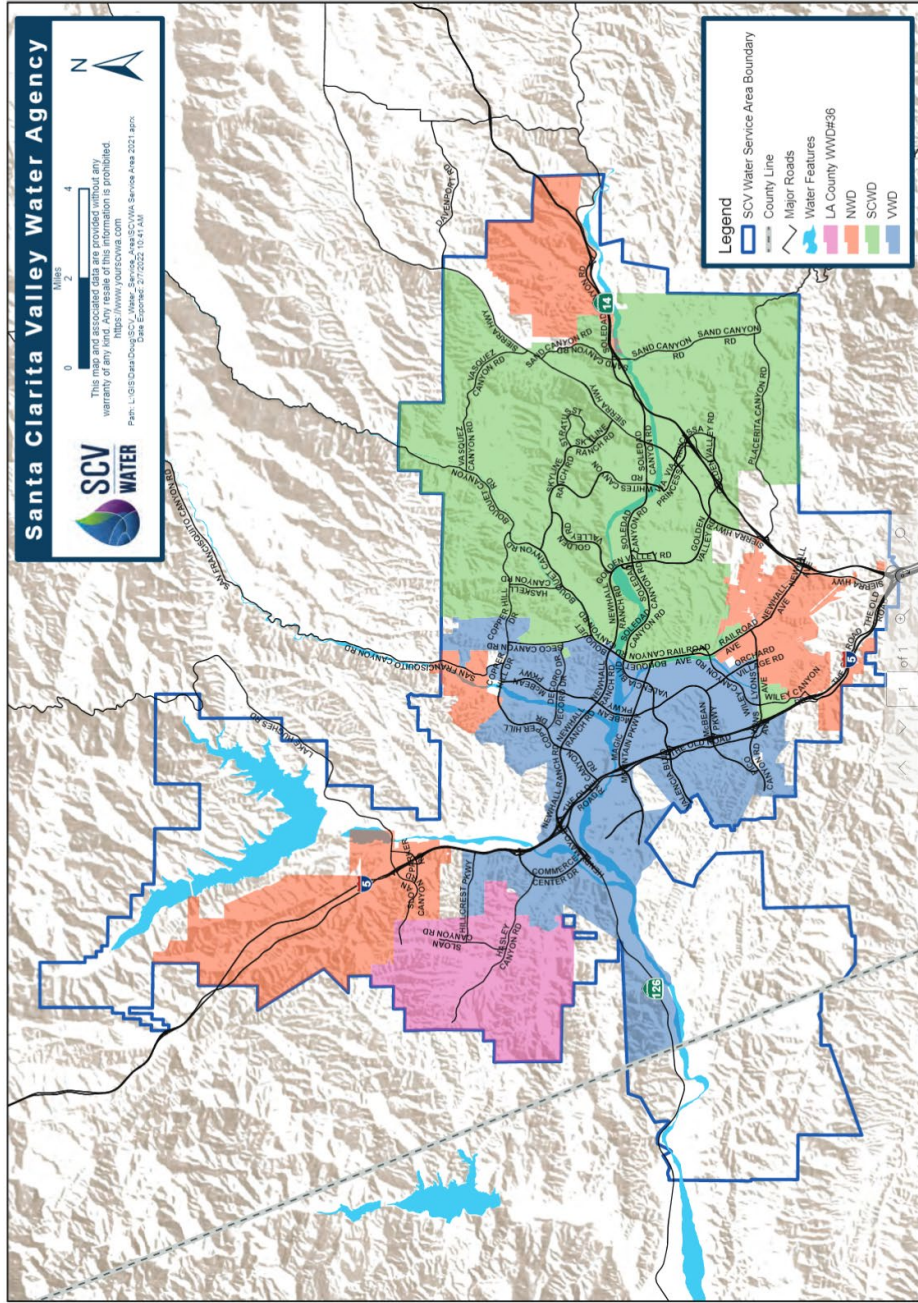


August 2, 2022

Planning Services for Master Plan

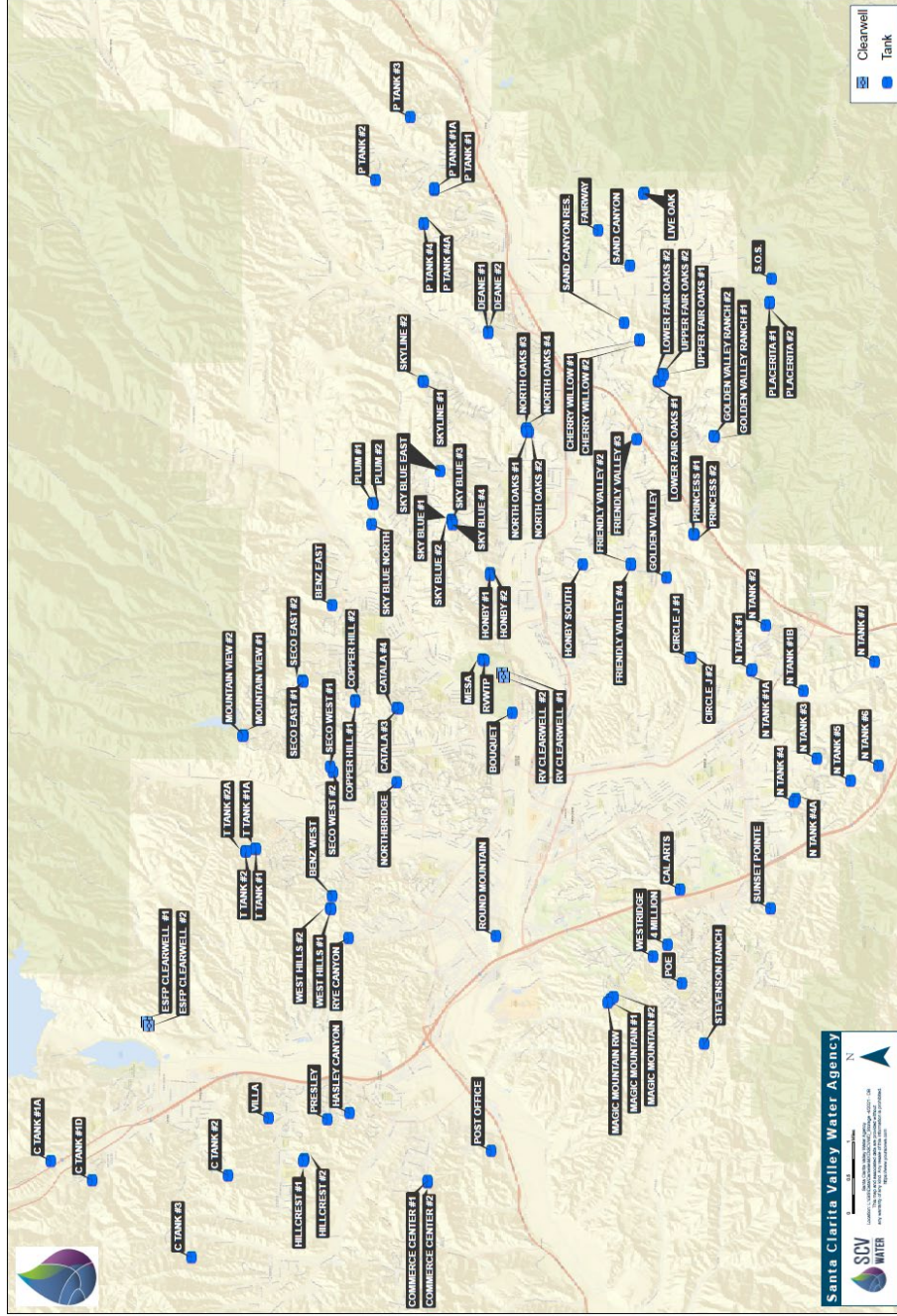
Board Meeting

Santa Clarita Valley Water Agency Service Area



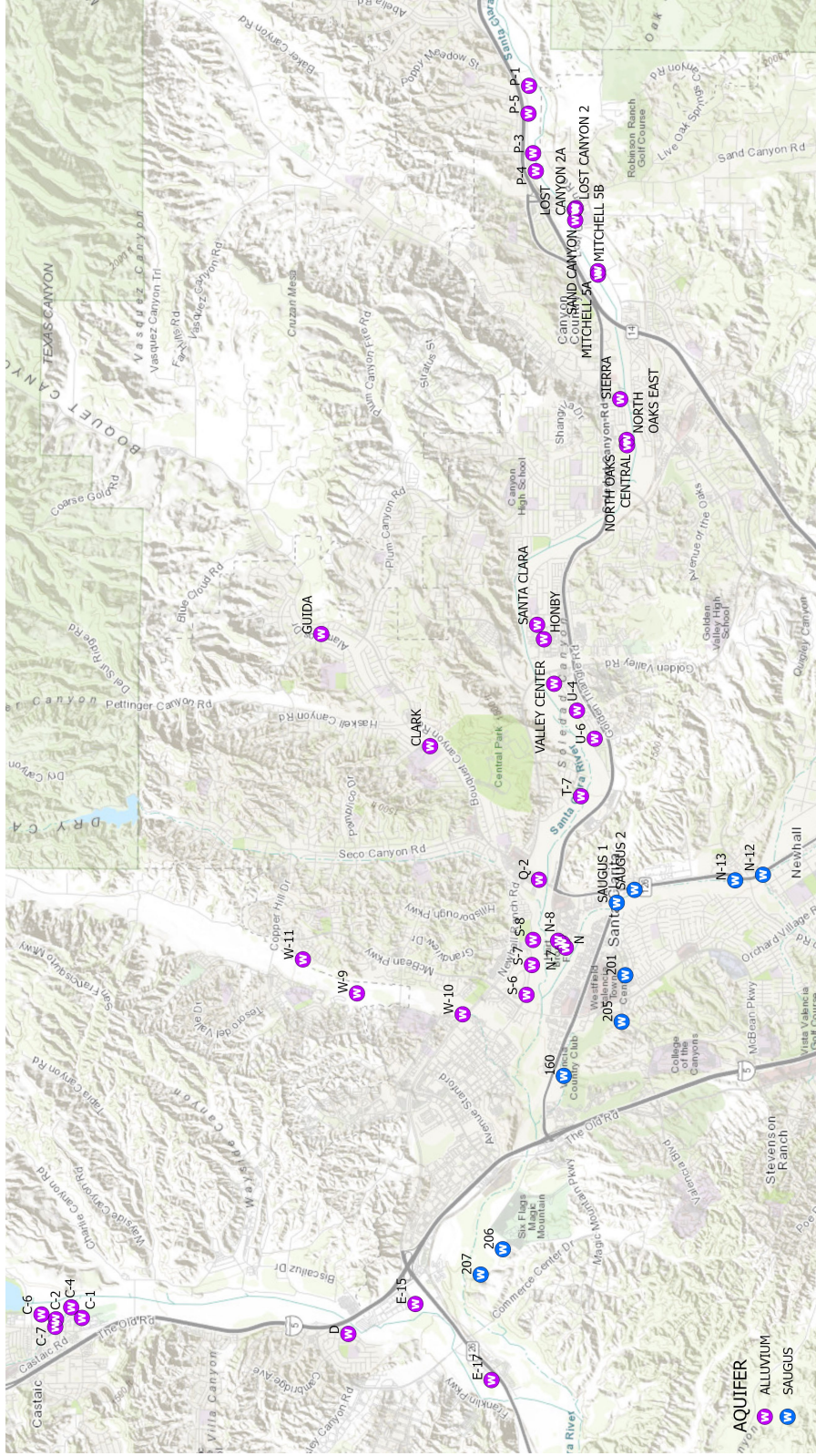
YOURSCVWATER.COM

Santa Clarita Valley Water Agency Storage Facilities



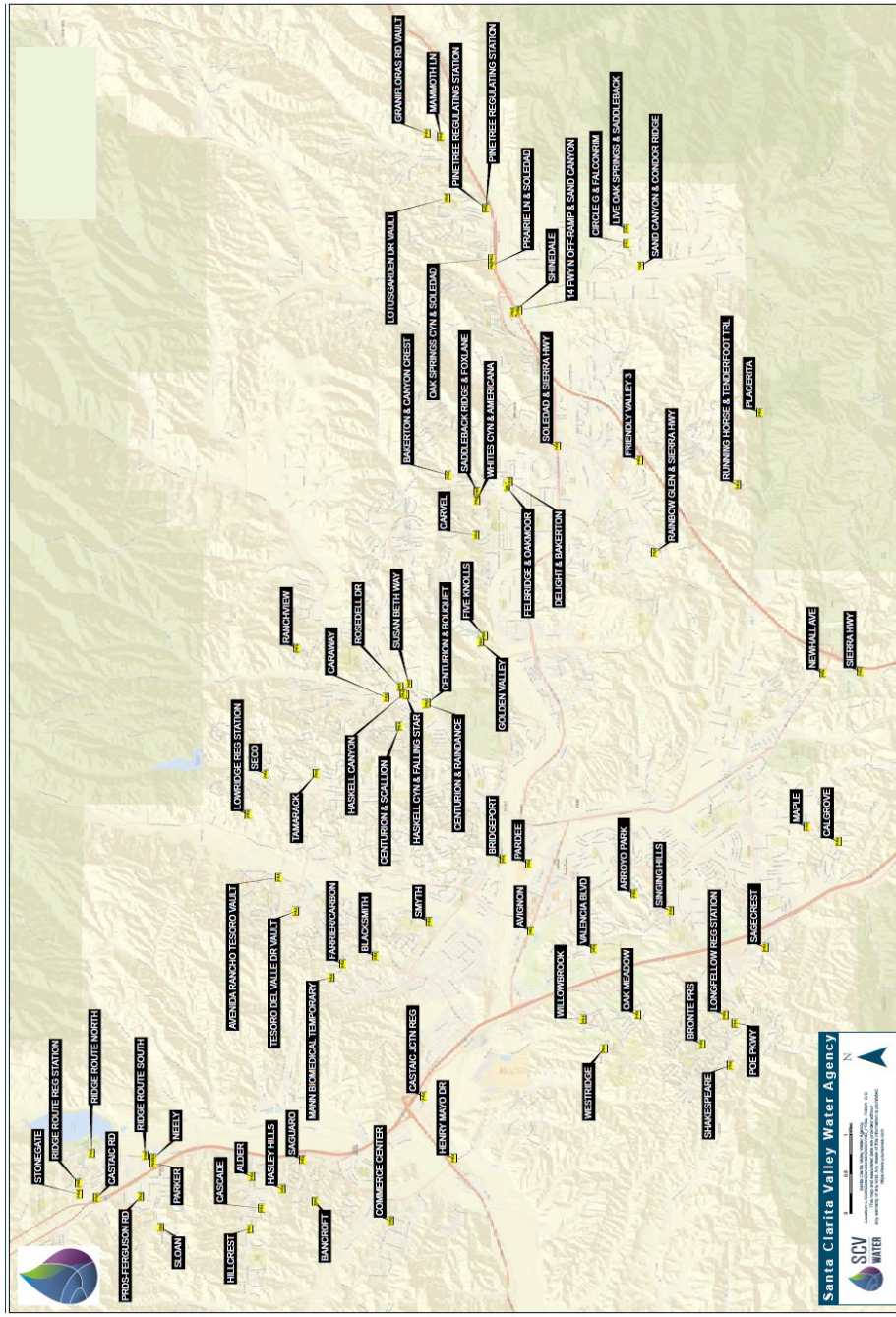
YOURSCVWATER.COM

Santa Clarita Valley Water Agency Production Wells



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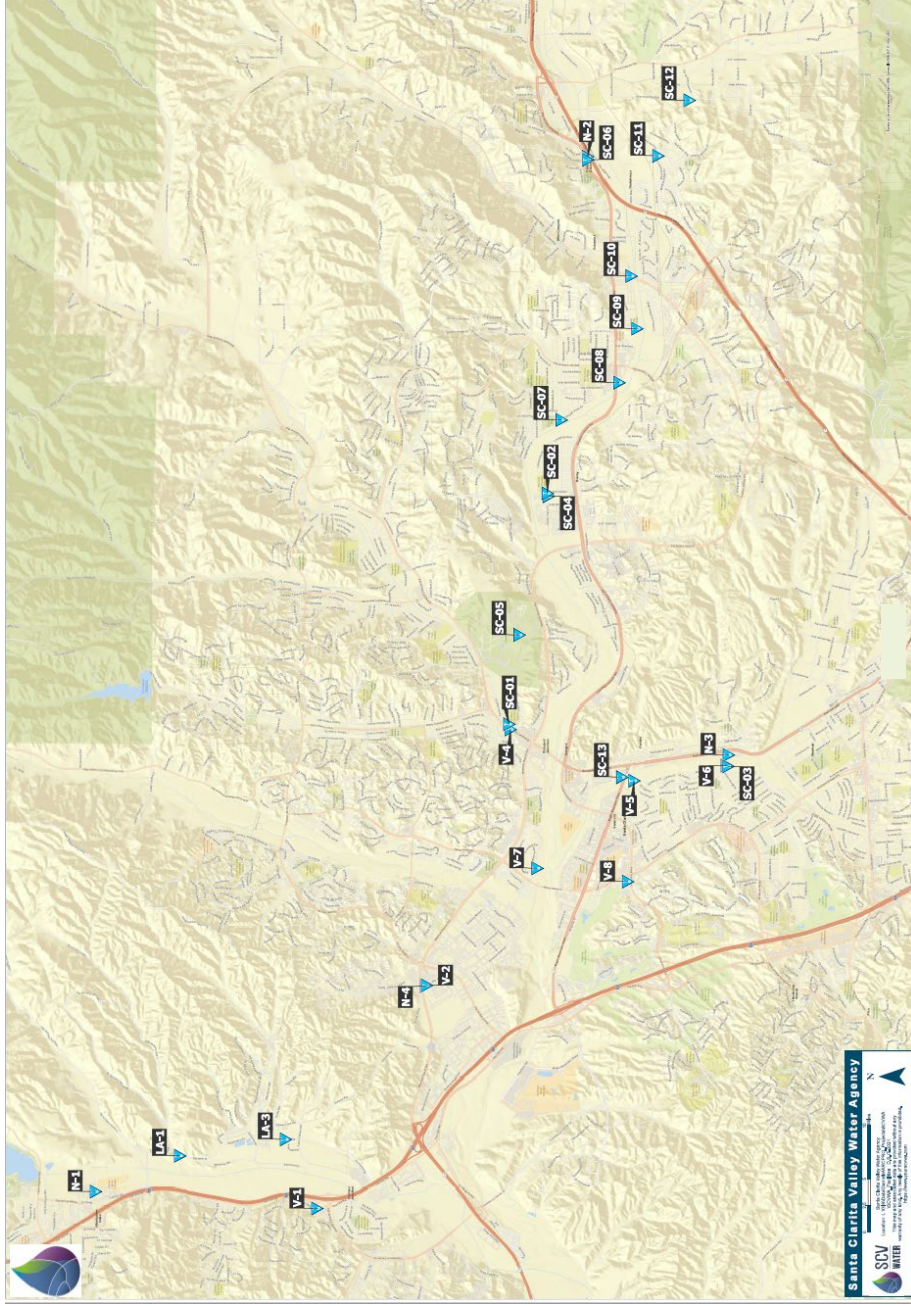
Santa Clarita Valley Water Agency Pressure Regulating Stations



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Santa Clarita Valley Water Agency Turnouts (Boosters)



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Master Plan Consultant Selection

- March 1, 2022: Request for Proposal (RFP) on PlanetBids advertised
- April 27, 2022: Five (5) proposals received
- Evaluation Team: Engineering, Admin, Water Resources, Operations & Maintenance
- May 25 & 26, 2022: Interviews with two (2) firms
- Hazen & Sawyer selected based on:
 - Responsiveness (conformance and compliance) to the RFP requirements
 - Project understanding
 - Responsibility (resources/capability/qualifications/availability) to perform the work
 - Scope of work
 - Schedule

** SCV Water's objective and Strategic Plan Objective B.1: "Plan, design and build facilities to meet demand including storage capacity and interconnections between regional and retail water systems." and B.2: "Plan and budget for long-term replacements and improvements."



Master Plan Scope of Work

- Project Meetings and Workshops
- Data Collection and Review
- Water System Hydraulic Model Update and Calibration
- Hydraulic Model Training
- Water System Evaluation (storage, system interconnections, etc.)
- Pipeline Evaluation and Risk Assessment
- Water System Replacement/Rehab Priority Rating and CIP Program Recommendations
- Master Plan Report
- Dashboards



Master Plan Project Schedule

- Award Phase:
 - July 7, 2022: Engineering and Operations Committee
 - August 2, 2022: Board Meeting
- Master Plan:
 - August 2022: Notice to Proceed
 - August 2022 to March 2024: Planning Services



Master Plan Recommendation

The Engineering and Operations Committee recommends that the Board of Directors:

- Adopt the resolution authorizing the General Manager to execute a purchase order for planning services with Hazen and Sawyer for an amount not to exceed \$1,525,000.

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BOARD MEMORANDUM

DATE: July 8, 2022

TO: Board of Directors

FROM: Courtney Mael, P.E. *CM*
Chief Engineer

SUBJECT: Approve a Resolution to Execute Amendment No. 4 to the Ground Lease By and Between the City of Santa Clarita and SCV Water Relative to Central Park

SUMMARY

On January 2, 1997, Castaic Lake Water Agency (predecessor-in-interest to the Santa Clarita Valley Water Agency ("SCV Water")) entered into the Ground Lease By and Between the City of Santa Clarita and the Castaic Lake Water Agency ("CLWA" - Predecessor-in-Interest to SCV Water) Relative to Phase 1 of a Proposed Park and Sports Facility Project of the City of Santa Clarita, ("Ground Lease") for the property known as Central Park, located on Los Angeles County Assessor's Number 2849-003-901 (Location Map attached as Exhibit A). The Ground Lease has been amended three times.

A summary of the Ground Lease and subsequent amendments (including the proposed Amendment No. 4) is attached as Exhibit B, and the Ground Lease is attached as Exhibit B1. The following is the sequence of events as it relates to the Ground Lease.

1. Original Ground Lease – January 2, 1997 (attached hereto as Exhibit B1)
2. Amendment No.1 – February 4, 1997 (attached hereto as Exhibit B2)
3. Amendment No. 2 – December 16, 2002 (attached hereto as Exhibit B3)
4. Amendment No. 3 – December 21, 2007 (attached hereto as Exhibit B4)

The current term of the Ground Lease under Amendment No. 3 expires on January 1, 2023. The parties desire to extend the term and to make other changes to update the lease as described below in more detail. The proposed Ground Lease Amendment No. 4 is attached as Exhibit B5. In addition, attached as Exhibit C is map that shows the expanded lease area. Additionally, SCV Water will be entering into a proposed separate license agreement with the City for the construction of an exercise staircase outside of the lease area. The term of this license will be concurrent with the extended term in the proposed Amendment No. 4 term.

DISCUSSION

The proposed Ground Lease Amendment No. 4 includes these key terms:

- Recital D – Identifies the SCV Water as the successor in interest to CLWA.
- Section 1.01 – Expansion of the Lease Area for the Disc Golf Course and the City Yard.
- Section 1.03 – Specifies that the annual meeting as set forth per Amendment No. 3 between the City and SCV Water is now specific to Amendment No. 4.
- Section 2.01 – Extends term to January 1, 2038.

- Section 4.03(M)(2) – Addresses interaction and approvals related to future commercial activities of concessions.
- Section 4.03 (O) – Amends 2010 Trail license to add the Cross Country Trails and references future bike trail project, which will be a separate license agreement in the future (2010 Trail License is attached as Exhibit B6). Adds language that City will complete appropriate CEQA review.
- Section 6.02 – City to give notification for maintenance of existing improvements.
- Section 11.03 – City is not permitted to erect additional memorials/commemorative signage.

CEQA DETERMINATION

Based on the scope of the proposed actions described above, Staff recommends the Board find the approval is exempt from CEQA review pursuant to State CEQA Guidelines, section 15061(b)(3) because “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” Ground Lease Amendment No. 4 is largely administrative in nature, such as identifying SCV Water as the successor in interest to CLWA and providing clarification to other parts of the lease. In addition, the lease amendment only formalizes the City’s legal access to certain areas that are already in use as recreational trails. It also implements a proposed expansion of the lease for the Disc Golf Course that was previously identified as a permitted use in the Ground Lease Amendment No. 3. No ground-disturbing construction activity will take place under this lease amendment, and there will be no impact to the environment.

This project is also exempt pursuant to State CEQA Guidelines, section 15301 (Class 1). This section exempts from further environmental review the ongoing operation of existing public structures, facilities, and topographical features. Here, the approval of Ground Lease Amendment No. 4 will not result in a change in operation or use. As identified in the prior lease amendments, the City will have expanded access to certain areas where the City may choose to expand its disc golf activities. The lease amendment will also memorialize the City’s access to recreational trails that are already in use. In addition, no change in the use of the lease area is anticipated.

Furthermore, none of the exceptions to the use of these categorical exemptions identified in State CEQA Guidelines section 15300.2 apply. The Project will not result in a cumulative impact from successive projects of the same type in the same place, over time. Additionally, there are no unusual circumstances surrounding the Project that could result in the reasonable possibility of a significant effect on the environment. The Project will not result in damage to scenic resources within an official state scenic highway, nor is the Project site located on a site included on any list compiled pursuant to Government Code section 65962.5. Finally, the Project will also not cause a substantial adverse change in the significance of historical resource.

On July 7, 2022, the Engineering and Operations Committee considered staff’s recommendation to approve the execution of Amendment No. 4 to the Ground Lease by and between the City of Santa Clarita and SCV Water relative to Central Park.

FINANCIAL CONSIDERATIONS

The rent payment is \$33.33 per year.

RECOMMENDATION

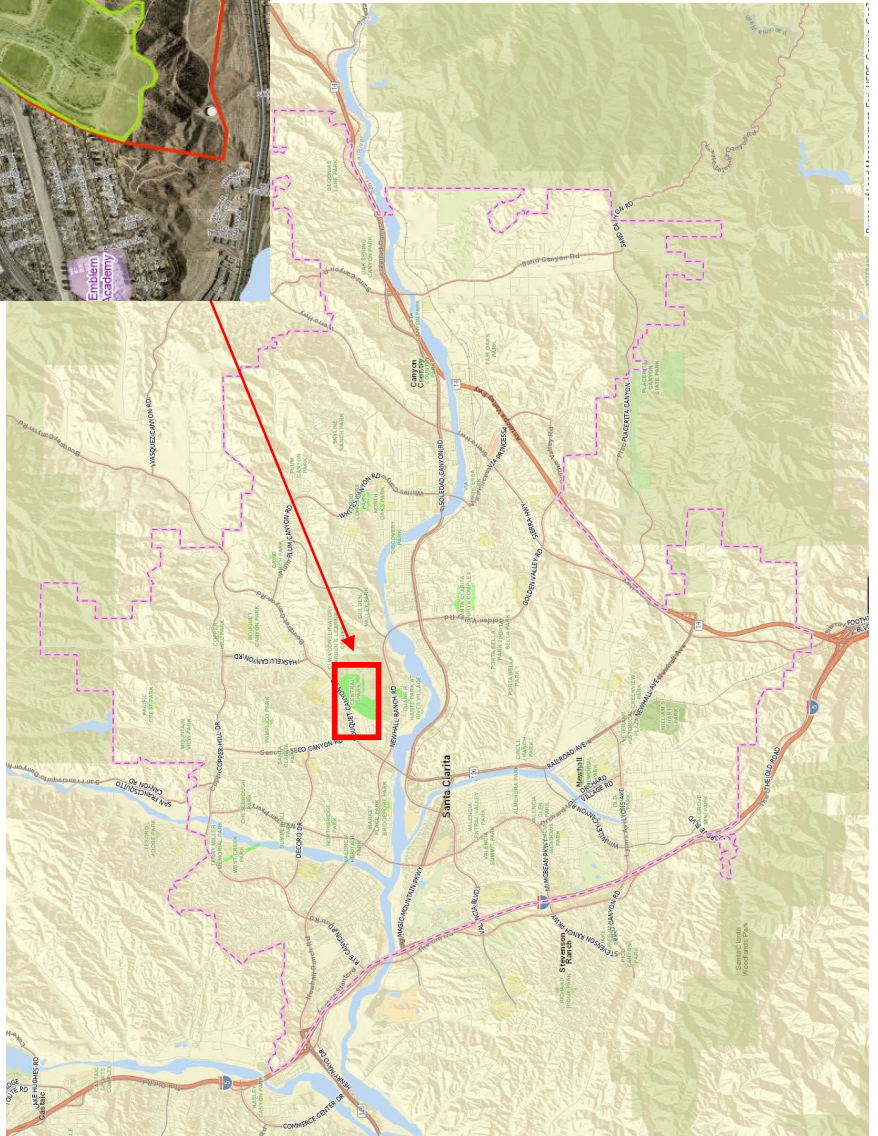
Staff recommends that the Board of Directors, (1) find that the proposed project is categorically exempt from CEQA under State CEQA Guidelines sections 15061(b)(3) and 15301; (2) find that the exceptions to the categorical exemption contained in State CEQA Guidelines section 15300.2 are inapplicable to the proposed project; (3) approve the Resolution to Execute Amendment No. 4 to the Ground Lease by and Between the City of Santa Clarita and SCV Water Relative to Central Park; and (4) direct Staff to file a Notice of Exemption within five (5) working days of approval.

Attachments

M65

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Exhibit A



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Exhibit B

**GROUND LEASE BY AND
BETWEEN THE CITY OF SANTA CLARITA
AND THE CASTAIC LAKE WATER AGENCY
RELATIVE TO PHASE 1 OF A PROPOSED
PARK AND SPORTS FACILITY PROJECT
OF THE CITY OF SANTA CLARITA**

AND AMENDMENT NO. 1 TO LICENSE AGREEMENT

THIS GROUND LEASE (hereinafter called "Lease") is made in Santa Clarita, California, as of this 2nd day of January 1997 by and between two public agencies, being the Castaic Lake Water Agency (hereinafter called "CLWA" and the City of Santa Clarita (hereinafter called "CITY"), pursuant to facts, understandings and assumptions of CLWA and CITY as follows:

- On or about December 11, 1995, CLWA and CITY entered a Memorandum of Understanding (hereinafter called "MOU") dated December 11, 1995, copy attached as Exhibit "A" hereto, and hereby incorporated herein by this reference.
- The above-referenced MOU contemplated full environmental review of proposed park and sports facility improvements on the entire site, including review of the sewer service master plan and the untreated and/or reclaimed water master plan described in numbered paragraphs 4. and 5. of the MOU.
- The CLWA and CITY are fully committed to fulfilling the promises, terms, and conditions of the MOU in all respects, with the sole exception of providing a ground lease concerning Phase 1 of CITY's park and sports utility project prior to completion of all work described in the MOU. This Phase 1 ground lease shall be subject to numbered paragraph 3. Of the MOU with respect to "Development Costs, Operation and Maintenance," "Water Use and Payments," the "Perimeter Fence," "Utilities and Property Access," "Liability and Insurance," "Joint Recognition," and "Commercial Activity."
- The proposed ground lease for Phase 1 is proposed to consist of approximately thirty-four and 22/100ths (34.22) acres, as described in Exhibit "B" hereto, which acreage shall accommodate (as Phase 1 improvements) only those improvements described in Article 4 of this Lease.
- All provisions, terms and conditions of the ground lease concerning Phase 1 shall be binding upon the parties only until completion of any further lease of the property described in the MOU, or until January 1, 2012, whichever is earlier.
- This ground lease shall be subject to all the surviving terms and conditions of the existing lease between CLWA and R. N. Chesebrough, concerning farming operations within the Phase 1 area to and through December 31, 1996, and to future irrigated farming or dry farming leases CLWA may execute concerning the Phase 1 area prior to CITY's commencement of the construction of the Phase 1

Commented [1]: The Ground Lease was entered on January 2, 1997 (attached hereto as Exhibit B1).

It has been amended three times: February 4, 1997 (Amendment No.1), December 16, 2002 (Amendment No. 2) and December 21, 2007 (Amendment No. 3) (attached hereto as Exhibits B 2-4).

Amendment No. 4 to the Ground Lease is presently being negotiated (attached hereto as Exhibit 5).

Amendment No. 4 also amends the License Agreement dated October 1, 2010 ("Trails License Agreement;" attached hereto as Exhibit 6), and references the Exercise Stairs License that is also being negotiated.

Commented [2]: Amendment No. 4 amends both the Ground Lease and the Trails License Agreement.

Commented [3]: Recital D of Amendment No. 4 identifies the SANTA CLARITA VALLEY WATER AGENCY as the successor in interest to the CASTAIC LAKE WATER AGENCY ("CLWA"). Amendment No. 4 is attached hereto as Exhibit 5.

Commented [4]: The Ground Lease (attached hereto as Exhibit B1).

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improvements. CITY shall be fully financially responsible for terminating that lease (within the Exhibit "B" area) so as to permit CITY to utilize the Exhibit "B" area, at a cost payable by CITY to the farm operator of not to exceed \$150.00 per acre.

- CITY shall, at its sole expense, budget and commence its process to construct a traffic signal at the current site entrance substantially concurrently with the execution of Phase 1 of this Ground Lease and complete the construction and have the signal operational prior to June 30, 1998. Operation and use of Phase 1 park facilities by or on behalf of CITY and/or the public shall not commence until CITY has installed at its own and sole expense an operation traffic signal at the current site entrance road which connects with Bouquet Canyon Road. The current site entrance road shall be the sole entrance road from Bouquet Canyon Road to the Phase 1 park site.

WITNESSETH

This Lease is subject to all of the terms, covenants and conditions herein contained, and as a material part of the consideration for this Lease, CITY covenants to keep and perform each and every one of said terms, covenants and conditions, including all of the provisions of the seven bulleted recitals to this Ground Lease. The above recitals to this Lease are hereby declared and determined to be terms, covenants, and conditions of this Lease.

ARTICLE1: LEASE OF PREMISES

~~1.01 Premises: CLWA leases to CITY and CITY hires from CLWA, for the term, at the rental and upon all of the conditions set forth herein, a parcel of land of approximately 34.22 acres shown as Phase 1 on the site plan attached hereto as Exhibit "B" and incorporated herein by this reference. Such real property is hereinafter referred to as the "Premises".~~

Commented [5]: Deleted per Amendment No. 2 (attached hereto as Exhibit B3).

~~1.01 Premises: CLWA leases to CITY and CITY hires from CLWA, for the term, at the rental and upon all of the conditions set forth herein, a parcel of land of approximately 108 acres as described on "EXHIBIT "B", REVISED, Legal Description Central Park Easement", attached hereto and incorporated herein by this reference. Such real property is hereinafter referred to as the "Premises".~~

Commented [6]: Added by Amendment No. 2 (attached hereto as Exhibit B3). To be deleted per Amendment No. 4 (attached hereto as Exhibit B5).

1.01 Premises: Agency leases to City and City hires from Agency, for the term, at the rental and upon all of the conditions set forth herein, a parcel of land of approximately _____ acres as described in EXHIBIT "B", REVISED, Legal Description Central Park Easement," attached hereto as EXHIBIT "B" and incorporated herein by this reference. Such real property is hereafter referred to as the "Premises." The aforementioned EXHIBIT "B" includes a legal description and depiction of the areas of the Premises used or to be used for activities permitted by the Ground Lease and its amendments, including parking areas, storage, recreational and commercial and non-

commercial activities, and bike and cross-country trails. There is no EXHIBIT "A" attached to this amendment.

Commented [7]: New Section 1.01 to be added per Amendment No. 4 (attached hereto as Exhibit B5).

1.01 Condition of Premises: CITY expressly agrees to lease the Premises in an "as is" condition, and to accept the Premises as they are and subject to all conditions, rights, easements, and improvements, including, but not limited to, any rights in third parties including the above-reference lease between CLWA and R.N. Chesebrough. CITY waives any right or claim against CLWA for any cause directly or indirectly arising out of the condition of the Premises or the improvements thereon on the commencement of this Lease.

CITY assumes the risk of existing storm water drainage patterns on CLWA property in any way adjacent to the Premises and will construct park facilities so that such facilities will not be adversely impacted by the existing storm water drainage patterns.

CITY agrees that this Lease is subject to a reservation by CLWA of the rights to install, replace and maintain underground water pipes and appurtenant facilities within certain areas of land identified and shown on Exhibit "B" as "Water Pipeline Easement Reservation No. 1" and "Water Pipeline Easement Reservation No. 2". A three-inch diameter pipeline and an eight-inch diameter pipeline presently exist within Water Pipeline Easement Reservation No. 1. Water Pipeline Easement Reservation No. 2 is for future underground water pipeline. The location of Water Pipeline Easement Reservation No. 2 will be considered for relocation when the CITY's construction plans for the Premises are available. CITY further agrees that the above-referenced reservation areas may be transferred by CLWA to others.

CLWA affirms that it is unaware of any hazardous materials or waste on the Premises. CITY affirms that, before making any expenditures concerning the Premises, it will at its own and sole expense conduct such studies of the Premises as it deems reasonable and prudent to confirm the absence of hazardous materials or waste on the Premises. If CITY at any time directly or indirectly finds any hazardous materials or waste on the Premises, CITY shall promptly advise CLWA – and shall promptly meet with CLWA officials concerning the CITY's findings. CITY's sole remedy against CLWA, in the event hazardous materials or waste are found on the Premises, is (1) to promptly, at its own and sole expense, and with no direct or indirect charge or cost to CLWA, remove and properly dispose of all hazardous materials or waste then existing on the Premises or (2) to promptly cancel this Ground Lease on the Premises, in which even CLWA's sole obligation to CITY shall be to refund pro-rata all prepaid rent under this Lease.

~~1.02 In order for the parties to coordinate the use of the park under the Ground Lease, and recognizing that the park is developing and changing, the parties shall meet at least annually to discuss the provisions of this Ground Lease and specifically of this Amendment No. 3. Such meeting shall occur between July 1 and October 1 of each year and shall include the General Manager, the City Manager or designated senior staff representative of each agency. In the event of any dispute between the parties as to the~~

~~interpretation or enforcement of the Ground Lease, the parties shall meet as set out herein to try to resolve their differences.~~

Commented [8]: Added per Amendment No. 3 (attached hereto as Exhibit B4). To be deleted per Amendment No. 4 (attached hereto as Exhibit B5).

1.03 ~~In order for the parties to coordinate the use of the park under the Ground Lease and its amendments, and recognizing that the park is developing and changing, the parties shall meet at least annually to discuss the provisions of this Ground Lease and its amendments, specifically of this Amendment No. 4. Such meeting shall occur between July 1 and October 1 of each year and shall include the General Manager, the City Manager or designated senior staff representative of each agency. In the event of any dispute between the parties as to the interpretation or enforcement of the Ground Lease and its amendments, the parties shall meet as set out herein to try to resolve their differences.~~

Commented [9]: New Section 1.03 to be added by Amendment No. 4 (attached hereto as Exhibit B5).

Commented [10]: New Section 1.03 to be added by Amendment No. 4 (attached hereto as Exhibit B5).

1.04 CITY has utilized three areas located on the east end of the Ground Lease, which use encroaches onto property not included within the Ground Lease. The CITY has used areas for Frisbee golf and temporary storage. The parties agree that such use has not given rise to any rights on the part of CITY and has been with the consent of CLWA. From and after the date of this amendment, such use shall be limited to Frisbee golf and temporary use for storage of supplies, equipment, and plant material. CITY explicitly agrees that any such use has been, is and will be covered by the indemnification and insurance provisions in this Ground Lease (as amended) for the protection of CLWA. In the event that CLWA needs to utilize this area in the future, CLWA shall provide the CITY with ninety (90) days prior written notice to remove or relocate the temporary use.

Commented [11]: Added per Amendment No. 3 (attached hereto as Exhibit B4).

ARTICLE 2: TERM

~~2.01 **Term:** The term of this Lease shall be for fifteen (15) years, commencing as of the 2nd day of January 1997, and ending at midnight on the 1st day of January 2012, unless modified pursuant to the Lease document contemplated by the MOU. [The term of the Lease shall be for twenty (20) years, commencing as of the 2nd day of January, 1997, and ending at midnight on the 1st day of January, 2017, unless modified pursuant to the Lease document contemplated by the MOU. Notwithstanding the foregoing sentence, this Lease shall terminate upon execution by CLWA and CITY of any further Lease of the property described in the MOU, or if CITY violates use restrictions set forth in Article 4 hereof, or otherwise as provided in this Lease.~~

Commented [12]: First sentence deleted per Amendment No. 2 (attached hereto as Exhibit B3).

Commented [13]: Amended first sentence added per Amendment No. 2 (attached hereto as Exhibit B3) and subsequently deleted by Amendment No. 3 (attached hereto as Exhibit B4).

Commented [14]: Entire Section 2.01 as amended by Amendment 2 deleted by Amendment No. 3 and replaced with a new Section 2.01 (attached hereto as Exhibit B4).

2.01 **Term:** ~~The term of this Lease commenced on January 2, 1997 and, subject to extension or sooner termination as provided below, shall expire at midnight on January 4, 2023. The term of this Lease commenced on January 2, 1997 and, subject to extension or sooner termination as provided below, shall expire at midnight on January 1, 2038.~~ The term of this Lease shall be automatically extended for a period of one year on January 1 of each year, commencing on January 1, 2008, unless before January 1 of any year (i) the CITY has failed or refused to meet with CLWA during the time periods set out in Section 1.03 of this Lease (in which case the term of this Lease shall no longer be subject to further automatic extensions), or (ii) after such meeting, either CLWA or the CITY provides the other with written notice that it is terminating the automatic Lease extension

Commented [15]: Added by Amendment No. 3 (attached hereto as Exhibit 4) and to be deleted by Amendment No. 4 (attached hereto as Exhibit B5).

Commented [16]: New term provision to be added by Amendment No. 4 (attached hereto as Exhibit B5).

extension either (1) for the upcoming January 1 only (in which case the term of this Lease shall be subject to further automatic extensions on each January 1 subsequent to the upcoming January 1), or (2) for the remaining term of this Lease (in which case the term of this Lease shall no longer be subject to further automatic extensions). Notwithstanding the provisions of this Section to the contrary, this Lease shall terminate upon execution by CLWA and the CITY of any further lease of the property, or if the CITY violates use restrictions set forth in Article 4 hereof, or otherwise as provided in this Lease.

ARTICLE 3: RENT

3.01 Rent: The rent for said Premises shall be at the rate of: Thirty-Three Dollars and 33 cents (\$33.33) per year for the first fifteen (15) years of the term of this Lease; and thereafter shall be as set forth in the Lease document contemplated by the MOU, if a Lease document is entered by CLWA and CITY.

3.02 Payment of Rent: Payment of rent shall be made by CITY to CLWA, in the amount of \$33.33 per year, in advance, for the initial year's term of the Lease. Thereafter, during the lease term, rent shall be payable as follows: on or before January 2nd of each succeeding year of the Lease term.

3.03 Net Lease: It is the intention of CLWA and CITY that the rent payable hereunder to the CLWA shall be net of taxes, assessments, maintenance, repairs, utilities, insurance premiums, and an and all other costs and expenses. From and after the date on which the rent commences, all costs, expenses, taxes, assessments and obligations of every kind and nature accruing to, imposed upon, or including, but not limited to, those hereinafter expressly stated shall be paid by CITY, except as required to be paid by a farming operator who has leased the Premises or any part thereof from CLWA.

ARTICLE 4: USE OF PREMISES

4.01 Use: CITY shall use the Premises to construct, operate, and maintain a non-commercial public park and sports facility (hereinafter called "park") on the Premises, including parking lots, and two lane, two way, internal circulation park access roads with a pavement width of not more than ~~25 feet~~ 36 feet. CITY shall not use the Premises for any other purposes.

Commented [17]: Replaced 25 feet with the current 36 feet per Amendment No. 1 (attached hereto as Exhibit B2).

4.02 Change of Use: Commencement by the CITY of condemnation proceedings in any way concerning the Premises or of any part thereof or direct or indirect approval by CITY of any non-authorized use of the Premises or any part thereof, including use for a road in any way useful for non-park commuter purposes shall, at the written election of CLWA, entitle CLWA, acting either through its Board of Directors or General Manager, to terminate this Lease as to any portion of the Premises with respect to which the CITY has commenced condemnation proceedings and/or provided direct or indirect approval of a non-authorized use of the Premises, or any part thereof, including specifically the non-authorized Lease use of a road in any way useful for non-park

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commuter purposes. Commencement by the CITY of condemnation proceedings shall, for purposes of this Lease, include notice by CITY to CLWA or others of any public hearing or of any other notice by CITY to CLWA or others that CITY intends to consider taking by eminent domain all or any portion of the Premises. Notwithstanding any other provision in this Lease, it is agreed that Lease termination, if elected by CLWA, shall be effective upon completion of written notice thereof by CLWA to CITY. (See Section 21.16 hereof.) CITY agrees, within five (5) days thereafter, to execute any and all documents reasonably required by CLWA to confirm termination of the affected portion of this Lease. Any such termination by CLWA shall be presumed to be correct and proper, unless made on a totally arbitrary and capricious basis. CLWA, upon such a termination, shall rebate pro-rata – based on acreage and time – and CITY rents paid. To the maximum extent permitted by law, CITY agrees that the fair market value (1) of any property taken by eminent domain by CITY which constitutes all or part of the Premises or (2) of any property which is owned by CLWA and is in any way adjacent to the Premises and will or could suffer severance or other damage on account of such taking by CITY, shall, in each case, be valued by CITY for appraisal purposes and taken by CITY, if at all, without reference to the burden of this Lease.

4.03 Restriction on CITY's Use: In using the Premises, CITY agrees:

A. Waste: Not to commit or allow to be committed any waste in or upon the Premises.

B. Nuisance: Not to do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other tenants or occupants of adjacent land or injure, or annoy them, or use or allow the Premises to be used for any improper, immoral, unlawful, or objectionable purpose. CITY shall not cause, maintain or permit any public or private nuisance in, on, or about the Premises.

C. Advertising: Not to use any advertising medium which may emanate outside of the Premises, such as loud speakers, phonographs, or radio broadcasts without CLWA's prior written consent.

D. Roadway Use: Not to construct or cause to be constructed on the Premises any road having a paved width greater than ~~25 feet~~ 36 feet, not to construct parallel or near parallel two lane roads of any kind on the Premises.

Commented [18]: Replaced 25 feet with the current 36 feet per Amendment No. 1 (attached hereto as Exhibit B2).

E. Spoil Piles: Not to permit to exist or to construct any spoil pile(s) on the Premises.

F. Grading: Not to change the existing grade of the Premises except to create sports fields, parking lots, and internal access roads having a width of not more than ~~25 feet~~ 36 feet, and not to create any road pad which is not promptly utilized as a paved internal circulation park access road.

Commented [19]: Replaced 25 feet with the current 36 feet per Amendment No. 1 (attached hereto as Exhibit B2).

~~G. Parking Lots: Not to construct any parking lot having, in the judgment of CLWA, the configuration of a road, nor to convert any parking lot, once constructed, into a road. (Parking lots which are long and narrow shall be presumed to have the configuration of a road.)~~

Commented [20]: Deleted per Amendment No. 3 (attached hereto as Exhibit B4).

G. Use of Parking Areas: CITY is not to construct any parking lot having, in the judgment of CLWA, the configuration of a road, nor to convert any parking lot, once constructed, into a road. (Parking lots which are long and narrow shall be presumed to have the configuration of a road.) From and after the date of this Amendment No. 3 to the Ground Lease, CITY shall use the parking areas and physically may expand such parking areas consistent with the intent of the Master Plan and as set forth in Exhibit A. CITY may intensify the use of such parking areas to serve the existing and proposed activity center and shall continue to utilize them only for (1) guest vehicles; (2) vehicles belonging to park staff; or (3) for parking and storage of CITY park maintenance vehicles adjacent to the maintenance facility. There will be no on-site fueling or maintenance of such vehicles and no inoperative vehicles. To the extent that CLWA becomes concerned that such use either impacts on its security or use of its property, or interferes with the function as a park, CLWA will raise such issues for resolution at the meeting set out in Section 1.03 above.

Commented [21]: Added per Amendment No. 3 (attached hereto as Exhibit B4).

H. Elevation Restriction: Not to construct any or improvement on the Premises which exceeds one hundred (100) feet in height.

I. Development Costs, Operation and Maintenance: CITY shall pay all development, operation and maintenance costs associated with the park and sports facilities. Detailed site development plans for each Phase of site improvements shall be submitted to CLWA a minimum of three (3) months prior to construction to permit CLWA to verify compatibility with its facilities. Such improvements shall not be constructed until such verification is received from CLWA, which verification shall not be unreasonably withheld.

Commented [22]: Subsections I through N added by Amendment No. 3 (attached hereto as Exhibit B4).

J. Water Use and Payment: CLWA shall have exclusive groundwater extraction rights on the site. CITY shall purchase water for use on the site from the appropriate authorized retail purveyor, and shall pay CLWA all facility capacity (connection) fees of CLWA at the time of development of each phase of site improvements. The CITY will continue to design and construct future phases of the park to allow for maximum possible use of recycled water when available and in compliance with any and all applicable city, county and state recycled water and conservation requirements.

K. Perimeter Fence: CITY at its sole expense shall add perimeter fencing to CLWA's reasonable specifications when future phases of the park are developed and shall provide monitors and/or security personnel as necessary to protect CLWA's property and operations during City or City-sponsored activities which may occur outside the fenced area or on CITY property adjacent to unfenced CLWA property.

L. Utilities and Property Access/Security: All utilities are to be underground. CLWA reserves any and all rights of way or other property interests needed for the benefit of its property for its operations.

On or before December 31, 2010, CITY and CLWA shall discuss the issue of non-vehicular access from Newhall Ranch Road to the park, if any, and, if access is to be granted, shall agree on a method to be implemented by CITY to manage and control such access. The agreement shall include the CITY's commitment to security measures reasonably acceptable to CLWA to be implemented and maintained by CITY at its sole expense. No access shall be granted until appropriate security measures acceptable to CLWA are in place.

In addition, and with the approval of CLWA, CITY shall provide and maintain appropriate traffic control devices and signage to direct those exiting the park to stop and yield to those turning onto the CLWA access road.

M. Commercial Activity: Notwithstanding any other provision of this Ground Lease, and consistent with the provisions of the MOU, commercial activity is not to be permitted on the site, except as mutually agreed in advance by CITY and CLWA as being compatible with and incidental to park and sports facility purposes.

1. Existing Commercial Uses: As of the date of this Amendment No. 3, the following commercial uses exist on the site which uses were not agreed upon in advance by CLWA.

Lamppost Pizza.

Notwithstanding, CLWA consents to this use only at the level and size as of the date of this Amendment No. 3.

2. Future Commercial Uses: ~~In the future, the CITY may consider commercial activities related to park uses by third-party private concessionaires. Because of the varying nature of each of these activities, CITY shall meet with CLWA in advance of approving such commercial activity to determine what conditions, if any, are necessary in relation to such activity and what percentage of receipts, if any, shall be owing to CLWA. Such approval by CLWA shall be on a case-by-case basis and shall not be unreasonably conditioned or withheld. Any use carried out without prior consent shall be considered a violation of this Lease. Because of the varying nature of commercial activities relating to park uses by third-party private concessionaires, City shall meet with the Agency in advance of approving and/or undertaking such commercial activities on the Premises to determine what conditions, if any, are necessary in relation to such activities and what percentage of receipts, if any, shall be paid to the Agency. Such approval by the~~

Commented [23]: To be deleted by Amendment No. 4 (attached hereto as Exhibit B5).

Agency shall be on a case-by-case basis and shall not be unreasonably conditioned or withheld. Any use carried out without prior consent shall be considered a violation of the Ground Lease and its amendments. City explicitly agrees that any such use has been, is and will be covered by the indemnification and insurance provisions in this Ground Lease (as amended) for the protection of the Agency and general public.

Commented [24]: New Subsection 2 to be added by Amendment No. 4 (attached hereto as Exhibit B5).

N. **Off-Leash Dog Area:** Subject to the conditions and for the temporary period set out here, CITY may operate an off-leash dog area in the passive recreation area located on the south end of the boundary of the leased property. Such operation shall include installation of chain link fencing around the perimeter of the area, benches and drinking fountains (human and canine). CITY shall be responsible for any and all costs of such installation (including extension of water lines, lighting and so forth). In addition, CITY shall at all times maintain the area in a safe and clean condition and provide for the necessary security and supervision. Such use shall be reevaluated by the CITY and CLWA by October 1, 2009. Upon termination of the use, CITY shall remove any and all improvements and return the area and its landscaping to a clean and attractive condition.

O. **Trails:** The City is considering installing bike and cross-country trails on the Premises. The installation of such bike and cross-country trails is agreed to be a permitted use of the Premises and is hereby approved. City shall be responsible for any and all costs relating to such installation (including extension of water lines, lighting and so forth). In addition, City at its own cost shall maintain and operate the trails and trail areas in a safe and clean condition and manner and provide for the necessary security. City explicitly agrees that any such uses shall be covered by the indemnification and insurance provisions in this Ground Lease (as amended) for the protection of the Agency and the general public. Upon termination of the use, City shall remove any and all improvements and return the area and its landscaping to a clean and attractive condition. The above-mentioned cross-country trail will be configured such that it will join the existing cross-country trail currently used by the City pursuant to the License Agreement, a copy of which is attached hereto as EXHIBIT C. The City and the Agency agree that the License Agreement shall have a term which runs concurrently with the term of the Ground Lease (as such term may hereafter be extended), and that Section 4 (TERMINATION) of the License Agreement is deleted and intentionally left blank. The City is also considering the installation of an exercise and access staircase that will encroach on the Premises. The installation and maintenance of said staircase is not a use permitted by the Ground Lease and its amendments, but rather a use that is being permitted concurrently herewith by an independent license between City and the Agency, a copy of which is attached hereto as EXHIBIT D. Traditional golf course and related uses are also not permitted on the Premises by the Ground Lease and its amendments. Frisbee golf, however, shall continue to

Commented [25]: Amendment No. 4 amends the term of the Trails License Agreement to have it run concurrently with the term of the Ground Lease.

Commented [26]: Amendment No. 4 references the Exercise Stairs License Agreement that is being independently negotiated. Its terms is also expected to run concurrently with that of the Ground Lease.

be a permitted use as provided for in Section 1.04 of the third amendment to the Ground Lease.

Commented [27]: New subsection O to be added by Amendment No. 4 (attached hereto as Exhibit B5).

4.04 Compliance with the Law: CITY shall, at its sole expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders, or requirements now in force or which may hereafter be in force and with the requirements of any Board of fire underwriters or other similar bodies now or hereafter constituted relating to or affecting the condition use or occupancy of the Premises. CITY shall not use the Premises or permit anything to be done in or about the Premises, which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. CITY agrees to indemnify CLWA and save CLWA harmless from any and all liability that may arise from any infringement or violation of any such statute, ordinance, rule, regulation, or order by CITY, its employees, and agents, or by any other person who shall be upon the Premises with CITY's express or implied consents.

Commented [28]: The word "condition" was deleted per Amendment No. 1 (attached hereto as Exhibit B2).

ARTICLE 5: CONDITIONS

5.01 Conditions: Before commencing any construction activity on the Premises, CITY shall submit for CLWA's review and approval the plans and specifications, including height of structure, the site plan, and the elevations for the improvements which CITY wants to undertake, herein collectively referred to as the "plans". CLWA shall approve or disapprove the plans in writing within ninety (90) days after submission. If the plans are disapproved, CLWA shall state the reason for its disapproval. CLWA's approval shall not be unreasonable withheld, and if CLWA does not act within ninety (90) days after submission, the plans shall be deemed approved, CITY shall construct park facilities only in accordance with CLWA-approved plans, or plans which are "deemed approved" pursuant to this section. CITY shall construct a perimeter fence acceptable to CLWA which surrounds all portions of the Premises as and when devoted to park and sports facility purposes. CITY shall at all times exercise all necessary precautions for the safety and environmental protection of the Premises, and be in compliance with all federal, state and local statutory and regulatory requirements, including State of California, Division of Industrial Safety (Cal/OSHA) regulations, Cal/EPA and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act (as applicable).

ARTICLE 6: ALTERATIONS AND ADDITIONS

6.01 Installation of Facility: Subject to the terms and conditions which follow, CITY shall have the right to install multi-use sports fields, and appurtenant structures and parking on the Premises.

CITY shall use reasonable efforts to obtain all governmental permits and approvals required to install and operate the park.

CITY shall use reasonable efforts to obtain any new utility service which may be required. If it is necessary to cut into any paved area, wall or other improvement, CITY shall repair the same in a good and workmanlike manner so as to match as nearly as practicable the surrounding area. All utility services provided to the Premises shall be separately metered, and CITY shall pay for all utility and other services provided or furnished to the Premises, including but not limited to electricity, gas, and telephone charges for lines servicing the Premises.

6.02 Construction of Improvements: Notwithstanding any other provision of the Ground Lease and its amendments, the City shall notify the Agency of maintenance to be undertaken on improvements existing on the Premises that were constructed by the City relating to uses permitted by the Ground Lease. Construction by the City of new improvements.

Commented [29]: To be added per Amendment No. 4 (attached hereto as Exhibit B5).

ARTICLE 7: MAINTENANCE AND REPAIRS

7.01 Maintenance and Repairs: Except as provided in Section 1.02 hereof, CITY hereby represents that it has inspected the Premises and is fully familiar therewith, and in making this Lease, CITY is relying on its own independent investigation and knowledge of the Premises and not on any statements or representations or warranties by CLWA or any agent or representative of CLWA, with respect to the nature and character of the Premises, its physical condition, income or expense or operation or any other matter or thing affecting or relating to the Premises, or its suitability of the uses intended by CITY.

CITY, its agents, employees, and contractors shall have the right to enter the park with personnel, trucks, equipment, and machinery at all hours of the day or night of each and every day of the year for the purpose of inspecting, maintaining, serving, repairing, replacing, or protecting the park. CITY may perform minor equipment maintenance on small equipment, such as mowers, blowers, edgers, and other similar park equipment within the designated maintenance area at Central Park, and its subject to controls on the spill of oil, gasoline, etc. ~~shall pay the costs of these activities and protect and indemnify CLWA from all loss, cost, and liability arising because of such activities or the exercise of such right of entry. CITY, its officers, agents, employees, invitees, contractors, and customers shall have the non-exclusive right to use any parking spaces developed within the park for vehicle parking.~~

Commented [30]: Added per Amendment No. 3 (attached hereto as Exhibit B4).

Commented [31]: Deleted per Amendment No. 3 (attached hereto as Exhibit B4).

CITY shall, at its sole cost and expense, keep the Premises and every part thereof in good condition and repair at all times during the term of this Lease. CLWA shall not be liable for any damage, loss or injury arising from CITY's failure to make any such repairs or to perform any such maintenance; and there shall be no abatement of rent and no liability of CLWA by reason of any injury to or interference with CITY's business arising from the making of any repairs, maintenance, alterations or improvements in or to any portion of the Premises or in or to fixtures, appurtenances and equipment thereon.

ARTICLE 8: ASSIGNMENT AND SUBLETTING

8.01 Prohibition Against Assignment and Subletting: CITY shall not transfer, assign, sublet, enter into license or concession agreements, change ownership or hypothecate this Lease or CITY's interest in and to the Premises, without first procuring the written consent of the CLWA. Any assignment, mortgage, pledge, hypothecation, encumbrance, subletting, or license of this Lease, the leasehold estate hereby created, or the Premises or any portion thereof, either voluntary or involuntary, whether by operation of law or otherwise, without the prior written consent of CLWA, shall be void and shall constitute a default under this Lease. CLWA's consent shall not be unreasonably withheld, but may nevertheless be conditioned upon the following criteria:

A. The identity, financial strength, reputation, and credit rating of the proposed assignee, transferee or subtenant;

B. The proposed use of the Premises by the proposed assignee, transferee, or sublessee. CLWA may withhold its consent if, in its reasonable discretion, it feels that the proposed use is not compatible with or would be detrimental to (i) the image of the Premises and/or CLWA's adjacent property; or (ii) the use of the Premises as a public use buffer zone as described in the MOU.

CITY agrees to reimburse CLWA for CLWA's reasonable attorney fees and other costs incurred in conjunction with the processing and documentation of any such requested transfer, assignment, subletting, licensing or concession agreement, change of ownership or hypothecation of this Lease or CITY's interest in and to the Premises.

8.02 Liability of CITY: Notwithstanding any assignment or sublease, CITY shall remain fully liable on this Lease and shall not be released from performing any of the terms, covenants and conditions of this Lease.

ARTICLE 9: MECHANIC'S LIEN

9.01 Mechanics' Lien: CITY agrees that it will pay or cause to be paid all costs for materials furnished to and for work done by it or caused to be done by it on the Premises, as permitted by this Lease. CITY will keep the Premises free and clear of all mechanics' liens and other liens on account of work done for or materials furnished to CITY or persons claiming under it. Upon CLWA's written request, CITY agrees to obtain for the benefit of CLWA or CLWA's lender, performance, labor, and materials bonds in amounts to be reasonable determined by CLWA.

9.02 Notice of Non-responsibility: The CLWA or its representatives shall have the right at any time to go upon the Premises to post and keep posted thereon notices of non-responsibility, or such notices which the CLWA may deem to be proper for the protection of the CLWA's interest in the Premises. The CITY shall, before the commencement of any work which might result in any such lien, give to CLWA written notice of its intention to do so in sufficient time to enable the posting of such notices.

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ARTICLE 10: EXCULPATION AND HOLD HARMLESS

10.01 Exculpation of CLWA: To the fullest extent permitted by law and except as provided by Section 10.02 A herein, and CITY agrees that CLWA shall not be liable to CITY or its employees, agents, subtenants, or invitees or any other persons, or for their property, on any legal basis whatsoever, and CITY waives all claims against CLWA for damage to person or property arising for any reason or in any way with respect to CITY's Lease of the Premises from CLWA. CLWA or its agents shall not be liable for interference with light, air, or for any latent defect in the Premises.

Commented [32]: Language "and except as provided by Section 10.02 A herein," added per Amendment No. 1 (attached hereto as Exhibit B2).

10.02 Indemnification: CITY at its own and sole expense shall to the fullest extent permitted by law indemnify and hold harmless and defend CLWA, its directors, officers, employees, agents, consultants, or volunteers, and each of them, from and against:

A. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind and nature whatsoever for, but not limited to, injury to or death of any person including CLWA and/or CITY, or any directors, officers, employees, agents, consultants, and/or volunteers of CLWA or CITY, and damages to our destruction of property of any person, including but not limited to, CLWA and/or CITY and their directors, officers, employees, agents, consultants, and/or volunteers, arising out of or in any manner directly or indirectly connected with this Lease, however caused, ~~regardless of any negligence of CLWA or its directors, officers, employees, agents, consultants, and/or volunteers, except the sole negligence or willful misconduct of CLWA or its directors, officers, employees, agents, consultants, and/or volunteers;~~ regardless of (i) any passive negligence or (ii) any negligence in any way concerning plan approval and/or deemed approval under Article 5 and/or (iii) any liability related to mere ownership of the Premises of or by CLWA or its directors, officers, employees, agents, consultants, and/or volunteers, with the exception of that portion of any judgment, award or decree that is specifically in the judgment, award or decree found to be based upon the sole or active negligence and/or willful misconduct of CLWA or its directors, officers, employees, agents, consultants and/or volunteers;

Commented [33]: Deleted per Amendment No. 1 (attached hereto as Exhibit B2).

B. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, rising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of CITY; and

C. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising from any breach or default in the performance of any obligation on CITY's part to be performed under the terms of this Lease, or arising from any act or negligence of the CITY, or of any officer, agent, employee, guest, or invitee of CITY.

Commented [34]: Added per Amendment No. 1 (attached hereto as Exhibit B2).

