



FINANCE AND ADMINISTRATION COMMITTEE MEETING

Monday, August 15, 2022
Meeting Begins at 5:30 PM

Members of the public may attend by the following options:

In Person

SCV Water
Rio Vista Water Treatment Plant
Board Room
27234 Bouquet Canyon Road
Santa Clarita, CA 91350

By Phone

Toll Free:
1-(833)-568-8864
Webinar ID: 160 470 1459

Remotely

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

<https://scvwa.zoomgov.com/j/1604701459>

Have a Public Comment?

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, 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 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. (Public comments take place during Item 2 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 Committee meetings will be posted to yourscvwater.com within 3 business days from the date of the Committee 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.

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Date: August 8, 2022

To: **Finance and Administration Committee**
R.J. Kelly, Chair
Kathye Armitage
Beth Braunstein
Ed Colley
Maria Gutzeit

From: Rochelle Patterson
Chief Financial and Administrative Officer

The **Finance and Administration Committee** is scheduled for **Monday, August 15, 2022** at **5:30 PM** at **27234 Bouquet Canyon Road, Santa Clarita, CA 91350** in the **Board Room** and the **teleconference site** listed below.

**DIRECTOR KELLY
TELECONFERENCE SITE LOCATED AT
4791 LOOKING GLASS TRAIL
DENVER, NC 28037
1-(661)-510-1025**

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: 160 470 1459 or Zoom Webinar by clicking on the link <https://scvwa.zoomgov.com/j/1604701459>**. 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.

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MEETING AGENDA

<u>ITEM</u>	<u>PAGE</u>
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 Approval of a Revised Customer Service Policy	7
4. * Recommend Approval of a Revised Debt Management Policy	129
5. * Recommend Approval to Complete Letter of Interest Form for the EPA's WIFIA Program	145
6. ♠ Recommend Approval of a Resolution Adjusting Employer's Contributions for PERS Medical Insurance	
7. Technology Update	
8. * Fleet and Warehouse Update	175
9. * Recommend Receiving and Filing of FY 2021/22 Fourth Quarter and June 2022 Financial Report	185
June 2022 Check Registers Link: https://yourscvwater.com/wp-content/uploads/2022/08/Check-Register-June-2022.pdf	
10. * Committee Planning Calendar	251
11. Requests for Future Agenda Items	
12. General Report on Finance and Administration Activities	
13. 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.

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 SCV Water, located at 27234 Bouquet Canyon Road, Santa Clarita, California 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 August 9, 2022.

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COMMITTEE MEMORANDUM

DATE: August 8, 2022

TO: Finance and Administration Committee

FROM: Rochelle Patterson *R. Patterson*
Chief Financial and Administrative Officer

SUBJECT: Recommend Approval of a Revised Customer Service Policy

SUMMARY

The revised version of the Customer Service Policy has been modified to include an AMI/AMR Opt-Out provision and to explicitly address unauthorized tampering of, and damage to, the Agency's potable or recycled water service infrastructure. The revised policy does not change the provisions of SB 998 pertaining to the discontinuation of residential water service.

DISCUSSION

SCV Water currently reads meters using three types of reading technology: Handheld (manual collection), Automated Meter Reading or AMR (drive-by collection) and Advanced Meter Infrastructure or AMI (remote collection). The latter two methods are more efficient, using radio frequency (RF) technology to transmit consumption data to SCV Water, and are considered industry standard. SCV Water is committed to AMI technology and is in the process of launching Phase I of its AMI Meter Changeout Program whereby it will replace approximately 20,000 meters with AMI-capable meters in the next three years. This infrastructure will lay the groundwork for a future phase that will enable customers with AMI-capable meters near real-time access to their water usage through Customer Engagement Portal (CEP).

Staff performed a review of other agency AMR/AMI programs and policies to see how the issue of customer opt-out requests was handled. Some agencies provide an opt-out provision, with most that do also recovering some costs for the service. Despite the numerous benefits of using the AMI/AMR technology, staff recognizes that some residential customers may want to opt-out, and that cost for non-standard service should be paid for by customers who choose the non-standard service. Staff recommends adding an AMI/AMR opt-out provision for residential customers who meet the following eligibility criteria:

- Written application must be made by customer-of-record
- Account must be in good standing
- Account must not have any history of meter inaccessibility

Upon verification that application meets eligibility requirements, the customer will be charge a:

- One-time setup fee to cover administrative costs of processing the Opt-Out Application
- A monthly Opt-Out Fee that will cover the cost of manually reading the meter and entering the read into the Customer Information System (CIS) each month

Staff performed a survey of other California utilities who have AMI/AMR meters in order to look at industry policies as they pertain to residential customers who choose to Opt-Out of the advanced meter reading technology. The table of these results is below.

	Opt-Out	One-time Fee	Monthly Fee	Re-read Fee
SCV Water - Proposed	Yes	\$ 75.00	\$ 30.00	\$ 30.00
Eastern Municipal Water District	No			
Western Municipal Water District	No			
PUC regulated utilities	Yes	\$ 75.00	\$ 10.00	
Las Virgenes Municipal Water District	Yes	\$ 150.00	\$ 25.00	\$ 65.00
Cal American	Yes	\$ 70.00	\$ 13.00	
Moulton Niguel Water District	No			
Glendale Water & Power	Yes		\$ 59.00	
Carpinteria Valley Water District	Yes	\$ 36.35	\$ 10.05	
Montecito Water District	Yes	\$ -	\$ 16.35	
City of Palo Alto Utilities	Yes			
City of Davis	Yes	\$ 92.00	\$ 26.00	\$ 14.00
City of Azuza	Yes	\$ 75.00	\$ 10.00	
East Valley Water District	Yes		\$ 13.00	
Rancho California Water District	No			

The one-time fee to process the Opt-Out Application is being proposed at \$75.00, based on estimated staff's time to complete the application process. The monthly fee to manually read the non-AMI/AMR meter is proposed at the current trip charge of \$30.00, which was established for disconnection/restoration of service.

Charges and fees will be assessed on the Customer's monthly bill and are non-refundable, nor prorated. If a meter changeout is required to comply with the opt-out, the Customer will be charged the actual cost to Agency. Any customer who opts-out and subsequently elects to opt-in will not incur any charges or fees to install the AMI/AMR infrastructure.

The attached revised policy also adds clarifying language for Unauthorized Tampering and Property Damage. If a new applicant, customer, contractor or developer is found to be responsible for unauthorized tampering or causes property damage to Agency property, they will be subject to penalties as outlined in Appendix A-10.

Updates to the policy are redlined and can be found in the following Sections:

- 6.2.11 – Unauthorized Tampering
- 6.2.12 – Property Damage
- 6.2.14 – AMI/AMR Opt-Out Fee
- Appendix A-10 – Penalties for Unauthorized Use of the Agency's Potable or Recycled Water System
- Appendix A-12 – Potable or Recycled Water Service Miscellaneous Fees

Minor additional changes have been made throughout the document, such as changes to the table of contents and additions to the Agency Definitions.

FINANCIAL CONSIDERATIONS

None

RECOMMENDATION

That the Finance and Administration Committee recommend the Board of Directors approve the attached revised Customer Service Policy.

RP

Attachment

M65

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Title: CUSTOMER SERVICE POLICY	
Approval Date: July 2021 <u>September 2022</u>	Effective Date: July 2021 <u>September 2022</u>
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CUSTOMER SERVICE POLICY

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PART 1 – DEFINITION OF TERMS

1.1 AGENCY DEFINITIONS

Unless the context specifically indicates otherwise, the meaning of words or terms used in these Regulations shall be as follows:

AGENCY – The Santa Clarita Valley Water Agency, organized and operated pursuant to the provisions of Senate Bill 634. Also known as SCV Water or Agency.

AMI (Advanced Metering Infrastructure) – An integrated system of smart meters, various communications networks, and data management systems that uses radio frequency (RF) technology to enable two-way communication between the Agency and its customers.

AMR (Automated Meter Reading) – A method of reading meters that uses radio frequency (RF) technology as a means of communication between meters and a mobile reading device.

APPLICANT (PROPOSED CUSTOMER) – Any person, firm, corporation, association or agency who desires to obtain Potable or Recycled Water Service from the Agency.

APPURTENANCES – Customer owned meter stop, check valve, back flow prevention device, shut-off valve and any other devices downstream from the meter, but not including the meter.

ASSESSOR’S PARCEL NUMBER – A number assigned by tax assessor in order to identify a particular Property.

BILLING – Monthly statement sent to account holder(s) which includes bill detail, bill summary, account information, water use history and water efficiency target.

BOARD – The Board of Directors of the Santa Clarita Valley Water Agency.

BUILDING UNIT – Any unit of nonresidential development.

CLASS OF SERVICE – Based on intended usage of meter.

CONSUMPTION or VARIABLE WATER CHARGE – A monthly quantitative charge for the amount of water delivered to a Property, either metered or estimated. Consumption or Variable Water charge shall be billed as a price per 100 cubic feet of water delivered in accordance with the rate structure.

CROSS CONNECTION – Any unprotected actual or potential connection between any



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part of a potable water system used or intended to supply water for drinking purposes and any source or system containing water or a substance that is not or cannot be approved as safe, wholesome and potable for human consumption. Bypass arrangements, jumper connections, or other devices through which backflow could occur shall be considered cross connections. Also see definition in Appendix E – Cross Connection Control Policy.

CUSTOMER – Any Person, Property Owner, Tenant, firm, corporation, association or agency who uses or desires to obtain Potable or Recycled Water Service from the Agency.

CUSTOMER SERVICE LINE – The Customer’s facilities including pipe, fittings and appurtenances extending from the outlet of the shut-off valve downstream of the Agency’s meter, check valve or backflow prevention device.

DEPOSIT – Money required to be deposited with the Agency for the purpose of guaranteeing payment of monthly bills rendered for Potable or recycled water service.

DISCONNECTION/RESTORATION FEE – A disconnection or restoration fee will be charged to turn off or on Potable or Recycled Water Service that is shut off or turned on due to involuntary termination.

DIVISION – Identifies legacy retail divisions: Newhall Water Division (NWD), Santa Clarita Water Division (SCWD), Valencia Water Division (VWD).

POTABLE WATER SERVICE – Potable Water Service shall include the delivery of Potable water for any purpose to a residential Customer, nonresidential Customer, commercial or industrial Customer, governmental Customer or institutional Customer, and the delivery of Potable water for public and private fire protection service.

POTABLE OR RECYCLED WATER SERVICE INFRASTRUCTURE (WATER SYSTEM) – The water pipelines, booster stations, wells, treatment facilities, reservoirs, and other facilities, constructed by or for the Agency, whether acquired by the Agency, for the purpose of providing Potable or Recycled Water Service.

DUE DATE – The date on which payment for Potable or Recycled Water Service is due, which is on the tenth (10th) day from when the bill is generated, as signified by the date of the bill.

DWELLING UNIT – A single unit requiring Potable Water Service and intended to be a complete independent living facility for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation, including but not limited to, family residence, each unit of a duplex, each unit of an apartment, condominium, each recreational vehicle and each trailer park space.



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GENERAL MANAGER – The General Manager of the Agency or his/her appointed representative.

LEGACY DEBT – Debt incurred by each individual entity prior to the creation of SCV Water is broken out separately and paid only by customers in that division. This legacy debit is a fixed charge and broken out as a separate line item for the Santa Clarita and Valencia divisions.

LIEN – The process of levying property to recapture unpaid charges for water and other services.

MASTER METER LOCATION – (master account/master location) a collection of subaccounts whose meters are all of the same class of service, sharing an aggregated water target, for which the customer receives one bill.

METER INSTALLATION CHARGE – The Agency’s charge for installing only the meter.

MONTHLY SERVICE OR FIXED CHARGE – The monthly charge levied to a Property for the benefit of having Potable or Recycled Water Service available to the Customer. This does not include the variable water charge for water.

NON-POTABLE WATER – Water that has not been treated for, or is not acceptable for, human consumption in conformance with Federal, State and local water standards. Non-potable water includes recycled water.

OFF-SITE FACILITIES – Facilities under the ultimate control of the Agency including but not limited to water or recycled water pipelines, reservoirs, pumping stations, fire hydrants, valves, connections, supply interties, treatment facilities, meters and Property up to the point of connection with the On-site Facilities.

ON-SITE FACILITIES (AGENCY OWNED) – Facilities under the ultimate control of the Agency including but not limited to water or recycled water pipelines, reservoirs, pumping stations, fire hydrants, valves, connections, supply interties, treatment facilities, and other Property located within a Subdivision or Tract.

ON-SITE FACILITIES (CUSTOMER OWNED) - Facilities under the ultimate control of the Customer, which include the piping from the outlet of the shut-off valve downstream of the Agency’s meter (but not the meter itself), check valve or approved backflow prevention device, all onsite irrigation and/or other piping systems and other appurtenances.

PARCEL – Generally refers to a piece of land that cannot be designated by a lot number.



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PAST DUE - The bill for Potable or Recycled Water Service is due on the Due Date and Potable or Recycled Water Service is subject to termination if the bill is not paid within sixty (60) days from the Due Date.

PERMANENT SERVICE CONNECTION – A Service Connection that is intended to provide continuous Potable or Recycled Water Service.

PERSON – Any individual, firm, company, corporation, association, political subdivision, city, county, Agency, the State of California, or the United States of America or any department or agency of any thereof. The singular in each case shall include the plural.

PRIVATE FIRE PROTECTION SERVICE CONNECTION – The Agency’s facilities including pipe, fittings and appurtenances, extending from the Potable Water System to the private fire protection system.

PRIVATE FIRE PROTECTION SYSTEM – The Customer’s facilities including pipe, fittings and appurtenances extending from the outlet of the gate valve downstream of the Agency’s meter, check valve or backflow prevention device used exclusively for fire protection and/or suppression.

PROPERTY – Any Property, including any lot, parcel, premises, dwelling unit or building unit or portion thereof that is the subject of a request for service or to which service is being rendered.

PROPERTY OWNER or OWNER – Any person, agent, firm or corporation having an ownership interest in the Property, and not including any interest as a renter or tenant.

REGULATIONS or POLICY – The current edition of, and any amendments or revisions to, the Agency’s Regulations or Policy Governing Potable Water Service.

RECYCLED WATER – Water furnished to the Customer that meets disinfected tertiary standards per Title 22 of the California Code of Regulations for approved non-potable uses.

RECYCLED WATER SERVICE - Recycled Water Service shall include the delivery of recycled water for any purpose to a residential Customer, nonresidential Customer, commercial or industrial Customer, governmental Customer or institutional Customer, and the delivery of recycled water for public or use as construction water.

RENDERED – Presented for payment or consideration. A bill is considered rendered when it is delivered to the U.S. Post Office, sent electronically or by other means is presented for payment.

RESIDENTIAL DISCONTINUATION POLICY – The Agency’s Policy on Discontinuation



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of Residential Water Service for Non-Payment, in the form attached as Appendix A-13 and related translations into Spanish, Chinese, Korean, Vietnamese and Tagalog.

RESIDENTIAL FIRE SPRINKLER SYSTEM – A fire sprinkler system required by California Residential Code, Title 24, Part 2.5 which is incorporated as part of the Customer Service Line.

RESTORE – To reestablish water delivery to a Property or parcel when water has been terminated.

SERVICE AREA – The area within the current Agency Potable or Recycled Water Service Boundary as approved by the Los Angeles County Local Agency Formation Commission (LAFCO).

SERVICE CONNECTION – The Agency’s facilities including pipe, fittings, meter, meter box and check valve or backflow prevention device and shut-off valve, extending from the Agency’s potable or recycled water main to the outlet of the shut-off valve downstream of the meter, check valve or backflow prevention device.

SUPPLIER – Santa Clarita Valley Water Agency

TEMPORARY SERVICE CONNECTION – A Service Connection that is intended to provide Potable or recycled Water Service during construction or other use of a limited duration.

TENANT – A person who rents or leases a unit which he/she does not own.

UNAUTHORIZED TAMPERING – To interfere, rearrange, alter, or otherwise prevent the Potable or Recycled Water System from performing normal operation without Agency authorization.

WATER AVAILABILITY – Potable or Recycled Water Service is considered to be available to Property or to premises if the Water or Recycled Water System has been constructed and is available for Service as provided for in these Regulations.

WATER AVAILABILITY CHARGE – The annual charge levied against lands to which Potable or Recycled Water Service is available whether the Service is used or not.

WATER TARGET – Amount of water designated to a specific property based on water use efficiency.



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PART 2 – AUTHORITY

2.1 General Provisions

2.1.1 Board

The Board may change these regulations as it deems necessary.

2.1.2 General Manager

The General Manager may prescribe and enforce additional regulations not in conflict with these Regulations to implement the application, administration, interpretation and enforcement of these Regulations.

2.2 Inspectors

2.2.1 Entry to Premises

The General Manager and other duly authorized employees of the Agency bearing proper credentials and identification shall be permitted to enter upon all Property for any purpose properly connected with the Agency’s operation.

2.2.2 Credentials

No Person who is not an authorized officer or employee of the Agency shall have, wear, or exhibit any badge or credentials of the Agency. Authorized Agency staff, officers and employees shall have, wear or exhibit badge and/or Agency credentials.

2.3 Fees, Charges and Services

Fees, charges and services are nonrefundable and nontransferable; however, under special circumstances, the General Manager or designee may grant a refund of fees or charges at his/her discretion.

2.4 Policy Exceptions and Exemptions

Exceptions or exemptions from these Regulations shall be approved by the Board of Directors. This provision does not apply to the waiver of one-time charges or fees.

2.5 For additional authorities regarding local and state regulation of recycled, see Part 18.



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PART 3 – SERVICE CONNECTION

3.1 General Provisions

3.1.1 Types

The Agency will install two types of Service Connections, a Permanent Service Connection or a Temporary Service Connection.

1. Class of Service

A Class of Service will be assigned to each meter at the time of application. This Class of Service will be assigned based upon the intended usage of this meter. Change of intended usage must be reported to the Agency by the Customer within five (5) business days. Change in intended usage must be approved by the Agency and may be subject to additional fees and/or charges.

3.1.2 Installation

Only authorized employees or agents of the Agency shall install a Service Connection to active water or recycled water mains. In special circumstances, Contractors are permitted to install Service Connections to water or recycled water mains when prior approval is given by the Agency.

3.1.3 Responsibility

The Agency owns, operates, and maintains the Service Connection. The Property Owner is responsible for the Customer Service Line.

3.2 Permanent Service Connection

3.2.1 General Provisions

1. Water Service for New, Single and Multiunit Residential and Mixed-Use Structures:

The Agency policy requires all new individually owned residential properties to be metered individually through an Agency meter. Master meters are not allowed for new individually owned residential properties. Multiunit Residential or Mixed-use Structures that are sublet may be eligible for master meter(s) at the sole discretion of the Agency. In the event the Agency allows for the installation of a master meter, it is the Developer’s responsibility to



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comply with all laws and regulations governing the approval of submeters for new Multiunit Residential and Mix-used Structures where the Agency is providing master meter(s), including, but not limited to, the California Plumbing Code, California Water Code and Senate Bill-7 (SB-7).

Before the Agency will provide water service to the Development (or a portion or phase thereof), the Developer shall provide the Agency with a written plan for compliance with SB-7. The written plan must describe the provisions for the installation of submeters for each unit in compliance with all laws and regulations governing the approval of submeters, including the maintenance, reading, billing, and testing requirements. The Agency policy also requires separate meters for irrigated landscapes in accordance with California Code of Regulations Section 492.7 and California Water Code Section 535.

All restaurants require a single Service Connection, regardless of whether the restaurant is located within a commercial/industrial building already being supplied water service through a Master Service Connection.

2. Responsibility

The Customer and/or Property Owner is responsible for loss or damage to a meter and any Agency owned property associated with the Service Connection from the time it is installed until the time it is removed.

3. Recycled Water

Additional requirements apply to permanent service connections for recycled water. See Part 18.

3.2.2 Location and Size

1. Location

Service Connections in conventional lot Subdivisions shall be installed within five (5) feet of the side Property line except when such placement conflicts with other utilities. In addition, Service Connections shall be installed perpendicular to the water main unless prior approval is obtained by the Agency.

Service Connections for recycled water shall be installed perpendicular to the recycled water main unless prior approval is obtained by the Agency.

New Service Connections shall not be installed in driveways without prior



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approval by the Agency. If such approval is granted, then the following conditions shall be met prior to installation:

- a. Property Owner executes a recordable hold harmless agreement for liability and agreeing that the Agency is not responsible for the repair of driveways and other improvements should the repair of the Service Connection be necessary.
- b. Installation of a larger traffic-grade meter box with a metal traffic cover.
- c. Property Owner shall be responsible for payment of an additional charge for the installation of the larger traffic-grade meter box and metal traffic cover.

The above conditions are applicable to all existing service connections without meters installed.

Service connections shall be installed outside decorative paving areas whenever possible. The Property Owner will be required to execute a recordable hold harmless agreement for liability and agree that the Agency is not responsible for the repair of decorative paving and other improvements should the repair of the Service Connection be necessary.

Where the Property does not directly abut on a public thoroughfare, the Agency, at its option, may provide a Service Connection of conventional length, not exceeding 100 feet, and terminating at some practicable location in public right-of-way and the Applicant shall obtain any required easements and provide its connection thereto.

Under no circumstance shall Service Connections be installed in medians and/or islands in any public thoroughfare, unless approved by the Agency.

2. Looped Metered Connections

Service provided to a location that has its own distribution system that is looped and connected to Agency facilities by two (2) or more meters shall be provided with an approved type backflow prevention device immediately downstream of each metered connection as specified in Appendix E.

3. Size

The size (diameter in inches) of a Service Connection shall be based upon required flow and intended use for the Property. Service Connections to a



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Dwelling Unit shall be a minimum of 1 inch in diameter unless otherwise approved by the Agency. The Agency reserves the right to determine the type of any backflow preventer or other appurtenances required for the installation.

4. Appurtenances

Meter Stop, Check Valve, Backflow Prevention Device and Shut-off Valve:

All Service Connections will have a meter stop on the inlet side of the meter, for exclusive use by the Agency, and a shut-off valve downstream of the meter, check valve or backflow prevention device. If the meter stop, check valve, backflow prevention device or shut-off valve is damaged, the Property Owner will be responsible for the costs to replace the damaged component(s) as set forth in Appendix A-10.

5. Meter

Each Service Connection shall be metered. Customarily, the meter will be installed in public Property adjacent to the curb or Property line, but, at the option of the Agency, it may be installed on the Property in an appropriate meter box. No rent or other charge will be paid by the Agency for a meter located on the Property.

If a meter is damaged or tampered with, the Agency will charge the Property Owner for the replacement or repair of the meter.

The Agency's operating convenience or necessity may require the use of more than one meter to serve a premise.

6. Meter Box

If the meter box is damaged by the Customer, the Agency may charge the Property Owner for the replacement or repair of the meter box.

The meter box shall be accessible to the Agency at all times. The Agency will not be responsible for damage to improvements (i.e. landscaping, decorative paving) installed by the Property Owner or Customer within public Property or an easement around the meter box.

7. Additional Appurtenances

In some locations within the Service Area, additional appurtenances, including but not limited to pressure reducing valves, may be required. The



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additional appurtenances are always installed on the Customer Service Line; therefore, the Property Owner is responsible for operation and maintenance of the appurtenance once installed.

8. Charge

The charge for installation of a Permanent Service Connection is the responsibility of the Customer.

9. Relocation or Extension

The charge for relocation or extension of a Permanent Service Connection will be the responsibility of the Customer.

3.2.3 Request for Changes in Meter Size, Removal, Land Use or Inclusion of Additional Land Area

A request for changes in meter size, removal, land use or inclusion of additional land must be made in writing by the Customer of record in such format as defined by the Agency. The Customer shall be solely responsible for all costs associated with changes in meter size, removal, land use or inclusion of additional land area. The Agency may approve requests to remove, increase or reduce meter sizes, in its reasonable discretion, and may impose conditions including, but not limited to, the following: 1) submission of minimum fire flow requirements for the subject Property and compliance with said requirements; and 2) submission of landscape plans in accordance with the Agency's landscape and irrigation practices.

Additional requirements for changes in land use or inclusion of additional land area for recycled water services apply. See Part 18 for drawing submittals and approvals needed.

1. Meter Size Increase or Reduction

There is a fee to install a new meter to achieve the requested meter size change. Customer shall pay for the actual costs incurred by the Agency.

2. Meter Location Change

If the Customer desires a change in location of the meter, such change may be affected with the mutual agreement of the Agency and the property owner, and the owner/Customer shall pay for the actual costs incurred by the Agency.



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3. Meter Removal

Customer must sever their connection from the water meter and appurtenances prior to the Agency removing the meter. The Agency will not perform any plumbing work on the Customer Service Line. The Customer will be required to perform any and all plumbing work necessary to prepare for the meter and appurtenance removal, including securing/capping off the Customer Service Line. Customer shall pay for the actual costs incurred by the Agency.

4. Change in Land Use

The Customer/property owner shall notify the Agency of any change in the character or use of the property or buildings from that for which the service connection was originally obtained. If a residential property is to be reclassified or used as commercial or industrial or vice versa, the property owner shall pay any additional charges that may be applicable by reason of the reclassification. In all cases the Agency's determination of the property's zoning classification or use will be final, subject to an appeal to the Board.

5. Inclusion of Additional Land Area

The Customer/property owner shall notify the Agency of any additional land area or adjacent lots not served at the time of original commencement of service that are to be served from the existing service connection. The Agency reserves the right to designate the type of meter, limit the number of buildings, separate houses, living or business quarters, and the area of land under one ownership to be supplied by one service connection.

3.3 Temporary Service Connection

3.3.1 General Provisions

1. Purpose

Provided no undue hardship is caused to customers, the Agency will furnish temporary service for construction purposes when the applicant has requested service on this basis, or the Agency reasonably expects the service to be temporary and the applicant has paid advances and established credit. The Agency contemplates temporary service will be provided for a term of six (6) months or less or as established by the Agency, and requires the applicant to comply with the following:



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2. Advances

The applicant must advance to the Agency the estimated net cost of installing and removing the facilities necessary to furnish the service.

3. Deposits/Establishment of Credit

The applicant must deposit a sum of money equal to the cost of the meter and the estimated bill as established by the Board. If the duration of service is to exceed one month, then the applicant must establish credit in the same manner as is prescribed for permanent service.

4. Rates, Charges and Conditions of Service (Construction Meter)

The rates, charges and conditions for temporary service will be the same as those prescribed for permanent service, plus additional costs as set forth in Appendix A-7. The monthly service charge will be prorated and charged on a daily basis.

5. Connections to Fire Hydrants

Fire hydrants connected to Agency mains are for use by the Agency and by organized fire protection agencies. Other parties desiring to use water from fire hydrants for any purpose must obtain written permission from the Agency and from the appropriate fire protection agency prior to use and shall operate the hydrant according to the instructions issued by the Agency. Unauthorized Water Use will be subject to penalty as prescribed in Section 6.2.10 and will be prosecuted according to law. Notwithstanding all other penalties, charges for unauthorized use of water through fire hydrants will be subject to the appropriate penalty specified in Appendix A-10 along with any applicable charges.

6. Water for Construction Needs

All requests for construction water shall be made on an approved application form available in the Agency office and accompanied by the appropriate deposit amounts as stated in that form. Any costs involved in supplying such connections will be prepaid by the applicant. Use of recycled water for construction is subject to additional requirements, see Part 18.



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7. Tank Trucks – Back Flow Devices

Service to tank trucks will be provided only where an approved backflow prevention device is used, in accordance with the Agency’s Cross-Connection Control Program (see Appendix E). For tank truck requirements for recycled water, see Part 18.

8. Duration

A Temporary Service Connection will be disconnected and terminated within six (6) months after installation unless the Customer applies for and receives a written extension of time from the Agency. The Agency has the right to terminate a Temporary Service Connection at any time without notice to the Customer.

9. Responsibility

The Customer is responsible for loss or damage to a meter and any Agency owned Service Connection associated with the Temporary Service Connection from the time it is installed until it is removed, or until 48 hours after notice in writing has been received by the Agency that the Customer wants the Temporary Service Connection disconnected.

10. Temporary Recycled Water Service or Temporary Use of Potable Water before Recycled Water Approval

Upon Agency approval, recycled water may be provided on a temporary basis for construction uses. See Part 18 for additional requirements.

Upon Agency approval, Potable water may be used in place of recycled water on a temporary basis. Before the Applicant will receive temporary Potable water, in lieu of recycled water, a Recycled Water User Agreement must be obtained. See Part 18 for additional requirements.



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PART 4 – APPLICATION FOR SERVICE

4.1 General Provisions

A person who takes possession of premises and uses water without applying for water service is liable for all water delivered from the date of the last recorded meter reading; if the meter is found inoperative, the quantity of water delivered will be estimated. If proper application for service is not made within 48 hours after initial notification that failure to do so will result in termination of water service to said location, or if accumulated bills are not paid upon presentation, water service shall be discontinued as provided in the notice.

4.2 Application for Service:

A request for service must be made by each Applicant for Potable or Recycled Water Service in such format as defined by the Agency. The Agency may establish reasonable means to verify Applicant’s identity. Upon verification of Applicant’s identity, the Agency may provide for written applications to be completed and accepted electronically, by mail, in person or other appropriate means of delivery. An Applicant may be required to establish credit worthiness as provided in Section 4.2.2. There is a fee to establish or transfer an account if the Agency approves the application for service. The fee is listed in Appendix A-11. Upon Agency’s acceptance of application, Potable or Recycled Water Service will be established within two business days. The Agency may discontinue service if an application is erroneous, not complete, and the errors are not cured by the Property Owner after notice deemed adequate by the Agency. All Applicants will be advised of this provision when the Agency is contacted for service.

Each time there is a change of Customer (either Property Owner or Tenant) on any commercial or industrial Property, the new or previous Property Owner or Customer shall notify the Agency immediately.

Applications for use of recycled water are subject to additional requirements. See Part 18 for additional information.

4.2.1 Property Damage Waiver Agreement

Applicants will be required to execute the Application Agreement, by which the customer acknowledges receipt of certain information regarding the chemical analysis of Agency water and waives any claim for damages to their pipes and plumbing fixtures as a result of their use of Agency water.



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4.2.2 Establishment of Credit

The Agency requires Applicants to provide the Agency with information sufficient to determine the credit worthiness of the Applicant. Upon determining the Applicant's credit worthiness, the Agency may require the Applicant to deposit with the Agency such sums of money as determined by the Board from time to time.

1. Upon receipt of completed Application for Service form and connection for water service has been established, said Applicant is considered a Customer.
2. Deposits will be refunded to a Customer at the termination of water service, provided all water charges have been paid. No interest will be paid on Customer deposits.
3. A new Application for Service for any Customer will be granted only if all assessments, fees, charges, past due water bills, and penalties due and charged to or against said Customer, have been fully paid.

4.2.3 Deposit Based Upon Poor Payment History

The Customer shall be required to deposit with the Agency such sums as specified in Appendix A-11 in the event: (i) the Customer's service is disconnected for non-payment, as provided in Section 9; or (ii) upon the Customer having been assessed a Late Fee for an Overdue Notice, as provided in Section 6.2.3, twice in a 12-month period.