CITY shall defend, at CITY's own and sole cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against CLWA or CLWA's directors, officers, employees, agents, consultants,

and/or volunteers. Notwithstanding the foregoing sentence, CITY to the fullest extent permitted by law shall also defend at its own and sole cost, expense and risk all lawsuits, actions or other proceedings brought or instituted against the parties listed in the preceding sentence for which CITY is specifically excluded from having any indemnification and/or hold harmless obligation under Section 10.02 (A) hereof.

Commented [35]: Added per Amendment No. 1. (attached hereto as Exhibit B2).

CITY shall pay and satisfy any judgment, award or decree that may be rendered against CLWA or its directors, officers, employees, agents, consultants, and/or volunteers, in any such suit, action or other legal proceeding. CITY shall reimburse CLWA and its directors, officers, employees, agents, consultants, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Notwithstanding the foregoing two sentences, CITY shall have no obligation to pay or satisfy any judgment, award or decree or to make any reimbursements concerning liability that is specifically excluded from the indemnification and hold harmless obligations of Article 10, section 10.02 A. of the Lease.

Commented [36]: Added per Amendment No. 1 (attached hereto as Exhibit B2).

CITY agrees to carry insurance for this purpose as set out in this Lease. (See Article 13 of this Lease for insurance specifications and coverage.) CITY's obligation to indemnify, hold harmless and defend shall not be restricted to insurance proceeds, if any, received by or paid for the benefit of CLWA or its directors, officers, employees, agents, consultants, and/or volunteers.

Commented [37]: The words "or paid for the benefit of " added per Amendment No. 1 (attached hereto as Exhibit B2).

CITY shall give prompt written notice to CLWA in case of casualty or accidents in, on, or about the Premises. CITY, upon notice from CLWA, shall defend CLWA at CITY's expense by counsel, reasonably satisfactory to CLWA.

10.03 Indemnification for Hazardous Waste Release: CITY personally assumes and agrees to indemnify, defend, and hold CLWA harmless from and against all liability, including all foreseeable and unforeseeable consequential damages, directly or indirectly arising out of the use, generation, storage, or disposal on or from the leased property, by or for the benefit of the CITY, on or after the time of execution hereof, of any hazardous substance, hazardous material, hazardous waste, pollutant, contaminant, or related material ("Hazardous Materials") including, without limitation, the cost of any required or necessary studies or investigations, repair, cleanup, detoxification, or other remedial action, and the preparation and execution of any closure or other required plans. For the purpose of this covenant of indemnity, Hazardous Materials shall include, but no be limited to, substances defined as "hazardous substance" or "pollutant or contaminant" in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (41 U.S.C. Section 9601, et seq.), by California Health and Safety Code ("H&S"), including Sections 25115, 25117, 25120.2, 25122.7; and by 40 CFR 261.1, et seq.; and shall include any volatile organic compounds ("VOCs") (H&S Section 25123.6).

Commented [38]: Added by Amendment No. 3 (attached hereto as Exhibit B4).

ARTICLE 11: SIGNS

11.01 **Signs:** CITY may erect, maintain, permit and from time to time remove signs in or about the Premises; provided, however, that the signs comply with all governmental

statutes, ordinances, rules, regulations, orders and requirements, and that CITY first obtains the CLWA's written approval to erect such signs. CITY may use its sign to display any permitted trademarks, logos and service marks. Upon the termination of this Lease. CITY shall remove all such signs in or about the Premises. CITY shall repair any injury or damage to the Premises which may result from such removal.

11.02 The CITY and CLWA shall agree to a signage program for CITY Signage in the park. Signage which deviates from that program will be removed at CITY expense.

Commented [39]: Added per Amendment No. 3 (attached hereto as Exhibit B4).

11.03 Memorials and Commemorations: The City has erected and/or placed memorials or commemorative signs in or about the Premises, including two obelisks near the butterfly sculpture, the in memoriam wording on the base of the west park entry monument, and the Youth Grove area of the Premises. The City shall not erect, permit or authorize any additional memorials or commemorative signs in or about the Premises. The City shall not erect, permit or authorize memorials or commemorative signs in or about the Premises.

Commented [40]: To be added per Amendment No. 4 (attached hereto as Exhibit B5).

ARTICLE 12: UTILITIES

12.01 Utility Costs: In addition to the rent hereinbefore reserved, CITY agrees to pay all charges for water, gas, heat, light, electricity, telephone, power, garbage removal, and all other utilities and other services supplied to the Premises as and when the charges for the same become due and payable.

12.02 Utility Connections: CITY shall pay all utility line and telephone connection fees and hook-up charges, deposits, and any other costs for utilities or services supplied to the Premises. CLWA shall not be liable for the supply nor for the interruption of the supply, or stoppage or availability of any such service or utility. The interruption or stoppage of any such service or utility shall not constitute an eviction.

ARTICLE 13: INSURANCE

13.01 Commercial General Liability and Automobile Liability Insurance: CITY shall provide and maintain at its sole cost and expense, and shall keep in force during the Lease term, the following commercial general liability and automobile liability insurance, insuring the CLWA and the CITY against any liability arising in any way out of this Lease and/or the ownership, use, occupancy, and maintenance of the Premises, and all areas appurtenant thereto, as follows:

A. Coverage – Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

1. Insurance Services Office Commercial General Liability coverage (Occurrence Form CG001)

2. Insurance Services Office Form Number CA 001 (ed 1/87) covering Automobile Liability, Symbol 1 (any auto)

B. Limits – CITY shall maintain limits no less than the following:

1. General Liability – Five million dollars (\$5,000,000) per occurrence for death or bodily injury, and/or personal injury to one person and Two million dollars (\$2,000,000) per occurrence for property damage affecting one person. Ten million dollars (\$10,000,000) per occurrence for death or bodily injury and/or personal injury to more than one person and Two million dollars (\$2,000,000) per occurrence for property to more than one person in any one occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply to premises leased (with the ISO CG 2501 or insurer's equivalent endorsement provided to CLWA) or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability – Ten million dollars (\$10,000,000) per accident for death or bodily injury and/or personal injury and property damage, combined single limit.

C. Required Provisions – The general liability and automobile liability policies are to contain, BY ENDORSEMENT, the following provisions:

1. CLWA, its directors, officers, employees, agents, consultants, and/or volunteers are to be covered as insureds as respects: any liability arising in any way or on any legal theory out of the Premises leased by the CITY; including liability with respect in any way to automobiles owned, leased, hired or borrowed by the CITY. The coverage shall contain no special limitations on the scope of protection afforded to CLWA, its directors, officers, employees, agents, consultants, and/or volunteers.

2. For any claims related to this Lease, the CITY's insurance shall be primary insurance as respects CLWA, its directors, officers, employees, agents, consultants, and/or volunteers. Any insurance, pooled coverage or self-insurance maintained by the CLWA its directors, officers, employees, agents, consultants, and/or volunteers shall not contribute to it.

3. Any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the CLWA, its directors, officers, employees, agents, consultants, and/or volunteers.

4. The CITY'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.

5. CITY's insurance shall cover all contractually assumed CITY liability obligations under Article 10 of this Lease.

6. Each insurance policy shall specifically state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, which has been actually and physically (and not constructively pursuant to Section 21.16 hereunder) received by CLWA.

Such liability insurance shall indemnify the CITY and its contractors against loss from liability imposed by law upon, or assumed under contract by, the CITY or its contractors for damages on account of such bodily injury (including death), property damage, personal injury and completed operations and products liability.

Such insurance shall be provided on a policy form written by underwriters through an agency satisfactory to CLWA, which includes a cross-liability clause, and covers bodily injury (including death) and property damage liability, owned and non-owned vehicles and equipment, blanket contractual liability and completed operations liability.

Such liability insurance shall include explosion, collapse, underground excavation, and removal of lateral support. CLWA, its directors, officers, employees, agents, consultant, and/or volunteers shall be named as additional insureds on any such policies. Any additional insured endorsement (ISO CG 2011) (ISO CG 2024 if land only) or equivalent) (modified to include provision C-6 above) and a certificate of insurance (Accord Form 25-S or equivalent), shall be provided to CLWA.

D. Deductibles and Self-Insured Retentions – Any deductible or self-insured retention must be declared to and approved by CLWA. At the option of CLWA, the insurer shall reduce or eliminate such deductibles or self-insured retentions.

E. Acceptability of Insurers – Insurance is to be placed by CITY with insurers having a current A.M. Best's rating of no less than A-VII or equivalent, licensed to do business in the State of California, and authorized to write such insurance in the State of California.

13.02 Property Damage: CITY shall at its own and sole expense obtain and keep in force during the term of this lease a policy or policies of insurance covering loss or damage to the Premises and the improvements thereon, in the amount of the full replacement value thereof providing protection against all perils including within the classification of fire, extended overage, vandalism, malicious mischief and special extended perils (all risk). The aforesaid policies shall name both the CLWA and CITY as insureds. CITY shall provide the CLWA with a certified copy of the aforesaid policies. If CITY shall fail to procure and maintain said insurance. CLWA may, but at the expense of the CITY, obtain such insurance.

CITY's property insurance covering all risks of direct physical loss, damage or destruction to real and personal property shall include explosion, collapse, underground excavation and removal of lateral support. The District shall be named as an additional primary insured on any such policy.

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The insurer shall waive all rights of subrogation against CLWA. CITY shall provide CLWA with a certificate of insurance for property insurance coverage and evidence of waiver of rights of subrogation against CLWA and its directors, officers, employees, agents, consultants, and/or volunteers.

13.03 CITY's Blanket Insurance: Notwithstanding anything to the contrary contained within this Article, CITY's obligations to carry the insurance provided for herein may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by CITY, provided, however, that CLWA shall be named as an additional insured as its interest may appear and that the coverage afforded the CLWA will not be reduced or diminished by reason of the use of such blanket policy of insurance, and provided further that all the requirements and specifications set forth herein are in respect otherwise satisfied.

13.04 Notice of Cancellation: CITY agrees that on or before twenty (20) days prior to expiration of any insurance policy, CITY will deliver to CLWA written notification in the form of receipt or other similar document from the applicable insurance company that said policy or policies have been renewed, or deliver certificates of coverage from another insurance company, meeting the requirements of this Article 13.

13.05 Worker's Compensation: CITY and CLWA, for their respective employees, if any, on the Premises of the park, shall carry adequate Workers' Compensation Insurance in accordance with the laws of the State of California. By its signature hereunder, CITY certifies that it is aware of the provisions of Section 3700 of the 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 CITY agrees to and will comply with such provision in connection with any work performed on the Premises. Any persons providing services with or on behalf of CITY shall be covered by workers' compensation (or qualified self-insurance).

CITY and its contractors shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their respective employees working on or about the Premises, regardless of whether such coverage or insurance is mandatory or merely elective under the law, and CITY shall defend, protect and save harmless CLWA, its directors, officers, employees, agents, consultants, and/or volunteers from and against all claims, suits, and actions arising from any failure of the CITY or any contractor hired by CITY to maintain such insurance. Before execution of the Lease, CITY shall furnish to CLWA satisfactory proof that it has taken out full workers' compensation insurance for all persons employed directly by it or through contractors hired by CITY to carry out any work in any way concerning the Premises, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California, and any Acts amendatory thereof.

CITY shall provide employer's liability insurance in the amount of, at least, \$1,000,000 per accident for bodily injury and disease.

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CITY shall provide CLWA with a certificate of Workers' Compensation and Employer's liability insurance coverage.

13.06 Evidences of Insurance: Prior to execution of the Lease, CITY shall file with CLWA evidence of insurance, including originals of all required insurance policy endorsements, from an insurer or insures certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 2011 or 2024 (or insurer's equivalent) signed by the insurer's representative and certificate of insurance (Accord Form 25-S or equivalent) All evidence shall be certified by a properly authorized officer, agent or qualified representative of the insurer and shall certify the names and/or capacities of the insured, and additional insureds, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date.

CITY shall, upon demand of CLWA, deliver to CLWA all such policy or policies of insurance and the receipts for payment of premiums thereon; and should CITY neglect to obtain and maintain in force any such insurance or deliver such policy or policies and receipts to CLWA, then it is agreed that CLWA may (but has no obligation to) obtain and maintain such insurance, and CITY hereby appoints CLWA its true and lawful attorney-in-fact to do all things necessary for this purpose. All money paid by CLWA for insurance premiums under the provision of this article shall be charged to CITY as additional rent.

CITY and CLWA agree that CLWA's receipt of insurance documents from CITY or its insurers does not constitute CLWA's agreement that such insurance documents are sufficient under this Lease, and that CITY is fully responsible for supplying insurance documents and coverage in compliance with the requirements of this Lease.

ARTICLE 14: CITY'S DEFAULT

14.01 Defaults: The occurrence of any one or more of the following events (hereinafter called "Events of Default"), shall constitute a material default and breach of this Lease by CITY:

A. The vacating or abandonment by CITY of the Premises, or the violation of the provisions set forth in Sections 4.01 through 4.03 hereof.

B. The failure by CITY to make any payment of rent or any other payment required to be made by CITY hereunder, as and when due.

C. The failure by CITY to construct within three (3) years of the commencement of this Lease at least two multi-use sports fields, parking and appurtenant facilities.

D. The failure by CITY to observe any of the covenants, conditions or provisions of this Lease to be observed or performed by CITY, where such failure shall continue for a period of ten (10) days after written notice hereof from CLWA to CITY,

provided, however, that if the nature of CITY's default is such that more than ten (10) days are reasonably required for its cure, then CITY shall not be deemed to be in default if it commences such cure within said 10-day period and thereafter diligently prosecutes such cure to completion. ~~other than the requirements of Sections 4.01 through 4.03 or payment of money, where such failure shall continue for a period of ten (10) days after written notice hereof from CLWA to CITY, provided, however, that if the nature of CITY's default is such that more than ten (10) days are reasonable required for its cure, then CITY shall not be deemed to be in default if it commences such cure within said 10-day period and thereafter diligently prosecutes such cure to completion.~~

Commented [41]: Added per Amendment No. 3 (attached hereto as Exhibit B4).

Commented [42]: Deleted per Amendment No. 3 (attached hereto as Exhibit B4).

E. (i) The making by CITY of any general arrangement or assignment for the (ii) CITY becomes a "debtor" as defined in the then-applicable United States Bankruptcy Code (unless, in the case of a petition or order filed against CITY, the same is dismissed within thirty (30) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of CITY's assets located at the Premises or of CITY's interest in this Lease, where possession is not restored to CITY's interest in this Lease, where such seizure is not discharged within thirty (30) days.

ARTICLE 15: REMEDIES UPON DEFAULT

15.01 Termination: Upon occurrence of an Event of Default, CLWA, in addition to any other rights or remedies available to CLWA at law or in equity or in Section 4.02 of this Lease, shall have the right to immediately terminate this Lease and all rights of CITY hereunder, by giving CITY written notice that this Lease is terminated. If CLWA so terminates this Lease, then CLWA may recover from CITY the sum of all damages incurred by CLWA by reason of CITY's default, including, but not limited to, those provided by California Civil Code Section 1951.2.

15.02 Continuation of Lease: Should an Event of Default occur and if CLWA does not elect to terminate this Lease, CLWA may, from time to time, without terminating this Lease, either (i) recover all rent and other amounts payable hereunder as they become due or (ii) relet the Premises or any part thereof on behalf of CITY for such term of terms, at such rent or rents and pursuant to such other provisions, as CLWA, in its sole discretion, may deem advisable, all with the right, at CITY's cost, to make alterations and repairs to the Premises.

15.03 Re-entry: Upon an Event of Default, CLWA shall have the right, with or without terminating this Lease, to re-enter the Premises and remove all persons and property from the Premises, upon three (3) days' written notice of intent to exercise CLWA's right of re-entry hereunder. Any three (3) day Notice to Quit or similar notice under the laws of unlawful detainer shall be sufficient to satisfy this Section. CLWA may cause any property so removed from the Premises to be stored in a public warehouse or elsewhere at the expense and for the account of CITY.

15.04 No Constructive Termination: None of the following remedial actions, singly or in combination, shall be construed as an election by CLWA to terminate this Lease,

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unless CLWA has in fact given CITY written notice that this Lease is terminate: Any act by CLWA to maintain or preserve the Premises; any efforts by CLWA to relet the Premises; any re-entry, repossession or reletting of the Premises by CLWA pursuant to this Article; the appointment of a receiver, upon the initiative of CLWA, to protect CLWA's interest under this Lease; or exercise of any other right or remedy provided for herein or under applicable laws. If CLWA takes any of the foregoing remedial actions without terminating this Lease, CLWA may nevertheless at any time after taking any such remedial action terminate this Lease by written notice to CITY.

15.05 CLWA's Right to Cure: After an Event of Default, CLWA, in addition to or in lieu of exercising any other remedies, may (But without any obligation so to do) cure the breach underlying the Event of Default for the account and at the expense of CITY; provided that CLWA by prior notice shall first allow CITY a reasonable opportunity to cure, except in cases of emergency, where CLWA may proceed without prior notice to CITY. CITY shall, upon demand, court costs and attorneys' fees) which CLWA may incur in the course of any such cure.

15.06 Remedies Cumulative: The rights, privileges, elections, and remedies of CLWA herein are cumulative and no one of them shall be exclusive of the other, and CLWA shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law, whether or not stated in this Lease. No provision of this Article shall be deemed to limit or negate CLWA's rights under this Lease to indemnification from CITY for any liability asserted against or imposed upon CLWA, whether before or after termination of this Lease, which liability is based upon matters occurring prior to the termination of this Lease.

ARTICLE 16: CLWA'S DEFAULT

16.01 CLWA's Default: CLWA shall not be in default unless CLWA fails to perform obligations required of CLWA within a reasonable time, but in no event later than thirty (30) days after written notice by CITY to CLWA specifying wherein CLWA has failed to perform such obligation; provided, however, that if the nature of CLWA's obligation is such that more than thirty (30) days are required for performance, then CLWA shall not be in default if CLWA commences performance within such 30-day period and thereafter diligently prosecutes the same to completion.

ARTICLE 17: DAMAGE OR DESTRUCTION OF PREMISES

17.01 Partial Destruction: If the improvements on the Premises are partially damaged or destroyed, or should the leasehold improvements be damaged or destroyed by fire, casualty, or hazard, and if damage is so slight as not to interfere substantially with the CITY's use of the Premises, then this Lease shall not terminate but shall continue in full force and effect and there shall be no abatement of rent.

All insurance proceeds collected for destruction of the Premises shall be promptly applied to the cost of repairs and if such insurance proceeds shall be insufficient for such purpose, CITY shall make up the deficiency out of its own funds.

17.02 Total or Substantial Destruction: Termination of Lease: Should there be a total or substantial destruction of the leasehold improvements so that the Premises are rendered unusable, either party shall have the right to terminate this Lease upon written notice within sixty (60) days after the event of total or substantial destruction.

In the event either party elects to terminate this Lease as a result of total or substantial destruction, then CITY shall at its own and sole expense remove all buildings and improvements from the Premises and shall restore the same to their original condition.

ARTICLE 18: SURRENDER OR CANCELLATION

18.01 Redelivery of Premises to CLWA: Upon termination of this Lease for any reason, CITY shall surrender the Premises to CLWA in the same condition in which CITY received them. CITY shall promptly discharge its obligations under this Lease to remove trade fixtures and personal property and to repair any damage which such removals from the Premises may cause. Any personal property of CITY which CITY fails to remove from the Premises as of the date of termination of this Lease shall be deemed abandoned.

18.02 Quitclaim: At the expiration or earlier termination of this Lease, pursuant to Section 4.02 or otherwise, CITY shall execute and acknowledge and deliver to CLWA, within five (5) days after written demand from CLWA to CITY, any quitclaim deed or other document required to remove the cloud of this Lease from the title to the Premises.

ARTICLE 19: CLWA'S ENTRY ON PREMISES

19.01 CLWA and its authorized representatives shall have the right to enter the Premises at all reasonable times for any of the following purposes:

- A. To determine whether the Premises are in good condition and whether CITY is complying with its obligations under this Lease;
- B. To serve, post, or keep posted any notices required or allowed under provision of this Lease;
- C. After CITY has abandoned or surrendered the Premises.

CLWA shall conduct its activities on the Premises as allowed in this Section in a manner that will cause the least possible inconvenience, annoyance, or disturbance to CITY. CLWA shall at all times give CITY reasonable notice of CLWA's intent to enter the Premises.

ARTICLE 20: QUIET ENJOYMENT

20.01 So long as CITY is not in default under the covenants and agreements of this Lease, CITY shall have quiet and peaceful enjoyment of the Premises for the entire term thereof, subject to all of the provision of this Lease, and CITY's rights and privileges shall not be disturbed or interfered with by CLWA.

ARTICLE 21: GENERAL PROVISION

21.01 Unavoidable Delay: If either party shall be delayed or prevented from the performance of any act required by this Lease, due to unforeseeable causes beyond the party's control and without its fault or negligence, including, but not limited to, acts of God, strikes, lockouts, labor troubles, inability to procure materials, restrictive governmental laws or regulation, action or inaction by other governmental agencies, or other similar magnitude causes (financial inability excepted), it is agreed that in the event of the occurrence of any such delay, the time or times for performance of the obligations of the party shall be extended for the period of such delay, provided, that the party seeking the benefit of the provision of this paragraph shall, within thirty (30) days after the beginning of any such delay, have first notified the other party thereof in writing, and of the cause or causes thereof, and requested an extension for the period of the delay.

21.02 Waivers: The waiver by CLWA or CITY of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition, or any subsequent breach of the same or any other term, covenant or condition herein contained.

The subsequent acceptance of rent hereunder by CLWA shall not be deemed to be a waiver of any preceding default by CITY of any term, covenant or condition of this Lease, other than the failure of CITY to pay the particular rental so accepted, regardless of CLWA's knowledge of such preceding default at the time of the acceptance of such rent.

21.03 Plats and Riders: Clauses, plats, riders, and addendums, if any, affixed to this Lease are a part thereof.

21.04 Captions: The captions in this Lease are for convenience only, and are not a part of this Lease. The captions do not in any way limit or amplify the provisions hereof, and shall have no effect upon the construction or interpretation of any part hereof.

21.05 Time: Time is of the essence of this Lease and each and all of its provisions in which performance is a factor.

21.06 Successors and Assigns: All of the covenants, agreements, conditions, and undertakings contained in this Lease shall extend and inure to, and be binding upon, the

heirs, executors, administrators, successors, and lawful, Lease-authorized assigns of the respective parties hereto.

Nothing herein contained shall be construed to grant or confer upon any person or persons, firm, corporation, or governmental authority, other than the parties hereto, any right, claim, or privilege by virtue of any covenant, agreement, condition, or undertaking contained in this Lease.

21.07 Recordation: Neither party shall record this Lease, but a short-form memorandum hereof may be recorded at the request of CLWA.

21.08 Integration: This Lease contains all of the agreements and understandings of the parties with respect to any matter mentioned herein, and supersedes and terminates all prior and contemporaneous agreements between CLWA and CITY with respect to the matters covered in this Lease. This Lease may be modified in writing only, signed by CLWA and CITY at the time of the modification.

21.09 Severability: The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

21.10 Attorney's Fees: In the event suit be instituted by either of the parties hereto against the other, the prevailing party shall be entitled to recover from the other such sum as the court may deem reasonable as and for attorney's fees.

21.11 Applicable Law: This Lease is made and executed in the State of California and the laws of the State of California shall apply in all cases.

21.12 Relationship of Parties: Nothing contained in this Lease shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between CLWA and CITY, and neither the method of computation of rent nor any other provision contained in this Lease nor any acts of the parties shall be deemed to create any relationship between CLWA and CITY other than the relationship of landlord and tenant.

21.13 Number and Gender: In this Lease, the neuter gender includes the feminine and masculine, and the singular number includes the plural, and the word "person" includes a corporation, partnership, firm or association wherever the context so requires.

21.14 Covenants and Conditions: Each provision of this Lease performable by CITY shall be deemed both a covenant and a condition.

21.15 Extra Expenditures: In the event the CLWA shall make any expenditure for which CITY is responsible, then the amount thereof, together with interest at the maximum legal rate then allowed by law, and costs, may, at CLWA's election, be added to and be deemed part of the installment of rent next falling due.

21.16 Notices: All notices and demands of any kind which either party may require or desire to serve on the other in connection with this Lease shall be in writing and shall be served (as an alternative to personal service) only by registered and not certified mail, return receipt requested, and shall be deposited in the United States mail with postage thereon fully prepaid and addressed to the party so to be served as follow:

To CLWA: Castaic Lake Water Agency
27234 Bouquet Canyon Road
Santa Clarita, CA 91350

Attention: Its General Manager

TO CITY: City of Santa Clarita
23920 W. Valencia Boulevard
Santa Clarita, CA 91355

Attention: Its City Manger

Service of any such notice or demand so made by registered mail shall be deemed complete and fully effective one day after mailing.

Either party may, from time to time, by notice in writing served upon the other, designate a different mailing address or a different person to which all notices or demands are thereafter to be addressed.

21.17 Authority: If CITY or CLWA is a corporation, trust, or general or limited partnership, or government agency, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said entity.

CLWA AND CITY HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN AND, BY EXECUTION OF THIS LEASE, SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HERBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE EFFECTUATE THE INTENT AND PURPOSE OF CLWA AND CITY WITH RESPECT TO THE PREMISES.

Except as modified by this Amendment No.3, all other terms and conditions of the Ground Lease (as amended) shall remain the same.

In consideration of the changes to the Ground Lease set out here, the CITY forgives and releases any obligation of CLWA to replace, repair or construct the trail fencing referred to in the MOU by and between the City of Santa Clarita and the Castaic Lake Water

Agency Relative to the Grant of Easements and Construction of the Sand Canyon Pipeline within the City Trail System dated June 16, 2004.

Commented [43]: Added per Amendment No. 3 (attached hereto as Exhibit B4).

IN WITNESS WHEREOF, the parties have executed this Ground Lease the day and year first above written.

Exhibit B1

GROUND LEASE BY AND
BETWEEN THE CITY OF SANTA CLARITA
AND THE CASTAIC LAKE WATER AGENCY
RELATIVE TO PHASE 1 OF A PROPOSED
PARK AND SPORTS FACILITY PROJECT
OF THE CITY OF SANTA CLARITA

THIS GROUND LEASE (hereinafter called "Lease") is made in Santa Clarita, California, as of this 2nd day of January, 1997 by and between two public agencies, being the Castaic Lake Water Agency (hereinafter called "CLWA") and the City of Santa Clarita (hereinafter called "CITY"), pursuant to facts, understandings and assumptions of CLWA and CITY as follows:

- On or about December 11, 1995, CLWA and CITY entered into a Memorandum of Understanding (hereinafter called "MOU") dated December 11, 1995, copy attached as Exhibit "A" hereto, and hereby incorporated herein by this reference.
- The above-referenced MOU contemplated full environmental review of proposed park and sports facility improvements on the entire site, including review of the sewer service master plan and the untreated and/or reclaimed water master plan described in numbered paragraphs 4. and 5. of the MOU.
- The CLWA and the CITY are fully committed to fulfilling the promises, terms, and conditions of the MOU in all respects, with the sole exception of providing a ground lease concerning Phase 1 of CITY's park and sports utility project prior to completion of all work described in the MOU. This Phase 1 ground lease shall be subject to numbered paragraph 3. of the MOU with respect to "Development Costs, Operation and Maintenance," "Water Use and Payments," the "Perimeter Fence," "Utilities and Property Access," "Liability and Insurance," "Joint Recognition," and "Commercial Activity."
- The proposed ground lease for Phase 1 is proposed to consist of approximately thirty four and 22/100ths (34.22) acres, as described in Exhibit "B" hereto, which acreage shall accommodate (as Phase 1 improvements) only those improvements described in Article 4 of this Lease.
- All provisions, terms and conditions of the ground lease concerning Phase 1 shall be binding upon the parties only until completion of any further lease of the property described in the MOU, or until January 1, 2012, whichever is earlier.
- This ground lease shall be subject to all the surviving terms and conditions of the existing lease between CLWA and R. N. Chesebrough, concerning farming operations within the Phase 1 area to and through December 31, 1996, and to future irrigated farming or dry farming leases CLWA may execute concerning the Phase 1 area prior to CITY's commencement of the

construction of the Phase 1 improvements. CITY shall be fully financially responsible for terminating that lease (within the Exhibit "B" area) so as to permit CITY to utilize the Exhibit "B" area, at a cost payable by CITY to the farm operator of not to exceed \$150.00 per acre.

- CITY shall, at its sole expense, budget and commence its process to construct a traffic signal at the current site entrance substantially concurrently with the execution of Phase 1 of this Ground Lease and complete the construction and have the signal operational prior to June 30, 1998. Operation and use of Phase 1 park facilities by or on behalf of CITY and/or the public shall not commence until CITY has installed at its own and sole expense an operating traffic signal at the current site entrance road which connects with Bouquet Canyon Road. The current site entrance road shall be the sole entrance road from Bouquet Canyon Road to the Phase 1 park site.

WITNESSETH

This Lease is subject to all of the terms, covenants and conditions herein contained, and as a material part of the consideration for this Lease, CITY covenants to keep and perform each and every one of said terms, covenants and conditions, including all of the provisions of the seven bulleted recitals to this Ground Lease. The above recitals to this Lease are hereby declared and determined to be terms, covenants and conditions of this Lease.

ARTICLE 1: LEASE OF PREMISES

1.01 Premises: CLWA leases to CITY and CITY hires from CLWA, for the term, at the rental and upon all of the conditions set forth herein, a parcel of land of approximately 34.22 acres shown as Phase I on the site plan attached hereto as Exhibit "B" and incorporated herein by this reference. Such real property is hereinafter referred to as the "Premises".

1.02 Condition of Premises: CITY expressly agrees to lease the Premises in an "as is" condition, and to accept the Premises as they are and subject to all conditions, rights, easements, and other limitations of record, and subject to visible and apparent easements and improvements, including, but not limited to, any rights in third parties including the above-referenced lease between CLWA and R. N. Chesebrough. CITY waives any right or claim against CLWA for any cause directly or indirectly arising out of the condition of the Premises or the improvements thereon on the commencement of this Lease.

CITY assumes the risk of existing storm water drainage patterns on CLWA property in any way adjacent to the Premises and will construct park facilities so that such facilities will not be adversely impacted by the existing storm water drainage patterns.

CITY agrees that this Lease is subject to a reservation by CLWA of the right to install, replace and maintain underground water pipes and appurtenant facilities within certain areas of land identified and shown on Exhibit "B" as "Water Pipeline Easement Reservation No. 1" and "Water Pipeline Easement Reservation No. 2". A three inch diameter pipeline and an eight inch diameter pipeline presently exist within Water Pipeline Easement Reservation No. 1. Water Pipeline Easement Reservation No. 2 is for a future underground water pipeline. The location of Water Pipeline Easement Reservation No. 2 will be considered for relocation when the CITY's construction plans for the Premises are available. CITY further agrees that the above-referenced reservation areas may be transferred by CLWA to others.

CLWA affirms that it is unaware of any hazardous materials or waste on the Premises. CITY affirms that, before making any expenditures concerning the Premises, it will at its own and sole expense conduct such studies of the Premises as it deems reasonable and prudent to confirm the absence of hazardous materials or waste on the Premises. If CITY at any time directly or indirectly finds any hazardous materials or waste on the Premises, CITY shall promptly advise CLWA -- and shall promptly meet with CLWA officials concerning the CITY's findings. CITY's sole remedy against CLWA, in the event hazardous materials or waste are found on the Premises, is (1) to promptly, at its own and sole expense, and with no direct or indirect charge or cost to CLWA, remove and properly dispose of all hazardous materials or waste then existing on the Premises or (2) to promptly cancel this Ground Lease on the Premises, in which event CLWA's sole obligation to CITY shall be to refund pro-rata all prepaid rent under this Lease.

ARTICLE 2: TERM

2.01 Term: The term of this Lease shall be for fifteen (15) years, commencing as of the 2nd day of January, 1997, and ending at midnight on the 1st day of January, 2012, unless modified pursuant to the Lease document contemplated by the MOU. Notwithstanding the foregoing sentence, this Lease shall terminate upon execution by CLWA and CITY of any further Lease of the property described in the MOU, or if CITY violates use restrictions set forth in Article 4 hereof, or otherwise as provided in this Lease.

ARTICLE 3: RENT

3.01 Rent: The rent for said Premises shall be at the rate of: Thirty-Three Dollars and 33 cents (\$33.33) per year for the first fifteen (15) years of the term of this Lease; and thereafter shall be as set forth in the Lease document contemplated by the MOU, if a Lease document is entered by CLWA and CITY.

3.02 Payment of Rent: Payment of rent shall be made by CITY to CLWA, in the amount of \$33.33 per year, in advance, for the initial year's term of the Lease. Thereafter, during the lease term, rent shall be payable as follows: on or before January 2nd of each succeeding year of the Lease term.

3.03 Net Lease: It is the intention of CLWA and CITY that the rent payable hereunder to the CLWA shall be net of taxes, assessments, maintenance, repairs, utilities, insurance premiums, and any and all other costs and expenses. From and after the date on which the rent commences, all costs, expenses, taxes, assessments and obligations of every kind and nature accruing to, imposed upon, or relating to the Premises and/or any improvements thereon or appurtenances thereto, including, but not limited to, those hereinafter expressly stated, shall be paid by CITY, except as required to be paid by a farming operator who has leased the Premises or any part thereof from CLWA.

ARTICLE 4: USE OF PREMISES

4.01 Use: CITY shall use the Premises to construct, operate, and maintain a non-commercial public park and sports facility (hereinafter called "park") on the Premises, including parking lots, and two lane, two way, internal circulation park access roads with a pavement width of not more than 25 feet. City shall not use the Premises for any other purposes.

4.02 Change of Use: Commencement by the CITY of condemnation proceedings in any way concerning the Premises or of any part thereof or direct or indirect approval by CITY of any non-authorized use of the Premises, or any part thereof, including use for a road in any way useful for non-park commuter purposes shall, at the written election of CLWA, entitle CLWA, acting either through its Board of Directors or General Manager, to terminate this Lease as to any portion of the Premises with respect to which the CITY has commenced condemnation proceedings and/or provided direct or indirect approval of a non-authorized use of the Premises, or any part thereof, including specifically the non-authorized Lease use of a road in any way useful for non-park commuter purposes. Commencement by the CITY of condemnation proceedings shall, for purposes of this Lease, include notice by CITY to CLWA or others of any public hearing or of any other notice by CITY to CLWA or others that CITY intends to consider taking by eminent domain all or any portion of the Premises. Notwithstanding any other provisions in this Lease, it is agreed that Lease termination, if elected by CLWA, shall be effective upon completion of written notice thereof by CLWA to CITY. (See Section 21.16 hereof.) CITY agrees, within five (5) days thereafter, to execute any and all documents reasonably required by CLWA to confirm termination of the affected portion of this Lease. Any such termination by CLWA shall be presumed to be correct and proper, unless made on a totally arbitrary and capricious basis. CLWA, upon such a termination, shall rebate pro rata -- based on acreage and time -- any CITY rents paid. To the maximum extent permitted by law, CITY agrees that the fair market value (1) of any property taken by eminent domain by CITY which constitutes all or part of the Premises or (2) of any property which is owned by CLWA and is in any way adjacent to the Premises and will or could suffer severance or other damage on account of such taking by CITY, shall, in each case, be valued by CITY for appraisal purposes and taken by CITY, if at all, without reference to the burden of this Lease.

4.03 Restrictions on CITY's Use: In using the Premises, CITY agrees:

A. Waste: Not to commit or allow to be committed any waste in or upon the Premises.

B. Nuisance: Not to do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other tenants or occupants of adjacent land or injure, or annoy them, or use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose. CITY shall not cause, maintain or permit any public or private nuisance in, on, or about the Premises.

C. Advertising: Not to use any advertising medium which may emanate outside of the Premises, such as loud speakers, phonographs, or radio broadcasts without CLWA's prior written consent.

D. Roadway Use: Not to construct or cause to be constructed on the Premises any road having a paved width greater than 25 feet, nor to construct parallel or near parallel two lane roads of any kind on the Premises.

E. Spoil Piles: Not to permit to exist or to construct any spoil pile(s) on the Premises.

F. Grading: Not to change the existing grade of the Premises except to create sports fields, parking lots, and internal access roads having a width of not more than 25 feet, and not to create any road pad which is not promptly utilized as a paved internal circulation park access road.

G. Parking Lots: Not to construct any parking lot having, in the judgment of CLWA, the configuration of a road, nor to convert any parking lot, once constructed, into a road. (Parking lots which are long and narrow shall be presumed to have the configuration of a road.)

H. Elevation Restriction: Not to construct any structure or improvement on the Premises which exceeds one hundred (100) feet in height.

4.04 Compliance with the Law: CITY shall, at its sole expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders, or requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar bodies now or hereafter constituted, relating to or affecting the condition, use or occupancy of the Premises. CITY shall not use the Premises, or permit anything to be done in or about the Premises, which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. CITY agrees to indemnify CLWA and save CLWA harmless from any and all liability that may arise from any infringement or violation of any such statute,

ordinance, rule, regulation, or order by CITY, its employees, and agents, or by any other person who shall be upon the Premises with CITY's express or implied consent.

ARTICLE 5: CONDITIONS

5.01 Conditions: Before commencing any construction activity on the Premises, CITY shall submit for CLWA's review and approval the plans and specifications, including height of structure, the site plan, and the elevations for the improvements which CITY wants to undertake, herein collectively referred to as the "plans". CLWA shall approve or disapprove the plans in writing within ninety (90) days after submission. If the plans are disapproved, CLWA shall state the reason for its disapproval. CLWA's approval shall not be unreasonably withheld, and if CLWA does not act within ninety (90) days after submission, the plans shall be deemed approved. CITY shall construct park facilities only in accordance with CLWA-approved plans, or plans which are "deemed approved" pursuant to this section. CITY shall construct a perimeter fence acceptable to CLWA which surrounds all portions of the Premises as and when devoted to park and sports facility purposes. CITY shall be responsible for security of the premises. In carrying out its work, CITY shall at all times exercise all necessary precautions for the safety and environmental protection of the Premises, and be in compliance with all federal, state and local statutory and regulatory requirements, including State of California, Division of Industrial Safety (Cal/OSHA) regulations, Cal/EPA and the U. S. Department of Transportation Omnibus Transportation Employee Testing Act (as applicable).

ARTICLE 6: ALTERATIONS AND ADDITIONS

6.01 Installation of Facility: Subject to the terms and conditions which follow, CITY shall have the right to install multi-use sports fields, and appurtenant structures and parking on the Premises.

CITY shall use reasonable efforts to obtain all governmental permits and approvals required to install and operate the park.

CITY shall use reasonable efforts to obtain any new utility service which may be required. If it is necessary to cut into any paved area, wall or other improvement, CITY shall repair the same in a good and workmanlike manner so as to match as nearly as practicable the surrounding area. All utility services provided to the Premises shall be separately metered, and CITY shall pay for all utility and other services provided or furnished to the Premises, including but not limited to electricity, gas, and telephone charges for lines servicing the Premises.

ARTICLE 7: MAINTENANCE AND REPAIRS

7.01 Maintenance and Repairs: Except as provided in Section 1.02 hereof, CITY hereby represents that it has inspected the Premises and is fully familiar therewith, and in making this Lease, CITY is relying on its own independent

investigation and knowledge of the Premises and not on any statements or representations or warranties by CLWA or any agent or representative of CLWA, with respect to the nature and character of the Premises, its physical condition, income or expense of operation or any other matter or thing affecting or relating to the Premises, or its suitability for the uses intended by CITY.

CITY, its agents, employees, and contractors shall have the right to enter the park with personnel, trucks, equipment, and machinery at all hours of the day or night of each and every day of the year for the purpose of inspecting, maintaining, servicing, repairing, replacing, or protecting the park. CITY shall pay the costs of these activities and protect and indemnify CLWA from all loss, cost, and liability arising because of such activities or the exercise of such right of entry. CITY, its officers, agents, employees, invitees, contractors, and customers shall have the non-exclusive right to use any parking spaces developed within the park for vehicle parking.

CITY shall, at its sole cost and expense, keep the Premises and every part thereof in good condition and repair at all times during the term of this Lease. CLWA shall not be liable for any damage, loss or injury arising from CITY's failure to make any such repairs or to perform any such maintenance; and there shall be no abatement of rent and no liability of CLWA by reason of any injury to or interference with CITY's business arising from the making of any repairs, maintenance, alterations or improvements in or to any portion of the Premises or in or to fixtures, appurtenances and equipment thereon.

ARTICLE 8: ASSIGNMENT AND SUBLETTING

8.01 Prohibition Against Assignment and Subletting: CITY shall not transfer, assign, sublet, enter into license or concession agreements, change ownership or hypothecate this Lease or CITY's interest in and to the Premises, without first procuring the written consent of the CLWA. Any assignment, mortgage, pledge, hypothecation, encumbrance, subletting, or license of this Lease, the leasehold estate hereby created, or the Premises or any portion thereof, either voluntary or involuntary, whether by operation of law or otherwise, without the prior written consent of CLWA, shall be void and shall constitute a default under this Lease. CLWA's consent shall not be unreasonably withheld, but may nevertheless be conditioned upon the following criteria:

A. The identity, financial strength, reputation, and credit rating of the proposed assignee, transferee or subtenant;

B. The proposed use of the Premises by the proposed assignee, transferee or sublessee. CLWA may withhold its consent if, in its reasonable discretion, it feels that the proposed use is not compatible with or would be detrimental to (i) the image of the Premises and/or CLWA's adjacent property; or (ii) the use of the Premises as a public use buffer zone as described in the MOU.

CITY agrees to reimburse CLWA for CLWA's reasonable attorney fees and other costs incurred in conjunction with the processing and documentation of any such requested transfer, assignment, subletting, licensing or concession agreement, change of ownership or hypothecation of this Lease or CITY's interest in and to the Premises.

8.02 Liability of CITY: Notwithstanding any assignment or sublease, CITY shall remain fully liable on this Lease and shall not be released from performing any of the terms, covenants and conditions of this Lease.

ARTICLE 9: MECHANICS' LIEN

9.01 Mechanics' Lien: CITY agrees that it will pay or cause to be paid all costs for materials furnished to and for work done by it or caused to be done by it on the Premises, as permitted by this Lease. CITY will keep the Premises free and clear of all mechanics' liens and other liens on account of work done for or materials furnished to CITY or persons claiming under it. Upon CLWA's written request, CITY agrees to obtain for the benefit of CLWA or CLWA's lender, performance, labor, and materials bonds in amounts to be reasonably determined by CLWA.

9.02 Notice of Non-responsibility: The CLWA or its representatives shall have the right at any time to go upon the Premises to post and keep posted thereon notices of non-responsibility, or such other notices which the CLWA may deem to be proper for the protection of the CLWA's interest in the Premises. The CITY shall, before the commencement of any work which might result in any such lien, give to CLWA written notice of its intention to do so in sufficient time to enable the posting of such notices.

ARTICLE 10: EXCULPATION AND HOLD HARMLESS

10.01 Exculpation of CLWA: To the fullest extent permitted by law, CITY agrees that CLWA shall not be liable to CITY or its employees, agents, subtenants, or invitees or any other persons, or for their property, on any legal basis whatsoever, and CITY waives all claims against CLWA for damage to person or property arising for any reason or in any way with respect to CITY's Lease of the Premises from CLWA. CLWA or its agents shall not be liable for interference with light, air, or for any latent defect in the Premises.

10.02 Indemnification: CITY at its own and sole expense shall to the fullest extent permitted by law indemnify and hold harmless and defend CLWA, its directors, officers, employees, agents, consultants, or volunteers, and each of them, from and against:

A. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind and nature whatsoever for, but not limited to, injury to or death of any person including CLWA and/or CITY, or any directors, officers, employees, agents, consultants, and/or volunteers of CLWA

or CITY, and damages to or destruction of property of any person, including but not limited to, CLWA and/or CITY and their directors, officers, employees, agents, consultants, and/or volunteers, arising out of or in any manner directly or indirectly connected with this Lease, however caused, regardless of any negligence of CLWA or its directors, officers, employees, agents, consultants, and/or volunteers, except the sole negligence or willful misconduct of CLWA or its directors, officers, employees, agents, consultants, and/or volunteers;

B. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of CITY; and

C. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising from any breach or default in the performance of any obligation on CITY's part to be performed under the terms of this Lease, or arising from any act or negligence of the CITY, or of any officer, agent, employee, guest, or invitee of CITY.

CITY shall defend, at CITY'S own and sole cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against CLWA or CLWA's directors, officers, employees, agents, consultants, and/or volunteers.

CITY shall pay and satisfy any judgment, award or decree that may be rendered against CLWA or its directors, officers, employees, agents, consultants, and/or volunteers, in any such suit, action or other legal proceeding. CITY shall reimburse CLWA and its directors, officers, employees, agents, consultants, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

CITY agrees to carry insurance for this purpose as set out in this Lease. (See Article 13 of this Lease for insurance specifications and coverage.) CITY's obligation to indemnify, hold harmless and defend shall not be restricted to insurance proceeds, if any, received by CLWA or its directors, officers, employees, agents, consultants, and/or volunteers.

CITY shall give prompt written notice to CLWA in case of casualty or accidents in, on, or about the Premises. CITY, upon notice from CLWA, shall defend CLWA at CITY's expense by counsel reasonably satisfactory to CLWA.

ARTICLE 11: SIGNS

11.01 Signs: CITY may erect, maintain, permit and from time to time remove signs in or about the Premises; provided, however, that the signs comply with all governmental statutes, ordinances, rules, regulations, orders and requirements, and that CITY first obtains the CLWA's written approval to erect such signs. CITY may

use its sign to display any permitted trademarks, logos and service marks. Upon the termination of this Lease, CITY shall remove all such signs in or about the Premises. CITY shall repair any injury or damage to the Premises which may result from such removal.

ARTICLE 12: UTILITIES

12.01 Utility Cost: In addition to the rent hereinbefore reserved, CITY agrees to pay all charges for water, gas, heat, light, electricity, telephone, power, garbage removal, and all other utilities and other services supplied to the Premises as and when the charges for the same become due and payable.

12.02 Utility Connections: CITY shall pay all utility line and telephone connection fees and hook-up charges, deposits, and any other costs for utilities or services supplied to the Premises. CLWA shall not be liable for the supply nor for the interruption of the supply, or stoppage or availability of any such service or utility. The interruption or stoppage of any such service or utility shall not constitute an eviction.

ARTICLE 13: INSURANCE

13.01 Commercial General Liability and Automobile Liability Insurance: CITY shall provide and maintain at its sole cost and expense, and shall keep in force during the Lease term, the following commercial general liability and automobile liability insurance, insuring the CLWA and the CITY against any liability arising in any way out of this Lease and/or the ownership, use, occupancy, and maintenance of the Premises, and all areas appurtenant thereto, as follows:

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

1. Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 0001)

2. Insurance Services Office Form Number CA 0001 (ed 1/87) covering Automobile Liability, Symbol 1 (any auto)

B. Limits -- CITY shall maintain limits no less than the following:

1. General Liability -- Five million dollars (\$5,000,000) per occurrence for death or bodily injury, and/or personal injury to one person and Two million dollars (\$2,000,000) per occurrence for property damage affecting one person. Ten million dollars (\$10,000,000) per occurrence for death or bodily injury and/or personal injury to more than one person and Two million dollars (\$2,000,000) per occurrence for property damage to more than one person in any one occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply to premises leased (with the ISO CG 2501 or

insurer's equivalent endorsement provided to CLWA) or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability -- Ten million dollars (\$10,000,000) per accident for death or bodily injury and/or personal injury and property damage, combined single limit.

C. Required Provisions -- The general liability and automobile liability policies are to contain, BY ENDORSEMENT, the following provisions:

1. CLWA, its directors, officers, employees, agents, consultants, and/or volunteers are to be covered as insureds as respects: any liability arising in any way or on any legal theory out of the Premises leased by the CITY; including liability with respect in any way to automobiles owned, leased, hired or borrowed by the CITY. The coverage shall contain no special limitations on the scope of protection afforded to CLWA, its directors, officers, employees, agents, consultants, and/or volunteers

2. For any claims related to this Lease, the CITY's insurance shall be primary insurance as respects CLWA, its directors, officers, employees, agents, consultants, and/or volunteers. Any insurance, pooled coverage or self-insurance maintained by the CLWA its directors, officers, employees, agents, consultants, and/or volunteers shall not contribute to it.

3. Any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the CLWA, its directors, officers, employees, agents, consultants, and/or volunteers.

4. The CITY'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.

5. CITY's insurance shall cover all contractually assumed CITY liability obligations under Article 10 of this Lease.

6. Each insurance policy shall specifically state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, which has been actually and physically (and not constructively pursuant to Section 21.16 hereunder) received by CLWA.

Such liability insurance shall indemnify the CITY and its contractors against loss from liability imposed by law upon, or assumed under contract by, the CITY or its contractors for damages on account of such bodily injury (including death), property damage, personal injury and completed operations and products liability.

Such insurance shall be provided on a policy form written by underwriters through an agency satisfactory to CLWA, which includes a cross-liability clause, and

covers bodily injury (including death) and property damage liability, owned and non-owned vehicles and equipment, blanket contractual liability and completed operations liability.

Such liability insurance shall include explosion, collapse, underground excavation and removal of lateral support. CLWA, its directors, officers, employees, agents, consultants, and/or volunteers shall be named as additional insureds on any such policies. Any additional insured endorsement (ISO CG 2011 (ISO CG 2024 if land only) or equivalent) (modified to include provision C-6 above) and a certificate of insurance (Accord Form 25-S or equivalent), shall be provided to CLWA.

D. Deductibles and Self-Insured Retentions -- Any deductible or self-insured retention must be declared to and approved by CLWA. At the option of CLWA, the insurer shall reduce or eliminate such deductibles or self-insured retentions.

E. Acceptability of Insurers -- Insurance is to be placed by CITY with insurers having a current A. M. Best's rating of no less than A-:VII or equivalent, licensed to do business in the State of California, and authorized to write such insurance in the State of California.

13.02 Property Damage: CITY shall at its own and sole expense obtain and keep in force during the term of this lease a policy or policies of insurance covering loss or damage to the Premises and the improvements thereon, in the amount of the full replacement value thereof providing protection against all perils including within the classification of fire, extended overage, vandalism, malicious mischief and special extended perils (all risk). The aforesaid policies shall name both the CLWA and CITY as insureds. CITY shall provide the CLWA with a certified copy of the aforesaid policies. If CITY shall fail to procure and maintain said insurance, CLWA may, but at the expense of the CITY, obtain such insurance.

CITY's property insurance covering all risks of direct physical loss, damage or destruction to real and personal property shall include explosion, collapse, underground excavation and removal of lateral support. The District shall be named as an additional primary insured on any such policy.

The insurer shall waive all rights of subrogation against CLWA. CITY shall provide CLWA with a certificate of insurance for property insurance coverage and evidence of waiver of rights of subrogation against CLWA and its directors, officers, employees, agents, consultants, and/or volunteers.

13.03 CITY's Blanket Insurance: Notwithstanding anything to the contrary contained within this Article, CITY's obligations to carry the insurance provided for herein may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by CITY, provided, however, that CLWA shall be named as an additional insured thereunder as its interest may appear and that the coverage afforded the CLWA will not be reduced or diminished by reason of the use

of such blanket policy of insurance, and provided further that all the requirements and specifications set forth herein are in every respect otherwise satisfied.

13.04 Notice of Cancellation: CITY agrees that on or before twenty (20) days prior to expiration of any insurance policy, CITY will deliver to CLWA written notification in the form of a receipt or other similar document from the applicable insurance company that said policy or policies have been renewed, or deliver certificates of coverage from another insurance company, meeting the requirements of this Article 13.

13.05 Workers' Compensation: CITY and CLWA, for their respective employees, if any, on the Premises of the park, shall carry adequate Workers' Compensation Insurance in accordance with the laws of the State of California. By its signature hereunder, CITY certifies that it is aware of the provisions of Section 3700 of the 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 CITY agrees to and will comply with such provisions in connection with any work performed on the Premises. Any persons providing services with or on behalf of CITY shall be covered by workers' compensation (or qualified self-insurance).

CITY and its contractors shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their respective employees working on or about the Premises, regardless of whether such coverage or insurance is mandatory or merely elective under the law, and CITY shall defend, protect and save harmless CLWA, its directors, officers, employees, agents, consultants, and/or volunteers from and against all claims, suits, and actions arising from any failure of the CITY or any contractor hired by CITY to maintain such insurance. Before execution of the Lease, CITY shall furnish to CLWA satisfactory proof that it has taken out full workers' compensation insurance for all persons employed directly by it or through contractors hired by CITY to carry out any work in any way concerning the Premises, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California, and any Acts amendatory thereof.

CITY shall provide employer's liability insurance in the amount of, at least, \$1,000,000 per accident for bodily injury and disease.

CITY shall provide CLWA with a certificate of Workers' Compensation and Employer's liability insurance coverage.

13.06 Evidences of Insurance: Prior to execution of the Lease, CITY shall file with CLWA evidences of insurance, including originals of all required insurance policy endorsements, from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 2011 or 2024 (or insurer's equivalent) signed by the insurer's representative and certificate of insurance (Accord Form 25-S or equivalent). All evidence of insurance

shall be certified by a properly authorized officer, agent or qualified representative of the insurer and shall certify the names and/or capacities of the insured, and additional insureds, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date.

CITY shall, upon demand of CLWA, deliver to CLWA all such policy or policies of insurance and the receipts for payment of premiums thereon; and should CITY neglect to obtain and maintain in force any such insurance or deliver such policy or policies and receipts to CLWA, then it is agreed that CLWA may (but has no obligation to) obtain and maintain such insurance, and CITY hereby appoints CLWA its true and lawful attorney-in-fact to do all things necessary for this purpose. All money paid by CLWA for insurance premiums under the provision of this article shall be charged to CITY as additional rent.

CITY and CLWA agree that CLWA's receipt of insurance documents from CITY or its insurers does not constitute CLWA's agreement that such insurance documents are sufficient under this Lease, and that CITY is fully responsible for supplying insurance documents and coverage in compliance with the requirements of this Lease.

ARTICLE 14: CITY'S DEFAULT

14.01 Defaults: The occurrence of any one or more of the following events (hereinafter called "Events of Default"), shall constitute a material default and breach of this Lease by CITY:

A. The vacating or abandonment by CITY of the Premises, or the violation of the provisions set forth in Sections 4.01 through 4.03 hereof.

B. The failure by CITY to make any payment of rent or any other payment required to be made by CITY hereunder, as and when due.

C. The failure by CITY to construct within three (3) years of the commencement of this Lease at least two multi-use sports fields, parking and appurtenant facilities.

D. The failure by CITY to observe any of the covenants, conditions or provisions of this Lease to be observed or performed by CITY, other than the requirements of Sections 4.01 through 4.03 or payment of money, where such failure shall continue for a period of ten (10) days after written notice hereof from CLWA to CITY, provided, however, that if the nature of CITY's default is such that more than ten (10) days are reasonably required for its cure, then CITY shall not be deemed to be in default if it commences such cure within said 10-day period and thereafter diligently prosecutes such cure to completion.

E. (i) The making by CITY of any general arrangement or assignment for the benefit of creditors; (ii) CITY becomes a "debtor" as defined in the then-applicable

United States Bankruptcy Code (unless, in the case of a petition or order filed against CITY, the same is dismissed within thirty (30) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of CITY's assets located at the Premises or of CITY's interest in this Lease, where possession is not restored to CITY within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of CITY's assets located at the Premises or of CITY's interest in this Lease, where such seizure is not discharged within thirty (30) days.

ARTICLE 15: REMEDIES UPON DEFAULT

15.01 Termination: Upon occurrence of an Event of Default, CLWA, in addition to any other rights or remedies available to CLWA at law or in equity or in Section 4.02 of this Lease, shall have the right to immediately terminate this Lease and all rights of CITY hereunder, by giving CITY written notice that this Lease is terminated. If CLWA so terminates this Lease, then CLWA may recover from CITY the sum of all damages incurred by CLWA by reason of CITY's default, including, but not limited to, those provided by California Civil Code Section 1951.2.

15.02 Continuation of Lease: Should an Event of Default occur and if CLWA does not elect to terminate this Lease, CLWA may, from time to time, **without** terminating this Lease, either (i) recover all rent and other amounts payable hereunder as they become due or (ii) relet the Premises or any part thereof on behalf of CITY for such term or terms, at such rent or rents and pursuant to such other provisions, as CLWA, in its sole discretion, may deem advisable, all with the right, at CITY's cost, to make alterations and repairs to the Premises.

15.03 Re-entry: Upon an Event of Default, CLWA shall have the right, with or without terminating this Lease, to re-enter the Premises and remove all persons and property from the Premises, upon three (3) days' written notice of intent to exercise CLWA's right of re-entry hereunder. Any three (3) day Notice to Quit or similar notice under the laws of unlawful detainer shall be sufficient to satisfy this Section. CLWA may cause any property so removed from the Premises to be stored in a public warehouse or elsewhere at the expense and for the account of CITY.

15.04 No Constructive Termination: None of the following remedial actions, singly or in combination, shall be construed as an election by CLWA to terminate this Lease, unless CLWA has in fact given CITY written notice that this Lease is terminated: Any act by CLWA to maintain or preserve the Premises; any efforts by CLWA to relet the Premises; any re-entry, repossession or reletting of the Premises by CLWA pursuant to this Article; the appointment of a receiver, upon the initiative of CLWA, to protect CLWA's interest under this Lease; or exercise of any other right or remedy provided for herein or under applicable laws. If CLWA takes any of the foregoing remedial actions without terminating this Lease, CLWA may nevertheless at any time after taking any such remedial action terminate this Lease by written notice to CITY.

15.05 CLWA's Right to Cure: After an Event of Default, CLWA, in addition to or in lieu of exercising any other remedies, may (but without any obligation so to do) cure the breach underlying the Event of Default for the account and at the expense of CITY; provided that CLWA by prior notice shall first allow CITY a reasonable opportunity to cure, except in cases of emergency, where CLWA may proceed without prior notice to CITY. CITY shall, upon demand, immediately reimburse CLWA for all costs (including costs of settlements, defense, court costs and attorneys' fees) which CLWA may incur in the course of any such cure.

15.06 Remedies Cumulative: The rights, privileges, elections, and remedies of CLWA herein are cumulative and no one of them shall be exclusive of the other, and CLWA shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law, whether or not stated in this Lease. No provision of this Article shall be deemed to limit or negate CLWA's rights under this Lease to indemnification from CITY for any liability asserted against or imposed upon CLWA, whether before or after termination of this Lease, which liability is based upon matters occurring prior to the termination of this Lease.

ARTICLE 16: CLWA'S DEFAULT

16.01 CLWA's Default: CLWA shall not be in default unless CLWA fails to perform obligations required of CLWA within a reasonable time, but in no event later than thirty (30) days after written notice by CITY to CLWA specifying wherein CLWA has failed to perform such obligation; provided, however, that if the nature of CLWA's obligation is such that more than thirty (30) days are required for performance, then CLWA shall not be in default if CLWA commences performance within such 30-day period and thereafter diligently prosecutes the same to completion.

ARTICLE 17: DAMAGE OR DESTRUCTION OF PREMISES

17.01 Partial Destruction: If the improvements on the Premises are partially damaged or destroyed, or should the leasehold improvements be damaged or destroyed by fire, casualty, or hazard, and if damage is so slight as not to interfere substantially with the CITY's use of the Premises, then this Lease shall not terminate but shall continue in full force and effect and there shall be no abatement of rent.

All insurance proceeds collected for destruction of the Premises shall be promptly applied to the cost of repairs and if such insurance proceeds shall be insufficient for such purpose, CITY shall make up the deficiency out of its own funds.

17.02 Total or Substantial Destruction: Termination of Lease: Should there be a total or substantial destruction of the leasehold improvements so that the Premises are rendered unusable, either party shall have the right to terminate this Lease upon written notice within sixty (60) days after the event of total or substantial destruction.

In the event either party elects to terminate this Lease as a result of total or substantial destruction, then CITY shall at its own and sole expense remove all buildings and improvements from the Premises and shall restore the same to their original condition.

ARTICLE 18: SURRENDER OR CANCELLATION

18.01 Redelivery of Premises to CLWA: Upon termination of this Lease for any reason, CITY shall surrender the Premises to CLWA in the same condition in which CITY received them. CITY shall promptly discharge its obligations under this Lease to remove trade fixtures and personal property and to repair any damage which such removals from the Premises may cause. Any personal property of CITY which CITY fails to remove from the Premises as of the date of termination of this Lease shall be deemed abandoned.

18.02 Quitclaim: At the expiration or earlier termination of this Lease, pursuant to Section 4.02 or otherwise, CITY shall execute and acknowledge and deliver to CLWA, within five (5) days after written demand from CLWA to CITY, any quitclaim deed or other document required to remove the cloud of this Lease from the title to the Premises.

ARTICLE 19: CLWA'S ENTRY ON PREMISES

19.01 CLWA and its authorized representatives shall have the right to enter the Premises at all reasonable times for any of the following purposes:

A. To determine whether the Premises are in good condition and whether CITY is complying with its obligations under this Lease;

B. To serve, post, or keep posted any notices required or allowed under the provisions of this Lease;

C. After CITY has abandoned or surrendered the Premises.

CLWA shall conduct its activities on the Premises as allowed in this Section in a manner that will cause the least possible inconvenience, annoyance, or disturbance to CITY. CLWA shall at all times give CITY reasonable notice of CLWA's intent to enter the Premises.

ARTICLE 20: QUIET ENJOYMENT

20.01 So long as CITY is not in default under the covenants and agreements of this Lease, CITY shall have quiet and peaceful enjoyment of the Premises for the entire term thereof, subject to all of the provisions of this Lease, and CITY's rights and privileges shall not be disturbed or interfered with by CLWA.

ARTICLE 21: GENERAL PROVISIONS

21.01 Unavoidable Delay: If either party shall be delayed or prevented from the performance of any act required by this Lease, due to unforeseeable causes beyond the party's control and without its fault or negligence, including, but not limited to, acts of God, strikes, lockouts, labor troubles, inability to procure materials, restrictive governmental laws or regulations, action or inaction by other governmental agencies, or other similar magnitude causes (financial inability excepted), it is agreed that in the event of the occurrence of any such delay, the time or times for performance of the obligations of the party shall be extended for the period of such delay, provided, that the party seeking the benefit of the provision of this paragraph shall, within thirty (30) days after the beginning of any such delay, have first notified the other party thereof in writing, and of the cause or causes thereof, and requested an extension for the period of the delay.

21.02 Waivers: The waiver by CLWA or CITY of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition, or any subsequent breach of the same or any other term, covenant or condition herein contained.

The subsequent acceptance of rent hereunder by CLWA shall not be deemed to be a waiver of any preceding default by CITY of any term, covenant or condition of this Lease, other than the failure of CITY to pay the particular rental so accepted, regardless of CLWA's knowledge of such preceding default at the time of the acceptance of such rent.

21.03 Plats and Riders: Clauses, plats, riders, and addendums, if any, affixed to this Lease are a part thereof.

21.04 Captions: The captions in this Lease are for convenience only, and are not a part of this Lease. The captions do not in any way limit or amplify the provisions hereof, and shall have no effect upon the construction or interpretation of any part hereof.

21.05 Time: Time is of the essence of this Lease and each and all of its provisions in which performance is a factor.

21.06 Successors and Assigns: All of the covenants, agreements, conditions, and undertakings contained in this Lease shall extend and inure to, and be binding upon, the heirs, executors, administrators, successors, and lawful, Lease-authorized assigns of the respective parties hereto.

Nothing herein contained shall be construed to grant or confer upon any person or persons, firm, corporation, or governmental authority, other than the parties hereto, any right, claim, or privilege by virtue of any covenant, agreement, condition, or undertaking contained in this Lease.

21.07 Recordation: Neither party shall record this Lease, but a short-form memorandum hereof may be recorded at the request of CLWA.

21.08 Integration: This Lease contains all of the agreements and understandings of the parties with respect to any matter mentioned herein, and supersedes and terminates all prior and contemporaneous agreements between CLWA and CITY with respect to the matters covered in this Lease. This Lease may be modified in writing only, signed by the CLWA and CITY at the time of the modification.

21.09 Severability: The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provisions hereof.

21.10 Attorney's Fees: In the event suit be instituted by either of the parties hereto against the other, the prevailing party shall be entitled to recover from the other such sum as the court may deem reasonable as and for attorney's fees.

21.11 Applicable Law: This Lease is made and executed in the State of California and the laws of the State of California shall apply in all cases.

21.12 Relationship of Parties: Nothing contained in this Lease shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between CLWA and CITY, and neither the method of computation of rent nor any other provisions contained in this Lease nor any acts of the parties shall be deemed to create any relationship between CLWA and CITY other than the relationship of landlord and tenant.

21.13 Number and Gender: In this Lease, the neuter gender includes the feminine and masculine, and the singular number includes the plural, and the word "person" includes a corporation, partnership, firm or association wherever the context so requires.

21.14 Covenants and Conditions: Each provision of this Lease performable by CITY shall be deemed both a covenant and a condition.

21.15 Extra Expenditures: In the event the CLWA shall make any expenditure for which CITY is responsible, then the amount thereof, together with interest at the maximum legal rate then allowed by law, and costs, may, at CLWA's election, be added to and be deemed part of the installment of rent next falling due.

21.16 Notices: All notices and demands of any kind which either party may require or desire to serve on the other in connection with this Lease shall be in writing and shall be served (as an alternative to personal service) only by registered and not certified mail, return receipt requested, and shall be deposited in the United

States mail with postage thereon fully prepaid and addressed to the party so to be served as follows:

To CLWA: Castaic Lake Water Agency
27234 Bouquet Canyon road
Santa Clarita, CA 91350

Attention: Its General Manager

To CITY: City of Santa Clarita
23920 W. Valencia Boulevard
Santa Clarita, CA 91355

Attention: Its City Manager

Service of any such notice or demand so made by registered mail shall be deemed complete and fully effective one day after mailing.

Either party may, from time to time, by notice in writing served upon the other, designate a different mailing address or a different person to which all notices or demands are thereafter to be addressed.

21.17 Authority: If CITY or CLWA is a corporation, trust, or general or limited partnership, or government agency, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said entity.

CLWA AND CITY HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN AND, BY EXECUTION OF THIS LEASE, SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE EFFECTUATE THE INTENT AND PURPOSE OF CLWA AND CITY WITH RESPECT TO THE PREMISES.

IN WITNESS WHEREOF, the parties have executed this Ground Lease the day and year first above written.

CLWA

By: 

Robert C. Sagehorn
Its General Manager

CITY

By: 

Its _____

Attest:

By: 

Its CITY CLERK

Approved as to Form:


City Attorney

EXHIBIT "A"

MEMORANDUM OF UNDERSTANDING
 BY AND BETWEEN THE CITY OF SANTA
 CLARITA AND THE CASTAIC LAKE WATER AGENCY
 RELATIVE TO THE USE OF SITE FOR
 PARK AND SPORTS FACILITY PURPOSES

This Memorandum of Understanding ("MOU") is made by and between the City of Santa Clarita ("City") and the Castaic Lake Water Agency ("CLWA") with respect to the proposed use of a site on CLWA property exclusively for park and sports facility purposes. (Map of site attached.)

This MOU is made pursuant to facts, understandings and/or assumptions of City and CLWA as follows:

- CLWA desires a "public use" buffer zone on the site.
- City desires to develop the site, at its own expense, exclusively for park and sports facility purposes which are compatible with CLWA's desire for a public use buffer zone.
- City and CLWA both desire that City commence a community involvement process to assist in the development of a park and sports facility Design Development Plan.
- City and CLWA are jointly committed to an appropriate environmental review process in which City shall serve as lead agency in the preparation of a park and sports facility Design Development Plan for the site.
- City and CLWA jointly pledge to work cooperatively to develop appropriate lease arrangements concerning the site, subject to guidelines and objectives as set forth in this MOU.

NOW, THEREFORE, IT IS AGREED by City and CLWA as follows:

1. Park and Sports Facility Design Development Plan.
 City shall prepare a Design Development Plan of proposed park and sports facility improvements over the entire area of the site. The Design Development Plan shall include phased developments which are scheduled and budgeted for construction. Proposed phasing of increments of park and sports facility development shall be accomplished in a manner compatible with maintenance of dry farming activity on the portions of the site not yet developed for park and sports facility purposes. All City uses of the site shall be compatible with CLWA's security needs for its water treatment operations.

2. Environmental Review of Design Development Plan. City shall be the lead agency in the environmental review of the proposed park and sports facility improvements.

3. Lease of Site and Lease Provisions. The lease of the site shall be prepared by CLWA and submitted by CLWA to City for review and comment by City. The lease shall include all relevant Park and Sports Facility Design Development Plan provisions and shall be consistent with commitments made as part of the environmental review of the Design Development Plan. The lease is intended to include provisions as follows:

- Area Description. The lease shall include a legal description and a map of the site.
- Term: An initial term of fifteen (15) years on the entire site is to be provided, subject to longer terms of lease for portions of the site upon which substantial structures of significant value are constructed.
- Compensation to CLWA. Consideration paid by City to CLWA for the initial lease term shall be \$1,500.00 upon lease execution, as well as compliance with all other terms and conditions of the lease. Provisions for compensation of CLWA beyond the initial lease term are to be negotiated by City and CLWA.
- Development Costs, Operation, and Maintenance. City to pay all development, operation and maintenance costs associated with the park and sports facilities. Detailed site development plans for each phase of site improvements shall be submitted to CLWA a minimum of three (3) months prior to construction to permit CLWA to verify compatibility with its water treatment operation.
- Water Use and Payments. CLWA shall have exclusive groundwater extraction rights on the site. City shall accordingly purchase water for use on the site from authorized retail purveyors, and shall pay to CLWA all facility capacity (connection) fees of CLWA at the time of development of each phase of site improvements.
- Perimeter Fence. City shall construct at City's expense a perimeter fence acceptable to CLWA which surrounds all portions of the site as and when devoted to park and sports facility purposes. Notwithstanding

other provisions in the lease, all areas of the site outside of the perimeter fence are to remain in the possession of CLWA or its agents for dry farming "buffer use" purposes, except for a row of trees along the westerly edge of the site which shall be maintained by the City beginning with the commencement of the initial lease term.

- Utilities and Property Access. All utilities are to be underground. CLWA shall reserve in the lease all rights of way or other property interests reasonably needed by CLWA for ultimate development of all remaining CLWA property.
- Liability and Insurance. City shall indemnify, hold harmless and insure the interests of CLWA with respect to the site.
- Joint Recognition. A monument sign at the entrance to the site shall recognize the cooperation of City and CLWA with respect to the park and sports facilities. The name of the park shall be acceptable to CLWA.
- Commercial Activity. Commercial activity is not to be permitted on the site, except as mutually agreed by City and CLWA as being compatible with park and sports facility purposes. A negotiated percentage of any commercial revenue shall be paid by City to CLWA as additional rent.

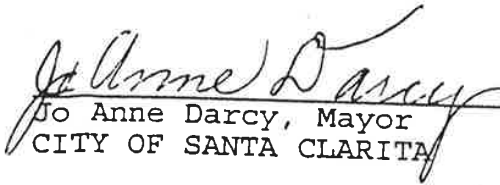
4. Sewer Service Master Plan. CLWA shall prepare a storm and sanitary sewer master plan for the entire ownership of CLWA's land, and shall identify land areas to be reserved for storm and for sanitary sewers and/or leach fields within the site. City shall incorporate this storm and sanitary sewer master plan into the planning of its park and sports facility master plan. CLWA and City shall share sewer service construction costs on the site in proportion to the capacity required by each.

5. Untreated And/or Reclaimed Water Master Plan. CLWA shall prepare a feasibility study on immediate and longer term use of untreated and/or reclaimed water within the site. City shall design park and sports facilities to permit use of untreated and/or reclaimed water, and shall use untreated and/or reclaimed water on the site to the maximum extent legal and feasible when available.

6. Traffic Signal. Except for any reasonable time extensions granted by City to its signal light construction contractor, City shall within six (6) months of the commencement of the initial lease term install a traffic signal at the current site entrance road which connects with Bouquet Canyon Road unless through the warrant process the City determines it is not legally possible or permissible to install said traffic signal.


7. Value of Property. City and CLWA shall agree upon the minimum value of the fee interest of CLWA in the leased area, and City shall not acquire that fee interest, if at all, except for a sum not less than that value, subject to escalations as negotiated by City and CLWA unless such acquisition is agreed to by both City and CLWA.

DATED: December 11, 1995


Jo Anne Darcy, Mayor
CITY OF SANTA CLARITA


William C. Cooper, President
CASTAIC LAKE WATER AGENCY

ATTEST:


Donna Grindey, City Clerk
CITY OF SANTA CLARITA 12-11-95

ATTEST:


Linda J. Fleming, Secretary
CASTAIC LAKE WATER AGENCY

APPROVED AS TO FORM:


CITY ATTORNEY



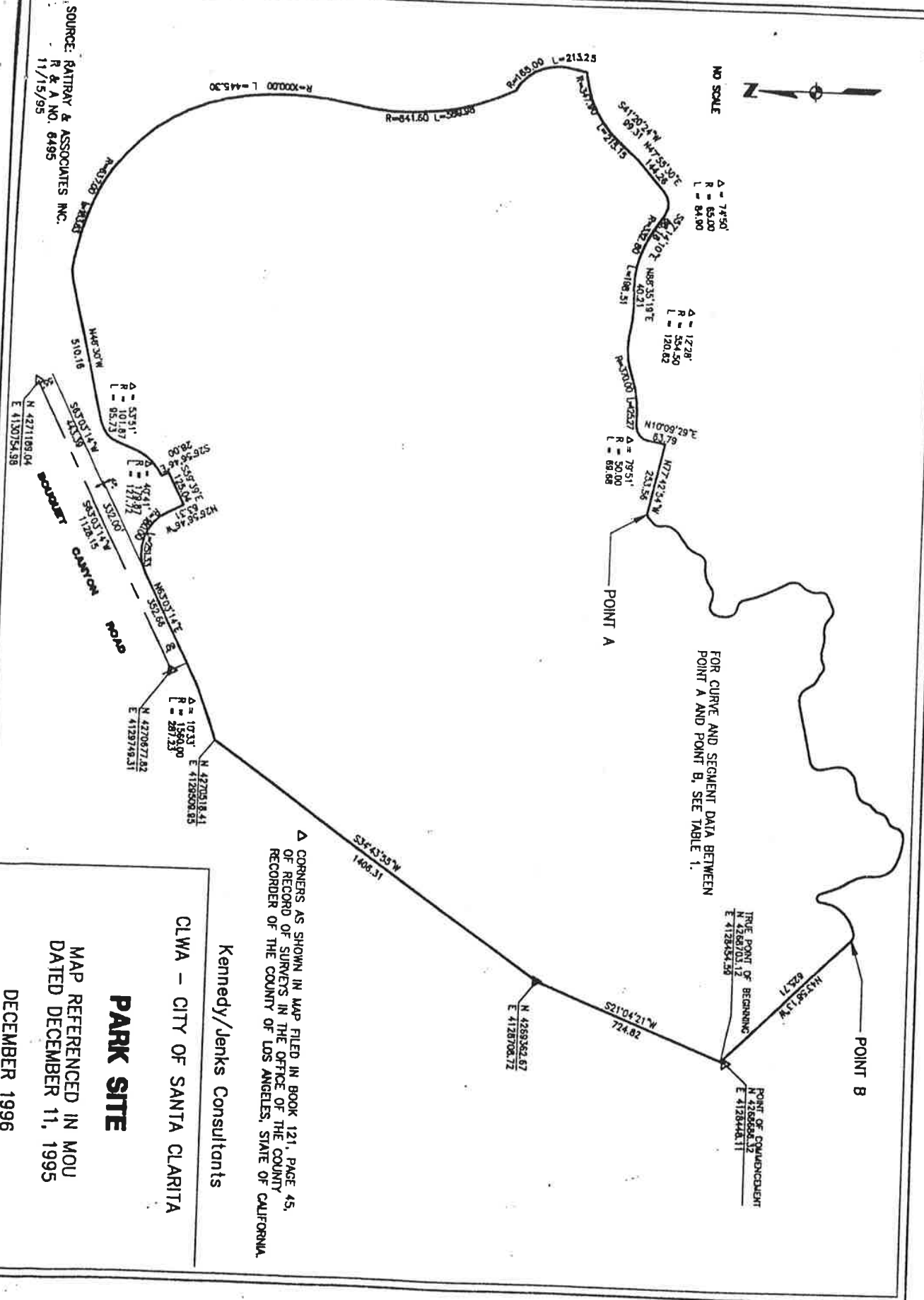
NO SCALE

Δ = 74°50'
R = 63.00
L = 84.90

Δ = 127°28'
R = 150.50
L = 120.02

Δ = 79°51'
R = 50.00
L = 69.88

FOR CURVE AND SEGMENT DATA BETWEEN
POINT A AND POINT B, SEE TABLE 1.



Δ CORNERS AS SHOWN IN MAP FILED IN BOOK 121, PAGE 45,
OF RECORD OF SURVEYS IN THE OFFICE OF THE COUNTY
RECORDER OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

Kennedy/Jenks Consultants

CLWA - CITY OF SANTA CLARITA

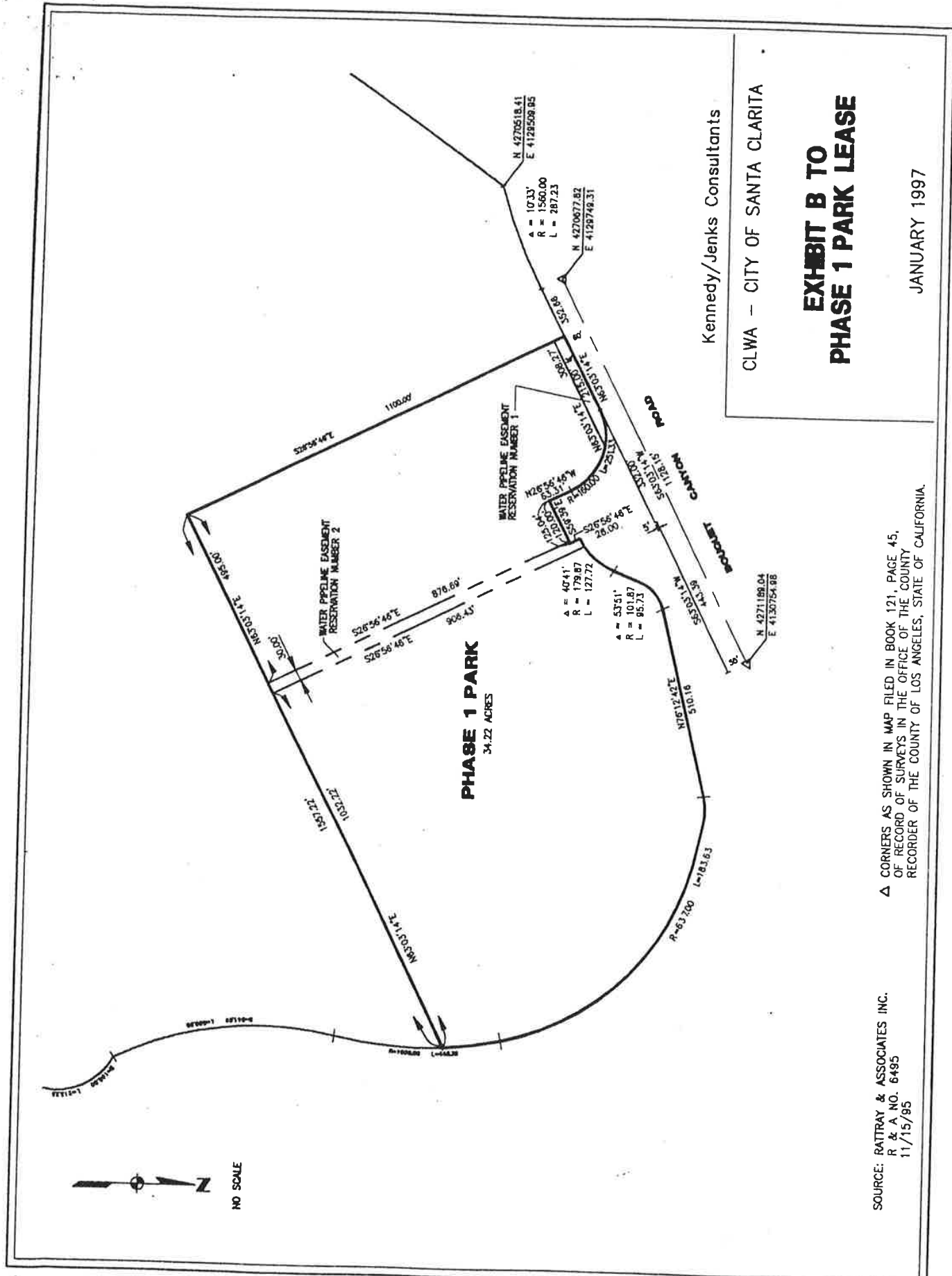
PARK SITE

MAP REFERENCED IN MOU
DATED DECEMBER 11, 1995

DECEMBER 1996

TABLE 1

CURVE/LINE	RADIUS	LENGTH/DISTANCE	DELTA	DIRECTION
From Point A, C1	11.00'	11.97'	62°21'23"	
C2	80.00'	27.13	19°25'49"	
C3	22.00'	28.50'	74°13'25"	
C4	63.00'	74.22'	67°29'53"	
L1		60.00'		
C5	45.00'	23.03'	29°19'11"	S52°37'59"W
L2		31.00'		
C6	30.00'	34.53'	65°57'18"	S23°18'48"W
L3		34.00'		
C7	70.00'	51.55'	42°11'31"	S89°16'06"W
C8	42.00'	45.14'	61°34'54"	
L4		21.00'		
C9	31.00'	43.54'	80°28'04"	N71°20'31"W
C10	69.00'	61.68'	51°12'65"	
C11	35.00'	37.69'	61°42'02"	
C12	33.00'	43.04'	74°43'12"	
C13	290.00'	82.28'	16°15'19"	
C36	150.00'	88.29'	33°43'34"	
L5		84.00'		
C14	40.00'	51.30'	73°29'07"	N26°15'38"W
C15	70.00'	64.23'	52°34'22"	
L6		15.00'		
C16	20.00'	24.92'	71°23'27"	N05°20'53"W
L7		50.00'		
C17	24.00'	26.19'	62°31'27"	S66°02'34"
L8		22.00'		
C18	55.00'	48.56'	50°35'21"	N51°25'59"W
C19	88.00'	49.66'	32°19'50"	
C20	78.00'	65.95'	48°26'31"	
C21	20.00'	26.30'	75°19'48"	
C22	58.00'	30.34'	29°58'35"	
C23	44.00'	41.52'	54°04'17"	
C24	53.00'	80.88'	87°26'27"	
L9		207.5'		
C25	31.00'	48.31'	89°17'17"	S76°51'24"W
L10		48.25'		
C26	65.00'	106.53'	93°54'07"	N12°25'53"W
L11		30.00'		
C27	50.00'	58.24'	66°44'02"	S81°28'14"W
C28	37.00'	26.57'	41°08'24"	
C29	45.00'	34.87'	44°23'32"	
C30	33.00'	31.14'	54°04'17"	
L12		11.00'		
C31	36.00'	36.75'	58°28'58"	S65°33'21"W
C32	28.00'	29.32'	60°00'00"	
C33	50.00'	23.21'	26°35'39"	
C34	220.00'	90.64'	23°36'21"	
C35	80.00'	92.19'	66°01'30"	
L13		40.00'		
C37	170.00'	37.07'	12°29'42"	N30°25'42"W
L14		37.70'		
C38	15.00'	40.15'	153°22'35"	S17°56'00"E
L15		15.00'		
C39	127.52'	159.26'	71°33'26"	N08°41'25"E
C40, to Point B	25.00'	24.34'	55°46'55"	



Kennedy/Jenks Consultants

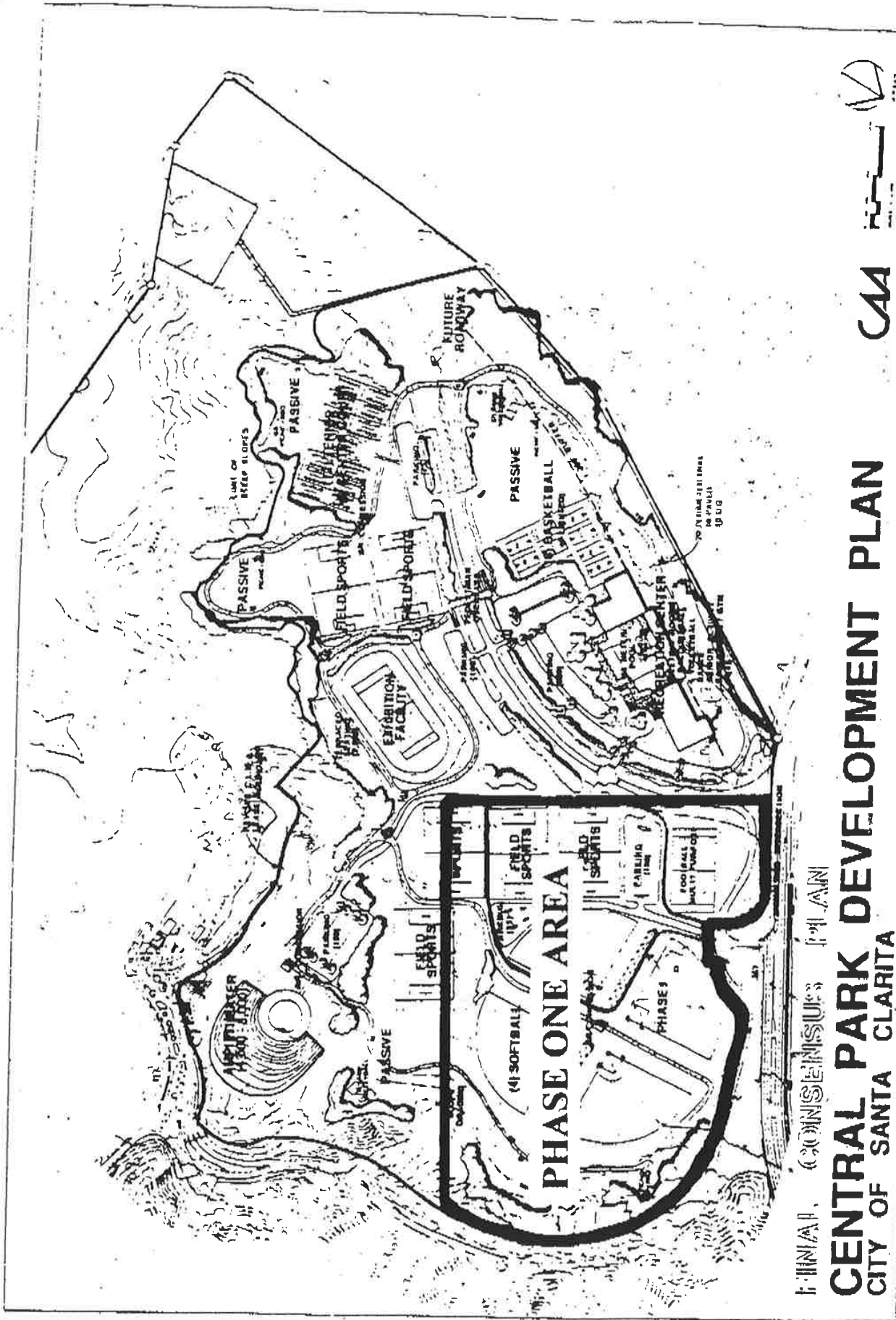
CLWA - CITY OF SANTA CLARITA

EXHIBIT B TO PHASE 1 PARK LEASE

JANUARY 1997

△ CORNERS AS SHOWN IN MAP FILED IN BOOK 121, PAGE 45,
OF RECORD OF SURVEYS IN THE OFFICE OF THE COUNTY
RECORDER OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

SOURCE: RATTRAY & ASSOCIATES INC.
R & A NO. 6495
11/15/85



FINAL CONSENSUS PLAN

CENTRAL PARK DEVELOPMENT PLAN

CITY OF SANTA CLARITA



Exhibit B2

AMENDMENT NO. 1 TO
GROUND LEASE BY AND BETWEEN
THE CITY OF SANTA CLARITA
AND THE CASTAIC LAKE WATER AGENCY
RELATIVE TO PHASE 1 OF A PROPOSED
PARK AND SPORTS FACILITY PROJECT
OF THE CITY OF SANTA CLARITA

This Amendment No. 1 to the Ground Lease by and between the City of Santa Clarita and the Castaic Lake Water Agency relative to Phase 1 of a proposed Park and Sports Facility Project of the City of Santa Clarita is made as of this 4th day of February, 1997, as follows:

1. All references in Article 4 (generally concerning "Use of Premises") to "25 feet" are hereby deleted, and "36 feet" is hereby substituted therefor in every instance.
2. Article 4 (generally concerning "Use of Premises") is hereby amended by deleting "condition," from line 5 thereof.
3. Article 10 (generally concerning "Exculpation and Hold Harmless") is hereby amended as follows:
 - (a) Section 10.01 is hereby amended by adding language at the end of the first line thereof, after the words "by law," as follows: "and except as provided by Section 10.02 A herein," -- and then continue with the remainder of the sentence.
 - (b) Section 10.02 A. is hereby amended by deleting the words "regardless of any negligence of CLWA or its directors, officers, employees, agents, consultants, and/or volunteers, except the sole negligence or willful misconduct of CLWA or its directors, officers, employees, agents, consultants, and/or volunteers;" and substituting therefor the words "regardless of (i) any passive negligence or (ii) any negligence in any way concerning plan approval and/or deemed approval under Article 5 and/or (iii) any liability related to mere ownership of the Premises of or by CLWA or its directors, officers, employees, agents, consultants, and/or volunteers, with the exception of that portion of any judgment, award or decree that is specifically in the judgment, award or decree found to be based upon the sole or active negligence and/or wilful misconduct of CLWA or its directors, officers, employees, agents, consultants and/or volunteers;".
 - (c) At the end of the first full paragraph following Section 10.02 C., after the word "volunteers.", a new sentence is added as follows: "Notwithstanding the foregoing sentence, CITY to the fullest

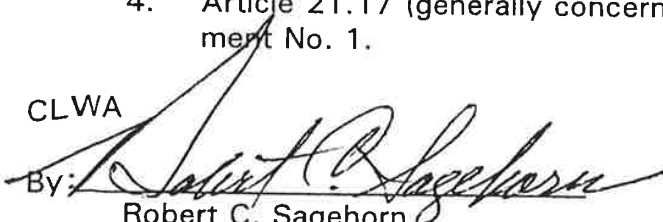
extent permitted by law shall also defend at its own and sole cost, expense and risk all lawsuits, actions or other proceedings brought or instituted against the parties listed in the preceding sentence for which CITY is specifically excluded from having any indemnification and/or hold harmless obligation under Section 10.02 (A) hereof."

- (d) At the end of the second full paragraph following Section 10.02 C., after the words "herein provided.", a new sentence is added as follows: "Notwithstanding the foregoing two sentences, CITY shall have no obligation to pay or satisfy any judgment, award or decree or to make any reimbursements concerning liability that is specifically excluded from the indemnification and hold harmless obligations of Article 10, section 10.02 A. of the Lease."
- (e) In line 4 of the third full paragraph following Section 10.02 C., after the words "received by", add the words "or paid for the benefit of" -- and then continue with the remainder of the sentence.

4. Article 21.17 (generally concerning "Authority") applies to this Amendment No. 1.

CLWA

By:


Robert C. Sagehorn
Its General Manager

CITY

By:

Its

Attest:

By:

Its

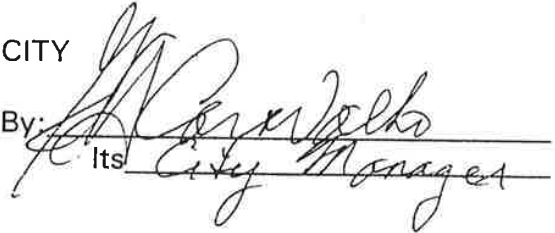

CITY CLERK

Exhibit B3

AMENDMENT NO. 2 TO
GROUND LEASE BY AND BETWEEN
THE CITY OF SANTA CLARITA AND
THE CASTAIC LAKE WATER AGENCY
RELATIVE TO PHASE II OF A PROPOSED
PARK AND SPORTS FACILITY PROJECT
OF THE CITY OF SANTA CLARITA

This Amendment No. 2 to the Ground Lease by and between the City of Santa Clarita and the Castaic Lake Water Agency Relative to Phase II of a Proposed Park and Sports Facility Project of the City of Santa Clarita is made as of this 16th day of DECEMBER, 2002, as follows.


1. Article 1: Lease of Premises, shall be amended by deleting paragraph 1.01 in its entirety and inserting the revised paragraph 1.01 as follows:

“1.01 Premises: CLWA leases to City and City hires from CLWA, for the term, at the rental and upon all of the conditions set forth herein, a parcel of land of approximately 108 acres as described on “EXHIBIT “B”, REVISED, Legal Description Central Park Easement”, attached hereto and incorporated herein by this reference. Such real property is hereinafter referred to as the “Premises”.”

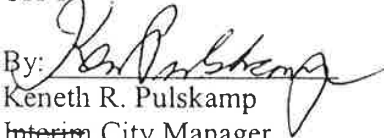
2. Article 2: Term, shall be amended by deleting the first sentence in paragraph 2.01 and in its place insert the revised sentence as follows:

“2.01 Term: The term of the Lease shall be for twenty (20) years, commencing as of the 2nd day of January, 1997, and ending at midnight on the 1st day of January, 2017, unless modified pursuant to the Lease document contemplated by the MOU.”

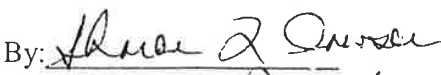
CLWA

By: 
Dan Masnada
General Manager

CITY

By: 
Kenneth R. Pulskamp
Interim City Manager

Attest:

By: 
Sharon L. Dawson
City Clerk
12/16/02

**LEGAL DESCRIPTION
CENTRAL PARK EASEMENT**

A portion of the Rancho San Francisco, in the City of Santa Clarita, County of Los Angeles, State of California, as shown on the Record of Survey recorded October 23, 1990 in Book 121, Pages 44 through 47, inclusive, in the office of the County Recorder of said County, which are more particularly described as follows:

Commencing at the most southwesterly corner of the said Record of Survey, thence; northeasterly along the easterly boundary N. 8°55'37" E. 1,216.06 feet to the **True Point of Beginning**;

1. thence, N. 21°04'21" E. 724.82 feet; thence,
2. N. 34°43'55" E. 1,406.31 feet to a non-tangent curve concave to the northwest having a radius of 1,560.00 feet, a radial to said point bears S. 16°23'48" E.; thence,
3. Northeasterly along said curve through an angle of 10°32'58" a distance of 287.23 feet to a point on a tangent line, a radial to said point bears S. 26°56'46" E.; thence,
4. N. 63°03'14" E. 553.78 feet; thence,
5. S. 26°56'46" E. 157.31 feet; thence,
6. N. 63°03'14" E. 83.08 feet to a tangent curve concave to the northwest having a radius of 115.00 feet, a radial to said point bears S. 26°56'46" E.; thence,
7. Northeasterly along said curve through an angle of 40°41'06" a distance of 81.66 feet to a point on a tangent line, a radial to said point bears S. 67°37'52" E.; thence,
8. N. 22°22'08" E. 75.38 feet to a tangent curve concave to the southeast having a radius of 140.00 feet, a radial to said point bears N. 67°37'52" W.; thence,
9. Northeasterly along said curve through an angle of 53°50'34" a distance of 131.56 feet to a point on a tangent line, a radial to said point bears N. 13°47'18" W.; thence,
10. N. 76°12'42" E. 503.91 feet to a non-tangent curve concave to the southwest having a radius of 1,483.27 feet, a radial to said point bears N. 51°33'27" E.; thence,
11. Southeasterly along said curve through an angle of 36°56'52" a distance of 956.50 feet to a non-tangent curve concave to the north having a radius of 16.00 feet, a radial to said point bears S. 48°18'32" E.; thence,
12. Southwesterly along said curve through an angle of 98°02'51" a distance of 27.38 feet, a radial to said point bears S. 49°44'19" W.; thence,
13. N. 40°15'41" W. 52.16 feet to a tangent curve concave to the southwest having a radius of 49.00 feet, a radial to said point bears N. 49°44'19" E.; thence,

14. Northwesterly along said curve through an angle of $77^{\circ}01'43''$ a distance of 65.88 feet to a compound curve concave to the southeast having a radius of 408.00 feet, a radial to said point bears N. $27^{\circ}17'25''$ W.; thence,
15. Southwesterly along said curve through an angle of $14^{\circ}52'49''$ a distance of 105.96 feet to a reverse curve concave to the northwest having a radius of 120.00 feet, a radial to said point bears S. $42^{\circ}10'13''$ E.; thence,
16. Southwesterly along said curve through an angle of $36^{\circ}59'25''$ a distance of 77.47 feet to a reverse curve concave to the southeast having a radius of 60.00 feet, a radial to said point bears N. $05^{\circ}10'48''$ W.; thence,
17. Southwesterly along said curve through an angle of $86^{\circ}31'41''$ a distance of 90.61 feet, a radial to said point bears S. $88^{\circ}17'31''$ W.; thence,
18. S. $01^{\circ}42'49''$ E. 128.10 feet to a tangent curve concave to the northeast having a radius of 55.00 feet, a radial to said point bears S. $88^{\circ}17'31''$ W.; thence,
19. Southeasterly along said curve through an angle of $77^{\circ}57'28''$ a distance of 74.83 feet to a reverse curve concave to the southwest having a radius of 71.00 feet, a radial to said point bears N. $10^{\circ}20'03''$ E.; thence,
20. Southeasterly along said curve through an angle of $64^{\circ}50'15''$ a distance of 80.35 feet, a radial to said point bears N. $75^{\circ}10'18''$ E.; thence,
21. S. $14^{\circ}49'42''$ E. 44.18 feet to a tangent curve concave to the northwest having a radius of 80.00 feet, a radial to said point bears N. $75^{\circ}10'18''$ E.; thence,
22. Southwesterly along said curve through an angle of $66^{\circ}38'07''$ a distance of 93.04 feet to a reverse curve concave to the southeast having a radius of 85.00 feet, a radial to said point bears N. $38^{\circ}11'35''$ W.; thence,
23. Southwesterly along said curve through an angle of $98^{\circ}18'46''$ a distance of 145.85 feet to a reverse curve concave to the southwest having a radius of 91.00 feet, a radial to said point bears N. $43^{\circ}29'39''$ E.; thence,
24. Southeasterly along said curve through an angle of $56^{\circ}44'03''$ a distance of 90.11 feet, a radial to said point bears S. $79^{\circ}46'18''$ E.; thence,
25. S. $10^{\circ}13'41''$ W. 52.48 feet to a tangent curve concave to the northwest having a radius of 224.00 feet, a radial to said point bears S. $79^{\circ}46'19''$ E.; thence,
26. Southwesterly along said curve through an angle of $64^{\circ}56'38''$ a distance of 253.90 feet to a compound curve concave to the northeast having a radius of 68.00 feet, a radial to said point bears S. $14^{\circ}49'40''$ E.; thence,
27. Northwesterly along said curve through an angle of $77^{\circ}45'44''$ a distance of 92.29 feet, a radial to said point bears S. $62^{\circ}56'04''$ W.; thence,
28. N. $27^{\circ}03'56''$ W. 83.18 feet to a tangent curve concave to the southwest having a radius of 55.00 feet, a radial to said point bears N. $62^{\circ}56'04''$ E.; thence,

29. Northwesterly along said curve through an angle of $76^{\circ}58'26''$ a distance of 73.89 feet, a radial to said point bears N. $14^{\circ}02'22''$ W.; thence,
30. S. $75^{\circ}57'38''$ W. 362.35 feet to a tangent curve concave to the southeast having a radius of 280.00 feet, a radial to said point bears N. $14^{\circ}02'22''$ W.; thence,
31. Southwesterly along said curve through an angle of $88^{\circ}33'46''$ a distance of 432.80 feet to a reverse curve concave to the northwest having a radius of 199.00 feet, a radial to said point bears N. $77^{\circ}23'52''$ E.; thence,
32. Southwesterly along said curve through an angle of $54^{\circ}29'16''$ a distance of 189.25 feet to a compound curve concave to the northwest having a radius of 113.00 feet, a radial to said point bears S. $48^{\circ}06'52''$ E.; thence,
33. Southwesterly along said curve through an angle of $59^{\circ}29'50''$ a distance of 117.34 feet to a reverse curve concave to the northwest having a radius of 235.00 feet, a radial to said point bears N. $11^{\circ}22'58''$ E.; thence,
34. Southwesterly along said curve through an angle of $24^{\circ}09'27''$ a distance of 99.08 feet to a compound curve concave to the southeast having a radius of 66.00 feet, a radial to said point bears N. $12^{\circ}46'29''$ W.; thence,
35. Southwesterly along said curve through an angle of $52^{\circ}37'28''$ a distance of 60.62 feet to a compound curve concave to the northeast having a radius of 115.00 feet, a radial to said point bears N. $65^{\circ}23'58''$ W.; thence,
36. Southeasterly along said curve through an angle of $65^{\circ}21'46''$ a distance of 131.19 feet to a reverse curve concave to the southwest having a radius of 506.00 feet, a radial to said point bears N. $49^{\circ}14'17''$ E.; thence,
37. Southeasterly along said curve through an angle of $19^{\circ}50'11''$ a distance of 175.18 feet to a compound curve concave to the northwest having a radius of 86.50 feet, a radial to said point bears N. $69^{\circ}04'27''$ E.; thence,
38. Southwesterly along said curve through an angle of $83^{\circ}09'02''$ a distance of 125.53 feet to a compound curve concave to the northeast having a radius of 221.56 feet, a radial to said point bears S. $27^{\circ}46'31''$ E.; thence,
39. Northwesterly along said curve through an angle of $77^{\circ}05'41''$ a distance of 298.13 feet to a reverse curve concave to the southwest having a radius of 105.00 feet, a radial to said point bears N. $49^{\circ}19'10''$ E.; thence,
40. Northwesterly along said curve through an angle of $32^{\circ}20'41''$ a distance of 59.27 feet to a compound curve concave to the southeast having a radius of 223.00 feet, a radial to said point bears N. $16^{\circ}58'29''$ E.; thence,
41. Southwesterly along said curve through an angle of $65^{\circ}29'11''$ a distance of 254.88 feet, a radial to said point bears N. $48^{\circ}30'42''$ W.; thence,
42. S. $41^{\circ}29'18''$ W. 143.59 feet to a tangent curve concave to the southeast having a radius of 300.00 feet, a radial to said point bears N. $48^{\circ}30'42''$ W.; thence,


43. Southwesterly along said curve through an angle of $25^{\circ}40'12''$ a distance of 134.41 feet to a reverse curve concave to the northwest having a radius of 178.00 feet, a radial to said point bears S. $74^{\circ}10'54''$ E.; thence,
44. Southwesterly along said curve through an angle of $70^{\circ}40'47''$ a distance of 219.58 feet to a compound curve concave to the northeast having a radius of 98.00 feet, a radial to said point bears S. $03^{\circ}30'08''$ E.; thence,
45. Northwesterly along said curve through an angle of $85^{\circ}09'41''$ a distance of 145.66 feet, a radial to said point bears S. $81^{\circ}39'33''$ W.; thence,
46. N. $08^{\circ}20'27''$ W. 205.26 feet to a tangent curve concave to the southwest having a radius of 53.00 feet, a radial to said point bears N. $81^{\circ}39'33''$ E.; thence,
47. Northwesterly along said curve through an angle of $77^{\circ}07'30''$ a distance of 71.34 feet, a radial to said point bears N. $04^{\circ}32'03''$ E.; thence,
48. N. $85^{\circ}27'57''$ W. 218.66 feet to a tangent curve concave to the northeast having a radius of 320.00 feet, a radial to said point bears S. $04^{\circ}32'03''$ W.; thence,
49. Northwesterly along said curve through an angle of $36^{\circ}46'21''$ a distance of 205.38 feet, a radial to said point bears S. $41^{\circ}18'24''$ W.; thence,
50. N. $48^{\circ}41'36''$ W. 138.59 feet; thence,
51. N. $22^{\circ}46'38''$ W. 100.97 feet to the easterly boundary of said Record of Survey and the **True Point of Beginning**.

Containing: 4,590,800 square feet, more or less.

All as shown on exhibit "B" attached hereto and by this reference made a part thereof.

Subject to covenants, conditions, reservations, restrictions, rights of way and easements of record, if any.

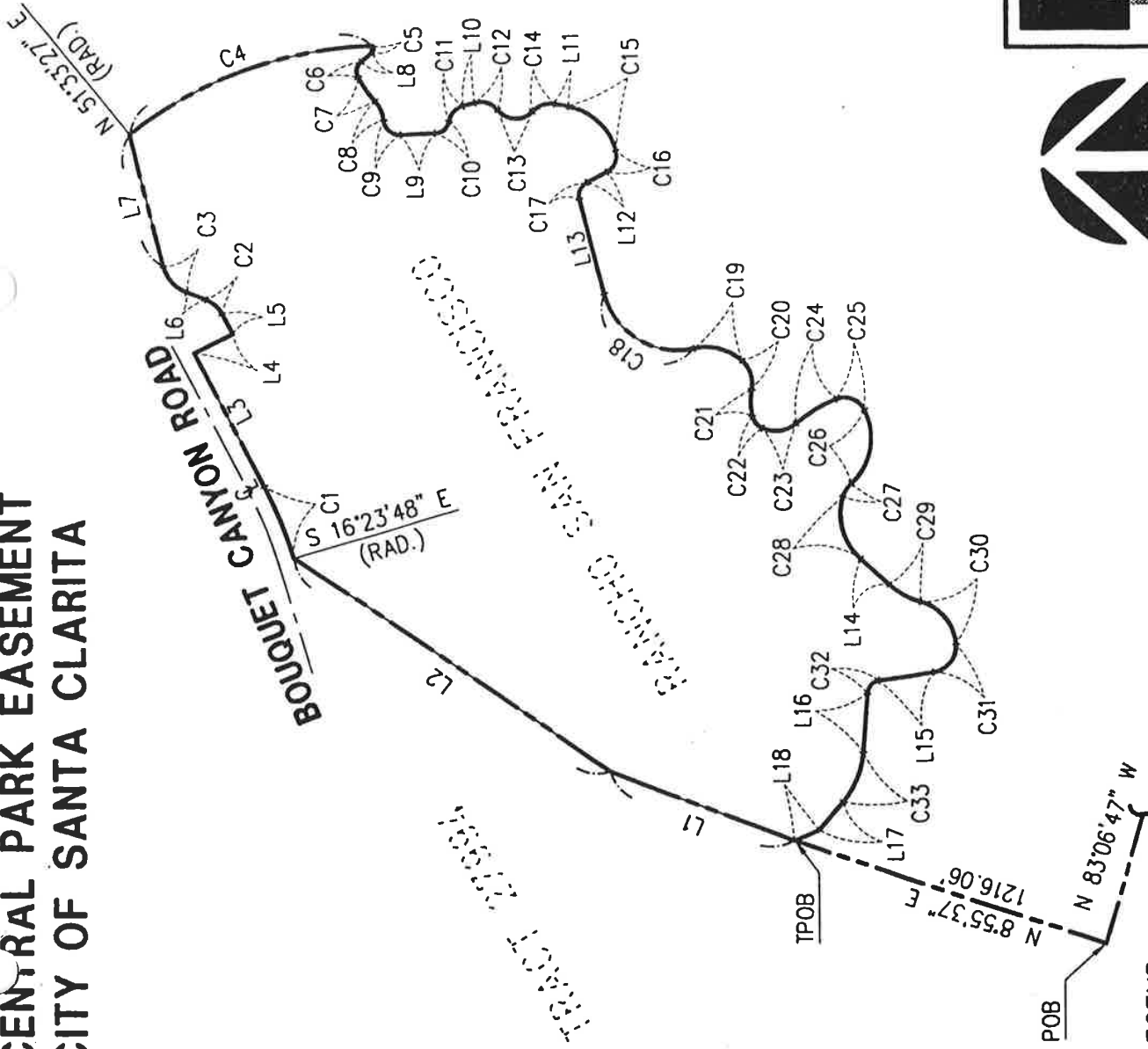
Prepared under the supervision of:

 9/25/02
 Richard A. Moore, RCE 23971 Date
 Expires: 12/31/01



CENTRAL PARK EASEMENT CITY OF SANTA CLARITA

SEE SHEET 2 FOR LINE/CURVE TABLES



SCALE: 1" = 600'

LEGEND

- TPOB TRUE POINT OF BEGINNING
- POB POINT OF BEGINNING



**CIVIL
ENGINEERING
LAND
SURVEYING**

1100 S. COAST HWY., #318
LAGUNA BEACH, CA 92651
PH: 949-376-6407
FAX: 949-376-6417

Richard A. Moore
RICHARD A. MOORE, RCE 23971 DATE 9/25/02

CENTRAL PARK EASEMENT CITY OF SANTA CLARITA

LINE TABLE

LINE	LENGTH	BEARING
L1	724.82	N21°04'21"E
L2	1406.31	N34°43'55"E
L3	553.78	N63°03'14"E
L4	157.31	N26°56'46"W
L5	83.08	N63°03'14"E
L6	75.38	N22°22'08"E
L7	503.91	N76°12'42"E
L8	52.16	N40°15'41"W
L9	128.10	N01°42'29"W
L10	44.18	N14°49'42"W
L11	52.48	N10°13'41"E
L12	83.18	N27°03'56"W
L13	362.35	N75°57'38"E
L14	143.59	N41°29'18"E
L15	205.26	N08°20'27"W
L16	218.66	N85°27'57"W
L17	138.59	N48°41'36"W
L18	100.97	N22°46'38"W

CURVE TABLE

CURVE	DELTA	LENGTH	RADIUS
C1	10°32'58"	287.23	1560.00
C2	40°41'06"	81.66	115.00
C3	53°50'34"	131.56	140.00
C4	36°56'52"	956.50	1483.27
C5	98°02'51"	27.38	16.00
C6	77°01'43"	65.88	49.00
C7	14°52'49"	105.96	408.00
C8	36°59'25"	77.47	120.00
C9	86°31'41"	90.61	60.00
C10	77°57'28"	74.83	55.00
C11	64°50'15"	80.35	71.00
C12	66°38'07"	93.04	80.00
C13	98°18'46"	145.85	85.00
C14	56°44'03"	90.11	91.00
C15	64°56'38"	253.90	224.00
C16	77°45'44"	92.29	68.00
C17	76°58'26"	73.89	55.00

CURVE	DELTA	LENGTH	RADIUS
C18	88°33'46"	432.80	280.00
C19	54°29'16"	189.25	199.00
C20	59°29'50"	117.34	113.00
C21	24°09'27"	99.08	235.00
C22	52°37'28"	60.62	66.00
C23	65°21'46"	131.19	115.00
C24	19°50'11"	175.18	506.00
C25	83°09'02"	125.53	86.50
C26	77°05'41"	298.13	221.56
C27	32°20'41"	59.27	105.00
C28	65°29'11"	254.88	223.00
C29	25°40'12"	134.41	300.00
C30	70°40'47"	219.58	178.00
C31	85°09'41"	145.66	98.00
C32	77°07'50"	71.34	53.00
C33	36°46'21"	205.38	320.00



CIVIL
ENGINEERING
LAND
SURVEYING


1100 S. COAST HWY., #318
LAGUNA BEACH, CA 92651
PH: 949-376-6407
FAX: 949-376-6417

R200k 9/25/02

RICHARD A. MOORE, RCE 23971 DATE

CITY OF SANTA CLARITA
INTEROFFICE MEMORANDUM

TO: Ken Pulskamp, City Manager

FROM: Rick Gould, Director of Parks, Recreation, and Community Services 

DATE: December 2, 2002

SUBJECT: CENTRAL PARK LEASE AGREEMENT - AMENDMENT NO. 2

Attached please find the original documents for Amendment No. 2 of the Central Park lease between the City of Santa Clarita and the Castaic Lake Water Agency. The original lease agreement was approved by the City Council and signed in January 1997 and was a 15-year lease for approximately 34 acres of property. This amendment is an administrative procedure similar to Amendment #1 that changes the following items:

1. The term of the lease will be changed from 15 years to 20 years.
2. The easement boundary will be changed from approximately 34 acres to include 108 acres.

Once both originals have been signed, please return to our office so that we can deliver one executed original to the Castaic Lake Water Agency. I am available if you have any questions regarding this matter.

Thank you.

RG:WW:mpl

Pkadmin\Castaic Lake Water Ag.\LeaseMemo11-28-02.doc

**AMENDMENT NO. 3 TO THE GROUND LEASE BY AND BETWEEN
THE CITY OF SANTA CLARITA AND
THE CASTAIC LAKE WATER AGENCY
RELATIVE TO CENTRAL PARK SPORTS FACILITY**

This Amendment No. 3 to that certain Ground Lease is entered into as of 12/21/07, by and between the CITY OF SANTA CLARITA ("City") and the CASTAIC LAKE WATER AGENCY ("CLWA") Relative to Central Park Sports Facility made January 2, 1997, as amended February 4, 1997 and December 16, 2002 (the "Ground Lease").

RECITALS

- A. On or about December 11, 1995, the City and CLWA entered into the Memorandum of Understanding By and Between the City of Santa Clarita and the Castaic Lake Water Agency Relative to the Use of Site for Park and Sports Facility Purposes (the "MOU"), which provided a basis for the Ground Lease.
- B. The MOU provides for two phases of the Ground Lease: Phase 1 for 34.22 acres and Phase 2 for the balance of the 108 acres.
- C. The MOU provides for different terms and conditions which apply upon commencement of Phase 2 of the Ground Lease.
- D. City now has asked that the term of the Ground Lease be extended to allow City to receive certain grant funds.
- E. City's compliance with the terms and conditions of the MOU constitutes material consideration for CLWA's execution of the Ground Lease and the extension of its term and the parties agree that additional specificity is needed regarding certain terms and conditions to address issues which have arisen with development of the park by City, which issues include, but are not limited to, security, commercial uses and uses of the park for other non-park purposes (such as City vehicle maintenance), fencing, and coordinating with CLWA of uses of and improvements to the park.

NOW, THEREFORE, the parties agree as follows:

- 1. Section 1.03 shall be added to read as follows:

In order for the parties to coordinate the use of the park under the Ground Lease, and recognizing that the park is developing and changing, the parties shall meet at least annually to discuss the provisions of this Ground Lease and specifically of this Amendment No. 3. Such meeting shall occur between July 1 and October 1 of each year and shall include the General Manager, the City Manager or designated senior staff representative of each agency. In the event of any dispute between the parties as to the interpretation or enforcement of the Ground Lease, the parties shall meet as set out herein to try to resolve their differences.

2. Section 1.04 shall be added to read as follows:

City has utilized three areas located on the east end of the Ground Lease, which use encroaches onto property not included within the Ground Lease. The City has used such areas for Frisbee golf and temporary storage. The parties agree that such use has not given rise to any rights on the part of City and has been with the consent of CLWA. From and after the date of this amendment, such use shall be limited to Frisbee golf and temporary use for storage of supplies, equipment, and plant material. City explicitly agrees that any such use has been, is and will be covered by the indemnification and insurance provisions in this Ground Lease (as amended) for the protection of CLWA. In the event that CLWA needs to utilize this area in the future, CLWA shall provide the City with ninety (90) days prior written notice to remove or relocate the temporary use.

3. Section 2.01 shall be deleted and replaced by the following:

Term. The term of this Lease commenced on January 2, 1997 and, subject to extension or sooner termination as provided below, shall expire at midnight on January 1, 2023. The term of this Lease shall be automatically extended for a period of one year on January 1 of each year, commencing on January 1, 2008, unless before January 1 of any year (i) the City has failed or refused to meet with CLWA during the time periods set out in Section 1.03 of this Lease (in which case the term of this Lease shall no longer be subject to further automatic extensions), or (ii) after such meeting, either CLWA or the City provides the other with written notice that it is terminating the automatic Lease extension either (1) for the upcoming January 1 only (in which case the term of this Lease shall be subject to further automatic extensions on each January 1 subsequent to the upcoming January 1), or (2) for the remaining term of this Lease (in which case the term of this Lease shall no longer be subject to further automatic extensions).

Notwithstanding the provisions of this Section to the contrary, this Lease shall terminate upon execution by CLWA and the City of any further lease of the property, or if the City violates use restrictions set forth in Article 4 hereof, or otherwise as provided in this Lease."

4. Section 4.03, Section G shall be amended to read as follows:

G. Use of Parking Areas: City is not to construct any parking lot having, in the judgment of CLWA, the configuration of a road, nor to convert any parking lot, once constructed, into a road. (Parking lots which are long and narrow shall be presumed to have the configuration of a road.) From and after the date of this Amendment No. 3 to the Ground Lease, City shall use the parking areas and physically may expand such parking areas consistent with the intent of the Master Plan and as set forth in Exhibit A. City may intensify the use of such parking areas to serve the existing and proposed activity center and shall continue to utilize them only for (1) guest vehicles; (2) vehicles belonging to park staff; or (3) for parking and storage of City park maintenance vehicles adjacent to the maintenance facility. There will be no on-site fueling or maintenance of such vehicles and no inoperative vehicles. To the extent that CLWA becomes concerned that such use either impacts on its security or use of its property, or interferes with the function as a park, CLWA will raise such issues for resolution at the meeting set out in Section 1.03 above.

5. Section 4.03 shall be amended to add subsections I through N to read as follows:

I. Development Costs, Operation and Maintenance. City shall pay all development, operation and maintenance costs associated with the park and sports facilities. Detailed site development plans for each Phase of site improvements shall be submitted to CLWA a minimum of three (3) months prior to construction to permit CLWA to verify compatibility with its facilities. Such improvements shall not be constructed until such verification is received from CLWA, which verification shall not be unreasonably withheld.

J. Water Use and Payment. CLWA shall have exclusive groundwater extraction rights on the site. City shall purchase water for use on the site from the appropriate authorized retail purveyor, and shall pay CLWA all facility capacity (connection) fees of CLWA at the time of development of each phase of site improvements. The City will continue to design and construct future phases of the park to allow for the maximum possible use of recycled water when available and in compliance with any and all applicable city, county and state recycled water and conservation requirements.

K. Perimeter Fence. City at its sole expense shall add perimeter fencing to CLWA's reasonable specifications when future phases of the park are developed and shall provide monitors and/or security personnel as necessary to protect CLWA's property and operations during City or City-sponsored activities which may occur outside the fenced area or on City property adjacent to unfenced CLWA property.

L. Utilities and Property Access/Security. All utilities are to be underground. CLWA reserves any and all rights of way or other property interests needed for the benefit of its property for its operations.

On or before December 31, 2010, City and CLWA shall discuss the issue of non-vehicular access from Newhall Ranch Road to the park, if any, and, if access is to be granted, shall agree on a method to be implemented by City to manage and control such access. The agreement shall include the City's commitment to security measures reasonably acceptable to CLWA to be implemented and maintained by City at its sole expense. No access shall be granted until appropriate security measures acceptable to CLWA are in place.

In addition, and with the approval of CLWA, City shall provide and maintain appropriate traffic control devices and signage to direct those exiting the park to stop and yield to those turning onto the CLWA access road.

M. Commercial Activity. Notwithstanding any other provision of this Ground Lease, and consistent with the provisions of the MOU, commercial activity is not to be permitted on the site, except as mutually agreed in advance by City and CLWA as being compatible with and incidental to park and sports facility purposes.

1. Existing Commercial Uses: As of the date of this Amendment No. 3, the following commercial uses exist on the site which uses were not agreed upon in advance by CLWA.

Lamppost Pizza

Notwithstanding, CLWA consents to this use only at the level and size as of the date of this Amendment No. 3.

2. Future Commercial Uses: In the future, the City may consider commercial activities related to park uses by third-party private concessionaires. Because of the varying nature of each of these activities, City shall meet with CLWA in advance of approving such commercial activity to determine what conditions, if any, are necessary in relation to such activity and what percentage of receipts, if any, shall be owing to CLWA. Such approval by CLWA shall be on a case-by-case basis and shall not be unreasonably conditioned or withheld. Any use carried out without prior consent shall be considered a violation of this Lease.

N. Off-Leash Dog Area. Subject to the conditions and for the temporary period set out here, City may operate an off-leash dog area in the passive recreation area located on the south end of the boundary of the leased property. Such operation shall include installation of chain link fencing around the perimeter of the area, benches and drinking fountains (human and canine). City shall be responsible for any and all costs of such installation (including extension of water lines, lighting and so forth). In addition, City shall at all times maintain the area in a safe and clean condition and provide for the necessary security and supervision. Such use shall be reevaluated by the City and CLWA by October 1, 2009. Upon termination of the use, City shall remove any and all improvements and return the area and its landscaping to a clean and attractive condition.

6. Section 7.01, second paragraph, shall be amended to read as follows:

City, its agents, employees and contractors shall have the right to enter the park with personnel, trucks, equipment, and machinery at all hours of the day or night of each and every day of the year for the purpose of inspecting, maintaining, servicing, repairing, replacing, or protecting the park. City may perform minor equipment maintenance on small equipment, such as mowers, blowers, edgers, and other similar park equipment within the designated maintenance area at Central Park, and is subject to controls on the spill of oil, gasoline, etc.

7. Section 10.03 hereby is added to read as follows:

10.03 Indemnification for Hazardous Waste Release. City personally assumes and agrees to indemnify, defend, and hold CLWA harmless from and against all liability, including all foreseeable and unforeseeable consequential damages, directly or indirectly arising out of the use, generation, storage, or disposal on or from the leased property, by or for the benefit of the City, on or after the time of execution hereof, of any hazardous substance, hazardous material, hazardous waste, pollutant, contaminant, or related material ("Hazardous Materials"), including, without limitation, the cost of any required or necessary studies or investigations, repair, cleanup, detoxification, or other remedial action, and the preparation and execution of any closure or other required plans. For the purposes of this covenant of indemnity, Hazardous Materials shall include, but not be limited to, substances defined as "hazardous substance" or "pollutant or contaminant" in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (41 U.S.C. Section 9601, et seq.), by the California Health and Safety Code ("H&S"), including Sections 25115, 25117, 25120.2, 25122.7; and by 40 CFR 261.1, et seq.; and shall include any volatile organic compounds ("VOCs") (H&S Section 25123.6).

8. Section 11.02 shall be added to read as follows:

11.02 The City and CLWA shall agree to a signage program for City Signage in the park. Signage which deviates from that program will be removed at City expense

9. Section 14.01 (D) shall be amended to read as follows:

D. The failure by City to observe any of the covenants, conditions or provisions of this Lease to be observed or performed by City, where such failure shall continue for a period of ten (10) days after written notice hereof from CLWA to City, provided, however, that if the nature of City's default is such that more than ten (10) days are reasonably required for its cure, then City shall not be deemed to be in default if it commences such cure within said 10-day period and thereafter diligently prosecutes such cure to completion.

10. Except as modified by this Amendment No. 3, all other terms and conditions of the Ground Lease (as amended) shall remain the same.

11. In consideration of the changes to the Ground Lease set out here, the City forgives and releases any obligation of CLWA to replace, repair or construct the trail fencing referred to in the MOU by and between the City of Santa Clarita and the Castaic Lake Water Agency Relative to the Grant of Easements and Construction of the Sand Canyon Pipeline within the City Trail System dated June 16, 2004.

IN WITNESS WHEREOF, the parties hereto have executed this contract the day and year set forth above.

CASTAIC LAKE WATER AGENCY

By: 

DAN MASNADA, General Manager

ATTEST:

By: 

APRIL JACOBS, Secretary

CITY OF SANTA CLARITA

By: 

KEN PULSKAMP, City Manager

ATTEST:

By: 

SHARON L. DAWSON, City Clerk

Approved as to form

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Exhibit B5

AMENDMENT NO. 4 TO THE GROUND LEASE
AND AMENDMENT NO. 1 TO LICENSE AGREEMENT
BY AND BETWEEN
THE CITY OF SANTA CLARITA AND
THE SANTA CLARITA VALLEY WATER AGENCY
RELATIVE TO CENTRAL PARK SPORTS FACILITY

This Amendment No. 4 to that certain Ground Lease and Amendment No 1 to License Agreement is entered into as of _____, by and between the CITY OF SANTA CLARITA ("City") and the SANTA CLARITA VALLEY WATER AGENCY ("Agency") relative to the Central Park Sports Facility Ground Lease between the City and CASTAIC LAKE WATER AGENCY ("CLWA") made January 2, 1997, as amended February 4, 1997 (Amendment No.1), December 16, 2002 (Amendment No. 2) and December 21, 2007 (Amendment No. 3) (the "Ground Lease").

RECITALS

A. On or about December 11, 1995, the City and CLWA entered into the Memorandum of Understanding By and Between the City of Santa Clarita and the Castaic Lake Water Agency Relative to the Use of Site for Park and Sports Facility Purposes ("MOU"), which provided a basis for the Ground Lease.

B. The MOU provides for two phases of the Ground Lease: Phase 1 for 34.22 acres and Phase 2 for the balance of the 108 acres.

C. The MOU provides for different terms and conditions which apply upon commencement of Phase 2 of the Ground Lease.

D. The Agency is the successor in interest to the CLWA. All terms of the Ground Lease and its amendments continue to be in effect, have not been waived, and are binding on the City and the Agency. The Recitals herein are binding on the parties.

E. The City has now asked that the terms of the Ground Lease be amended a fourth time to increase the amount of real property ("Premises") subject to, and activities permitted by, the Ground Lease.

F. The City's continuing compliance with the terms and conditions of the MOU constitutes material consideration for CLWA's execution of the Ground Lease and the extension of its term and the parties agree that additional specificity is needed regarding certain terms and conditions to address issues which have arisen with development of the park by the City, which issues include, but are not limited to, security, commercial and non-commercial uses and uses of the park for other non-park purposes, fencing, and coordinating with Agency of uses of and improvements to the park.

G. The City and the Agency (as successor to CLWA) are also parties to that certain License Agreement (the "License Agreement"), dated October 1, 2010, under which the City has

been given the right to use a portion of the Agency's land for purposes of a cross-country trail. The City has asked that the License Agreement be amended as set forth herein.

NOW, THEREFORE, the parties agree as follows:

1. Section 1.01 is amended to read as follows: Premises: Agency leases to the City and the City hires from Agency, for the term, at the rental and upon all of the conditions set forth herein, a parcel of land of approximately _____ acres as described in EXHIBIT "B", REVISED, Legal Description Central Park Lease Area Easement," attached hereto as EXHIBIT "B" and incorporated herein by this reference. Such real property is hereafter referred to as the "Premises." The aforementioned EXHIBIT "B" includes a legal description and depiction of the areas of the Premises used or to be used for activities permitted by the Ground Lease and its amendments, including parking areas, storage, recreational and commercial and non-commercial activities, and bike and cross-country trails. There is no EXHIBIT "A" attached to this amendment.