4.2.4 Waiver of Deposit

Public Agencies will not be subject to the deposit requirements stated above.

4.2.5 Return of Deposit

Where the Customer has maintained their payment history in good standing for one year, the deposit will be credited against their bill.

4.2.6 Bankruptcy

The following rules apply upon receipt of a Customer's bankruptcy notice identifying the Agency as a creditor:

1. The Agency will notify the Customer that their existing account will be closed effective the first available date after receipt of the bankruptcy notice.



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2. A new account will be opened for this Customer and is subject to the rules applied to all new individual Applicants for service as stated in Section 7.6 herein.
3. Any existing Customer’s deposit on file with the Agency will be applied to any outstanding balance on the original account.

4.2.7 Refusal to Serve

The Agency may refuse to serve an applicant for service under the following conditions:

1. If the applicant fails to comply with any of the rules and regulations contained herein.
2. If the intended use of the service is of such a nature that it will be detrimental or injurious to existing Customers.
3. If, in the judgment of the Agency, the applicant's installation for utilizing the service is unsafe or hazardous, or of such nature that satisfactory service cannot be rendered or exceeds the normal capacity of the meter service.
4. Where service has been discontinued for fraudulent use, the Agency will not serve an applicant until it has determined that all conditions of fraudulent use or practice have been corrected.
5. The Agency may also refuse Recycled Water Service if the proposed used of recycled water is not allowed under State or County regulations.

4.2.8 Notification to Applicant

When an applicant is refused service under the provisions of this rule, the Agency will notify the applicant promptly of the reason for the refusal to serve and of the right of applicant to appeal that decision to the Board.

4.2.9 Property Owner Responsibility

Potable or Recycled Water Service, and the payment thereof, in all cases, shall be the responsibility of the Property Owner. The Property Owner may authorize, in writing, that a second party, such as a Tenant may establish service in their name and a Tenant or Tenants may establish service as provided in the Residential Discontinuation Policy. The Property Owner shall be held responsible



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for payment of all amounts due for Potable or Recycled Water Service, including all bills, costs, loss, damage, penalties, charges, or fees regardless of user or use. If the Property Owner has authorized a second party, such as a tenant to establish service and receive billing for service, a completed application form shall be required from the second party.

The Agency, as a courtesy, may allow the Property Owner to authorize a Tenant to be billed for service. This courtesy is at the discretion of the Agency and as such, the Agency may transfer service from a Tenant back to the Property Owner and refuse to allow future service to be billed to a Tenant. In such circumstances the Property Owner will receive all billing statements.

For property owner responsibilities for use of recycled water, see Part 18.

4.2.10 Description of Property

The Applicant shall describe the Property to be served and only the Property described will receive potable or recycled water through such Service Connection. The description shall include street address, city, Assessor’s Parcel Number and other information, including plumbing and building plans, to enable the Agency to determine the level of Cross Connection protection required. The Agency may refuse Potable or Recycled Water Service to any Property where apparatus, appliances or equipment using water are dangerous, unsafe or not in conformity with pertinent laws, ordinances, or regulations. The Agency will not assume responsibility for inspecting the Property.

Any alterations to existing Potable facilities on the Property that may affect the level of Cross Connection protection required must be reported immediately to the Agency.

Any alterations to existing recycled facilities or Potable facilities on a Property where recycled water is in use require submittal of plans to the Agency and pre-approval prior to altering the existing approved use. See Part 18 for additional information.

4.2.11 Description of Water Usage

The Applicant shall describe the potable or recycled water demand for the Property to be served, including the required maximum flow (in gallons per minute) and minimum pressure (in pounds per square inch) required at the meter. For Dwelling Units required to install a Residential Fire Sprinkler System, the Applicant shall also provide the type of Residential Fire Sprinkler System (multipurpose or stand-alone), the maximum flow (in gallons per minute) and



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minimum pressure (in pounds per square inch) required for the Residential Fire Sprinkler System.

Additional terms for Application for service that apply exclusively to the use of recycled water can be found in Part 18.

4.3 Special Provision

Properties, other than residential, with landscaped areas will be served with a separate service for irrigation purposes.

4.4 Prior Service

An Applicant for service may be subject to the provisions of Section 7.7 if a delinquency has occurred at the Property or another Property owned by the Property Owner. This provision shall apply to all Potable or Recycled Water Services including business and landscape.

The Applicant will not be held liable for any unpaid charges from a prior Customer or Property Owner except those unpaid charges which have been filed as a lien against the Property by the Agency under the provisions of California Water Code Section 31701.5. A new Property Owner assuming existing liens on Property shall be required to pay all unpaid charges that remain as liens against the Property purchased, prior to new Potable or Recycled Water Service being established.



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PART 5 - RULES APPLICABLE TO EXISTING CUSTOMERS

5.1 Quantities

The Agency will endeavor to supply water dependably and safely in adequate quantities and pressures to meet the reasonable needs and requirements of Customers.

5.2 Quality

The Agency will endeavor to supply water for potable use or human consumption that is potable, not harmful to human health, free from objectionable taste, odor or color, and within health standards. For recycled water quality, see Part 18.6.

5.3 Responsibility for Loss or Damage

Customers shall accept such conditions of pressure and service as are provided by the Agency system and hold the Agency harmless for any loss or damage to Customers resulting from the Agency's failure to meet the service goals stated within this section, or due to any interruptions in service. Customers shall at all times be in compliance with current California Plumbing Code.

Customers using recycled water shall at all times be in compliance with current state and county regulations for the use of recycled water.

5.4 Conditions of Service

5.4.1 Notices

1. Notice to Customers

Notice to a Customer will normally be by telephone or in writing and may be delivered electronically or mailed to the customer's last known address. In emergencies or when circumstances warrant, the Agency, where feasible, will endeavor to promptly notify the customer affected and may make such notification orally, either in person or by telephone, or by leaving a written notice on the door.



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2. Notice from Customers

Customer may make notification in person, by telephone or by letter to the Agency at its office.

Change in Customer's Equipment, Operations or Land Use

- a. A Customer making any material change in the size, character, or extent of the equipment, operations, or nature of land use shall immediately give the Agency written notice of the nature and extent of the change, and if necessary, amend their application for water service. Any and all modifications to the service must be approved by the Agency.

For modifications of the Customer's on-site recycled water facilities, the modifications must be approved in advance prior to implementing the changes. Depending on the type of modification, issuance of a new User Agreement or an amendment to the existing User Agreement may be required.

3. Continuity of Service

The Agency expressly reserves the right to restrict, curtail, allocate or apportion Agency water supplies as necessary, in the sole discretion of the Agency.

- a. Emergency Interruptions

The Agency will make all reasonable efforts to prevent interruptions to service and, when such interruptions occur, will endeavor to re-establish service with minimal delay consistent with the safety of the Agency's customers and the general public.

Where an emergency interruption of service affects the service to any public fire protection device, the Agency will promptly endeavor to notify the Fire Chief, or other public official responsible for fire protection, of such interruption and of subsequent restoration of normal service.

- b. Scheduled Interruptions

Whenever the Agency finds it necessary to schedule an interruption to its service, it will, where feasible, notify all Customers to be affected by



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the interruption, stating the approximate time and anticipated duration of the interruption. Scheduled interruptions will be made at such hours as will be least inconvenient to the Customers consistent with reasonable utility operations.

Where public fire protection is provided by the mains affected by the interruptions, the Agency will promptly endeavor to notify the Fire Chief, or other officials responsible for fire protection, of the interruption. In addition, the Fire Chief or other official responsible for fire protection will be notified upon restoration of service.

c. Apportionment of Supply during Water Shortages

To determine apportionment of supply during water shortages, see the Agency’s Water Shortage Contingency Plan and Water Conservation and Water Shortage Ordinance.

5.4.2 Ownership of Facilities on Customer's Premises

The service lateral, meter, and meter box or other facilities furnished at the Customer's expense, whether located wholly or partially upon a Customer's premises, are the property of the Agency. No rent or other charge will be paid by the Agency where the Agency-owned service facilities are located on a Customer's premises.

5.4.3 Agency Access to Customer’s Premises

The Agency shall at all reasonable hours have access to meters, service connections and other equipment or facilities owned by the Agency which may be located on Customer's premises for purposes of installation, maintenance, operation or removal of the equipment at the time service is to be terminated. The property owner or customer shall maintain the meter box area free and clear of any obstruction preventing clear access to Agency facilities.

The Customer's potable and recycled water (Agency owned) on-site facilities shall be open for inspection at all reasonable times to authorized representatives of the Agency. The Customer’s failure to do so within a reasonable period of time may result in disconnection. Any inspection work or recommendations made by the Agency or its agents in connection with plumbing or appliances, cross-connections or any use of water on the Customer's premises, either as a result of a complaint or otherwise, may result in a charge to the Customer.



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5.4.4 Service Calls

Where the Agency requires access to the Customer's premises for maintenance, service, or otherwise, and the Customer's presence is required for such service call, the Agency shall give the Customer a four-(4) hour period during which the service call shall be made.

5.4.5 Agency's Responsibilities for Damage or Loss to Customer

The Agency will not be responsible for any loss or damage caused by any negligence or wrongful act of a Customer or of a Customer's authorized representatives in installing, maintaining, operating or using any or all appliances, facilities or equipment that is supplied.

5.4.6 Customer's Responsibility for Agency Property

The Customer may be charged for damage to Agency's meters and other property resulting from the use or operation of appliances and facilities on Customer's premises, including but not limited to damage caused by electricity, vegetation, steam, hot water or chemicals, or the breaking or destruction of locks on or near a meter. The Agency at the customer's expense shall repair all such damage. Costs for repairs may be added to the customer's water bill.

5.4.7 Control Valve on the Customer Property

The Customer shall provide a valve on their side of the service installation, as close to the meter location as practicable to control the flow of water to the piping on their premises. The Customer shall not use the service curb stop to turn water on and off for their convenience.

5.4.8 Resale of Water

Except by special agreement with the Agency, no Customer shall resell water received from the Agency, nor shall such water be delivered to a property other than that specified in the application for service



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PART 6 – RATES AND CHARGES

6.1 General Provisions

For all metered Service Connections located within or outside the boundaries of the Agency, the monthly charge for service will consist of a Monthly Service Charge based on the size of the meter and a Variable Water Charge (quantitative charge). Property owners with an installed meter, whether the water service is on or off, are held responsible for and required to pay the Monthly Service Charge. In addition to these charges a Cross Connection protection charge will be applicable to all meters with such devices installed.

6.2 Monthly Service Charge

6.2.1 General Provisions

Rates and charges for water service and other miscellaneous charges are set by the Board of Directors. When Service is started or terminated during the month, the Monthly Service Charge will be prorated by day based on a 30-day billing period. Current rates and charges are set forth in Appendix A-2.

1. Fixed Charge

The Fixed Charge (Service and Legacy Debt) is a "base" monthly charge, and depends on the size of a Customer's meter, and is fixed regardless of the quantity of water consumed. Current rates are set forth in Appendix A-2.

2. Variable Water Rate

The Variable Water Rate (quantity rate) is applied to the Customer's water consumption. Current applicable rates are set forth in Appendix A-5.

3. Out of Agency Service

Customers located outside of the Agency may be charged rates for water service that are different than those charged to customers within the Agency, based upon the reasonable cost to the Agency of providing service to property outside its service area, as determined by the Board from time to time. Rates are set forth in Appendix A-12.



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4. Tank Truck Service Rates

Any person desiring service for tank trucks may, upon application and payment of a deposit equal to the cost of the meter plus a non-reimbursable charge for meter installation and removal may obtain water from such places as the Agency shall from time to time designate and shall pay monthly in accordance with the rates set forth in Section 6.2.13 and Appendix A-7.

In the event said construction meter is damaged, lost or stolen, or not returned, the deposit shall be forfeited.

6.2.2 Miscellaneous Fees and Charges

In order to recover the cost associated with late payments, disconnections and other damages sustained by the Agency, the specified items listed below are charged to Customers; the dollar amounts associated with each item are determined by the Board and set forth in Appendix A-12.

6.2.3 Late Fee

A Late Fee shall be assessed and applied to the Customer's bill at the time the Overdue Notice is generated as set forth in Section 8.11.

6.2.4 Restoration Fee

If a Customer requests resumption or continuance of service after such service has been disconnected, then the Customer shall pay a restoration fee in addition to any past due user charges, advance payments, or meeting any other conditions set forth by the Agency.

6.2.5 Returned Payment Charge

When a Customer's payment of water service and other charges is returned as non-negotiable for any reason, the Agency shall proceed as set forth in Section II(B)(5) of the Residential Discontinuation Policy.

6.2.6 Overdue Notice

Where the Agency has been compelled to provide notification of an impending disconnection of water service provided in Section II(B) of the Residential Discontinuation Policy, the Customer shall pay a Late Fee when an Overdue Notice has been generated, in addition to any other applicable charges provided hereunder.



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6.2.7 Meter Test Charge/Deposit

The Agency shall endeavor to keep the meters in good condition and registering accurately. Any Customer may request that his/her meter be examined and tested to see if it is correctly recording water delivered through it. Said request shall be made in writing and shall be accompanied by a deposit, set forth in Appendix A-12.

Upon receipt of such demand and deposit, it shall be the duty of the Manager to cause the meter to be examined and tested. If upon such examination and test the meter shall be found to register over two percent more water than actually passes through it, the meter shall be properly adjusted or another meter substituted therefore, and the deposit shall be returned to the person making the demand and the water bill shall be adjusted proportionately.

If the meter is found to register not more than two percent more water or less water than actually passes through it, said deposit shall be retained by the Agency to partially defray the expense of making the test. All other tests and examinations of meters shall be at the Agency's expense.

6.2.8 Pulled Meter Charge

If a Customer's service has been disconnected and the meter has been "pulled" or removed from the premises, then the Customer shall pay at the Agency office a pulled meter charge equal to the actual expense to the Agency of pulling the meter, and any other applicable charges, before the service and meter can be reconnected.

6.2.9 Unauthorized Connection and/or Water Use

Any person or entity found connecting and/or taking water from or through any of the Agency's facilities without Agency authorization will be assessed a fine payable to the Agency, as set forth in Appendix A-12, in addition to applicable Agency charges for the quantity of water taken. Written notice of the assessment of such fine shall be given by personal service or by registered or certified mail.

6.2.10 Charge for Turn off at Main

If the water to a property is turned on more than once without Agency authorization, the service may be shut off at the main, and the Customer shall be required to pay, in addition to any other applicable charges, a charge equal to the actual expense to the Agency of restoration prior to the re-establishment of



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service.

6.2.11 Unauthorized Tampering

If a Customer, new applicant, contractor, or developer is found to be responsible for unauthorized tampering of the Potable or Recycled Water Service Infrastructure (Water System), they shall incur a penalty, per incidence, according to Appendix A-10 and A-12.

6.2.116.2.12 Property Damage

If a Customer, new applicant or developer is found to be responsible for any damage done to Agency property; such damages shall be reimbursed to the Agency at cost plus administrative overhead. If responsibility for damage is not known, charges will be made to the current Customer or property owner.

6.2.126.2.13 Temporary Construction Meter Water Service

A Customer, new applicant or developer shall supply a photograph of the ~~construction-hydrant~~ meter number, numerical read and register to the Agency each month and comply with all terms and conditions as stated on the service application.

Failure to comply with this requirement will result in a monthly Unread Meter Charge as set forth in Appendix A-12.

6.2.14 AMI/AMR Opt-Out Fee

Residential Customers-of-record wishing to opt-out of Automated Meter Reading and/or Advanced Metering Infrastructure may make written request in such format as defined by the Agency. Eligible accounts must be in good standing and have no history of meter inaccessibility. Upon verification that application meets all eligibility requirements, Customer will be charged the Set-Up fee and monthly Opt-Out fee as determined by the Board and set forth in Appendix A-12. If a meter changeout is necessary to comply with approved request, Customer will be charged actual cost to the Agency. Charges and fees will be assessed on the Customer's monthly bill and are nonrefundable nor prorated. Any Customer who opts-out and subsequently elects to opt-in will not incur any charges or fees to have the AMI/AMR infrastructure installed.



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6.3 Pass-through of Increased/Decreased Cost of Wholesale Purchased Water

Any increase/decrease in the cost of purchased water shall be passed through directly to Agency customers as a rate adjustment per Government Code Section 53756. Such pass through shall be automatically passed through to customers pro rata on the basis of volume of water consumed in accordance with the adopted rates of each division.

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PART 7 – CREDIT

7.1 Establishing

As provided in Section 4.2, the payment of Potable or Recycled Water Service, including all bills, costs, loss, damage, penalties, charges, or fees regardless of user or use, in all cases shall be the responsibility of the Property Owner. Each Applicant for Potable or Recycled Water Service may be required to establish credit worthiness to the satisfaction of the Agency before service will be rendered. Applicant may establish credit worthiness with no deposit required if the Applicant can show that most recent prior service was not terminated for nonpayment for twelve (12) consecutive months from his/her previous Potable or Recycled Water Service provider, even if that provider was not the Agency. Prior service must have been in the Applicant’s name in order to be used for the credit worthiness test.

7.2 Amount of Deposit

Where credit worthiness cannot be established to the satisfaction of the Agency pursuant to Section 4.2, a deposit may be required as provided in Appendix A-11 or an amount equal to, or projected to be, three (3) times the average monthly bill for the preceding twelve-month (12-month) period.

7.3 Refund of Deposit

Deposits for Potable or Recycled Water Service will be held by the Agency for a period of one (1) year from the date Potable or Recycled Water Service is provided to the subject Property. All other deposits will be held until the completion of the project or service is terminated. If Potable or Recycled Water Service is terminated during that one-year (1-year) period for nonpayment, the Agency shall retain the deposit until Potable or Recycled Water Service is ordered terminated by the Customer. If Potable or Recycled Water Service is not terminated during the first year, the Agency shall apply the deposit to the water billing or billings until the amount of the deposit is used in full. In the event the Customer requests termination, the Agency shall refund the remaining balance of any deposit, without interest, and less any accrued but unpaid water billing, within a reasonable time after termination of service. The remaining balance in excess of \$5.00 will be mailed in the form of a check to the customer’s last known address. In the event the Agency discovers damage, theft and/or unauthorized use of Agency facilities, services will be immediately discontinued, and billing of services terminated. All applicable charges and penalties will be deducted from the Customer’s deposit as provided under Conditions of Potable or Recycled Water Service, Part 13. Applicable charges and penalties are provided in Appendix’s A-10 and A-12. Any unclaimed deposit shall be held or retained by Agency pursuant to Section 50650, et seq., of the California Government Code or any successor statutes thereto.



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7.4 Joint Service

No joint service is allowed. An individual party will be solely liable for payment of bills. In those instances where more than one party applies for service, each party shall be severally liable for payment of bills.

7.5 Re-establishment of Credit

Subject to the provisions of the Residential Discontinuation Policy, a Customer whose service has been discontinued for nonpayment of bills will be required to pay any unpaid balance due the Agency for the premises for which service is to be restored and may be required to pay a restoration fee as prescribed in Sections 6.2.4 and 6.2.5 under "Late or Restoration Fee" before service is restored by Agency personnel. In addition, the Customer will be required to deposit with the Agency such sums of money as determined by the Board from time to time, as specified in Appendix's A-11 and A-12. Deposits collected by the Agency are deposited into an account which does not accrue interest.

7.6 Bankruptcy of Customer

Pursuant to the Bankruptcy Code (Title 11, U.S.C., as amended from time to time), the Agency shall not alter, refuse or discontinue service to, or discriminate against, a Customer, or a trustee of a Customer, solely on the basis that a debt owed by the Customer to the Agency for service rendered before the order for relief was not paid when due. It shall be the responsibility of the Customer to supply the Agency with a copy of any applicable order for relief.

The Agency shall discontinue service if neither the Customer or the trustee, within 20 days after the date of the order for relief, furnishes adequate assurance of payment in the form of an advance payment for service after such date. As used herein, "adequate assurance of payment" shall mean an advance payment in an amount equal to the highest of the last 6 billings rendered to the Customer, or for the Customer's property if Customer has not occupied the property for that period of time, prior to the order for relief.

As used herein, "order for relief" shall have the same meaning as given to it in the Bankruptcy Code. The commencement of a voluntary case under the Bankruptcy Code shall constitute an order for relief. Service may be discontinued in accordance with the rules of the Agency upon non-payment for service rendered after the order for relief.



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7.7 Past Due Account

The bill for Potable or Recycled Water Service is due on the Due Date (ten (10) days from the date the bill was generated, as signified by the date of the bill) and Potable or Recycled Water Service is subject to termination if the bill is not paid within sixty (60) days from the Due Date.

Services terminated for delinquency shall not be restored until all outstanding charges are paid in full, including a fee for restoration of service as provided for in Section 6.2.4 and a late fee as provided for in Section 6.2.3. An updated application may be required.

If the manner of payment of the past due amount is not accepted by the paying bank for any reason, and the Agency had properly notified the customer of a pending termination of service per these Rules and Regulations prior to receipt of the rejected payment, Potable or Recycled Water Service may be terminated immediately without further notice. Potable or Recycled Water Service will not be restored until all outstanding charges are paid in full, including a returned payment charge, as applicable and provided in Section 6.2.5.

A Customer having a past due account on one Property may not receive Potable or Recycled Water Service on another Property until the past due account has been paid, including penalties, if any. A Customer whose Potable or Recycled Water Service has been terminated for nonpayment of a past due account or whose deposit has been applied in whole or in part to the payment of any past due account, will be required to make a cash deposit in accordance with Section 8.21. Additionally, when Potable or Recycled Water Service has been terminated for nonpayment, all charges may be transferred to another account held in the sole name of the same Owner and the Owner shall be given written notice of that transfer. This account shall become past due if payment is not made within sixty (60) days from the date of past due transfer and will be subject to Part 9, Termination of Potable or Recycled Water Service. The Agency may file liens against the Property, or any properties owned by the past due Customer within the state of California to enforce collection of past due accounts as provided in Water Code Section 31701.5.



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PART 8 – BILLING

8.1 General Provisions

The Property Owner is liable for payment of bills, costs, loss, damage, penalties, charges, or fees regardless of user or use for water or other services provided to the Property for all Potable or Recycled Water Service from the acquisition date of the property until such time as the property is transferred to new ownership. The Property Owner is responsible to provide the Agency with a notice to stop Potable or Recycled Water Service in a form and manner determined by the Agency in accordance with Section 4.2.9.

8.2 Rendering and Payment of Bills

Bills for service will be rendered on a monthly basis, at the option of the Agency. Bills for service are due on the tenth (10th) day after generation, as signified by the date of the bill, and Potable or Recycled Water Service is subject to termination if the bill is not paid within sixty (60) days from the Due Date. In the event the payment is not received by the forty-fifth (45th) from the date of generation, the Customer will be assessed a late charge as specified in Appendix A-12.

Payment may be made at the office of the Agency or to any representative of the Agency authorized to make collections. However, it is the Customer's responsibility to assure that payments are received at the Agency's office in a timely manner.

8.3 Potable or Recycled Water Service Information on Bill

The bill may show one or more of the following charges: Variable Water Charge, Service Charge, or Special Charge and Total Amount Due. In addition, the bill will show the Customer's account number, the date of billing, the service location, and the address to which the bill was mailed.

The following information may also be included on the bill: Customer's water target for the period, Customer's actual water usage for the period, Customer's water efficiency rating and the Customer's water usage history.

Information shown on the Customer's bill may change at the General Manager's discretion.

8.4 Person to be Billed

Charges will be the responsibility of the Property Owner. The Property Owner may authorize, in writing, that a second party, such as a Tenant may establish service in their



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name as provided for in Section 4.2.9, or a Tenant or Tenants may establish service as provided in the Residential Discontinuation Policy. To the extent permitted by law, the Property Owner shall be held responsible for payment of all amounts due for Potable or Recycled Water Service, including all bills, costs, loss, damage, penalties, charges, or fees regardless of user or use. The Property Owner may request for a copy of the bill to be sent to the Owner's mailing address as well. The Property Owner shall notify the Agency of any change in the ownership or occupancy of the Property at least two days prior to such change in a manner deemed acceptable by the Agency.

8.5 Payment

The bill for Potable or Recycled Water Service is due and payable on the tenth (10th) calendar day after the bill is generated. A bill will become subject to a late charge if it is not paid within forty-five (45) days from the date the bill is generated. Potable or Recycled Water Service is subject to termination if a bill is not paid within sixty (60) days from the Due Date.

8.6 Adjustment of Bill

The Customer may request, in a manner deemed acceptable by the Agency and as specified in Section IV of the Residential Discontinuation Policy, an adjustment to the Potable or Recycled Water Service charges billed for one of the following reasons:

8.6.1 Estimated meter reading

8.6.2 Water meter accuracy

8.6.3 Adjustment of bills for excessive consumption

8.7 Estimated Meter Reading

A bill based upon an estimated meter reading, as provided in Section 8.6, may be adjusted at the Customer's request and as approved by the Agency. Billing adjustments related to an estimated meter reading will be limited to the period for which the meter reading was estimated.

8.8 Opening Bills

Opening Bills for less than the normal billing period shall be prorated both as to minimum charges and water consumption.

8.9 Closing Bills

Closing bills for less than the normal billing period shall be prorated both, as to minimum



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8.10 charges and water consumption.
Separate Billings for Each Meter

Each meter on a Customer's premises will be considered separately and the readings of two or more meters will not be combined except where the Agency's operating convenience or necessity may require the use of more than one meter or a battery of meters. In the latter case, the meter readings will be combined for billing purposes.

8.11 Late Fee

A late fee of ten (\$10) dollars will be charged when an account has not been paid before the Overdue Notice is generated.

A Late Fee will be charged as a potable or recycled water account becomes past due provided that: (a) the account has a past due balance exceeding twenty dollars (\$20); and (b) are not paid within forty-five (45) days from the date the bill is generated. Customers with timely payment histories during the previous 12-month period prior to being charged a Late Fee may have the Late Fee waived upon request. The amount of the Late Fee is set forth in Appendix A-12, as said amount may be revised from time to time.

8.12 Alternative Payment Plans

As set forth in Section III of the Residential Discontinuation Policy, any Customer, who is unable to pay for water service within the normal payment period, may request amortization of the unpaid balance over a period not to exceed twelve months in order to avoid disconnection of potable service for nonpayment, or may request another type of alternative payment arrangement described in that section. The Agency will consider all circumstances surrounding the request and make a determination as to whether amortization or any other specified alternative payment arrangement is warranted.

8.12.1 Amortization Payment Plan

Upon request from the Customer, an amortization plan or other alternative payment arrangement will be entered into between the Agency and the Customer. The amortization plan will amortize the unpaid balance over a period determined by the Agency, not to exceed twelve (12) months, with payments added to the Customer's regular bill. Any other alternative payment arrangement selected by the Agency shall ensure repayment of unpaid amounts within twelve (12) months, subject to further extension at the Agency's discretion.

The Customer will be charged an administrative fee representing the cost to the Agency of initiating and administering the plan. The plan shall include a charge for interest of ten percent (10%) per annum or the maximum legal rate,



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whichever is lower, on the unpaid balance, subject to waiver as specified in the Residential Discontinuation Policy.

8.12.2 Certification by Physician

See Section II(C) of the Residential Discontinuation Policy with respect to the potential to defer termination of Potable or Recycled Water Service.

8.12.3 Compliance with Plan

The Customer must comply with the amortization plan, or other alternative payment arrangement, and remain current as charges accrue in each subsequent billing period. The Customer may not request further amortization of any subsequent unpaid charges while paying past due charges pursuant to an amortization plan. Failure to comply with the terms of an amortization plan for at least sixty (60) days will result in termination of Potable or Recycled Water Service as specified in Section III of the Residential Discontinuation Policy and further requests for amortization will not be granted for a period of at least twelve (12) months.

8.13 Disputed Bills

See Section IV of the Residential Discontinuation Policy for the required appeals procedures.

8.14 Adjustment of Bills for Excessive Consumption

It is the Customer’s responsibility to properly maintain the property’s private plumbing water system, including irrigation systems and water features. A leak in the Customer’s water system is the sole responsibility of the Customer and the Agency charges for all water that records and passes through the water meter. In addition to the appeals process set forth in Section IV of the Residential Discontinuation Policy, if a Customer requests the Agency to review a bill for water service due to excessive consumption, the Agency may grant an adjustment subject to the conditions below.

8.14.1 Verified Adjustments

Verified adjustments for high consumption may be granted to Customers when there is explained high consumption such as a water leak on the Customer’s property. The Agency, after investigation, shall find all of the following:

1. The meter must be re-read, may be field tested, and verified as accurate.



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2. The Customer made the request for billing review within 60 days of the first bill date reflecting excessive consumption.
3. Upon notification of excessive water consumption, the Customer took prompt action to locate the leak and complete repairs within 30 days. Notification to the Customer may take the form of a billing statement, written communication to the Customer, a courtesy phone call or a notice left at the property.
4. Proof of repair, including copies of repair bills or photographs, is required.
5. The Customer did not have a verified adjustment in the previous 12-month period prior to the bill with excessive consumption.
6. No adjustment shall be made for any period longer than two consecutive billing periods or for water delivered 30 days after the Agency notifies the Customer of the excessive use.
7. Consumption must have returned to historical use.
8. No more than one verified adjustment shall be made for excessive consumption within a rolling 60-month period.

8.15 Agency Initiated Billing Adjustment

If the Agency discovers that a billing error has been made related to meter reading against a Customer's account, the Agency will immediately take all reasonable steps to correct the billing. If the Customer has been under-billed, the Agency reserves the right to go back six (6) months to recalculate the amount due and payable and the General Manager, or designee may provide for reasonable payment arrangements for the balance due to be paid. If the Agency has over-billed the Customer, the Agency shall go back no longer than six (6) months to recalculate the amount of over-billing refund due to the Customer.

8.16 Adjustment of Bills for Meter Error

In addition to the appeals process set forth in Section IV of the Residential Discontinuation Policy, the Customer may request an adjustment of the bill because of meter error. Such a request must be made in writing and the rules set forth in Section 6.2.6, Meter Test Charge, will apply. The Agency will proceed, within one week, to test the Customer's meter; the meter will be tested in an "as found" condition, in order to determine the average meter error. If the average meter error is found to exceed 2 percent, that is if quantities of water recorded by the meter are outside of a range between 98 percent and 102 percent of the actual quantities of water passed through the



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meter during the test, the following billing adjustments will be made.

8.16.1 Fast Meters

The Agency will refund to the Customer the amount of the overcharge based on corrected meter readings of the period the meter was in use and determined to be incorrect, but not to exceed a period of six months.

8.16.2 Slow Meters

The Agency may bill the Customer, at its option, for the amount of the undercharge based upon corrected meter readings for the period the meter was in service and determined to be incorrect, but not to exceed a period of six months.

8.16.3 Non-Registering Meters

The Agency may bill the Customer according to an estimate of water consumed while the meter was not registering, but not exceeding a period of six months. This estimate will be based on the Customer's prior use during the same season of the previous year if conditions were unchanged during the year, or on a reasonable comparison of consumption of other similar Customers during the same period.

8.16.4 General

If the meter error is caused by some event, the date of which can be determined, then the billing adjustment will be made for the period of time since the date of such event; such a period may exceed the six-month limitation for fast meters and the six-month limitation for slow or non-registering meters, as stated in 1 through 3 above.