2. Section 1.03 is be amended to read as follows: In order for the parties to coordinate the use of the park under the Ground Lease and its amendments, and recognizing that the park is developing and changing, the parties shall meet at least annually to discuss the provisions of this Ground Lease and its amendments, specifically of this Amendment No. 4. Such meeting shall occur between July 1 and October 1 of each year and shall include the General Manager, the City Manager or designated senior staff representative of each agency. In the event of any dispute between the parties as to the interpretation or enforcement of the Ground Lease and its amendments, the parties shall meet as set out herein to try to resolve their differences.

3. Section 2.01 is amended by deleting the first sentence and replacing it with: Term. The term of this Lease commenced on January 2, 1997 and, subject to extension or sooner termination as provided below, shall expire at midnight on January 1, 2038.

4. Section 4.03(M)(2) is amended to read as follows: Future Commercial Uses: Future commercial activities on the Premises by the City or its vendors, concessionaires, agents, employees or representatives shall require Agency approval and must be ancillary to a community activity relating to a permitted use of the Premises. Because of the varying nature of potential commercial activities relating to park uses by the City and third-parties, the City shall meet with the Agency in advance of approving and/or undertaking such commercial activities on the Premises to determine what conditions, if any, are necessary for the approval and undertaking of such activities and what percentage of receipts, if any, shall be paid to the Agency. Such approval by the Agency shall be on a case-by-case basis. . Any commercial activity carried out without prior consent shall be considered a violation of the Ground Lease and its amendments. The City explicitly agrees that any such use has been, is and will be covered by the indemnification and insurance provisions in this Ground Lease (as amended) for the protection of the Agency and general public.

5. Section 4.03 is amended to add the below subsection O to read as follows: Trails: The City is considering installing bike and cross-country trails on the Premises. The installation

of such bike and cross-country trails is agreed to be a permitted use of the Premises and is hereby approved. The City shall be responsible for any and all costs relating to such installation (including extension of water lines, lighting and so forth). In addition, the City at its own cost shall maintain and operate the trails and trail areas in a safe and clean condition and manner and provide for the necessary security. The City explicitly agrees that any such uses shall be covered by the indemnification and insurance provisions in this Ground Lease (as amended) for the protection of the Agency and the general public. Upon termination of the use, the City shall remove any and all improvements and return the area and its landscaping to a clean and attractive condition. The above-mentioned cross-country trail will be configured such that it will join the existing cross-country trail currently used by the City pursuant to the License Agreement, a copy of which is attached hereto as EXHIBIT C. The City and the Agency agree that the License Agreement shall have a term which runs concurrently with the term of the Ground Lease (as such term may hereafter be extended), and that Section 4 (TERMINATION) of the License Agreement is deleted and intentionally left blank. The City is also considering the installation of an exercise and access staircase that will encroach on the Premises. The installation and maintenance of said staircase is not a use permitted by the Ground Lease and its amendments, but rather a use that is being permitted concurrently herewith by an independent license between the City and the Agency, a copy of which is attached hereto as EXHIBIT D. Traditional golf course and related uses are also not permitted on the Premises by the Ground Lease and its amendments. Frisbee golf, however, shall continue to be a permitted use as provided for in Section 1.04 of the third amendment to the Ground Lease. The City agrees that it will not consider approving any ground-disturbing construction activity in the proposed expansion areas for disc golf and the City yard until the City has completed all appropriate CEQA review.

6. Section 6.02 is added to read as follows: Construction of Improvements: Notwithstanding any other provision of the Ground Lease and its amendments, the City shall notify the Agency of maintenance to be undertaken on improvements existing on the Premises that were constructed by the City relating to uses permitted by the Ground Lease. Construction by the City of new improvements on the Premises for a permitted use, however, shall require the written approval of the Agency.

7. Section 11.03 is added and reads as follows: Memorials and Commemorations: The City has erected and/or placed memorials or commemorative signs in or about the Premises, including two obelisks near the butterfly sculpture, the in memoriam wording on the base of the west park entry monument, and the Youth Grove area of the Premises. The City shall not erect, permit or authorize any additional memorials or commemorative signs in or about the Premises.

CITY OF SANTA CLARITA

SANTA CLARITA VALLEY WATER AGENCY

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Lease Amendment No. 4 - Exhibit B

EXHIBIT A

LEGAL DESCRIPTION

CENTRAL PARK LEASE AREA EASEMENT

THAT PORTION OF THE RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 1, PAGES 521 AND 522 OF PATENTS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND SHOWN ON MAP FILED IN BOOK 121 PAGES 44 THROUGH 47 INCLUSIVE, OF RECORD OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHERLY TERMINUS OF THAT COURSE IN THE WESTERLY LINE OF SAID RECORD OF SURVEY SHOWN ON SAID MAP AS HAVING A BEARING AND DISTANCE OF NORTH 08°55'37" EAST 1216.06 FEET;

THENCE ALONG SAID WESTERLY LINE NORTH 08°55'37" EAST 1216.06 FEET TO THE **TRUE POINT OF BEGINNING**;

THENCE CONTINUING ALONG THE NORTHWESTERLY LINES OF SAID RECORD OF SURVEY, THE FOLLOWING COURSES:

NORTH 21°04'21" EAST 724.82 FEET;

NORTH 34°43'55" EAST 1,406.31 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 1,560.00 FEET, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 16°23'48" EAST;

NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 10°32'58" AN ARC DISTANCE OF 287.23 FEET;

TANGENT TO SAID CURVE, NORTH 63°03'14" EAST 553.78 FEET;

THENCE LEAVING SAID NORTHWESTERLY LINE, SOUTH 26°56'46" EAST 157.31 FEET;

THENCE NORTH 63°03'14" EAST 83.08 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 115.00 FEET;

THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 40°41'06" AN ARC DISTANCE OF 81.66 FEET;

THENCE TANGENT TO SAID CURVE, NORTH 22°22'08" EAST 75.38 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 140.00 FEET;

THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 53°50'34" AN ARC DISTANCE OF 131.56 FEET;

THENCE TANGENT TO SAID CURVE, NORTH 76°12'42" EAST 597.32 FEET;

THENCE NORTH 78°38'53" EAST 35.09 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 309.22 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 07°25'26" WEST;

THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 25°25'36" AN ARC DISTANCE OF 137.22 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 666.35 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 20°16'26" EAST;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 35°29'15" AN ARC DISTANCE OF 412.72 FEET;

THENCE SOUTH 30°39'30" EAST 169.16 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 160.40 FEET, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 81°37'44" EAST;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 55°48'14" AN ARC DISTANCE OF 156.23 FEET;

THENCE SOUTH 89°17'43" WEST 144.45 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE EASTERLY HAVING A RADIUS OF 51.25 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 56°06'05" WEST;

THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 36°20'32" AN ARC DISTANCE OF 32.51 FEET;

THENCE SOUTH 20°05'53" EAST 60.65 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 29.13 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 68°55'28" EAST;

THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 40°34'10" AN ARC DISTANCE OF 20.62 FEET;

THENCE SOUTH 51°50'18" WEST 48.37 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 68.56 FEET, A RADIAL LINE TO SAID CURVE BEARS SOUTH 13°27'55" EAST;

THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 36°28'24" AN ARC DISTANCE OF 43.64 FEET;

THENCE NORTH 61°26'50" WEST 18.50 FEET;

THENCE NORTH 55°46'27" WEST 81.21 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 1,483.27 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 76°43'27" EAST;

THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°46'52" AN ARC DISTANCE OF 304.99 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 16.00 FEET A RADIAL, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 48°18'32" EAST;

THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 98°02'51" AN ARC DISTANCE OF 27.38 FEET;

THENCE TANGENT TO SAID CURVE, NORTH 40°15'41" WEST 52.16 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 49.00 FEET;

THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 77°01'43" AN ARC DISTANCE OF 65.88 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 408.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 14°52'49" AN ARC DISTANCE OF 105.96 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 120.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 36°59'25" AN ARC DISTANCE OF 77.47 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 60.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 86°31'41" AN ARC DISTANCE OF 90.61 FEET;

THENCE TANGENT TO SAID CURVE, SOUTH 01°42'29" EAST 128.10 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 55.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 77°57'28" AN ARC DISTANCE OF 74.83 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 71.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 64°50'15" AN ARC DISTANCE OF 80.35 FEET;

THENCE TANGENT TO SAID CURVE, SOUTH 14°49'42" EAST 44.18 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 80.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 66°38'07" AN ARC DISTANCE OF 93.04 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE EASTERLY HAVING A RADIUS OF 85.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 128°49'29" AN ARC DISTANCE OF 191.12 FEET;

THENCE SOUTH 75°18'15" EAST 310.28 FEET;

THENCE SOUTH 39°54'16" WEST 227.51 FEET;

THENCE NORTH 81°24'42" WEST 229.23 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 224.00 FEET, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 49°16'45" EAST;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 34°27'04" AN ARC DISTANCE OF 134.69 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 68.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 77°45'45" AN ARC DISTANCE OF 92.29 FEET;

THENCE TANGENT TO SAID CURVE, NORTH 27°03'56" WEST 83.18 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 55.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 76°58'26" AN ARC DISTANCE OF 73.89 FEET;

THENCE TANGENT TO SAID CURVE, SOUTH 75°57'38" WEST 362.35 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 280.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 88°33'46" AN ARC DISTANCE OF 432.80 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE WESTERLY HAVING A RADIUS OF 199.00 FEET;

THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 54°29'16" AN ARC DISTANCE OF 189.25 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 113.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 59°29'50" AN ARC DISTANCE OF 117.34 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 235.00 FEET;

THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 24°09'27" AN ARC DISTANCE OF 99.08 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 66.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 52°37'29" AN ARC DISTANCE OF 60.62 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE EASTERLY HAVING A RADIUS OF 115.00 FEET;

THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 65°21'46" AN ARC DISTANCE OF 131.19 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 506.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19°50'11" AN ARC DISTANCE OF 175.18 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE WESTERLY HAVING A RADIUS OF 86.50 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 83°09'02" AN ARC DISTANCE OF 125.53 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 221.56 FEET;

THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 77°05'41" AN ARC DISTANCE OF 298.12 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 105.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 32°20'41" AN ARC DISTANCE OF 59.27 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 223.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 65°29'11" AN ARC DISTANCE OF 254.88 FEET;

THENCE TANGENT TO SAID CURVE, SOUTH 41°29'18" WEST 143.59 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 300.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 25°40'12" AN ARC DISTANCE OF 134.41 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 178.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 70°40'46" AN ARC DISTANCE OF 219.58 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 98.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 85°09'41" AN ARC DISTANCE OF 145.66 FEET;

THENCE TANGENT TO SAID CURVE, NORTH 08°20'27" WEST 205.26 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 53.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 77°07'30" AN ARC DISTANCE OF 71.34 FEET;

THENCE TANGENT TO SAID CURVE, NORTH 85°27'57" WEST 218.66 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 320.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 36°46'21" AN ARC DISTANCE OF 205.38 FEET;

THENCE TANGENT TO SAID CURVE, NORTH 48°41'36" WEST 138.59 FEET;

THENCE NORTH 22°46'38" WEST 100.97 FEET TO THE **TRUE POINT OF BEGINNING.**

CONTAINING 111.909 ACRES, MORE OR LESS



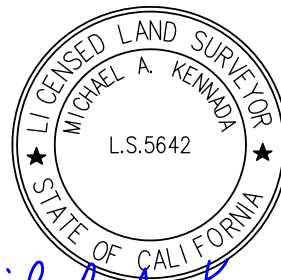
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03/26/22

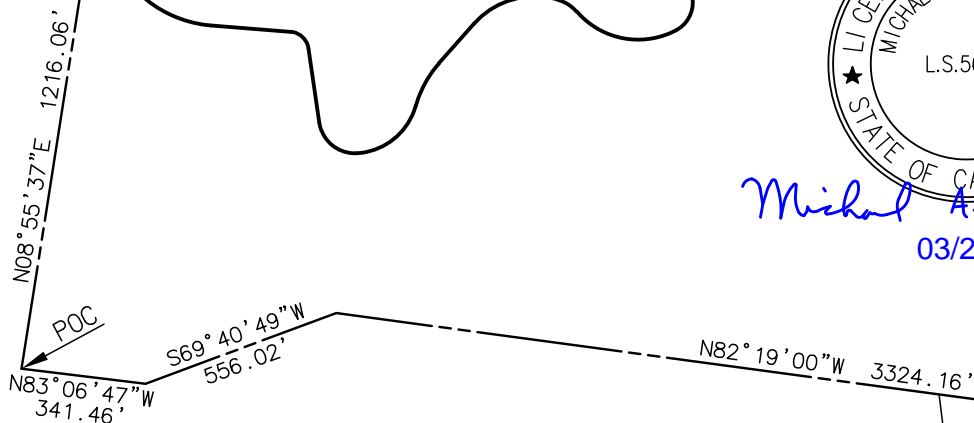
EXHIBIT "B"

A PORTION OF THE
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BOOK 1 PAGES 521 AND 522,
OF PATENTS

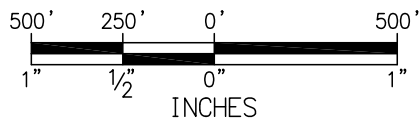
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Michael A. Kennedy
03/26/22



FEET



NEWHALL RANCH ROAD

LEGEND

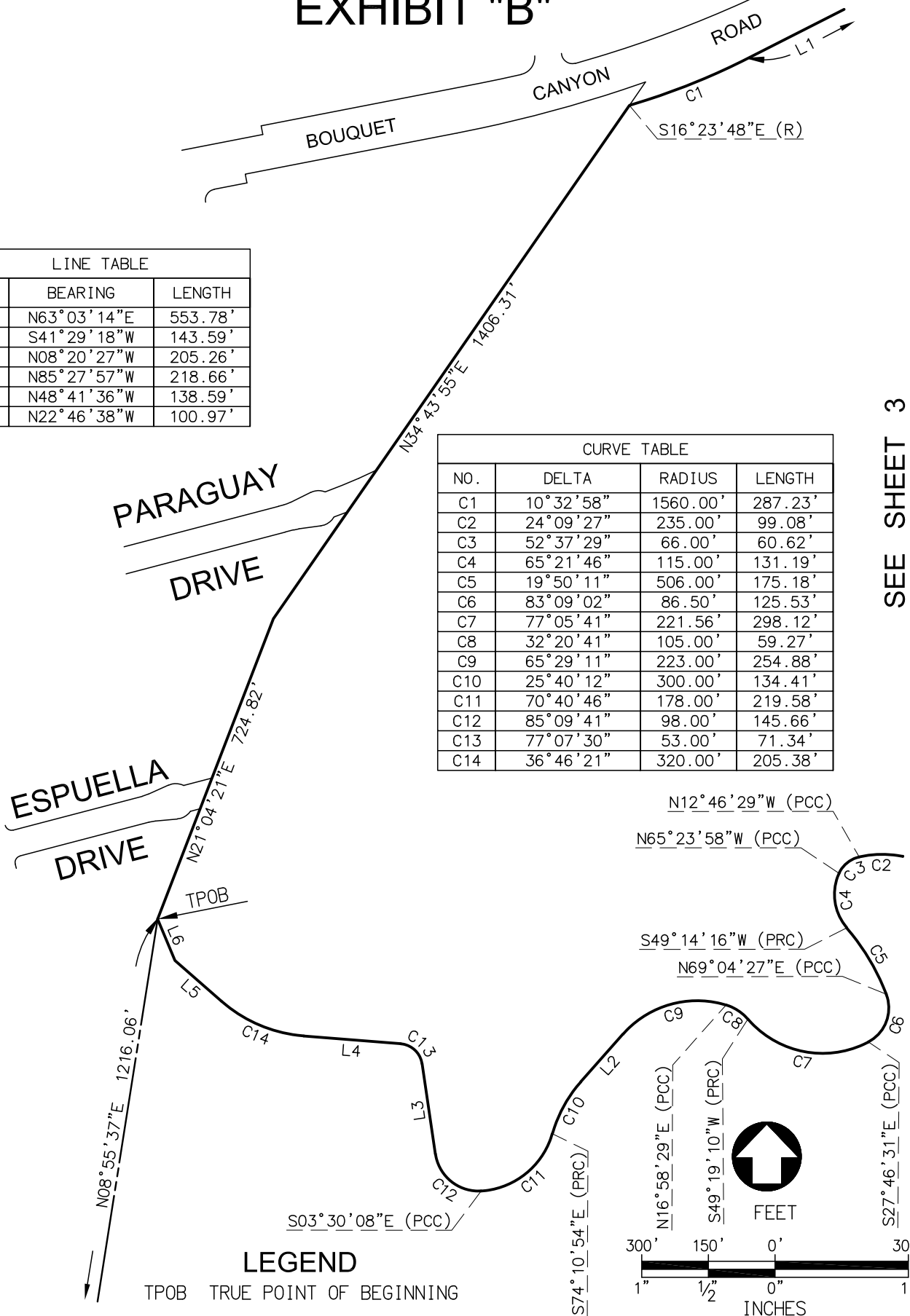
- POC POINT OF COMMENCEMENT
- TPOB TRUE POINT OF BEGINNING

EXHIBIT "B"

LINE TABLE		
NO.	BEARING	LENGTH
L1	N63°03'14"E	553.78'
L2	S41°29'18"W	143.59'
L3	N08°20'27"W	205.26'
L4	N85°27'57"W	218.66'
L5	N48°41'36"W	138.59'
L6	N22°46'38"W	100.97'

CURVE TABLE			
NO.	DELTA	RADIUS	LENGTH
C1	10°32'58"	1560.00'	287.23'
C2	24°09'27"	235.00'	99.08'
C3	52°37'29"	66.00'	60.62'
C4	65°21'46"	115.00'	131.19'
C5	19°50'11"	506.00'	175.18'
C6	83°09'02"	86.50'	125.53'
C7	77°05'41"	221.56'	298.12'
C8	32°20'41"	105.00'	59.27'
C9	65°29'11"	223.00'	254.88'
C10	25°40'12"	300.00'	134.41'
C11	70°40'46"	178.00'	219.58'
C12	85°09'41"	98.00'	145.66'
C13	77°07'30"	53.00'	71.34'
C14	36°46'21"	320.00'	205.38'

SEE SHEET 3



LEGEND

TPOB TRUE POINT OF BEGINNING

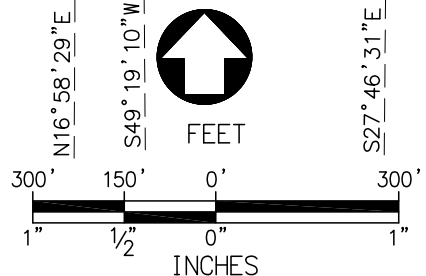
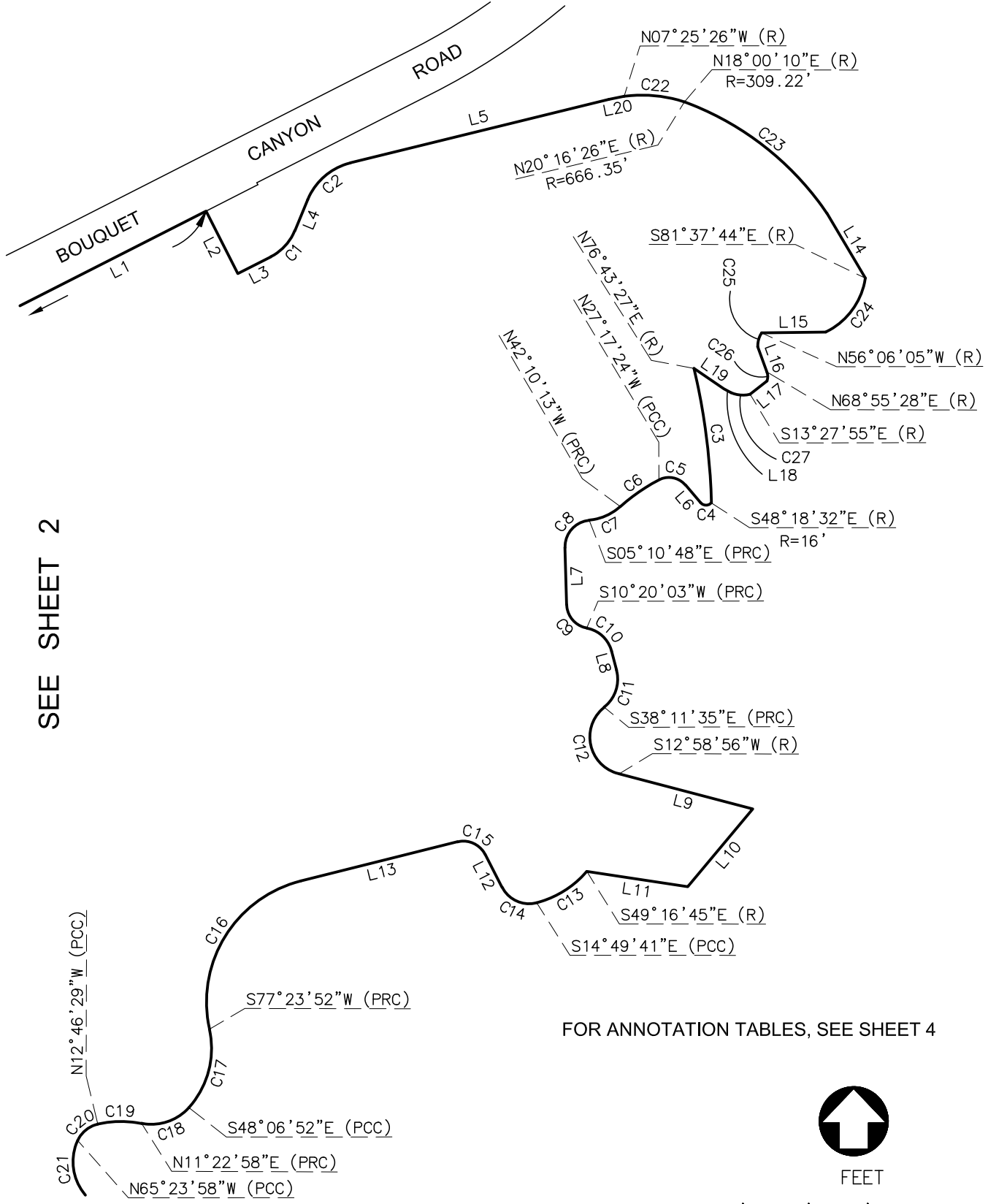


EXHIBIT "B"



SEE SHEET 2

FOR ANNOTATION TABLES, SEE SHEET 4

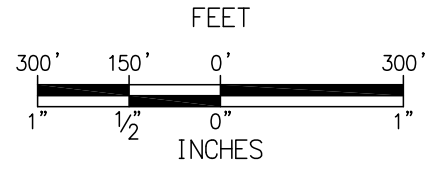
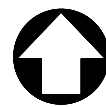


EXHIBIT "B"

LINE TABLE		
NO.	BEARING	LENGTH
L1	N63°03'14"E	553.78'
L2	S26°56'46"E	157.31'
L3	N63°03'14"E	83.08'
L4	N22°22'08"E	75.38'
L5	N76°12'42"E	597.32'
L6	N40°15'41"W	52.16'
L7	S01°42'29"E	128.10'
L8	S14°49'42"E	44.18'
L9	S75°18'15"E	310.28'
L10	S39°54'16"W	227.51'
L11	N81°24'42"W	229.23'
L12	N27°03'56"W	83.18'
L13	S75°57'38"W	362.35'
L14	S30°39'30"E	169.16'
L15	S89°17'43"W	144.45'
L16	S20°05'53"E	60.65'
L17	S51°50'18"W	48.37'
L18	N61°26'50"W	18.50'
L19	N55°46'27"W	81.21'
L20	N78°38'53"E	35.09'

CURVE TABLE			
NO.	DELTA	RADIUS	LENGTH
C1	40°41'06"	115.00'	81.66'
C2	53°50'34"	140.00'	131.56'
C3	11°46'52"	1483.27'	304.99'
C4	98°02'51"	16.00'	27.38'
C5	77°01'43"	49.00'	65.88'
C6	14°52'49"	408.00'	105.96'
C7	36°59'25"	120.00'	77.47'
C8	86°31'41"	60.00'	90.61'
C9	77°57'28"	55.00'	74.83'
C10	64°50'15"	71.00'	80.35'
C11	66°38'07"	80.00'	93.04'
C12	128°49'29"	85.00'	191.12'
C13	34°27'04"	224.00'	134.69'
C14	77°45'45"	68.00'	92.29'
C15	76°58'26"	55.00'	73.89'
C16	88°33'46"	280.00'	432.80'
C17	54°29'16"	199.00'	189.25'
C18	59°29'50"	113.00'	117.34'
C19	24°09'27"	235.00'	99.08'
C20	52°37'29"	66.00'	60.62'
C21	65°21'46"	115.00'	131.19'
C22	25°25'36"	309.22'	137.22'
C23	35°29'15"	666.35'	412.72'
C24	55°48'14"	160.40'	156.23'
C25	36°20'32"	51.25'	32.51'
C26	40°34'10"	29.13'	20.62'
C27	36°28'24"	68.56'	43.64'

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Lease Amendment No. 4 - Exhibit C

10-00412

LICENSE AGREEMENT BETWEEN THE
CITY OF SANTA CLARITA AND CASTAIC LAKE WATER AGENCY

THIS LICENSE is made and executed this 18 day of Oct 2010, between CASTAIC LAKE WATER AGENCY, a California public agency ("CLWA") and the CITY OF SANTA CLARITA, a municipal corporation ("CITY"). CLWA and CITY are sometimes individually referred to herein as a "Party" and collectively referred to as the "Parties."

RECITALS

WHEREAS, CITY desires to license from CLWA certain real property for recreational purposes as further described herein; and

WHEREAS, CITY's use of CLWA's real property will require installation of fencing by CITY, thereby providing an increase to the security of CLWA's facilities.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and terms and conditions herein, CLWA and CITY agree as follows:

AGREEMENT

1. **LICENSE: DESCRIPTION OF PROPERTY.** CLWA licenses to CITY to use, on the terms and conditions in this License, the real property legally described and depicted in Exhibit A attached hereto (the "Property") for a cross country trail as depicted in Exhibit B attached hereto and further explained in Section 2 below. CLWA's action is not, and should not be construed to be, a conveyance of a property interest or a lease; it is a license to use property only.

2. **USE OF PROPERTY.**

A. CITY may use the Property for the construction, operation and maintenance of a cross-country trail for public use (excluding the use of motorized equipment). The trail may also be used for recreational events sponsored by a third party, as further described in paragraph B. of this section. Trail improvements shall consist of a newly graded dirt pathway and fencing as mutually agreed by CITY and CLWA. The trail shall be between six (6) and eight (8) feet in width in the approximate location depicted in Exhibit B attached hereto.

B. Schedule of events by third parties will be provided to CLWA on an annual basis, and CITY will endeavor to provide 14 days notice of any deviations to said scheduled events

C. CITY shall not use the Property for any purpose other than as set forth in Section 2(A) above without obtaining CLWA's prior written consent.

D. CLWA may change, amend, or terminate CITY's use of Property at any time, and in its sole discretion, verbally or in writing.

3. **TERM.** Except as provided in Section 4, the term of this license shall begin on September 10, 2010, and end on January 1, 2012. The terms of renewal shall coincide with that of the existing ground lease between CLWA and CITY for the operation of Central Park, and therefore the term shall automatically be extended for a period of one year on January 1 of each year, subject to prior written authorization by CLWA during its annual review of the ground lease.

4. **TERMINATION.**

A. CLWA or City may terminate this License at any time with or without cause, upon written notification. Termination shall be effective upon 45 days notice, unless specified otherwise.

B. By executing this document, the Parties waive any and all claims for damages that might otherwise arise from either Party's termination under this Section.

C. Upon termination of this License, CITY shall remove all personal property, improvements and appurtenances from the Property no later than thirty (30) days after the effective termination date in Section 4.A above. The Property shall be left in a clean and orderly condition. Should CITY not remove all personal property, improvements and appurtenances from Property within such thirty (30) days, CLWA may remove such items at the cost of the CITY, which shall be paid to CLWA by CITY within forty five (45) days of receipt of written invoice from CLWA. This provision shall survive the termination of this License.

5. **CONDEMNATION.** If all or part of Property is acquired by eminent domain or purchase in lieu thereof, CITY acknowledges that it shall have no claim to any compensation awarded for the taking of Property or any portion thereof or for loss of or damage to CITY's improvements.

6. **ALTERATIONS.** CITY shall not make, or cause to be made, any alterations to Property, or any part thereof, except as specified herein and in the attached exhibits without CLWA's prior written consent.

7. **HAZARDOUS/TOXIC WASTE.** CLWA has not, nor, to CLWA's knowledge, has any third party used, generated, stored or disposed of, or permitted the use, generation, storage or disposal of, any Hazardous Material (as defined below) on, under, about or within Property in violation of any law or regulation. CITY agrees that it shall not use, generate, store or dispose of any Hazardous Material (as defined below) on, under, about or within Property in violation of any law or regulation. CITY agrees to defend and indemnify CLWA, to the extent stated in

Section 11, against any and all losses, liabilities, claims or costs arising from any breach of any warranty or agreement contained in this Section. As used in this Section, "Hazardous Material" means any substance, chemical or waste that is identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation (including petroleum and asbestos).

8. **SIGNS.** CITY shall not place any sign upon Property except as specified herein and in the attached exhibits without CLWA's prior written consent. CITY shall pay for all costs of any approved signage and comply with all applicable sign codes and ordinances.

9. **ASSIGNMENT.** CITY shall not assign this License or any interest therein. The CITY is authorized to issue temporary permits to allow for third party use of the Property consistent with the events described in Section 2, provided the third party meets the insurance requirements set forth in Section 11.01, paragraph B, and agrees to defend and indemnify CLWA, its directors, officers, employees, agents, consultants, or volunteers. The indemnification provided to CLWA, its directors, officers, employees, agents, consultants, or volunteers shall be in substantially the same form and scope as that provided under Section 10 below.

10. **INDEMNIFICATION.**

10.01 Exculpation of CLWA: To the fullest extent permitted by law, CITY agrees that CLWA shall not be liable to CITY or its employees, agents, subtenants, or invitees or any other persons, or for their property, on any legal basis whatsoever, and CITY waives all claims against CLWA for damage to person or property arising for any reason or in any way with respect to this License Agreement. CLWA or its agents shall not be liable for interference with light, air, or for any latent defect in the Property.

10.02 Indemnification: CITY at its own and sole expense shall to the fullest extent permitted by law indemnify and hold harmless and defend CLWA, its directors, officers, employees, agents, consultants, or volunteers, and each of them, from and against:

A. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind and nature whatsoever for, but not limited to, injury to or death of any person including CLWA and/or CITY, or any directors, officers, employees, agents, consultants, and/or volunteers of CLWA or CITY, and damages to or destruction of property of any person, including but not limited to, CLWA and/or CITY and their directors, officers, employees, agents, consultants, and/or volunteers, arising out of or in any manner directly or indirectly connected with this License, except to the extent caused by the sole negligence or willful misconduct of CLWA or its directors, officers, employees, agents, consultants, and/or volunteers;

B. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, relating to the use of this License Agreement, or resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of CITY; and

C. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising from any breach or

default in the performance of any obligation of this License Agreement on CITY's part to be performed under the terms of this License, or arising from any act or negligence of the CITY, or of any officer, agent, employee, guest, or invitee of CITY.

CITY agrees to carry insurance for this purpose as set out in this License. (See Section 11 of this License for insurance specifications and coverage.) CITY's obligation to indemnify, hold harmless and defend shall not be restricted to insurance proceeds, if any, received by CLWA or its directors, officers, employees, agents, consultants, and/or volunteers.

CITY shall give prompt written notice to CLWA in case of casualty or accidents in, on, or about the Property. CITY, upon notice from CLWA, shall defend CLWA at CITY's expense by counsel reasonably satisfactory to CLWA.

11. INSURANCE.

11.01 Commercial General Liability and Automobile Liability Insurance: CITY shall provide and maintain at its sole cost and expense, and shall keep in force during the License term, the following commercial general liability and automobile liability insurance, insuring the CLWA and the CITY against any liability arising in any way out of this License and/or the ownership, use, occupancy, and maintenance of the Property, and all areas appurtenant thereto, as follows:

A. Coverage – Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

1. Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 0001)
2. Insurance Services Office Form Number CA 0001 (ed 1/87) covering Automobile Liability, Symbol 1 (any auto)

B. Limits – CITY shall maintain limits no less than the following:

1. General Liability – Five million dollars (\$5,000,000) per occurrence for death or bodily injury, and/or personal injury to one person and Two million dollars (\$2,000,000) per occurrence for property damage affecting one person. Ten million dollars (\$10,000,000) per occurrence for death or bodily injury and/or personal injury to more than one person and Two million dollars (\$2,000,000) per occurrence for property damage to more than one person in any one occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply to the License (with ISO CG 2501 or insurer's equivalent endorsement provided to CLWA) or the general aggregate limit shall be twice the required occurrence limit. In the event of use by a third party authorized under a permit issued by the CITY, the third party shall be required to provide CLWA with liability coverage in amounts equal to that provided to the City by the third party. Unless waived in writing by CLWA, the liability insurance provided by the third party must comply with the required provisions set forth in Section 11.01.C. below with respect to additional insured status, waiver of subrogation, and the primary and noncontributing

requirement.

2. Automobile Liability – Ten million dollars (\$10,000,000) per accident for death or bodily injury and/or personal injury and property damage, combined single limit.

C. Required Provisions – The general liability and automobile liability policies are to contain, BY ENDORSEMENT, the following provisions:

1. CLWA, its director, officers, employees, agents, consultants, and/or volunteers are to be covered as insureds as respects: any liability arising in any way or on any legal theory out of this License by the CITY; including liability with respect in any way to automobiles owned, leased, hired or borrowed by the CITY. The coverage shall contain no special limitations on the scope of protection afforded to CLWA, its directors, officers, employees, agents, consultants, and/or volunteers.

2. For any claims related to this License, the CITY's insurance shall be primary insurance as respects CLWA, its directors, officers, employees, agents, consultants, and/or volunteers. Any insurance, pooled coverage or self-insurance maintained by the CLWA its directors, officers, employees, agents, consultants, and/or volunteers shall not contribute to it.

3. Any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the CLWA, its directors, officers, employees, agents, consultants, and/or volunteers.

4. The CITY'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.

5. CITY's insurance shall cover all contractually assumed CITY liability obligations under Section 10 of this License.

6. Each insurance policy shall specifically state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, which has been actually and physically received by CLWA.

Such liability insurance shall indemnify the CITY and its contractors against loss from liability imposed by law upon, or assumed under contract by, the CITY or its contractors for damages on account of such bodily injury (including death), property damage, personal injury and completed operations and products liability.

Such insurance shall be provided on a policy form written by underwriters through an agency satisfactory to CLWA, which includes a cross-liability clause, and covers bodily injury (including death) and property damage liability, owned and non-owned vehicles and equipment, blanket contractual liability and completed operations liability.

Such liability insurance shall include explosion, collapse, underground excavation and removal of lateral support. CLWA, its directors, officers, employees, agents, consultants, and/or volunteers shall be named as additional insureds on any such policies. Any additional insured endorsement (ISO CG 2011 (ISO CG 2024 if land only) or equivalent) (modified to include provision C-6 above) and a certificate of insurance (Accord Form 25.S or equivalent), shall be provided to CLWA.

The insurer shall waive all rights of subrogation against CLWA. CITY shall provide CLWA with a certificate of insurance for property insurance coverage and evidence of waiver of rights of subrogation against CLWA and its directors, officers, employees, agents, consultants, and/or volunteers.

D. Deductibles and Self-Insured Retentions – Any deductible or self-insured retention must be declared to and approved by CLWA. At the option of CLWA, the insurer shall reduce or eliminate such deductibles or self-insured retentions.

E. Acceptability of Insurers – Insurance is to be placed by CITY with insurers having a current A. M. Best's rating of no less than A-:VII or equivalent, licensed to do business in the State of California, and authorized to write such insurance in the State of California.

11.02 Property Damage: CITY shall at its own and sole expense obtain and keep in force during the term of this License a policy or policies of insurance covering loss or damage to the Property and the improvements thereon, in the amount of the full replacement value thereof providing protection against all perils including within the classification of fire, extended coverage, vandalism, malicious mischief and special extended perils (all risk). The aforesaid policies shall name both the CLWA and CITY as insureds. CITY shall provide the CLWA with a certified copy of the aforesaid policies. If CITY shall fail to procure and maintain said insurance, CLWA may, but at the expense of the CITY, obtain such insurance.

CITY's property insurance covering all risks of direct physical loss, damage or destruction to real and personal property shall include explosion, collapse, underground excavation and removal of lateral support. CLWA shall be named as an additional primary insured on any such policy.

The insurer shall waive all rights of subrogation against CLWA. CITY shall provide CLWA with a certificate of insurance for property insurance coverage and evidence of waiver of rights of subrogation against CLWA and its directors, officers, employees, agents, consultants, and/or volunteers.

11.03 CITY's Blanket Insurance: Notwithstanding anything to the contrary contained within this Section, CITY's obligations to carry the insurance provided for herein may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by CITY, provided, however, that CLWA shall be named as an additional insured thereunder as its interest may appear and that the coverage afforded the CLWA will not be reduced or diminished by reason of the use of such blanket policy of insurance, and provided further that all the requirements and specifications set forth herein are in every respect otherwise

satisfied.

11.04 Notice of Cancellation: CITY agrees that on or before twenty (20) days prior to expiration of any insurance policy, CITY will deliver to CLWA written notification in the form of a receipt or other similar document from the applicable insurance company that said policy or policies have been renewed, or deliver certificates of coverage from another insurance company, meeting the requirements of this Section 13.

11.05 Workers' Compensation: CITY and CLWA, for their respective employees, if any, on the Property of the park, shall carry adequate Workers' Compensation Insurance in accordance with the laws of the State of California. By its signature hereunder, CITY certifies that it is aware of the provisions of Section 3700 of the 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 CITY agrees to and will comply with such provisions in connection with any work performed on the Property. Any persons providing services with or on behalf of CITY shall be covered by workers' compensation (or qualified self-insurance).

CITY and its contractors shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their respective employees working on or about the Property, regardless of whether such coverage or insurance is mandatory or merely elective under the law, and CITY shall defend, protect and save harmless CLWA, its directors, officers, employees, agents, consultants, and/or volunteers from and against all claims, suits, and actions arising from any failure of the CITY or any contractor hired by the CITY to maintain such insurance. Before execution of the License, CITY shall furnish to CLWA satisfactory proof that it has taken out full workers' compensation for all persons employed directly by it or through contractors hired by CITY to carry out any work in any way concerning the Property, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California, and any Acts amendatory thereof.

CITY shall provide employer's liability insurance in the amount of, at least, \$1,000,000 per accident for bodily injury and disease.

CITY shall provide CLWA with a certificate of Workers' Compensation and Employer's liability insurance coverage.

11.06 Evidences of Insurance: Prior to execution of the License, CITY shall file with CLWA evidences of insurance, including originals of all required insurance policy endorsements, from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 2011 or 2024 (or insurer's equivalent) signed by the insurer's representative and certificate of insurance (Accord Form 25-S or equivalent). All evidence of insurance shall be certified by a properly authorized officer, agent or qualified representative of the insurer and shall certify the names and/or capacities of the insured, and additional insureds, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date.

CITY shall, upon demand of CLWA, deliver to CLWA all such policy or policies of

insurance and the receipts for payment of premiums thereon; and should CITY neglect to obtain and maintain in force any such insurance or deliver such policy or policies and receipts to CLWA, then it is agreed that CLWA may (but has no obligation to) obtain and maintain such insurance, and CITY hereby appoints CLWA its true and lawful attorney-in-fact to do all things necessary for this purpose. All money paid by CLWA for insurance premiums under the provision of this section shall be charged to CITY as additional rent.

CITY and CLWA agree that CLWA's receipt of insurance documents from CITY or its insurers does not constitute CLWA's agreement that such insurance documents are sufficient under this License, and that CITY is fully responsible for supplying insurance documents and coverage in compliance with the requirements of this License.

12. **COMPLIANCE WITH LAW.** CITY shall, at its sole cost and expense, comply with all of the requirements of all federal, state, and local authorities now in force, or which may hereafter be in force, pertaining to Property and shall faithfully observe in the use of Property all applicable laws. The judgment of any court of competent jurisdiction, or the admission of CITY in any action or proceeding against CITY, whether CLWA be a party thereto or not, that CITY has violated any such ordinance or statute in the use of Property shall be conclusive of that fact as between CLWA and CITY.

13. **BREACH.** The violation of any of the provisions of this License shall constitute a breach of this License by CITY, and in such event said License shall automatically cease and terminate.

14. **WAIVER OF BREACH.** Any express or implied waiver of a breach of any term of this License shall not constitute a waiver of any further breach of the same or other term of this License.

15. **ENTRY BY CLWA AND PUBLIC.** This License does not convey any property interest to CITY. Except for areas restricted because of safety concerns, CLWA shall have unrestricted access upon Property for all lawful acts.

16. **INSOLVENCY; RECEIVER.** Either the appointment of a receiver to take possession of all or substantially all of the assets of CITY, or a general assignment by the CITY for the benefit of creditors, or any action taken or offered by CITY under any insolvency or bankruptcy action, shall constitute a breach of this License by CITY, and in such event said License shall automatically cease and terminate.

17. **NOTICES.** Except as otherwise expressly provided by law, all notices or other communications required or permitted by this License or by law to be served on or given to either party to this License by the other party shall be in writing and shall be deemed served when personally delivered to the party to whom they are directed, or in lieu of the personal service, upon deposit in the United States mail, certified or registered mail, return receipt requested, postage prepaid, addressed to:

CLWA at:
Castaic Lake Water Agency
27234 Bouquet Canyon Road

Santa Clarita, California 91350
Attn: Brian Folsom
or to CITY at:
City of Santa Clarita
23920 Valencia Boulevard, Suite
120 Santa Clarita, CA 91355
Attn: Rick Gould

Either party may change its address for the purpose of this Section by giving written notice of the change to the other party.

18. **ACCEPTANCE OF FACSIMILE SIGNATURES.** The Parties agree that agreements ancillary to this License and related documents to be entered into in connection with this License shall be considered signed when the signature of a party is delivered by facsimile transmission. Such facsimile signature shall be treated in all respects as having the same effect as an original signature.

19. **GOVERNING LAW.** This License has been made in and shall be construed in accordance with the laws of the State of California and exclusive venue for any action involving this License shall be in Los Angeles County.

20. **PARTIAL INVALIDITY.** Should any provision of this License be held by a court of competent jurisdiction to be either invalid or unenforceable, the remaining provisions of this License shall remain in effect, unimpaired by the holding.

21. **INTEGRATION.** This instrument and its Attachments constitute the sole agreement between CLWA and CITY respecting Property, the use of Property by CITY, and the specified License term, and correctly sets forth the obligations of CLWA and CITY. Any agreement or representations respecting Property or its licensing by CLWA to CITY not expressly set forth in this instrument are void.

22. **CONSTRUCTION.** The language of each part of this License shall be construed simply and according to its fair meaning, and this License shall never be construed either for or against either party.

23. **AUTHORITY/MODIFICATION.** The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this License and to engage in the actions described herein. This License may be modified only by written agreement.

24. **CONFLICT OF INTEREST.** CITY shall comply with all conflict of interest laws and regulations including.

25. **COUNTERPARTS.** This License may be executed in any number or counterparts, each of which shall be an original, but all of which together shall constitute one instrument executed on the same date.

IN WITNESS WHEREOF, the parties hereto have executed this contract the day and year first hereinabove written.

**FOR CLWA:
DAN MASNADA, GENERAL MANAGER**

BTF

By: 

Date: 9/23/10

**APPROVED AS TO FORM:
MCCORMICK, KIDMAN & BEHRENS, LLP**

By: 

Date: 9-23-10

**FOR CITY OF SANTA CLARITA:
KENNETH R. PULSKAMP, CITY MANAGER**

By: 
City Manager

Date: 9/27/10

ATTEST:

By: 
City Clerk

Date: 10/4/10

**APPROVED AS TO FORM:
CARL K. NEWTON, CITY ATTORNEY**

By: 
City Attorney

Date: 9/27/10

EXHIBIT "A"
LEGAL DESCRIPTION

**EASEMENTS FOR PUBLIC USE AND TRAIL PURPOSES
IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA**

BEING 16.00 FOOT WIDE EASEMENTS FOR PUBLIC USE AND TRAIL PURPOSES TO THE CITY OF SANTA CLARITA IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, UPON, OVER, AND ACROSS PORTIONS OF THE RANCHO SAN FRANCISCO PER MAP FILED IN BOOK 1 PAGES 521 AND 522 OF PATENTS, RECORDS OF SAID COUNTY, LYING 8.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINES:

TRAIL 1

COMMENCING AT THE NORTHWESTERLY CORNER OF LOT 6 AS SHOWN ON MAP OF TRACT NO. 53425-01 FILED IN BOOK 1325 PAGES 1 THROUGH 15, INCLUSIVE, OF MAPS, RECORDS OF SAID COUNTY, SAID CORNER ALSO BEING IN THE SOUTHERLY LINE OF THE LAND DEEDED TO THE CITY OF LOS ANGELES BY DEED RECORDED AUGUST 2, 1951, AS INSTRUMENT NO. 1714 IN BOOK 36908 PAGE 383 OF OFFICIAL RECORDS AND AS SHOWN ON THE RECORD OF SURVEY FILED IN BOOK 121 PAGES 44 THROUGH 47, INCLUSIVE, OF RECORDS OF SURVEY, BOTH RECORDS OF SAID COUNTY;

1. THENCE NORTH 71°04'31" EAST, ACROSS SAID CITY OF LOS ANGELES LANDS, 1,343.13 FEET TO THE POINT OF BEGINNING OF SAID CENTERLINE;
2. THENCE NORTH 22°42'01" WEST 31.24 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 100.00 FEET;
3. THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 21°32'43" AND AN ARC LENGTH OF 37.60 FEET;
4. THENCE ON A TANGENT BEARING NORTH 01°09'18" WEST 74.22 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 100.00 FEET;
5. THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 13°24'09" AND AN ARC LENGTH OF 23.39 FEET;
6. THENCE ON A TANGENT BEARING NORTH 14°33'27" WEST 119.31 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 75.00 FEET;
7. THENCE NORTHERLY AND NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 46°51'03" AND AN ARC LENGTH OF 61.33 FEET;
8. THENCE ON A TANGENT BEARING NORTH 32°17'36" EAST 42.65 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 50.00 FEET;
9. THENCE NORTHEASTERLY, NORTHERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89°35'11" AND AN ARC LENGTH OF 78.18 FEET;
10. THENCE ON A TANGENT BEARING NORTH 57°17'35" WEST 92.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 75.00 FEET;
11. THENCE NORTHWESTERLY, NORTHERLY, AND NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 88°27'20" AND AN ARC LENGTH OF 115.79 FEET;
12. THENCE ON A TANGENT BEARING NORTH 31°09'46" EAST 69.28 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 50.00 FEET;
13. THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 13°38'13" AND AN ARC LENGTH OF 11.90 FEET TO A POINT ON CURVE DESIGNATED AS POINT "A", FROM WHICH A RADIAL LINE TO THE CENTER OF CURVE BEARS NORTH 72°28'27" WEST;
14. THENCE CONTINUING NORTHERLY AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19°30'45" AND AN ARC LENGTH OF 17.03 FEET;
15. THENCE ON A TANGENT BEARING NORTH 01°59'12" WEST 36.27 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 75.00 FEET;

16. THENCE NORTHWESTERLY, NORTHERLY, AND NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 63°44'05" AND AN ARC LENGTH OF 83.43 FEET;
17. THENCE ON A TANGENT BEARING NORTH 61°44'53" EAST 47.55 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 75.00 FEET;
18. THENCE NORTHEASTERLY, NORTHERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 77°44'29" AND AN ARC LENGTH OF 101.70 FEET;
19. THENCE ON A TANGENT BEARING NORTH 15°56'35" WEST 137.87 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 50.00 FEET;
20. THENCE NORTHWESTERLY, NORTHERLY, AND NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 42°10'30" AND AN ARC LENGTH OF 36.80 FEET TO A POINT OF REVERSE CURVATURE, SAID CURVE BEING CONCAVE TO THE WEST AND HAVING A RADIUS OF 50.00 FEET, FROM SAID POINT A RADIAL LINE TO THE CENTER OF CURVE BEARS NORTH 63°46'06" WEST;
21. THENCE NORTHEASTERLY, NORTHERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 60°31'09" AND AN ARC LENGTH OF 52.81 FEET;
22. THENCE ON A TANGENT BEARING NORTH 34°17'14" WEST 24.69 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 50.00 FEET;
23. THENCE NORTHWESTERLY, NORTHERLY, AND NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 36°50'13" AND AN ARC LENGTH OF 32.15 FEET;
24. THENCE ON A TANGENT BEARING NORTH 02°32'59" EAST 32.85 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 100.00 FEET;
25. THENCE NORTHEASTERLY, NORTHERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 20°43'34" AND AN ARC LENGTH OF 36.17 FEET;
26. THENCE ON A TANGENT BEARING NORTH 18°10'34" WEST 111.52 FEET;
27. THENCE NORTH 67°01'13" WEST 48.03 FEET TO A POINT FROM WHICH THE MOST NORTHEASTERLY CORNER OF LOT 4 OF SAID TRACT NO. 53425-01 BEARS SOUTH 71°12'19" WEST 1865.80 FEET, SAID POINT ALSO BEING THE END OF TRAIL 1.

TRAIL 2

BEGINNING AT POINT "A" AS DESCRIBED IN COURSE NO. 13 OF TRAIL 1 ABOVE;

1. THENCE SOUTH 55°39'41" WEST 78.59 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH AND HAVING A RADIUS OF 10.00 FEET;
2. THENCE SOUTHWESTERLY, WESTERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 67°31'02" AND AN ARC LENGTH OF 11.78 FEET;
3. THENCE ON A TANGENT BEARING NORTH 56°49'18" WEST 23.69 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 40.00 FEET;
4. THENCE NORTHWESTERLY, WESTERLY, AND SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 108°51'02" AND AN ARC LENGTH OF 75.99 FEET;
5. THENCE ON A TANGENT BEARING SOUTH 14°19'40" WEST 20.12 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 100.00 FEET;
6. THENCE SOUTHWESTERLY, SOUTHERLY, AND SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30°15'03" AND AN ARC LENGTH OF 52.80 FEET;
7. THENCE ON A TANGENT BEARING SOUTH 15°55'22" EAST 106.81 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 50.00 FEET;
8. THENCE SOUTHEASTERLY, SOUTHERLY, AND SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 40°38'45" AND AN ARC LENGTH OF 35.47 FEET TO A POINT OF REVERSE CURVATURE, SAID CURVE BEING CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 300.00 FEET, FROM SAID POINT A RADIAL LINE TO THE CENTER OF CURVE BEARS SOUTH 65°16'37" EAST;

9. THENCE SOUTHWESTERLY AND SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30°38'55" AND AN ARC LENGTH OF 160.48 FEET TO A POINT OF REVERSE CURVATURE, SAID CURVE BEING CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 20.00 FEET, FROM SAID POINT A RADIAL LINE TO THE CENTER OF CURVE BEARS SOUTH 84°04'28" WEST;
10. THENCE SOUTHERLY, SOUTHWESTERLY, WESTERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 130°28'38" AND AN ARC LENGTH OF 45.55 FEET;
11. THENCE ON A TANGENT BEARING NORTH 55°26'54" WEST 91.46 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 300.00 FEET;
12. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 20°55'34" AND AN ARC LENGTH OF 109.57 FEET;
13. THENCE ON A TANGENT BEARING NORTH 76°22'28" WEST 102.59 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 50.00 FEET;
14. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 32°27'26" AND AN ARC LENGTH OF 38.32 FEET;
15. THENCE ON A TANGENT BEARING NORTH 43°55'02" WEST 62.16 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 200.00 FEET;
16. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19°14'31" AND AN ARC LENGTH OF 67.17 FEET;
17. THENCE ON A TANGENT BEARING NORTH 63°09'33" WEST 182.22 FEET;
18. THENCE NORTH 12°47'50" EAST 302.91 FEET TO A POINT FROM WHICH THE MOST NORTHEASTERLY CORNER OF LOT 4 OF SAID TRACT NO. 53425-01 BEARS NORTH 78°43'55" WEST 1,066.58 FEET, SAID POINT ALSO BEING THE END OF TRAIL 2.

TRAIL 3

BEGINNING AT THE POINT OF BEGINNING OF TRAIL 1 ABOVE;

1. THENCE SOUTH 34°39'33" WEST 105.81 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 250.00 FEET;
2. THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 26°03'54" AND AN ARC LENGTH OF 113.73 FEET TO A POINT ON CURVE DESIGNATED AS POINT "B", FROM WHICH A RADIAL LINE TO THE CENTER OF CURVE BEARS NORTH 29°16'33" WEST;
3. THENCE CONTINUING SOUTHWESTERLY AND WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 35°01'15" AND AN ARC LENGTH OF 152.81 FEET;
4. THENCE ON A TANGENT BEARING NORTH 84°15'19" WEST 309.80 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 350.00 FEET;
5. THENCE WESTERLY AND SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 47°53'45" AND AN ARC LENGTH OF 292.58 FEET TO POINT "C" FROM WHICH THE NORTHWESTERLY CORNER OF LOT 6 OF SAID TRACT NO. 53425-01 BEARS SOUTH 66°51'57" WEST 440.72 FEET, SAID POINT ALSO BEING THE END OF TRAIL 3.

TRAIL 4

BEGINNING AT POINT "B" AS DESCRIBED IN COURSE NO. 2 OF TRAIL 3 ABOVE;

1. THENCE SOUTH 17°42'20" EAST 406.12 FEET TO A POINT DESIGNATED AS POINT "D";
2. THENCE SOUTH 14°01'28" EAST 56.41 FEET, MORE OR LESS, TO A POINT ON THE NORTHERLY LINE OF LOT 6 OF SAID TRACT NO. 53425-01 AND ON THE SOUTHERLY LINE OF SAID CITY OF LOS ANGELES LANDS, FROM WHICH THE NORTHWESTERLY CORNER OF SAID LOT 6 BEARS NORTH 81°55'06" WEST 1,280.62 FEET, SAID POINT ALSO BEING THE END OF TRAIL 4.
THE SIDELINES OF TRAIL 4 SHALL BE LENGTHENED OR SHORTENED TO TERMINATE AT SAID NORTHERLY LINE.

TRAIL 5

BEGINNING AT POINT "D" AS DESCRIBED IN COURSE NO. 1 OF TRAIL 4 ABOVE;

1. THENCE SOUTH 54°33'01" WEST 30.26 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH AND HAVING A RADIUS OF 50.00 FEET;
2. THENCE SOUTHWESTERLY, WESTERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89°08'18" AND AN ARC LENGTH OF 77.79 FEET;
3. THENCE ON A TANGENT BEARING NORTH 36°18'42" WEST 77.55 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 50.00 FEET;
4. THENCE NORTHWESTERLY, WESTERLY, AND SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 103°58'55" AND AN ARC LENGTH OF 90.91 FEET TO A POINT OF REVERSE CURVATURE, SAID CURVE BEING CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 150.00 FEET, FROM SAID POINT A RADIAL LINE TO THE CENTER OF CURVE BEARS NORTH 50°17'37" WEST;
5. THENCE SOUTHWESTERLY, WESTERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 59°59'07" AND AN ARC LENGTH OF 157.04 FEET;
6. THENCE ON A TANGENT BEARING NORTH 80°18'30" WEST 297.01 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 50.00 FEET;
7. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 44°00'50" AND AN ARC LENGTH OF 38.41 FEET;
8. THENCE ON A TANGENT BEARING NORTH 36°17'40" WEST 53.75 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 200.00 FEET;
9. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19°25'01" AND AN ARC LENGTH OF 67.78 FEET TO A POINT OF REVERSE CURVATURE, SAID CURVE BEING CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 200.00 FEET, FROM SAID POINT A RADIAL LINE TO THE CENTER OF CURVE BEARS NORTH 34°17'20" EAST;
10. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 44°25'35" AND AN ARC LENGTH OF 155.08 FEET;
11. THENCE ON A TANGENT BEARING NORTH 11°17'05" WEST 6.24 FEET TO POINT "C" AS DESCRIBED IN COURSE NO. 5 OF TRAIL 3 ABOVE, SAID POINT ALSO BEING THE END OF TRAIL 5.

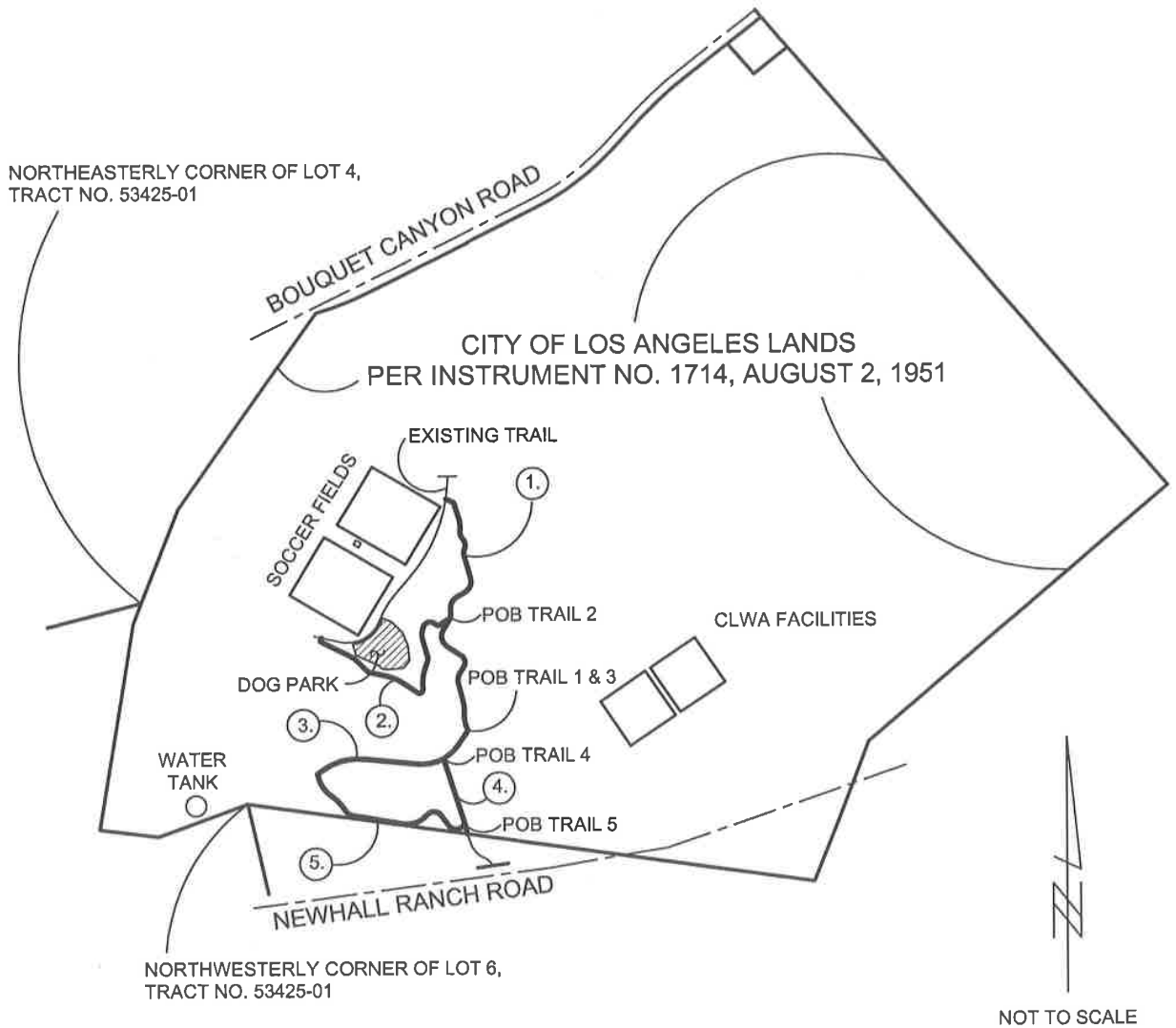
TRACT NO. 27994 FILED IN BOOK 722 PAGES 87 THROUGH 90, INCLUSIVE, OF MAPS, RECORDS OF SAID COUNTY IS THE BASIS OF BEARINGS FOR THESE LEGAL DESCRIPTIONS.



DATED MAY 19, 2011

EXHIBIT "B"

EASEMENTS FOR PUBLIC USE AND TRAIL PURPOSES
IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



#. INDICATES TRAIL NUMBER AND CORRESPONDS TO DESCRIPTIONS ON EXHIBIT "A"



LORIN JAMES JORDAN, PLS
SENIOR ENGINEER-LAND SURVEYOR
CITY OF SANTA CLARITA
DATED: MAY 19, 2011

Lease Amendment No. 4- Exhibit D

LICENSE AGREEMENT FOR EXERCISE AND ACCESS STAIRS

This License Agreement (“Agreement”) For Exercise And Access Stairs is made as of _____ (“Effective Date”), by and between the Santa Clarita Valley Water Agency (“Licensor”) and the City of Santa Clarita (“Licensee”).

RECITALS

A. Licensor is the owner of the real property identified and described in Exhibit “A,” attached hereto and incorporated herein by reference (the “Property”).

B. Licensee would like to install an exercise and access stairs (“Stairs”) within the Property to be located in the area depicted in Exhibit “A.”

NOW, THEREFORE, the parties agree as follows:

1. License. Licensor hereby grants to Licensee, its employees, agents, contractors and invitees, which includes the general public, a non-exclusive license and right to enter upon and over the Property (“License”) for the sole purpose of installing, maintaining and using the Stairs and related lighting improvements and for no other purpose (“Activities”). In connection with the installation and use of the Stairs, Licensor and Licensee acknowledge that it will be necessary for plans to be prepared regarding the design and location of lighting and electrical services. Plans for the design and location of the lighting and electrical services are not yet finalized. Licensor and Licensee agree to cooperate with one another in formulating and completing mutually satisfactory plans for the lighting and electrical services. Upon completion, the lighting and electrical services will be installed in accordance with the approved plans. Licensee shall be solely responsible for all costs and expenses relating to the Activities as contemplated in this Agreement. The License and this Agreement are independent of the Central Park Sports Facility Ground Lease between City and the Agency made January 2, 1997 and its amendments (the “Ground Lease”).

2. No Interest in Land Granted. Nothing herein shall be deemed to grant to Licensee any fee interest, leasehold, easement, or other possessory interest in the Property, or any portion thereof, or any exclusive right or special status to negotiate or purchase. This Agreement grants a limited license upon specified terms and no more.

3. Term. This Agreement shall be effective upon the date specified above when both parties have executed this Agreement and shall terminate at midnight on January 1, 2038. The term of this Agreement shall run concurrently with the term of the Ground Lease, and a renewal of the term of the Ground Lease shall be a corresponding renewal of the term of this Agreement.

4. Conditions for Entry Onto Property. The Property shall be entered upon by Licensee and its invitees, which includes the general public, for the Activities and for no other purpose. Such entry shall not unreasonably interfere with Licensor’s ownership or use of the Property. All existing improvements located on the Property are to be protected in place, unless otherwise agreed to by the Licensor. Licensee shall be subject to the following terms and conditions:

a. Licensor makes no representation, covenant, warranty or promise that the Property is fit for any particular use, including the use for which the License is granted and Licensee is not relying on any such representation, covenant, warranty or promise and accepts the Property in its “as is” condition.

b. Licensee shall conduct the Activities in compliance with all applicable federal, state and local laws.

c. At the completion of the Activities and/or the revocation of the License, Licensee will restore the Property to its original condition prior to this Agreement.

d. Licensee shall not permit to be placed against the Property, or any part thereof, any design professionals', mechanics', materialmen's, contractors' or subcontractors' liens with regard to Licensee's actions on the Property. Licensee agrees to hold Licensor harmless for any loss or expense, including reasonable attorneys' fees and costs, arising from any such liens which might be filed against the Property.

5. Notice. Prior to entering the Property for the installation and maintenance of the Stairs, Licensee shall provide Licensor with forty eight (48) hours advanced written notice at the address stated in Section 13.

6. Prohibition of Digging. Unless permitted in writing by Licensor, Licensee is prohibited from taking samples or digging on the Property. Licensee shall indicate in writing the scope of any intended tests requiring digging 48 hours prior to entry onto the Property for Licensor's review and approval. All results and findings of such permitted tests shall be made available for Licensor's at no cost.

7. [INTENTIONALLY LEFT BLANK]

8. Indemnification. Except as to sole gross negligence or willful misconduct of the Licensor, Licensee agrees to indemnify, defend (with counsel approved by Licensor) and hold the Licensor, its officers, officials, agents and employees, harmless from and against all claims, damages, losses, liability, cost or expense, including defense costs and attorney's fees, including, but not limited to, bodily injury, death, personal injury or property damage, which arise out of or are in any way connected with the performance of the Activities by the Licensee, its officers, officials, agents, employees, and contractors, under the License and this Agreement, and the use of the Stairs and related improvements by its invitees, which includes the general public. Licensee shall also be responsible for any attorneys' fees the Licensor incurs in the event the Licensor has to file any action in connection with this Agreement. The parties expressly agree that any payment, attorney's fees, costs or expenses Licensor incurs or makes to or on behalf of an injured employee under the Licensor's workers' compensation insurance coverage shall be included as a loss, expense or cost for the purpose of this Section, and that this Section shall survive the expiration or early termination of this Agreement.

9. Insurance. Prior to Licensor's execution of this Agreement, Licensee shall provide to Licensor a certificate of insurance showing that Licensee is insured for commercial and general liability insurance, automobile liability insurance and professional liability insurance with minimum limits as follows: commercial and general liability insurance policies shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$2,000,000 per occurrence and a general aggregate limit in the amount of not less than \$2,000,000, unless otherwise approved or reduced by the Licensor in writing. Licensee's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$2,000,000 per occurrence unless otherwise approved or reduced by Licensor in writing. Licensee shall procure and maintain, and require its subcontractors to procure and maintain, for a period of five (5) years following completion of the Activities, errors and omissions liability insurance appropriate to their

profession. Such insurance shall be in an amount not less than \$1,000,000 per claim, and shall be endorsed to include contractual liability. These minimum amounts of coverage shall not constitute any limitation or cap on Licensee's indemnification obligations hereunder. Prior to Licensor's execution of this Agreement, copies of insurance policies or original certificates and additional insured endorsements evidencing the coverage required by this Agreement, for both commercial and general and automobile liability insurance, shall be filed with Licensor and shall include Licensor and its officers, employees and agents, as additional insureds. Said policies shall be in the usual form of commercial and general and automobile liability insurance policies, but shall include the following provisions:

a. It is agreed that the Licensor, and its officers, employees and agents, shall be added as additional insureds under this policy and each policy shall contain a waiver of the insurer's right of subrogation against the Licensor.

b. The policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to Licensor by certified or registered mail, postage prepaid.

c. The policies shall apply on a primary non-contributing basis in relation to any insurance or self-insurance available or applicable to the Licensor.

The Licensor, its officers, officials, employees and agents make no representation that the types or limits of insurance specified to be carried by Licensee pursuant to this Agreement are adequate to protect Licensee. If Licensee believes that any required insurance coverage is inadequate, it shall obtain such additional insurance coverage, as it deem adequate, at its sole expense.

10. Hazardous Substances Indemnity. Licensee expressly agrees to and shall indemnify, defend (with counsel approved by Licensor), release and hold the Licensor, its officers, officials, agents and employees harmless from and against any liability, loss, fine, penalty, fee, charge, lien, judgment, damage, entry, claim, cause of action, suit, proceeding (whether legal or administrative), remediation, response, removal, or clean-up and all costs and expenses associated therewith, and all other costs and expenses (including, but not limited to, attorneys' fees, expert fees, and court costs) in any way related to the disposal, treatment, transportation, manufacture, or use of any Hazardous Substances on, in, under, or about the Property by Licensee, or its respective officers, directors, agents, subcontractors, servants, employees or developers, or by any other third party acting under the control or request of Licensee, or by the general public, other than the Licensor and its respective officers, agents, servants, employees or developers. This indemnity, defense and hold harmless obligation shall survive the expiration or termination of this Agreement.

11. Hazardous Substances Defined. Hazardous Substances shall mean any (a) substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to CERCLA, 42 U.S.C. § 9601, et seq.; The Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq. ("RCRA"); The Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; The Clean Water Act, 33 U.S.C. § 1251, et seq.; The Hazardous Waste Control Act, California Health and Safety Code ("H. & S.C.") § 25100, et seq.; the Hazardous Substance Account Act, H. & S.C. § 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, H. & S.C. § 25249.5, et seq.; Underground Storage of Hazardous Substances H.& S.C. § 25280, et seq.; the Carpenter-Presley-Tanner Hazardous Substance Account Act (H & S.C. § 25300 et seq.); The Hazardous Waste Management Act, H. & S.C. §§ 25170.1, et seq.; Hazardous Materials Response Plans and Inventory H. & S.C. § 25001 et seq.; or the Porter-

Cologne Water Quality Control Act, Water Code § 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect, (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes, (c) petroleum, crude oil or any substance which contains gasoline, diesel fuel or other petroleum hydrocarbons other than petroleum and petroleum products contained within regularly operated motor vehicles, and (d) polychlorinated biphenyls (PCB), radon gas, urea-formaldehyde, asbestos and lead.

12. Venue and Attorneys' Fees. Any action at law or in equity brought by either party for the purpose of enforcing a right or rights provided for by the License and this Agreement shall be tried in a court of competent jurisdiction in the County of Los Angeles, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. In the event either party shall bring suit to enforce any term of this Agreement or to recover any damage for and on account of the breach of any term or condition of this Agreement, it is mutually agreed that the prevailing party in such action shall recover all costs thereof, including reasonable attorneys' fees, to be set by the court in such action.

13. Notices. Service of any notices, bills, invoices or other documents required or permitted under this Agreement shall be sufficient if sent by one party to the other by United States mail, postage prepaid and addressed as follows:

To Licensor: Santa Clarita Valley Water Agency
Attn: Matt Stone
27234 Bouquet Canyon Rd.
Santa Clarita, California 91350
Telephone: (661) 513-1211
Email: mstone@scvwa.org

To Licensee: The City of Santa Clarita
Attn: Ken Striplin
23920 Valencia Blvd.
Santa Clarita, CA 91355
Email: kstriplin@santa-clarita.com

14. Assignment. It is mutually understood and agreed that the License and this Agreement are personal to Licensee and shall be binding upon Licensee and its successors and may not be assigned or transferred in any way without the prior written consent of the Licensor. Any transfer shall be void and of no effect.

15. Authority. The individuals executing this Agreement each represent and warrant that they have the legal power, right and actual authority to bind their respective entities to the terms and conditions hereof and thereof.

16. Severability. Each provision, term, condition, covenant, and/or restriction, in whole and in part, in this Agreement shall be considered severable. In the event any provision, term, condition, covenant, and/or restriction, in whole and/or in part, in this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant, and/or restriction, of this Agreement and the remainder of the Agreement shall continue in full force and effect.

CITY OF SANTA CLARITA

SANTA CLARITA VALLEY WATER AGENCY

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Attest:

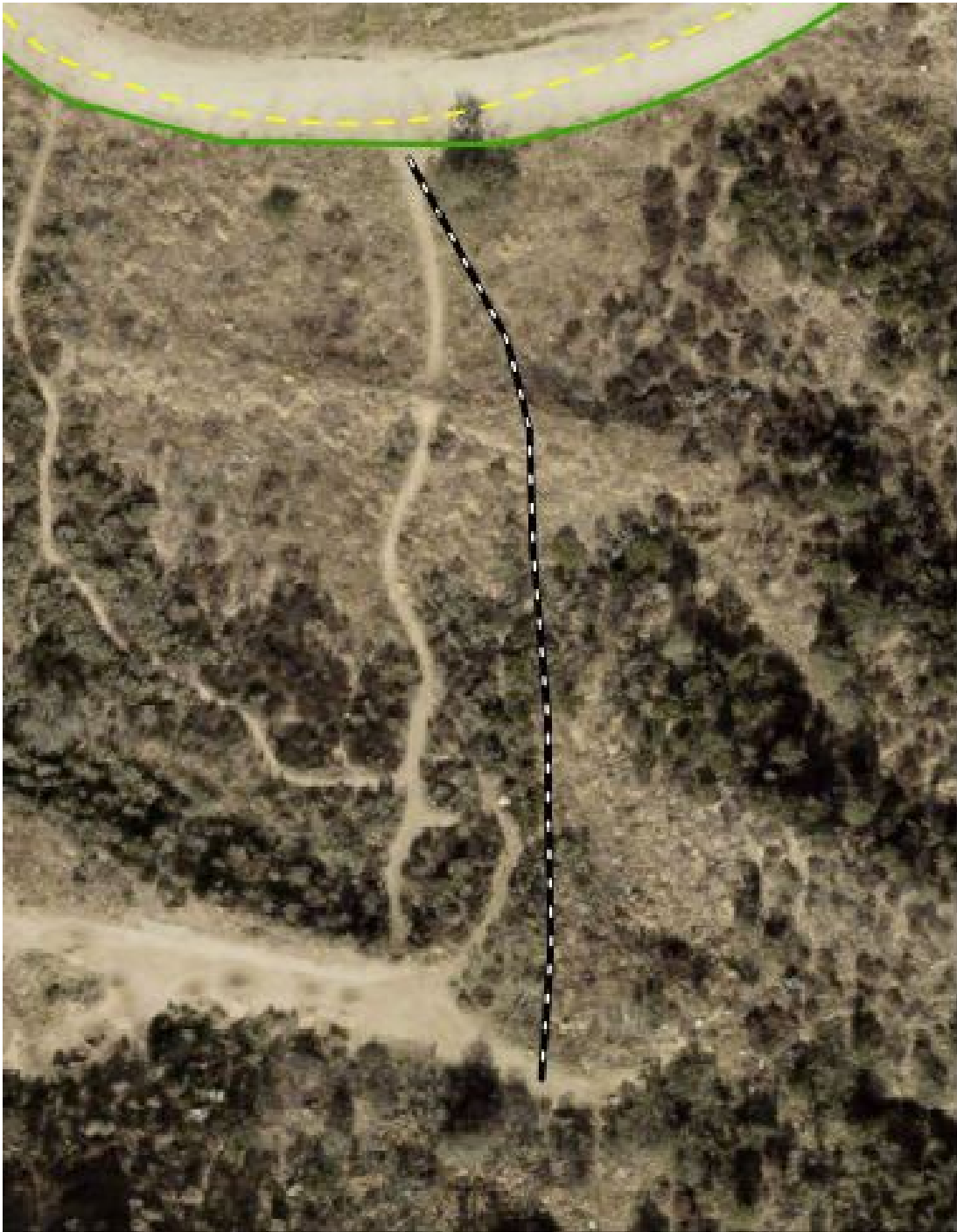
By: _____

Name: _____

Title: _____

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EXHIBIT "A"
(Description of the Property)



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Exhibit B6

10-00412

LICENSE AGREEMENT BETWEEN THE
CITY OF SANTA CLARITA AND CASTAIC LAKE WATER AGENCY

THIS LICENSE is made and executed this 18 day of Oct 2010, between CASTAIC LAKE WATER AGENCY, a California public agency ("CLWA") and the CITY OF SANTA CLARITA, a municipal corporation ("CITY"). CLWA and CITY are sometimes individually referred to herein as a "Party" and collectively referred to as the "Parties."

RECITALS

WHEREAS, CITY desires to license from CLWA certain real property for recreational purposes as further described herein; and

WHEREAS, CITY's use of CLWA's real property will require installation of fencing by CITY, thereby providing an increase to the security of CLWA's facilities.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and terms and conditions herein, CLWA and CITY agree as follows:

AGREEMENT

1. **LICENSE: DESCRIPTION OF PROPERTY.** CLWA licenses to CITY to use, on the terms and conditions in this License, the real property legally described and depicted in Exhibit A attached hereto (the "Property") for a cross country trail as depicted in Exhibit B attached hereto and further explained in Section 2 below. CLWA's action is not, and should not be construed to be, a conveyance of a property interest or a lease; it is a license to use property only.

2. **USE OF PROPERTY.**

A. CITY may use the Property for the construction, operation and maintenance of a cross-country trail for public use (excluding the use of motorized equipment). The trail may also be used for recreational events sponsored by a third party, as further described in paragraph B. of this section. Trail improvements shall consist of a newly graded dirt pathway and fencing as mutually agreed by CITY and CLWA. The trail shall be between six (6) and eight (8) feet in width in the approximate location depicted in Exhibit B attached hereto.

B. Schedule of events by third parties will be provided to CLWA on an annual basis, and CITY will endeavor to provide 14 days notice of any deviations to said scheduled events

C. CITY shall not use the Property for any purpose other than as set forth in Section 2(A) above without obtaining CLWA's prior written consent.

D. CLWA may change, amend, or terminate CITY's use of Property at any time, and in its sole discretion, verbally or in writing.

3. **TERM.** Except as provided in Section 4, the term of this license shall begin on September 10, 2010, and end on January 1, 2012. The terms of renewal shall coincide with that of the existing ground lease between CLWA and CITY for the operation of Central Park, and therefore the term shall automatically be extended for a period of one year on January 1 of each year, subject to prior written authorization by CLWA during its annual review of the ground lease.

4. **TERMINATION.**

A. CLWA or City may terminate this License at any time with or without cause, upon written notification. Termination shall be effective upon 45 days notice, unless specified otherwise.

B. By executing this document, the Parties waive any and all claims for damages that might otherwise arise from either Party's termination under this Section.

C. Upon termination of this License, CITY shall remove all personal property, improvements and appurtenances from the Property no later than thirty (30) days after the effective termination date in Section 4.A above. The Property shall be left in a clean and orderly condition. Should CITY not remove all personal property, improvements and appurtenances from Property within such thirty (30) days, CLWA may remove such items at the cost of the CITY, which shall be paid to CLWA by CITY within forty five (45) days of receipt of written invoice from CLWA. This provision shall survive the termination of this License.

5. **CONDEMNATION.** If all or part of Property is acquired by eminent domain or purchase in lieu thereof, CITY acknowledges that it shall have no claim to any compensation awarded for the taking of Property or any portion thereof or for loss of or damage to CITY's improvements.

6. **ALTERATIONS.** CITY shall not make, or cause to be made, any alterations to Property, or any part thereof, except as specified herein and in the attached exhibits without CLWA's prior written consent.

7. **HAZARDOUS/TOXIC WASTE.** CLWA has not, nor, to CLWA's knowledge, has any third party used, generated, stored or disposed of, or permitted the use, generation, storage or disposal of, any Hazardous Material (as defined below) on, under, about or within Property in violation of any law or regulation. CITY agrees that it shall not use, generate, store or dispose of any Hazardous Material (as defined below) on, under, about or within Property in violation of any law or regulation. CITY agrees to defend and indemnify CLWA, to the extent stated in

Section 11, against any and all losses, liabilities, claims or costs arising from any breach of any warranty or agreement contained in this Section. As used in this Section, "Hazardous Material" means any substance, chemical or waste that is identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation (including petroleum and asbestos).

8. **SIGNS.** CITY shall not place any sign upon Property except as specified herein and in the attached exhibits without CLWA's prior written consent. CITY shall pay for all costs of any approved signage and comply with all applicable sign codes and ordinances.

9. **ASSIGNMENT.** CITY shall not assign this License or any interest therein. The CITY is authorized to issue temporary permits to allow for third party use of the Property consistent with the events described in Section 2, provided the third party meets the insurance requirements set forth in Section 11.01, paragraph B, and agrees to defend and indemnify CLWA, its directors, officers, employees, agents, consultants, or volunteers. The indemnification provided to CLWA, its directors, officers, employees, agents, consultants, or volunteers shall be in substantially the same form and scope as that provided under Section 10 below.

10. **INDEMNIFICATION.**

10.01 Exculpation of CLWA: To the fullest extent permitted by law, CITY agrees that CLWA shall not be liable to CITY or its employees, agents, subtenants, or invitees or any other persons, or for their property, on any legal basis whatsoever, and CITY waives all claims against CLWA for damage to person or property arising for any reason or in any way with respect to this License Agreement. CLWA or its agents shall not be liable for interference with light, air, or for any latent defect in the Property.

10.02 Indemnification: CITY at its own and sole expense shall to the fullest extent permitted by law indemnify and hold harmless and defend CLWA, its directors, officers, employees, agents, consultants, or volunteers, and each of them, from and against:

A. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind and nature whatsoever for, but not limited to, injury to or death of any person including CLWA and/or CITY, or any directors, officers, employees, agents, consultants, and/or volunteers of CLWA or CITY, and damages to or destruction of property of any person, including but not limited to, CLWA and/or CITY and their directors, officers, employees, agents, consultants, and/or volunteers, arising out of or in any manner directly or indirectly connected with this License, except to the extent caused by the sole negligence or willful misconduct of CLWA or its directors, officers, employees, agents, consultants, and/or volunteers;

B. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, relating to the use of this License Agreement, or resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of CITY; and

C. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising from any breach or

default in the performance of any obligation of this License Agreement on CITY's part to be performed under the terms of this License, or arising from any act or negligence of the CITY, or of any officer, agent, employee, guest, or invitee of CITY.

CITY agrees to carry insurance for this purpose as set out in this License. (See Section 11 of this License for insurance specifications and coverage.) CITY's obligation to indemnify, hold harmless and defend shall not be restricted to insurance proceeds, if any, received by CLWA or its directors, officers, employees, agents, consultants, and/or volunteers.

CITY shall give prompt written notice to CLWA in case of casualty or accidents in, on, or about the Property. CITY, upon notice from CLWA, shall defend CLWA at CITY's expense by counsel reasonably satisfactory to CLWA.

11. INSURANCE.

11.01 Commercial General Liability and Automobile Liability Insurance: CITY shall provide and maintain at its sole cost and expense, and shall keep in force during the License term, the following commercial general liability and automobile liability insurance, insuring the CLWA and the CITY against any liability arising in any way out of this License and/or the ownership, use, occupancy, and maintenance of the Property, and all areas appurtenant thereto, as follows:

A. Coverage – Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

1. Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 0001)
2. Insurance Services Office Form Number CA 0001 (ed 1/87) covering Automobile Liability, Symbol 1 (any auto)

B. Limits – CITY shall maintain limits no less than the following:

1. General Liability – Five million dollars (\$5,000,000) per occurrence for death or bodily injury, and/or personal injury to one person and Two million dollars (\$2,000,000) per occurrence for property damage affecting one person. Ten million dollars (\$10,000,000) per occurrence for death or bodily injury and/or personal injury to more than one person and Two million dollars (\$2,000,000) per occurrence for property damage to more than one person in any one occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply to the License (with ISO CG 2501 or insurer's equivalent endorsement provided to CLWA) or the general aggregate limit shall be twice the required occurrence limit. In the event of use by a third party authorized under a permit issued by the CITY, the third party shall be required to provide CLWA with liability coverage in amounts equal to that provided to the City by the third party. Unless waived in writing by CLWA, the liability insurance provided by the third party must comply with the required provisions set forth in Section 11.01.C. below with respect to additional insured status, waiver of subrogation, and the primary and noncontributing

requirement.

2. Automobile Liability – Ten million dollars (\$10,000,000) per accident for death or bodily injury and/or personal injury and property damage, combined single limit.

C. Required Provisions – The general liability and automobile liability policies are to contain, BY ENDORSEMENT, the following provisions:

1. CLWA, its director, officers, employees, agents, consultants, and/or volunteers are to be covered as insureds as respects: any liability arising in any way or on any legal theory out of this License by the CITY; including liability with respect in any way to automobiles owned, leased, hired or borrowed by the CITY. The coverage shall contain no special limitations on the scope of protection afforded to CLWA, its directors, officers, employees, agents, consultants, and/or volunteers.

2. For any claims related to this License, the CITY's insurance shall be primary insurance as respects CLWA, its directors, officers, employees, agents, consultants, and/or volunteers. Any insurance, pooled coverage or self-insurance maintained by the CLWA its directors, officers, employees, agents, consultants, and/or volunteers shall not contribute to it.

3. Any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the CLWA, its directors, officers, employees, agents, consultants, and/or volunteers.

4. The CITY'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.

5. CITY's insurance shall cover all contractually assumed CITY liability obligations under Section 10 of this License.

6. Each insurance policy shall specifically state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, which has been actually and physically received by CLWA.

Such liability insurance shall indemnify the CITY and its contractors against loss from liability imposed by law upon, or assumed under contract by, the CITY or its contractors for damages on account of such bodily injury (including death), property damage, personal injury and completed operations and products liability.

Such insurance shall be provided on a policy form written by underwriters through an agency satisfactory to CLWA, which includes a cross-liability clause, and covers bodily injury (including death) and property damage liability, owned and non-owned vehicles and equipment, blanket contractual liability and completed operations liability.

Such liability insurance shall include explosion, collapse, underground excavation and removal of lateral support. CLWA, its directors, officers, employees, agents, consultants, and/or volunteers shall be named as additional insureds on any such policies. Any additional insured endorsement (ISO CG 2011 (ISO CG 2024 if land only) or equivalent) (modified to include provision C-6 above) and a certificate of insurance (Accord Form 25.S or equivalent), shall be provided to CLWA.

The insurer shall waive all rights of subrogation against CLWA. CITY shall provide CLWA with a certificate of insurance for property insurance coverage and evidence of waiver of rights of subrogation against CLWA and its directors, officers, employees, agents, consultants, and/or volunteers.

D. Deductibles and Self-Insured Retentions – Any deductible or self-insured retention must be declared to and approved by CLWA. At the option of CLWA, the insurer shall reduce or eliminate such deductibles or self-insured retentions.

E. Acceptability of Insurers – Insurance is to be placed by CITY with insurers having a current A. M. Best's rating of no less than A-:VII or equivalent, licensed to do business in the State of California, and authorized to write such insurance in the State of California.

11.02 Property Damage: CITY shall at its own and sole expense obtain and keep in force during the term of this License a policy or policies of insurance covering loss or damage to the Property and the improvements thereon, in the amount of the full replacement value thereof providing protection against all perils including within the classification of fire, extended coverage, vandalism, malicious mischief and special extended perils (all risk). The aforesaid policies shall name both the CLWA and CITY as insureds. CITY shall provide the CLWA with a certified copy of the aforesaid policies. If CITY shall fail to procure and maintain said insurance, CLWA may, but at the expense of the CITY, obtain such insurance.

CITY's property insurance covering all risks of direct physical loss, damage or destruction to real and personal property shall include explosion, collapse, underground excavation and removal of lateral support. CLWA shall be named as an additional primary insured on any such policy.

The insurer shall waive all rights of subrogation against CLWA. CITY shall provide CLWA with a certificate of insurance for property insurance coverage and evidence of waiver of rights of subrogation against CLWA and its directors, officers, employees, agents, consultants, and/or volunteers.

11.03 CITY's Blanket Insurance: Notwithstanding anything to the contrary contained within this Section, CITY's obligations to carry the insurance provided for herein may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by CITY, provided, however, that CLWA shall be named as an additional insured thereunder as its interest may appear and that the coverage afforded the CLWA will not be reduced or diminished by reason of the use of such blanket policy of insurance, and provided further that all the requirements and specifications set forth herein are in every respect otherwise

satisfied.

11.04 Notice of Cancellation: CITY agrees that on or before twenty (20) days prior to expiration of any insurance policy, CITY will deliver to CLWA written notification in the form of a receipt or other similar document from the applicable insurance company that said policy or policies have been renewed, or deliver certificates of coverage from another insurance company, meeting the requirements of this Section 13.

11.05 Workers' Compensation: CITY and CLWA, for their respective employees, if any, on the Property of the park, shall carry adequate Workers' Compensation Insurance in accordance with the laws of the State of California. By its signature hereunder, CITY certifies that it is aware of the provisions of Section 3700 of the 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 CITY agrees to and will comply with such provisions in connection with any work performed on the Property. Any persons providing services with or on behalf of CITY shall be covered by workers' compensation (or qualified self-insurance).

CITY and its contractors shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their respective employees working on or about the Property, regardless of whether such coverage or insurance is mandatory or merely elective under the law, and CITY shall defend, protect and save harmless CLWA, its directors, officers, employees, agents, consultants, and/or volunteers from and against all claims, suits, and actions arising from any failure of the CITY or any contractor hired by the CITY to maintain such insurance. Before execution of the License, CITY shall furnish to CLWA satisfactory proof that it has taken out full workers' compensation for all persons employed directly by it or through contractors hired by CITY to carry out any work in any way concerning the Property, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California, and any Acts amendatory thereof.

CITY shall provide employer's liability insurance in the amount of, at least, \$1,000,000 per accident for bodily injury and disease.

CITY shall provide CLWA with a certificate of Workers' Compensation and Employer's liability insurance coverage.

11.06 Evidences of Insurance: Prior to execution of the License, CITY shall file with CLWA evidences of insurance, including originals of all required insurance policy endorsements, from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 2011 or 2024 (or insurer's equivalent) signed by the insurer's representative and certificate of insurance (Accord Form 25-S or equivalent). All evidence of insurance shall be certified by a properly authorized officer, agent or qualified representative of the insurer and shall certify the names and/or capacities of the insured, and additional insureds, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date.

CITY shall, upon demand of CLWA, deliver to CLWA all such policy or policies of

insurance and the receipts for payment of premiums thereon; and should CITY neglect to obtain and maintain in force any such insurance or deliver such policy or policies and receipts to CLWA, then it is agreed that CLWA may (but has no obligation to) obtain and maintain such insurance, and CITY hereby appoints CLWA its true and lawful attorney-in-fact to do all things necessary for this purpose. All money paid by CLWA for insurance premiums under the provision of this section shall be charged to CITY as additional rent.

CITY and CLWA agree that CLWA's receipt of insurance documents from CITY or its insurers does not constitute CLWA's agreement that such insurance documents are sufficient under this License, and that CITY is fully responsible for supplying insurance documents and coverage in compliance with the requirements of this License.

12. **COMPLIANCE WITH LAW.** CITY shall, at its sole cost and expense, comply with all of the requirements of all federal, state, and local authorities now in force, or which may hereafter be in force, pertaining to Property and shall faithfully observe in the use of Property all applicable laws. The judgment of any court of competent jurisdiction, or the admission of CITY in any action or proceeding against CITY, whether CLWA be a party thereto or not, that CITY has violated any such ordinance or statute in the use of Property shall be conclusive of that fact as between CLWA and CITY.

13. **BREACH.** The violation of any of the provisions of this License shall constitute a breach of this License by CITY, and in such event said License shall automatically cease and terminate.

14. **WAIVER OF BREACH.** Any express or implied waiver of a breach of any term of this License shall not constitute a waiver of any further breach of the same or other term of this License.

15. **ENTRY BY CLWA AND PUBLIC.** This License does not convey any property interest to CITY. Except for areas restricted because of safety concerns, CLWA shall have unrestricted access upon Property for all lawful acts.

16. **INSOLVENCY; RECEIVER.** Either the appointment of a receiver to take possession of all or substantially all of the assets of CITY, or a general assignment by the CITY for the benefit of creditors, or any action taken or offered by CITY under any insolvency or bankruptcy action, shall constitute a breach of this License by CITY, and in such event said License shall automatically cease and terminate.

17. **NOTICES.** Except as otherwise expressly provided by law, all notices or other communications required or permitted by this License or by law to be served on or given to either party to this License by the other party shall be in writing and shall be deemed served when personally delivered to the party to whom they are directed, or in lieu of the personal service, upon deposit in the United States mail, certified or registered mail, return receipt requested, postage prepaid, addressed to:

CLWA at:
Castaic Lake Water Agency
27234 Bouquet Canyon Road

Santa Clarita, California 91350
Attn: Brian Folsom
or to CITY at:
City of Santa Clarita
23920 Valencia Boulevard, Suite
120 Santa Clarita, CA 91355
Attn: Rick Gould

Either party may change its address for the purpose of this Section by giving written notice of the change to the other party.

18. **ACCEPTANCE OF FACSIMILE SIGNATURES.** The Parties agree that agreements ancillary to this License and related documents to be entered into in connection with this License shall be considered signed when the signature of a party is delivered by facsimile transmission. Such facsimile signature shall be treated in all respects as having the same effect as an original signature.

19. **GOVERNING LAW.** This License has been made in and shall be construed in accordance with the laws of the State of California and exclusive venue for any action involving this License shall be in Los Angeles County.

20. **PARTIAL INVALIDITY.** Should any provision of this License be held by a court of competent jurisdiction to be either invalid or unenforceable, the remaining provisions of this License shall remain in effect, unimpaired by the holding.

21. **INTEGRATION.** This instrument and its Attachments constitute the sole agreement between CLWA and CITY respecting Property, the use of Property by CITY, and the specified License term, and correctly sets forth the obligations of CLWA and CITY. Any agreement or representations respecting Property or its licensing by CLWA to CITY not expressly set forth in this instrument are void.

22. **CONSTRUCTION.** The language of each part of this License shall be construed simply and according to its fair meaning, and this License shall never be construed either for or against either party.

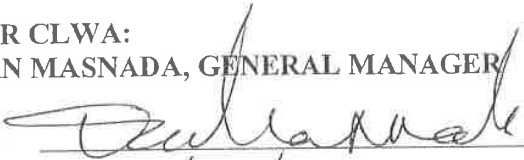
23. **AUTHORITY/MODIFICATION.** The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this License and to engage in the actions described herein. This License may be modified only by written agreement.

24. **CONFLICT OF INTEREST.** CITY shall comply with all conflict of interest laws and regulations including.


25. **COUNTERPARTS.** This License may be executed in any number or counterparts, each of which shall be an original, but all of which together shall constitute one instrument executed on the same date.

IN WITNESS WHEREOF, the parties hereto have executed this contract the day and year first hereinabove written.

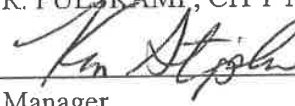
**FOR CLWA:
DAN MASNADA, GENERAL MANAGER**

BTF By: 
Date: 9/23/10

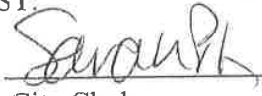
**APPROVED AS TO FORM:
MCCORMICK, KIDMAN & BEHRENS, LLP**

By: 
Date: 9-23-10

**FOR CITY OF SANTA CLARITA:
KENNETH R. PULSKAMP, CITY MANAGER**

By: 
City Manager
Date: 9/27/10

ATTEST:

By: 
City Clerk
Date: 10/4/10

**APPROVED AS TO FORM:
CARL K. NEWTON, CITY ATTORNEY**


By: 
City Attorney
Date: 9/27/10

EXHIBIT "A"
LEGAL DESCRIPTION

**EASEMENTS FOR PUBLIC USE AND TRAIL PURPOSES
IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA**

BEING 16.00 FOOT WIDE EASEMENTS FOR PUBLIC USE AND TRAIL PURPOSES TO THE CITY OF SANTA CLARITA IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, UPON, OVER, AND ACROSS PORTIONS OF THE RANCHO SAN FRANCISCO PER MAP FILED IN BOOK 1 PAGES 521 AND 522 OF PATENTS, RECORDS OF SAID COUNTY, LYING 8.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINES:

TRAIL 1

COMMENCING AT THE NORTHWESTERLY CORNER OF LOT 6 AS SHOWN ON MAP OF TRACT NO. 53425-01 FILED IN BOOK 1325 PAGES 1 THROUGH 15, INCLUSIVE, OF MAPS, RECORDS OF SAID COUNTY, SAID CORNER ALSO BEING IN THE SOUTHERLY LINE OF THE LAND DEEDED TO THE CITY OF LOS ANGELES BY DEED RECORDED AUGUST 2, 1951, AS INSTRUMENT NO. 1714 IN BOOK 36908 PAGE 383 OF OFFICIAL RECORDS AND AS SHOWN ON THE RECORD OF SURVEY FILED IN BOOK 121 PAGES 44 THROUGH 47, INCLUSIVE, OF RECORDS OF SURVEY, BOTH RECORDS OF SAID COUNTY;

1. THENCE NORTH 71°04'31" EAST, ACROSS SAID CITY OF LOS ANGELES LANDS, 1,343.13 FEET TO THE POINT OF BEGINNING OF SAID CENTERLINE;
2. THENCE NORTH 22°42'01" WEST 31.24 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 100.00 FEET;
3. THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 21°32'43" AND AN ARC LENGTH OF 37.60 FEET;
4. THENCE ON A TANGENT BEARING NORTH 01°09'18" WEST 74.22 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 100.00 FEET;
5. THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 13°24'09" AND AN ARC LENGTH OF 23.39 FEET;
6. THENCE ON A TANGENT BEARING NORTH 14°33'27" WEST 119.31 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 75.00 FEET;
7. THENCE NORTHERLY AND NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 46°51'03" AND AN ARC LENGTH OF 61.33 FEET;
8. THENCE ON A TANGENT BEARING NORTH 32°17'36" EAST 42.65 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 50.00 FEET;
9. THENCE NORTHEASTERLY, NORTHERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89°35'11" AND AN ARC LENGTH OF 78.18 FEET;
10. THENCE ON A TANGENT BEARING NORTH 57°17'35" WEST 92.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 75.00 FEET;
11. THENCE NORTHWESTERLY, NORTHERLY, AND NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 88°27'20" AND AN ARC LENGTH OF 115.79 FEET;
12. THENCE ON A TANGENT BEARING NORTH 31°09'46" EAST 69.28 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 50.00 FEET;
13. THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 13°38'13" AND AN ARC LENGTH OF 11.90 FEET TO A POINT ON CURVE DESIGNATED AS POINT "A", FROM WHICH A RADIAL LINE TO THE CENTER OF CURVE BEARS NORTH 72°28'27" WEST;
14. THENCE CONTINUING NORTHERLY AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19°30'45" AND AN ARC LENGTH OF 17.03 FEET;
15. THENCE ON A TANGENT BEARING NORTH 01°59'12" WEST 36.27 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 75.00 FEET;

16. THENCE NORTHWESTERLY, NORTHERLY, AND NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 63°44'05" AND AN ARC LENGTH OF 83.43 FEET;
17. THENCE ON A TANGENT BEARING NORTH 61°44'53" EAST 47.55 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 75.00 FEET;
18. THENCE NORTHEASTERLY, NORTHERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 77°44'29" AND AN ARC LENGTH OF 101.70 FEET;
19. THENCE ON A TANGENT BEARING NORTH 15°56'35" WEST 137.87 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 50.00 FEET;
20. THENCE NORTHWESTERLY, NORTHERLY, AND NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 42°10'30" AND AN ARC LENGTH OF 36.80 FEET TO A POINT OF REVERSE CURVATURE, SAID CURVE BEING CONCAVE TO THE WEST AND HAVING A RADIUS OF 50.00 FEET, FROM SAID POINT A RADIAL LINE TO THE CENTER OF CURVE BEARS NORTH 63°46'06" WEST;
21. THENCE NORTHEASTERLY, NORTHERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 60°31'09" AND AN ARC LENGTH OF 52.81 FEET;
22. THENCE ON A TANGENT BEARING NORTH 34°17'14" WEST 24.69 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 50.00 FEET;
23. THENCE NORTHWESTERLY, NORTHERLY, AND NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 36°50'13" AND AN ARC LENGTH OF 32.15 FEET;
24. THENCE ON A TANGENT BEARING NORTH 02°32'59" EAST 32.85 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 100.00 FEET;
25. THENCE NORTHEASTERLY, NORTHERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 20°43'34" AND AN ARC LENGTH OF 36.17 FEET;
26. THENCE ON A TANGENT BEARING NORTH 18°10'34" WEST 111.52 FEET;
27. THENCE NORTH 67°01'13" WEST 48.03 FEET TO A POINT FROM WHICH THE MOST NORTHEASTERLY CORNER OF LOT 4 OF SAID TRACT NO. 53425-01 BEARS SOUTH 71°12'19" WEST 1865.80 FEET, SAID POINT ALSO BEING THE END OF TRAIL 1.

TRAIL 2

BEGINNING AT POINT "A" AS DESCRIBED IN COURSE NO. 13 OF TRAIL 1 ABOVE;

1. THENCE SOUTH 55°39'41" WEST 78.59 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH AND HAVING A RADIUS OF 10.00 FEET;
2. THENCE SOUTHWESTERLY, WESTERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 67°31'02" AND AN ARC LENGTH OF 11.78 FEET;
3. THENCE ON A TANGENT BEARING NORTH 56°49'18" WEST 23.69 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 40.00 FEET;
4. THENCE NORTHWESTERLY, WESTERLY, AND SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 108°51'02" AND AN ARC LENGTH OF 75.99 FEET;
5. THENCE ON A TANGENT BEARING SOUTH 14°19'40" WEST 20.12 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 100.00 FEET;
6. THENCE SOUTHWESTERLY, SOUTHERLY, AND SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30°15'03" AND AN ARC LENGTH OF 52.80 FEET;
7. THENCE ON A TANGENT BEARING SOUTH 15°55'22" EAST 106.81 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 50.00 FEET;
8. THENCE SOUTHEASTERLY, SOUTHERLY, AND SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 40°38'45" AND AN ARC LENGTH OF 35.47 FEET TO A POINT OF REVERSE CURVATURE, SAID CURVE BEING CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 300.00 FEET, FROM SAID POINT A RADIAL LINE TO THE CENTER OF CURVE BEARS SOUTH 65°16'37" EAST;

9. THENCE SOUTHWESTERLY AND SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30°38'55" AND AN ARC LENGTH OF 160.48 FEET TO A POINT OF REVERSE CURVATURE, SAID CURVE BEING CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 20.00 FEET, FROM SAID POINT A RADIAL LINE TO THE CENTER OF CURVE BEARS SOUTH 84°04'28" WEST;
10. THENCE SOUTHERLY, SOUTHWESTERLY, WESTERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 130°28'38" AND AN ARC LENGTH OF 45.55 FEET;
11. THENCE ON A TANGENT BEARING NORTH 55°26'54" WEST 91.46 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 300.00 FEET;
12. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 20°55'34" AND AN ARC LENGTH OF 109.57 FEET;
13. THENCE ON A TANGENT BEARING NORTH 76°22'28" WEST 102.59 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 50.00 FEET;
14. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 32°27'26" AND AN ARC LENGTH OF 38.32 FEET;
15. THENCE ON A TANGENT BEARING NORTH 43°55'02" WEST 62.16 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 200.00 FEET;
16. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19°14'31" AND AN ARC LENGTH OF 67.17 FEET;
17. THENCE ON A TANGENT BEARING NORTH 63°09'33" WEST 182.22 FEET;
18. THENCE NORTH 12°47'50" EAST 302.91 FEET TO A POINT FROM WHICH THE MOST NORTHEASTERLY CORNER OF LOT 4 OF SAID TRACT NO. 53425-01 BEARS NORTH 78°43'55" WEST 1,066.58 FEET, SAID POINT ALSO BEING THE END OF TRAIL 2.

TRAIL 3

BEGINNING AT THE POINT OF BEGINNING OF TRAIL 1 ABOVE;

1. THENCE SOUTH 34°39'33" WEST 105.81 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 250.00 FEET;
2. THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 26°03'54" AND AN ARC LENGTH OF 113.73 FEET TO A POINT ON CURVE DESIGNATED AS POINT "B", FROM WHICH A RADIAL LINE TO THE CENTER OF CURVE BEARS NORTH 29°16'33" WEST;
3. THENCE CONTINUING SOUTHWESTERLY AND WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 35°01'15" AND AN ARC LENGTH OF 152.81 FEET;
4. THENCE ON A TANGENT BEARING NORTH 84°15'19" WEST 309.80 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 350.00 FEET;
5. THENCE WESTERLY AND SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 47°53'45" AND AN ARC LENGTH OF 292.58 FEET TO POINT "C" FROM WHICH THE NORTHWESTERLY CORNER OF LOT 6 OF SAID TRACT NO. 53425-01 BEARS SOUTH 66°51'57" WEST 440.72 FEET, SAID POINT ALSO BEING THE END OF TRAIL 3.

TRAIL 4

BEGINNING AT POINT "B" AS DESCRIBED IN COURSE NO. 2 OF TRAIL 3 ABOVE;

1. THENCE SOUTH 17°42'20" EAST 406.12 FEET TO A POINT DESIGNATED AS POINT "D";
2. THENCE SOUTH 14°01'28" EAST 56.41 FEET, MORE OR LESS, TO A POINT ON THE NORTHERLY LINE OF LOT 6 OF SAID TRACT NO. 53425-01 AND ON THE SOUTHERLY LINE OF SAID CITY OF LOS ANGELES LANDS, FROM WHICH THE NORTHWESTERLY CORNER OF SAID LOT 6 BEARS NORTH 81°55'06" WEST 1,280.62 FEET, SAID POINT ALSO BEING THE END OF TRAIL 4.
THE SIDELINES OF TRAIL 4 SHALL BE LENGTHENED OR SHORTENED TO TERMINATE AT SAID NORTHERLY LINE.

TRAIL 5

BEGINNING AT POINT "D" AS DESCRIBED IN COURSE NO. 1 OF TRAIL 4 ABOVE;

1. THENCE SOUTH 54°33'01" WEST 30.26 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH AND HAVING A RADIUS OF 50.00 FEET;
2. THENCE SOUTHWESTERLY, WESTERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89°08'18" AND AN ARC LENGTH OF 77.79 FEET;
3. THENCE ON A TANGENT BEARING NORTH 36°18'42" WEST 77.55 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 50.00 FEET;
4. THENCE NORTHWESTERLY, WESTERLY, AND SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 103°58'55" AND AN ARC LENGTH OF 90.91 FEET TO A POINT OF REVERSE CURVATURE, SAID CURVE BEING CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 150.00 FEET, FROM SAID POINT A RADIAL LINE TO THE CENTER OF CURVE BEARS NORTH 50°17'37" WEST;
5. THENCE SOUTHWESTERLY, WESTERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 59°59'07" AND AN ARC LENGTH OF 157.04 FEET;
6. THENCE ON A TANGENT BEARING NORTH 80°18'30" WEST 297.01 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 50.00 FEET;
7. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 44°00'50" AND AN ARC LENGTH OF 38.41 FEET;
8. THENCE ON A TANGENT BEARING NORTH 36°17'40" WEST 53.75 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 200.00 FEET;
9. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19°25'01" AND AN ARC LENGTH OF 67.78 FEET TO A POINT OF REVERSE CURVATURE, SAID CURVE BEING CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 200.00 FEET, FROM SAID POINT A RADIAL LINE TO THE CENTER OF CURVE BEARS NORTH 34°17'20" EAST;
10. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 44°25'35" AND AN ARC LENGTH OF 155.08 FEET;
11. THENCE ON A TANGENT BEARING NORTH 11°17'05" WEST 6.24 FEET TO POINT "C" AS DESCRIBED IN COURSE NO. 5 OF TRAIL 3 ABOVE, SAID POINT ALSO BEING THE END OF TRAIL 5.

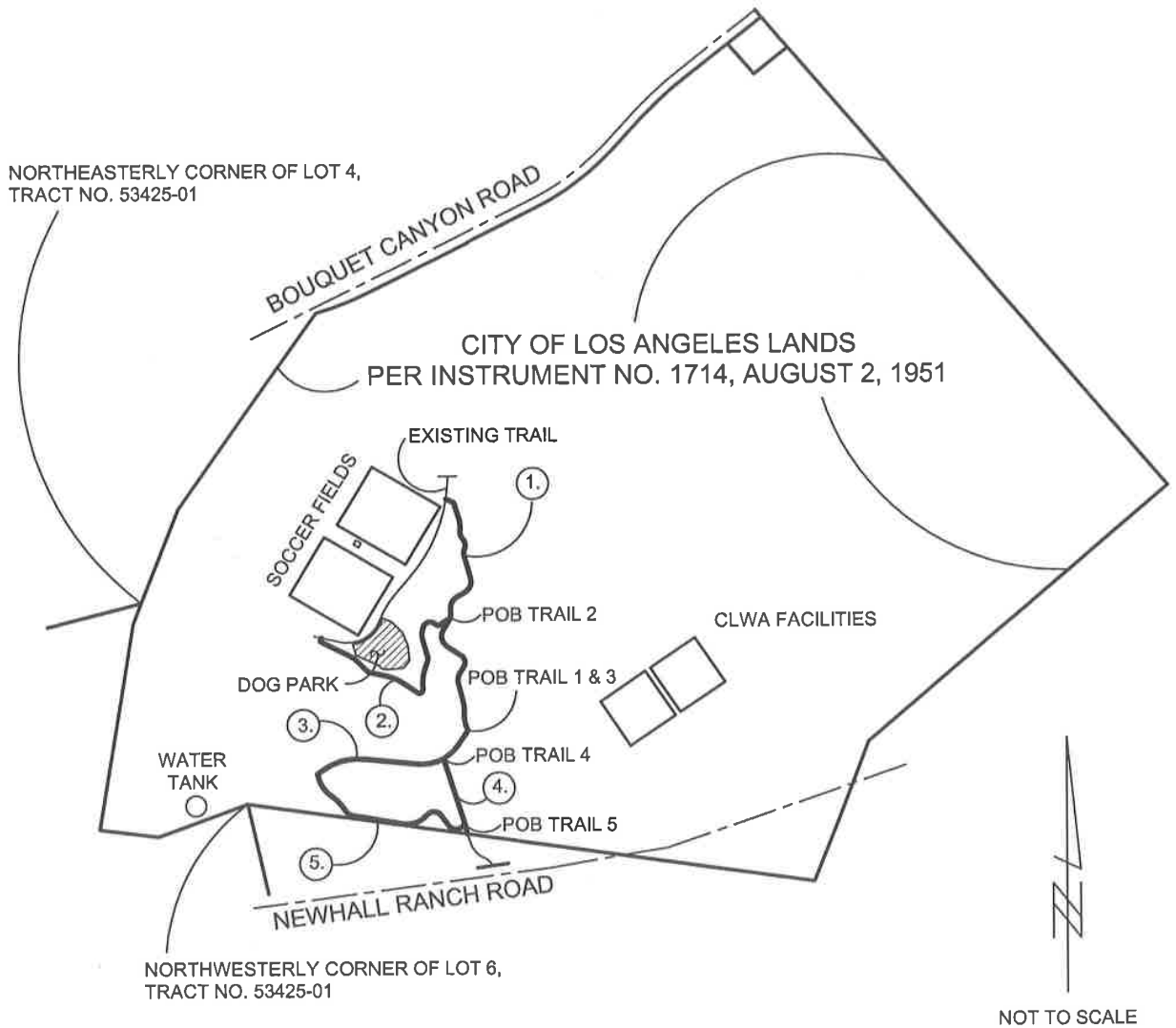
TRACT NO. 27994 FILED IN BOOK 722 PAGES 87 THROUGH 90, INCLUSIVE, OF MAPS, RECORDS OF SAID COUNTY IS THE BASIS OF BEARINGS FOR THESE LEGAL DESCRIPTIONS.



DATED MAY 19, 2011

EXHIBIT "B"

EASEMENTS FOR PUBLIC USE AND TRAIL PURPOSES
IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



#. INDICATES TRAIL NUMBER AND CORRESPONDS TO DESCRIPTIONS ON EXHIBIT "A"



LORIN JAMES JORDAN, PLS
SENIOR ENGINEER-LAND SURVEYOR
CITY OF SANTA CLARITA
DATED: MAY 19, 2011

Lease Expansion 1



Lease Expansion 2



License Expansion 3



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RESOLUTION NO. XXXX

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
AUTHORIZING THE EXECUTION OF AMENDMENT NO. 4 TO THE GROUND LEASE
WITH THE CITY OF SANTA CLARITA RELATIVE TO CENTRAL PARK AND
MAKING FINDINGS THAT THE LEASE IS EXEMPT FROM THE CALIFORNIA
ENVIRONMENTAL QUALITY ACT**

WHEREAS, effective January 2, 1997, Castaic Lake Water Agency (predecessor-in-interest to the Santa Clarita Valley Water Agency ("SCV Water")) entered into a Ground Lease with the City of Santa Clarita ("City") related to the use and development of the property known as Central Park, located on Los Angeles County Assessor's Number 2849-003-901 (the "Ground Lease"); and

WHEREAS, the parties executed Amendment No. 1 to the Ground Lease dated February 4, 1997, Amendment No. 2 dated December 16, 2002, and Amendment No. 3 dated December 21, 2007 (Amendments Nos. 1, 2 and 3 and the Ground Lease are collectively the "Ground Lease"); and

WHEREAS, SCV Water and the City now seek to enter into Amendment No. 4 to the Ground Lease ("Amendment No. 4") for continued occupancy and use of the Property upon the terms and conditions in Amendment No. 4, which is attached hereto as Exhibit "A" and incorporated herein; and

WHEREAS, because Amendment No. 4 is an extension of an existing lease and does not involve development or demolition, it is not a "disposition" of land for purposes of the Surplus Land Act (Government Code section 54220 et seq.) (the "Act"), and therefore, the Act does not apply to this transaction; and

WHEREAS, even if the Act were deemed to apply to this transaction, Amendment No. 4 is exempt from the Act because it involves the transfer of interest in real property from one public agency to another for the transferee agency's use (see Government Code Section 54221(f)(1)(D)) - in this case, SCV Water to the City for the City's use as a park; and

WHEREAS, SCV Water has the requisite legal right, power, and authority to execute and deliver Amendment No. 4, and carry out and consummate all transactions contemplated therein.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Santa Clarita Valley Water Agency AS FOLLOWS:

1. The recitals set forth above are true and correct and are made findings of the Board of Directors, and by this reference made an operative part of this Resolution.
2. Amendment No. 4 is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15061(b)(3), the "common sense exemption," which provides that CEQA applies only to projects that have the potential for causing a significant effect on the

environment. Here, SCV Water finds Amendment No. 4 exempt from CEQA as "it can be seen with certainty that there is no possibility that the activity in question" as it provides for the extension of an existing lease for continuation of an existing use in an existing structure, and so will have no "significant effect on the environment." In addition, no ground-disturbing construction activity will take place under Amendment No. 4.

3. Amendment No. 4 is also exempt pursuant to CEQA Guidelines, section 15301, the "Class 1" exemption, which exempts from further environmental review the ongoing operation of existing public structures, facilities, and topographical features. The approval of Amendment No. 4 will not result in a change in operation or use of the existing areas already in use. Lastly, none of the exceptions to the use of these categorical exemptions identified in CEQA Guidelines section 15300.2 apply.
4. The SCV Water General Manager (the "Authorized Representative") or designee is hereby authorized and directed to execute Amendment No. 4, with such changes, insertions and omissions as may be recommended by general counsel to SCV Water and approved by the Authorized Representative executing the same, said execution being conclusive evidence of such approval.
5. Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given such terms in Amendment No. 4, unless the context otherwise clearly requires.
6. The Board of Directors hereby declares the property that is subject of the Ground Lease and this transaction exempt under the Surplus Land Act pursuant to the above findings and Government Code Section 54221(f)(1)(D)).
7. The Board of Directors directs staff to file a Notice of Exemption within five working days of approval of this Resolution.
8. This Resolution shall take effect immediately upon its passage and adoption.

CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the SCV Water Board of Directors held on

_____.

President

I, the undersigned, hereby certify: That I am the duly appointed and acting Secretary of the Santa Clarita Valley Water Agency, and that at a regular meeting of the Board of Directors of said Agency held on [DATE], the foregoing Resolution No. XXXX was duly and regularly adopted by said Board, and that said resolution has not been rescinded or amended since the date of its adoption, and that it is now in full force and effect.

DATED:

Secretary

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Exhibit "A"

Ground Lease Amendment No. 4

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Exhibit A to Resolution

AMENDMENT NO. 4 TO THE GROUND LEASE
AND AMENDMENT NO. 1 TO LICENSE AGREEMENT
BY AND BETWEEN
THE CITY OF SANTA CLARITA AND
THE SANTA CLARITA VALLEY WATER AGENCY
RELATIVE TO CENTRAL PARK SPORTS FACILITY

This Amendment No. 4 to that certain Ground Lease and Amendment No 1 to License Agreement is entered into as of _____, by and between the CITY OF SANTA CLARITA ("City") and the SANTA CLARITA VALLEY WATER AGENCY ("Agency") relative to the Central Park Sports Facility Ground Lease between the City and CASTAIC LAKE WATER AGENCY ("CLWA") made January 2, 1997, as amended February 4, 1997 (Amendment No.1), December 16, 2002 (Amendment No. 2) and December 21, 2007 (Amendment No. 3) (the "Ground Lease").

RECITALS

A. On or about December 11, 1995, the City and CLWA entered into the Memorandum of Understanding By and Between the City of Santa Clarita and the Castaic Lake Water Agency Relative to the Use of Site for Park and Sports Facility Purposes ("MOU"), which provided a basis for the Ground Lease.

B. The MOU provides for two phases of the Ground Lease: Phase 1 for 34.22 acres and Phase 2 for the balance of the 108 acres.

C. The MOU provides for different terms and conditions which apply upon commencement of Phase 2 of the Ground Lease.

D. The Agency is the successor in interest to the CLWA. All terms of the Ground Lease and its amendments continue to be in effect, have not been waived, and are binding on the City and the Agency. The Recitals herein are binding on the parties.

E. The City has now asked that the terms of the Ground Lease be amended a fourth time to increase the amount of real property ("Premises") subject to, and activities permitted by, the Ground Lease.

F. The City's continuing compliance with the terms and conditions of the MOU constitutes material consideration for CLWA's execution of the Ground Lease and the extension of its term and the parties agree that additional specificity is needed regarding certain terms and conditions to address issues which have arisen with development of the park by the City, which issues include, but are not limited to, security, commercial and non-commercial uses and uses of the park for other non-park purposes, fencing, and coordinating with Agency of uses of and improvements to the park.

G. The City and the Agency (as successor to CLWA) are also parties to that certain License Agreement (the "License Agreement"), dated October 1, 2010, under which the City has

been given the right to use a portion of the Agency's land for purposes of a cross-country trail. The City has asked that the License Agreement be amended as set forth herein.

NOW, THEREFORE, the parties agree as follows:

1. Section 1.01 is amended to read as follows: Premises: Agency leases to the City and the City hires from Agency, for the term, at the rental and upon all of the conditions set forth herein, a parcel of land of approximately _____ acres as described in EXHIBIT "B", REVISED, Legal Description Central Park Lease Area Easement," attached hereto as EXHIBIT "B" and incorporated herein by this reference. Such real property is hereafter referred to as the "Premises." The aforementioned EXHIBIT "B" includes a legal description and depiction of the areas of the Premises used or to be used for activities permitted by the Ground Lease and its amendments, including parking areas, storage, recreational and commercial and non-commercial activities, and bike and cross-country trails. There is no EXHIBIT "A" attached to this amendment.

2. Section 1.03 is be amended to read as follows: In order for the parties to coordinate the use of the park under the Ground Lease and its amendments, and recognizing that the park is developing and changing, the parties shall meet at least annually to discuss the provisions of this Ground Lease and its amendments, specifically of this Amendment No. 4. Such meeting shall occur between July 1 and October 1 of each year and shall include the General Manager, the City Manager or designated senior staff representative of each agency. In the event of any dispute between the parties as to the interpretation or enforcement of the Ground Lease and its amendments, the parties shall meet as set out herein to try to resolve their differences.

3. Section 2.01 is amended by deleting the first sentence and replacing it with: Term. The term of this Lease commenced on January 2, 1997 and, subject to extension or sooner termination as provided below, shall expire at midnight on January 1, 2038.

4. Section 4.03(M)(2) is amended to read as follows: Future Commercial Uses: Future commercial activities on the Premises by the City or its vendors, concessionaires, agents, employees or representatives shall require Agency approval and must be ancillary to a community activity relating to a permitted use of the Premises. Because of the varying nature of potential commercial activities relating to park uses by the City and third-parties, the City shall meet with the Agency in advance of approving and/or undertaking such commercial activities on the Premises to determine what conditions, if any, are necessary for the approval and undertaking of such activities and what percentage of receipts, if any, shall be paid to the Agency. Such approval by the Agency shall be on a case-by-case basis. . Any commercial activity carried out without prior consent shall be considered a violation of the Ground Lease and its amendments. The City explicitly agrees that any such use has been, is and will be covered by the indemnification and insurance provisions in this Ground Lease (as amended) for the protection of the Agency and general public.

5. Section 4.03 is amended to add the below subsection O to read as follows: Trails: The City is considering installing bike and cross-country trails on the Premises. The installation

of such bike and cross-country trails is agreed to be a permitted use of the Premises and is hereby approved. The City shall be responsible for any and all costs relating to such installation (including extension of water lines, lighting and so forth). In addition, the City at its own cost shall maintain and operate the trails and trail areas in a safe and clean condition and manner and provide for the necessary security. The City explicitly agrees that any such uses shall be covered by the indemnification and insurance provisions in this Ground Lease (as amended) for the protection of the Agency and the general public. Upon termination of the use, the City shall remove any and all improvements and return the area and its landscaping to a clean and attractive condition. The above-mentioned cross-country trail will be configured such that it will join the existing cross-country trail currently used by the City pursuant to the License Agreement, a copy of which is attached hereto as EXHIBIT C. The City and the Agency agree that the License Agreement shall have a term which runs concurrently with the term of the Ground Lease (as such term may hereafter be extended), and that Section 4 (TERMINATION) of the License Agreement is deleted and intentionally left blank. The City is also considering the installation of an exercise and access staircase that will encroach on the Premises. The installation and maintenance of said staircase is not a use permitted by the Ground Lease and its amendments, but rather a use that is being permitted concurrently herewith by an independent license between the City and the Agency, a copy of which is attached hereto as EXHIBIT D. Traditional golf course and related uses are also not permitted on the Premises by the Ground Lease and its amendments. Frisbee golf, however, shall continue to be a permitted use as provided for in Section 1.04 of the third amendment to the Ground Lease. The City agrees that it will not consider approving any ground-disturbing construction activity in the proposed expansion areas for disc golf and the City yard until the City has completed all appropriate CEQA review.

6. Section 6.02 is added to read as follows: Construction of Improvements: Notwithstanding any other provision of the Ground Lease and its amendments, the City shall notify the Agency of maintenance to be undertaken on improvements existing on the Premises that were constructed by the City relating to uses permitted by the Ground Lease. Construction by the City of new improvements on the Premises for a permitted use, however, shall require the written approval of the Agency.

7. Section 11.03 is added and reads as follows: Memorials and Commemorations: The City has erected and/or placed memorials or commemorative signs in or about the Premises, including two obelisks near the butterfly sculpture, the in memoriam wording on the base of the west park entry monument, and the Youth Grove area of the Premises. The City shall not erect, permit or authorize any additional memorials or commemorative signs in or about the Premises.