8.17 Past Due Bills

The following rules apply to Customers whose bills remain not paid forty-five (45) days from the date the bill is generated.

8.17.1 Small Balance Accounts

In any billing, if less than a minimum bill remains unpaid, it may be carried over, and added to, the next billing period.



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8.17.2 Overdue Notice

If payment for a billing period is not received by the forty-fifth (45th) day from the date the bill is generated, an Overdue Notice will be mailed to the water service Customer at least seven (7) business days prior to actual disconnection. The Notice will include a late fee. Upon receipt of an Overdue Notice and up to the date set for disconnection, the Customer may request an amortization payment plan or other alternative payment arrangement, as the Agency may select, pursuant to Section 8.13.

8.17.3 Notice to Residential Tenants/Occupants in an Individually Metered Residence

See Section II(F) of the Residential Discontinuation Policy.

8.17.4 Notice to Tenants/Occupants in a Multiunit Residential Structure with Service through a Master Meter

See Section II(F) of the Residential Discontinuation Policy.

8.17.5 Disconnection Deadline

Water service charges and late fees must be paid on or prior to 4:30 p.m. on the day specified in the Overdue Notice.

8.17.6 Waiver of Overdue Notices to Public Agencies

Public agencies, because of usual sound financial base and variations in warrant payment procedures, will not be sent past due notices for past due payment of current accounts.

8.18 Notification of Returned Payment Disposition

Upon receipt of a returned payment taken as remittance of water service or other charges, the Agency will consider the account not paid and may terminate Potable or Recycled Water Service. Potable Water Service termination as specified in Section II(B)(6) of the Residential Discontinuation Policy. If an Overdue Notice has already been provided to the customer, the Agency may proceed with termination of Potable or Recycled Water Service in accordance with that notice if payment is not subsequently made. If an Overdue Notice has not already been provided to the customer and the bill is not yet past due, the Agency will promptly notify the customer of the returned payment and all applicable charges. If the bill remains unpaid as of the forty-fifth (45th) day from the date the bill is generated, then the Agency will issue an Overdue Notice to the customer.



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Water service will be disconnected if the amount of the returned payment and returned payment charge are not paid on or before the date specified in the Notice of Termination. All amounts paid to redeem a returned payment and to pay the returned payment charge must be cash or certified funds.

8.19 Returned Checks for Previously Disconnected Service

In the event the Customer tenders a non-negotiable check as payment to restore water service previously disconnected for non-payment, and as a result, the Agency restores service, the Agency may disconnect service notice upon at least ten (10) days' written notice.

8.20 Returned Checks Requiring Cash or Certified Funds

Any Customer issuing a non-negotiable check for payment to restore service turned off for non-payment, may be required to pay, for one year, cash or certified funds to have service restored if turned off again within this time period for non-payment.

8.21 Pre-Payment upon Receipt of a Non-Negotiable Check

Any customer issuing a non-negotiable check as payment for water charges may be required to deposit with the Agency such sums as the Agency may establish for re-establishment of credit, as provided in Sections 7.5.

8.22 Create a Lien

If the Customer's bill remains unpaid for sixty (60) days after the Due Date, after notice to the Customer or the property owner, the Agency may file a Certificate in the Office of the County Recorder specifying the amount of the charges and the name and address of the person liable therefore, which Certificate shall create a lien.

A lien created pursuant to this procedure shall, in the sole discretion of the Agency, attach either to the property to which service was provided, or to any property in the County owned by the individual responsible for payment.



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PART 9 – TERMINATION OF POTABLE OR RECYCLED WATER SERVICE

9.1 Agency Initiated

The Agency has the right to terminate Potable or Recycled Water Service if the Customer fails to comply with these Regulations, including the Residential Discontinuation Policy. In addition, if the Customer receives and fails to pay for Agency services or fees, the Agency has the right to terminate Potable or Recycled Water Service.

9.2 Termination Procedures

When delinquency occurs, the Agency will provide to the Customer notice of the delinquency and impending termination of Potable or Recycled Water Service in accordance with the Residential Discontinuation Policy at least seven (7) business days prior to the proposed termination by telephone, or a notice mailed, postage prepaid, to the Customer’s service and billing address. The Agency shall notify the Property Owner or authorized agent of impending termination if Property Owner has authorized a second party to receive billing statements.

If the Agency is unable to make contact with the customer by telephone, and written notice is returned through the mail as undeliverable, the Agency shall make a reasonably good faith effort to visit the residence and leave or make other arrangements for placement in a conspicuous place, a notice of imminent termination of Potable or Recycled service for nonpayment.

9.2.1 As set forth in Section II(B)(1) of the Residential Discontinuation Policy, the Overdue Notice shall constitute notice of the impending termination of Potable Water Service and shall include:

1. The Customer’s name and address.
2. The amount of the delinquency.
3. The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service.
4. A description of the process to apply for an extension of time to pay the past due charges.
5. A description of the procedure to petition for bill review and appeal.
6. A description of the procedure by which the customer may request a



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deferred, reduced, or alternative payment schedule, including an amortization of the past due residential service charges, consistent with the Agency’s policy to avoid discontinuation of Potable service for nonpayment.

9.2.2 Customer Appeal

If the Customer appeals their bill and submits a request for account review in accordance with Section IV of the Residential Discontinuation Policy, Potable Water Service shall not be discontinued while an appeal is pending. The Agency will thereafter determine if Potable Water Service shall be continued or terminated.

9.2.3 Potable Water Service through a Residential Master Meter

Before terminating Potable Water Service to residential Customers served through a master meter or individually metered Potable Water Service connection in a multiunit residential structure, mobile home park or farm labor camp where the owner, manager or farm labor employer is listed by the Agency as the Customer of record for the Potable Water Service, the Agency shall provide notice as specified in Section II(F) of the Residential Discontinuation Policy.

9.2.4 No Notice Required

Prior to termination of Potable or Recycled Water Service, notice is not required when the illegal noncompliance (i.e., tampering), violation or infraction of these Regulations by the Customer results, or is likely to result, in dangerous or unsanitary conditions on the Property or in the water system or elsewhere. In such cases, the Agency may order immediate termination of Potable or Recycled Water Service. For terms specific to recycled water, see Part 18.

9.3 Termination of Potable or Recycled Water Service initiated by the Agency

9.3.1 Termination of Potable or Recycled Water Service may also be initiated by the Agency under the following circumstances:

1. Where conditions of use have changed materially to the point where new or additional fees or charges are due or other charges in the Potable or Recycled Water Service are required or appropriate but the Customer refuses to agree to the additional fees or charges in the Potable or Recycled Water Service, the Agency may terminate the Potable or Recycled Water Service; provided, however, that if the reason for the termination is the non-payment of such fees or charges after imposition by the Agency, then the Agency shall



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comply with the procedures set forth in the Residential Discontinuation Policy.

2. Where excessive demands by one Customer may result in inadequate Potable or Recycled Water Service to others or;
3. To protect itself against fraud or abusive conduct on the part of the Customer and,
4. As provided in this Section and in Parts 4, 13 and 18 of these Regulations.

The Agency shall not terminate Potable Water Service by reason of delinquency in payment or otherwise cause cessation of Potable Water Services on any Saturday, Sunday, legal holiday, or at any time when Agency business offices are not open to the public.

9.4 Medical Provision

9.4.1 As provided in Section II(C) of the Residential Discontinuation Policy, Residential Service will not be terminated for nonpayment if all of the following conditions are met:

1. Customer submits certification of a primary care provider that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where service is provided;
2. Customer demonstrates he or she is financially unable to pay for water service within the Agency’s normal billing cycle, including if the customer or any member of the customer’s household is (a) a current recipient of the following benefits: CalWORKS, CalFresh, general assistance, Medi-Cal, SSI/State Supplementary Program or California Special Supplemental Nutrition Program for Women, Infants and Children; or (b) the customer declares the household’s annual income is less than 200% of the federal poverty level; and
3. Customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for a deferred or reduced payment with respect to all past due charges consistent with the Rules and Regulations. The repayment option provided should result in repayment of any remaining outstanding balance within twelve (12) months.



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9.4.2 Residential service may be discontinued if:

1. Final notice of intent to disconnect service is posted at the property at least five (5) business days prior to the termination date where either of the following has occurred:
 - a. Customer fails to comply and is at least sixty (60) days past due on the amortization agreement, alternative payment schedule or deferred or reduced payment plan; or
 - b. Customer fails to pay current residential service charges for sixty (60) days or more while participating in an amortization agreement, alternative payment schedule, or a deferral or a reduction in payment plan for past due charges.

9.5 At Customer’s Request

A Customer may have Potable or Recycled Water Service terminated by notifying the Agency at least two (2) business days in advance of the desired date of termination and by paying the charge as provided in Section 11.3. The Agency may require the notice to be in the form of writing, either electronic or paper. The Monthly Service Charge will continue to be assessed in accordance with Section 6.2. Potable or Recycled Water Service will only be terminated during the Agency’s normal working hours and working days unless approved by the Agency in advance.

9.6 Permanent Termination of Service

A Customer may have Potable Water Service permanently terminated as provided for in Sections 11.1.



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PART 10 – RESTORATION OF POTABLE OR RECYCLED WATER SERVICE

10.1 General Provisions

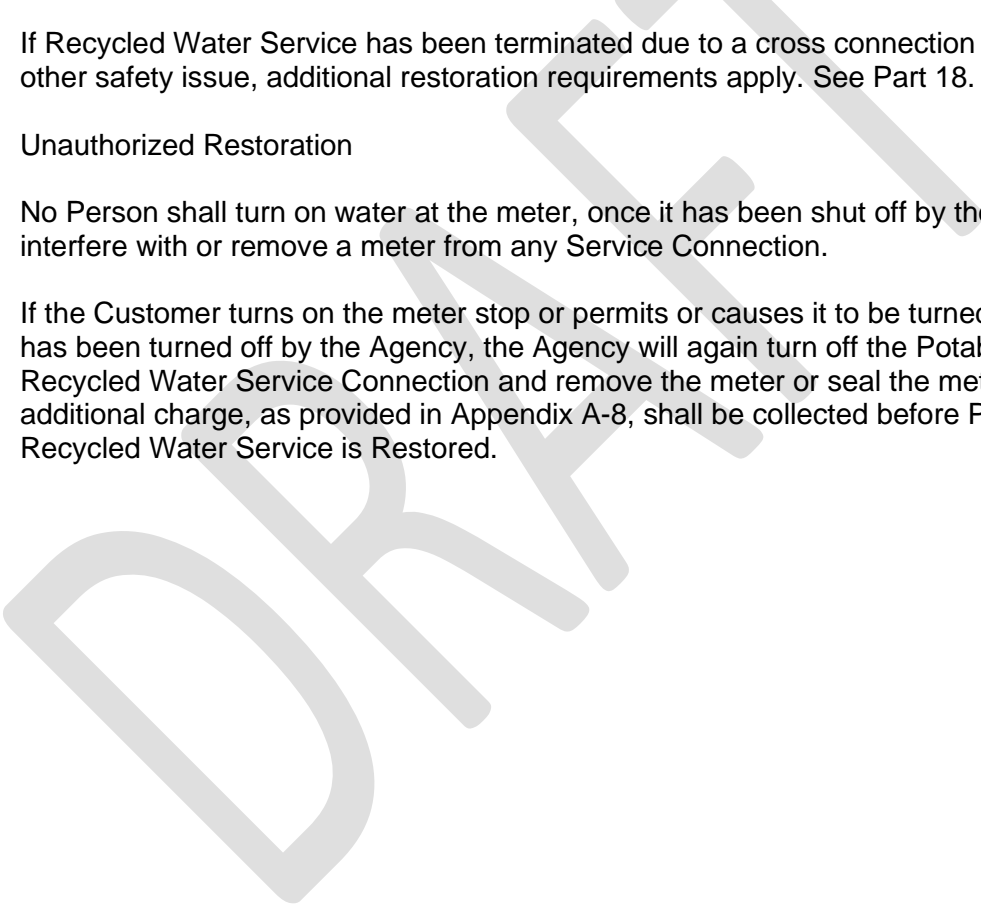
A Customer whose Potable or Recycled Water Service has been terminated may have it Restored and must pay a restoration fee as set forth in Section 6.2.4. The Agency will endeavor to make reconnections as soon as practicable, to suit the Customer’s convenience; however, the Agency shall make the reconnection before the end of the next regular working day following the Customer’s request and payment of any applicable reconnection charges pursuant to Appendix A-8.

If Recycled Water Service has been terminated due to a cross connection incident or other safety issue, additional restoration requirements apply. See Part 18.

10.2 Unauthorized Restoration

No Person shall turn on water at the meter, once it has been shut off by the Agency, or interfere with or remove a meter from any Service Connection.

If the Customer turns on the meter stop or permits or causes it to be turned on after it has been turned off by the Agency, the Agency will again turn off the Potable or Recycled Water Service Connection and remove the meter or seal the meter. An additional charge, as provided in Appendix A-8, shall be collected before Potable or Recycled Water Service is Restored.





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PART 11 – TURN ON AND TURN OFF PROCEDURES AND CHARGES

11.1 Permanently Discontinue Water Service

A Customer must request that water service be discontinued permanently. Such a request must be made by giving at least two working day’s advance notice to the Agency. If such notice is not given, all charges applied to the Customer’s account will be the sole responsibility of the current Customer until the Agency is notified, the account is closed and the water service is either turned off or at which time a new Customer has accepted responsibility by completing the necessary application forms as set forth in Section 4.2. The Agency does not backdate any disconnection of water service.

11.2 Temporary Turn-off of Water Service “Emergency”

A Customer must request that the water service be turned off for any emergency that causes water to flow from the meter or Customer’s property due to a water leak. Water service that is turned off by any person other than Agency personnel or without Agency authorization is prohibited and may be subject to fines or additional charges or fees.

11.3 Turn-off by the Agency

The Agency may disconnect a Customer's service for various reasons that are listed below. Such involuntary disconnections are affected by turning off and locking the meter, thereby stopping the water service; the Agency will make a reasonable attempt to notify the Customer of disconnection in person or will place a disconnection notice on the premises served by the disconnected meter prior to termination. Any disconnection by the Agency shall result in a charge to the Customer, as provided in Section 6.2.3.

Reasons for involuntary disconnection include, but are not limited to, the following:

11.3.1 Non-Payment of Bills

A service may be disconnected for non-payment of periodic bills as specified in the Residential Discontinuation Policy. Before a service is disconnected, the Customer will be notified by an Overdue Notice as set forth in Sections 8.18.2. A service may be disconnected for non-payment of bills of a Customer whether or not the payment delinquency is associated with water service at that service connection or at any other water service connection of that same Customer.

11.3.2 Non-Compliance with Rules

The Agency may discontinue service to any Customer for violation of the Agency's rules and regulations after it has given the Customer at least five (5)



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days' written notice of such intention and the violation remains uncured. Where safety of water supply is endangered, service may be discontinued immediately without notice.

11.3.3 Water Waste

In order to protect against serious and or negligent water waste, the Agency may at its discretion, temporarily turn off the water service to the property at which said water waste is taking place as provided in Section 12.1. The Agency may require any leaks or water waste practices to be remedied or the flow of water mitigated prior to the reconnection of water service to the property as to not promote or prolong any water waste event to the detriment of the Agency and its Customers.

Upon reconnection of water service by any non-Agency personnel and the failure of the Customer to correct any water waste event, the Customer's water service shall be terminated. Service will be restored only after the water waste has been remedied, and Customer has paid the reconnection charge as set forth in Appendix A-8. Any damage caused by the temporary or permanent disconnection of water service due to any serious and or negligent water waste shall be the sole responsibility of the Customer.

11.3.4 Unsafe or Hazardous Conditions

The Agency may disconnect a service without notice if unsafe or hazardous conditions are found to exist on the Customer's premises. The Agency will immediately notify the Customer of the reasons and the necessary corrections required before reconnection. Such unsafe or hazardous conditions may exist due to defective appliances or equipment that may be detrimental to the Customer, the Agency or to the Agency's other customers.

11.3.5 Fraudulent Use of Service

When the Agency has discovered that a Customer has obtained service by fraudulent means, or has diverted the water service for unauthorized use, the service to that Customer may be discontinued without notice. The Agency will not restore service to such Customer until that Customer has complied with all applicable rules and reasonable requirements of the Agency and the Agency has been reimbursed for the full amount of the service rendered and the actual cost to the Agency incurred by reason of the fraudulent use.



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11.3.6 Emergency

The Agency has personnel on call twenty-four (24) hours a day, seven (7) days a week to assist Customer’s whose water service has previously been turned off for an emergency. The Customer must contact the Agency to request that the water service be turned back on to ensure that no damage occurs when turning the water back on. Water service that is turned on by any person other than Agency personnel or without Agency authorization is in violation of Section 10.2 and may be subject to fines or additional charges or fees.

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PART 12 – WATER EFFICIENCY AND CONSERVATION

12.1 General Provisions

Water efficiency and conservation are critical components in the Agency’s comprehensive strategy for meeting current and future water needs to its Customers. Water use regulations effectively reduce waste and fulfill regulatory requirements of the Agency’s applicable ordinances and the State of California as stated in EO-B-37.16, Making Water Conservation a California Way of Life. As a condition of service, Customers of the Agency must use water delivered through the Agency’s system in a manner that promotes efficiency and avoids waste. See the Agency’s Water Shortage Contingency Plan and Water Conservation and Water Shortage Ordinance for additional information.

12.2 Use of Water Saving Devices and Practices

Each Customer of the Agency is urged to install devices to reduce the quantity of water to flush toilets and to reduce the flow rate of showers. Each Customer is further urged to adopt such other water usage and re-usage practices and procedures as are feasible and reasonable.

12.3 Use of Recycled Water

Where recycled water is available and, where consistent with applicable law, the Customer shall use such recycled water for landscape irrigation and other non-potable applications. Separate facilities shall be utilized for the transportation and delivery of recycled water. See Part 18 for additional recycled water requirements.

12.4 Rules and Regulations

The Agency may adopt such rules and regulations imposing restrictions on the use and consumption of water as it may deem appropriate. Violation of Agency regulations governing water conservation may result in termination of service, as provided in Section 9.1. See the Agency’s Water Shortage Contingency Plan and Water Conservation and Water Shortage Ordinance

12.5 Cross Connections

The Agency has a Cross-Connection Control Program (CCCP). The CCCP incorporates such a plan (see Appendix E) and can be requested from the Agency.



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12.6 Unlawful Acts

In order to protect public water supplies, certain acts are, by state law, misdemeanors and in some instances, penalties are punishable by imprisonment in the county jail for not more than one year or in the state prison. Among the more significant statutes involving criminal acts with respect to water systems are:

12.6.1 CA Penal Code Section 498

It is a misdemeanor to tamper, divert, and make connection or reconnection to any Agency meters, hydrants or facilities with intent to obtain for himself or herself utility services without paying the full lawful charge and without the authorization or consent of the utility.

12.6.2 CA Penal Code Section 624

Every person who willfully breaks, digs up, obstructs, or injures any pipe or main for conducting water, or any works erected for supplying buildings with water, or any appurtenances or appendages connected thereto, is guilty of a misdemeanor.

12.6.3 CA Penal Code Section 625

Every person who, with intent to defraud or injure, opens or causes to be opened, or draws water from any stopcock or faucet by which the flow of water is controlled, after having been notified that the same has been closed or shut for specific cause, by order of competent authority, is guilty of a misdemeanor.

12.6.4 CA Health and Safety Code Sections 4450 to 4457

Any act that leads to the pollution of any conduit or reservoir.

12.7 Damage to Fire Hydrants or other Above Ground Service Connection

When any person, company, or agency is determined to be the responsible party that has caused damage of a fire hydrant or blow off valve, the Agency may charge that party with all costs necessary to repair the damages and the cost of water loss computed on basis of duration of flow and flow rate.

12.8 Private Fire Protection Service

All facilities utilized by the Customer in providing private fire protection to the premises are the property of the Customer, who shall be responsible for the costs of installation,



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repair and maintenance of the private fire protection system.

12.9 Use and Testing

Upon prior written request and approval of the Agency, the Customer may test the system at no cost. Testing a private fire protection system without prior Agency approval constitutes Unauthorized Water Use and shall result in a fine as provided in Section 6.2.10.

There shall be no water used through the private fire protection system, except to extinguish fires and for testing.

12.9.1 No Connection to Other System

There shall be no connection between the private fire protection system and any other water distribution system on the premises.

12.9.2 Rates

The monthly charge depends on the size of the detector check, as set forth in Appendix A-2. Allowable uses are for testing with prior Agency approval, or to fight a fire, which has been reported to the fire department.

For testing, variable water charges are waived. No charge will be made for water used to fight a fire.

12.9.3 Water for Fire Storage Tanks

Occasionally, water may be obtained from a private fire protection system to fill a storage tank that is part of the fire protection system, but only with prior written authorization from the Agency and only where an approved means of measuring the flow quantities is available. Water so used will be billed at regular service rates.

12.10 Water Leak Adjustment Policy

Occasionally, the Agency is asked to adjust a customer’s bill because of high water consumption on the customer’s side of the meter due to unanticipated water leakage. The primary responsibility to maintain and monitor water use, plumbing, and security from vandalism belongs to the customer or property owner with respect to water on the customer’s side of the meter.

As set forth in Section 8.15, excessive water use due to leaks may qualify for a leak adjustment. This is an effort to relieve the customer from the rare occurrence of those



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leaks uncommon or catastrophic in nature and beyond the control of the customer. Definitions of a verified adjustment and reporting process are presented in Section 8.15.1.

This policy may be amended from time to time by action of the Board of Directors.

12.11 Identity Theft Prevention Policy

The Federal Trade Commission (“FTC”), as part of the implementation of the Fair and Accurate Credit Transaction (FACT) Act of 2003, requires financial institutions and creditors holding consumer or other covered accounts to develop and implement a written Identity Theft Prevention Program which provide for detection of and response to specific activities (“Red Flags”) which could be related to identity theft.

The Agency staff will review the effectiveness of this policy annually, document any significant incidents involving identity theft and actions taken and include recommendations for material changes to the program.

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PART 13 – CONDITIONS OF POTABLE OR RECYCLED WATER SERVICE

13.1 General Provisions

13.1.1 Maintenance of Potable or Recycled Water Service

The Agency will exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of water to the Customer and to avoid any shortage or interruption of delivery of same. The Agency is not liable for interruption, shortage, insufficiency of supply or any loss or damage occasioned thereby, if same is caused by accident, act of God, fire, strike, riot, war or any other cause not within its control.

13.1.2 Suspension of Potable or Recycled Water Service

The Agency, whenever it finds it necessary for the purpose of making repairs or improvements to the Water System, may suspend Potable or Recycled Water Service temporarily. This temporary suspension of service will inactivate a fire suppression system that is provided water through the Customer’s service connection. In all such cases, a reasonable notice thereof, as circumstances will permit, will be given to the Customer. The making of such repairs or improvements will be done as rapidly as practicable and, if practicable, at such times as will cause the least inconvenience to the Customers.

13.1.3 Pressure

The Agency attempts to operate the Potable Water System within a static pressure range between forty (40) to one hundred fifty (150) pounds per square inch (psi) and the Recycled Water System within a static pressure range between sixty (60) to one hundred fifty (150) psi. However, there are times and areas where static water pressure is outside this range. Applicants connecting to the Potable or Recycled Water System in an area with a static water pressure below sixty (60) psi may be required to execute a Low-Pressure Agreement. If the static water pressure exceeds eighty (80) psi, an individual pressure regulating valve is required on the Customer Service Line as required by the Uniform Plumbing Code for Potable water and recommended for recycled water.

The Agency assumes no obligation to deliver water to elevations higher than its existing facilities serve. Where Properties are situated at such an elevation that the Applicant cannot be assured of a dependable supply from the Potable or Recycled Water System and/or the desired rates of flow and/or pressure required by the particular operation to be conducted on the Property cannot be assured by the Agency, the Applicant, in consideration of Agency approval of a Service



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Connection, accepts such Potable or Recycled Water Service as the Agency is able to render from its Water System. The Applicant agrees to construct, if necessary, and maintain at its sole expense on its Property a tank and/or a booster pump of sufficient capacity to furnish an auxiliary supply of water at such times as pressure in the Potable or Recycled Water System may be insufficient to supply the Property with water. In addition, a backflow prevention device will be required in accordance with the Agency’s Cross Connection Control Plan. The Applicant will be required to execute a written release to the Agency for all claims for failure to furnish an adequate water supply.

Due to topography, and other causes, the water pressure is not uniform over the Agency’s Service Area. The installation of new Potable or Recycled Water Infrastructure and/or modifications to the Water System operation, may result in water pressure changes to various areas within the Service Area. The Agency will attempt to maintain adequate pressure and/or flow at all existing Service Connections; however, Customers dependent upon a continuous water supply shall provide adequate storage for emergencies and to prevent damage, at their sole expense, if required by the Agency.

13.1.4 Responsibility

The Agency owns, operates and maintains the Service Connection, up to and including the meter. The Property Owner is responsible for the Customer Service Line after the meter.

The Agency is not responsible for the delivery of water through private pipelines or any damage resulting from the operation of same.

13.1.5 Liability

The Customer waives any and all claims of any nature against the Agency, except those related to gross negligence on the part of the Agency and releases the Agency from any liability for damage to the Customer’s system, Property and appliances from any cause whatsoever not resulting from gross negligence on the part of the Agency. The Customer further waives any and all claims of any nature against the Agency and releases the Agency from any liability for losses or damage to the Property receiving Potable or Recycled Water Service, which may involve quantity, quality, foreign material, time or occasion of the delivery of Potable or recycled water by the Agency.



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13.1.6 Damage to Meter by Hot Water

The Customer shall be liable for damage to the meter caused by hot water from the Property. The deformation or warp of a disc or a registered figured disc of any meter shall be held to be prima facie evidence of such damage having been caused by the action of heat. Should such damage occur, the Customer will be notified to correct the plumbing conditions causing such damage and will be charged for the cost of repairs to the meter. Should the condition not be corrected, and the meter repair bill not paid within ten (10) days after notice, Potable or Recycled Water Service to the Property may be terminated and Potable or Recycled Water Service will not be Restored until the bill is paid, together with a charge for restoration of service, as provided for in Section 10.1.

13.1.7 Transfer of Meters

No Person shall transfer or move a meter to a new location without Agency authorization once it has been installed by the Agency at any Service Connection. Such transfer or removal will constitute an unauthorized connection or installation. The Customer is responsible for loss or damage to a meter from the time it is installed until it is removed by the Agency. Any Person who is determined by Agency staff to have violated the provisions of this section shall be subject to a penalty as provided in Appendix A-10; Potable or Recycled Water Service may be terminated, Agency facilities removed or locked off and the Agency may also file a civil action to recover damages as authorized by Water Code Sections 31080 and 31102.

13.2 Change in Water Usage

A Customer making any change to a Property that may result in a material increase of water demand originally described on the Potable or Recycled Water Service application shall immediately give the Agency a written notice of the nature of the change. Any such changes must then be approved by the Agency and/or modifications must be made at the Owner's expense and in conformance with Agency requirements. Failure to notify the Agency of such change or failure to comply with these regulations is considered an unauthorized use of potable or recycled water and shall result in costs and penalties as provided for in Appendix A-10.

13.3 Communication

13.3.1 To Customer

Nonemergency notifications from the Agency to a Customer will normally be given by telephone or in writing and either mailed or delivered to the street



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address described in the application for service. In cases where the Property Owner has authorized another party, such as a Tenant, to be billed, the Agency will also provide a copy of the notice to the Property Owner, at its request, as provided in Section 8.4.

Emergency notifications for small service areas including schools, hospitals, health care centers, day care centers, convalescent homes and other critical facilities will be accomplished by door-to-door contact, email, phone calls and door hangers using available potable or recycled water, water service and water quality personnel, such as the use site supervisor, and the billing information available to the Agency from the Customer’s application form. Notification in the affected service area(s) will be completed within twenty-four (24) hours of being directed by DDW or the County.

Emergency notifications for large service areas including schools, hospitals, health care centers, day care centers, convalescent homes and other critical facilities will be performed through electronic communication. Agency Resources personnel will conduct a press conference where a notice by DDW or the County will be furnished to the news media. This includes all radio and television stations broadcasting in the area and all local and general area newspapers. Notification in the affected service area(s) will be completed within twenty-four (24) hours of being directed by the DDW or the County.

A map of the affected service area will be on display at the press conference and distributed to the media and to special telephone answering personnel who accept calls and answer questions from consumers twenty-four (24) hours a day. In addition, the map of the affected service area will be posted on the Agency’s website.

13.3.2 To Agency

Nonemergency notifications from the Customer to the Agency may be given and accepted by any appropriate means of delivery, including but not limited to, electronically, by phone call, by mail or in person.

Customers shall contact the Agency’s twenty-four-hour (24-hour) emergency operators at (661) 294-0828 to request immediate assistance.

13.4 Conflict with Agency Potable or Recycled Water Infrastructure

Any Person making improvements or changes to its Property which may interfere with Agency easement rights, endanger Potable or Recycled Water Infrastructure or cause additional funds to be expended on operation and maintenance, shall be approved by



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the Agency.

13.5 Resale of Water

No Person shall enter into any contract or agreement to resell potable or recycled water it receives from the Agency. No Person shall deliver or cause to be delivered Potable or recycled water acquired from the Agency, to any Property other than that described in the application for Potable or Recycled Water Service. Discovery of such action by the Agency may be cause for immediate termination of service without additional notification.

13.6 Unauthorized Use of Potable or Recycled Water or the Water System

The actions listed below are prohibited by these Regulations; penalties are provided for in Appendix A-10. Unpaid penalties shall be included on the Customer’s bill and will be due and payable before Potable or Recycled Water Service will be restored. The Property Owner is liable for payment of all unpaid bills, costs, loss, damage, penalties, charges, or fees regardless of user or use associated with the Unauthorized Use of Potable or Recycled Water or the Water System.

- 13.6.1 To operate or attempt to operate a public or private fire hydrant or detector check, except for the suppression of fire or except when a permit for a Temporary Service Connection is issued, as provided for in Section 14.3.
- 13.6.2 To cause or permit the waste of water from the Water System or to maintain or cause or permit to be maintained any leaky outlets, apparatus or plumbing fixtures through which water is permitted to waste including, but not limited to, detector checks.
- 13.6.3 To use water for washing sidewalks and driveways in a manner that prevents the usual and customary use of public streets and sidewalks by others.
- 13.6.4 To permit water sprinklers to spray onto sidewalks and streets or to permit water to run from the Customer’s Property onto public sidewalks and streets in such a manner as to cause risk and/or damage to the public or to public and private Property.
- 13.6.5 To cause or permit the waste of water by operating any equipment that uses water in a “single pass” operation. Examples of this use include, but are not limited to, water cooled equipment (i.e. refrigerators, freezers, ice machines, chillers, cooling towers, air conditioners, heat exchangers, ice cream dispensers, yogurt dispensers and precoolers) and commercial vehicle washes (i.e. car and/or truck washes).



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13.6.6 To change or alter the original intended use of the meter and what it serves.