CITY OF SANTA CLARITA

SANTA CLARITA VALLEY WATER AGENCY

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Lease Amendment No. 4 - Exhibit B

EXHIBIT A

LEGAL DESCRIPTION

CENTRAL PARK LEASE AREA EASEMENT

THAT PORTION OF THE RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 1, PAGES 521 AND 522 OF PATENTS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND SHOWN ON MAP FILED IN BOOK 121 PAGES 44 THROUGH 47 INCLUSIVE, OF RECORD OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHERLY TERMINUS OF THAT COURSE IN THE WESTERLY LINE OF SAID RECORD OF SURVEY SHOWN ON SAID MAP AS HAVING A BEARING AND DISTANCE OF NORTH 08°55'37" EAST 1216.06 FEET;

THENCE ALONG SAID WESTERLY LINE NORTH 08°55'37" EAST 1216.06 FEET TO THE **TRUE POINT OF BEGINNING**;

THENCE CONTINUING ALONG THE NORTHWESTERLY LINES OF SAID RECORD OF SURVEY, THE FOLLOWING COURSES:

NORTH 21°04'21" EAST 724.82 FEET;

NORTH 34°43'55" EAST 1,406.31 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 1,560.00 FEET, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 16°23'48" EAST;

NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 10°32'58" AN ARC DISTANCE OF 287.23 FEET;

TANGENT TO SAID CURVE, NORTH 63°03'14" EAST 553.78 FEET;

THENCE LEAVING SAID NORTHWESTERLY LINE, SOUTH 26°56'46" EAST 157.31 FEET;

THENCE NORTH 63°03'14" EAST 83.08 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 115.00 FEET;

THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 40°41'06" AN ARC DISTANCE OF 81.66 FEET;

THENCE TANGENT TO SAID CURVE, NORTH 22°22'08" EAST 75.38 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 140.00 FEET;

THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 53°50'34" AN ARC DISTANCE OF 131.56 FEET;

THENCE TANGENT TO SAID CURVE, NORTH 76°12'42" EAST 597.32 FEET;

THENCE NORTH 78°38'53" EAST 35.09 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 309.22 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 07°25'26" WEST;

THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 25°25'36" AN ARC DISTANCE OF 137.22 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 666.35 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 20°16'26" EAST;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 35°29'15" AN ARC DISTANCE OF 412.72 FEET;

THENCE SOUTH 30°39'30" EAST 169.16 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 160.40 FEET, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 81°37'44" EAST;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 55°48'14" AN ARC DISTANCE OF 156.23 FEET;

THENCE SOUTH 89°17'43" WEST 144.45 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE EASTERLY HAVING A RADIUS OF 51.25 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 56°06'05" WEST;

THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 36°20'32" AN ARC DISTANCE OF 32.51 FEET;

THENCE SOUTH 20°05'53" EAST 60.65 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 29.13 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 68°55'28" EAST;

THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 40°34'10" AN ARC DISTANCE OF 20.62 FEET;

THENCE SOUTH 51°50'18" WEST 48.37 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 68.56 FEET, A RADIAL LINE TO SAID CURVE BEARS SOUTH 13°27'55" EAST;

THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 36°28'24" AN ARC DISTANCE OF 43.64 FEET;

THENCE NORTH 61°26'50" WEST 18.50 FEET;

THENCE NORTH 55°46'27" WEST 81.21 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 1,483.27 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 76°43'27" EAST;

THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°46'52" AN ARC DISTANCE OF 304.99 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 16.00 FEET A RADIAL, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 48°18'32" EAST;

THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 98°02'51" AN ARC DISTANCE OF 27.38 FEET;

THENCE TANGENT TO SAID CURVE, NORTH 40°15'41" WEST 52.16 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 49.00 FEET;

THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 77°01'43" AN ARC DISTANCE OF 65.88 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 408.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 14°52'49" AN ARC DISTANCE OF 105.96 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 120.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 36°59'25" AN ARC DISTANCE OF 77.47 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 60.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 86°31'41" AN ARC DISTANCE OF 90.61 FEET;

THENCE TANGENT TO SAID CURVE, SOUTH 01°42'29" EAST 128.10 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 55.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 77°57'28" AN ARC DISTANCE OF 74.83 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 71.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 64°50'15" AN ARC DISTANCE OF 80.35 FEET;

THENCE TANGENT TO SAID CURVE, SOUTH 14°49'42" EAST 44.18 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 80.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 66°38'07" AN ARC DISTANCE OF 93.04 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE EASTERLY HAVING A RADIUS OF 85.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 128°49'29" AN ARC DISTANCE OF 191.12 FEET;

THENCE SOUTH 75°18'15" EAST 310.28 FEET;

THENCE SOUTH 39°54'16" WEST 227.51 FEET;

THENCE NORTH 81°24'42" WEST 229.23 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 224.00 FEET, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 49°16'45" EAST;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 34°27'04" AN ARC DISTANCE OF 134.69 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 68.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 77°45'45" AN ARC DISTANCE OF 92.29 FEET;

THENCE TANGENT TO SAID CURVE, NORTH 27°03'56" WEST 83.18 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 55.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 76°58'26" AN ARC DISTANCE OF 73.89 FEET;

THENCE TANGENT TO SAID CURVE, SOUTH 75°57'38" WEST 362.35 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 280.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 88°33'46" AN ARC DISTANCE OF 432.80 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE WESTERLY HAVING A RADIUS OF 199.00 FEET;

THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 54°29'16" AN ARC DISTANCE OF 189.25 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 113.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 59°29'50" AN ARC DISTANCE OF 117.34 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 235.00 FEET;

THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 24°09'27" AN ARC DISTANCE OF 99.08 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 66.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 52°37'29" AN ARC DISTANCE OF 60.62 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE EASTERLY HAVING A RADIUS OF 115.00 FEET;

THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 65°21'46" AN ARC DISTANCE OF 131.19 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 506.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19°50'11" AN ARC DISTANCE OF 175.18 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE WESTERLY HAVING A RADIUS OF 86.50 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 83°09'02" AN ARC DISTANCE OF 125.53 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 221.56 FEET;

THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 77°05'41" AN ARC DISTANCE OF 298.12 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 105.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 32°20'41" AN ARC DISTANCE OF 59.27 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 223.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 65°29'11" AN ARC DISTANCE OF 254.88 FEET;

THENCE TANGENT TO SAID CURVE, SOUTH 41°29'18" WEST 143.59 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 300.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 25°40'12" AN ARC DISTANCE OF 134.41 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 178.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 70°40'46" AN ARC DISTANCE OF 219.58 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 98.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 85°09'41" AN ARC DISTANCE OF 145.66 FEET;

THENCE TANGENT TO SAID CURVE, NORTH 08°20'27" WEST 205.26 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 53.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 77°07'30" AN ARC DISTANCE OF 71.34 FEET;

THENCE TANGENT TO SAID CURVE, NORTH 85°27'57" WEST 218.66 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 320.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 36°46'21" AN ARC DISTANCE OF 205.38 FEET;

THENCE TANGENT TO SAID CURVE, NORTH 48°41'36" WEST 138.59 FEET;

THENCE NORTH 22°46'38" WEST 100.97 FEET TO THE **TRUE POINT OF BEGINNING.**

CONTAINING 111.909 ACRES, MORE OR LESS



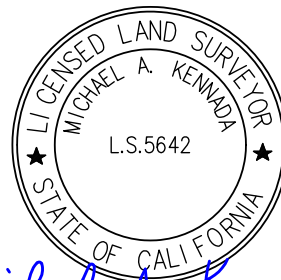
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03/26/22

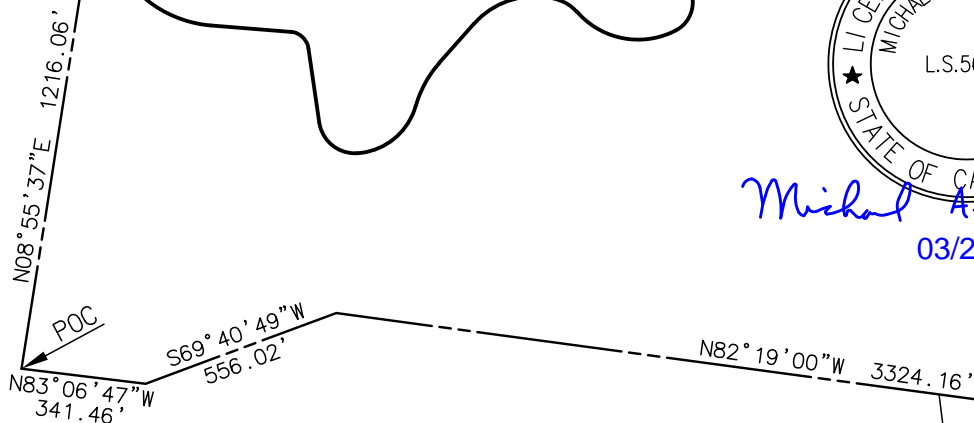
EXHIBIT "B"

A PORTION OF THE
RANCHO SAN FRANCISCO
BOOK 1 PAGES 521 AND 522,
OF PATENTS

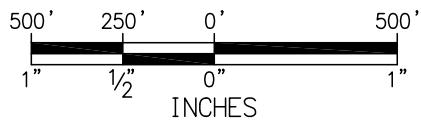
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Michael A. Kennedy
03/26/22



FEET



NEWHALL RANCH ROAD

LEGEND

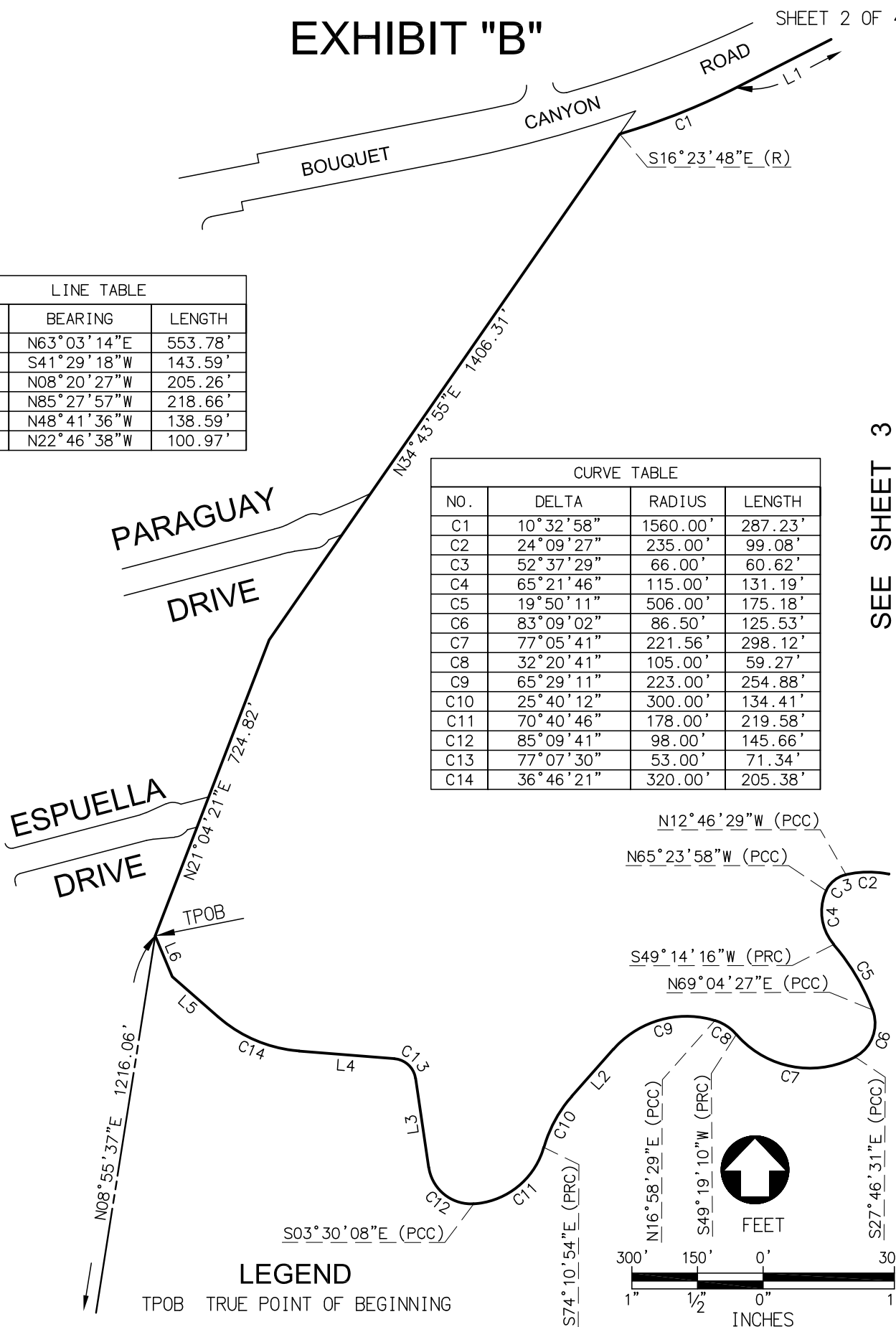
- POC POINT OF COMMENCEMENT
- TPOB TRUE POINT OF BEGINNING

EXHIBIT "B"

LINE TABLE		
NO.	BEARING	LENGTH
L1	N63°03'14"E	553.78'
L2	S41°29'18"W	143.59'
L3	N08°20'27"W	205.26'
L4	N85°27'57"W	218.66'
L5	N48°41'36"W	138.59'
L6	N22°46'38"W	100.97'

CURVE TABLE			
NO.	DELTA	RADIUS	LENGTH
C1	10°32'58"	1560.00'	287.23'
C2	24°09'27"	235.00'	99.08'
C3	52°37'29"	66.00'	60.62'
C4	65°21'46"	115.00'	131.19'
C5	19°50'11"	506.00'	175.18'
C6	83°09'02"	86.50'	125.53'
C7	77°05'41"	221.56'	298.12'
C8	32°20'41"	105.00'	59.27'
C9	65°29'11"	223.00'	254.88'
C10	25°40'12"	300.00'	134.41'
C11	70°40'46"	178.00'	219.58'
C12	85°09'41"	98.00'	145.66'
C13	77°07'30"	53.00'	71.34'
C14	36°46'21"	320.00'	205.38'

SEE SHEET 3



LEGEND

TPOB TRUE POINT OF BEGINNING

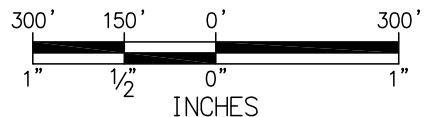
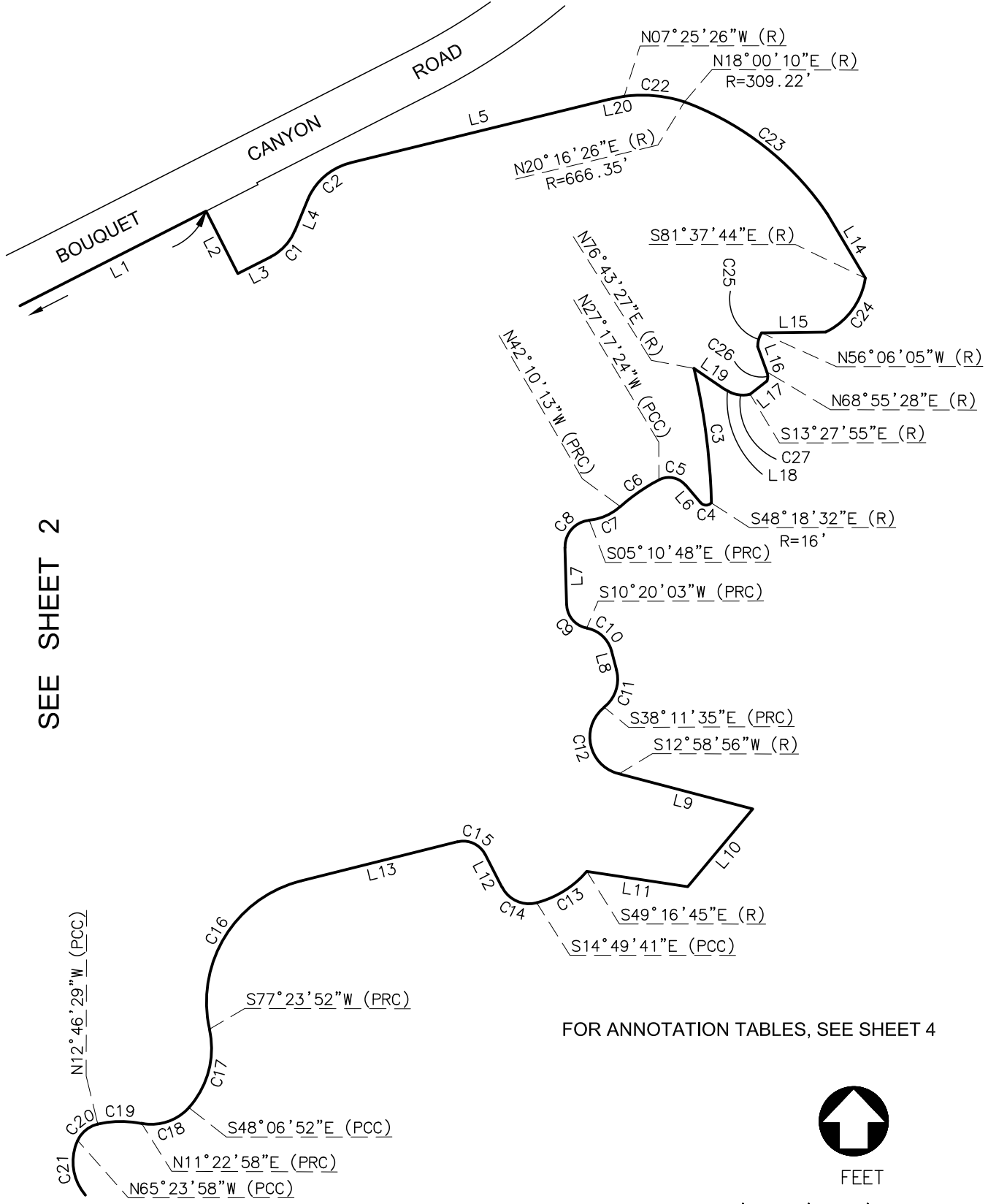


EXHIBIT "B"



SEE SHEET 2

FOR ANNOTATION TABLES, SEE SHEET 4

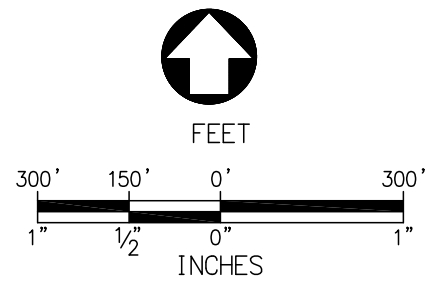


EXHIBIT "B"

LINE TABLE		
NO.	BEARING	LENGTH
L1	N63°03'14"E	553.78'
L2	S26°56'46"E	157.31'
L3	N63°03'14"E	83.08'
L4	N22°22'08"E	75.38'
L5	N76°12'42"E	597.32'
L6	N40°15'41"W	52.16'
L7	S01°42'29"E	128.10'
L8	S14°49'42"E	44.18'
L9	S75°18'15"E	310.28'
L10	S39°54'16"W	227.51'
L11	N81°24'42"W	229.23'
L12	N27°03'56"W	83.18'
L13	S75°57'38"W	362.35'
L14	S30°39'30"E	169.16'
L15	S89°17'43"W	144.45'
L16	S20°05'53"E	60.65'
L17	S51°50'18"W	48.37'
L18	N61°26'50"W	18.50'
L19	N55°46'27"W	81.21'
L20	N78°38'53"E	35.09'

CURVE TABLE			
NO.	DELTA	RADIUS	LENGTH
C1	40°41'06"	115.00'	81.66'
C2	53°50'34"	140.00'	131.56'
C3	11°46'52"	1483.27'	304.99'
C4	98°02'51"	16.00'	27.38'
C5	77°01'43"	49.00'	65.88'
C6	14°52'49"	408.00'	105.96'
C7	36°59'25"	120.00'	77.47'
C8	86°31'41"	60.00'	90.61'
C9	77°57'28"	55.00'	74.83'
C10	64°50'15"	71.00'	80.35'
C11	66°38'07"	80.00'	93.04'
C12	128°49'29"	85.00'	191.12'
C13	34°27'04"	224.00'	134.69'
C14	77°45'45"	68.00'	92.29'
C15	76°58'26"	55.00'	73.89'
C16	88°33'46"	280.00'	432.80'
C17	54°29'16"	199.00'	189.25'
C18	59°29'50"	113.00'	117.34'
C19	24°09'27"	235.00'	99.08'
C20	52°37'29"	66.00'	60.62'
C21	65°21'46"	115.00'	131.19'
C22	25°25'36"	309.22'	137.22'
C23	35°29'15"	666.35'	412.72'
C24	55°48'14"	160.40'	156.23'
C25	36°20'32"	51.25'	32.51'
C26	40°34'10"	29.13'	20.62'
C27	36°28'24"	68.56'	43.64'

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Lease Amendment No. 4 - Exhibit C

10-00412

LICENSE AGREEMENT BETWEEN THE
CITY OF SANTA CLARITA AND CASTAIC LAKE WATER AGENCY

THIS LICENSE is made and executed this 18 day of Oct 2010, between CASTAIC LAKE WATER AGENCY, a California public agency ("CLWA") and the CITY OF SANTA CLARITA, a municipal corporation ("CITY"). CLWA and CITY are sometimes individually referred to herein as a "Party" and collectively referred to as the "Parties."

RECITALS

WHEREAS, CITY desires to license from CLWA certain real property for recreational purposes as further described herein; and

WHEREAS, CITY's use of CLWA's real property will require installation of fencing by CITY, thereby providing an increase to the security of CLWA's facilities.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and terms and conditions herein, CLWA and CITY agree as follows:

AGREEMENT

1. **LICENSE: DESCRIPTION OF PROPERTY.** CLWA licenses to CITY to use, on the terms and conditions in this License, the real property legally described and depicted in Exhibit A attached hereto (the "Property") for a cross country trail as depicted in Exhibit B attached hereto and further explained in Section 2 below. CLWA's action is not, and should not be construed to be, a conveyance of a property interest or a lease; it is a license to use property only.

2. **USE OF PROPERTY.**

A. CITY may use the Property for the construction, operation and maintenance of a cross-country trail for public use (excluding the use of motorized equipment). The trail may also be used for recreational events sponsored by a third party, as further described in paragraph B. of this section. Trail improvements shall consist of a newly graded dirt pathway and fencing as mutually agreed by CITY and CLWA. The trail shall be between six (6) and eight (8) feet in width in the approximate location depicted in Exhibit B attached hereto.

B. Schedule of events by third parties will be provided to CLWA on an annual basis, and CITY will endeavor to provide 14 days notice of any deviations to said scheduled events

C. CITY shall not use the Property for any purpose other than as set forth in Section 2(A) above without obtaining CLWA's prior written consent.

D. CLWA may change, amend, or terminate CITY's use of Property at any time, and in its sole discretion, verbally or in writing.

3. **TERM.** Except as provided in Section 4, the term of this license shall begin on September 10, 2010, and end on January 1, 2012. The terms of renewal shall coincide with that of the existing ground lease between CLWA and CITY for the operation of Central Park, and therefore the term shall automatically be extended for a period of one year on January 1 of each year, subject to prior written authorization by CLWA during its annual review of the ground lease.

4. **TERMINATION.**

A. CLWA or City may terminate this License at any time with or without cause, upon written notification. Termination shall be effective upon 45 days notice, unless specified otherwise.

B. By executing this document, the Parties waive any and all claims for damages that might otherwise arise from either Party's termination under this Section.

C. Upon termination of this License, CITY shall remove all personal property, improvements and appurtenances from the Property no later than thirty (30) days after the effective termination date in Section 4.A above. The Property shall be left in a clean and orderly condition. Should CITY not remove all personal property, improvements and appurtenances from Property within such thirty (30) days, CLWA may remove such items at the cost of the CITY, which shall be paid to CLWA by CITY within forty five (45) days of receipt of written invoice from CLWA. This provision shall survive the termination of this License.

5. **CONDEMNATION.** If all or part of Property is acquired by eminent domain or purchase in lieu thereof, CITY acknowledges that it shall have no claim to any compensation awarded for the taking of Property or any portion thereof or for loss of or damage to CITY's improvements.

6. **ALTERATIONS.** CITY shall not make, or cause to be made, any alterations to Property, or any part thereof, except as specified herein and in the attached exhibits without CLWA's prior written consent.

7. **HAZARDOUS/TOXIC WASTE.** CLWA has not, nor, to CLWA's knowledge, has any third party used, generated, stored or disposed of, or permitted the use, generation, storage or disposal of, any Hazardous Material (as defined below) on, under, about or within Property in violation of any law or regulation. CITY agrees that it shall not use, generate, store or dispose of any Hazardous Material (as defined below) on, under, about or within Property in violation of any law or regulation. CITY agrees to defend and indemnify CLWA, to the extent stated in

Section 11, against any and all losses, liabilities, claims or costs arising from any breach of any warranty or agreement contained in this Section. As used in this Section, "Hazardous Material" means any substance, chemical or waste that is identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation (including petroleum and asbestos).

8. **SIGNS.** CITY shall not place any sign upon Property except as specified herein and in the attached exhibits without CLWA's prior written consent. CITY shall pay for all costs of any approved signage and comply with all applicable sign codes and ordinances.

9. **ASSIGNMENT.** CITY shall not assign this License or any interest therein. The CITY is authorized to issue temporary permits to allow for third party use of the Property consistent with the events described in Section 2, provided the third party meets the insurance requirements set forth in Section 11.01, paragraph B, and agrees to defend and indemnify CLWA, its directors, officers, employees, agents, consultants, or volunteers. The indemnification provided to CLWA, its directors, officers, employees, agents, consultants, or volunteers shall be in substantially the same form and scope as that provided under Section 10 below.

10. **INDEMNIFICATION.**

10.01 Exculpation of CLWA: To the fullest extent permitted by law, CITY agrees that CLWA shall not be liable to CITY or its employees, agents, subtenants, or invitees or any other persons, or for their property, on any legal basis whatsoever, and CITY waives all claims against CLWA for damage to person or property arising for any reason or in any way with respect to this License Agreement. CLWA or its agents shall not be liable for interference with light, air, or for any latent defect in the Property.

10.02 Indemnification: CITY at its own and sole expense shall to the fullest extent permitted by law indemnify and hold harmless and defend CLWA, its directors, officers, employees, agents, consultants, or volunteers, and each of them, from and against:

A. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind and nature whatsoever for, but not limited to, injury to or death of any person including CLWA and/or CITY, or any directors, officers, employees, agents, consultants, and/or volunteers of CLWA or CITY, and damages to or destruction of property of any person, including but not limited to, CLWA and/or CITY and their directors, officers, employees, agents, consultants, and/or volunteers, arising out of or in any manner directly or indirectly connected with this License, except to the extent caused by the sole negligence or willful misconduct of CLWA or its directors, officers, employees, agents, consultants, and/or volunteers;

B. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, relating to the use of this License Agreement, or resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of CITY; and

C. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising from any breach or

default in the performance of any obligation of this License Agreement on CITY's part to be performed under the terms of this License, or arising from any act or negligence of the CITY, or of any officer, agent, employee, guest, or invitee of CITY.

CITY agrees to carry insurance for this purpose as set out in this License. (See Section 11 of this License for insurance specifications and coverage.) CITY's obligation to indemnify, hold harmless and defend shall not be restricted to insurance proceeds, if any, received by CLWA or its directors, officers, employees, agents, consultants, and/or volunteers.

CITY shall give prompt written notice to CLWA in case of casualty or accidents in, on, or about the Property. CITY, upon notice from CLWA, shall defend CLWA at CITY's expense by counsel reasonably satisfactory to CLWA.

11. INSURANCE.

11.01 Commercial General Liability and Automobile Liability Insurance: CITY shall provide and maintain at its sole cost and expense, and shall keep in force during the License term, the following commercial general liability and automobile liability insurance, insuring the CLWA and the CITY against any liability arising in any way out of this License and/or the ownership, use, occupancy, and maintenance of the Property, and all areas appurtenant thereto, as follows:

A. Coverage – Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

1. Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 0001)
2. Insurance Services Office Form Number CA 0001 (ed 1/87) covering Automobile Liability, Symbol 1 (any auto)

B. Limits – CITY shall maintain limits no less than the following:

1. General Liability – Five million dollars (\$5,000,000) per occurrence for death or bodily injury, and/or personal injury to one person and Two million dollars (\$2,000,000) per occurrence for property damage affecting one person. Ten million dollars (\$10,000,000) per occurrence for death or bodily injury and/or personal injury to more than one person and Two million dollars (\$2,000,000) per occurrence for property damage to more than one person in any one occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply to the License (with ISO CG 2501 or insurer's equivalent endorsement provided to CLWA) or the general aggregate limit shall be twice the required occurrence limit. In the event of use by a third party authorized under a permit issued by the CITY, the third party shall be required to provide CLWA with liability coverage in amounts equal to that provided to the City by the third party. Unless waived in writing by CLWA, the liability insurance provided by the third party must comply with the required provisions set forth in Section 11.01.C. below with respect to additional insured status, waiver of subrogation, and the primary and noncontributing

requirement.

2. Automobile Liability – Ten million dollars (\$10,000,000) per accident for death or bodily injury and/or personal injury and property damage, combined single limit.

C. Required Provisions – The general liability and automobile liability policies are to contain, BY ENDORSEMENT, the following provisions:

1. CLWA, its director, officers, employees, agents, consultants, and/or volunteers are to be covered as insureds as respects: any liability arising in any way or on any legal theory out of this License by the CITY; including liability with respect in any way to automobiles owned, leased, hired or borrowed by the CITY. The coverage shall contain no special limitations on the scope of protection afforded to CLWA, its directors, officers, employees, agents, consultants, and/or volunteers.

2. For any claims related to this License, the CITY's insurance shall be primary insurance as respects CLWA, its directors, officers, employees, agents, consultants, and/or volunteers. Any insurance, pooled coverage or self-insurance maintained by the CLWA its directors, officers, employees, agents, consultants, and/or volunteers shall not contribute to it.

3. Any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the CLWA, its directors, officers, employees, agents, consultants, and/or volunteers.

4. The CITY'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.

5. CITY's insurance shall cover all contractually assumed CITY liability obligations under Section 10 of this License.

6. Each insurance policy shall specifically state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, which has been actually and physically received by CLWA.

Such liability insurance shall indemnify the CITY and its contractors against loss from liability imposed by law upon, or assumed under contract by, the CITY or its contractors for damages on account of such bodily injury (including death), property damage, personal injury and completed operations and products liability.

Such insurance shall be provided on a policy form written by underwriters through an agency satisfactory to CLWA, which includes a cross-liability clause, and covers bodily injury (including death) and property damage liability, owned and non-owned vehicles and equipment, blanket contractual liability and completed operations liability.

Such liability insurance shall include explosion, collapse, underground excavation and removal of lateral support. CLWA, its directors, officers, employees, agents, consultants, and/or volunteers shall be named as additional insureds on any such policies. Any additional insured endorsement (ISO CG 2011 (ISO CG 2024 if land only) or equivalent) (modified to include provision C-6 above) and a certificate of insurance (Accord Form 25.S or equivalent), shall be provided to CLWA.

The insurer shall waive all rights of subrogation against CLWA. CITY shall provide CLWA with a certificate of insurance for property insurance coverage and evidence of waiver of rights of subrogation against CLWA and its directors, officers, employees, agents, consultants, and/or volunteers.

D. Deductibles and Self-Insured Retentions – Any deductible or self-insured retention must be declared to and approved by CLWA. At the option of CLWA, the insurer shall reduce or eliminate such deductibles or self-insured retentions.

E. Acceptability of Insurers – Insurance is to be placed by CITY with insurers having a current A. M. Best's rating of no less than A-:VII or equivalent, licensed to do business in the State of California, and authorized to write such insurance in the State of California.

11.02 Property Damage: CITY shall at its own and sole expense obtain and keep in force during the term of this License a policy or policies of insurance covering loss or damage to the Property and the improvements thereon, in the amount of the full replacement value thereof providing protection against all perils including within the classification of fire, extended coverage, vandalism, malicious mischief and special extended perils (all risk). The aforesaid policies shall name both the CLWA and CITY as insureds. CITY shall provide the CLWA with a certified copy of the aforesaid policies. If CITY shall fail to procure and maintain said insurance, CLWA may, but at the expense of the CITY, obtain such insurance.

CITY's property insurance covering all risks of direct physical loss, damage or destruction to real and personal property shall include explosion, collapse, underground excavation and removal of lateral support. CLWA shall be named as an additional primary insured on any such policy.

The insurer shall waive all rights of subrogation against CLWA. CITY shall provide CLWA with a certificate of insurance for property insurance coverage and evidence of waiver of rights of subrogation against CLWA and its directors, officers, employees, agents, consultants, and/or volunteers.

11.03 CITY's Blanket Insurance: Notwithstanding anything to the contrary contained within this Section, CITY's obligations to carry the insurance provided for herein may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by CITY, provided, however, that CLWA shall be named as an additional insured thereunder as its interest may appear and that the coverage afforded the CLWA will not be reduced or diminished by reason of the use of such blanket policy of insurance, and provided further that all the requirements and specifications set forth herein are in every respect otherwise

satisfied.

11.04 Notice of Cancellation: CITY agrees that on or before twenty (20) days prior to expiration of any insurance policy, CITY will deliver to CLWA written notification in the form of a receipt or other similar document from the applicable insurance company that said policy or policies have been renewed, or deliver certificates of coverage from another insurance company, meeting the requirements of this Section 13.

11.05 Workers' Compensation: CITY and CLWA, for their respective employees, if any, on the Property of the park, shall carry adequate Workers' Compensation Insurance in accordance with the laws of the State of California. By its signature hereunder, CITY certifies that it is aware of the provisions of Section 3700 of the 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 CITY agrees to and will comply with such provisions in connection with any work performed on the Property. Any persons providing services with or on behalf of CITY shall be covered by workers' compensation (or qualified self-insurance).

CITY and its contractors shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their respective employees working on or about the Property, regardless of whether such coverage or insurance is mandatory or merely elective under the law, and CITY shall defend, protect and save harmless CLWA, its directors, officers, employees, agents, consultants, and/or volunteers from and against all claims, suits, and actions arising from any failure of the CITY or any contractor hired by the CITY to maintain such insurance. Before execution of the License, CITY shall furnish to CLWA satisfactory proof that it has taken out full workers' compensation for all persons employed directly by it or through contractors hired by CITY to carry out any work in any way concerning the Property, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California, and any Acts amendatory thereof.

CITY shall provide employer's liability insurance in the amount of, at least, \$1,000,000 per accident for bodily injury and disease.

CITY shall provide CLWA with a certificate of Workers' Compensation and Employer's liability insurance coverage.

11.06 Evidences of Insurance: Prior to execution of the License, CITY shall file with CLWA evidences of insurance, including originals of all required insurance policy endorsements, from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 2011 or 2024 (or insurer's equivalent) signed by the insurer's representative and certificate of insurance (Accord Form 25-S or equivalent). All evidence of insurance shall be certified by a properly authorized officer, agent or qualified representative of the insurer and shall certify the names and/or capacities of the insured, and additional insureds, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date.

CITY shall, upon demand of CLWA, deliver to CLWA all such policy or policies of

insurance and the receipts for payment of premiums thereon; and should CITY neglect to obtain and maintain in force any such insurance or deliver such policy or policies and receipts to CLWA, then it is agreed that CLWA may (but has no obligation to) obtain and maintain such insurance, and CITY hereby appoints CLWA its true and lawful attorney-in-fact to do all things necessary for this purpose. All money paid by CLWA for insurance premiums under the provision of this section shall be charged to CITY as additional rent.

CITY and CLWA agree that CLWA's receipt of insurance documents from CITY or its insurers does not constitute CLWA's agreement that such insurance documents are sufficient under this License, and that CITY is fully responsible for supplying insurance documents and coverage in compliance with the requirements of this License.

12. **COMPLIANCE WITH LAW.** CITY shall, at its sole cost and expense, comply with all of the requirements of all federal, state, and local authorities now in force, or which may hereafter be in force, pertaining to Property and shall faithfully observe in the use of Property all applicable laws. The judgment of any court of competent jurisdiction, or the admission of CITY in any action or proceeding against CITY, whether CLWA be a party thereto or not, that CITY has violated any such ordinance or statute in the use of Property shall be conclusive of that fact as between CLWA and CITY.

13. **BREACH.** The violation of any of the provisions of this License shall constitute a breach of this License by CITY, and in such event said License shall automatically cease and terminate.

14. **WAIVER OF BREACH.** Any express or implied waiver of a breach of any term of this License shall not constitute a waiver of any further breach of the same or other term of this License.

15. **ENTRY BY CLWA AND PUBLIC.** This License does not convey any property interest to CITY. Except for areas restricted because of safety concerns, CLWA shall have unrestricted access upon Property for all lawful acts.

16. **INSOLVENCY; RECEIVER.** Either the appointment of a receiver to take possession of all or substantially all of the assets of CITY, or a general assignment by the CITY for the benefit of creditors, or any action taken or offered by CITY under any insolvency or bankruptcy action, shall constitute a breach of this License by CITY, and in such event said License shall automatically cease and terminate.

17. **NOTICES.** Except as otherwise expressly provided by law, all notices or other communications required or permitted by this License or by law to be served on or given to either party to this License by the other party shall be in writing and shall be deemed served when personally delivered to the party to whom they are directed, or in lieu of the personal service, upon deposit in the United States mail, certified or registered mail, return receipt requested, postage prepaid, addressed to:

CLWA at:
Castaic Lake Water Agency
27234 Bouquet Canyon Road

Santa Clarita, California 91350
Attn: Brian Folsom
or to CITY at:
City of Santa Clarita
23920 Valencia Boulevard, Suite
120 Santa Clarita, CA 91355
Attn: Rick Gould

Either party may change its address for the purpose of this Section by giving written notice of the change to the other party.

18. **ACCEPTANCE OF FACSIMILE SIGNATURES.** The Parties agree that agreements ancillary to this License and related documents to be entered into in connection with this License shall be considered signed when the signature of a party is delivered by facsimile transmission. Such facsimile signature shall be treated in all respects as having the same effect as an original signature.

19. **GOVERNING LAW.** This License has been made in and shall be construed in accordance with the laws of the State of California and exclusive venue for any action involving this License shall be in Los Angeles County.

20. **PARTIAL INVALIDITY.** Should any provision of this License be held by a court of competent jurisdiction to be either invalid or unenforceable, the remaining provisions of this License shall remain in effect, unimpaired by the holding.

21. **INTEGRATION.** This instrument and its Attachments constitute the sole agreement between CLWA and CITY respecting Property, the use of Property by CITY, and the specified License term, and correctly sets forth the obligations of CLWA and CITY. Any agreement or representations respecting Property or its licensing by CLWA to CITY not expressly set forth in this instrument are void.

22. **CONSTRUCTION.** The language of each part of this License shall be construed simply and according to its fair meaning, and this License shall never be construed either for or against either party.

23. **AUTHORITY/MODIFICATION.** The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this License and to engage in the actions described herein. This License may be modified only by written agreement.

24. **CONFLICT OF INTEREST.** CITY shall comply with all conflict of interest laws and regulations including.

25. **COUNTERPARTS.** This License may be executed in any number or counterparts, each of which shall be an original, but all of which together shall constitute one instrument executed on the same date.

IN WITNESS WHEREOF, the parties hereto have executed this contract the day and year first hereinabove written.

FOR CLWA:
DAN MASNADA, GENERAL MANAGER

BTF

By: 

Date: 9/23/10

APPROVED AS TO FORM:
MCCORMICK, KIDMAN & BEHRENS, LLP

By: 

Date: 9-23-10

FOR CITY OF SANTA CLARITA:
KENNETH R. PULSKAMP, CITY MANAGER

By: 
City Manager

Date: 9/27/10

ATTEST:

By: 
City Clerk

Date: 10/4/10

APPROVED AS TO FORM:
CARL K. NEWTON, CITY ATTORNEY

By: 
City Attorney

Date: 9/27/10

EXHIBIT "A"
LEGAL DESCRIPTION

**EASEMENTS FOR PUBLIC USE AND TRAIL PURPOSES
IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA**

BEING 16.00 FOOT WIDE EASEMENTS FOR PUBLIC USE AND TRAIL PURPOSES TO THE CITY OF SANTA CLARITA IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, UPON, OVER, AND ACROSS PORTIONS OF THE RANCHO SAN FRANCISCO PER MAP FILED IN BOOK 1 PAGES 521 AND 522 OF PATENTS, RECORDS OF SAID COUNTY, LYING 8.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINES:

TRAIL 1

COMMENCING AT THE NORTHWESTERLY CORNER OF LOT 6 AS SHOWN ON MAP OF TRACT NO. 53425-01 FILED IN BOOK 1325 PAGES 1 THROUGH 15, INCLUSIVE, OF MAPS, RECORDS OF SAID COUNTY, SAID CORNER ALSO BEING IN THE SOUTHERLY LINE OF THE LAND DEEDED TO THE CITY OF LOS ANGELES BY DEED RECORDED AUGUST 2, 1951, AS INSTRUMENT NO. 1714 IN BOOK 36908 PAGE 383 OF OFFICIAL RECORDS AND AS SHOWN ON THE RECORD OF SURVEY FILED IN BOOK 121 PAGES 44 THROUGH 47, INCLUSIVE, OF RECORDS OF SURVEY, BOTH RECORDS OF SAID COUNTY;

1. THENCE NORTH 71°04'31" EAST, ACROSS SAID CITY OF LOS ANGELES LANDS, 1,343.13 FEET TO THE POINT OF BEGINNING OF SAID CENTERLINE;
2. THENCE NORTH 22°42'01" WEST 31.24 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 100.00 FEET;
3. THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 21°32'43" AND AN ARC LENGTH OF 37.60 FEET;
4. THENCE ON A TANGENT BEARING NORTH 01°09'18" WEST 74.22 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 100.00 FEET;
5. THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 13°24'09" AND AN ARC LENGTH OF 23.39 FEET;
6. THENCE ON A TANGENT BEARING NORTH 14°33'27" WEST 119.31 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 75.00 FEET;
7. THENCE NORTHERLY AND NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 46°51'03" AND AN ARC LENGTH OF 61.33 FEET;
8. THENCE ON A TANGENT BEARING NORTH 32°17'36" EAST 42.65 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 50.00 FEET;
9. THENCE NORTHEASTERLY, NORTHERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89°35'11" AND AN ARC LENGTH OF 78.18 FEET;
10. THENCE ON A TANGENT BEARING NORTH 57°17'35" WEST 92.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 75.00 FEET;
11. THENCE NORTHWESTERLY, NORTHERLY, AND NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 88°27'20" AND AN ARC LENGTH OF 115.79 FEET;
12. THENCE ON A TANGENT BEARING NORTH 31°09'46" EAST 69.28 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 50.00 FEET;
13. THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 13°38'13" AND AN ARC LENGTH OF 11.90 FEET TO A POINT ON CURVE DESIGNATED AS POINT "A", FROM WHICH A RADIAL LINE TO THE CENTER OF CURVE BEARS NORTH 72°28'27" WEST;
14. THENCE CONTINUING NORTHERLY AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19°30'45" AND AN ARC LENGTH OF 17.03 FEET;
15. THENCE ON A TANGENT BEARING NORTH 01°59'12" WEST 36.27 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 75.00 FEET;

16. THENCE NORTHWESTERLY, NORTHERLY, AND NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 63°44'05" AND AN ARC LENGTH OF 83.43 FEET;
17. THENCE ON A TANGENT BEARING NORTH 61°44'53" EAST 47.55 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 75.00 FEET;
18. THENCE NORTHEASTERLY, NORTHERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 77°44'29" AND AN ARC LENGTH OF 101.70 FEET;
19. THENCE ON A TANGENT BEARING NORTH 15°56'35" WEST 137.87 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 50.00 FEET;
20. THENCE NORTHWESTERLY, NORTHERLY, AND NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 42°10'30" AND AN ARC LENGTH OF 36.80 FEET TO A POINT OF REVERSE CURVATURE, SAID CURVE BEING CONCAVE TO THE WEST AND HAVING A RADIUS OF 50.00 FEET, FROM SAID POINT A RADIAL LINE TO THE CENTER OF CURVE BEARS NORTH 63°46'06" WEST;
21. THENCE NORTHEASTERLY, NORTHERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 60°31'09" AND AN ARC LENGTH OF 52.81 FEET;
22. THENCE ON A TANGENT BEARING NORTH 34°17'14" WEST 24.69 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 50.00 FEET;
23. THENCE NORTHWESTERLY, NORTHERLY, AND NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 36°50'13" AND AN ARC LENGTH OF 32.15 FEET;
24. THENCE ON A TANGENT BEARING NORTH 02°32'59" EAST 32.85 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 100.00 FEET;
25. THENCE NORTHEASTERLY, NORTHERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 20°43'34" AND AN ARC LENGTH OF 36.17 FEET;
26. THENCE ON A TANGENT BEARING NORTH 18°10'34" WEST 111.52 FEET;
27. THENCE NORTH 67°01'13" WEST 48.03 FEET TO A POINT FROM WHICH THE MOST NORTHEASTERLY CORNER OF LOT 4 OF SAID TRACT NO. 53425-01 BEARS SOUTH 71°12'19" WEST 1865.80 FEET, SAID POINT ALSO BEING THE END OF TRAIL 1.

TRAIL 2

BEGINNING AT POINT "A" AS DESCRIBED IN COURSE NO. 13 OF TRAIL 1 ABOVE;

1. THENCE SOUTH 55°39'41" WEST 78.59 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH AND HAVING A RADIUS OF 10.00 FEET;
2. THENCE SOUTHWESTERLY, WESTERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 67°31'02" AND AN ARC LENGTH OF 11.78 FEET;
3. THENCE ON A TANGENT BEARING NORTH 56°49'18" WEST 23.69 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 40.00 FEET;
4. THENCE NORTHWESTERLY, WESTERLY, AND SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 108°51'02" AND AN ARC LENGTH OF 75.99 FEET;
5. THENCE ON A TANGENT BEARING SOUTH 14°19'40" WEST 20.12 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE EAST AND HAVING A RADIUS OF 100.00 FEET;
6. THENCE SOUTHWESTERLY, SOUTHERLY, AND SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30°15'03" AND AN ARC LENGTH OF 52.80 FEET;
7. THENCE ON A TANGENT BEARING SOUTH 15°55'22" EAST 106.81 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 50.00 FEET;
8. THENCE SOUTHEASTERLY, SOUTHERLY, AND SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 40°38'45" AND AN ARC LENGTH OF 35.47 FEET TO A POINT OF REVERSE CURVATURE, SAID CURVE BEING CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 300.00 FEET, FROM SAID POINT A RADIAL LINE TO THE CENTER OF CURVE BEARS SOUTH 65°16'37" EAST;

9. THENCE SOUTHWESTERLY AND SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30°38'55" AND AN ARC LENGTH OF 160.48 FEET TO A POINT OF REVERSE CURVATURE, SAID CURVE BEING CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 20.00 FEET, FROM SAID POINT A RADIAL LINE TO THE CENTER OF CURVE BEARS SOUTH 84°04'28" WEST;
10. THENCE SOUTHERLY, SOUTHWESTERLY, WESTERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 130°28'38" AND AN ARC LENGTH OF 45.55 FEET;
11. THENCE ON A TANGENT BEARING NORTH 55°26'54" WEST 91.46 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 300.00 FEET;
12. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 20°55'34" AND AN ARC LENGTH OF 109.57 FEET;
13. THENCE ON A TANGENT BEARING NORTH 76°22'28" WEST 102.59 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 50.00 FEET;
14. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 32°27'26" AND AN ARC LENGTH OF 38.32 FEET;
15. THENCE ON A TANGENT BEARING NORTH 43°55'02" WEST 62.16 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 200.00 FEET;
16. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19°14'31" AND AN ARC LENGTH OF 67.17 FEET;
17. THENCE ON A TANGENT BEARING NORTH 63°09'33" WEST 182.22 FEET;
18. THENCE NORTH 12°47'50" EAST 302.91 FEET TO A POINT FROM WHICH THE MOST NORTHEASTERLY CORNER OF LOT 4 OF SAID TRACT NO. 53425-01 BEARS NORTH 78°43'55" WEST 1,066.58 FEET, SAID POINT ALSO BEING THE END OF TRAIL 2.

TRAIL 3

BEGINNING AT THE POINT OF BEGINNING OF TRAIL 1 ABOVE;

1. THENCE SOUTH 34°39'33" WEST 105.81 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 250.00 FEET;
2. THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 26°03'54" AND AN ARC LENGTH OF 113.73 FEET TO A POINT ON CURVE DESIGNATED AS POINT "B", FROM WHICH A RADIAL LINE TO THE CENTER OF CURVE BEARS NORTH 29°16'33" WEST;
3. THENCE CONTINUING SOUTHWESTERLY AND WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 35°01'15" AND AN ARC LENGTH OF 152.81 FEET;
4. THENCE ON A TANGENT BEARING NORTH 84°15'19" WEST 309.80 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 350.00 FEET;
5. THENCE WESTERLY AND SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 47°53'45" AND AN ARC LENGTH OF 292.58 FEET TO POINT "C" FROM WHICH THE NORTHWESTERLY CORNER OF LOT 6 OF SAID TRACT NO. 53425-01 BEARS SOUTH 66°51'57" WEST 440.72 FEET, SAID POINT ALSO BEING THE END OF TRAIL 3.

TRAIL 4

BEGINNING AT POINT "B" AS DESCRIBED IN COURSE NO. 2 OF TRAIL 3 ABOVE;

1. THENCE SOUTH 17°42'20" EAST 406.12 FEET TO A POINT DESIGNATED AS POINT "D";
2. THENCE SOUTH 14°01'28" EAST 56.41 FEET, MORE OR LESS, TO A POINT ON THE NORTHERLY LINE OF LOT 6 OF SAID TRACT NO. 53425-01 AND ON THE SOUTHERLY LINE OF SAID CITY OF LOS ANGELES LANDS, FROM WHICH THE NORTHWESTERLY CORNER OF SAID LOT 6 BEARS NORTH 81°55'06" WEST 1,280.62 FEET, SAID POINT ALSO BEING THE END OF TRAIL 4.
THE SIDELINES OF TRAIL 4 SHALL BE LENGTHENED OR SHORTENED TO TERMINATE AT SAID NORTHERLY LINE.

TRAIL 5

BEGINNING AT POINT "D" AS DESCRIBED IN COURSE NO. 1 OF TRAIL 4 ABOVE;

1. THENCE SOUTH 54°33'01" WEST 30.26 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH AND HAVING A RADIUS OF 50.00 FEET;
2. THENCE SOUTHWESTERLY, WESTERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89°08'18" AND AN ARC LENGTH OF 77.79 FEET;
3. THENCE ON A TANGENT BEARING NORTH 36°18'42" WEST 77.55 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 50.00 FEET;
4. THENCE NORTHWESTERLY, WESTERLY, AND SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 103°58'55" AND AN ARC LENGTH OF 90.91 FEET TO A POINT OF REVERSE CURVATURE, SAID CURVE BEING CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 150.00 FEET, FROM SAID POINT A RADIAL LINE TO THE CENTER OF CURVE BEARS NORTH 50°17'37" WEST;
5. THENCE SOUTHWESTERLY, WESTERLY, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 59°59'07" AND AN ARC LENGTH OF 157.04 FEET;
6. THENCE ON A TANGENT BEARING NORTH 80°18'30" WEST 297.01 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 50.00 FEET;
7. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 44°00'50" AND AN ARC LENGTH OF 38.41 FEET;
8. THENCE ON A TANGENT BEARING NORTH 36°17'40" WEST 53.75 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 200.00 FEET;
9. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19°25'01" AND AN ARC LENGTH OF 67.78 FEET TO A POINT OF REVERSE CURVATURE, SAID CURVE BEING CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 200.00 FEET, FROM SAID POINT A RADIAL LINE TO THE CENTER OF CURVE BEARS NORTH 34°17'20" EAST;
10. THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 44°25'35" AND AN ARC LENGTH OF 155.08 FEET;
11. THENCE ON A TANGENT BEARING NORTH 11°17'05" WEST 6.24 FEET TO POINT "C" AS DESCRIBED IN COURSE NO. 5 OF TRAIL 3 ABOVE, SAID POINT ALSO BEING THE END OF TRAIL 5.

TRACT NO. 27994 FILED IN BOOK 722 PAGES 87 THROUGH 90, INCLUSIVE, OF MAPS, RECORDS OF SAID COUNTY IS THE BASIS OF BEARINGS FOR THESE LEGAL DESCRIPTIONS.



DATED MAY 19, 2011

Exhibit "A" Map

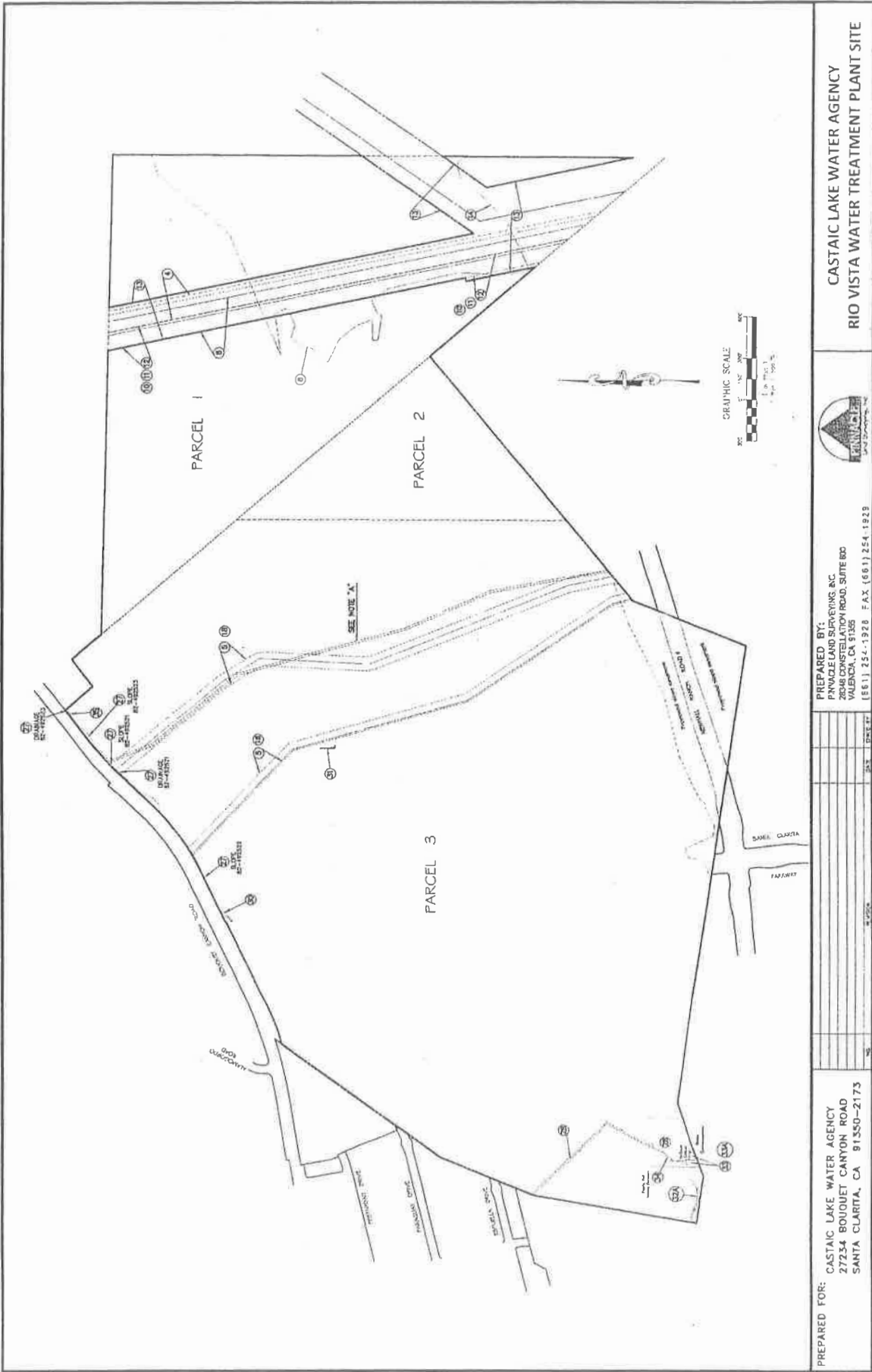
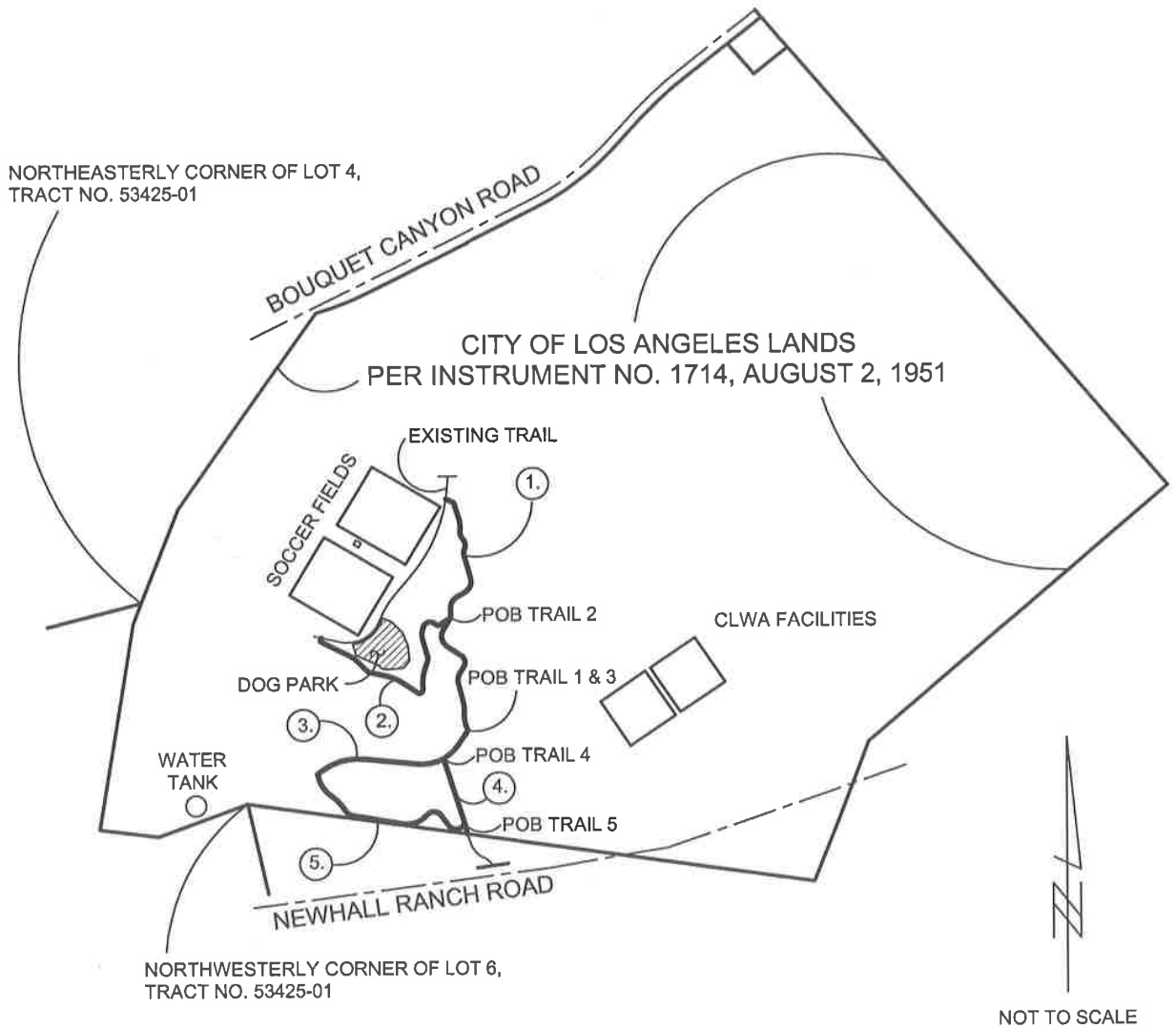


EXHIBIT "B"

EASEMENTS FOR PUBLIC USE AND TRAIL PURPOSES
IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



#. INDICATES TRAIL NUMBER AND CORRESPONDS TO DESCRIPTIONS ON EXHIBIT "A"



LORIN JAMES JORDAN, PLS
SENIOR ENGINEER-LAND SURVEYOR
CITY OF SANTA CLARITA
DATED: MAY 19, 2011

Lease Amendment No. 4- Exhibit D

LICENSE AGREEMENT FOR EXERCISE AND ACCESS STAIRS

This License Agreement (“Agreement”) For Exercise And Access Stairs is made as of _____ (“Effective Date”), by and between the Santa Clarita Valley Water Agency (“Licensor”) and the City of Santa Clarita (“Licensee”).

RECITALS

A. Licensor is the owner of the real property identified and described in Exhibit “A,” attached hereto and incorporated herein by reference (the “Property”).

B. Licensee would like to install an exercise and access stairs (“Stairs”) within the Property to be located in the area depicted in Exhibit “A.”

NOW, THEREFORE, the parties agree as follows:

1. License. Licensor hereby grants to Licensee, its employees, agents, contractors and invitees, which includes the general public, a non-exclusive license and right to enter upon and over the Property (“License”) for the sole purpose of installing, maintaining and using the Stairs and related lighting improvements and for no other purpose (“Activities”). In connection with the installation and use of the Stairs, Licensor and Licensee acknowledge that it will be necessary for plans to be prepared regarding the design and location of lighting and electrical services. Plans for the design and location of the lighting and electrical services are not yet finalized. Licensor and Licensee agree to cooperate with one another in formulating and completing mutually satisfactory plans for the lighting and electrical services. Upon completion, the lighting and electrical services will be installed in accordance with the approved plans. Licensee shall be solely responsible for all costs and expenses relating to the Activities as contemplated in this Agreement. The License and this Agreement are independent of the Central Park Sports Facility Ground Lease between City and the Agency made January 2, 1997 and its amendments (the “Ground Lease”).

2. No Interest in Land Granted. Nothing herein shall be deemed to grant to Licensee any fee interest, leasehold, easement, or other possessory interest in the Property, or any portion thereof, or any exclusive right or special status to negotiate or purchase. This Agreement grants a limited license upon specified terms and no more.

3. Term. This Agreement shall be effective upon the date specified above when both parties have executed this Agreement and shall terminate at midnight on January 1, 2038. The term of this Agreement shall run concurrently with the term of the Ground Lease, and a renewal of the term of the Ground Lease shall be a corresponding renewal of the term of this Agreement.

4. Conditions for Entry Onto Property. The Property shall be entered upon by Licensee and its invitees, which includes the general public, for the Activities and for no other purpose. Such entry shall not unreasonably interfere with Licensor’s ownership or use of the Property. All existing improvements located on the Property are to be protected in place, unless otherwise agreed to by the Licensor. Licensee shall be subject to the following terms and conditions:

a. Licensor makes no representation, covenant, warranty or promise that the Property is fit for any particular use, including the use for which the License is granted and Licensee is not relying on any such representation, covenant, warranty or promise and accepts the Property in its “as is” condition.

b. Licensee shall conduct the Activities in compliance with all applicable federal, state and local laws.

c. At the completion of the Activities and/or the revocation of the License, Licensee will restore the Property to its original condition prior to this Agreement.

d. Licensee shall not permit to be placed against the Property, or any part thereof, any design professionals', mechanics', materialmen's, contractors' or subcontractors' liens with regard to Licensee's actions on the Property. Licensee agrees to hold Licensor harmless for any loss or expense, including reasonable attorneys' fees and costs, arising from any such liens which might be filed against the Property.

5. Notice. Prior to entering the Property for the installation and maintenance of the Stairs, Licensee shall provide Licensor with forty eight (48) hours advanced written notice at the address stated in Section 13.

6. Prohibition of Digging. Unless permitted in writing by Licensor, Licensee is prohibited from taking samples or digging on the Property. Licensee shall indicate in writing the scope of any intended tests requiring digging 48 hours prior to entry onto the Property for Licensor's review and approval. All results and findings of such permitted tests shall be made available for Licensor's at no cost.

7. [INTENTIONALLY LEFT BLANK]

8. Indemnification. Except as to sole gross negligence or willful misconduct of the Licensor, Licensee agrees to indemnify, defend (with counsel approved by Licensor) and hold the Licensor, its officers, officials, agents and employees, harmless from and against all claims, damages, losses, liability, cost or expense, including defense costs and attorney's fees, including, but not limited to, bodily injury, death, personal injury or property damage, which arise out of or are in any way connected with the performance of the Activities by the Licensee, its officers, officials, agents, employees, and contractors, under the License and this Agreement, and the use of the Stairs and related improvements by its invitees, which includes the general public. Licensee shall also be responsible for any attorneys' fees the Licensor incurs in the event the Licensor has to file any action in connection with this Agreement. The parties expressly agree that any payment, attorney's fees, costs or expenses Licensor incurs or makes to or on behalf of an injured employee under the Licensor's workers' compensation insurance coverage shall be included as a loss, expense or cost for the purpose of this Section, and that this Section shall survive the expiration or early termination of this Agreement.

9. Insurance. Prior to Licensor's execution of this Agreement, Licensee shall provide to Licensor a certificate of insurance showing that Licensee is insured for commercial and general liability insurance, automobile liability insurance and professional liability insurance with minimum limits as follows: commercial and general liability insurance policies shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$2,000,000 per occurrence and a general aggregate limit in the amount of not less than \$2,000,000, unless otherwise approved or reduced by the Licensor in writing. Licensee's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$2,000,000 per occurrence unless otherwise approved or reduced by Licensor in writing. Licensee shall procure and maintain, and require its subcontractors to procure and maintain, for a period of five (5) years following completion of the Activities, errors and omissions liability insurance appropriate to their

profession. Such insurance shall be in an amount not less than \$1,000,000 per claim, and shall be endorsed to include contractual liability. These minimum amounts of coverage shall not constitute any limitation or cap on Licensee's indemnification obligations hereunder. Prior to Licensor's execution of this Agreement, copies of insurance policies or original certificates and additional insured endorsements evidencing the coverage required by this Agreement, for both commercial and general and automobile liability insurance, shall be filed with Licensor and shall include Licensor and its officers, employees and agents, as additional insureds. Said policies shall be in the usual form of commercial and general and automobile liability insurance policies, but shall include the following provisions:

a. It is agreed that the Licensor, and its officers, employees and agents, shall be added as additional insureds under this policy and each policy shall contain a waiver of the insurer's right of subrogation against the Licensor.

b. The policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to Licensor by certified or registered mail, postage prepaid.

c. The policies shall apply on a primary non-contributing basis in relation to any insurance or self-insurance available or applicable to the Licensor.

The Licensor, its officers, officials, employees and agents make no representation that the types or limits of insurance specified to be carried by Licensee pursuant to this Agreement are adequate to protect Licensee. If Licensee believes that any required insurance coverage is inadequate, it shall obtain such additional insurance coverage, as it deem adequate, at its sole expense.

10. Hazardous Substances Indemnity. Licensee expressly agrees to and shall indemnify, defend (with counsel approved by Licensor), release and hold the Licensor, its officers, officials, agents and employees harmless from and against any liability, loss, fine, penalty, fee, charge, lien, judgment, damage, entry, claim, cause of action, suit, proceeding (whether legal or administrative), remediation, response, removal, or clean-up and all costs and expenses associated therewith, and all other costs and expenses (including, but not limited to, attorneys' fees, expert fees, and court costs) in any way related to the disposal, treatment, transportation, manufacture, or use of any Hazardous Substances on, in, under, or about the Property by Licensee, or its respective officers, directors, agents, subcontractors, servants, employees or developers, or by any other third party acting under the control or request of Licensee, or by the general public, other than the Licensor and its respective officers, agents, servants, employees or developers. This indemnity, defense and hold harmless obligation shall survive the expiration or termination of this Agreement.