In addition to assessing penalties provided for in Appendix A-10, the Agency may seek criminal prosecution, as authorized by Section 498 of the California Penal Code for which any Person who, with intent to obtain for himself or herself Potable or Recycled Water Service without paying the full lawful charge therefor, or with intent to enable another Person to do so, or with intent to deprive the Agency of any part of the full lawful charge for Potable or Recycled Water Service it provides, commits, authorizes, solicits, aids or abets any of the following:

1. Divert or causes to be diverted Potable or Recycled Water Service, by any means.
2. Prevents any Potable or Recycled Water Service meter, or other device used in determining the charge for Potable Water Services, from accurately performing its measuring function by tampering or by any other means.
3. Tampers with any Property owned by or used by the Agency to provide Potable or Recycled Water Service.
4. Makes or causes to be made any connection with or reconnection with Property owned or used by the Agency to provide Potable or Recycled Water Service without the authorization or consent of the Agency.
5. Uses or owns the property that receives the direct benefit of all or a portion of Potable or Recycled Water Service and/or has knowledge or reason to believe that the diversion, tampering, or unauthorized connection existed at the time of that use, or that the use or receipt was otherwise without the authorization or consent of the Agency.

Furthermore, the Agency may seek criminal prosecution for the presence of any of the following objects, circumstances or conditions on Property controlled by the Customer or by the Person using or receiving the direct benefit of all or a portion of Potable or Recycled Water Service obtained in violation of Section 498 of the California Penal Code shall permit an inference that the Customer or Person intended to and did violate Section 498 of the California Penal Code:

- a. Any instrument, apparatus or device primarily designed to be used to obtain Potable or Recycled Water Service without paying the full lawful charge therefor.



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b. Any meter that has been altered, tampered with or bypassed so as to cause no measurement or inaccurate measurement of Potable or Recycled Water Service.

13.7 Ground Wire Attachment

Any Person is liable for any damage to the Water System or Agency personnel which may be occasioned by the attachment of any ground wire or wires to any plumbing which is or may be connected to the Water System.

13.8 Unused Service Connection

A Permanent Service Connection which has been inactive for a period of one hundred eighty (180) consecutive days may be considered unused and the meter may be removed by the Agency. Thereafter, any Person desiring service for the Property, or any portion thereof, formerly supplied by such inactive Service Connection shall make application for Potable or Recycled Water Service. In cases where the Agency has removed the meter from the Property, the Applicant will be required to pay the applicable charge for a permanent Service Connection installation. In cases where the meter has not been removed from the Property, the Applicant will be required to pay the current charge for Restoration of service as provided for in Section 10.1.

13.9 Quick Closing Valve

13.9.1 Operating Conditions

No Person shall install or use a quick closing valve or other device when such valve or device during its operation causes a water hammer or an abrupt change of pressure in the Water System. When such a condition exists, the Customer will be required to discontinue use of such valve or device immediately upon notification by the Agency and may be liable for costs to repair any damage caused to the Agency's Potable or Recycled Water Service Infrastructure.

13.9.2 Notice of Correction

If the notice of correction of such condition is not complied with, service will be discontinued until the correction is made by a proper installation to eliminate all such water hammer or abrupt change of pressure.

13.10 Responsibility for Equipment

The Customer shall, at its own risk and expense, furnish, install and keep in good and



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safe condition all of the equipment on the Customer’s side of the meter that may be required for receiving, controlling, applying and utilizing water. The Agency is not responsible for any loss or damage caused by improper installation of such equipment, negligence, want of proper care or wrongful act of the Customer or of any of its Tenants, agents, employees, contractors, licensees or permittee in installing or maintaining, using, operating or interfering with such equipment. The Agency is not responsible for damage to Property caused by spigots, faucets, valves and other equipment that are open when water is turned on at the meter.

13.11 Damage

Any Person who is determined by Agency staff to have violated the provisions of this section shall be subject to a penalty as provided in Appendix A-12, Potable or Recycled Water Service may be terminated, Agency facilities removed or locked off and the Agency may also file a civil action to recover damages as authorized by Water Code Sections 31080 and 31102.

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PART 14 – PRIVATE FIRE SERVICE CONNECTION AND RESIDENTIAL FIRE SPRINKLER SYSTEM

14.1 General Provisions

When a Fire Protection Service Connection (PFPSC) is installed, the control valve will be left closed and sealed until a written order to turn on the water is received from the Property Owner. The Agency is not liable for damage of any kind or for any reason that may occur on or to the Property served.

14.2 Special Provisions

14.2.1 PFPSC

For all PFPSC sizes, a double check detector assembly, or required pressure detector assembly must be installed in accordance with the Agency's Cross Connection Control Plan.

14.2.2 PFPSC Charges

The Agency's charges for a PFPSC, as noted in this Section, are set out in Appendix A-2.

14.3 Authorized Purpose

A PFPSC shall be used for no other purpose than for the discharge of water in case of fire. Except for PFPSC installed in accordance with Section 14.2, water for firefighting purposes will be provided without charge in amounts as required.

14.4 Inspection and Tests

Agency employees have the right to enter the Property to make investigations and tests of the PFPSC. The Customer, or its designated representative, shall accompany the Agency employee(s) during such inspections and tests.

The Customer shall be responsible to conduct inspections and tests of its private fire protection system.

14.5 Option to Bill

If the Agency determines that a PFPSC is being used for purposes other than fire extinguishing or the testing of the fire line, the Agency will send a warning letter to the Owner of the PFPSC. If, after thirty (30) days from the date the notice is sent, the



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unauthorized use continues, the Owner of the PFPSC shall be subject to a penalty as provided in Appendix A-10 and service may be terminated, and Agency facilities removed or locked off. The Agency may also file a civil action to recover damages as authorized by Water Code Sections 31080 and 31102. The General Manager may waive this penalty based upon good cause arising from the circumstances involved.

14.6 Termination of Service

14.6.1 PFPSC -Larger Than Two-inch (2-inch)

If water is used for purposes other than permitted herein, the Agency may terminate the PFPSC or may install a potable or fire flow meter at the Customer's expense, and thereafter, the service shall be classified as a Permanent Service Connection and will be billed at the prevailing charge as provided in Section 6.2. The Agency is not liable for damage which may result from said termination of service.

14.6.2 PFPSC -Two-inch (2-inch) or Less

1. Installed in Accordance with Section 14.2.1

The Agency may terminate service in accordance with Section 11.3, Termination of Service. The Agency is not liable for damage which may result from said termination of service.

If water is used for purposes other than permitted herein, the Agency may terminate the PFPSC, or the service shall be classified as a Permanent Service Connection and will be billed at the prevailing charge as provided in Section 6.2.

The Agency is not liable for damage which may result from said termination of service.

14.7 Residential Fire Sprinkler System

Effective January 1, 2011, Residential Fire Sprinklers are required by California Residential Code, Title 24, Part 2.5 for new construction.

14.7.1 General Provisions

A single Permanent Service Connection shall provide water service for both the potable water and residential fire sprinkler portions of the Customer Service Line. It is the customer's or developer's responsibility to provide the Agency with the



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required potable water and residential fire sprinkler water demands. The customer or developer must provide a written request to the Agency that states that the meter size requested will meet potable and fire service requirements and will comply with all applicable codes and regulations.

14.7.2 Special Provisions

A reduced pressure backflow device will be required when the premise is also served by a non-potable water source. Additional requirements for when the non-potable source is recycled water are included in Part 18.

14.7.3 Termination of Service

The Agency may terminate service in accordance with Section 11.3, Termination of Service. The Agency is not liable for damage which may result from said termination of service.

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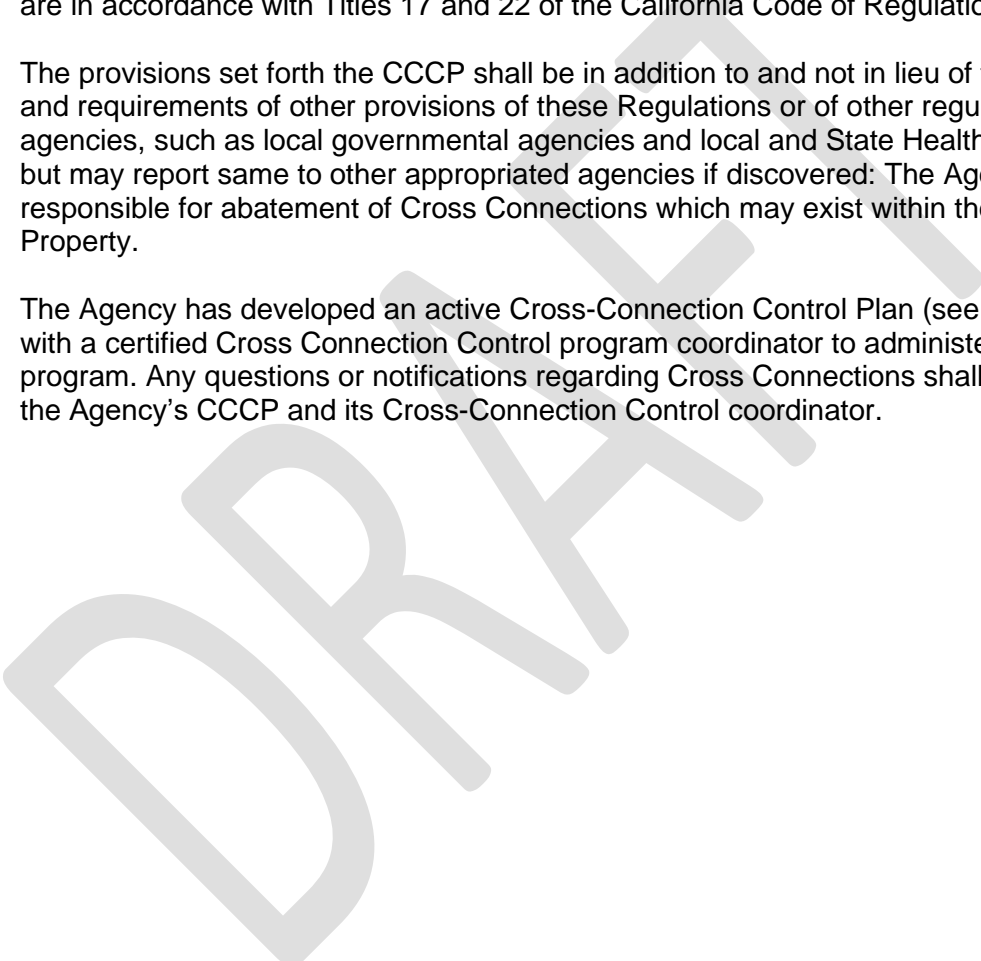
PART 15 – CROSS-CONNECTION CONTROL PLAN

15.1 General Provisions

The Agency has developed a Cross-Connection Control Plan (CCCP) to protect the potable water supply against actual or potential Cross Connections by isolating, within the Property, contamination or pollution that may occur because of undiscovered or unauthorized Cross Connection on the Property. The provisions set forth in the CCCP are in accordance with Titles 17 and 22 of the California Code of Regulations.

The provisions set forth the CCCP shall be in addition to and not in lieu of the controls and requirements of other provisions of these Regulations or of other regulatory agencies, such as local governmental agencies and local and State Health Departments but may report same to other appropriated agencies if discovered: The Agency is not responsible for abatement of Cross Connections which may exist within the Customer's Property.

The Agency has developed an active Cross-Connection Control Plan (see Appendix E) with a certified Cross Connection Control program coordinator to administer the program. Any questions or notifications regarding Cross Connections shall be directed to the Agency's CCCP and its Cross-Connection Control coordinator.





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PART 16 – ENFORCEMENT AND APPEALS

16.1 General Provisions

Any Person found to be violating any provision of these Rules and Regulations or the terms and conditions of the Applicant’s service agreement, permit or any and all applicable federal, state, or local statutes, regulations, ordinances or other requirement shall be served by the Agency with written notice that 1) states the nature of the violation, 2) provides a time limit to correct and 3) refers to Sections 8.14 and 9.2 of these Regulations, and to the Residential Discontinuation Policy, where applicable, as describing the hearing and appeals procedures for customers wishing to contest a notice of violation.

16.2 Corrective Action

The Customer shall, within the time limit stated in such notice, permanently correct the violation. Failure to do so within the time stated may result in termination of Potable or Recycled Water Service by the Agency as provided for in Section 11.3.

The Agency has the right to terminate Potable or Recycled Water Service immediately if the violation impacts the Agency’s obligation to protect public health.

Potable or Recycled Water Service will not be Restored until such conditions or defects are corrected. A charge will be made for the restoration of service as provided for in Section 10.1.

16.3 Appeals (other than appeals relating to the discontinuation of Potable Water Service for non-payment, which shall be governed by the provisions of Section IV of the Residential Discontinuation Policy)

16.3.1 Hearing and Administrative Procedures

A customer may appeal a decision, enforcement of a policy or procedure, rate, fee, charge, or penalty by submitting a written appeal to the General Manager of the Agency. However, the appeal rights set forth in this Section shall not apply to termination of service for non- payment of a potable or recycled water bill. An appeal must be made in writing and submitted to the General Manager within five (5) business days of the effective date of service termination, or within thirty (30) days of the effective date of any other enforcement action or decision. Any such appeal shall include the specific decision, policy, procedure, rate, charge, or penalty being challenged, a detailed description regarding the nature of the challenge, evidence supporting the challenge, and the remedy requested.



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The hearing on the Customer’s appeal will be conducted by the Agency’s General Manager, or his or her designated representative. The hearing shall be held as soon as reasonably possible. If service has been terminated, reasonable efforts should be made to hold the hearing within five (5) business days of receipt of the written appeal and the Customer shall be promptly notified of the date, time and place of the hearing. At the hearing, the Customer shall be given a reasonable opportunity to present information in support of the Customer’s appeal. Agency staff will be given the opportunity to reply.

Absent extenuating circumstances, written notice of the decision by the General Manager, or his or her designated representative, should be given to the Customer within five (5) business days of the close of the hearing. The decision by the General Manager, or his or her designated representative, will be final.

A failure to file a timely appeal in accordance with this Section shall be deemed a waiver of the right to appeal and will be considered a failure to exhaust administrative remedies which may impact any attempt by the Customer for any judicial review.

16.4 Enforcement

In the event a Customer submits an appeal under the procedures set forth in Section 16.3 above, enforcement of the violation shall be suspended until written notice of the decision by the General Manager or his or her designated representative has been submitted to the Customer. The notice of the decision shall be deemed to be submitted to the Customer upon the Agency depositing it in the U.S. mail. Termination for nonpayment of a water bill is not subject to appeal under these provisions and as a result, such enforcement will not be suspended.



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PART 17 – VALIDITY

17.1 Validity

If any portion of these Regulations or the application thereof to any Person or circumstance is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of these Regulations or the application of such provision to other Persons or circumstances.

The Board hereby declares that in the event that a court of competent jurisdiction determines that any provision of these Regulations to be unconstitutional or otherwise invalid, it would nevertheless have adopted the remaining provisions.

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PART 18 – REQUIREMENTS SPECIFIC TO USE OF RECYCLED WATER

18.1 Use of Recycled Water

To conserve and best use the limited water resources of the Santa Clarita Valley, where possible recycled water shall be made available for beneficial use. The following uses are allowed in the Agency’s existing permits: landscape irrigation, decorative ponds, landscape impoundments, and construction use for dust control and compaction. Future uses may include agricultural irrigation, building evaporative cooling, and HVAC and industrial process water but will need additional state and County approvals. The use of recycled water will help the Agency meet its water conservation and sustainability goals.

18.2 Definitions Applicable to the Use of Recycled Water

In addition to the definition, included in Section 1.1 – Agency Definitions, the following definitions apply to this Section:

AIR GAP SEPARATION – See Appendix E – Cross Connection Control Policy. The design and construction of the air gap have to comply with the latest Division of Drinking Water (DDW) requirements and be to the satisfaction of the Agency.

APPLICATION - Request to the Agency via mail, telephone, fax, internet, in person and/or written form(s) provided by the Agency for recycled water service.

APPLICATION RATE - The rate at which recycled water is applied to an irrigation or construction area, expressed in inches per hour.

APPROVED BACKFLOW PREVENTION ASSEMBLY - A device to prevent a backflow of water from a private system into the public drinking water system. The device shall be recognized as such by DDW, the County and the Agency. Also see definition in Appendix E – Cross Connection Control Plan.

APPROVED USE - An application of recycled water in a manner and for a purpose, designated in a user agreement issued by the Agency and in compliance with these Regulations.

APPROVED USE AREA or DESIGNATED USE AREA - A site, with well-defined boundaries, designated in a user agreement issued by the Agency to receive recycled water for an approved use.

AUTOMATIC SYSTEM – An electronic, electrical, or mechanical system which includes automatic controllers, valves, and associated equipment for the programming of effective water application time and rates when using recycled water.



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CONSTRUCTION USE - An approved use of recycled water to support construction activities such as soil compaction and dust control during grading.

DOUBLE CHECK VALVE – See definition in Appendix E – Cross Connection Control Plan.

GREENBELT – Recreational or unoccupied lands that include but are not limited to road medians, cemeteries, parks and landscaping.

LANDSCAPE IMPOUNDMENT– A body of recycled water which is stored, or used for aesthetic enjoyment or irrigation, or which otherwise serves a similar function that is not intended to include public contact.

OPERATION AND MAINTENANCE MANUAL – A document describing the application rates, time of use, sequencing of irrigation or other relevant operational features of a recycled water use system.

POINT OF CONNECTION - The point of delineation between the Agency’s installed pipeline, valves, meter, fittings and property and Customer’s installed pipeline, valves, meter, fittings and appurtenances.

PREMISES - All of the real property and apparatus employed in a single enterprise on a contiguous parcel of land undivided by a dedicated street, highway, or other public thoroughfare, or a railway. Automobile parking lots separated by an alley are considered part of the Customer’s premises.

PONDING – A collection of recycled water that does not drain and creates an artificial pond, such that a hazard or potential hazard to public health may occur.

REDUCED PRESSURE PRINCIPLE BACKFLOW PREVENTION DEVICE or “RP” – See definition in Appendix E – Cross Connection Control Plan.

REGIONAL WATER QUALITY CONTROL BOARD – Los Angeles Regional Water Quality Control Board

RETROFIT – The conversion of existing irrigation or other water use facilities for the use of recycled water.

RUNOFF – Any surface movement of recycled water beyond the boundaries of the approved or designated use area.

SEPARATION – The horizontal and vertical distance between a recycled or potable water pipeline and a parallel or crossing recycled water pipeline, potable water pipeline,



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sewer pipeline, or a sludge force main. The separation shall be a minimum specified distance between the pipelines in question and may be dictated by the County or DDW. **SITE SUPERVISOR OR ON-SITE SUPERVISOR** – An individual in the employ of the User, specifically trained and certified in the use of recycled water, and who is knowledgeable of the on-site system.

SITE SUPERVISOR CERTIFICATION TRAINING COURSE – A course designed to provide recycled water users in the Agency’s service area with the necessary information required to become knowledgeable in the operational practices of recycled water. The course to satisfy this requirement must be approved by the Agency.

USER - Any person, persons or firm issued a recycled water use agreement by the Agency. The User and the Owner may be one and the same.

USER AGREEMENT- An agreement issued by the Agency to a recycled water service Applicant after the satisfactory completion of the service application procedures set forth in these Regulations. This service agreement legally binds the User to all conditions in these Regulations and to any and all applicable regulatory requirements.

WATER TARGET – Amount of water designated to a specific property based on water use efficiency and/or tied to the recycled water user’s allowable irrigation application rate for the use site conditions. Excess application of recycled water could lead to ponding, runoff or excessive nutrient loading to the underlying groundwater basin.

WINDBLOWN SPRAY – Dispersed airborne particles of recycled water resulting from the discharge of recycled water and capable of being transmitted through the air to locations other than those for which the direct application of recycled water was intended.

18.3 Local, State and Federal Regulations

Recycled water service is subject to regulatory control by other government agencies, including those of the County of Los Angeles, the State of California and the United States of America. Such agencies may mandate immediate changes to recycled water operations and practices. The Agency reserves the right to implement such changes on an interim basis until such time as the Board of Directors acts by passing ordinances or resolutions which would change these Regulations, or on a permanent basis if it is determined that Board of Directors action is not required.

Use sites that receive recycled water from the Valencia Water Reclamation Plant are also subject to the Santa Clarita Valley Sanitation District’s (SCVSD) Recycled Water Users Handbook and any additional requirements in the recycled water agreements between SCVSD and the Agency.



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18.4 Documents Incorporated by Reference

The following documents are incorporate by reference into these Regulations:

- i. California Code of Regulations, Title 22, Division 4, Chapter 3, Recycled Water Criteria
- ii. California Code of Regulations, Title 17, Division 1, Chapter 5, Subchapter 1, Group 4, Article 1 and 2
- iii. California Water Code, Section 13050
- iv. State Water Resources Control Board, Water Quality Control Policy for Recycled Water
- v. Guidelines for Pipeline Construction and Installation – for the Safe Use of Recycled / Reclaimed Wastewater, by Los Angeles County Department of Public Health
- vi. Guidelines for Alternate Water Sources – Indoor and Outdoor Non-Potable Uses, by Los Angeles County Department of Public Health
- vii. Joint Outfall System and Santa Clarita Valley Sanitation District – Recycled Water Users Handbook - Los Angeles County Sanitation District, July 2017 (Requirements apply only to recycled water produced at Valencia Water Reclamation Plant)
- viii. Recycled Water Urban Irrigation User Manual, Los Angeles Chapter of California Water Reuse Association, 2014
- ix. Guidelines for Distribution of Non-potable Water, California Nevada Section of American Water Works Association, 1992
- x. Guidelines for the On-Site Retrofit of Facilities Using Disinfected Tertiary Recycled Water, California Nevada Section of American Water Works Association, 1997.

18.5 Recycled Water Quality

The Agency will endeavor to supply water for recycled water use that meets the definition of tertiary disinfected recycled water in Title 22 of the California Code of Regulations.

18.6 User Agreement Applications:

18.6.1 Application Submittals

In addition to the requirements in Part 4, the following requirements apply to obtaining a Recycled Water User Agreement from the Agency. Anyone who obtains recycled water from the Agency must enter into a Recycled Water User Agreement. Prior to obtaining permission to use recycled water, a User Application Form must be completed and submitted to the Agency for review and approval.

In addition to the requirements of Section 4.2.10, the following must be submitted



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to the Agency for review with a User Application Form for Recycled Water Use:

1. The proposed uses of recycled water at the site;
2. A map showing the specific boundaries of the proposed Site and the boundaries of the proposed use of recycled water at the site;
3. Designation of a Site Supervisor and evidence that the Site Supervisor has received appropriate and sufficient training or a date when the training will occur prior to delivery of recycled water;
4. Detailed design plans and specifications showing the type and location of the outlets and plumbing fixtures for both recycled water and potable water;
5. The methods and devices used to prevent backflow of recycled water into the potable water system;
6. A copy of the Emergency Cross Connection Response Plan or the date by which it will be submitted; and
7. If required, a copy of the Recycled Water System Operation and Maintenance Manual or the date it will be submitted.

18.6.2 User Agreement Conditions

Each time there is a change of Customer (either Property Owner or Tenant) on any commercial or industrial Property, the new or previous Property Owner or Customer shall notify the Agency immediately. The Agency will issue a revised User Agreement to the new Customer.

The Agency shall furnish service only to the premises specified in the approved User Agreement. A service connection shall not be used to supply recycled water services to any parcel of land other than the parcel for which the service connection is assigned.

18.6.3 Notice of Determination

User applications and the required submittals may be subject to additional review by the recycled water purveyor (Los Angeles County Sanitation District or City of Santa Clarita), Los Angeles County Department of Public Health, DDW and/or the Regional Water Quality Control Board.

The Agency shall review the application and make a determination if the property shall be served by recycled water. The Agency will require access to the property to make a preliminary inspection of the property.

Upon determination of the Agency’s ability to serve the property, the Agency shall notify the applicant whether plans for the proposed use may be submitted.



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18.6.4 Project Drawings or Plans

Upon determination by the Agency that the property will be served by recycled water, the Applicant is responsible for preparation of improvement drawings showing proposed on-site facilities. These drawings must be approved by the Agency and signed by the appropriate regulatory agencies (County and/or DDW, as applicable), prior to commencing construction of facilities.

18.6.5 Construction and Inspection of Facilities

The installation or retrofit of all on-site facilities shall be by the Applicant's forces. Agency recycled water facilities required for service shall be installed by the Applicant's contractor, in accordance with the Agency and County approved designed standards and Agency-approved improvement plans except for recycled water services installed on existing recycled water mains. All plan checking and inspection costs shall be subject to the Agency's project deposit requirements. Installation or retrofit of all on-site and Agency recycled water facilities shall be inspected by the Agency, and appropriate regulatory authorities (County and/or DDW, as applicable).

18.6.6 Issuance of Recycled Water User Agreement and Service Start

Upon Agency approval of onsite improvement drawings, preliminary approval of facility installation, preliminary approval of the on-site operation and maintenance manual for the property and payment of all applicable fees, the Agency shall issue a Recycled Water User Agreement. After the agreement has been issued, the customer may request start of service. When a property served with recycled water changes ownership, or tenant, the existing recycled water user agreement will be terminated.

User Agreement is non-transferable. Any change in the party in the User Agreement will require a new use review and a new User Agreement.

18.7 Recycled Water User Agreement Revocation

In addition to the termination requirements in Section 9.3.1, termination of recycled water service may also be initiated under the following circumstances:

1. Violation of the Recycled Water User Agreement issued to the property, which could cause or create a public nuisance;
2. A change in property ownership or tenant; and/or



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3. Failure to obtain a certified Recycled Water On-Site Supervisor for the site.

In addition to any other statute or rule authorizing termination of water service, the Agency or the Regional Water Quality Control Board may revoke a Recycled Water User Agreement issued, if a violation of any provision of these Regulations is found to exist, or if any person uses, transports, or stores such water in violation of the discharger/producer’s regulations in a manner which creates or threatens to create conditions of pollution, contamination or nuisance as defined in the California Water Code.

During operation of facilities designed to use recycled water, if real or potential hazards are evidenced, the Agency has the authority to immediately discontinue recycled water service. In the event that recycled water is so discontinued, the Agency will notify the customer within 24 hours of discontinuance either by door hanger, phone, or in writing, and may supply water to the affected facilities either temporarily or permanently from the potable water system.

The Agency is not obligated to provide an alternative water source should discontinuance of recycled water service be due to failure to comply with these Regulations.

18.8 Fraudulent Use of Recycled Water Service

In addition to the requirements in Section 11.3.5, the following requirement applies:

Any unauthorized person found taking recycled water service from or through any of the Agency’s facilities will be assessed charges and/or prosecuted under the full extent of the law. Any unauthorized equipment or apparatus found connected to Agency’s facilities will be removed by Agency personnel and stored at the Agency. The equipment or apparatus may be redeemed upon full payment of all penalties, fees or charges due. After 30 days, unclaimed equipment or apparatus will be disposed of at the Agency’s discretion.

18.9 Backflow Protection

A physical interconnection between the potable and the recycled water systems is prohibited. Separation of the potable and recycled water systems is essential to the protection of water quality in the potable system. The Agency will perform regular testing to confirm this separation.

If a premise is supplied with both potable water and recycled water, then backflow protection with an approved air gap must be provided at each potable water service connection. A reduced pressure principle (RP) backflow prevented may be used in-lieu



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only with the approval of DDW, the County and the Agency.

Backflow preventers are not normally used on recycled water systems. However, the Agency is required to maintain water quality in the recycled water distribution system. A backflow preventer may therefore be needed at a specific meter where on-site exposures could impact the quality of the recycled water supply (i.e. fertilizer injection, addition of corrosion inhibitors, etc.)

If potable water is temporarily used to supply the on-site recycled water system, the connection shall be protected with a reduced pressure principle (RP) device. The temporary connection will not be allowed unless the normal recycled water supply is physically disconnected.

18.10 On-Site Recycled Water Facilities (Customer-Owned)

Any on-site recycled water facility shall be provided by the Applicant, Owner, or Customer, at the Applicant’s expense. The Applicant, Owner, or Customer shall retain title to all such on-site facilities.

On-site facilities shall conform to the requirements of Federal, State, and local agencies, in addition to these Regulations.

A current set of record drawings of the on-site recycled water facilities shall be submitted to the Agency. The drawings shall show both the recycled and the potable water systems. Copies of these drawings must be retained on-site for inspection at any time.

On-site facilities shall be inspected by the Agency prior to the initiation of recycled water service and at regular intervals thereafter for compliance with these Regulations

Hose bibs shall not be installed on the recycled water system. Quick-couplers fitted with hose bibbs shall not be left unattended.

Drinking fountains shall be placed beyond the range of or protected from the spray of recycled water.

Parallel recycled and potable pipelines shall not be laid in a common trench and shall have no less than ten feet of horizontal separation. However, a reduction in horizontal separation to four feet may be allowed if approved by the Agency.

The recycled water system shall be operated to prevent or minimize runoff or discharge outside the Customer’s area. Should the application rate exceed the soil infiltration rate, an automatic system shall be used to program several shorter duration watering cycles to control runoff.



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Any changes to the on-site recycled water system or operating procedures shall be reported to the Agency in writing.

18.11 New Recycled Water Facilities

An application for recycled water service shall be submitted to the Agency prior to commencing construction.

A Customer may also be required to submit an application for recycled water use to the County Public Health, and if required, the Division of Drinking Water (DDW), and their approval must be obtained prior to commencing construction. These agencies may require inspection of recycled facilities during construction.

Prior to commencement of service to any on-site system using recycled water, the installed system shall be tested under active conditions for compliance with these Regulations.

18.12 Conversion of Existing Facilities to Recycled Water

Where it is planned that an existing water system be converted to a recycled water facility, the facilities to be converted to recycled water shall be investigated in detail, including a review of any record drawings, preparation of required reports, and determinations by the Agency of measures necessary to bring the system into full compliance with these Regulations.

An application for recycled water service shall be submitted to the Agency prior to commencing construction of the proposed conversion.

A Customer may also be required to submit an application for recycled water use to the County Public Health, and if required, the Division of Drinking Water (DDW), and their approval must be obtained prior to commencing construction. These agencies may require inspection of recycled facilities during construction.

No existing potable water facilities shall be connected to or incorporated into the recycled water system without Agency approval.

The converted recycled water facility shall be tested under active conditions for compliance with these Regulations.

18.13 Marking of Customer-Owned On-Site Pipes and Appurtenances

All recycled water and potable water piping and appurtenances on a recycled water use



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site must be identified in accordance with the Recycled Water User Manual developed by the Los Angeles County Recycled Water Advisory Committee. This manual is available from the Agency or on the internet at https://watereuse.org/wp-content/uploads/2015/01/LA_Chapter_WR_Recycled_Water_Urban_Irrigation_Users_Manual_2014.pdf

18.14 On-Site Supervisor

The customer must have a designated recycled water on-site supervisor at all times. If the position becomes vacant, the customer shall have 30 days to fill the vacancy with a qualified on-site supervisor and to notify the Agency of the name of the new on-site supervisor. Not having a properly certified on-site supervisor shall be sufficient reason for the Agency to terminate service until such a person has been designated.

Operation and Surveillance. The operation and surveillance of on-site recycled water systems, whether they are public or private, shall be under the management of an on-site supervisor designated by the user and approved by the Agency

Identification of Supervisor. The identity of the current on-site supervisor will be kept by County Public Health as well as the Agency. It is the responsibility of the user to give notice of any changes in this position. The supervisor shall be available by telephone at a number listed with the Agency for emergency contact.

Training of Supervisor. The on-site supervisor must complete an on-site supervisor training course that is approved by the Agency.

Responsibility of Supervisor. The on-site supervisor shall be responsible for the installation and use of pipelines and equipment in accordance with these Regulations set forth by the Agency, as well as applicable Federal, State and local statutes. Although the on-site supervisor shall oversee the day-to-day operations of on-site facilities, the Agency reserves the right to enter the user's premises for the purpose of inspecting on-site recycled water facilities and areas of recycled water use to ensure compliance with these Regulations. The supervisor shall be responsible for furnishing the on-site operations personnel system operating instructions, maintenance instructions, controller charts and record drawings to ensure proper operation in accordance with irrigation system design and these Regulations. At least one complete set of this information shall be kept on site or in the nearest field office or maintenance building established by the on-site supervisor, who retains the responsibility of properly distributing this information to all appropriate operations personnel.

Personnel Training. It shall be the responsibility of the on-site supervisor to ensure that all on-site operations personnel, responsible for daily operation and maintenance, are trained in and familiar with the use of recycled water, and are familiar with the pertinent



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information contained in these Regulations and the applicable portions of Title 22 of the California Code of Regulations.

18.15 Inspection of Facilities

The Agency reserves the right to inspect the premises to assure compliance with these requirements. Inspection may include the potable water system if the likelihood of cross-connection hazard exists. At a minimum, the following inspections will be performed:

- Annual visual inspection to ensure compliance with these Regulations, system maintenance records and with Los Angeles County Public Health recycled water identification guidelines including, but not limited to, signage and irrigation system components.
- Shutdown testing, at a frequency to be determined by the Agency, to detect the presence of physical cross connections between on-site potable and recycled water piping.
- Backflow Prevention Devices shall be tested periodically as called for in the Cross-Connection Control Plan (see Appendix E).

Customer shall have the on-site supervisor accompany the Agency’s inspector during the inspection. Customer shall have available at time of inspection, current plans of both the potable and recycled piping system. The on-site supervisor shall provide the Agency with access, including appropriate keys to all irrigation controllers.

The Agency shall complete the visual inspection and shut down testing using an American Water Works Association, or equivalent, certified cross connection control specialist.

The site may be inspected by authorized representatives of the California Regional Water Quality Control Board, the Los Angeles County Department of Public Health and/or DDW, upon presentation of proper credentials, to verify whether the user is complying with the Agency’s Regulations and applicable County and state regulations.

Failure to comply with these inspection requirements may result in a suspension of recycled and/or potable water service to the property.

18.16 Operation and Maintenance Manual

The on-site supervisor may be required to prepare an Operation and Maintenance Manual specifying times and areas of use for on-site recycled water use, if required as a condition of service. The Manual, if required, must be approved by the Agency prior to



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issuance of the Recycled Water User Agreement.

18.17 Construction Water Usage

In addition to the requirements for temporary service in Section 3.3, the following conditions apply.

Recycled water for construction will be permitted only at those property sites that the Agency determines the use can be monitored and controlled. Recycled water for the purpose of soil compaction and dust control shall not be stored or applied in a manner which causes runoff, ponding or windblown spray conditions. If such conditions occur, the method of application shall be altered to correct them and prevent any and all further violations of use. Control valves on the water distribution vehicles and other controlling devices shall be properly employed to prevent the application of recycled water outside the approved use area onto surfaces including but not limited to street pavements, sidewalks and drainage courses.

18.18 Tank Trucks User Agreements

Service to tank trucks will be provided only where an approved backflow prevention device is used, in accordance with the Agency’s Cross-Connection Control Program.

Recycled water shall be made available to water trucks for use in dust control or construction activities. The water truck shall contain an approved air gap between the filler tube and the tank to prevent back-siphonage. The vehicle shall be clearly labelled RECYCLED WATER – DO NOT DRINK. Applicant shall first comply with and execute a temporary Recycled Water User Agreement. User Agreement requires the following:

- a) Applicant shall be a contractor licensed by the State of California.
- b) Applicant shall maintain a log of all transfers of recycled water. Any transfers outside of the Agency service area must be authorized by the Agency.
- c) Applicant shall attend training session on the use of recycled water.
- d) All vehicles to be used for the transfer of recycled water shall be inspected by the Agency before use is authorized.
- e) All required fees and deposits shall be paid before use is authorized.

18.19 Requirements for Truck Hauling

The requirements for truck hauling listed below are the minimum requirements that must be met:

1. The Agency is required to keep daily records for each truck load dispensed, including: a) volume of recycled water delivered to each individual reuse site, b) location of reuse site, and c) type of reuse (e.g., irrigation, dust control, street



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- sweeping, etc.).
2. All truck haulers adhere to all of the requirements listed below. Agency staff may, from time to time, conduct inspection visits of the use sites to verify that these requirements are being met.
 3. Before trucks can be filled with recycled water for the first time, all truck owners and/or drivers are required to attend a brief on-site (“tail-gate”) orientation/training in order to learn about using the filling station and the proper handling and use of recycled water. This training is the responsibility of the agency supplying the recycled water directly to the truck haulers.
 4. Each truck that hauls recycled water must have either purple stickers or magnetic placards on the sides and back of the vehicle that identify it as carrying recycled water, containing the words and symbol for “Do Not Drink”.
 5. Truck drivers or others in contact with the vehicles may not drink recycled water or use it for food preparation. Truck drivers must notify workers and/or the public when recycled water is used at a site and tell them that they are not to drink recycled water or use it for food preparation.
 6. Recycled water users should apply hand sanitizer or wash their hands with soap and potable water after working with recycled water and especially before eating or smoking.
 7. Precautions should be taken to avoid food coming into contact with recycled water while the reuse site is still wet.
 8. Truck drivers should be equipped with an adequate first aid kit. Cuts or abrasions should be promptly washed with potable water, disinfected, and bandaged.
 9. Recycled water shall not be allowed to spray onto potable water drinking water fountains or faucets.
 10. Recycled water shall not be applied where it could contact or enter passing vehicles, buildings, areas where food is handled or eaten, storm drains, or surface water.
 11. Adequate measures must be taken to prevent recycled water overspray, ponding, or run off from the authorized reuse area unless it is specifically allowed by the Regional Board or by an attachment to the Recycled Water User Agreement.
 12. It is strongly recommended that all water trucks carry a push broom on the vehicle to spread out ponded or puddled recycled water to facilitate evaporation.
 13. There shall be no irrigation or impoundment of recycled water within a minimum of 50 feet of any potable (drinking water) well.
 14. Recycled water users must comply with all requirements and restrictions specified by the Regional Board and the Water Recycling Criteria in Title 22 of the California Code of Regulations.
 15. Vehicles used for transportation and distribution of recycled water must have water-tight valves and fittings and must not leak.
 16. Spills of recycled water must be immediately reported to the Agency along with the circumstances involved with the incident.
 17. Vehicle storage tanks must be cleaned of contaminants prior to filling with recycled water to prevent contamination of the recycled water. A truck or tank that has



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contained material from a septic tank, cesspool, or hazardous waste (within the meaning of federal or State of California definitions of hazardous or toxic materials, wastes or substances or poison) cannot be used to convey recycled water. The use of vehicle storage tanks for the storage and transport of recycled water must comply with all applicable federal, State of California, and local requirements.

- 18. Recycled water must not be introduced into any permanent piping system and no connection shall be made between the filled tank truck and any part of a potable water system.
- 19. Tank trucks used to transport recycled water should not be used to carry potable water for potable water purposes (i.e., drinking or washing) unless a thorough cleaning and disinfection process has been completed.
- 20. If these tank trucks are to be filled with potable water for irrigation, they must either be filled through an air-gap at the top of the tank or, if through a hose connection, then the tank must be completely empty before connection to the potable water source and be done so through a backflow prevention device. Use a separate fill hose for recycled water that is clearly marked with either purple paint or labeling. Do not switch back and forth between potable water and recycled water using the same hose.

18.20 Irrigation Application Rates

Recycled water shall be applied at a rate that does not exceed the infiltration rate of the soil. When the application rate exceeds the infiltration rate of the soil, automatic system control devices shall be utilized and programmed to prevent the ponding and/or runoff of irrigation water. If runoff or ponding occurs before the landscape’s water requirements are met, the automatic controls shall be reprogrammed with additional watering cycles to meet the requirements and prevent runoff.

18.21 Confinement of Irrigation

The on-site irrigation system shall be operated to prevent discharge onto areas which are not approved for use. Over-spray resulting from attempts to reach remote portions of the approved use area shall not be allowed. This situation shall be rectified by appropriate corrections to the system layout.

18.22 Period of Operation

To the extent practicable, the operation of the irrigation system shall be during periods of minimal use by humans of the approved use area. Such periods of operation shall remain within any general period of recycled water irrigation operation specified by the Agency.



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18.23 Maintenance

It is the responsibility of the on-site supervisor to provide surveillance of the on-site facilities in a manner that assures compliance with these Regulations and the Recycled Water User Agreement. A preventative maintenance program designed to ensure the continued operation of all system elements within the requirements of these Regulations shall be signed by the current on-site supervisor and open to inspection by the Agency.

The customer is responsible for all costs associated with proper operation and maintenance of the on-site facilities.

18.24 Prohibited Conditions and Requirements for Use of Recycled Water

Prohibited conditions and requirements for use of Recycled Water include, but are not limited to, the following:

- a. Runoff and Erosion – Recycled water draining off or away from the designated use area is prohibited.
- b. Ponding – Recycled water shall not be allowed to gather or pond. The water application rate shall be adjusted to prevent ponding.
- c. Windblow Spray – Watering shall be adjusted, by the spray and timing, so that any spray mist or run off onto an un-designated use area will be kept to a minimum.
- d. Cross Connections – Cross Connections shall not be allowed. All potable water service on recycled water sites shall have an approved Reduced Pressure Principled Backflow Prevention Device. See Appendix E – Cross Connection Control Policy for additional requirements.
- e. Unprotected Drinking Fountains – All drinking fountains shall be protected from any type of contamination from recycled water.
- f. Unprotected Public Facilities – All contact with eating surfaces or playground recreational equipment for the general public, by recycled water even if located within the designated use area, shall be kept to a minimum.
- g. Hose Bibs – Hose bibs shall not be connected to the recycled water system.
- h. Fire Hydrants – Fire hydrants shall not be connected to the recycled water system unless specifically approved by the Agency and proper signage provided.
- i. Period of Operation – Time periods for watering shall be within the hours mutually agreed to between the customer and the Agency, and consistent with distribution system supply and demand. The Agency reserves the right to schedule water use periods. The operation of the irrigation system shall be during periods of minimal public exposure.
- j. Reuse of Equipment – Any equipment, such as tanks, temporary piping or valves, and portable pumps that have been used with recycled water, shall be cleaned and disinfected before removal from the approved use area. The disinfection process shall be done in the presence of, and approved by, an Agency inspector.



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- k. Disposal in Unapproved Areas – Disposal of recycled water for any purposes, including uses in areas other than those explicitly approved in the current effective User Agreement issued by the Agency and without the prior knowledge and approval of the appropriate regulatory agencies is strictly prohibited.
- l. No irrigation with recycled water shall take place within 50 feet of any potable water supply well.
- m. No impoundment of recycled water shall occur within 100 feet of any potable water supply well.
- n. Storage facilities owned/and or operated by recycled water users shall be protected against erosion, overland runoff, and other impacts resulting from 100-year frequency, 24-hour storm durations.
- o. Storage facilities owned/and or operated by recycled water users shall be protected against 100-year frequency peak stream flows, as defined by the Los Angeles Flood Control agency.
- p. Construction Water Use – Recycled water used for soil compaction or dust control must comply with the use requirements set forth in Section 18.17.

18.25 Warning Signs and Labels

Warning signs shall be posted to notify the public where the recycled water is being used and that it is unsafe to drink.

The size and placement of the signs will be dependent on the nature of the facility. A detailed plan showing placement of signs and their size shall be submitted for approval prior to establishing recycled water service.

At a minimum, signs shall be no smaller than 8” x 10” with ½” letters reading “Recycled Water – Do Not Drink” and be provided in English and Spanish.

The customer shall maintain necessary signs in legible condition at locations designed in the Agency approved improvement plans.

All above ground recycled water facilities shall be the color purple, or painted purple, marked or tagged appropriately and maintained in good condition.



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APPENDIX A-1 – CHARGES

A-1 General Provisions

The charges applicable to Potable or Recycled Water Service are listed in the following appendices. Reference to the applicable part, section, or subsection of these Regulations is included.

The charges set forth in this part are hereby established and fixed. In accordance with Section 53750(h)(2)(b) of the California Government Code and subject to approval of the Board of Directors, the Agency may institute an increase or decrease of any charges listed in the following appendices.

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APPENDIX A-2 – PERMANENT SERVICE CONNECTION MONTHLY FIXED CHARGE

The Monthly Fixed Charge for a Permanent Service Connection is assessed on a monthly basis. See adopted rate reports for additional information.

Table A-2 Effective July 1 of each fiscal year

MONTHLY FIXED CHARGES (Potable and Recycled)					
Meter Size	Effective 7/1/2021	Effective 7/1/2022	Effective 7/1/2023	Effective 7/1/2024	Effective 7/1/2025
5/8-in	\$13.64	\$14.52	\$15.47	\$16.47	\$17.54
3/4-in	\$18.38	\$19.58	\$20.85	\$22.21	\$23.65
1-in	\$27.87	\$29.69	\$31.62	\$33.67	\$35.86
1 1/2-in	\$51.60	\$54.96	\$58.53	\$62.33	\$66.39
2-in	\$80.08	\$85.28	\$90.83	\$96.73	\$103.02
2 1/2-in	\$94.32	\$100.45	\$106.97	\$113.93	\$121.33
3-in	\$146.52	\$156.04	\$166.18	\$176.99	\$188.49
4-in	\$241.43	\$257.13	\$273.84	\$291.64	\$310.60
6-in	\$478.72	\$509.84	\$542.98	\$578.27	\$615.86
8-in	\$763.47	\$813.09	\$865.94	\$922.23	\$982.17
10-in	\$1,095.67	\$1,166.89	\$1,242.74	\$1,323.51	\$1,409.54
12-in	\$2,044.82	\$2,177.74	\$2,319.29	\$2,470.04	\$2,630.59

MONTHLY LEGACY DEBT FIXED CHARGE		
Meter Size	Santa Clarita Division Effective 7/1/21	Valencia Division Effective 7/1/21
5/8-in	\$6.80	\$4.34
3/4-in	\$10.20	\$6.50
1-in	\$17.01	\$10.84
1 1/2-in	\$34.02	\$21.68
2-in	\$54.42	\$34.69
2 1/2-in	\$64.63	\$41.20
3-in	\$102.05	\$65.05
4-in	\$170.08	\$108.41
6-in	\$340.15	\$216.83
8-in	\$544.24	\$346.92
10-in	\$782.35	\$498.70
12-in	\$1,462.65	\$932.36



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APPENDIX A-3 – DEDICATED FIRE MONTHLY FIXED CHARGE

The Monthly Fixed Charge for a Dedicated Fire Service is assessed on a monthly basis. See adopted rate reports for additional information.

Table A-3 Effective July 1 of each fiscal year

MONTHLY FIXED CHARGES					
Meter Size	Effective 7/1/2021	Effective 7/1/2022	Effective 7/1/2023	Effective 7/1/2024	Effective 7/1/2025
3/4-in	\$5.71	\$6.08	\$6.47	\$6.90	\$7.34
1-in	\$6.29	\$6.70	\$7.14	\$7.60	\$8.10
1 1/2-in	\$7.76	\$8.26	\$8.80	\$9.37	\$9.98
2-in	\$9.51	\$10.13	\$10.79	\$11.49	\$12.24
2 1/2-in	\$10.39	\$11.07	\$11.79	\$12.55	\$13.37
3-in	\$13.61	\$14.50	\$15.44	\$16.44	\$17.51
4-in	\$19.47	\$20.73	\$22.08	\$23.52	\$25.04
6-in	\$34.10	\$36.32	\$38.68	\$41.20	\$43.87
8-in	\$51.67	\$55.03	\$58.60	\$62.41	\$66.47
10-in	\$72.16	\$76.85	\$81.85	\$87.17	\$92.83
12-in	\$130.71	\$139.21	\$148.25	\$157.89	\$168.15
14-in	\$192.19	\$204.68	\$217.98	\$232.15	\$247.24
16-in	\$272.98	\$290.73	\$309.63	\$329.75	\$351.18
18-in	\$433.70	\$461.89	\$491.91	\$523.89	\$557.94
20-in	\$546.41	\$581.92	\$619.75	\$660.03	\$702.93



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APPENDIX A-4 - TEMPORARY SERVICE CONNECTION MONTHLY FIXED CHARGE

The Monthly Fixed Charge for a Temporary Service Connection is assessed on a monthly basis.

Table A-4

MONTHLY FIXED CHARGES					
Size	Effective 7/1/2021	Effective 7/1/2022	Effective 7/1/2023	Effective 7/1/2024	Effective 7/1/2025
Fire Hydrant					
2 1/2-in	\$94.32	\$100.45	\$106.97	\$113.93	\$121.33
6-in	\$478.72	\$509.84	\$542.98	\$578.27	\$615.86
Jumper*					
3/4-in	\$28.83	\$30.68	\$32.70	\$34.81	\$37.05
1-in	\$38.32	\$40.79	\$43.47	\$46.27	\$49.26

*Includes 5 billing units



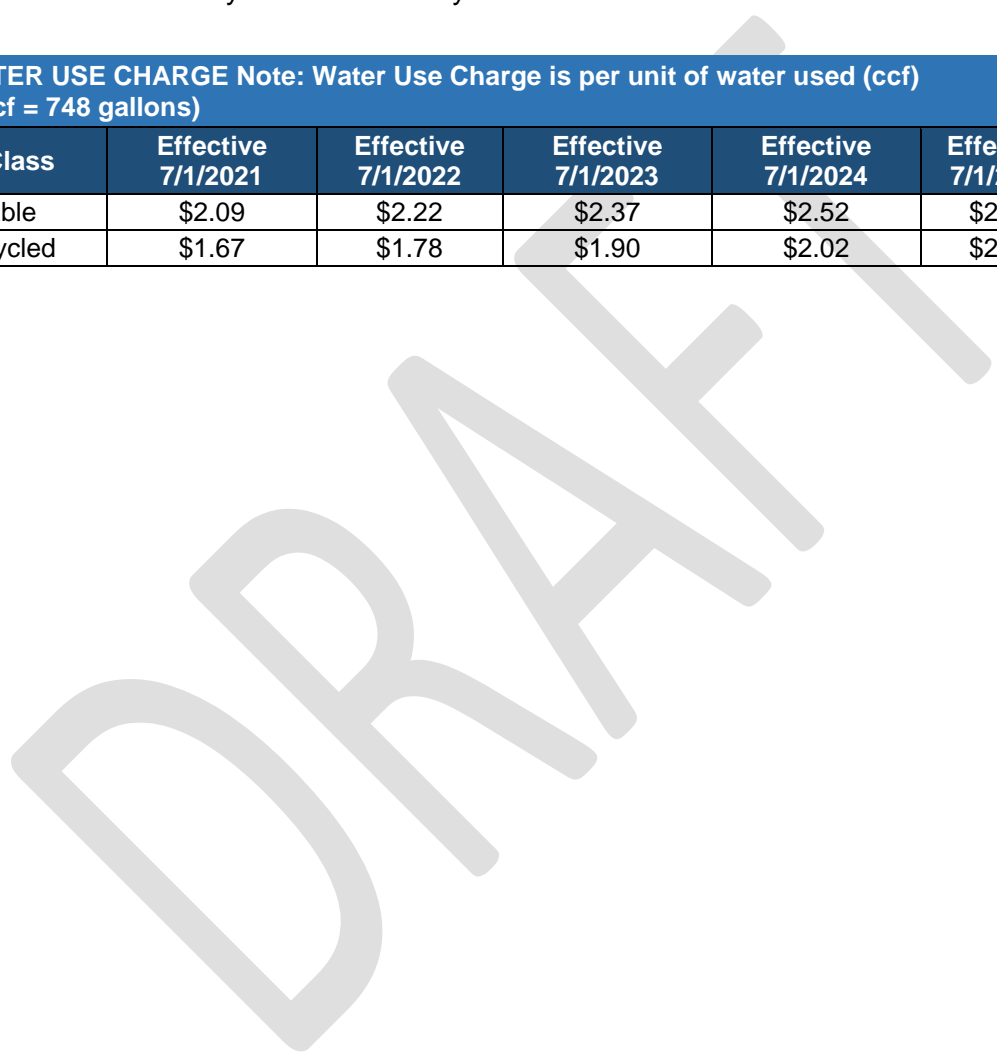
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APPENDIX A-5 – PERMANENT SERVICE CONNECTION VARIABLE WATER CHARGE

The Variable Water Charge is quantitative and assessed on a monthly basis per unit of water (748 gallons). See adopted rate reports for additional information.

Table A-5 Effective July 1 of each fiscal year

WATER USE CHARGE Note: Water Use Charge is per unit of water used (ccf) (1 ccf = 748 gallons)					
Class	Effective 7/1/2021	Effective 7/1/2022	Effective 7/1/2023	Effective 7/1/2024	Effective 7/1/2025
Potable	\$2.09	\$2.22	\$2.37	\$2.52	\$2.68
Recycled	\$1.67	\$1.78	\$1.90	\$2.02	\$2.14





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APPENDIX A-6 – TEMPORARY SERVICE CONNECTION VARIABLE WATER CHARGE

The Temporary Variable Water Charge is quantitative and assessed on a monthly basis.

Table A-6 Effective July 1 of each fiscal year

WATER USE CHARGE Note: Water Use Charge is per unit of water used (ccf) (1 ccf = 748 gallons)					
Class	Effective 7/1/2021	Effective 7/1/2022	Effective 7/1/2023	Effective 7/1/2024	Effective 7/1/2025
Potable	\$2.09	\$2.22	\$2.37	\$2.52	\$2.68
Recycled	\$1.67	\$1.78	\$1.90	\$2.02	\$2.14

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APPENDIX A-7 – TEMPORARY SERVICE CONNECTION INSTALLATION CHARGE

The Temporary Service Connection charge is assessed on a one-time basis and payment is required prior to the Agency providing Potable or Recycled Water Service.

The cost to relocate an existing Temporary Service Connection is listed below.

Table A-7

Installation Type	Deposit by Meter Size	
	2 ½-3 inch	6 inch
From a Fire Hydrant (Meter Only)	\$ 1,200.00	\$ 1,500.00
Fire Hydrant (Billing Deposit)	\$ 500.00	\$ 500.00



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APPENDIX A-8 – RESTORATION OR RECONNECTION OF SERVICE FEE

The Restoration or Reconnection of Service fee is assessed on a one-time basis and payment is required prior to the Agency reactivating Potable or Recycled Water Service. In addition, all other outstanding charges must be paid in full prior to reactivation. Charges described below are only applicable to existing Customers.

If Recycled Water Service has been terminated due to a safety hazard, such as a cross connection, additional charges may apply.

Table A-8

Restoration Time Description	Amount
Standard Next Day Restoration (during normal Agency business hours)	\$ 30.00
Express Restoration (after normal Agency business hours)	\$ 70.00
Agency observed holidays	\$ 90.00



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APPENDIX A-9 – FIRE FLOW TEST CHARGE

The Fire Flow Test charge may be assessed at the time of request by any person and payment is required prior to the Agency performing the test.

Table A-9

Fire Flow Test – All Locations	Amount
Hydraulic Model	\$ 150.00
Field Test	\$ 500.00

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APPENDIX A-10 – PENALTIES FOR UNAUTHORIZED USE OF THE AGENCY’S POTABLE OR RECYCLED WATER SYSTEM

Table A-10

Description of Unauthorized Use	Penalty Charge
Broken meter stop/shut off valve	\$ 300.00
Cutting Agency lock or bypassing meter	\$ 50.00
Unauthorized Installation/Connection/Use Penalty	\$ 1,000 each offense
Unauthorized Tampering of the Agency Systems	\$ 1,000 each offense
Unauthorized use of a Private Fire Protection Service Connection	\$ 1,000 each offense
Cutting Agency lock or bypassing meter	\$ 50.00
Damage to meter, pipeline, tank, well site or other component of the Potable or Recycled Water Service Infrastructure	\$525.00 or actual cost of repair, whichever is greater
Broken meter stop/shut off valve	\$ 300.00



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APPENDIX A-11 – POTABLE OR RECYCLED WATER SERVICE APPLICATION FEE AND DEPOSIT

Potable Water or Recycled Service Application Fee and Deposit (when required*).

Table A-11

Account Description	Deposit Amount
Fee	\$ 20.00
Deposit*	3-months average usage

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APPENDIX A-12 -POTABLE OR RECYCLED WATER SERVICE MISCELLANEOUS FEES

Table A-12

Fee Description	Amount
Returned Payment Fee	\$ 35.00
Late Fee – Overdue Notice generated	\$ 10.00
Disconnection Fee	\$ 30.00
Out of Agency Fee	To Be Determined
<u>AMI/AMR Opt-Out Set-up Fee</u>	<u>\$ 75.00</u>
<u>AMI/AMR Opt-Out Monthly Fee</u>	<u>\$ 30.00</u>
Meter Test Fee*	\$ 112.00
Pulled Meter Fee	Actual cost to Agency
Turn off at Main	Actual cost to Agency
Property Damage	Actual cost to Agency plus 10% overhead
Unread Meter Fee	\$ 200.00
Water Waste Penalty Fee	\$50.00/day – Additional \$50.00/day for each subsequent violation up to a max of \$500.00

*No charge if meter is inaccurate



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APPENDIX A-13 – POLICY ON DISCONTINUATION OF RESIDENTIAL WATER SERVICE FOR NON-PAYMENT

Notwithstanding any other policy or rule, this Policy on Discontinuation of Residential Water Service for Non-Payment shall apply to the discontinuation of residential water service for non-payment under the provisions set forth herein. In the event of any conflict between this Policy and any other policy or rule, this Policy shall prevail.

- I. **Application of Policy; Contact Telephone Number:** This policy shall apply only to residential water service for non-payment and all existing policies and procedures shall continue to apply to commercial and industrial water service accounts. Further assistance concerning the payment of water bills and the potential establishment of the alternatives set forth in this policy to avoid discontinuation of service can be obtained by calling (661) 294-0828.

- II. **Discontinuation of Residential Water Service for Non-Payment:**
 - A. **Rendering and Payment of Bills:** Bills for water service will be rendered to each consumer on a monthly basis unless otherwise provided for in the rate schedules. Bills for service are due and payable on the tenth (10th) day from the date of generation, as signified by the date on the bill (the “Due Date”) and become overdue and subject to discontinuation of service if not paid within sixty (60) days after the Due Date. Payment may be made at the office or to any representative authorized to make collections. However, it is the consumer’s responsibility to assure that payments are received at the specified location in a timely manner. Partial payments are not authorized unless prior approval has been received. Bills will be computed as follows:
 - 1. Meters will be read at regular intervals for the preparation of periodic bills and as required for the preparation of opening bills, closing bills, and special bills.
 - 2. Bills for metered service will show the meter reading for the current and previous meter reading period for which the bill is rendered, the number of units, date, and days of service for the current meter reading.
 - 3. Billings shall be paid in legal tender of the United States of America. Notwithstanding the foregoing, the Supplier shall have the right to refuse any payment of such billings in coin.



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B. Overdue Bills: The following rules apply to consumers whose bills remain unpaid for more than sixty (60) days after the Due Date:

1. Overdue Notice: If payment for a bill rendered is not made on or before the forty-fifth (45th) day from the bill generation date, a notice of overdue payment (the “Overdue Notice”) will be mailed to the water service consumer at least seven (7) business days prior to the possible discontinuation of service date identified in the Overdue Notice. For purposes of this policy, the term “business days” shall refer to any days on which the Supplier’s office is open for business. If the consumer’s address is not the address of the property to which the service is provided, the Overdue Notice must also be sent to the address of the property served, addressed to “Occupant.” The Overdue Notice must contain the following:

- a. Consumer’s name and address;
- b. Amount of delinquency;
- c. Date by which payment or arrangement for payment must be made in order to avoid discontinuation of service;
- d. Description of the process to apply for an extension of time to pay the amount owing (see Section III(D), below);
- e. Description of the procedure to petition for review and appeal of the bill giving rise to the delinquency (see Section IV, below); and
- f. Description of the procedure by which the consumer can request a deferred, amortized, reduced or alternative payment schedule (see Section III, below).

The Supplier may alternatively provide notice to the consumer of the impending discontinuation of service by telephone. If that notice is provided by telephone, the Supplier shall offer to provide the consumer with a copy of this policy and also offer to discuss with the consumer the options for alternative payments, as described in Section III, below, and the procedures for review and appeal of the consumer’s bill, as described in Section IV, below.

2. Unable to Contact Consumer: If the Supplier is not able to contact the consumer by written notice (e.g., a mailed notice is returned as undeliverable) or by telephone, the Supplier will make a good faith effort to visit the residence and leave, or make other arrangements to place in a conspicuous location, a notice of imminent discontinuation of service for non-payment, and a copy of this Policy.



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3. Late Charge: A Late Charge, as specified in the Supplier’s schedule of fees and charges, shall be assessed and added to the outstanding balance on the consumer’s account if the amount owing on that account is not paid before the Overdue Notice is generated.
4. Turn-Off Deadline: Payment for water service charges must be received in the Supplier’s offices no later than 4:30 p.m. on the date specified in the Overdue Notice. Postmarks are not acceptable.
5. Notification of Returned Check: Upon receipt of a returned check rendered as remittance for water service or other charges, the Supplier will consider the account not paid. The Supplier will attempt to notify the consumer in person or by mail and provide a notice of termination of water service to the premises. Water service will be disconnected if the amount of the returned check and returned check charge are not paid by the due date specified on the notice, which due date shall not be sooner than the date specified in the Overdue Notice; or if an Overdue Notice had not been previously provided, no sooner than the sixtieth (60th) day after the Due Date of the bill for which payment by the returned check had been made. To redeem a returned check and to pay a returned check charge, all amounts owing must be paid by cash or certified funds.
6. Returned Check Tendered as Payment for Water Service Disconnected for Nonpayment:
 - a. If the check tendered and accepted as payment which resulted in restoring service to an account that had been disconnected for nonpayment is returned as non-negotiable, the Supplier may disconnect said water service upon at least three (3) calendar days’ written notice. The consumer’s account may only be reinstated by receipt of outstanding charges in the form of cash or certified funds. Once the consumer’s account has been reinstated, the account will be flagged for a one-year period indicating the fact that a non-negotiable check was issued by the consumer.
 - b. If at any time during the one-year period described above, the consumer’s account is again disconnected for nonpayment, the Supplier may require the consumer to pay cash or certified funds to have that water service restored.