11. Hazardous Substances Defined. Hazardous Substances shall mean any (a) substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to CERCLA, 42 U.S.C. § 9601, et seq.; The Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq. ("RCRA"); The Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; The Clean Water Act, 33 U.S.C. § 1251, et seq.; The Hazardous Waste Control Act, California Health and Safety Code ("H. & S.C.") § 25100, et seq.; the Hazardous Substance Account Act, H. & S.C. § 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, H. & S.C. § 25249.5, et seq.; Underground Storage of Hazardous Substances H.& S.C. § 25280, et seq.; the Carpenter-Presley-Tanner Hazardous Substance Account Act (H & S.C. § 25300 et seq.); The Hazardous Waste Management Act, H. & S.C. §§ 25170.1, et seq.; Hazardous Materials Response Plans and Inventory H. & S.C. § 25001 et seq.; or the Porter-

Cologne Water Quality Control Act, Water Code § 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect, (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes, (c) petroleum, crude oil or any substance which contains gasoline, diesel fuel or other petroleum hydrocarbons other than petroleum and petroleum products contained within regularly operated motor vehicles, and (d) polychlorinated biphenyls (PCB), radon gas, urea-formaldehyde, asbestos and lead.

12. Venue and Attorneys' Fees. Any action at law or in equity brought by either party for the purpose of enforcing a right or rights provided for by the License and this Agreement shall be tried in a court of competent jurisdiction in the County of Los Angeles, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. In the event either party shall bring suit to enforce any term of this Agreement or to recover any damage for and on account of the breach of any term or condition of this Agreement, it is mutually agreed that the prevailing party in such action shall recover all costs thereof, including reasonable attorneys' fees, to be set by the court in such action.

13. Notices. Service of any notices, bills, invoices or other documents required or permitted under this Agreement shall be sufficient if sent by one party to the other by United States mail, postage prepaid and addressed as follows:

To Licensor: Santa Clarita Valley Water Agency
Attn: Matt Stone
27234 Bouquet Canyon Rd.
Santa Clarita, California 91350
Telephone: (661) 513-1211
Email: mstone@scvwa.org

To Licensee: The City of Santa Clarita
Attn: Ken Striplin
23920 Valencia Blvd.
Santa Clarita, CA 91355
Email: kstriplin@santa-clarita.com

14. Assignment. It is mutually understood and agreed that the License and this Agreement are personal to Licensee and shall be binding upon Licensee and its successors and may not be assigned or transferred in any way without the prior written consent of the Licensor. Any transfer shall be void and of no effect.

15. Authority. The individuals executing this Agreement each represent and warrant that they have the legal power, right and actual authority to bind their respective entities to the terms and conditions hereof and thereof.

16. Severability. Each provision, term, condition, covenant, and/or restriction, in whole and in part, in this Agreement shall be considered severable. In the event any provision, term, condition, covenant, and/or restriction, in whole and/or in part, in this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant, and/or restriction, of this Agreement and the remainder of the Agreement shall continue in full force and effect.

CITY OF SANTA CLARITA

SANTA CLARITA VALLEY WATER AGENCY

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Attest:

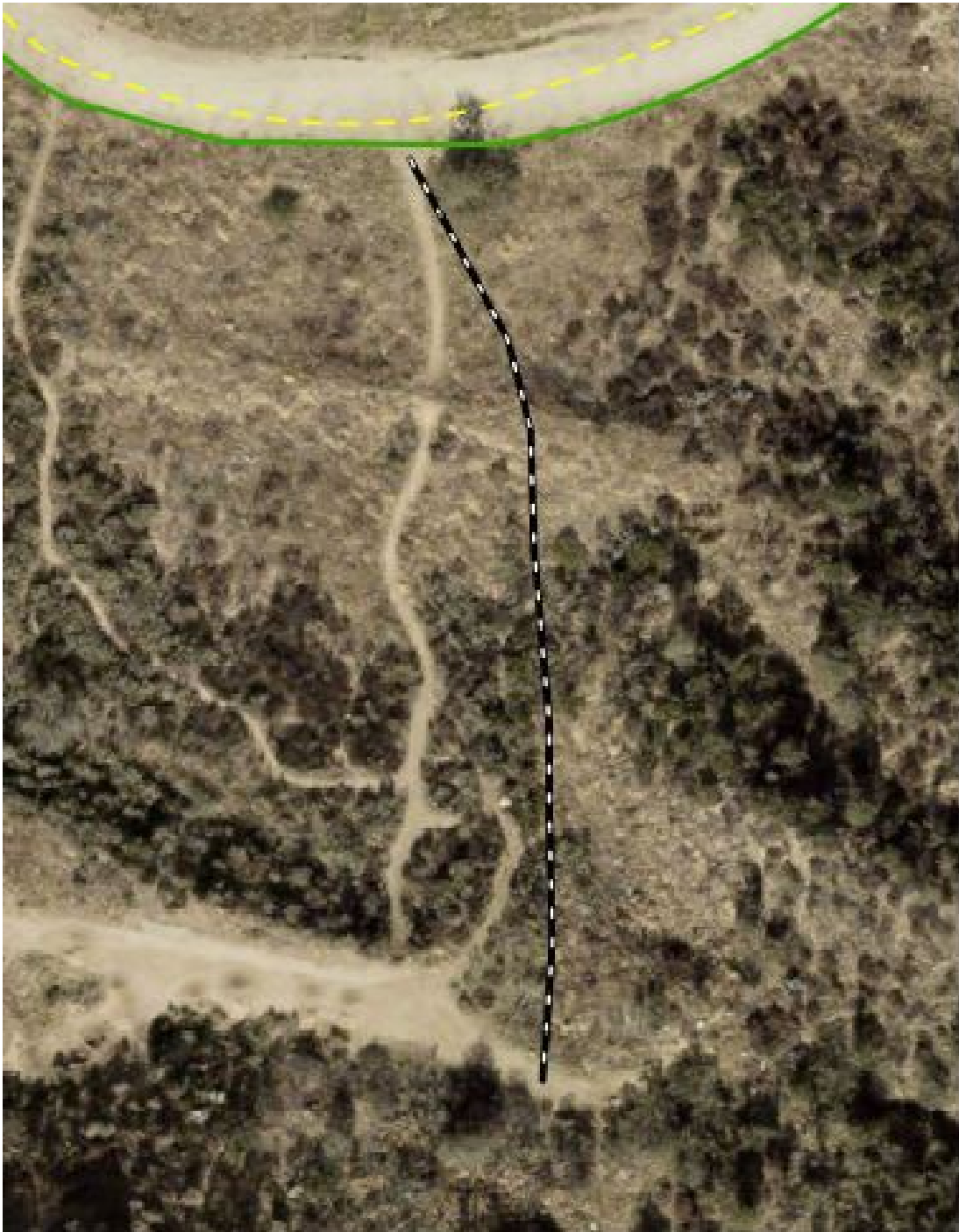
By: _____

Name: _____

Title: _____

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EXHIBIT "A"
(Description of the Property)



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SCV
WATER

August 2, 2022

Approve the Execution of Amendment No. 4 to the Ground Lease by and Between the City of Santa Clarita and SCV Water Relative to Central Park

Board Meeting

Location Map



Amendment No. 4

- Recital D - Identifies the SANTA CLARITA VALLEY WATER AGENCY as the successor in interest to the CASTAIC LAKE WATER AGENCY (“CLWA”)
- Section 1.01 – Expansion of the Lease Area for the Disc Golf course and the City Yard
- Section 1.03 – Specifies that the annual meeting as set forth per Amendment No. 3 between the City and SCV Water is now specific to Amendment No. 4
- Section 2.01 – Extends term to January 1, 2038
- Section 4.03(M)(2) – Takes into account future commercial activities of concessions
- Section 4.03 (O) – Amends 2010 Trail license to add the Cross Country Trails and references future bike trail project, which will be a separate license agreement in the future. Adds language that City will complete appropriate CEQA review.
- Section 6.02 – City to give notification for maintenance of existing improvements
- Section 11.03 – City is not permitted to erect additional memorials/commemorative signage.



Existing Lease Area and Proposed Lease Area



Proposed Lease Expansion 1 - Disc Golf

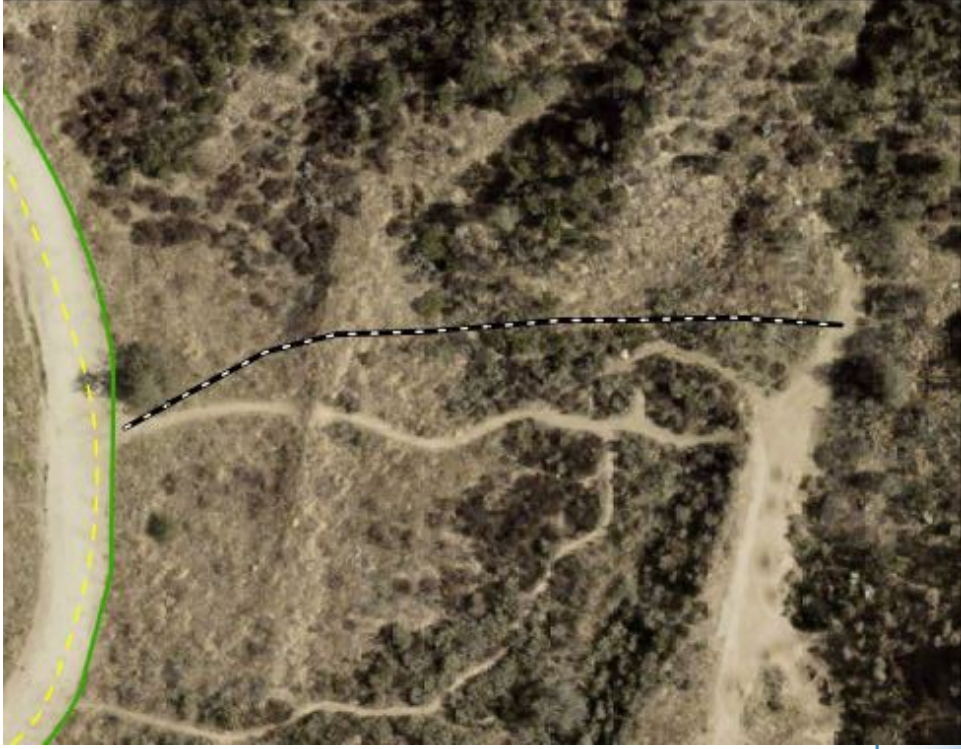


YOURSCVWATER.COM

Proposed Lease Expansion 2 - City Yard

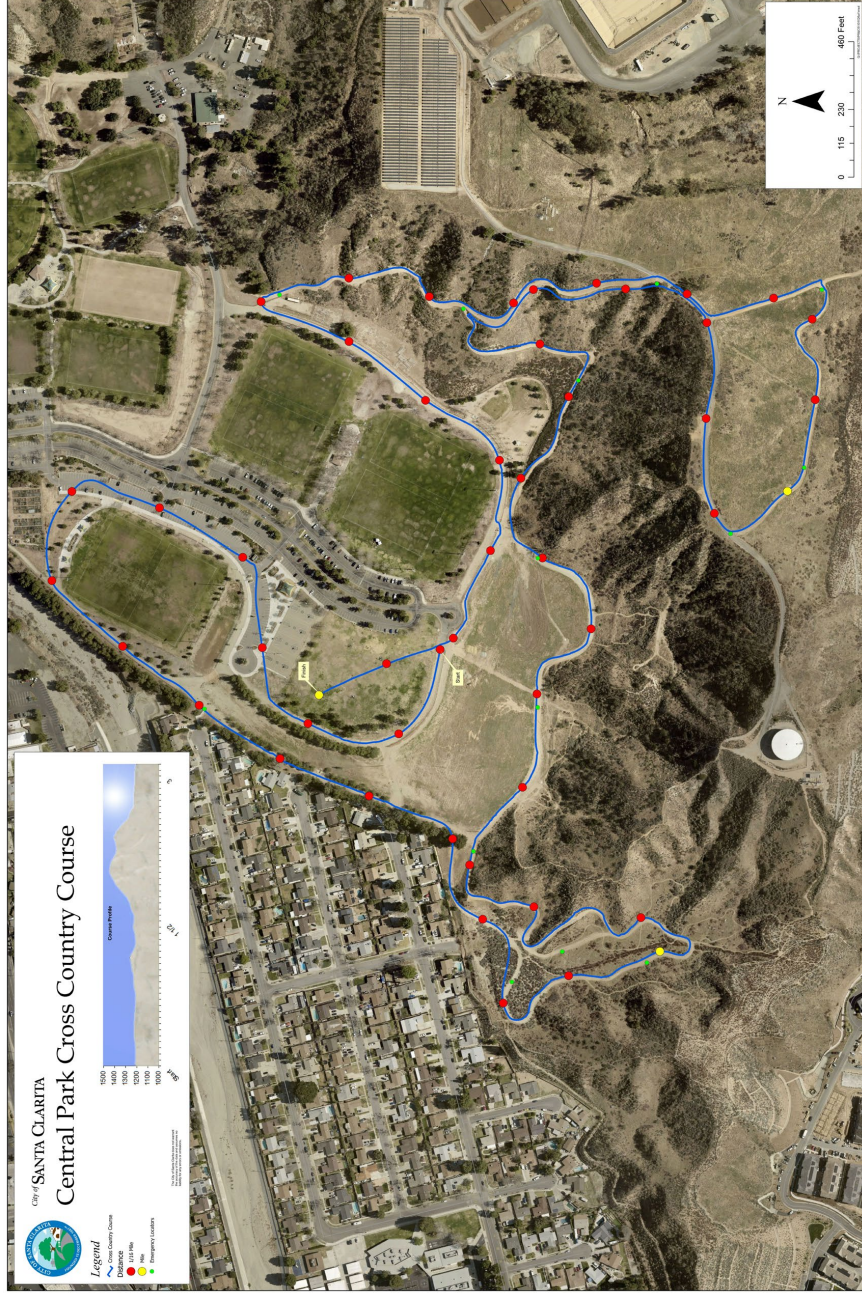


Proposed License Expansion 3 - Exercise Staircase



YOURSCVWATER.COM

Trails License Amendment No. 1



Recommendation

Staff recommends that the Board of Directors:

- 1) Find that the proposed project is categorically exempt from CEQA under State CEQA Guidelines sections 15061(b)(3) and 15301;
- 2) Find that the exceptions to the categorical exemption contained in State CEQA Guidelines section 15300.2 are inapplicable to the proposed project;
- 3) Approve the Resolution to Execute Amendment No. 4 to the Ground Lease by and Between the City of Santa Clarita and SCV Water Relative to Central Park; and
- 4) Direct Staff to file a Notice of Exemption within five (5) working days of approval.



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BOARD MEMORANDUM

DATE: July 20, 2022
TO: Board of Directors
FROM: Joseph Byrne and Thomas Bunn III
General Counsel
SUBJECT: Discussion and Possible Action Regarding Vacant Division 2 Board Seat

SUMMARY

On July 13, 2022, SCV Water Director Jerry Gladbach passed away. The Board of Directors has two options in deciding how to proceed. The Board may: (1) appoint a replacement to fill the vacant seat; or (2) take no action, in which case the Board of Supervisors of Los Angeles County may appoint a replacement Director. This item is being presented to the Board so it can decide which option to select and proceed accordingly.

DISCUSSION

Director Gladbach was an “elected initial member” of the Board of Directors of SCV Water when it was created by SB 634 on January 1, 2018. He resided in Division 2. As indicated above, he passed away on July 13, 2022, leaving his seat vacant.

Director Gladbach’s seat is scheduled to be on the ballot in the regular November 8, 2022 election, with the winner of that election taking office on January 1, 2023. The decision before the Board involves whether to appoint someone to fill the seat in the interim to represent Division 2 or allow the Board of Supervisors to appoint someone. This is discussed further below. With any option, the November election will determine who holds the seat after January 1, 2023.

Pursuant to Section 9(e) of the SCV Water Act and Government Code section 1780, in the case of a vacancy, the remaining members of the Board of Directors have 60 days from the effective date of the vacancy - September 11, 2022 - to appoint a replacement by majority vote of the remaining directors. There are 10 remaining directors, so a majority is 6 votes. In that instance, the appointed director would serve the remainder of Director Gladbach’s term, which expires on January 1, 2023.

This means that if the Board of Directors decides to appoint a successor to fill the vacant Division 2 Board seat, the entire appointment process would need to be complete, which includes deciding to appoint, posting and publishing the vacancy notice, allowing time for applications, interviewing, appointing and seating the appointee, by September 11, 2022 (a Sunday). A tentative timeline is attached.

If the Board of Directors does not appoint a replacement by September 11, 2022, it goes to the Los Angeles County Board of Supervisors, who may appoint a replacement by October 11, 2022. Again, the appointee would serve the remainder of Director Gladbach’s term.

The statute is not clear what happens if neither the Agency nor the Board of Supervisors appoints a replacement. It seems to provide for an election at the next election date after 130 days, which is March 7, 2023. However, that date is after Director Gladbach's term expires, so at that point there would be no vacancy to fill, and thus no reason for an election. We are attempting to get clarification from the elections official and will provide additional information at the meeting.

FINANCIAL CONSIDERATIONS

None.

RECOMMENDATION

The Board of Directors consider the options described above and either direct staff to start the process for appointment, or to take no action and allow the Los Angeles County Board of Supervisors to appoint a replacement director.

Attachment

DIVISION 2 VACANCY – TENTATIVE TIMELINES

DIVISION 2

08/02/22 Regular Board Meeting
08/05/22 Notice of Vacancy Posted – Locations & The Signal
08/16/22 Applications Due
08/29/22 Special Board Meeting – Interviews and Appointment
09/20/22 Ceremonial Swearing-in

Note: The appointee will be sworn in the week of September 5th.

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BOARD MEMORANDUM

DATE: June 28, 2022
TO: Board of Directors
FROM: Courtney Mael, P.E. *CM*
Chief Engineer
SUBJECT: Surplus Land Act Informational Presentation

SUMMARY

Staff to present informational Surplus Lands Act presentation.

DISCUSSION

Staff has worked with legal counsel to provide an informational presentation on the Surplus Lands Act.

FINANCIAL CONSIDERATIONS

None.

MBS

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August 2, 2022

Surplus Land Act

Board Meeting

Surplus Lands Act

The Surplus Land Act (SLA) requires local agencies, including special districts, to comply with certain requirements when disposing of real property.

The California Department of Housing and Community Development (HCD) has adopted guidelines to interpret the SLA.

Penalty for lack of compliance - 30% of final sale price.



General Rule and Definitions

- General rule is that before an agency may “dispose of surplus land,” (GC 54222) it must comply with certain procedural steps
- What is surplus land?
 - Land owned in fee that the Agency declares is (1) surplus and (2) is not necessary for agency use.
 - Surplus land does not include easements.
 - Surplus land also does not include physical structures (buildings) on land. As a result, leasing a building or building space should be outside the SLA.



“Disposing” of Surplus Land

- What does “dispose” of surplus land mean?
 - To sell or lease
- As it relates to Leases, it does NOT include:
 - 1. “ ... a lease of land on which no development or demolition will occur or ...
 - 2. ...which has a term that is less than 5 years (including extensions, amendments and options).” (Guideline Sec. 102(h))



Necessary for Agency Use Exception

- Exception from the SLA also exists if the land being sold or leased is “necessary for agency use,” which includes, but is not limited to:
 - “...land that is being used, or is planned to be used ... for agency work or operations, including, but not limited to, utility sites, watershed property, land being used for conservation purposes, land for demonstration, exhibition, or educational purposes related to greenhouse gas emissions, and buffer sites near sensitive governmental uses, including, but not limited to, wastewater treatment plants.”
 - Does not include the disposal of land for revenue generation.
- Special Districts.
 - May be disposed of for revenue generation if the board finds that: (1) it furthers express purpose of agency works or operations; or (2) if authorized by Agency Act.



Surplus and Exempt Surplus

- If no exception applies, then before negotiating and selling / leasing land, agency must either **(1) declare the property surplus, or (2) declare it “exempt surplus.”**
- Exempt Surplus includes:
 - Land less than 5,000 sq. ft., or has no record access and is less than 10,000 sq. ft.
 - Land that is being exchanged for another property necessary for agency use,
 - Land that is being transferred to another public entity for their use,
 - Former streets, rights-of-way..., conveyed to an owner of an adjacent property,
 - Land that is subject to valid legal restrictions (state & fed law, CC&Rs, other restrictive covenants, easements, etc.) that prohibit housing and such prohibitions cannot be feasibly mitigated. Zoning laws do not count.



Process

- (a) declare the land surplus or exempt surplus in a resolution supported by findings and adopted by the governing board in an open meeting,
- (b) If the land is declared surplus, issue a notice of availability (“NOA”) of the property to, among others, California Housing Finance Agency (CalHFA)-certified housing sponsors who have requested notice of such surplus land and wait 60 days,
- (c) negotiate in good faith for 90 days with any entity that submits a qualified notice of interest in response to the NOA, and
- (d) if the local agency receives no such interest or cannot come to terms with an entity that has expressed interest within the 90-day negotiation period, obtain a letter of compliance from HCD allowing disposition of the property without regard to the SLA, and
- (e) prior to sale, record a covenant against title to the property that if 10 or more units of housing are every built on the land, at least 15% of those units must be affordable.




Potential Surplus Property Site 22722 Soledad Canyon Rd.



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BOARD MEMORANDUM

DATE: July 14, 2022
TO: Board of Directors
FROM: Steve Cole 
Assistant General Manager
SUBJECT: July 13, 2022 Water Resources and Watershed Committee Meeting Report

The Water Resources and Watershed Committee met at 5:30 PM on Wednesday, July 13, 2022, at the Engineering Services Section (ESS) Boardroom located at 26521 Summit Circle, Santa Clarita, CA 91350. In attendance were Committee Chair Jeff Ford, Directors B.J. Atkins, and Maria Gutzeit. Staff members present were Assistant General Manager Steve Cole, Sustainability Manager Matt Dickens, Management Analyst II Cheryl Fowler, Director of Water Resources Dirk Marks, General Manager Matt Stone, Water Resources Planner Ernesto Velazquez, Principal Water Resources Planner Rick Viergutz, additional SCV Water Agency staff and members of the public. A copy of the Agenda is attached.

Item 2: Public Comment – There was general public comment.

Item 3: Recommend Authorizing the General Manager to Enter Into an Agreement with GSI Water Solutions, Inc. for the First Year of Groundwater Sustainability Plan Implementation

– Staff provided a presentation outlining implementation of the Groundwater Sustainability Plan (GSP) and the need for technical support to develop systematic, repeatable protocols and procedures for data collection and reporting. Staff responded to the Committees' questions regarding de minimus pumping by well owners as relates to GSP Implementation, water quality and volume of use. Recommended actions for this item are included in a separate report being submitted at the August 2, 2022 Board Meeting. The Committee recommends that the Board consider this item for approval via Consent Calendar. Staff's presentation is available at: <https://yourscvwater.com/wp-content/uploads/2022/07/Item-3-WRW-071322-Implementation-of-Groundwater-Sustainability-Plan.pdf>

Item 4: Water Resources Director's Report

4.1 Status of Upper Santa Clara River Salt and Nutrient Management Plan – Staff provided a presentation on the update of the Salt and Nutrient management Plan, including historical perspective, current regulations, groundwater basin monitoring, current regulatory compliance status and the desired effects of the Plan on future compliance efforts. Staff will provide a similar presentation at a future meeting of the SCV-GSA Board. Staff's presentation is available at: <https://yourscvwater.com/wp-content/uploads/2022/07/Item-4.1-WRW-071322-USCR-Salt-Nutrient-Management-Plan.pdf>

4.2 Staff Activities – Staff provided an overview of a recent workshop for Sites Reservoir Project financial planning. Staff also presented an overview of the Antelope Valley-East Kern (AVEK) High Desert Water Banking Program and discussed the Agency's intent to submit a non-binding letter of interest to participate in Phase 2 of the

program. Staff's presentation on AVEK is available at: <https://yourscvwater.com/wp-content/uploads/2022/07/Item-4.2-WRW-071322-Staff-Activities.pdf>

Item 5: Sustainability Manager's Report

5.1 Status of Drought Response and Performance – Staff's update on the Status of Drought Response and Performance included discussion on state emergency regulations, factors driving current water demand, public outreach efforts to encourage conservation, and drought response performance in SCV Water's service area. Staff is developing outreach material and an approach to implement the State Board's action to ban irrigation of Non-Functional Turf. Staff's presentation is available at: <https://yourscvwater.com/wp-content/uploads/2022/07/Item-5.1-WRW-071322-Status-of-Drought-Response-Performance.pdf>

Item 6: Committee Planning Calendar – The Committee considered the Planning Calendar.


Item 7: Adjournment – The meeting adjourned at 7:40 PM.

Attachment



Date: July 6, 2022

To: **Water Resources and Watershed Committee**
Jeff Ford, Chair
B.J. Atkins
Ed Colley
Bill Cooper
Maria Gutzeit

From: Steve Cole, Assistant General Manager 

The **Water Resources and Watershed Committee** is scheduled to meet on **Wednesday, July 13, 2022 at 5:30 PM** at **26521 Summit Circle, Santa Clarita, CA 91350** in the **Engineering Services Section (ESS) Boardroom**. Members of the public may attend in person or virtually. To attend this meeting virtually, please see below.

IMPORTANT NOTICES

This meeting will be conducted in person at the address listed above. As a convenience to the public, members of the public may also participate virtually by using the **Agency's Call-In Number 1-(833)-568-8864, Webinar ID: 161 140 1620 or Zoom Webinar by clicking on the link <https://scvwa.zoomgov.com/j/1611401620>**. Any member of the public may listen to the meeting or make comments to the Committee using the call-in number or Zoom Webinar link above. However, in the event there is a disruption of service which prevents the Agency from broadcasting the meeting to members of the public using either the call-in option or internet-based service, this meeting will not be postponed or rescheduled but will continue without remote participation. The remote participation option is being provided as a convenience to the public and is not required. Members of the public are welcome to attend the meeting in person.

Attendees should be aware that while the Agency is following all applicable requirements and guidelines regarding COVID-19, the Agency cannot ensure the health of anyone attending a Committee meeting. Attendees should therefore use their own judgment with respect to protecting themselves from exposure to COVID-19.

Members of the public unable to attend this meeting may submit comments either in writing to cflower@scvwa.org or by mail to Cheryl Fowler, Management Analyst II, Santa Clarita Valley Water Agency, 26501 Summit Circle, Santa Clarita, CA 91350. All written comments received before 4:00 PM the day of the meeting will be distributed to the Committee members and posted on the Santa Clarita Valley Water Agency website prior to the start of the meeting. Anything received after 4:00 PM the day of the meeting, will be made available at the meeting, if practicable, and will be posted on the SCV Water website the following day. All correspondence with comments, including letters or emails, will be posted in their entirety.

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1. <u>PLEDGE OF ALLEGIANCE</u>	
2. <u>PUBLIC COMMENTS</u> – Members of the public may comment as to items within the subject matter jurisdiction of the Agency that are not on the Agenda at this time. Members of the public wishing to comment on items covered in this Agenda may do so at the time each item is considered. (Comments may, at the discretion of the Committee Chair, be limited to three minutes for each speaker.)	
3. * Recommend Authorizing the General Manager to Enter Into an Agreement with GSI Water Solutions, Inc. for the First Year of Groundwater Sustainability Plan Implementation	5
4. Water Resources Director’s Report	
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5.1 Status of Drought Response and Performance	
6. * Committee Planning Calendar	15
7. Adjournment	
* Indicates Attachment	
• Indicates Handout	

NOTICES:

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning Cheryl Fowler, Management Analyst II, at (661) 297-1600, or in writing to cfowler@scvwa.org or by mail to Cheryl Fowler, Management Analyst II, Santa Clarita Valley Water Agency, 26501 Summit Circle, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

July 6, 2022

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Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Committee less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Santa Clarita Valley Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.yourscvwater.com>.

Posted on July 6, 2022.

MGS

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BOARD MEMORANDUM

DATE: July 19, 2022
TO: Board of Directors
FROM: Rochelle Patterson *RP*
Director of Finance and Administration
SUBJECT: July 18, 2022 Finance and Administration Committee Meeting Report

The Finance and Administration Committee met at 5:30 PM on Monday, July 18, 2022 in the Board Room of the Rio Vista Water Treatment Plant. In attendance were Chair R. J. Kelly and Directors Beth Braunstein and Gary R. Martin. Staff members in attendance included Controller Amy Aguer, Accounting Technician II Kyle Arnold, Assistant General Manager Steve Cole, Financial Analyst Darine Conner, Management Analyst II Erika Dill, Sr. Management Analyst Kim Grass, Chief Engineer Courtney Mael, Management Analyst I Liza Moncada, Director of Finance and Administration Rochelle Patterson, Executive Assistant Leticia Quintero, Director of Tech Services Cris Perez, General Manager Matt Stone, IT Tech I Jonathan Thomas, Customer Service Manager Kathleen Willson and myself. Members of the public were present. A copy of the agenda is attached.

Item 1: Pledge of Allegiance

Item 2: Public Comment – There was public comment.

Item 3: Recommend Approval of a Resolution Authorizing FY 2022/23 Water Supply Contract Payments – Staff presented this item and the Committee unanimously agreed to recommend the item be placed on the Consent Calendar for the August 2, 2022 regular Board meeting.

Item 4: Recommend Approval of a Contract Amendment with Robert D. Niehaus, Inc. for Ratepayer Advocate Services – Staff presented this item and the Committee unanimously recommended the item be placed on the Consent Calendar for the August 2, 2022 regular Board meeting.

Item 5: Recommend Approval of a Contract with Chandler Asset Management, Inc. for As-Needed Investment Advisory Services – Staff presented this item and the Committee unanimously recommended the item be placed on the Consent Calendar for the August 2, 2022 regular Board meeting.

Item 6: Recommend Receiving and Filing of May 2022 Financial Report – Staff presented this item and the Committee unanimously agreed that it be placed on the Consent Calendar for the August 2, 2022 regular Board meeting.

Item 7: Committee Planning Calendar – Staff and the Committee briefly discussed the FY 2022/23 planning calendar and made mention that the future calendar will include quarterly updates from the Fleet and Warehouse staff.

Item 8: General Report on Finance and Administration Activities – Staff advised the Committee that staff recently had issued Request for Proposals (RFP) to prepare a Retail Capacity Fee Study for the Valencia Water Division. While a number of firms expressed interest, only one firm submitted a proposal. The other interested firms indicated they were booked with other work during the requested project time frame. The firm that did propose is well qualified, and the proposal was within the General Manager’s spending authority. In order to further expedite the work, the General Manager will issue a contract to Bartle Wells Associates, but wanted this to be reported to the Committee for awareness.

An update on Accounts Receivable will also be given next month. Finally, Chair R.J. Kelley and Directors Braunstein and Martin offered their congratulations and well wishes to CFAO Eric Campbell on his retirement as this marked his final F&A Committee Meeting.

Item 9: Adjournment – The meeting was adjourned at 6:08 PM.

EC


Attachment

MBS



Date: July 11, 2022

To: **Finance and Administration Committee**
R.J. Kelly, Chair
Beth Braunstein
Ed Colley
Jerry Gladbach
Gary R. Martin

From: Eric Campbell 
Chief Financial and Administrative Officer

The **Finance and Administration Committee** is scheduled for **Monday, July 18, 2022** at **5:30 PM** at **27234 Bouquet Canyon Road, Santa Clarita, CA 91350 in the Board Room.** Members of the public may attend in person or virtually. To attend this meeting virtually, please see below.

IMPORTANT NOTICES

This meeting will be conducted in person at the address listed above. As a convenience to the public, members of the public may also participate virtually by using the **Agency's Call-In Number 1-(833)-568-8864, Webinar ID: 161 963 0630 or Zoom Webinar by clicking on the link <https://scvwa.zoomgov.com/j/1619630630>**. Any member of the public may listen to the meeting or make comments to the Committee using the call-in number or Zoom Webinar link above. However, in the event there is a disruption of service which prevents the Agency from broadcasting the meeting to members of the public using either the call-in option or internet-based service, this meeting will not be postponed or rescheduled but will continue without remote participation. The remote participation option is being provided as a convenience to the public and is not required. Members of the public are welcome to attend the meeting in person.

Attendees should be aware that while the Agency is following all applicable requirements and guidelines regarding COVID-19, the Agency cannot ensure the health of anyone attending a Committee meeting. Attendees should therefore use their own judgment with respect to protecting themselves from exposure to COVID-19.

Members of the public unable to attend this meeting may submit comments either in writing to edill@scvwa.org or by mail to Erika Dill, Management Analyst II, SCV Water, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. All written comments received before 4:00 PM the day of the meeting will be distributed to the Committee members and posted on the SCV Water website prior to the start of the meeting. Anything received after 4:00 PM the day of the meeting will be made available at the meeting, if practical, and will be posted on the SCV Water website the following day. All correspondence with comments, including letters or emails, will be posted in their entirety.

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3. *	Recommend Approval of FY 2022/23 Water Supply Contract Payments	7
4. *	Recommend Approval of a Contract Amendment with Robert D. Niehaus, Inc. for Ratepayer Advocate Services	13
5. *	Recommend Approval of a Contract with Chandler Asset Management, Inc. for As-Needed Investment Advisory Services	23
6. *	Recommend Receiving and Filing of May 2022 Financial Report	71
	May 2022 Check Registers Link: https://yourscvwater.com/wp-content/uploads/2022/07/Check-Register-May-2022.pdf	
7. *	Committee Planning Calendar	101
8.	General Report on Finance and Administration Activities	
9.	Adjournment	
*	Indicates attachments	
◆	To be distributed	

NOTICES:

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning **Erika Dill, Management Analyst II** at (661) 297-1600, or writing to SCV Water at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

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Posted on July 12, 2022.

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BOARD MEMORANDUM

DATE: July 22, 2022
TO: Board of Directors
FROM: Steve Cole *SC*
Assistant General Manager
SUBJECT: July 21, 2022 Public Outreach and Legislation Committee Meeting Report

The Public Outreach and Legislation Committee met at 5:30 PM on Thursday, July 21, 2022 in the Engineering Service Section (ESS) Boardroom located at 26521 Summit Circle. In attendance were Committee Chair Piotr Orzechowski, Directors Beth Braunstein, R. J. Kelly, Gary Martin and Lynne Plambeck. Staff members present were Assistant General Manager Steve Cole, Communications Manager Kathie Martin, Executive Assistance Eunie Kang, Information Technology Technician I Jonathan Thomas. And on Zoom call were General Manager Matt Stone, Water Education Instructors Barbara Cawley and Karen Clark, Consultant Dennis Albani and Anthony Molina from California Advocates, Consultant Geoff Bowman from Van Scoyoc Associate, Consultant Hunt Braly from Poole Shaffery, and members of the public were present. A copy of the agenda is attached.

Item 2: Public Comments – There was no public comment.

Item 3: Legislative Consultant Reports – Staff and the Committee reviewed the federal legislative report by Geoff Bowman, state legislative report by Dennis Albani and Anthony Molina and local legislative report by Hunt Braly.

There was public comment on item 3.

Item 4: Discussion of Draft Resolution and Initial Implementation Action from the Engagement Gap Analysis – After review and discussion the consensus of the Committee was to move the draft resolution and potential implementation action plan for Board approval at the August 2, 2022 regular Board meeting under the consent calendar.

Item 5: Presentation: Overview of School Education Program – Water Education Instructors Barbara Cawley and Karen Clark provided an overview of the grade level programs offered at SCV Water for school-age kids in the Santa Clarita Valley.

Item 6: Communications Manager Activities – Staff and the Committee reviewed the following information: Legislative Tracking, Grant Status Report, Sponsorship Tracking FY 2022/23 and the Public Outreach and Legislation Committee Planning Calendar FY 2022/23.

Item 7: Adjournment – The meeting adjourned in memory of Vice President Jerry Gladbach at 8:08 P.M.

Attachment

M65

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AMENDED

Date: July 18, 2022

To: **Public Outreach and Legislation Committee**
Piotr Orzechowski, Chair
Beth Braunstein
R.J. Kelly
Gary Martin
Lynne Plambeck

From: Steve Cole, Assistant General Manager *SM*

The **Public Outreach and Legislation Committee** meeting is scheduled on **Thursday, July 21, 2022 at 5:30 PM at 26521 Summit Circle, Santa Clarita, CA 91350 in the Engineering Services Section (ESS) Boardroom**. Members of the public may attend in person or virtually. To attend this meeting virtually, please see below.

IMPORTANT NOTICES

This meeting will be conducted in person at the address listed above. As a convenience to the public, members of the public may also participate virtually by using the **Agency's Call-In Number 1-833-568-8864, Webinar ID: 161 115 0009 or Zoom Webinar by clicking on the <https://scvwa.zoomgov.com/j/1611150009>**. Any member of the public may listen to the meeting or make comments to the Committee using the call-in number or Zoom Webinar link above. However, in the event there is a disruption of service which prevents the Agency from broadcasting the meeting to members of the public using either the call-in option or internet-based service, this meeting will not be postponed or rescheduled but will continue without remote participation. The remote participation option is being provided as a convenience to the public and is not required. Members of the public are welcome to attend the meeting in person.

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3. Legislative Consultant Report:	
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* 3.2 California Advocates	5
* 3.3 Poole & Shaffery	115
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5. * Presentation: Overview of School Education Program	191
6. Communications Manager Activities:	
* 6.1 Legislative Tracking	209
* 6.2 Grant Status Report	215
* 6.3 Sponsorship Tracking FY 2022/23	219
* 6.4 Committee Planning Calendar FY 2022/23	221
7. Adjournment	
* Indicates Attachment	
• Indicates Handout	

NOTICES:

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Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.yourscvwater.com>.

Posted on July 18, 2022.

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BOARD MEMORANDUM

DATE: July 18, 2022
TO: Board of Directors
FROM: Courtney Mael *CM*
 Chief Engineer
SUBJECT: Engineering Services Section Report

CAPITAL IMPROVEMENT PROJECTS (CIP) CONSTRUCTION

Project	Contractor	Contract Amount	Scheduled Completion	Notes
Vista Canyon Recycled Water Tank (Phase 2B)	Pacific Tank and Construction, Inc.	\$3,906,870	7/29/2022	Construction is 90% complete.
Vista Canyon Recycled Water Main Extension (Phase 2B)	Ferreira Construction Co., Inc.	\$2,584,110	7/29/2022	Construction is 90% complete. Contractor restarted work to install pipe across bridge. Owl's nest was removed and will be placed back into utility opening one pipe is installed per California Fish and Wildlife instructions.
Valley Center Well Material Purchase	Evoqua Water Technologies, LLC	\$512,802	9/30/2022	Material delivery complete. Start-up services on-hold pending site construction work to be completed.
Valley Center Well Site Construction	GSE Construction Company, Inc.	\$3,248,800	9/30/2022	Construction is 87% complete.
Commerce Center Pipeline	FivePoint/Blois Construction, Inc.	\$891,139.70	10/31/2022	Construction is 99% complete.
Magic Mountain Pipeline Phase 4	FivePoint/Toro Enterprises	\$3,281,775.38	10/31/2022	Construction is 98% complete.

Magic Mountain Pipeline Phase 5	FivePoint/Toro Enterprises	\$3,269,978.85	10/31/2022	Construction is 90% complete.
Magic Mountain Pipeline Phase 6A	FivePoint/Toro Enterprises	\$7,168,844.85	10/31/2022	Construction is 70% complete.
Magic Mountain Pipeline Phase 6B	FivePoint/Leatherwood Construction	\$4,568,687.07	10/31/2022	Construction is 90% complete.
Santa Clara & Honby Wells Material Purchase	Aqueous Vets	\$814,050	11/03/2022	Vessels are being fabricated.
Saugus #3 & #4 Wells Construction (Replacement Wells)	Zim Industries, Inc.	\$12,751,494	07/06/2023	Material submittals are in progress.
ESFP Washwater Return Improvements	Pacific Hydrotech Corporation	\$17,526,700	11/13/2023	Material submittals are in progress.
Pitchess Pipeline Modifications	LA County Metropolitan Transportation Authority	\$159,000	4/01/2024	Pipeline work is scheduled to occur in February 2024.

CAPITAL IMPROVEMENT PROJECTS (CIP) PLANNING AND DESIGN

1. Backcountry (fka Magic Mountain) Reservoir and Pump Station – Staff is preparing the California Environmental Quality Act (CEQA) documents and evaluating proposals for final design services.
2. Castaic Conduit Bypass Pipeline – Design is 90% complete. Staff is in the process of acquiring a pipeline easement from the City of Santa Clarita and finalizing design for the Santa Clara River crossing portion of the Project. Permits from the County and City are being secured for the Santa Clara River crossing of the project. City Council authorized property transfer to the Agency during its June 28, 2022 meeting.
3. Deane Pump Station @ Sand Canyon Plaza – Plans have been approved.
4. Deane Tank @ Sand Canyon Plaza (CIP is SCV Water Fair Share) – Consultant preparing 30% Plans for new 1.57 MG prestressed concrete tank.
5. Deane Tank and Pump Station at Skyline Ranch (CIP is SCV Water Fair Share) – Staff submitted comments on 90% plans to consultant. Consultant submitted 100% plans for pump station and for 2.08 MG prestressed concrete tank; staff review of 100% plans is in progress.
6. ESFP Two 5 MG Tank Improvements – Final design is in progress.
7. E Wells (E-14, E-15, E-16, and E-17) PFAS Groundwater Treatment Improvements – Planning is in progress.
8. Honby Parallel Pipeline Phase 2 – The Board of Directors adopted the Addendum to the EIR on June 1, 2021. Design is in progress. Staff is securing permits from the California Department of Fish and Wildlife and the Los Angeles Regional Water Quality Control Board.
9. Honby Tank Pipeline Bottleneck – Planning is in progress.
10. Master Plan – Staff will be presenting the Engineering & Operations Committee recommendation to issue a purchase order for planning services to the Board of Directors at the August 2, 2022, Board meeting.
11. Newhall Tanks 1 and 1A Stairs and Catwalks Improvements – Project advertised for construction on July 8, 2022 and bids are due on August 31, 2022.
12. Pipeline Inspection: Castaic Conduit Pipeline Reaches 3 & 4 – Planning is in progress.
13. Pipeline Inspection: Magic Mountain Pipeline Phases 1, 2, & 3 – Planning is in progress.
14. Pipeline Replacement: Abdale St, Maplebay Ct, & Beachgrove Ct Pipelines – Final design is in progress.
15. Pipeline Replacement: Dickason Drive Pipeline – Final design is in progress.
16. Pipeline Replacement: RVWTP Sewerline – Planning is in progress.
17. Pipeline Replacement: Sand Canyon Sewerline – Planning is in progress.

18. Pipeline Replacement: Smyth Drive Pipeline – Final design is in progress.
19. Pipeline Replacement: Valencia Marketplace Pipeline – Final design is in progress.
20. Recycled Water Central Park (Phase 2A) – The project's Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Program (MMRP) was adopted by the CLWA Board of Directors on December 13, 2017. Design is on-hold pending resolution of recycled water permitting and regulatory issues.
21. Recycled Water Fill Station – The CEQA Notice of Exemption form was submitted to the County. Final design is in progress. Permits are being secured for the project.
22. Recycled Water South End (Phase 2C) – Newhall County Water District, as the CEQA Lead Agency, certified the recirculated MND on August 10, 2017. The project MND/IS was adopted by the CLWA Board of Directors on August 23, 2017. Grant application for a Proposition 1 Grant was submitted the week of December 2, 2019. The Board of Directors adopted the Addendum to the MND on June 1, 2021 and authorized additional final design services on August 3, 2021. Final design is in progress.
23. Replacement Wells (Saugus Wells 3 and 4: Site and Equipment Design) – The Board of Directors authorized final design services on August 4, 2020, and final design is in progress.
24. RVWTP Diesel Underground Storage Tank (UST) Replacement – Final design is in progress.
25. Sierra Highway Bridge Expansion Water Pipelines Protection – Final design is in progress. The City of Santa Clarita plans to advertise the SCV Water Pipelines Protection work under a separate bid item for the Sierra Highway Bridge Widening Project.
26. Santa Clara and Honby Wells PFAS Groundwater Treatment Improvements Site Improvements – Bids were opened on June 1, 2022. Project was presented at the July 7, 2022 Engineering and Operations Committee and will be presented at the July 19, 2022 Board meeting for construction award.
27. Saugus Formation Dry Year Reliability Wells (Saugus Wells 5 and 6) – Staff is preparing a Planning and Feasibility Study Request for Proposal document.
28. S Wells PFAS Groundwater Treatment and Disinfection Facility – Preliminary Design and landscape concept has been completed. Environmental Consultant has initiated CEQA Initial Study and MND. City of Santa Clarita provided comments on preliminary design and staff is working to address comments. 1st public outreach meeting scheduled for August 31. Staff submitted application for potential \$5m grant with the Bureau of Reclamation.
29. T7, U4, and U6 Wells PFAS Groundwater Treatment Improvements, New RVIPS Disinfection Facility, and Saugus 1 and 2 VOC Improvements – 75% final engineering design in progress.
30. Well 201 VOC Treatment Improvements – Final design is in progress.

31. Well 205 Perchlorate Treatment Improvements – The recommendation to authorize final design services was presented to the Engineering and Operations Committee on July 7, 2022 and will be presented to the Board of Directors on the August 2, 2022 Board meeting.

DEVELOPMENT PROJECTS – DESIGN, CONSTRUCTION, AND INSPECTION

Project Developer	Development Size	Infrastructure (Estimated at Build-out)	Schedule	Status
Aidlin Hills (Tract 52796) Lennar	102 Dwelling Units	2 tanks, 1 pump station, ±7670' of potable pipelines, and 9 public fire hydrants.	TBD	Final Water Tech Memo in review. Completed agency review of 30% water pipeline plans.
Castaic High School Rasmussen	250,000 Square Feet	2 miles of pipelines, 1 tank, and 1 pump station.	Facilities were constructed to meet scheduled school opening in fall 2019.	Construction is complete and pending punch list items. Easement documents are being prepared.
College of the Canyons (COC)	New Parking Structure for Valencia Campus	Relocation of 16" water line (approximately 1,015').	Construction is complete and pipeline is in operation.	Staff are working with COC on preparing easement.
Dockweiler	93 Single Family Units	1,400' of offsite pipeline, 3,600 feet of onsite pipeline.	Construction completed meters to be set by May 2022.	Construction is complete. Closeout and NOC in process.
Landmark Village (Tract 53108) FivePoint	1444 Dwelling Units	3.5 miles of piping pressure reducing station, 2MG Zone IA Tank, and 2 Hwy 126 crossings.	TBD	Design is on hold.

Project Developer	Development Size	Infrastructure (Estimated at Build-out)	Schedule	Status
Mission Village (FivePoint)	4055 Dwelling Units	11.5 miles of new pipeline, 1 pressure reducing station (Telemark (formerly Petersen), 2 booster stations (Telemark (formerly Petersen) potable & recycled). 1 booster station upgrade (Magic Mtn.), and 3 tanks (Telemark (formerly Petersen) potable & recycled tanks and Magic Mtn. Tank No. 2 potable).	Telemark (formerly Petersen) Tanks and Booster Stations design to be complete by September 2022.	<p>Design: To date, a total of 45 potable/recycled distribution pipeline designs have been approved for construction. Telemark (formerly Petersen) potable and recycled water tanks and booster stations are near 75% design completion. Phase 3B water distribution pipeline plan sets are under review.</p> <p>Construction: Retaining wall work on the Magic Mountain Tank No. 2 site is in progress. 1A, 1B, 1C, 1D, and in-tract potable water pipelines construction is completed, and recycled water pipelines construction is at 90% completion. Well 206/207 pipe relocation project in construction. Magic Mountain Booster Station Upgrade is in construction. Notices of Completion are being executed for completed construction projects.</p>
Needham Ranch Trammell Crow Co.	2,550,000 Square Feet Industrial and Commercial	4 miles of pipelines, 1 pump station, 2 tanks, and 2 pressure reducing stations.	Phase 1 construction is substantially complete. Phase 2 contract agreement was signed May 4, 2020. Tank 3 Complete. Tank 3A completion by September 2022. Phase 2 pipeline completion by October 2022.	Phase 2 water pipelines in construction and activated. Tank 7A in construction. Pine Street plans are approved, and DDW waiver approvals received. Temporary bypass has been removed. Pump Station modification plans are approved. Chemical Building 60% plans in progress.

Project Developer	Development Size	Infrastructure (Estimated at Build-out)	Schedule	Status
Sand Canyon Plaza	129 Single Family Units, 451 Multi-Family Units, 140 Bed Senior Living, Commercial	1 tank, 1 pump station, 1,700' of offsite pipeline, and 8,500' of onsite pipeline.	TBD	Offsite pipeline plans are approved. Pump station plans are approved. Final Design Authorization and MND & MMRP adoption was approved by Board of Directors on July 6, 2021, for new tank.
Sheriff Station City of Santa Clarita	44,300 Square Feet	1 mile of pipeline.	Construction of main pipeline was completed in November 2019, with temporary bypass crossing over LADWP aqueduct. The permanent undercrossing will be scheduled for bidding based on LADWP's recent approval of undercrossing design.	Staff are working with consultant to finalize design plans/specs and prepare bid documents for LADWP aqueduct undercrossing. Staff are working with City to confirm traffic control requirements.
Spring Canyon (Tract 48086)	492 Dwelling Units	1 tank, 1 pump station, and 1 pressure reducing valve, Mammoth Lane upgrades and lift station upgrades.	Mammoth Lane upgrades must be complete prior to commencement of development.	Design plans for in-tract pipelines, tanks and pump station were approved and issued in July 2020. Staff is working with developer and consultant to address County standards for sewer lift station upgrades in order to transfer ownership to the City of Santa Clarita. Sewer Area Study in review by agency. Review and comments provided on 1 st Draft MOU between SCVWA and City for transfer of sewer lift station facility.

Project Developer	Development Size	Infrastructure (Estimated at Build-out)	Schedule	Status
Skyline Ranch TriPointe (Tract 60922)	1220 Dwelling Units	17 miles of pipelines, 3 pump stations, and 4 tanks.	Phase 1 pipelines, pump station and tanks are online. Phase 2 pipelines, pump stations and tank are to be constructed by Spring 2023.	Consultant submitted 100% plans for Phase 2 Deane Zone tank and Deane Zone pump station, and 60% plans for Nimbus/Skyline Pump Station. Staff review of plans are in progress.
Tesoro Highlands	696 Single Family Units, 9 Multi-Family Units, 2 acres of Commercial	2 tanks, 1 pump station, 1 pressure reducing station, and 64,000' of pipeline.	Phase 1 Pipeline completion by May 2022. Tesoro 3 Tanks completion by December 2022. Phase 2 Pipeline completion by December 2022.	Phase 1 backbone pipeline construction is 90% complete. Tank 3/3A in construction. Phase 2 under construction. Phase 3 & 4 water plans under construction. Pump station plans are approved. Phase 5 and 6 90% plans have been reviewed. Phase 7 60% plans reviewed. Phase 8 plan 60% plans in review.
Vista Canyon (Tract 69164) JSB Development	1100 Dwelling Units	5 miles of potable and recycled pipelines.	Construction of Phase 1 Potable and Recycled Water Systems are complete. Construction of Phase 2 systems are complete except final tie-ins.	Developer to submit schedule to construct final tie-ins.

RIGHT OF WAY – CELL SITES

1. Bouquet Tank Site – T-Mobile has constructed fences around sector antennas. Carrier is also working on plans to install an emergency generator at this location. Agency has received deposit of \$10,000 and is reviewing plans for emergency generator.
2. Catala Tank Site – DISH Wireless has identified this location as a potential new cell site. Agency has received deposit of \$10,000 and is reviewing plans. AT&T has also identified this location as a potential new site. Agency is working with carrier on deposit letter. T-Mobile has identified this existing site for upgrades. Agency has received deposit of \$10,000 and is reviewing plans.
3. Commerce Center Tank Site – AT&T has identified this location as a potential new cell site. Agency is working with carrier on a deposit letter.
4. Honby Tank Site – T-Mobile has identified this existing site for upgrades. Agency is working with carrier on deposit letter and review of plans.
5. Live Oaks Tank Site – AT&T has identified this location as a potential new cell site. Agency is working with carrier on a deposit letter.
6. Newhall Tank 2 Site – Agency is waiting on T-Mobile carrier plans to relocate decommissioned Sprint equipment off the tank due to T-Mobile's acquisition of Sprint. Agency is waiting on carrier plans from AT&T and Verizon to install emergency generators.
7. Princess Tank Site – Agency previously issued a breach of contract to Crown Castle (site manager) and AT&T. BB&K is working with Crown Castle legal team to resolve the issue. Verizon has identified this site for emergency generator installation. Agency is working with carrier on a deposit letter.
8. Pinetree 3 Site – The current Master Lease between the Agency and adjacent property owner allows the Agency not to renew the Master Lease. The Agency will mutually terminate the lease and will transfer the Agency's interest with Crown Castle to the adjacent property owner.
9. Skyblue Tank Site – Verizon has requested an access easement for this site to resolve access issues. Agency is working with carrier on easement agreement.

CAPITAL IMPROVEMENT PROJECTS (CIP) MISCELLANEOUS

- Fire Flow Tests – In June 2022, staff processed 7 fire flow requests.

FACILITY CAPACITY FEES (FCFs) AND CONNECTION FEES

Month	Regional	Distribution	Total
July 2021	\$220,561	\$2,395	\$222,956
August 2021	\$910,782	\$0	\$910,782
September 2021	\$100,195	\$12,771	\$112,966
October 2021	\$1,944,990	\$47,900	\$1,992,890
November 2021	\$1,004,416	\$0	\$1,004,416
December 2021	\$357,621	\$66,586	\$424,207
January 2022	\$322,024	\$25,490	\$347,514
February 2022	\$236,438	\$17,843	\$254,281
March 2022	\$699,748	\$108,675	\$808,423
April 2022	\$540,824	\$95,697	\$636,521
May 2022	\$1,021,856	\$148,514	\$1,170,370
June 2022	\$1,163,714	\$235,358	\$1,399,072
FY 2021/22 to Date	\$8,523,169	\$761,229	\$9,284,398
FY 2021/22 Budget	\$5,500,000	\$1,000,000	\$6,500,000

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BOARD MEMORANDUM

DATE: July 18, 2022
TO: Board of Directors
FROM: Rochelle Patterson *RP*
Director of Finance and Administration
SUBJECT: Finance, Administration and Information Technology Section Report

FINANCE & ADMINISTRATION

Key Accomplishments/Activities:

Staff opened FY 2022/23 and began the year-end close of FY 2021/22. New processes were developed to increase efficiency with projects, payroll, and procurement.

Staff revised the Agency's Classification Plan and Position Control to reclass the existing Buildings and Grounds Supervisor to Facilities Supervisor and the Lead Electrical/Instrumentation Technician to Water Systems Supervisor.

Staff revised the Capitalization Policy to include the new processes for two new GASB pronouncements, Statement No. 87 and Statement No. 96. Statement No. 87 establishes a single model for lease accounting, based on the principle that leases are financings, of the right-of-use asset. Statement No. 96 establishes a definition for Subscription-Based Information Technology Arrangements (SBITA) and provides guidance on the accounting and financial reporting for such arrangements. A capitalization threshold for leases and SBITA's was set at \$100,000.

Significant Upcoming Items:

Staff will be presenting a revised Customer Service Policy that will add policy guidelines for the Advanced Metering Infrastructure (AMI) program.

Staff will be filing the annual corporate tax return for the Santa Clarita Valley Water Agency Financing Corporation.

Staff will be working with Agency actuaries to have required actuarial valuations completed prior to the year-end audit in October 2022.

The contract with Aramark Uniform Services for uniform rental services expired on February 28, 2022. A Request for Proposal (RFP) for uniform services was posted on PlantBids on June 27, 2022. Bids are due on July 25, 2022.

Procurement staff is preparing the contract amendment for the renewal of the janitorial services contract agreement with Valley Maintenance Corporation. The amended contract in the amount of \$221,088.42 is effective July 1, 2022, ending June 30, 2023.

Ongoing: Staff continues to work with Engineering, Operations, and Water Resources to refine the Project Financial Management module. Steady progress is being made in bringing the Oracle modules and reports up to the appropriate levels.

Ongoing: Staff continues to review and approve Certificates of Insurance (COIs), ensuring that the insurance limits conform with the Agency's insurance requirements.

Ongoing: Staff continues to assist with training in Oracle's procurement module with applications such as requisitions, purchase orders, and contract agreements.

CUSTOMER SERVICE

Key Accomplishments/Activities:

Ongoing: Work related to the expansion of the Santa Clarita Division's (SCWD) Advanced Metering Infrastructure (AMI) continues.

Phase I of the AMI Meter Changout Program began on July 20, 2022. A postcard outlining the program, its benefits and replacement details was mailed to the first approximately 1700 customers who are scheduled to have their meters changed out in the first weeks/months of the program. Direct outreach will be made to the next phase of meter changeout customers prior to their scheduled changeout. This project has generated increased call volume in the Customer Care (CCare) call center.

Customer Care temporarily suspended late fees and shutoffs for several weeks following the enQuesta Billing System Conversion and Upgrade Project (enCUP.) This was done to provide our SCWD customers the opportunity to obtain their new account and PIN numbers and to register in the new online customer portal for Autopay. Since the resumption of these activities post go-live, disconnections for nonpayment continue to remain higher than normal. Although messaging continues to strongly encourage customers to establish a payment plan, staff has observed that many customers who are a billing cycle or two into an active Amortization Agreement are breaking the agreement by failing to pay their monthly installment plus current charges. For this reason, staff executes weekly courtesy calls each Friday afternoon to all customers who are subject to disconnection for nonpayment the following week. This provides customers additional time to reconcile their accounts prior to shutoff.

Staff has completed all customer requests for a paper copy of the 2022 Water Quality Report and continues to monitor and comply with new requests.

As adopted on June 15, 2021 in Resolution No. SCV-216, SCV Water rates changed on July 1, 2022. All customers were noticed via a bill message in April and May 2022. Customer bills are currently in proration. This means that if the customer's billing period overlaps the start of the new rates, only the usage after the effective date is assessed at the new rates. The monthly service charge is calculated so that only the number of days in the billing period after the effective date is assessed at the new rate.

Significant Upcoming Items:

Staff continues to work with Systems and Software to further refine workflows related to the new enQuesta v.6 platform, online customer portal and mobile work order solution.

Along with members of the Field Services and GIS Departments, CCare staff is scheduled to participate in an online course in Advanced Metering Infrastructure for Water Utilities in August 2022.

The Customer Care call center continues to sustain high call volume related to the resumption of late fees and shutoffs. Staff continues to work diligently with all customers to avoid disconnection for nonpayment, and if unable to pay, resolve their overdue balances through amortization agreements.

Staff is preparing the final California Water and Wastewater Arrearage Payment Program (CAPWAPP) survey. The submission to the State Water Resources Control Board will demonstrate compliance with program guidelines and report on all residential and commercial customers who received funding from the program.

The Agency has partnered with the Los Angeles County Vector Control District to dispense bill inserts to all customers for mosquito prevention and protection. The inserts will be executed in August 2022. All expenses will be borne by Los Angeles County.

HUMAN RESOURCES

Key Accomplishments/Activities:

Staff is currently working with an executive firm to recruit for the position of Director of Water Resources.

Staff is currently recruiting for (1) Accounting Technician I (Internal Hire), (1) Administrative Technician (Water Quality Department), (1) Engineer, (4) Utility Workers, and (4) Water Systems Technicians.

Staff is currently preparing to recruit (1) Facilities Supervisor and (1) Recycled Water Coordinator Technician and (1) Temporary in Customer Service.

Staff is still awaiting from the consultant to present a draft report regarding the Finance Organizational Study. The consultant may still need to survey other benchmark agencies and those who have implemented Oracle to gather best practices. Agency staff is also reaching out to other agencies to survey specific finance classifications.

CalPERS released the 2023 health plan premiums on July 12, 2022. Staff is planning to review and provide recommendations for the annual maximum contribution amounts set by the Board of Directors for January 2023.

Staff has completed and processed all of the merit and COLA salary adjustments effective July 2022. Staff has updated each employee record to reflect their new pay rate changes and any new position title updates.

Staff continues to attend and support the monthly Safety Committee meetings conducted in Microsoft TEAMS (remotely).

Staff is continuing to participate in the weekly Covid-19 Emergency team meetings with management. Staff manages all the positive Covid-19 cases. In addition, staff process all of the Emergency Administration Leave (EAL) hours and policy as approved by the Board as well as the new AB 114 State Bill passed on February 16, 2022.

Staff is currently reaching out to other water districts and conducting surveys regarding floating holidays schedule and compensatory time.

Staff has completed surveying other agencies regarding their vehicle operations policies and will prepare a draft Agency policy to review with legal.

Staff has reviewed with legal counsel policies regarding breaks and lunches to provide guidance to Agency supervisors and employees.

Significant Upcoming Items:

Establish an Internship Program.

Survey other agencies and create a list for management/supervisory training.

Implement an HR SharePoint page where employees can access answers to most asked HR questions and policies.

TECHNOLOGY SERVICES

Key Accomplishments/Activities:

The IT team successfully serviced 206 tickets and fielded 59 hotline calls for the month of June 2022.

The GIS team attended the international GIS conference in July 2022. This provided the most concentrated GIS professional development opportunity of the year.

The Agency's SCADA technician has been transferred to Technology Services Department. This allows for focused cybersecurity posturing and planning for the SCADA network.

The Technology Services team has successfully implemented multifactor authentication (MFA) on the SCADA Distribution system.

The GIS team is assisting Engineering Services on the SCV Water Master Plan.

Significant Upcoming Items:

Ongoing: The IT team is in the process of consolidating and retiring legacy servers.

Ongoing: The GIS team is working with Water Resources for the deployment of a cloud server environment.

Ongoing: The GIS team continues to GPS survey all of SCV Water's well facilities.

Ongoing: IT team is moving imaging and update server from on-premise to cloud. This would streamline management of remote devices.

Ongoing: The IT team is evaluating technology upgrades for the Emergency Operation Center (EOC) at Rockefeller.

BUILDINGS AND GROUNDS

Key Accomplishments/Activities:

- Appoved flooring at Rockeffeller location has been completed and wall fixtures have been mounted.
- Several HVAC Repairs have taken place throughout the hot summer months.
- LED light upgrades have been done at several locations and will be continually taking replace at all locations.
- Plexiglass shields have been install at Rockefeller.
- The roof at Golden Triangle has been recoated and skylights have been replaced.

Significant Upcoming Items:

- Planing to execute HVAC filter replacements thoughtout SCV Water locations.
- Ongoing: Reviewing options for the chiller replacement at the Rio Vista location.

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BOARD MEMORANDUM

DATE: July 18, 2022
TO: Board of Directors
FROM: Keith Abercrombie 
 Chief Operating Officer
SUBJECT: Treatment, Distribution, Operations and Maintenance Section Report

The Treatment, Distribution, Operations and Maintenance Section (TDOMS) provides reliable and high-quality water through rigorous preventative maintenance programs and timely response to corrective action maintenance. Routine inspections and maintenance of each facility is part of the overarching goal of TDOMS. Below is a discussion on these activities for the month of June 2022.