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C. Conditions Prohibiting Discontinuation: The Supplier shall not discontinue residential water service if all of the following conditions are met:

1. Health Conditions – The consumer or tenant of the consumer submits certification of a primary care provider that discontinuation of water service would (i) be life threatening, or (ii) pose a serious threat to the health and safety of a person residing at the property;
2. Financial Inability – The consumer demonstrates he or she is financially unable to pay for water service within the water system’s normal billing cycle. The consumer is deemed “financially unable to pay” if any member of the consumer’s household is: (i) a current recipient of the following benefits: CalWORKS, CalFresh, general assistance, Medi-Cal, SSI/State Supplementary Payment Program or California Special Supplemental Nutrition Program for Women, Infants and Children; or (ii) the consumer declares the household’s annual income is less than 200% of the federal poverty level (see this link for the federal poverty levels applicable in California: <https://www.healthforcalifornia.com/covered-california/income-limits>); and
3. Alternative Payment Arrangements – The consumer is willing to enter into an amortization agreement, alternative payment schedule or a plan for deferred or reduced payment, consistent with the provisions of Section III, below.

D. Process for Determination of Conditions Prohibiting Discontinuation of Service: The burden of proving compliance with the conditions described in Subdivision (C), above, is on the consumer. In order to allow the Supplier sufficient time to process any request for assistance by a consumer, the consumer is encouraged to provide the Supplier with the necessary documentation demonstrating the medical issues under Subdivision (C)(1), financial inability under Subdivision (C)(2) and willingness to enter into any alternative payment arrangement under Subdivision (C)(3) as far in advance of any proposed date for discontinuation of service as possible. Upon receipt of such documentation, the Supplier’s General Manager, or his or her designee, shall review that documentation and respond to the consumer within seven (7) calendar days to either request additional information, including information relating to the feasibility of the available alternative arrangements, or to notify the consumer of the alternative payment arrangement, and terms thereof, under Section III, below, in which the Supplier will allow the consumer to participate. If the Supplier has



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requested additional information, the consumer shall provide that requested information within five (5) calendar days of receipt of the Supplier’s request. Within five (5) calendar days of its receipt of that additional information, the Supplier shall either notify the consumer in writing that the consumer does not meet the conditions under Subdivision (C), above, or notify the consumer in writing of the alternative payment arrangement, and terms thereof, under Section III, below, in which the Supplier will allow the consumer to participate. Consumers who fail to meet the conditions described in Subdivision (C), above, must pay the past due amount, including any penalties and other charges, owing to the Supplier within the latter to occur of: (i) two (2) business days after the date of notification from the Supplier of the Supplier’s determination the consumer failed to meet those conditions; or (ii) the date of the impending service discontinuation, as specified in the Overdue Notice.

E. Special Rules for Low Income Consumers: Consumers are deemed to have a household income below 200% of the federal poverty line if: (i) any member of the customer’s household is a current recipient of the following benefits: CalWORKS, CalFresh, general assistance, Medi-Cal, SSI/State Supplementary Payment Program or California Special Supplemental Nutrition Program for Women, Infants and Children; or (ii) the consumer declares the household’s annual income is less than 200% of the federal poverty level (see this link for the federal poverty levels applicable in California: <https://www.healthforcalifornia.com/covered-california/income-limits>). If a consumer demonstrates either of those circumstances, then the following apply:

1. Reconnection Fees: If service has been discontinued and is to be reconnected, then any reconnection fees during the Supplier’s normal operating hours cannot exceed \$50, and reconnection fees during non-operational hours cannot exceed \$150. Those fees cannot exceed the actual cost of reconnection if that cost is less than the statutory caps. Those caps may be adjusted annually for changes in the Consumer Price Index for the Los Angeles-Long Beach-Anaheim metropolitan area beginning January 1, 2021.
2. Interest Waiver: The Supplier shall not impose any interest charges on past due bills.

F. Landlord-Tenant Scenario: The below procedures apply to individually metered detached single-family dwellings, multi-unit residential structures and mobile home parks where the property owner or manager is the customer of record and is responsible for payment of the water bill.



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1. Required Notice:

- a. At least ten (10) calendar days prior if the property is a multi-unit residential structure or mobile home park, or seven (7) calendar days prior if the property is a detached single-family dwelling, to the possible discontinuation of water service, the Supplier must make a good faith effort to inform the tenants/occupants at the property by written notice that the water service will be discontinued.
- b. The written notice must also inform the tenants/occupants that they have the right to become customers to whom the service will be billed (see Subdivision 2, below), without having to pay any of the then past due amounts.

2. Tenants/Occupants Becoming Customers:

- a. The Supplier is not required to make service available to the tenants/occupants unless each tenant/occupant agrees to the terms and conditions for service and meets the Supplier’s requirements and rules.
- b. However, if (i) one or more of the tenants/occupants assumes responsibility for subsequent charges to the account to the Supplier’s satisfaction, or (ii) there is a physical means to selectively discontinue service to those tenants/occupants who have not met the Supplier’s requirements, then the Supplier may make service available only to those tenants/occupants who have met the requirements.
- c. If prior service for a particular length of time is a condition to establish credit with the Supplier, then residence at the property and proof of prompt payment of rent for that length of time, to the Supplier’s satisfaction, is a satisfactory equivalent.
- d. If a tenant/occupant becomes a customer of the Supplier and the tenant’s/occupant’s rent payments include charges for residential water service where those charges are not separately stated, the tenant/occupant may deduct from future rent payments all reasonable charges paid to the Supplier during the prior payment period.



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III. Alternative Payment Arrangements: For any consumer who meets the three conditions under Section II(C), above, in accordance with the process set forth in Section II(D), above, the Supplier shall offer the consumer one or more of the following alternative payment arrangements, to be selected by the Supplier in its discretion: (i) amortization of the unpaid balance under Subdivision (A), below; (ii) alternative payment schedule under Subdivision (B), below; (iii) partial or full reduction of unpaid balance under Subdivision (C), below; or (iv) temporary deferral of payment under Subdivision (D), below. The General Manager, or his or her designee, shall, in the exercise of reasonable discretion, select the most appropriate alternative payment arrangement after reviewing the information and documentation provided by the consumer and taking into consideration the consumer’s financial situation and Supplier’s payment needs.

A. Amortization: Any consumer who is unable to pay for water service within the normal payment period and meets the three conditions under Section II(C), above, as the Supplier shall confirm, may, if the Supplier has selected this alternative, enter into an amortization plan on the following terms:

1. Term: The consumer shall pay the unpaid balance, with the administrative fee and interest as specified in Subdivision (2), below, over a period not to exceed twelve (12) months, as determined by the General Manager or his or her designee; provided, however, that the General Manager or his or her designee, in their reasonable discretion, may apply an amortization term of longer than twelve (12) months to avoid undue hardship on the consumer. The unpaid balance, together with the applicable administrative fee and any interest to be applied, shall be divided by the number of months in the amortization period and that amount shall be added each month to the consumer’s ongoing monthly bills for water service.
2. Administrative Fee; Interest: For any approved amortization plan, the consumer will be charged an administrative fee, in the amount established by the Supplier from time to time, representing the cost of initiating and administering the plan. At the discretion of the General Manager or his or her designee, interest at an annual rate not to exceed eight percent (8%) shall be applied to any amounts to be amortized under this Subsection A.
3. Compliance with Plan: The consumer must comply with the amortization plan and remain current as charges accrue in each subsequent billing period. The consumer may not request further amortization of any subsequent unpaid charges while paying past due



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charges pursuant to an amortization plan. Where the consumer fails to comply with the terms of the amortization plan for sixty (60) calendar days or more, or fails to pay the consumer’s current service charges for sixty (60) calendar days or more after the Due Date of such current charges, the Supplier may discontinue water service to the consumer’s property at least five (5) business days after posting at the consumer’s residence a final notice of its intent to discontinue service.

B. Alternative Payment Schedule: Any consumer who is unable to pay for water service within the normal payment period and meets the three conditions under Section II(C), above, as the Supplier shall confirm, may, if the Supplier has selected this alternative, enter into an alternative payment schedule for the unpaid balance in accordance with the following:

1. Repayment Period: The consumer shall pay the unpaid balance, with the administrative fee and interest as specified in Subdivision (2), below, over a period not to exceed twelve (12) months, as determined by the General Manager or his or her designee; provided, however, that the General Manager or his or her designee, in their reasonable discretion, may extend the repayment period for longer than twelve (12) months to avoid undue hardship on the consumer.
2. Administrative Fee; Interest: For any approved alternative payment schedule, the consumer will be charged an administrative fee, in the amount established by the Supplier from time to time, representing the cost of initiating and administering the schedule. At the discretion of the General Manager or his or her designee, interest at an annual rate not to exceed eight percent (8%) shall be applied to any amounts to be paid under this Subsection B.
3. Schedule: After consulting with the consumer and considering the consumer’s financial limitations, the General Manager or his or her designee shall develop an alternative payment schedule to be agreed upon with the consumer. That alternative schedule may provide for periodic lump sum payments that do not coincide with the established payment date, may provide for payments to be made more frequently than monthly, or may provide that payments be made less frequently than monthly, provided that in all cases, subject to Subdivision (1), above, the unpaid balance and administrative fee shall be paid in full within twelve (12) months of establishment of the payment schedule.



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The agreed upon schedule shall be set forth in writing and be provided to the consumer.

4. Compliance with Plan: The consumer must comply with the agreed upon payment schedule and remain current as charges accrue in each subsequent billing period. The consumer may not request a longer payment schedule for any subsequent unpaid charges while paying past due charges pursuant to a previously agreed upon schedule. Where the consumer fails to comply with the terms of the agreed upon schedule for sixty (60) calendar days or more, or fails to pay the consumer’s current service charges for sixty (60) calendar days or more after the Due Date of such current charges, the Supplier may discontinue water service to the consumer’s property at least five (5) business days after posting at the consumer’s residence a final notice of its intent to discontinue service.
- C. Reduction of Unpaid Balance: Any consumer who is unable to pay for water service within the normal payment period and meets the three conditions under Section II(C), above, as the Supplier shall confirm, may, if the Supplier has selected this alternative, receive a reduction of the unpaid balance owed by the consumer, not to exceed thirty percent (30%) of that balance without approval of and action by the Board of Directors; provided that any such reduction shall be funded from a source that does not result in additional charges being imposed on other customers. The proportion of any reduction shall be determined by the consumer’s financial need, the Supplier’s financial condition and needs and the availability of funds to offset the reduction of the consumer’s unpaid balance.
1. Repayment Period: The consumer shall pay the reduced balance by the due date determined by the General Manager or his or her designee, which date (the “Reduced Payment Date”) shall be at least fifteen (15) calendar days after the effective date of the reduction of the unpaid balance.
 2. Compliance with Reduced Payment Date: The consumer must pay the reduced balance on or before the Reduced Payment Date, and must remain current in paying in full any charges that accrue in each subsequent billing period. If the consumer fails to pay the reduced payment amount within sixty (60) calendar days after the Reduced Payment Date, or fails to pay the consumer’s current service charges for sixty (60) calendar days or more after the Due Date of such current charges, the Supplier may discontinue water service to the



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consumer’s property at least five (5) business days after posting at the consumer’s residence a final notice of its intent to discontinue service.

D. **Temporary Deferral of Payment:** Any consumer who is unable to pay for water service within the normal payment period and meets the three conditions under Section II(C), above, as the Supplier shall confirm, may, if the Supplier has selected this alternative, have payment of the unpaid balance temporarily deferred for a period of up to six (6) months after the payment is due. The Supplier shall determine, in its discretion, how long of a deferral shall be provided to the consumer.

1. **Repayment Period:** The consumer shall pay the unpaid balance by the deferral date (the “Deferred Payment Date”) determined by the General Manager or his or her designee. The Deferral Payment Date shall be within twelve (12) months from the date the unpaid balance became past due; provided, however, that the General Manager or his or her designee, in their reasonable discretion, may establish a Deferred Payment Date beyond that twelve (12) month period to avoid undue hardship on the consumer.

2. **Compliance with Reduced Payment Date:** The consumer must pay the reduced balance on or before the Deferred Payment Date, and must remain current in paying in full any charges that accrue in each subsequent billing period. If the consumer fails to pay the unpaid payment amount within sixty (60) calendar days after the Deferred Payment Date, or fails to pay the consumer’s current service charges for sixty (60) calendar days or more after the Due Date of such current charges, the Supplier may discontinue water service to the consumer’s property at least five (5) business days after posting at the consumer’s residence a final notice of its intent to discontinue service.

IV. **Appeals:** The procedure to be used to appeal the amount set forth in any bill for residential water service is set forth below. A consumer shall be limited to three (3) unsuccessful appeals in any twelve (12) month period and if that limit has been reached, the Supplier is not required to consider any subsequent appeals commenced by or on behalf of that consumer.

A. **Initial Appeal:** Within ten (10) days of receipt of the bill for water service, the consumer has a right to initiate an appeal or review of any bill or charge. Such request must be made in writing and be delivered to the Supplier’s office. For so long as the consumer’s appeal and any resulting investigation is pending, the Supplier cannot discontinue water service to the consumer.



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- B. Overdue Notice Appeal: In addition to the appeal rights provided under Subsection A, above, any consumer who receives an Overdue Notice may request an appeal or review of the bill to which the Overdue Notice relates at least five business (5) days after the date of the Overdue Notice if the consumer alleges the bill is in error with respect to the quantity of water consumption set forth on that bill; provided, however, that no such appeal or review rights shall apply to any bill for which an appeal or request for review under Subsection A, above, has been made. Any appeal or request for review under this Subsection B must be in writing and must include documentation supporting the appeal or the reason for the review. The request for an appeal or review must be delivered to the Supplier's office within that five (5) business day period. For so long as the consumer's appeal and any resulting investigation is pending, the Supplier cannot discontinue water service to the consumer.
- C. Appeal Hearing: Following receipt of a request for an appeal or review under Subsections A or B, above, a hearing date shall be promptly set before the General Manager, or his or her designee (the "Hearing Officer"). After evaluation of the evidence provided by the consumer and the information on file with the Supplier concerning the water charges in question, the Hearing Officer shall render a decision as to the accuracy of the water charges set forth on the bill and shall provide the appealing consumer with a brief written summary of the decision.
1. If water charges are determined to be incorrect, the Supplier will provide a corrected bill and payment of the revised charges will be due within ten (10) calendar days of the bill date for revised charges. If the revised charges remain unpaid for more than sixty (60) calendar days after the corrected bill is provided, water service will be disconnected, on the next regular working day after expiration of that sixty (60) calendar day period; provided that the Supplier shall provide the consumer with the Overdue Notice in accordance with Section II(B)(1), above. Water service will only be restored upon full payment of all outstanding water charges, fees, and any and all applicable reconnection charges.
 - a. If the water charges in question are determined to be correct, the water charges are due and payable within two (2) business days after the Hearing Officer's decision is rendered. At the time the Hearing Officer's decision is rendered, the consumer will be advised of the right to further appeal before the Board of Directors. Any such appeal must be filed in writing within seven (7) calendar days after the Hearing Officer's decision is rendered if the appeal



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or review is an initial appeal under Subdivision A above, or within three (3) calendar days if the appeal or review is an Overdue Notice appeal under Subdivision B, above. The appeal hearing will occur within the next regular two meetings of the Board of Directors, unless the consumer and Supplier agree to a later date.

- b. For an initial appeal under Subdivision A, above, if the consumer does not timely appeal to the Board of Directors, the water charges in question shall be immediately due and payable. In the event the charges are not paid in full within sixty (60) calendar days from the bill's Due Date, then the Supplier shall provide with the Overdue Notice in accordance with Section II(B)(1), above, and may proceed in potentially discontinuing service to the consumer's property.
 - c. For an Overdue Notice appeal under Subdivision B, above, if the consumer does not timely appeal to the Board of Directors, then water service to the subject property may be discontinued on written or telephonic notice to the consumer to be given at least twenty-four (24) hours after the latter to occur of: (i) expiration of the original notice period set forth in the Overdue Notice; or (ii) the expiration of the appeal period.
2. When a hearing before the Board of Directors is requested, such request shall be made in writing and delivered to the Supplier at its office. The consumer or consumer's counsel will be required to personally appear before the Board and present evidence and reasons as to why the water charges on the bill in question are not accurate. The Board shall evaluate the evidence presented by the consumer, as well as the information on file with the Supplier concerning the water charges in question, and render a decision as to the accuracy of said charges.
- a. If the Board finds the water charges in question are incorrect, the consumer will be billed for the revised charges and payment shall be due within ten (10) days of the date of the revised bill. If the revised charges remain unpaid for more than sixty (60) calendar days after the due date for that corrected bill, water service will be disconnected, on the next regular working day after expiration of that sixty (60) calendar day period; provided that the Supplier shall provide the consumer with the Overdue Notice in accordance with Section II(B)(1), above. Water service will be restored only after



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outstanding water charges and any and all applicable reconnection charges are paid in full.

- b. If the water charges in question are determined to be correct, the water charges are due and payable within two (2) business days after the decision of the Board is rendered. In the event the charges are not paid in full within sixty (60) calendar days after the original bill's Due Date, then the Supplier shall provide the Overdue Notice in accordance with Section II(B)(1), above, and may proceed in potentially discontinuing service to the consumer's property.
- c. Any overcharges will be reflected as a credit on the next regular bill to the consumer, or refunded directly to the consumer, at the sole discretion of the Board.
- d. Water service to any consumer shall not be discontinued at any time during which the consumer's appeal to the Supplier or its Board of Directors is pending.
- e. The Board's decision is final and binding.

V. Restoration of Service: In order to resume or continue service that has been discontinued due to non-payment, the consumer must pay a security deposit and a Reconnection Fee established by the Supplier, subject to the limitation set forth in Section II(E)(1), above. The Supplier will endeavor to make such reconnection as soon as practicable as a convenience to the consumer. The Supplier shall make the reconnection no later than the end of the next regular working day following the consumer's request and payment of any applicable Reconnection Fee.

(Originally Adopted February 2020; revised July 2021, September 2022)


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COMMITTEE MEMORANDUM

DATE: August 8, 2022

TO: Finance and Administration Committee

FROM: Rochelle Patterson 
Chief Financial and Administrative Officer

SUBJECT: Recommend Approval of a Revised Debt Management Policy

SUMMARY

Management recommends approval of the attached (Attachment 1) revised Debt Management Policy for the Santa Clarita Valley Water Agency.

DISCUSSION

The revised Debt Management Policy adds guidelines, which will assist staff to determine if/when new issuances of debt are appropriate and also expands the definition of debt financings, to include federal or state credit programs or loans, such as the credit program through the US Environmental Protection Agency (EPA), Water Infrastructure and Finance Innovation Act (WIFIA) or the Clean Water State Revolving Fund (CWSRF) loan program.

Major Capital Improvement Projects (CIP) have traditionally been debt-financed both to address fluctuations in Facility Capacity Fee revenues and to address generational equity for projects with a useful life of more than 10 years. The revised policy requires that a project is determined to be of major, non-recurring items for improvements with a minimum of 20-30 years of useful life. This is to ensure that the useful life of the CIP project will have a useful life that is consistent with the repayment terms. Debt financings spreads the cost of capital improvements out over time and allows each generation to pay for what it uses.

The projects currently being recommended for debt financing have useful lives of 20 to 50 years. Each of these projects is allocated to future and existing users and the associated debt service identified as future users is paid by Facility Capacity Fees.

The Agency's current CIP for Major Capital projects shows 28 projects being constructed in FY 2023 and over the next ten years. Attachment 2 shows a need for additional funding of \$343,949,530 million through FY 2032/2033 at current projections, with the next projected debt issuance to occur in the current fiscal year. These projections are continually refined based on need, available funding, supply chain volatility, permitting, regulatory action and labor availability.

The project costs projected exclude grant funding that may be obtained and/or successful litigation actions that may result in capital funds from the responsible parties, as the precise timing and magnitude of those sources are not known. However a portion of the 10 Year CIP will likely push funding from one of these two sources. The exact timing and amounts of debt

issuance would depend on the progress of the CIP, availability of grant funds, legal cost recovery proceeds, and market conditions. No new debt would be issued without thorough review with, and approval of the Board of Directors as stated in the Debt Management Policy.

FINANCIAL CONSIDERATIONS

None at this time.

RECOMMENDATION

That the Finance and Administration Committee recommend that the Board of Directors approve the attached revised Debt Management Policy.

RP

Attachment

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ATTACHMENT 1



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DEBT MANAGEMENT POLICY

1.0 INTRODUCTION

The Agency's overriding goal in issuing debt is to respond to, and provide for, the infrastructure, capital project and other financing needs the Agency's water system while ensuring that debt is issued and managed prudently in order to maintain a sound fiscal position and protect credit quality.

~~The issuance of long-term debt is a valuable funding resource for the Agency. Used appropriately and prudently, long-term debt can stabilize the Agency's charges and rates over time. Debt can provide an equitable means of financing projects for customers of the Agency and provide access to new capital needed for infrastructure and project needs.~~

~~1.1 Debt may be used to meet financing needs if Long-term debt financings are appropriate when the following conditions exist:~~

- ~~• When unrestricted cash and cash reserves fall below 80% of target levels~~
- ~~• When the project (i) it meets the goals of equitable treatment of all Agency customers, respectively, both current and future~~
- ~~• When total debt outstanding does not constitute an unreasonable burden to the Agency and its ratepayers~~
- ~~• When, (ii) it is the most cost-effective means available to the Agency, (iii) it is fiscally prudent, responsible, and diligent under the prevailing economic conditions, and (iv) if~~
- ~~• When the debt is used to refinance outstanding debt in order to generate debt service savings or to realize the benefits of a debt restructuring~~
- ~~• If the projects are determined to be of major, non-recurring items or improvements with a minimum of 20-30 years of useful life~~
- ~~• If there are other important policy reasons thereof.~~

~~1.2 Long-term debt financings will not be considered appropriate for current operating expenses and routine maintenance expenses~~

~~1.3 The Agency may use long-term debt financings subject to the following conditions:~~

- ~~• The project to be financed must be approved by the Agency Board of Directors~~
- ~~• The Agency estimates that sufficient revenues will be available to service debt through its maturity~~



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- The Agency has determined that assets being acquired have a long useful life and the Agency wants to allocate or distribute the cost of the asset among both current and future users
- The availability of significant, incremental and typically discretionary revenues, including capital reserves for the replacement of capital assets is limited or restricted
- The Agency determines that the issuance of the debt will comply with the applicable state and federal law.
- The Agency determines that the issuance of debt will comply with the existing financial covenants

2.0 STATEMENT OF PURPOSE

The Agency may utilize reasonable debt financing as an acceptable and appropriate approach to fund long-term facility investments and thus ensure that existing and future users pay their fair share. If able to do so, the Agency may use the pay-as-you-go method of using current revenues to pay for long-term infrastructure and other projects. This method is preferred when sufficient discretionary revenues ~~and or~~ reserves are available and long-term borrowing rates are higher than expected. For growth-related projects, debt financing may be utilized, as needed, to better match the cost of anticipated facility needs with timing of expected new connections to the system and spread the costs evenly over time.

2.1 Purposes and Use of Debt

The Agency will utilize reasonable debt financing as an acceptable and appropriate approach to fund long-term investments and thus ensure that existing and future users pay their fair share. Long-term capital investments include the acquisition of land, facilities, works, improvements and supplies of water; and enhancements or enlargements to existing capacity and facilities for obtaining, importing, transporting and delivering additional quantities of water. These investments are typically included in the Agency’s Capital Improvement Program ~~and Data Document. Bond proceeds~~Debt financings can be issued to fund the planning, design, land acquisition, construction, attached fixtures or equipment and movable pieces or equipment, or other costs as permitted by law. ~~Bond proceeds~~Debt financings can also be used to refinance obligations of the ~~wholesale system~~Agency.



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2.2 Purpose of Policy

The purpose of a debt management policy is to:

- Establish parameters for issuing debt
- Provide guidance to decision makers:
 - With respect to all options available to finance infrastructure, capital projects, and other financing needs
 - So that the most prudent, equitable and cost effective method of financing can be chosen
- Document the objectives to be achieved by staff both prior to issuance and subsequent to issuance
- Promote objectivity in the decision-making process
- Facilitate the financing process by establishing important policy decisions in advance

The Agency will adhere to the following legal requirements for the issuance of public debt:

- The state law which authorizes the issuance of the debt
- The federal and state laws which govern the eligibility of the debt for tax-exempt status
- The federal and state laws which govern the issuance of tax-exempt debt
- The federal and state laws, which govern disclosure, sale, and trading of the debt

3.0 GENERAL PROVISIONS

The Agency will provide for a periodic review of its financial performance, and review its performance relative to the financial policies outlined herein. These financial policies will be taken into account during the capital planning, budgeting, and rate setting process.

Necessary appropriations for annual debt service requirements will be routinely included in the Agency’s annual budget.

The Agency will maintain proactive communication with the investment community, including rating agencies, credit enhancers and investors, to ensure future capital market access at the lowest possible interest rates.

The Agency’s Debt Management Policy, Reserve Policy and the Statement of Investment Policy are integrated into the decision-making framework utilized in the



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budgeting and capital improvement planning process. As such, the following principles outline the Agency’s approach to debt management.

- The Agency will issue debt only in the case where there is an identified source of repayment. ~~Bonds-Debt~~ will be ~~issued-incurred~~ to the extent that (i) projected existing revenues are sufficient to pay for the proposed debt service together with all existing debt service covered by such existing revenues, or (ii) additional projected revenues have been identified as a source of repayment in an amount sufficient to pay for the proposed debt. That is, the maximum amount of a debt issue will be determined in part by conditions (i) and (ii) above.
- The Agency will not issue debt to finance operating needs except in case of an extreme financial emergency which is beyond its control or reasonable ability to forecast, and unless specifically approved by the Board of Directors.
- Debt issuance for a capital project will not be considered unless such project has been incorporated into the Agency’s capital planning process, or as otherwise approved by the Board of Directors.

4.0 CONDITIONS FOR DEBT ISSUANCE

The following guidelines formally establish parameters for evaluating, issuing, and managing the Agency’s debt. The guidelines outlined below are not intended to serve as a list of rules to be applied to the Agency’s debt issuance process, but rather to serve as a set of practices to promote sound financial management.

In issuing debt, the Agency’s objectives will be to:

- Achieve the lowest cost of capital
- Ensure ratepayer equity for the Agency’s customers
- Maintain the adopted credit rating strategy and access to credit enhancement
- Preserve financial flexibility

4.1 Standards for Use of Debt Financing

When appropriate, the Agency will use long-term debt financing to achieve an equitable allocation of capital costs/charges between current and future system users, to provide more manageable rates in the near and medium term and to minimize rate volatility.



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The Agency shall not construct or acquire a facility if it is unable to adequately provide for the subsequent annual operation and maintenance costs of the facility throughout its expected life.

Capital projects financed through debt issuance will not be financed for a term longer than the expected useful life of the project.

- 4.2 Types of Debt
Revenue bonds, federal or state credit programs or loans, ~~C~~certificates of ~~p~~Participation, refunding revenue bonds, commercial paper, capital leases and lease-purchase financing will be treated as debt and subject to these same policies.
- 4.3 Debt Capacity
There is no specific provision within the California Government Code that limits the amount of debt that may be issued by the Agency. The Agency’s borrowing capability is limited by the debt coverage ratio required by the existing ~~bond~~-debt covenants.
- 4.4 Financing Criteria
Each debt issuance should be evaluated on an individual basis within the context of the Agency’s overall financing objectives and current market conditions.

The Agency will evaluate alternative debt structures (and timing considerations) to ensure the most cost-efficient financing under prevailing market conditions.
 - 4.4.1 *Credit Enhancement* – the Agency will consider the use of credit enhancement on a case-by-case basis. Only when clearly demonstrable savings can be realized shall credit enhancement be utilized.
 - 4.4.2 *Cash-Funded Reserve vs. Surety* – If the issuance of debt requires a cash-funded Debt Service Reserve Fund, then the Agency may purchase a surety policy or replace an existing cash-funded Debt Service Reserve Fund when deemed prudent and advantageous. The Agency may permit the use of guaranteed investment agreements for the investment of reserve funds pledged to the repayment of any of the Agency’s debt when it is approved by the Board of Directors.
 - 4.4.3 *Call Provisions* – In general, the Agency’s securities should include optional call provisions. The Agency will avoid the sale of non-callable,



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long-term fixed rate bonds, absent careful evaluation of the value of the call option.

4.4.4 *Additional Bonds Test/Rate Covenants* – The amount and timing of debt will be planned to comply with the additional bonds tests and rate covenants outlined in the appropriate legal and financing documents, and this policy.

4.4.5 *Short-Term Debt* – The Agency may utilize short-term borrowing to serve as a bridge for anticipated revenues, construction financing or future bonding capacity.

4.4.6 *Variable Rate Debt* – Variable rate debt products are priced at the short-end of the yield curve at low interest rates, but subject to various risks. Variable rate debt may be appropriate for the Agency’s portfolio, depending on market conditions and a careful consideration of the risks involved. Variable rate debt products include variable rate demand obligations, commercial paper, and other obligations which have interest rates adjusting periodically. The Agency may consider the use of variable rate debt products to achieve a lower cost of borrowing or for short-term borrowing. In determining whether or not to use variable rate debt, the Agency will analyze the risk associated with the variable rate debt and the impact on the Agency’s overall portfolio. The principal amount of variable rate debt products, including those synthetically fixed through the use of derivative products, shall not exceed 25% of total Agency outstanding debt.

4.4.7 *Derivatives* – The use of derivatives is covered by the Agency’s Derivatives Policy. This policy states that is has been developed to guide the Agency in its use of interest rate risk mitigation products such as interest rate swaps and other such financing techniques. These financing products can increase Agency financial flexibility and provide opportunities for interest rate savings or enhanced investment yields. Careful monitoring of such products is required to preserve Agency credit strength and budget flexibility. Derivatives will not be used to speculate on perceived movements in interest rates. The notional amount of derivative products shall not exceed 15% of total Agency outstanding debt. The notional principal amount, in a derivative project, is the predetermined dollar amount on which the exchanged payments are based. The notional



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principal never changes hands in the transaction, which is why it is considered notional, or theoretical. Neither party pays nor receives the notional principal amount at any time; only interest rate payments change hands. More detailed information is contained in the Derivatives Policy.

4.4.8 *Upper Santa Clara Valley Joint Powers Authority* – The Agency is a member of the Upper Santa Clara Valley Joint Powers Authority. The Agency will consider issuing revenue bonds, or federal or state loan programs through the Authority on a case-by-case basis. The Agency will only issue ~~revenue bonds~~ debt through the Authority ~~only~~ when clearly demonstrable savings can be realized.

4.4.9 *Investment of Bond Proceeds* - Bond proceeds will be invested in accordance with the permitted investment language outlined in the bond documents for each transaction, unless further restricted or limited in the Agency’s Statement of Investment Policy. The Agency will seek to maximize investment earnings within the investment parameters set forth in the respective debt financing documentation. The reinvestment of bond proceeds will be incorporated into the evaluation of each financing decision; specifically addressing arbitrage/rebate position, and evaluating alternative debt structures and refunding savings on a “net” debt service basis, where appropriate.

4.5 Refinancing Outstanding Debt

The Treasurer shall have the responsibility to evaluate potential refunding opportunities. The Agency will consider the following issues when analyzing potential refinancing opportunities:

Debt Service Savings – The Agency shall establish a target savings level equal to 3% for current refundings and 5% for advance refundings of the par of debt refunded on a net present value (NPV) basis. The target savings levels serve only as a guidelines and the Agency may determine that different savings targets are appropriate; the Agency shall evaluate each refunding opportunity on a case-by-case basis. In addition to the savings guideline, the following shall be taken into consideration:

- Remaining time to maturity
- Size of the issue
- Current interest rate environment
- Annual cash flow savings



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- The value of the call option

The decision to take all savings upfront or on a deferred basis must be explicitly approved by the Board of Directors.

4.5.1 *Restructuring* – The Agency may seek to refinance a bond issue on a non-economic basis, in order to restructure debt, to mitigate irregular debt service payments, accommodate revenue shortfalls, release reserve funds, or comply with and/or eliminate rate/bond covenants.

4.5.2 *Term/Final Maturity* – The Agency may consider the extension of the final maturity of the refunding bonds in order to achieve a necessary outcome, provided that such extension is legal. The term of the bonds should not extend beyond 120% of the reasonably expected useful life of the asset being financed. The Agency may also consider shortening the final maturity of the bonds. The remaining useful life of the assets and the concept of inter-generational equity will guide these decisions.

4.5.3 *Economic versus Legal Defeasance* - When evaluating an economic versus legal defeasance, the Agency shall take into consideration both the financial impact on a net present value basis as well as the rating/credit impact. The Agency shall take all necessary steps to optimize the yield on its refunding escrows investments and avoid negative arbitrage.

4.6 Outstanding Debt Limitations

Prior to issuance of new debt, the Agency shall consider and review the latest credit rating agency reports and guidelines to ensure the Agency’s credit ratings and financial flexibility remain at levels consistent with the most highly rated comparable public agencies.

4.7 Method of Issuance

The Agency will determine, on a case-by-case basis, whether to sell its bonds competitively or through negotiation.

4.7.1 *Competitive Sale* – In a competitive sale, the Agency’s bonds shall be awarded to the bidder providing the lowest true interest cost (TIC), as long as the bid adheres to the requirements set forth in the official notice of sale.



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4.7.2 *Negotiated Sale* – The Agency recognizes that some bond issues are best sold through negotiation with a selected underwriter. The Agency has identified the following circumstances below in which this would likely be the case:

- Issuance of variable rate or taxable bonds
- Complex structures or credit considerations (such as non-rated bonds), which require a strong pre-marketing effort. Significant par value, which may limit the number of potential bidders, unique/proprietary financing mechanism (such as a financing pool), or specialized knowledge of financing mechanism or process
- Market volatility, such that the Agency would be better served by flexibility in the timing of its sale, such as in the case of a refunding issue wherein the savings target is sensitive to interest rate fluctuations, or in a changing interest rate environment
- When an underwriter has identified new financing opportunities or presented alternative structures that financially benefit the Agency
- As a result of an underwriter’s familiarity with the project/financing, that enables the Agency to take advantage of efficiency and timing considerations

4.7.3 *Private Placement* – From time to time the Agency may elect to issue debt on a private placement basis. Such method shall be considered if it is demonstrated to result in cost savings or provide other advantages relative to other methods of debt issuance, or if it is determined that access to the public market is unavailable and timing considerations require that a financing be completed.

4.8 Internal Controls
 The Agency will maintain segregation of duties and will provide reconciliation and documentation controls.

To ensure bond proceeds from bond sales are used in accordance with legal requirements, invoices are submitted by the appropriate Project Manager and are



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approved for payment by the appropriate Department Manager and/or delegated staff/supervisor, the Controller and the General Manager for payment. In the case of an issuance of bonds for which the proceeds will be used by a government entity other than the Agency, the Agency may rely upon a certification by such other governmental entity that it has adopted the policies described in SB 1029.

A separate fund and/or account will be setup to hold proceeds from bond sales to ensure only properly approved invoices are paid as permitted per legal requirements.

Debt issuance transactions are approved by the Board of Directors.

Responsibility for general ledger reconciliations and records is segregated from the invoice processing, cash receipting and cash disbursement functions.

- 4.9 Market Communication, Debt Administration and Reporting Requirements
Rating Agencies – The Treasurer shall be responsible for maintaining the Agency’s relationships with ~~Standard & Poor’s Ratings Services~~ S&P Global Ratings, Fitch Ratings, and Moody’s Investors Service, to the extent the Agency has ratings from such firms. The Agency shall from time to time, maintain relationships with these agencies as circumstances dictate. The Agency may choose based upon market conditions the number of ratings to obtain for any individual debt issuance. In addition to general communication, the Treasurer should attempt to meet (either in person or via phone or email) with credit analysts at least once each fiscal year. The Treasurer shall prior to each competitive or negotiated sale, offer conference calls or meeting(s) with rating agency analysts in connection with the planned sale.
- 4.10 *Observance of Debt Covenants* – The Treasurer will periodically ensure that the Agency is in compliance with all legal covenants for each debt issue.
- 4.11 *Continuing Disclosure* – The Treasurer will periodically confirm that all debt issued is in compliance with Rule 15c2-12(b)(5) by required filing as covenanted in each debt issue’s Continuing Disclosure Agreement.
- 4.12 *State Reporting Requirements – Pursuant to Government Code section 8855(k), the Agency will submit annual debt transparency reports for any debt for which it has submitted a report of final sale on or after January 21, 2017 every year until the later date on which the debt is no longer outstanding and the proceeds have been fully spent. The Agency shall comply with Government Code Section*



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5852.1 by disclosing specified good faith estimates in a public meeting prior to the authorization of the issuance of debt.

4.13 *Record Keeping* – A copy of all debt-related records shall be retained at the Agency’s offices or in an approved storage facility. At minimum, these records shall include all official statements, bid documents, bond documents/transcripts, resolutions, trustee statements, leases, and title reports for each financing (to the extent available). To the extent possible, the Agency shall retain an electronic copy of each document, preferably in PDF or CD-ROM format.

~~4.13~~14 *Arbitrage Rebate* – The use of bond proceeds and their investments must be monitored to ensure compliance with all Internal Revenue Code Arbitrage Rebate Requirements. The Treasurer shall ensure that all bond proceeds and investments are tracked in a manner that facilitates accurate calculation; if a rebate payment is due, such payment is made in a timely manner.

~~4.14~~15 *Policy Review* – This policy should be reviewed periodically by the Board and updated as needed. This policy is intended to comply with SB 1029.

(Originally Adopted April 2018; revised September 2022)

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ATTACHMENT 2

Debt Financed Projects

FY 2023 and 10-year Forecast FY 2024 - FY 2033

Capital Project Description	FY 2022/23 Revised	10 Year FY 2024 - FY 2033	Useful Life
As-Needed Regulatory Support for Non-Potable Recycled Water Permitting	\$ 100,000	\$ 50,000	N/A
New Water Banking Program (AVEK/Mid Valley/Rosedale)	\$ 2,300,000	\$ 27,000,000	20
Sites Reservoir	\$ 1,000,000	\$ 19,900,000	20
Castaic Conduit	\$ 4,200,000	\$ 13,120,000	50
Honby Parallel	\$ 100,000	\$ 25,650,000	50
LARC Pipeline*	\$ 1,500,000	\$ 750,000	50
Magic Mountain Pipeline No. 4	\$ 250,000	\$ 6,000	50
Magic Mountain Pipeline No. 5	\$ 250,000	\$ 6,000	50
Magic Mountain Pipeline No. 6	\$ 3,400,000	\$ 14,000	50
Newhall Ave Railroad Crossing	\$ -	\$ 2,500,000	50
Recycled Water Fill Station	\$ 1,000,000	\$ 5,000	50
Recycled Water Program Phase II, 2A - Central Park	\$ 1,000	\$ 4,000	50
Recycled Water Program Phase II, 2B - Vista Canyon Backbone	\$ 200,000	\$ 2,000,000	50
Recycled Water Program Phase II, 2C - South End Backbone	\$ 6,000,000	\$ 7,500,000	50
Magic Mountain Reservoir	\$ 3,000,000	\$ 32,100,000	50
Magic Mountain Reservoir 2	\$ -	\$ 45,400,000	50
Sand Canyon Reservoir Expansion	\$ -	\$ 17,600,000	30
Southern Service Area Reservoir	\$ -	\$ 17,150,000	50
ESFP Sludge Collection System	\$ 15,000,000	\$ 10,675,000	35
Mitchell 5A Replacement	\$ 150,000	\$ 5,000,000	30
Well 201 VOC Groundwater Treatment Improvements	\$ 3,300,000	\$ 1,010,000	30
Additional Wells (T7, U4, U6) (includes S1&S2 Wells VOC Treatment & Flexlend)	\$ -	\$ 13,000,000	30
E Wells (E-14, E-15, E-16, E-17)	\$ -	\$ 8,200,000	30
S Wells (S6, S7 and S8)	\$ -	\$ 14,000,000	30
Santa Clara and Honby Wells	\$ -	\$ 2,825,000	30
Saugus Dry Year Reliability Wells 5 & 6	\$ 230,000	\$ 42,125,000	30
Well E-14 Site Improvements	\$ -	\$ 6,275,000	30
Well E-16 Site Improvements	\$ -	\$ 6,275,000	30
	\$ 41,981,000	\$ 320,140,000	
Existing Bond Proceeds (2020A)	<u>(\$18,171,470)</u>		
	\$ 23,809,530	<u>\$ 23,809,530</u>	
Funding Needed		<u>\$ 343,949,530</u>	


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COMMITTEE MEMORANDUM

DATE: August 8, 2022

TO: Finance and Administration Committee

FROM: Rochelle Patterson 
Chief Financial and Administrative Officer

SUBJECT: Recommend Approval to Complete Letter of Interest Form for the EPA's WIFIA Program

SUMMARY and DISCUSSION

A Water Infrastructure Finance and Innovation Act (WIFIA) loan is a federal credit program administered by the Environmental Protection Agency (EPA) to provide funding for eligible water and wastewater infrastructure projects. To-date, the program has closed 89 loans totaling \$15.4 billion in credit assistance to finance nearly \$33 billion in infrastructure projects. The EPA is currently allocating funding for WIFIA loans in the amount of \$5.5 billion, which can support up to \$11 billion in water infrastructure investment. To apply for the program, a borrower needs to first send in a Letter of Interest (LOI) (attached) to the EPA via a competitive selection round that begins accepting applications starting September 2022.

WIFIA can finance water and wastewater projects that meet the following requirements:

1. Projects that are eligible for the Clean Water State Revolving Fund (CWSRF) and Drinking Water SRF
2. Enhanced energy efficiency projects at drinking water and wastewater facilities
3. Brackish or seawater desalination, aquifer recharge, alternative water supply, and water recycling projects
4. Drought prevention, reduction, or mitigation projects
5. Acquisition of property if it is integral to the project or will mitigate the environmental impact of a project
6. A combination of projects secured by a common security pledge or submitted under one application by an SRF program

The EPA also requires the projects to follow National Environmental Policy Act (NEPA), Davis-Bacon, American Iron and Steel, Build America, Buy America Act (BABAA), and all other federal cross-cutter provisions. The EPA recently released a waiver for BABAA requirements for eligible projects that have initiated project design planning prior to May 14, 2022.

A summary of the benefits of a WIFIA loan include:

- WIFIA offers a competitive, fixed interest rate. A WIFIA loan's interest rate is equal to the interest rate of a US Treasury security of a similar maturity, plus 0.01%, based on the weighted average life of the loan fixed at the time of close. For example, a 30-year WIFIA loan would have an interest rate of 3.04% based on market conditions

- as of July 29, 2022. The interest rate is not impacted by the borrower's credit rating.
- WIFIA's final maturity date may be 35 years after completion of project construction. Therefore, a project with a 5-year construction period may have a total of 40 years from first disbursement to final maturity to repay the WIFIA debt.
- WIFIA offers repayment deferral periods during construction and up to 5 years post construction completion.
- WIFIA debt may be prepaid without penalty in minimum amounts of \$1 million.
- Debt service payments for a WIFIA loan may be customized or subordinated to outstanding debt.
- WIFIA provides funding for up to 49% of eligible project costs. The remaining 51% can be funded with low-cost governmental loans, bonds, grants, or cash as long as the total project funding/assistance provided by the federal government does not exceed 80%.

The EPA offers a master agreement structure to borrowers with multiple projects expected to be constructed over a long timeframe. Per correspondence with the EPA, Santa Clarita Valley Water Agency (SCV Water; Agency) can request a master agreement for its entire 10-year capital improvement program (CIP) allowing the Agency to enter into multiple WIFIA loans over the 5-year period following the closing of the first loan to finance portions of the CIP once the projects are ready to proceed. A master agreement allows the borrower to negotiate all terms and conditions of issuance upfront thereby avoiding the need to negotiate with the EPA for multiple loans. We expect that this structure will avoid fees related to drafting and negotiating future loans.

Assuming the Agency is invited to apply to the WIFIA program and using the master agreement structure, there is a potential to save a significant amount of money. Based on market conditions as of August 3, 2022, the Agency is estimated to save on a net present value basis up to \$30 million to finance 49% of its approximate \$360 million 10-year CIP program with a WIFIA Loan, versus using traditional 30-year debt. Estimated savings are subject to change based on several factors including but not limited to interest rates, timing of loan issuance, structure of debt service and actual funding needs.

FINANCIAL CONSIDERATIONS

The submittal of an LOI to the EPA does not require the Agency to apply to the WIFIA program, if accepted, and does not represent a commitment to the issuance of debt. Costs for the Agency to prepare the LOI with assistance from bond counsel, municipal advisor and an engineering firm, if needed, are estimated to not exceed \$50,000.

RECOMMENDATION

That the Finance and Administration Committee recommend the Board of Directors approve completing a Letter of Interest form for the EPA's WIFIA Program.

RP

Attachment

MBS

WIFIA Letter of Interest Instructions

A prospective borrower seeking Water Infrastructure Finance and Innovation Act (WIFIA) credit assistance must complete and submit this letter of interest form and provide requested attachments to the U.S. Environmental Protection Agency (EPA) following the instructions in the [Notice of Funding Availability](#) (NOFA). In its submittal, the prospective borrower:

- 1) Describes itself and its proposed project(s);
- 2) Provides key financial and engineering information and documents; and
- 3) Explains how the project meets the [WIFIA selection criteria](#).

The prospective borrower should answer all questions in this form. Narrative answers can reference source documents by including the name of the document and relevant pages or sections and providing any referenced documents as attachments. The prospective borrower must sign Sections E and F in the appropriate spaces.

A prospective borrower may assert a Confidential Business Information (CBI) claim covering part or all of the information submitted to EPA as part of its letter of interest, in a manner consistent with 40 C.F.R. 2.203, 41 Fed. Reg. 36902 (Sept. 1, 1976), by placing on (or attaching to) the information a cover sheet, stamped or typed legend, or other suitable form of notice employing language such as trade secret, proprietary, or company confidential. The prospective borrower should also state whether it desires confidential treatment until a certain date or until the occurrence of a certain event. Information covered by a business confidentiality claim will be disclosed by EPA only to the extent and only by means of the procedures set forth under 40 C.F.R. Part 2, Subpart B. Information that is not accompanied by a business confidentiality claim when it is received by EPA may be made available to the public by EPA without further notice to the prospective borrower. More information about CBI is available in the [WIFIA program handbook](#).

The total length of the letter of interest form should not exceed 50 pages, excluding any attachments. Font size should not be smaller than 11-point Calibri. There is no limit to the number or length of attachments provided. Attachments should be the most recent versions of the documents available at the time of submission and may be draft or preliminary. Attachments must be referenced in the letter of interest form to be considered.

The final letter of interest submission must include:

- 1) A completed, signed version of this letter of interest form
- 2) All attachments requested and referenced in the letter of interest form

When finished, the letter of interest form and attachments may be submitted by uploading the documents to EPA's SharePoint site. To be granted access to the SharePoint site, the prospective borrower can request access to SharePoint by emailing wifia@epa.gov. After uploading the completed letter of interest form and all attachments, emailing the WIFIA program office at wifia@epa.gov, with the subject line: "[NAME OF PROSPECTIVE BORROWER] – [NAME OF PROJECT] – Letter of Interest Submitted".



After EPA's intake process is complete, it will provide a confirmation email to the contacts listed in Section D.

Additional instructions and resources for completing and submitting this letter of interest are available in the [NOFA](#), [WIFIA program handbook](#), and WIFIA website (www.epa.gov/wifia). Questions may be submitted to the WIFIA program office at wifia@epa.gov.

Burden

The public reporting and recordkeeping burden for this collection of information is estimated to average 60 hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, included through the use of automated collection techniques to the Director, Regulatory Support Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. Do not send the completed form to this address.

Warning

Falsification or misrepresentation of information or failure to file or report information required to be reported may be the basis for denial of financial assistance by EPA. Knowing and willful falsification of information required to be submitted and false statements to a Federal Agency may also subject you to criminal prosecution. See, for example, 18 U.S.C. §1001.

Additional information about the WIFIA program and the letter of interest form is available at <https://epa.gov/wifia> and by contacting wifia@epa.gov.



LETTER OF INTEREST

Provide the following information in this form or as narrative answers. Narrative answers can reference source documents (include the name of the document and relevant pages or sections). Provide any referenced documents as attachments.

Section A: Key Loan Information

1. Legal name of prospective borrower:

2. Other names under which the prospective borrower does business:

3. Project name (*assign a short name to the project for purposes of identification*):

4. Provide a brief description of the project(s) seeking financing. Limit the description to the elements included in the estimated total projects costs in Question A-7. (Word Limit: 300).



-
5. Describe the project's or projects' purpose(s) (including quantitative or qualitative details on public benefits the project will achieve). If the loan contains more than one project, the projects must serve a common purpose. Describe the common purpose that the projects share (i.e. addressing sanitary sewer overflows or improving drinking water quality). (Word limit: 300).

6. Requested amount of the WIFIA loan (in dollars). This amount may be no more than 49% of the estimated eligible project costs provided in question A-7 (except for systems that serve a population of 25,000 or less and may request up to 80% of the estimated eligible costs):

7. Estimated total eligible project costs (in dollars):

8. Identify the date the prospective borrower will submit an application. (Assume invitations to apply will be issued approximately 8 weeks from letter interest submission).



9. Identify the date the prospective borrower wants to close its WIFIA loan.

10. Identify the type of entity that the prospective borrower is (pick one):

- A. Corporation
- B. Partnership
- C. Joint Venture
- D. Trust
- E. Federal, State, or Local Government Entity, Agency, or Instrumentality
- F. Tribal Government or Consortium of Tribal Governments
- G. State infrastructure Finance Authority

11. If option E, F, or G was selected in question A-10, does the prospective borrower have legal authority to carry out the proposed project activities described in this Letter of Interest?

Yes No Not Applicable

If yes, cite the legal authority.

12. If "C. Joint Venture" was selected in question A-10, describe the organizational structure of the project(s) and attach an organizational chart illustrating this structure. Explain the relationship between the prospective borrower, the project, and other relevant parties. Include individual members or titles of the project team(s) and their past experiences with projects of similar size and scope. If multiple parties are involved in the project's construction, maintenance, and operation, describe the project's risk allocation framework.



13. Complete the following table to provide information about the jurisdiction and population served by the system.

Jurisdiction served (municipality, county, etc)	Total population of the jurisdiction	% of jurisdiction population served by project

If you serve more jurisdictions than fit on the table, please attach a similar table with the complete list. Provide the filename in the textbox.

File Name: _____

Total Population Served by Project: _____

14. Borrower department and division name:

15. Business street address:

Street Address: _____

City/State/Zip: _____



16. Mailing street address (if different from above):

Street Address: _____

City/State/Zip: _____

17. Employer/taxpayer identification number (EIN/TIN):

18. Unique Entity ID from SAM.gov:

19. National Pollutant Discharge Elimination System (NPDES) and/ or Public Water System (PWS) number (if applicable):

20. If the prospective borrower is not a public entity, is the project(s) publicly sponsored? Please explain.



Section B: Engineering & Credit

1. Provide applicable technical and environmental reports for each aspect of the project(s). These may include:

- Preliminary design/engineering report
- Planning documents
- Federal or State environmental information report or assessment
- Resource-specific technical reports (such as biological or cultural resources)

Provide the filename(s) for each report type in the textbox.

If no such reports are available, provide a detailed description of all major project components and anticipated environmental documentation. Indicate whether the project involves the construction of new facilities or the renovation or replacement of existing ones.

Document 1: _____	File Name 1: _____
Document 2: _____	File Name 2: _____
Document 3: _____	File Name 3: _____
Document 4: _____	File Name 4: _____
Document 5: _____	File Name 5: _____



-
2. Present the overall project schedule start and end dates for key milestones and costs in the provided tables. For WIFIA loans with one project, fill out Row 1. For WIFIA loans with multiple projects, fill out and create as many rows as needed. For project(s) that may only be seeking planning and design costs, please only complete the planning and design columns. If your projects do not fit on the table, please include a separate table as an attachment.

Project Name	Planning Dates	Design Dates	Construction Dates

Provide the filename(s) in the textbox.

File Name: _____



-
3. Describe the proposed security (e.g., water utility revenue or general obligation) and priority of payment (senior or subordinate to existing debt) for the WIFIA loan. Provide an existing credit rating that is less than a year old or is actively maintained. The rating should be on the same security and priority as the proposed WIFIA loan.

Credit rating is:

Attached

Not Available

4. If credit rating "Not Available" in Question B-4, describe how the WIFIA loan will achieve an investment-grade rating and provide a financial pro forma and three years of audited financial statements. Indicate the filenames in the textbox below.

The financial pro forma should include key long-term (at least 10 years, but no greater than the proposed life of the WIFIA loan) revenues, expenses, and debt repayment assumptions for the revenue pledged to repay the WIFIA loan.

The financial pro forma should be provided in an editable Microsoft Excel format, not in PDF or "values" format and include, at a minimum, the following:

- a. Sources of revenue
- b. Operations and maintenance expenses
- c. Dedicated source(s) of repayment
- d. Capital expenditures
- e. Debt service payments
- f. Projected debt service coverage ratios for total existing debt and the WIFIA debt
- g. The project's or system's debt balances broken down by funding sources
- h. Equity distributions, if applicable



If available, include sensitivity projections for pessimistic, base and optimistic cases. A sample financial pro forma is available at <https://www.epa.gov/wifia/wifia-application-materials>. Provide the financial pro forma filename in the textbox.

File Name: _____



5. Provide a sources and uses of funds table for the construction period(s), including the proposed WIFIA loan. For prospective borrowers other than Public Entities, add rows as needed to identify the amount and source(s) of project equity, letters of credit, and other sources of debt as applicable. Information about eligible costs is available in the [WIFIA program handbook](#).

Sources Category	Estimated Dollar Value
1. WIFIA Loan (cannot exceed 49% of eligible costs)	
2. Revenue Bonds	
3. SRF Loan	
4. Borrower Cash	
5. Previously Incurred Eligible Costs*	
6. Other (please specify)	
7. Other (please specify)	
TOTAL SOURCES	
Uses Category	Estimated Cost
1. Construction	
2. Design	
3. Planning	
4. Land Acquisition	
5. Other Capital Costs	
6. Contingency	
7. Total Capital Costs	
8. Financing Costs	
9. Other (please specify)	
10. Other (please specify)	
TOTAL USES	

*Previously Incurred Eligible Costs are project related costs incurred prior to the WIFIA loan's execution. Please see the WIFIA Program Handbook for additional information on Eligible Costs.



3. Will the project support international commerce?

Yes

No

If yes, explain how.

4. Explain how the project will protect human health and/or the environment, including drinking water protection, source water protection, water quality, and water quantity.



5. Does the project protect the system, project specific asset, or community from extreme weather events such temperature, storms, floods, or sea level rise? Discuss the extent to which planning addressed changes in future frequency of such events.

Yes

No

If yes, explain how.

6. Does the project reduce greenhouse gas emissions?

Yes

No

If yes, explain how.



7. Does the project serve a population in a region impacted by significant energy exploration, development, or production areas?

Yes

No

If yes, explain how.

8. Does the project protect water resources with exceptional recreational value or ecological importance?

Yes

No

If yes, identify the water resources, why it has exceptional recreational value or ecological importance, and describe how the project protects it.



9. Is the project identified as a municipal, regional, state, or multistate priority?

Yes

No

If yes, attach the relevant document and write in the textbox the filename and relevant section(s) or page(s).

10. Is the project designed to address an existing compliance issue or maintain compliance?

Yes

No

If yes, identify the compliance issues(s). Explain how and to what extent the project addresses it.



11. Does the project reduce exposure to lead or emerging contaminants within a drinking water or wastewater system?

Yes

No

If yes, explain how.

12. Does this project or projects include costs for implementing cybersecurity measures?

Yes

No

If yes, please describe these measures and associated costs.



13. Will the project implement new or innovative technology(ies), such as using renewable or alternate sources of energy, water recycling, or desalination?

Yes

No

If yes, explain how.

14. Will the project use new or innovative approaches to plan, design, manage, and/or implement the project?

Yes

No

If yes, explain how.



15. WIFIA funding would

Delay the project development schedule

Have no impact on the project development schedule

Accelerate the project development schedule

Allow you to implement other high priority projects sooner than anticipated

Be the only funding option that would all the project to be implemented

16. Will WIFIA financing reduce the contribution of Federal assistance to the project?

Yes

No



Section D: Contact Information

1. Primary point of contact

Name: _____
Title: _____
Organization: _____
Street Address: _____
City/State/Zip: _____
Phone: _____
E-mail: _____

2. Secondary point of contact

Name: _____
Title: _____
Organization: _____
Street Address: _____
City/State/Zip: _____
Phone: _____
E-mail: _____



Section E: Certifications

Please sign at the end of Section E before submitting.

1. *National Environmental Policy Act:* The prospective borrower acknowledges that any project receiving credit assistance under this program must comply with all provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and that EPA will not approve a loan for a project until a final agency determination, such as a Categorical Exclusion (CATEX), Finding of No Significant Impact (FONSI), or a Record of Decision (ROD), has been issued.
2. *American Iron and Steel:* The prospective borrower acknowledges that any project receiving credit assistance under this program for the construction, alteration, maintenance, or repair of a project may only use iron and steel products produced in the United States and must comply with all applicable guidance.
3. *Buy America Preference:* The prospective borrower acknowledges that any project receiving credit assistance under this program for the construction, alteration, maintenance, or repair of a project may only use domestic iron/steel, manufactured products and construction materials produced or manufactured in the United States and must comply with all applicable guidance.
4. *Prevailing Wages:* The prospective borrower acknowledges that all laborers and mechanics employed by contractors or subcontractors on projects receiving credit assistance under this program shall be paid wages at rates not less than those prevailing for the same type of work on similar construction in the immediate locality, as determined by the Secretary of Labor, in accordance with sections 3141-3144, 3146, and 3147 of Title 40 (Davis-Bacon wage rules).
5. *Lobbying:* Section 1352 of Title 31, United States Code provides that none of the funds appropriated by any Act of Congress may be expended by a recipient of a contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, or an employee of a Member of Congress in connection with the award or making of a Federal contract, grant, loan, or cooperative agreement or the modification thereof. The EPA interprets this provision to include the use of appropriated funds to influence or attempt to influence the selection for assistance under the WIFIA program.

WIFIA prospective borrowers must file a declaration: (a) with the submission of an application for WIFIA credit assistance; (b) upon receipt of WIFIA credit assistance (unless the information contained in the declaration accompanying the WIFIA application has not materially changed); and (c) at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in any declaration previously filed in connection with the WIFIA credit assistance.

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.



2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. *Debarment:* The undersigned further certifies that it is not currently: 1) debarred or suspended ineligible from participating in any Federal program; 2) formally proposed for debarment, with a final determination still pending; or 3) indicted, convicted, or had a civil judgment rendered against it for any of the offenses listed in the Regulations Governing Debarment and Suspension (Governmentwide Nonprocurement Debarment and Suspension Regulations: 2 C.F.R. Part 180 and Part 1532).

7. *Default/Delinquency:* The undersigned further certifies that neither it nor any of its subsidiaries or affiliates are currently in default or delinquent on any debt or loans provided or guaranteed by the Federal Government.

8. *Other Federal Requirements:* The prospective borrower acknowledges that it must comply with all other federal statutes and regulations, as applicable. A non-exhaustive list of federal cross-cutting statutes and regulations can be found at <https://www.epa.gov/wifia/wifia-federal-compliance-requirements>.

9. *Signature:* By submitting this letter of interest, the undersigned certifies that the facts stated and the certifications and representations made in this letter of interest are true, to the best of the prospective borrower's knowledge and belief after due inquiry, and that the prospective borrower has not omitted any material facts. The undersigned is an authorized representative of the prospective borrower.

Signature: _____

Date Signed: _____

Name: _____

Title: _____

Organization: _____

Street Address: _____

City/State/Zip: _____

Phone: _____

E-mail: _____



Section F: Notification of State Infrastructure Financing Authority

Please sign at the end of Section F before submitting.

By submitting this letter of interest, the undersigned acknowledges that EPA will (1) notify the appropriate State infrastructure financing authority in the State in which the project is located that the prospective borrower submitted this letter of interest; and (2) provide the submitted letter of interest and all source documents to that State infrastructure financing authority.

Prospective borrowers that **do not want their letter of interest and source documents shared with the State infrastructure financing authority** in the state in which the project is located may opt out by initialing here _____.

If a prospective borrower opts out of sharing a letter of interest, EPA will still notify the State infrastructure financing authority within 30 days of receiving a letter of interest.

Signature: _____

Name: _____

Date Signed: _____



KEY DEFINITIONS

- (a) *Administrator* means the Administrator of EPA.
- (b) *Credit assistance* means a secured loan or loan guarantee under WIFIA.
- (c) *Eligible project costs* mean amounts, substantially all of which are paid by, or for the account of, an obligor in connection with a project, including the cost of:
- (1) Development-phase activities, including planning, feasibility analysis (including any related analysis necessary to carry out an eligible project), revenue forecasting, environmental review, permitting, preliminary engineering and design work, and other preconstruction activities;
 - (2) Construction, reconstruction, rehabilitation, and replacement activities;
 - (3) The acquisition of real property or an interest in real property (including water rights, land relating to the project, and improvements to land), environmental mitigation (including acquisitions pursuant to section 33 U.S.C. §3905(7)), construction contingencies, and acquisition of equipment; and
 - (4) Capitalized interest necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses, and other carrying costs during construction.
- (d) *Iron and steel products* means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.
- (e) *Buy America Preference* means the iron/steel, manufactured products and construction materials used in a project are produced or manufactured in the United States, including:
- (1) all iron and steel used in a project across all manufacturing processes, from initial melting stage through the application of coatings, occurred in the United States.
 - (2) all manufactured product used in the project are produced in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total components of the manufactured product unless another standard has been established.
 - (3) all manufacturing processes for the construction materials used in a project occurred in the United States. Such as the following construction materials: “non-ferrous metals, plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables), concrete and other aggregates, glass (including optic glass), lumber, and drywall”
- (f) *Project* means:
- (1) Any project for flood damage reduction, hurricane and storm damage reduction, environmental restoration, coastal or inland harbor navigation improvement, or inland and



intracoastal waterways navigation improvement that the Secretary determines is technically sound, economically justified, and environmentally acceptable, including—

- (A) a project to reduce flood damage;
 - (B) a project to restore aquatic ecosystems;
 - (C) a project to improve the inland and intracoastal waterways navigation system of the United States; and
 - (D) a project to improve navigation of a coastal or inland harbor of the United States, including channel deepening and construction of associated general navigation features.
- (2) 1 or more activities that are eligible for assistance [under section 1383\(c\) of this title](#), notwithstanding the public ownership requirement under paragraph (1) of that subsection.
 - (3) 1 or more activities described in section [300j-12\(a\)\(2\) of title 42](#).
 - (4) A project for enhanced energy efficiency in the operation of a public water system or a publicly owned treatment works.
 - (5) A project for repair, rehabilitation, or replacement of a treatment works, community water system, or aging water distribution or waste collection facility (including a facility that serves a population or community of an Indian reservation).
 - (6) A brackish or sea water desalination project, including chloride control, a managed aquifer recharge project, a water recycling project, or a project to provide alternative water supplies to reduce aquifer depletion.
 - (7) A project to prevent, reduce, or mitigate the effects of drought, including projects that enhance the resilience of drought-stricken watersheds.
 - (8) Acquisition of real property or an interest in real property—
 - (A) if the acquisition is integral to a project described in paragraphs (1) through (6); or
 - (B) pursuant to an existing plan that, in the judgment of the Administrator or the Secretary, as applicable, would mitigate the environmental impacts of water resources infrastructure projects otherwise eligible for assistance under this section.
 - (9) A combination of projects, each of which is eligible under paragraph (2) or (3), for which a State infrastructure financing authority submits to the Administrator a single application.
 - (10) A combination of projects secured by a common security pledge, each of which is eligible under paragraph (1), (2), (3), (4), (5), (6), (7), or (8), for which an eligible entity, or a combination of eligible entities, submits a single application.