TREATMENT OPERATIONS AND MAINTENANCE

Monthly corrective and preventative maintenance work orders were completed at the following locations:

- Rio Vista Water Treatment Plant (RVWTP)
- Rio Vista Intake Pump Station (RVIPS)
- Earl Schmidt Filtration Plant (ESFP)
- Earl Schmidt Intake Pump Station (ESIPS)
- Saugus Perchlorate Treatment Facility (SPTF)
- Castaic and Pitchess Pipelines
- Recycled Water Pump Station
- Rio Vista Valve Vault No. 1
- Saugus Well 1
- Sand Canyon Reservoir
- Sand Canyon Pump Station (SCPS)

Preventative and Corrective Maintenance Work Order Summary

Work Orders	June 2022	FYTD 2021/22
Corrective Maintenance	26	333
Preventative Maintenance	61	824
Key Action Items Completed:		
<ul style="list-style-type: none"> - ESFP – Rebuilt filter equalization valves - ESFP – Installing new automatic gate to limit unauthorized access - RVWTP – Automating sludge tank valves - RVWTP – Upgraded ammonia leak detectors to wired units 		

Work in Progress – Treatment

- Installing new screens on RVWTP Clarifiers
- SPTF – Replacing aqueous ammonia tank. Awaiting delivery of tank
- SPTF – Replacing VFD at Saugus Well 2
- RVIPS – Rebuilding 1500 HP motor
- SCPS – Replacing failed motor protection relays on 6 SCPS motors

- ESFP – Rebuilding sludge drying bed pump #1
- RVWTP – Completing 5-year servicing of pressure reducing valves on Oxygen system

Completed Work

- RVWTP – Upgraded ammonia leak detectors to wired units
- ESIP – Repairing Failed Drive at ESIP
- ESFP – Rebuilt filter equalization valves
- ESFP – Installing new automatic gate to limit unauthorized access
- RVWTP – Automating sludge tank valves

FLEET AND WAREHOUSING

The goal of the Fleet and Warehousing Department is to support all other departments by providing essential services, materials, and supplies, as well as safe and reliable vehicles and equipment.

Work in Progress

- Developing action plans for proposed and adopted regulations
- Exploring a partnership with College of the Canyons' Automotive Internship Program
- Conducting a pilot to reduce fuel consumption by recalibrating vehicle engines
- Conducting vehicle emissions testing for CY2022

Completed Work

- Performing on-going maintenance and repairs on vehicles and equipment
- Completed the annual inventory count of all three warehouses
- Completed CARB reporting for LSI equipment (forklifts)

DISTRIBUTION OPERATIONS AND MAINTENANCE

General operational and maintenance activities include:

- Valve exercising
- Fire hydrant maintenance
- Air and vacuum valve maintenance
- Blow off maintenance
- Meter reading
- Meter change-outs
- Control valve maintenance

Work in Progress

- SC-2 Gravity – Completing above ground construction. Scheduling SC-2 suction line abandonment
- Vasquez Pipeline – Researching easement
- Mammoth Booster Station 3 Suction and Discharge Pipeline Replacement – Pipeline construction complete, working on asphalt restoration

Completed Work

- Interconnection between the NWD and SCWD Systems on Old Wiley Cyn Rd
- Decoro Drive Pipeline Replacement
- West Newhall Interconnection (VWD and NWD) on Vista Ridge/Wiley Cyn
- Ridge Route Road Phase 2 Pavement Repair
- The Old Road Pavement Repair

In addition to routine operational and maintenance activities, there are a variety of other projects.

**Meter Change-out Summary
NWD**

Meter Size	June 2022	Quantity FYTD 2021/22
3/4"	58	404
1"		26
1 1/2"		4
2"		30

SCWD

Meter Size	June 2022	Quantity FYTD 2021/22
3/4"		585
1"		216
1 1/2"		19
2"		18

VWD

Meter Size	June 2022	Quantity FYTD 2021/22
3/4"		523
1"		51
1 1/2"		29
2"	16	44

Distribution System Leak Summary

NWD – Approx. 9,679 Service Connections

Leak Type	June 2022	FYTD 2021/22
Service Leaks	1	37
Main Leaks	1	3

SCWD – Approx. 31,218 Service Connections

Leak Type	June 2022	FYTD 2021/22
Service Leaks	4	120
Main Leaks	1	7

VWD – Approx. 29,974 Service Connections

Leak Type	June 2022	FYTD 2021/22
Service Leaks	4	61
Main Leaks	2	9

PRODUCTION OPERATIONS AND WATER SYSTEMS

In addition to the general operation and maintenance of the production facilities, there are a variety of other projects within the Production and Water Systems.

Work in Progress

- Carnegie Booster Station – Meter, pump and motor replacement completed, pump 19 – Replacing broken suction valve, valve is on back order
- Cal Arts Booster Station, B64 motor failure – Motor on back order, work in progress
- Well160 pump failure – New pump and motor on order. Existing pump/motor removed, downhole video / CITM performed, demo/rebuild pedestal completed – Awaiting discharge hear. Anticipate return to service in July 2022
- Well 207 motor failure – Motor being rewound, anticipate return to service in July 2022

Completed Work

- North Oaks Booster – Pump repair, installation completed December 2021

- Sand Canyon and Wiley Canyon Boosters – Electrical equipment replacement work completed in December, re-energized and back online in January
- Honby Tank – Tank Road asphalt repairs completed in February
- SC-2 gravity – SCE energized in October, Cla-Val, station slab completed in December. SCADA programming and fencing completed in February; completed and in operation
- Princess Booster – Electrical equipment replacement work completed, station operational in February
- SC-12 – Facility construction and upgrades for efficiency are complete, station is online
- Saugus Well 2 Rehab – Motor replacement completed, well video and casing integrity study completed in January, well back in service April 5, 2022. Rehab options being evaluated and will be scheduled for next winter
- Commerce Center Tanks No. 1 and No. 2 Exterior Recoat Project – Tony Painting, completed May 11, 2022
- Seismic Valve installations at Newhall 1/1A and Sunset Pointe tanks – Completed in May 2022
- Actuator Valve installations at N Wells Treatment Facility – Completed in May 2022
- Fairway Water Storage Tank Coating Project – Reline interior, spot repair exterior. Associated Tank Constructors, Inc. awarded project, work commenced February 22, 2022 – Tank filled on June 14 – 15, 2022, Sampled on June 20, 2022, and returned to service on June 23, 2022
- Well W10 starter failure – New starter received and well returned to service on July 8, 2022

WATER QUALITY

Water Quality Complaints

NWD

Type of Complaint	June 2022	# of Complaints FYTD 2021/22
Hardness		2
Odor		
Taste		
Color		2
Air		1
Suspended Solids		3
Totals		8

SCWD

Type of Complaint	June 2022	# of Complaints FYTD 2021/22
Hardness		
Odor		3
Taste		2
Color		4
Air		1
Suspended Solids	1	5
Totals	1	15

VWD

Type of Complaint	June 2022	# of Complaints FYTD 2021/22
Hardness		1
Odor		
Taste		1
Color		4
Air		
Suspended Solids		2
Totals		8

Heterotrophic Plate Count Samples

NWD

Total # of HPCs Collected June 2022	# of HPCs Collected FYTD 2021/22
	7

SCWD

Total # of HPCs Collected June 2022	# of HPCs Collected FYTD 2021/22
	19

VWD

Total # of HPCs Collected June 2022	# of HPCs Collected FYTD 2021/22
1	14

PERCHLORATE CONTAMINATION PROGRAM MANAGEMENT

As a result of the detection of perchlorate at Well V-201, modifications are being made to the Department of Toxic Substances Control (DTSC) Remedial Action Plan (RAP) and the perchlorate project DDW 97-005 Engineering Report. A perchlorate removal facility has been constructed and resumption of Well V-201 service will occur following receipt of permit from State Water Resources Control Board (SWRCB) Division of Drinking Water (DDW).

In late December 2017, perchlorate was detected at Well V-205 just above the maximum contaminant level for drinking water of 6 ppb. A confirmation sample taken in March 2018 indicated a level of 8.1 ppb. The well was previously taken out of service in 2012. Design of a treatment system is underway.

In May 2019, for the first time since 2005, perchlorate was detected in Alluvial Aquifer Well Q-2 at the maximum contaminant level of 6 µg/L. No drinking water quality standards were violated, but the well was removed immediately from service. Design and construction of treatment system has been completed. The well will return to service upon permit approval by DDW.

PFAS

In May 2019, initial sampling for PFAS substances occurred and results were received. One well (Valley Center) exceeded Division of Drinking Water Interim Response Level of 70 ng/L and was shut off. Other wells exceeded the Interim Notification Levels for PFOS and PFOA. This information was presented to the SCV Water Board on June 4, 2019. PFAS sampling for the second quarter was done in August 2019 with results received in September and October 2019. In February 2020, the State Water Resources Control Board Division of Drinking Water issued new response levels; 10 parts per trillion (ppt) for perfluorooctanoic acid (PFOA) and 40 ppt for perfluorooctanesulfonic acid (PFOS.)

SCV Water has taken 20 wells out of service due to PFAS. Three (3) were returned to service in late 2020 (N, N7, N8) with the completion of the first PFAS Treatment System.

WATER QUALITY LABORATORY

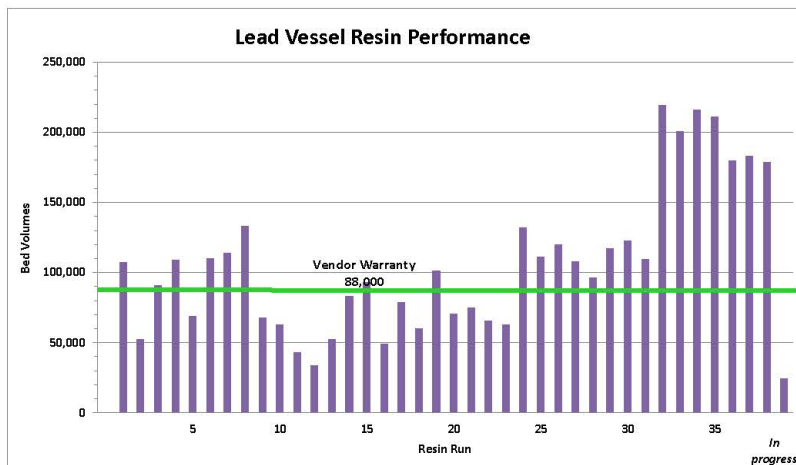
The laboratory continues to analyze compliance PFAS samples. Work is continuing on the new laboratory regulation requirements that were adopted in 2021.

**Saugus Perchlorate Treatment Facility
Resin Usage Summary
Based on Time to Breakthrough**

Resin Run Number	Fill Date	Breakthrough Date*	Days	Volume Treated (Million Gallons)	Volume Treated (Acre-Feet)	Bed Volumes Treated	Replacement Costs	\$/BV	\$/AF	Combined (Lead and Lead)		
										MG	AF	BVs
1	5/3/10	8/25/10	115	253	776	107,310	*	*	*			
2	9/8/10	11/8/10	62	120	368	52,289	\$ 105,728	\$ 2.02	\$ 287	373	1,144	159,599
3	12/10/10	3/26/11	107	239	735	90,841	\$ 115,458	\$ 1.27	\$ 157	359	1,103	143,130
4	5/5/11	8/9/11	97	288	883	108,745	\$ 112,255	\$ 1.03	\$ 127	527	1,618	199,586
5	8/17/11	10/14/11	59	180	554	68,941	\$ 112,255	\$ 1.63	\$ 203	468	1,437	177,686
6	11/6/11	4/10/12	157	288	883	109,850	\$ 112,048	\$ 1.02	\$ 127	468	1,437	178,790
7	4/20/12	7/16/12	88	280	860	113,905	\$ 112,048	\$ 0.98	\$ 130	568	1,743	223,754
8	7/11/12	11/5/12	118	349	1,070	133,044	\$ 112,048	\$ 0.84	\$ 105	629	1,930	246,949
9	11/16/12	1/10/13	56	177	544	67,744	\$ 112,258	\$ 1.66	\$ 208	526	1,614	200,788
10	1/10/13	3/10/13	60	165	505	62,836	\$ 43,567	\$ 0.69	\$ 86	342	1,049	130,579
11	3/19/13	5/4/13	47	112	344	42,769	\$ 118,213	\$ 2.76	\$ 344	276	849	105,605
12	5/8/13	6/15/13	39	95	293	33,577	\$ 141,989	\$ 4.23	\$ 485	207	637	76,346
13	6/10/13	8/20/13	72	179	551	52,099	\$ 118,212	\$ 2.27	\$ 215	275	844	85,676
14	9/12/13	11/30/13	80	217	667	83,031	\$ 118,212	\$ 1.42	\$ 177	397	1,218	135,130
15	11/21/13	2/9/14	81	246	755	92,790	\$ 118,212	\$ 1.27	\$ 157	463	1,422	175,821
16	2/24/14	3/31/14	36	128	393	48,854	\$ 105,494	\$ 2.16	\$ 269	374	1,148	141,644
17	4/28/14	8/6/14	103	205	629	78,423	\$ 105,494	\$ 1.35	\$ 168	333	1,022	127,277
18	8/21/14	12/3/14	105	158	485	60,237	\$ 105,494	\$ 1.75	\$ 218	363	1,114	138,660
19	12/4/14	3/16/15	103	266	816	101,458	\$ 105,494	\$ 1.04	\$ 129	424	1,301	161,895
20	3/17/15	5/28/15	73	184	565	70,380	\$ 105,494	\$ 1.50	\$ 187	450	1,381	171,838
21	5/29/15	8/3/15	67	195	598	74,610	\$ 105,494	\$ 1.41	\$ 176	379	1,163	144,990
22	8/4/15	10/15/15	73	171	525	65,484	\$ 105,494	\$ 1.61	\$ 201	366	1,123	140,094
23	10/16/15	12/8/15	54	165	506	62,988	\$ 105,494	\$ 1.67	\$ 208	336	1,031	128,472
24	12/9/15	3/31/16	114	346	1,062	131,983	\$ 105,494	\$ 0.80	\$ 99	511	1,568	194,971
25	4/1/16	7/7/16	98	291	893	111,167	\$ 105,494	\$ 0.95	\$ 118	637	1,955	243,150
26	7/8/16	10/17/16	102	314	964	119,919	\$ 105,494	\$ 0.88	\$ 109	605	1,857	231,086
27	10/21/16	1/25/17	97	283	869	107,984	\$ 105,494	\$ 0.98	\$ 121	597	1,832	227,903
28	1/26/17	4/18/17	83	252	773	96,192	\$ 105,494	\$ 1.10	\$ 136	535	1,642	204,176
29	4/25/17	8/5/17	103	306	939	116,938	\$ 105,494	\$ 0.90	\$ 112	558	1,713	213,130
30	8/11/17	1/3/18	146	322	988	122,845	\$ 105,494	\$ 0.86	\$ 107	628	1,927	239,783
31	1/16/18	6/9/18	145	289	887	109,395	\$ 105,494	\$ 0.96	\$ 119	611	1,875	232,240
32	6/18/18	12/24/18	190	574	1,762	219,207	\$ 105,494	\$ 0.48	\$ 60	863	2,649	328,602
33	12/13/18	6/10/19	180	525	1,611	200,536	\$ 105,494	\$ 0.53	\$ 65	1,099	3,373	419,743
34	6/11/19	12/30/19	203	566	1,737	216,073	\$ 108,162	\$ 0.50	\$ 62	1,091	3,348	416,609
35	12/18/19	7/8/20	204	552	1,694	211,010	\$ 108,162	\$ 0.51	\$ 64	1,118	3,431	427,083
36	7/9/20	2/6/21	213	471	1,446	179,890	\$ 128,334	\$ 0.71	\$ 89	1,023	3,140	390,900
37	2/16/21	8/30/21	196	477	1,464	182,727	\$ 142,690	\$ 0.78	\$ 97	948	2,910	362,617
38	9/14/21	6/7/22	267	467	1,433	178,539	\$ 158,514	\$ 0.89	\$ 111	944	2,897	361,266
39	6/7/22	7/7/22	31	64	197	24,464	\$ -	\$ -	\$ -	531	1,630	203,003
Total			4,224	10,760	33,024	4,111,072	\$ 4,097,267	NA	NA	21,203	66,075	8,090,369
Average			103	265	814	101,299	\$107,874	\$ 1.19	\$ 147.87	507	1,557	193,502

+ Breakthrough defined as Lead Vessel effluent reaching 6 µg/L.
* Initial resin delivery was included in construction contract

Runs 1-2 had 315 cubic feet of resin
Runs 3-11 had 350 cubic feet of resin + 180 cubic feet of anthracite
Run 12 has 434 cubic feet of resin + 180 cubic feet of anthracite
Runs 13-present had 350 cubic feet of resin + 180 cubic feet of anthracite



**V-201 Perchlorate Treatment Facility
Resin Usage Summary
Based on Time to Breakthrough**

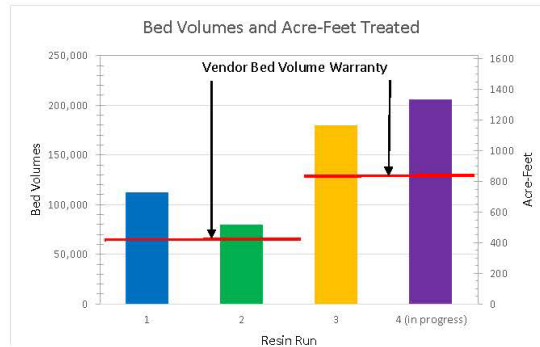
Resin Run Number	Fill Date	Breakthrough		Volume Treated (Million Gallons)	Volume Treated (Acre-Feet)	Bed Volumes Treated	Replacement Costs	\$/BV	\$/AF	Combined (Lead and Lag)		
		Date	Days							MG	AF	BVs
1	11/3/2017	4/19/2018	168	297	912	112,498	\$188,355	\$1.67	\$207			
2	5/7/2018	9/17/2018	134	210	644	79,476	\$105,494	\$1.33	\$164	507	1,556	191,973
3	9/24/2018	11/4/2019	407	474	1,454	179,465	\$105,494	\$0.59	\$73	684	2,098	258,941
4 (in progress)	11/12/2019	4/21/2021	527	544	1,670	206,045	\$108,162	-	-	1,018	3,124	385,510
Total			1236	1,525	4,679	577,483	\$507,505			2,209	6,778	836,424
Average			309	381	1,170	144,371	\$126,876	\$1.20	\$147.66	736	2,259	278,808

+ Breakthrough defined as Lead Vessel effluent reaching 6 ug/L

Runs 1 & 2 had 353 cubic feet of resin (PRS-2) + 180 cubic feet of anthracite

Runs 3 - present had 353 cubic feet of resin (PRS2 Plus) + 180 cubic feet of anthracite

The well was turned off at 1:30 pm April 26, 2021.



SAFETY/EMERGENCY/RISK MANAGEMENT

A safe and healthful work environment is a critical component to the mission and values of SCV Water. Throughout the reporting month, several routine safety related training, inspections, and various other items were completed. The Safety Department continues to integrate health and safety programs for SCV Water. Some of the items completed and currently in progress are as follows:

Work in Progress

- Noise Assessment was completed in June 2022
- Ammonia RMP meetings with our consultants took place in June 2022, upcoming seismic evaluations, and program review in July 2022
- Performed emergency shower and eyewash evaluation with HAWS representative for remote disinfection and RMS locations

Inspections

- Monthly safety Inspections of all remote locations and facilities
- Regulatory inspection at Castaic Disinfection Facility with LACoFD. (This is regarding the chemical incident below)
- Overhead crane inspections for treatment facilities
- Underground Storage Tank inspection at Rio Vista
- Above ground Storage Tank inspection at Sand Canyon

Incident Data

- The agency had zero recordable incidents for the month June
- The agency had two minor vehicle incidents. No injuries resulted from these incidents. One vehicle had minor door damage
- One incident involved a backhoe damaging agency owned chain link gate and pole
- There were two ammonium hydroxide leaks. One leak resulted in exposure to two employees. No injuries occurred. The other leak, no exposure to employees occurred. Both leaks were small quantities. Both leaks were reported to appropriate regulatory agencies

Safety Training

- Tailgate meetings took place at each location in June 2022
- First Aid/CPR training took place at several locations in June 2022
- Electrical training for Field Customer Service crew at Rockefeller
- Fall protection training for TDOMS crews
- City of Santa Clarita Emergency Preparedness Group in June 2022
- Online training for ladders and emergency showers & eyewash stations

Safety Compliance

- Low Spark Ignition (LSI) reporting completed
- Reported ammonium hydroxide leaks to CALOES and CUPA
- Fall protection equipment recertifications. (Ongoing)

Safety Awards / Grants

- ACWA JPIA Risk Control Grant was awarded \$10,000 to the safety department to purchase emergency mobile radio communication equipment
 - o Equipment shipped

Safety Committee

- The next Safety Committee meeting will be held on July 27, 2022

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BOARD MEMORANDUM

DATE: July 18, 2022
TO: Board of Directors
FROM: Steve Cole *SC*
Assistant General Manager
SUBJECT: Water Resources and Outreach Section Report

Key Accomplishments

Water Resources

- Staff participation continues in several Los Angeles County Water Planning Workshops to provide input to the County about concepts for better coordination (e.g., streamlined permitting and data sharing) and regional targets and facilitating a regional approach to water reliability and resiliency.
- Staff participated in the June 23, 2022, Bouquet Canyon Restoration Project Workgroup meeting. Los Angeles County Public Works (LACPW) reported that it was scheduled to meet with Wildlife Conservation Board (WCB) staff on June 27, 2022, to further discuss project details in preparation for a grant application. Assistant General Manager Steve Cole reported on the status of federal funding requests now with Senator Alex Padila and Representative Mike Garcia. The next meeting is scheduled for July 28, 2022.
- On July 5, 2022, the Board approved a Water Supply Assessment for the Wiley Canyon Mixed-Use development and staff has submitted to the City of Santa Clarita.
- Water Resources staff, along with the assistance of the Engineering and Operations Departments, submitted a project description for a potential collaborative project with the City of Santa Clarita at their proposed Via Princessa park location to utilize their storm water infiltration basins for additional groundwater recharge during periods when the facilities are not in use.
- Staff finalized and submitted the newly required Annual Water Shortage Assessment Report (Water Code Section 10632.1) and DWR tables which anticipate continued dry conditions (DWR requirement), and shortage response actions consistent with the supplier's Water Shortage Contingency Plan (WSCP). The report and tables conclude that any potential shortages can be managed utilizing available augmentation supplies and WSCP conservation mandates to meet demands during the assumed scenario of dry conditions persisting into 2023.

Sustainability & Conservation

- Sustainability/Conservation staff coordinated and facilitated the monthly Sustainable Water Action Taskforce meeting.

- As part of the Agency's Water Efficiency Works Multi-Family Apartment project, SCV Water rebated ~490 Ultra-High Efficiency Toilets. Since the programs launch in 2019, approximately 5,500 UHETs have been installed. When coupled with installation of high-efficiency kitchen and bathroom aerators, and HE showerheads, estimated annual savings ranges between 85-90 million gallons. The US EPA has recognized SCV Water's efforts via back-to-back WaterSense Excellence Awards in 2020 and 2021.
- Conservation, with support from the Communications team, completed and launched the "Top 100 SCV Friendly Plant Guide." The plant guide provides recommendations for SCV and California native plants, as well as other low water using plants that are ideal for local conditions. Staff attended and participated in the Alliance for Water Efficiency's Research and Evaluation Committee meeting, of which staff currently serves a vice-chair. Staff led discussion on smart practice development salient to Non-Functional Turf removal. The committee plans to research the issue for industry guidance purposes.
- Staff, in collaboration with the Communications team and consultant support, launched the Non-Functional Turf (NFT) engagement and education effort. In support of the State Water Board's Resolution 2022-0018 which bans the irrigation of non-functional turf with potable water, the team will work with Commercial, Industrial, Institutional, Homeowners Associations, and Common Interest Developments to promote the "Turn it off, Cap it, or Convert it" smart practice.

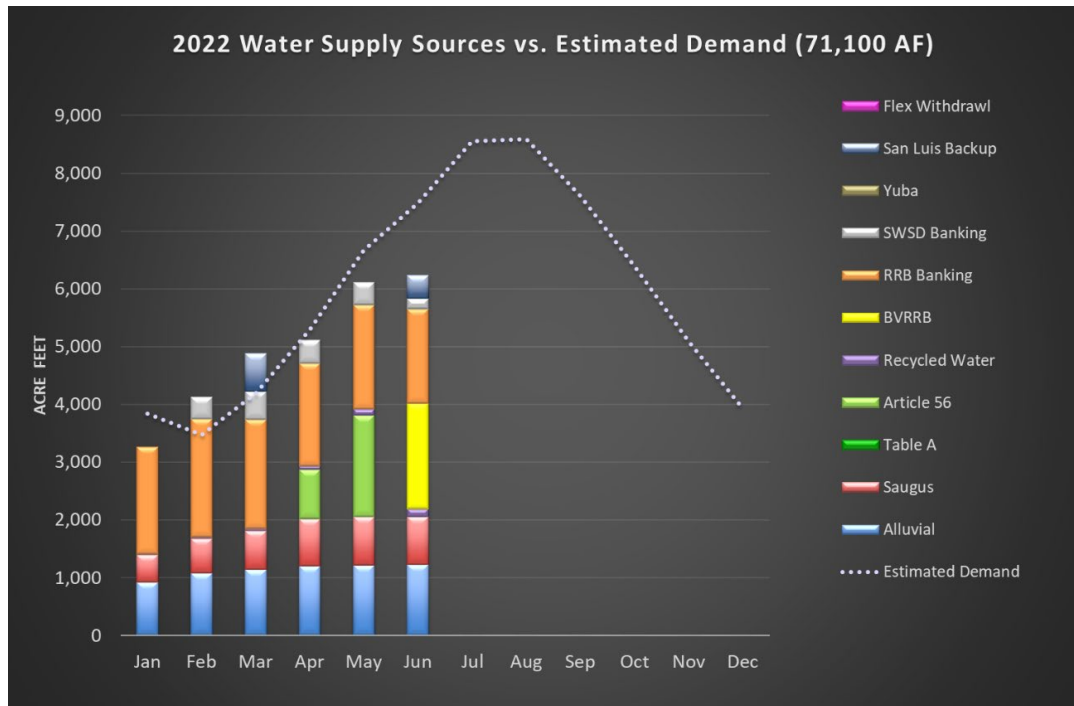
Outreach, Legislation and Grants

- Staff implemented the outreach plan for the Sustainability Plan Workshop scheduled for July 25, 2022.
- Staff implemented the outreach plan for the AMI meter conversion program now underway.
- Staff revamped DroughtReadySCV.com to create a more streamlined and intuitive experience for visitors.

WATER RESOURCES

Water Demand and Supply

A summary of monthly 2022 water deliveries are shown below:



Note: To date, SCV precipitation for water year 2022 is below average. Record setting precipitation in December 2021 helped reduce demands and get us ahead for the year, but February and March 2022 were dry and hot resulting in higher than anticipated demands. Precipitation for water year 2021 in Santa Clarita was recorded as the driest year on record. In January 2021, SCV Water began utilizing dry-year water supplies, which will continue through 2022. The graph above shows monthly water supply use vs. estimated demands.

Status of Water Supplies Update – 2022 Water Year (Oct 2021-Sept 2022) statewide precipitation ranks as the 13th driest to date per the California Climate Tracker (128 years of record – dri.edu). In comparison to the Santa Clarita 2022 water year precipitation which is currently ranked at 50th driest (95 years of record) at 87% of average for the year (LA County Newhall Fire Station 32C gauge). The Santa Clarita 2021 water year was ranked the driest on record at about 20% of average.

2022 Operation Details

- The initial 2022 State Water Project allocation was set at meeting minimum Human Health and Safety requirements for contractors, calculated at 55 gallons per person per day. On January 20, 2022, the allocation was increased to 15%. On March 18, 2022, DWR reduced the allocation back to 5% with a potential for further reductions if statewide hydrological conditions do not improve.
- 2022 demands, without mandated conservation, are estimated at 71,100 AF. Recovery from Rosedale and Semitropic banking programs will continue throughout 2022.

- Staff requested as much Yuba accord water as possible for 2022. Initial estimates for SCV Water totaled 1,915 AF which includes 725 AF of Component 1 water (C1), 363 AF of Component 2 water (C2), 73 AF of Component 3 water (C3), and 754 of Component 4 Water (C4). The latest update on the Yuba Accord transfer, based on the final Bulletin 120 update, allocates 972 AF (165 AF of C1 and 807 AF of C4) to SCV Water in 2022. This water is subject to carriage losses which are estimated to range between 20-30% in 2022.

Groundwater Sustainability Plan Implementation – The SCV-GSA considered its FY 2022/23 budget at a special June 2022 meeting and approved moving forward with consultant contracts for implementation. Implementation will include technical support and outreach in FY 2022/23.

Significant Upcoming Items

- At the December 8, 2021, Water Resources and Watershed Committee meeting, staff presented two transfer/exchange programs available to SCV Water in partnership with Irvine Ranch Water District. Staff was directed to negotiate terms for both a Short-term Drought Relief transfer program and a Long-term unbalanced exchange program. The Short-term agreement was approved by the Board at its May 17, 2022, meeting and executed thereafter. Staff is still negotiating terms for the Long-Term agreement and anticipates it will be presented to the Board in October 2022.
- Staff continues to work with Woodard and Curran to refine the Online New Drop database. Reporting features, QA/QC, and dashboards will be improved as the tool is used by Water Resources and Customer Service staff. Customized reports continue to be developed to assist staff in completing quarterly reports to the Regional Board for the Agency's recycled water permit. Staff is also continuing to work with the Sanitation District to determine average wastewater flows from new development as part of an ongoing process to perfect New Drop flow estimates. Additionally, improvements continue to be made to the online database with the help of Customer Care Department feedback. Lastly, a QA/QC process is being conducted on the New Drop database to ensure that every drop is captured in the quarterly reports. This task will be completed before the end of FY 2022/23. Staff also plans to integrate the New Drop database into the Customer Service database once all customer accounts have been moved into a single accounting system to improve efficiencies and reduce data input errors.
- The Upper Santa Clara River Regional Water Management Group (USCR RWMG) and Stakeholders continue preparing for the Round 2 grant solicitation under Proposition 1. Recently the Regional Water Management Group, working with Greater LA and Ventura reached agreement to establish funding allocations for each region. The agreement includes that the USCR IRWM area is guaranteed \$8.6M for implementation projects. This is the first time such an agreement has been reached. It simplifies the grant application process for the funding area while providing funding certainty.
- Staff is working on Water Supply Assessments for the Blackhall Studios Development project. Staff anticipates a request from the Los Angeles County for a Water Supply Verification for the Tesoro Development.
- Staff is working to transition SCV Water's Excel based MBK Water Supply Reliability Model to the GoldSim platform, which will allow for a more dynamic reliability analysis of our near term and long-term water resource supplies. A draft version of the model is now running and staff is conducting quality checks to test accuracy and performance.

- As part of GSP implementation, two adjacent groundwater recharge sites have been selected on the east end of the Santa Clara River Basin for inclusion in the recharge feasibility study being conducted with the help of GSI technical consultants. Staff worked with City personnel to obtain an access agreement to conduct data collection activities for the Pinetree portion of the study. The geophysical portion of the fieldwork was completed in mid-January 2022 and a summary report was received on March 30, 2022. The results of the geophysical study helped inform the locations for the infiltration testing and borehole samples. Specific areas of interest to complete the fieldwork in Pinetree were identified using the data presented in the geophysical report. Additionally, a delineation and biological assessment to determine permitting requirements was completed the week of June 1, 2022. The biological report is still in progress and is expected to be completed by August 1, 2022. Lastly, groundwater monitoring data from the Castaic School site monitoring well will continue to be collected by staff for the Castaic portion of the recharge study.
- Staff is engaged in a data management effort to determine the feasibility of a centralized data repository for all SCV Water departments. Data collection efforts are underway to help determine the extent of information collected by the various departments, the reports that each department generates, and existing methods/tools used for data organization within the Agency. Staff has interviewed teams within various departments including Water Quality, Production, Operations, Inspection and Water Treatment. Additional interviews with the remaining departments will take place in the upcoming months, as schedules permit, and a visual representation of the data flow within the agency will be developed by staff.
- Staff is collaborating with Provost and Pritchard and Thomas Harder & company to analyze alternative land uses for the Devil's Den property to maximize the property's value to the Agency including leases for solar generation and long-term agricultural leases.
- Staff is working with Luhdorff and Scalmanini to compile information for the 2021 SCV Water Report with intention to begin the transition of workload for the report preparation from consultants to SCV Water staff this year

LEGISLATIVE/GOVERNMENT AFFAIRS

Continued working with state and federal advocates in seeking funding opportunities for our Agency priorities.

Upcoming Sponsorships and Event Participation

- Urban Water Institute Fall Conference – August 24-26, 2022
- SCV Economic Development Corporation 2022 Economic Outlook – September 9, 2022

OUTREACH – Social/Digital Media & Education

Staff continues to share water news, conservation tips, featured plants and job openings on our social media and e-news channels.

Outlet	Description	Notable Activity	Audience
Facebook	Social media		1,000 no change
Instagram			1,500
Twitter			1,230
Website	yourSCVwater.com	Total users in April 2022	28,031
Water Currents	Customer e-newsletter	Open rate for July – 49%–; (Average industry open rate: 21.64%)	16,962

Public Education - 2022

Activity	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022	2021
Education (virtual)**														
Students	647	433	740	476	606	368							3,270	7,090
Teachers	24	16	27	20	23	14							124	265
Garden Classes (virtual)	85	27	84	84	24	42							366	443

* Data not yet available

Significant Ongoing or Upcoming Items

- Drought messaging in the works includes two Special Edition Water Currents e-newsletters (July and August) and an FAQ based on recent customer questions.
- As part of drought water reduction efforts, and in response to the state's ban on non-functional turf, staff is coordinating with Conservation on targeted outreach to Commercial, Industrial, and Institutional customers.
- The Advanced Metering Infrastructure (AMI) Outreach kick-off meeting was held May 12, 2022, and collateral materials are in development, including door hangers, fact sheet, video and more.
- Outreach staff is collaborating with Engineering on community engagement around the planned S-Wells PFAS treatment facility, with an initial public meeting tentatively set for August 31, 2022.
- Staff is coordinating with the federal Bureau of Reclamation (BOR) to expedite the final award and financial assistance agreement for the Rosedale Phase 2 Wells Project. The grant will fund approximately \$1,458,987 of project costs under BOR's WaterSmart Drought Response Program.
- Staff, with consultant support, is preparing a grant application for \$2M in funding under the BOR FY2023 Water and Energy Efficiency Grants program for Agency conservation programs including the Multi-Family Apartment Retrofit program and Residential and CII Rebate Programs. Applications for the FY 2023 funding round are due July 28, 2022.

- Staff, with consultant support, is preparing a grant application for \$500,000 in funding under the BOR FY2023 Water and Energy Efficiency Grants program for Phase II of the Automated Metering Infrastructure program. Applications for the FY 2023 funding round are due July 28, 2022.
- On June 15, 2022, the BOR provided notification of a \$2,000,000 award under its 2022 WaterSmart Water and Energy Efficiency Grant program for SCV Water’s Automated Infrastructure Project (Phase 1). Staff is coordinating with BOR to finalize the grant agreement.
- On June 2, 2022, DWR notified the Agency that the Santa Clara Honby PFAS Remediation Project may be included as a replacement within the current Proposition 1 Round 1 IRWM Grant. Staff is negotiating the formal grant amendment. Upon execution of the amendment, \$3 million in grant funding will be available to offset project costs.

SUSTAINABILITY & WATER CONSERVATION

Status of SCV Water Drought Response

This section includes a condensed version of the monthly drought updates presented to the Water Resources and Watershed Committee at its July 13, 2022 meeting and includes an overview of current regulatory status, State Water Resource Control Board monthly conservation reports, SCV Water monthly conservation performance relative to 2020’s consumption and the Governor’s 15% of 2020 voluntary conservation request, and monthly and cumulative conservation trends compared to the same metrics.

Regulatory Overview

Entity/Agency	Regulatory Status	Notes
Governor Newsom	<ul style="list-style-type: none"> • Voluntary 15% v. 2020 Call (July 8, 2021) • Statewide Drought Emergency Declaration (October 19, 2021) • EO N-7-22 directs the SWRCB to require Stage/Level 2 Water Shortage Response implementation and for the Water Board consider defining and prohibiting the watering of non-functional turf. (March 28, 2022) 	<ul style="list-style-type: none"> • April 1, 2021 (2 Counties) • May 10, 2021 (Extended to 41 Counties) • July 8, 2021 (Extended to 50 Counties) • October 19, 2021 (Extended to Statewide)
State Water Resources Control Board	<ul style="list-style-type: none"> • Monthly Conservation Performance Reporting (July 2021) • Adopted Emergency Regulations (January 4, 2022) • Adopted Emergency Regulations which require implementation of Stage 2 water shortage response measures and bans the irrigation of non-functional turf with potable water (May 24, 2022). 	<ul style="list-style-type: none"> • Emergency regulations include water waste restrictions and provisions specific to HOA CCR implementation. • SCV Water preparing Non-Functional Turf engagement and education initiative to promote “Turn it off, Cap it, or Convert it!”
SCV Water	<ul style="list-style-type: none"> • Stage 2 – WSCP (4/26/2022) • Stage 2 – Water Conservation and Water Supply Shortage Ordinance (4/26/2022) • Stage 1 – WSCP (11/16/2021) 	<ul style="list-style-type: none"> • WSCP includes strategies which prioritize education and incentive to achieve up to 20% conservation. • Stage 2 of Ordinance includes

	<ul style="list-style-type: none"> • Stage 1 – Water Conservation and Water Supply Shortage Ordinance (Ordinance)(11/16/2021) 	<p>water waste restrictions.</p> <ul style="list-style-type: none"> • Stage 2 of Ordinance also included watering restrictions to 3 days per week, two 5-minute cycles, and morning and evening watering.
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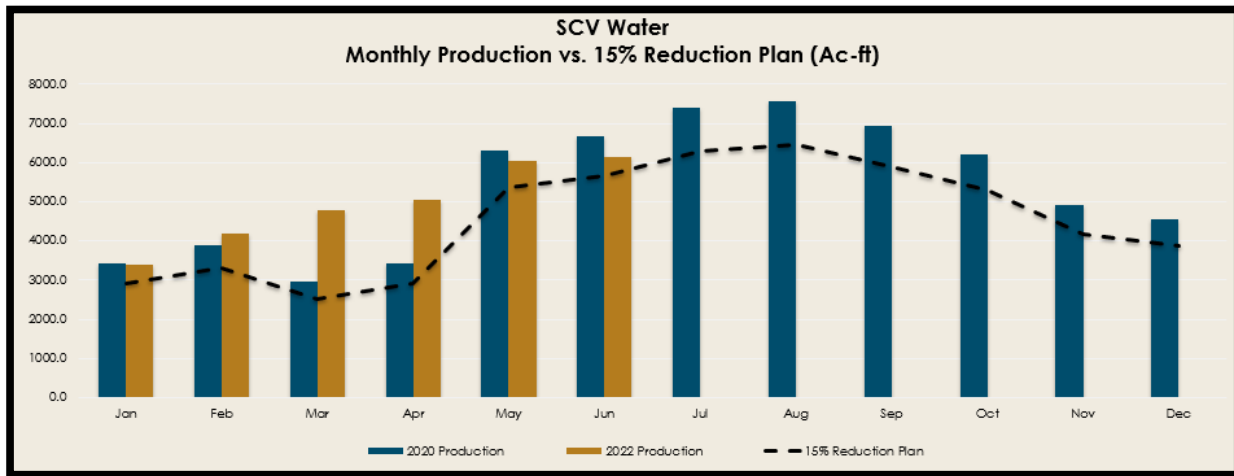
State Water Resources Control Board (Monthly Conservation Reporting)

Month	Year	Statewide	South Coast	SCV Water
July	2021	-1.8%	-0.2%	+5.6%
August	2021	-4.9%	-3.1%	+3.1%
September	2021	-3.9%	-4.2%	+1.1%
October	2021	-13.2%	-12.2%	-11.3%
November	2021	-7.1%	+0.7%	+3.1%
December	2021	-15.7%	-18.4%	-29.0%
January	2022	+2.6%	+1.7%	-1.1%
February	2022	-0.5%	-0.2%	+7.8%
March	2022	+18.9%	+26.9%	+61.8%
April	2022	+17.6%	+25.6%	+47.4%
May	2022	-3.1%	-2.2%	-4.2%
June	2022			-7.9%
Cumulative Savings		-2.0%	0.0%	+2.8

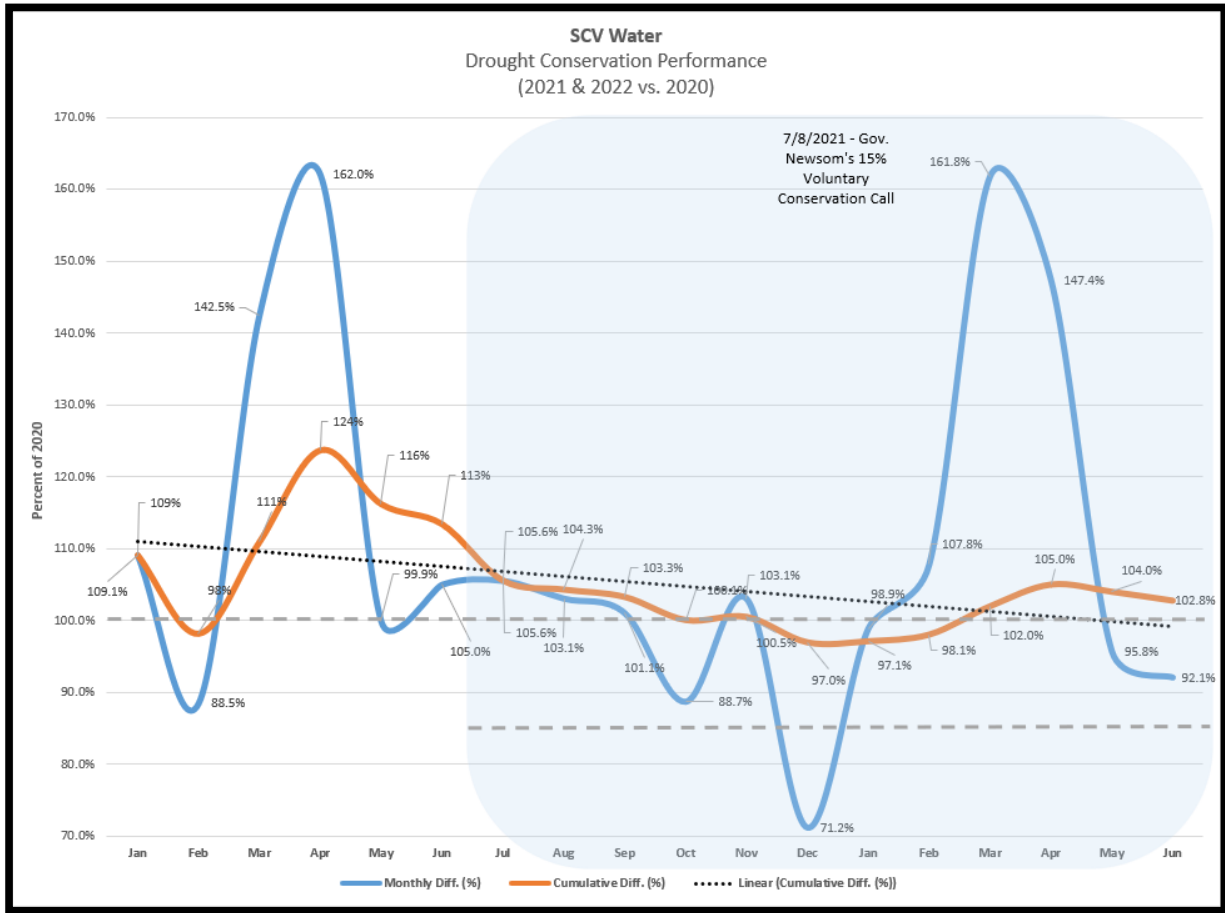
Note: The State Water Resources Control Board conservation reporting data has a one-month lag. This table includes most recent data as reported on the Board's website.

SCV Water – Monthly Conservation Performance (Current Production v. 2020 and 15% of 2020 Target in Acre Feet)

SCV Water - Drought Performance v. 2020 (2022)



SCV Water – Monthly and Cumulative Conservation Performance Trends (In Percent)

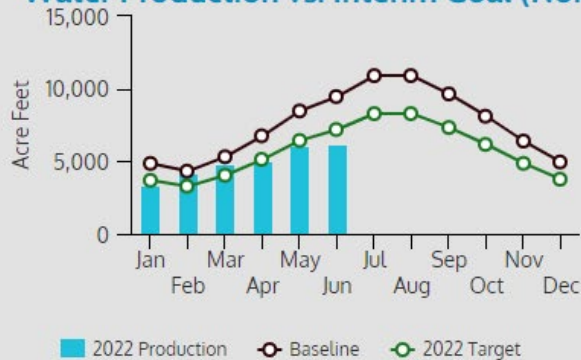




Water Conservation

Water Resources Monthly Section Report - June 2022

Water Production vs. Interim Goal (Non-Drought)



Key Data Points (AF)

- Monthly Variance: (1,051)
- YTD Variance: (205)
- Well 201 Adj.: 0
- Economic Activity Adj.: NA

Conservation Program Participation (Current Month/Fiscal Year)



	Check-Ups	Workshops	Rebates	Engagement	Other
Residential	42/676	38/308	40/308	188/26,183	0/2



	Check-Ups	Retrofits	Rebates	Engagement
Commercial	0/196	0/953	2/7	38/67



	Check-Ups	Rebates	Engagement	Other
Landscape	2/21	1/6	25/50	0/2

Significant Upcoming Items

- Conservation** - Check-ups are scheduled for a mobile home park with 144 units in early August. The check-ups will include the provision and installation of high-efficiency faucets and showerheads, leak detection, and irrigation assessment.
- Conservation** - Staff, in collaboration with US EPA WaterSense, to evaluate the potential addition of specific business types to the EPA Energy Star Portfolio Manager Water Score Tool.
- Sustainability** - Staff, with consultant support, to develop documentation for requests for proposals in support of the Agency's Self Generation Incentive Program projects.
- Sustainability** - SCV Water to conduct a public workshop in support of the Agency's Sustainability Plan initiatives.



M65

**ITEM NO.
11.5**

Engineering and Operations Committee
Planning Calendar
FY 2022/23

Item	July 7 Comm	July 19 Board	Aug 2 Board	Aug 4 Comm	Aug 16 Board	Sept 1 Comm	Sept 6 Board	Sept 20 Board	Oct 4 Board	Oct 6 Comm	Oct 18 Board	Nov 1 Board	Nov 3 Comm	Nov 15 Board	Nov 29 Board	Dec 6 Board	Dec 8 Comm	Dec 20 Board	Jan 3 Board	Jan 5 Comm	Jan 17 Board	Feb 2 Comm	Feb 7 Board	Feb 21 Board	March 2 Comm	March 7 Board	March 21 Board	April 4 Board	April 6 Comm	April 18 Board	May 2 Board	May 4 Comm	May 16 Board	Jun 1 Comm	June 6 Board	June 20 Board	July 4 Board							
1	Monthly Committee Planning Calendar																																											
2	CIP Construction Status Report	C																																										
3	Monthly Operations and Production Report	C																																										
4	Third Party Funded Agreements Quarterly Report																																											
5	Quarterly Safety Program Presentation																																											
6	General Report of Easements Report																																											
7	Annual Safety Program Update (FY 21-22)																																											
8	Review Proposed FY 2023/24 Major Capital Projects																																											
9	Recommend Approval of (1) a Resolution for Construction Contract with Pacific Hydrotech Corporation and (2) a Purchase Order to Hazen and Sawyer for Engineering Services During Construction and (3) a Purchase Order to MWH Constructors for Construction Management and Inspection Services for the Santa Clara and Honey Wells PFAS Groundwater Treatment Project	C																																										
10	Recommend Approval of Authorizing SCV Water to Execute a Quitclaim Deed – Partial Release of Easement to Wai-Mat Real Estate Business Trust	C																																										
11	Recommend Authorization for the General Manager to Execute a Purchase Order Amendment to Kennedy, Jenks for Additional Engineering Services During Construction and a Purchase Order Amendment to MNS Engineers for Additional Construction Management and Inspection Services for the Valley Center Well PFAS Groundwater Treatment Project	C																																										
12	Recommend Approval to Authorize General Manager to Enter into Agreement with TerraVerde Energy for Long-Term Operations/Preventative Maintenance of the Agency's Photovoltaic Assets	C																																										
13	Central Park Lease Informational Presentation	C																																										
14	Recommend Approval of a Resolution Authorizing a Purchase Order to Kennedy/Jenks Consultants for Inspection Planning Services for the Castaic Conduit Pipeline Reaches 3 & 4 Project	C																																										
15	Recommend Approval of a Resolution Authorizing a Purchase Order to Hazen & Sawyer for Planning Services for the Master Plan Project	C																																										
16	Recommend Approval of a Resolution Adopting Initial Study/Mitigated Negative Declaration Under the California Environmental Quality Act and a Resolution Authorizing a Purchase Order to Kennedy/Jenks Consultants for Final Design Services for the Well 205 Groundwater Treatment Project	C																																										
17	Surplus Land Act Informational Presentation																																											
18	Wireless Communications Rental Program Informational Presentation																																											
19	Recommend Approval of a Purchase Order to Civillec, Inc for Change Order No. 1 for Final Design Services for New Deane Zone Tank at Sand Canyon Plaza – Design Prestressed Concrete Tank Instead of Welded Steel Tank																																											
20	Recommend Approval to Fund Contractor Change Orders in Excess of Approved 10% Contingency, for the Phase 2B Recycled Water Tanks																																											
21	Recommend Approval of Construction of Castaic Well 1 Drain Line																																											
22	Recommend Approval of Resolution Authorizing SCV Water to Execute Water Service Agreements with the Los Angeles Residential Community and Lily of the Valley Mobile Village																																											
23	Recommend Approval of Construction of a New Deane Zone 2.1 MG Tank at Skyline Ranch and Cost Sharing Agreement with Developer																																											

Engineering and Operations Committee
 Planning Calendar
 FY 2022/23

Item	July 7 Comm	July 19 Board	Aug 2 Board	Aug 4 Comm	Aug 16 Board	Sept 1 Comm	Sept 6 Board	Sept 20 Board	Oct 4 Board	Oct 6 Comm	Oct 18 Board	Nov 1 Board	Nov 3 Comm	Nov 15 Board	Nov 15 Board	Dec 6 Board	Dec 8 Comm	Dec 20 Board	Jan 3 Board	Jan 5 Comm	Jan 17 Board	Feb 2 Comm	Feb 7 Board	Feb 21 Board	March 2 Comm	March 7 Board	March 21 Board	April 4 Board	April 6 Comm	April 18 Board	May 2 Board	May 4 Comm	May 16 Board	Jun 1 Comm	June 6 Board	June 20 Board	July 4 Board										
24						P		?	P																																						
25						P		?	P																																						
26										P		P																																			
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28										P		P																																			
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Engineering and Operations Committee
 Planning Calendar
 FY 2022/23

Item	July 7 Comm	July 19 Board	Aug 2 Board	Aug 4 Comm	Aug 16 Board	Sept 1 Comm	Sept 6 Board	Sept 20 Board	Oct 4 Board	Oct 6 Comm	Oct 18 Board	Nov 1 Board	Nov 3 Comm	Nov 15 Board	Dec 6 Board	Dec 8 Comm	Dec 20 Board	Jan 3 Board	Jan 5 Comm	Jan 17 Board	Feb 2 Comm	Feb 7 Board	Feb 21 Board	March 2 Comm	March 7 Board	March 21 Board	April 4 Board	April 6 Comm	April 18 Board	May 2 Board	May 4 Comm	May 16 Board	Jun 1 Comm	June 6 Board	June 20 Board	July 4 Board								
41	Recommend Approval of Resolution Awarding Construction Contract and Purchase Orders for Construction Management and Inspection Services and Engineering Services During Construction for RWWTU UST Replacement Project																																											
42	Recommend Approval of Construction of New Sand Canyon Plaza 1.5 MG Tank (Deane Zone) and Cost Sharing Agreement with Developer																																											
43	Recommend Approval of Design of Pipeline in Sierra Highway from Dockweiler to Newhall Avenue																																											
44	Approve a Resolution Authorizing the General Manager to Apply for Grant Funding under the Bureau of Reclamation's WaterSMART Drought Response Program for the S Wells PFAS and Disinfection Facilities.																																											
45	Recommend Approval of Resolution Awarding Construction Contract and Purchase Orders for Construction Management and Inspection Services and Engineering Services During Construction for Phase 2C South End Recycled Water Main Extension																																											
46	Recommend Approval of a Resolution Awarding a Materials Purchase Contract for the Well 205 Groundwater Treatment Project																																											

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**Finance and Administration Committee
Planning Calendar
FY 2022/23**

Item	July 5 Board	July 18 Comm	Aug 2 Board	Aug 15 Comm (Q4)	Sept 6 Board	Sept 19 Comm	Oct 4 Board	Oct 17 Comm	Nov 1 Board	Nov 21 Comm (Q1)	Dec 6 Board	Dec 19 Comm (Dec 12 Pending)	Jan 3 Board	Jan 23 RESCHED Comm	Feb 7 Board	Feb 21 Board	Feb 27 RESCHED Comm (Q2)	Mar 7 Board	Mar 20 Comm	April 4 Board	April 17 Comm	May 2 Board	May 15 Comm (Q3)	June 6 Board	June 19 Comm
1	Recommend Approval of Resolution Authorizing July 2022 Water Supply Contract Payment (consent)	C																							
2	Recommend Approval of Resolutions Setting Santa Clarita Valley Water Agency Tax Rate for FY 2022/23 and Requesting Levy of Tax by Los Angeles County and Ventura County (consent)	C																							
3	Recommend Approval of Revised Agency Classification Plan and Position Control	C																							
4	Recommend Approval of Revised Capitalization Policy for Fixed Assets	C																							
5	Recommend Receiving and Filing of April 2022 Monthly Financial Report (consent)	C																							
6	Recommend Approval of a Resolution Authorizing FY 2022/23 Water Supply Contract Payments (consent)		C	P																					
7	Recommend Approval of a Contract Amendment with Robert D. Niehaus, Inc. for Ratepayer Advocate Services		C	P																					
8	Recommend Approval of a Contract with Chandler Asset Management, Inc. for As-Needed Investment Advisory Services		C	P																					
9	Recommend Receiving and Filing of May 2022 Monthly Financial Report (consent)		C	P																					
10	Recommend Approval of a Revised Customer Service Policy				P	P																			
11	Technology Update																								
12	Fleet and Warehouse Update																								
13	Recommend Receiving and Filing of June 2022 Monthly and FY 2021/22 Fourth Quarter Financial Report					P																			

C = Completed Item
P = Planned Item

**Finance and Administration Committee
Planning Calendar
FY 2022/23**

Item	July 5 Board	July 18 Comm	Aug 2 Board	Aug 15 Comm (Q4)	Sept 6 Board	Sept 19 Comm	Oct 4 Board	Oct 17 Comm	Nov 1 Board	Nov 21 Comm (Q1)	Dec 6 Board	Dec 19 Comm (Dec 12 Pending)	Jan 3 Board	Jan 23 RESCHED Comm	Feb 7 Board	Feb 21 Board	Feb 27 RESCHED Comm (Q2)	Mar 7 Board	Mar 20 Comm	April 4 Board	April 17 Comm	May 2 Board	May 15 Comm (Q3)	June 6 Board	June 19 Comm
14						P																			
15						P	P																		
16						P	P																		
17						P	P																		
18							P																		
19								P																	
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24												P	P												
25														P	P										
26														P	P										
27														P	P										

**Finance and Administration Committee
Planning Calendar
FY 2022/23**

Item	July 5 Board	July 18 Comm	Aug 2 Board	Aug 15 Comm (Q4)	Sept 6 Board	Sept 19 Comm	Oct 4 Board	Oct 17 Comm	Nov 1 Board	Nov 21 Comm (Q1)	Dec 6 Board	Dec 19 Comm (Dec 12 Pending)	Jan 3 Board	Jan 23 RESCHED Comm	Feb 7 Board	Feb 21 Board	Feb 27 RESCHED Comm (Q2)	Mar 7 Board	Mar 20 Comm	April 4 Board	April 17 Comm	May 2 Board	May 15 Comm (Q3)	June 6 Board	June 19 Comm
28 Review Budget Calendar																									
29 FY 2022/23 Mid-Year Budget Review																									
30 Technology Update																									
31 Fleet and Warehouse Update																									
32 Recommend Receiving and Filing of December 2022 and FY 2022/23 Second Quarter Financial Report																									
33 Recommend Approval of a Proposed Employee Salary Adjustment (COLA) for FY 2023/24																									
34 Review Annual List of Professional Services Contracts (consent)																									
35 Recommend Receiving and Filing of January 2023 Monthly Financial Report (consent)																									
36 Recommend Approval of a Resolution Adopting the FY 2023/24 and FY 2024/25 Biennial Budget																									
37 Recommend Receiving and Filing of February 2023 Monthly Financial Report (consent)																									
38 Approve a Resolution Adopting the Appropriation of All As-Yet Unappropriated Funds for FY 2022/23 (consent)																									
39 Approve a Resolution Adopting the Appropriation Limit for FY 2023/24 (consent)																									
40 Technology Update																									
41 Fleet and Warehouse Update																									
42 Recommend Receiving and Filing of March 2022 and FY 2022/23 Third Quarter Financial Report																									
43 Recommend Receiving and Filing of April 2022 Monthly Financial Report (consent)																									

C = Completed Item
P = Planned Item

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**PUBLIC OUTREACH AND LEGISLATION COMMITTEE
AGENDA PLANNING CALENDAR FY 2022-2023**

July 5, 2022 Regular Board Meeting

1. Approve Legislative Advocacy Contract Renewal
2. Presentation: Drought Messaging Action Plan

July 21, 2022 Committee – Hybrid Meeting

1. Legislative Consultant Reports
2. Discussion of Draft Board Resolution and Initial Implementation Action from the Engagement Gap Analysis
3. Presentation: Overview of School Education Program
4. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2022/23
 - Committee Planning Calendar FY 2022/23

August 2, 2022 Regular Board Meeting

1. Approve a Resolution Adopting the Santa Clarita Valley Water Agency In Support of Inclusive Communications & Engagement

August 18, 2022 Committee – Hybrid Meeting

1. Legislative Consultant Reports
2. Tour of Agency's New Website
3. Communications Manager Activities:
 - Tentative Presentation on Social Media Quarterly Report
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2022/23
 - Committee Planning Calendar FY 2022/23

September 15, 2022 Committee

1. Legislative Consultant Reports
2. Discussion of Water Academy Plan
3. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2022/23
 - Committee Planning Calendar FY 2022/23

October 20, 2022 Committee

1. Legislative Consultant Reports
2. Discussion of Crisis Communication Plan
3. Tentative Drought Outreach Action Plan Update
4. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2022/23
 - Committee Planning Calendar FY 2022/23

November 17, 2022 Committee

1. Legislative Consultant Reports
2. Communications Manager Activities:
 - Social Media Quarterly Report
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2022/23
 - Committee Planning Calendar FY 2022/23

December 15, 2022 Committee

1. Legislative Consultant Reports
2. Outreach Year in Review
3. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2022/23
 - Committee Planning Calendar FY 2022/23

January 19, 2023 Committee

1. Legislative Consultant Reports
2. Discussion of the 2023 Legislative Platform and Advocacy Process
3. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2022/23
 - Committee Planning Calendar FY 2022/23

February 7, 2023 Regular Board Meeting

1. Adoption of the 2023 Legislative Platform

February 16, 2023 Committee

1. Legislative Consultant Reports
2. Communications Manager Activities:
 - Social Media Quarterly Report
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2022/23
 - Committee Planning Calendar FY 2022/23

March 16, 2023 Committee

1. Legislative Consultant Reports
2. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2022/23
 - Committee Planning Calendar FY 2022/23

April 20, 2023 Committee

1. Legislative Consultant Reports
2. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2022/23
 - Committee Planning Calendar FY 2022/23

May 18, 2023 Committee

1. Legislative Consultant Reports
2. Communications Manager Activities:
 - Social Media Quarterly Report
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2022/23
 - Committee Planning Calendar FY 2022/23

June 22, 2023 Committee

1. Legislative Consultant Reports
2. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2022/23
 - Committee Planning Calendar FY 2023/24

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**Santa Clarita Valley Water Agency
Water Resources & Watershed Committee and Board Calendar**

FY 2022/23

	Item	Jul 5 Board	Jul 13 Comm	July 19 Board	Aug 2 Board	Aug 10 Comm	Aug 16 Board	Sep 6 Board	Sep 14 Comm	Oct 4 Board	Oct 12 Comm	Nov 1 Board	Nov 9 Comm	Dec 6 Board	Dec 14 Comm	Jan 3 Board	Jan 11 Comm	Feb 7 Board	Feb 8 Comm	Mar 7 Board	Mar 8 Comm	Apr 4 Board	Apr 12 Comm	May 2 Board	May 10 Comm	Jun 6 Board	Jun 7 Comm
1	Status of Recycled Water Program			P							P																
2	Recommend Authorizing the General Manager to Enter into an Agreement with GSI Water Solutions, Inc. for the First Year of Groundwater Sustainability Plan Implementation		C		P																						
3	Status of Drought Response and Performance		C			P		P	P		P		P		P		P		P		P		P		P		P
4	Update on Conservation Activities & Performance					P			P		P		P		P		P		P		P		P		P		P
5	Devil's Den Semi-Annual Report					P																					
6	Recommend Adoption of a Resolution Authorizing the General Manager to Apply for Grant Funding Under the WaterSmart Water Energy Efficiency Grant Program and Execute a Grant Agreement with the Federal Bureau of Reclamation					P	P																				
7	Status of Efforts Relating to Groundwater Spreading Pilot Program					P																					
8	Recommend that the Board Authorize the General Manager to Enter into a Long Term Water Exchange Agreement with Irvine Ranch Water District							P																			
9	Recommend Authorizing the General Manager to Execute a Construction Contract for Bridgeport Pocket Park								P	P																	
10	Authorize the General Manager to Enter into a MOU with Antelope Valley-East Kern Water District to Fund Planning Costs for a Portion of the Proposed Phase 2 Proposed High Desert Water Bank								P	P																	
11	Authorize General Manager to Enter into Contracts for Water Resiliency Plan Initiative								P	P																	
12	Recommend Adopting a Resolution Authorizing Creation of a Standby Charge for the Tesoro del Val Annexation Area								P	P																	
13	Status of Water Supply and Water Banking Programs								P																		P
14	Update on Water Resiliency Plan Initiative Activities								P																		
15	Recommend Adoption of a Resolution Approving the SB 221 Water Supply Verification for the Tesoro Del Valle										P																
16	Recommend Approval of a Resolution Adopting Recycled Water Rules and Regulations										P																P
17	Status of Urban Water Management Plan Review Updates											P															P

**Santa Clarita Valley Water Agency
Water Resources & Watershed Committee and Board Calendar**

FY 2022/23

Item	Jul 5 Board	Jul 13 Comm	July 19 Board	Aug 2 Board	Aug 10 Comm	Aug 16 Board	Sep 6 Board	Sep 14 Comm	Oct 4 Board	Oct 12 Comm	Nov 1 Board	Nov 9 Comm	Dec 6 Board	Dec 14 Comm	Jan 3 Board	Jan 11 Comm	Feb 7 Board	Feb 8 Comm	Mar 7 Board	Mar 8 Comm	Apr 4 Board	Apr 12 Comm	May 2 Board	May 10 Comm	Jun 6 Board	Jun 7 Comm	
18 Status of Water Supplies																											
19 Status of Sustainable Groundwater Management Act Implementation																											
20 Review and Discussion of FY 2023/24 and FY 2024/25 Water Resources Operating Budget and Minor and Major Capital Projects Budgets																						P					
21 Recommend Adoption of a Resolution Approving the SB 610 Water Supply Assessment for the Wiley Canyon Mixed-Use Development	C																										
22 Status of Upper Santa Clara River Salt and Nutrient Management Plan		C																									
23 Water Conservation Garden and Education Experience - Design Update																											
24 Update on Water Operating Plan and Water Conservation Response Actions																											

P = Planned
 C = Completed
 CNL = Cancelled
 CNT = Continued Item