(g) *Public entity* means:

- (1) a Federal, State, or local Governmental entity, agency, or instrumentality; or
- (2) a Tribal Government or consortium of Tribal Governments.

(h) *Publicly sponsored* means the obligor can demonstrate, to the satisfaction of the Administrator that it has consulted with the affected State, local or Tribal Government in which the project is located, or is otherwise affected by the project, and that such government supports the proposed project. Support can be shown by a certified letter signed by the approving municipal department or similar agency, mayor or other similar designated authority, local ordinance, or any other means by which local government approval can be evidenced.



- (i) *State infrastructure financing authority* means the State entity established or designated by the Governor of a State to receive a capitalization grant provided by, or otherwise carry out the requirements of, title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et. seq.) or section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12).
- (j) *Treatment works* has the meaning given the term in section 212 of the Federal Water Pollution Control Act (33 U.S.C. 1292).
- (k) *WIFIA* means the Water Infrastructure Finance and Innovation Act of 2014, Pub. L. 113-121, 128 Stat, 1332, codified at 33 U.S.C. §§ 3901-3914.



Attachment A: Selection Criteria & Scoring

Project Readiness Criteria	LOI Responses Evaluated
Readiness to proceed	Section A: Q8, Q9 Section B: Q2
Preliminary engineering feasibility analysis	Section A: Q4 Section B: Q1
Borrower Creditworthiness Criteria	LOI Responses Evaluated
Enables project to proceed earlier	Section C: Q15
Financing plan	Section B: Q6
Reduction of Federal assistance	Section C: Q16
Required budget authority	Evaluated as part of the creditworthiness review
Preliminary creditworthiness assessment	Section B: Q3, Q4, Q5 and review of credit documents and credit information provided
Project Impact Criteria	LOI Responses Evaluated
National or regional significance (5 points)	Section C: Q1, Q2, Q3, Q4, Q5
Protection against extreme weather events (25 points)	Section C: Q5, Q6
Serves energy exploration or production areas (5 points)	Section C: Q7
Serves regions with water resource challenges (5 points)	Section C: Q5, Q6, Q8, Q9
Addresses identified priorities (5 points)	Section C: Q9, Q10
Repair, rehabilitation, or replacement (5 points)	Section A: Q4 Section B: Q1
Economically stressed communities (25 points)	Section A: Q13 Evaluated based on national census data related to jurisdiction.
Reduces exposure to lead & emergent contaminants (25 points)	Section C: Q11
New or innovative approaches (25 points)	Section C: Q13, Q14

ITEM NO.
8

SCV WATER



Fleet and Warehouse Update

Finance and Administration Committee

August 15, 2022

Journey to Zero Emissions

The State of California has set ambitious goals to reduce emissions from the transportation sector and accelerate the transition to zero emission vehicles and equipment.

The agency has short and long-term strategies to transition the fleet to zero emissions.

Transition to Zero Emissions Timeline

- 2022: Pilot Vehicles and Complete Site Assessments
- 2023: Charging Infrastructure CIPs
- 2024-2030: Zero Emissions Vehicle Roll Out

Future Budget Considerations:

- CIP additional funding requests for vehicles and infrastructure
- Vehicle Leases

Long-Term Solutions: Fleet 101

- **Right Size, Standardize, and Modernize**
- **Vehicle replacements and reassignments**

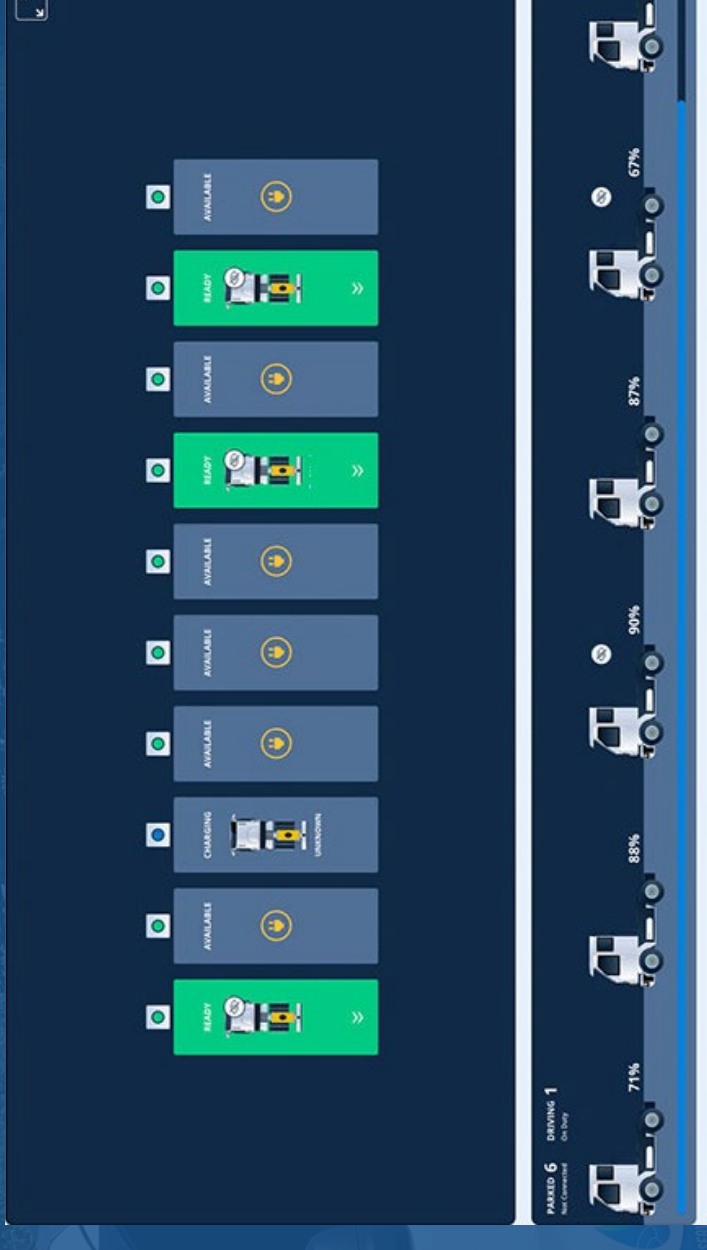
Electric Vehicles Deployment

- Pilot electric vehicles in non-essential assignments
- Gather real world data
- Use telematics to complete vehicle feasibility studies



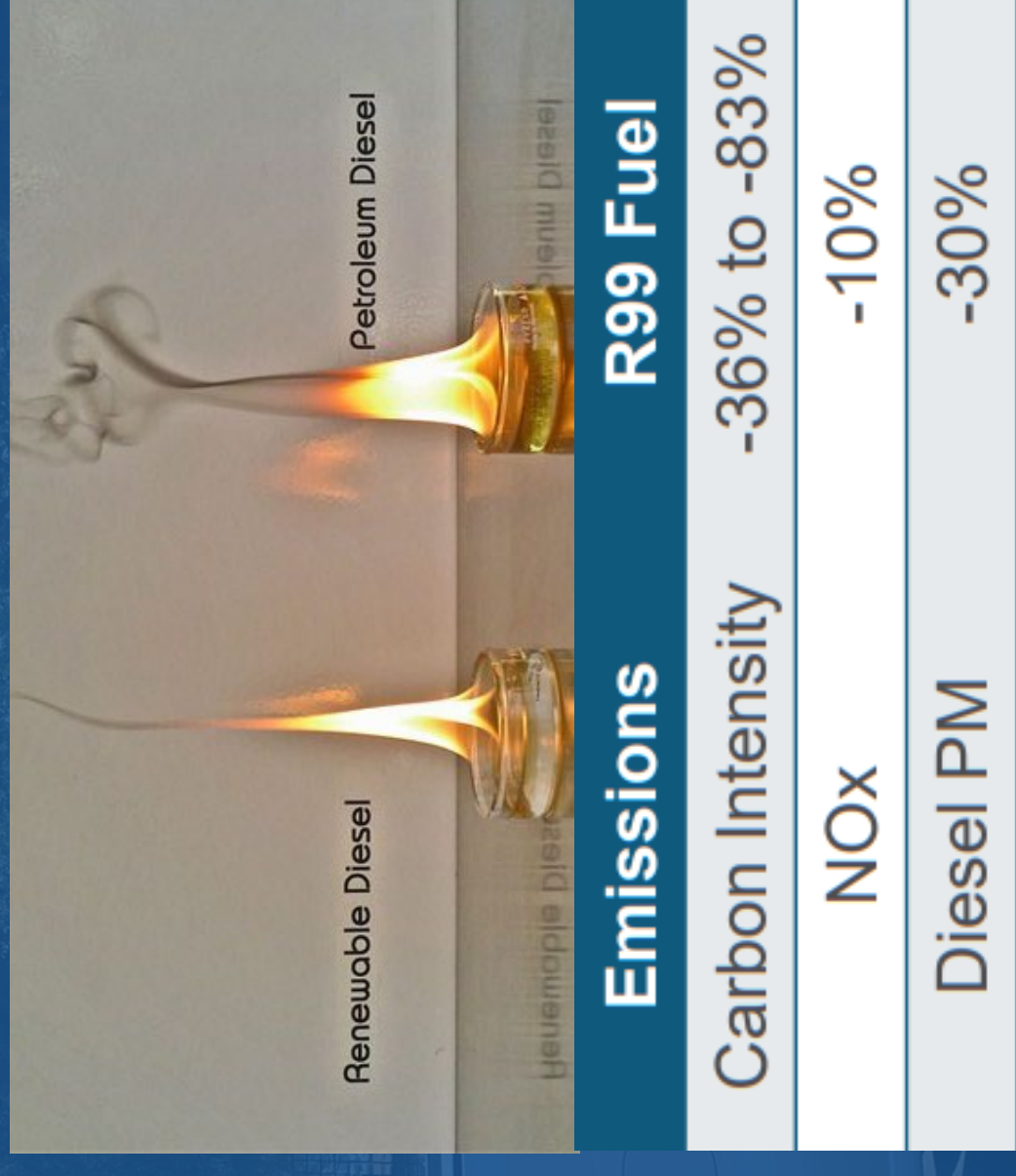
EV Infrastructure Deployment

- Complete site assessments
- Design disaster resilient infrastructure
- Use grants, sell low carbon fuel credits, and renewable energy credits
- Implement a load management solution



Short Term Solutions: Cleaner Fuels

- **Renewable diesel:** chemically indistinguishable from petroleum diesel
- No impact to operations
- Have been using fuel for 6+ months



Emission reductions are:

- Relative to traditional diesel
- For heavy-duty engines with limited emissions controls

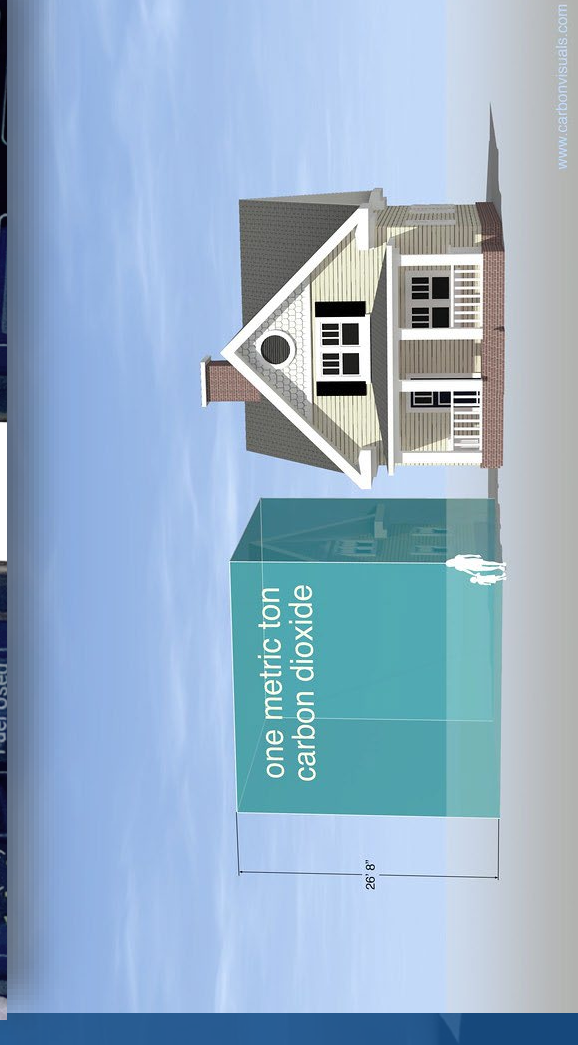
Short Term Solutions: Idle Reduction

Pilot: March-July 2022

- Recalibrated vehicles 14 vehicles

Results:

- MPG Improvement: 8.25%
- Savings of \$600+ per vehicle per year
- 0.93 metric ton of CO₂ per vehicle per year
- Limited impact to operations



The average American produces enough CO₂ each year to fill over 16 of these enormous cubes.



Questions


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COMMITTEE MEMORANDUM

DATE: August 8, 2022

TO: Finance and Administration Committee

FROM: Rochelle Patterson 
Chief Financial and Administrative Officer

SUBJECT: Recommend Receiving and Filing of June 2022 Monthly and
FY 2021/22 Fourth Quarter Financial Report (April – June 2022)

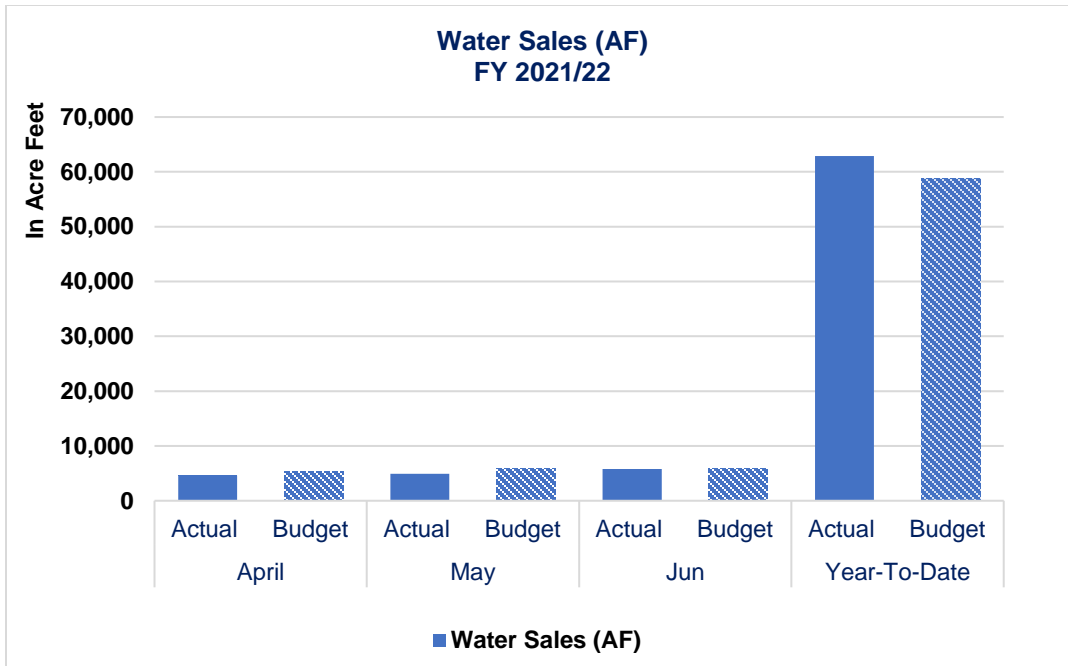
Below is the FY 2021/22 Fourth Quarter Financial Summary, unaudited (April – June 2022) and actual audit results may vary. This report reviews the financing activities for the quarter and compares the FY 2021/22 Budget to actual revenues and expenditures for the operating and capital budgets currently recorded.

Quarterly Finance Highlights

- Accounting staff completed the interim financial audit with the Agency's auditing firm LSL (Lance, Soll and Lunghard, LLP).
- Staff is working on the upcoming fiscal year-end close process. This will be our first year-end close as one consolidated Agency. This will include staff across multiple departments to ensure that teams have the information they need to effectively close out FY 2021/22.
- Staff prepared a Request for Proposal for Investment Advisory Services.
- The Agency adopted new wholesale water rates, effective April 1, 2022.
- The Agency was awarded the Distinguished Budget Award from GFOA (Government Finance Officers Association) and the Excellence in Budgeting from CSMFO (California Society of Municipal Finance Officers) for its FY 2021/22 and FY 2022/23 Biennial Budget.

Water Production and Sales

Total water produced for retail consumption from April – June 2022 was 17,221 acre-feet (AF). Comprised of 6,068 AF of groundwater and 11,153 AF of surface water. Total water sales were 15,307 AF (based on billing date), which is a decrease of 10% from the budgeted projection of 17,055 AF for the quarter. Year-to-date total water consumption was 62,882 AF as compared to the budget projection of 58,810 AF.

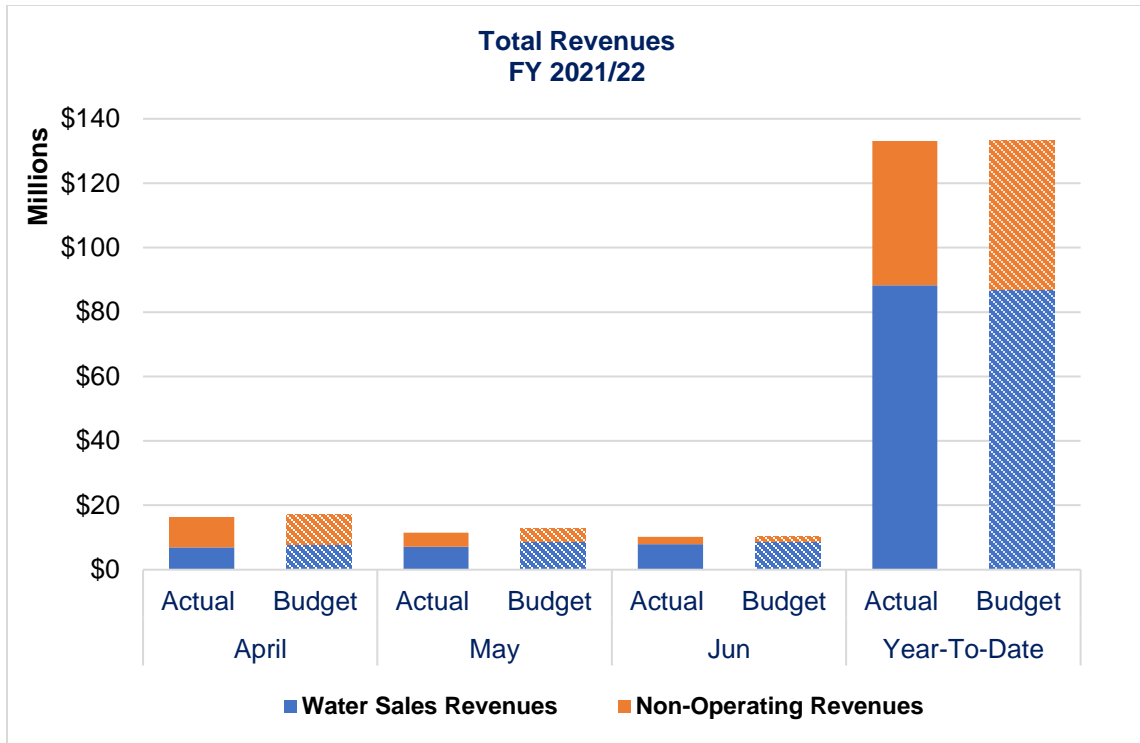


Revenues

Total water sales for the quarter were \$21.9 million, which was a reduction of 15% compared to the quarterly budget of \$25.2 million. Overall, the year-to-date operating revenue of \$88.3 million, is an increase of 2% from the \$86.9 million budget projection. Certain revenues and expenses are budgeted based on seasonal, trend or expectation. Water sales revenues and chemicals were budgeted based on seasonal demand and production history, whereas purchased power are budgeted based on a 10-year trend. Typically, a higher percentage of revenues are received in the summer months, then in the winter months. Revenues, such as Property Taxes are budgeted in specific months based on expectation of when taxes are due. A majority of taxes are received in December and April.

Revenues

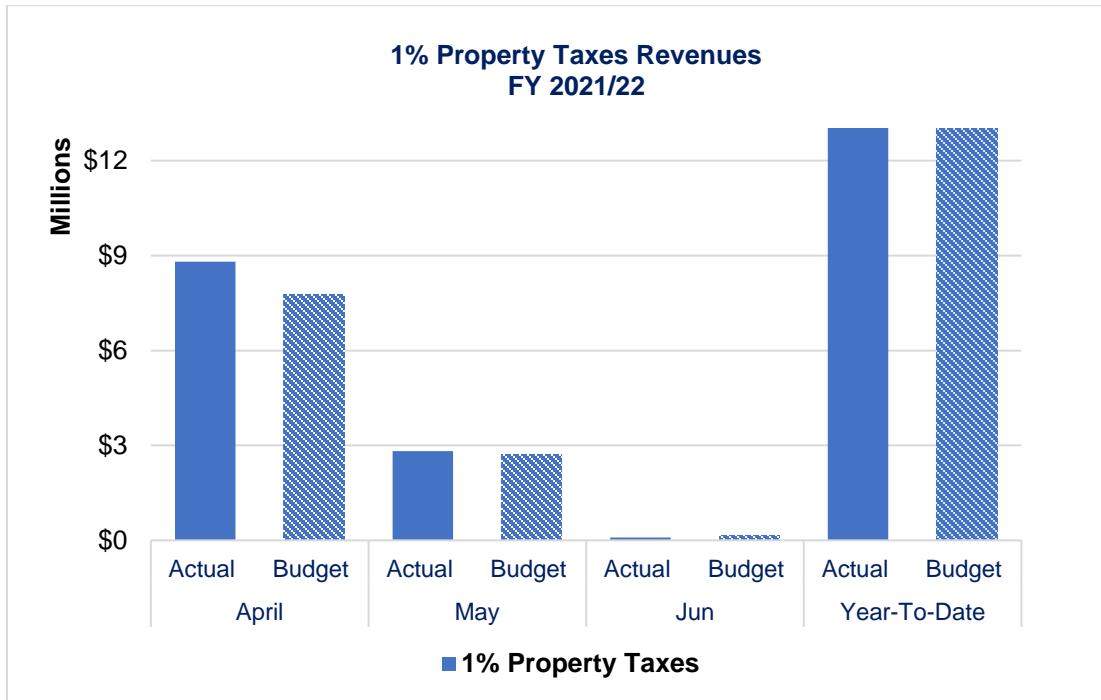
Overall, FY 2021/22 total revenues (operating and non-operating) of \$133,146,252 were 0.1% (\$118,122) under the budget of \$133,264,374.



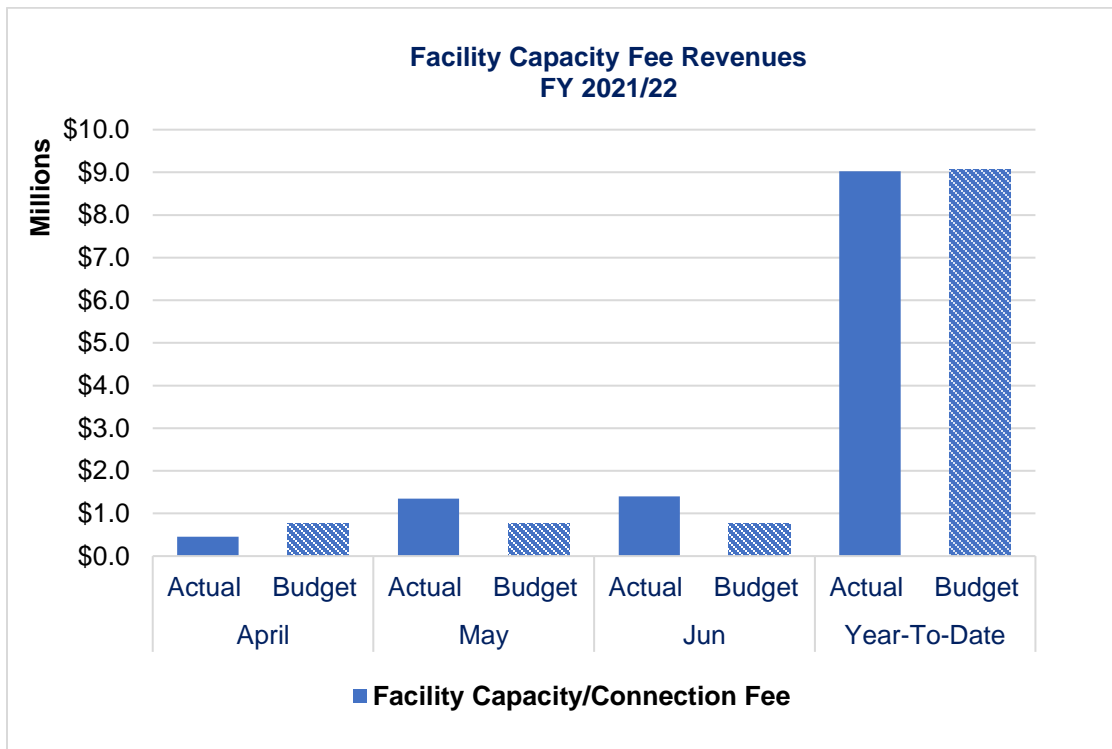
Significant year-to-date changes from the budget are as follows:

- Water sales are over budget by 2% which consists of the following:
 - Residential water sales over budget by 9% (\$4,500,532)
 - Commercial water sales over budget by 24% (\$1,121,939)
 - Landscaping/Irrigation water sales was under budget by 13% (-\$2,285,380)
 - This is the first full quarter of the water conservation restrictions, and reductions in this customer class were expected
 - All Other water sales were under budget by 10% (-\$5,607)
 - Total number of billing connections added for FY 2021/22, through June were 839, out of the 1,019 projected for the year.

- Property tax (1%) received in the 4th quarter was \$11,711,519 for a year-to-date total of \$28,088,860 of \$27,934,798, exceeding the budget by approximately .5%.



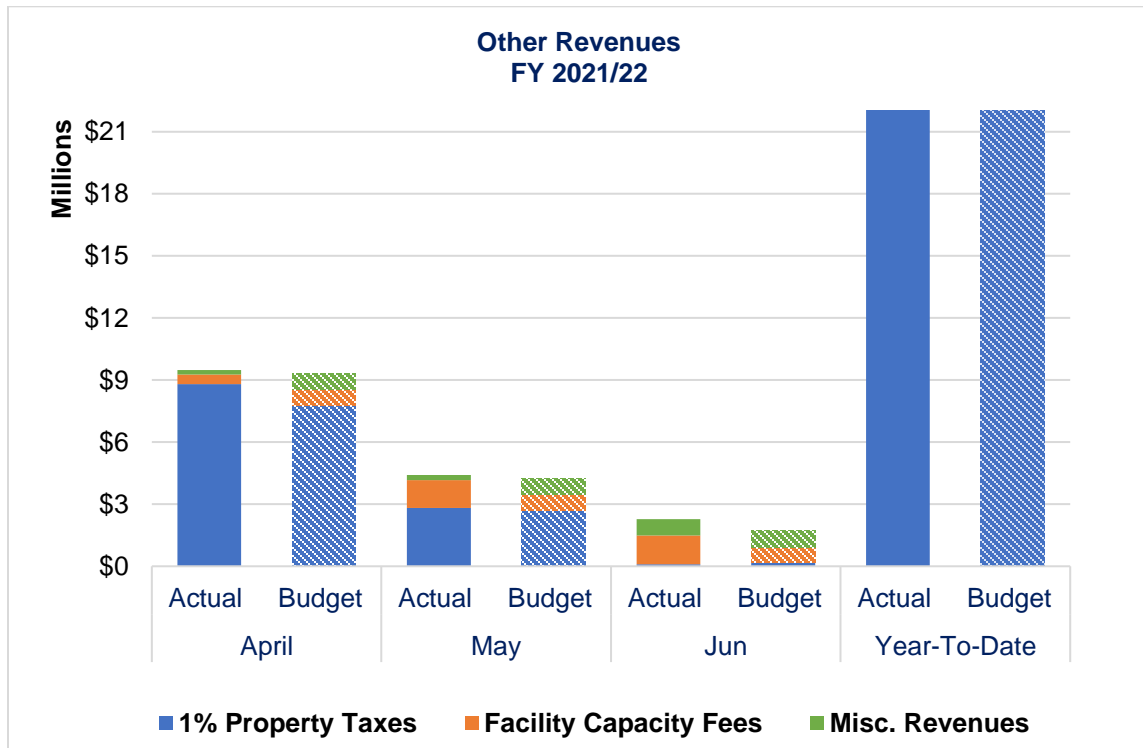
- Facility/Retail Capacity Fees received in the 4th quarter were \$3.2 million for a year-to-date total of \$9,023,268. Regional Facility Capacity Fees collected were \$8,523,169 and \$500,099 in Retail Capacity Fees out of a budget of \$9,071,100.



Fees Received

Developers	4th Quarter		Year to Date	
	Total	# Connections	Total	#Connections
Lennar Homes	\$ -	0	\$ 2,553,600	300
KB Homes	\$ 238,336	28	\$ 1,528,623	178
Tri Pointe Homes	\$ 2,027,486	201	\$ 3,324,251	341
Newhall Land and Farming	\$ -	0	\$ 151,512	7
Toll Brothers, Inc	\$ 61,284	12	\$ 230,811	45
Richmond American Homes	\$ 93,918	18	\$ 233,510	43
Other	\$ 305,370	20	\$ 500,862	30
Total	\$ 2,726,394	279	\$ 8,523,169	944

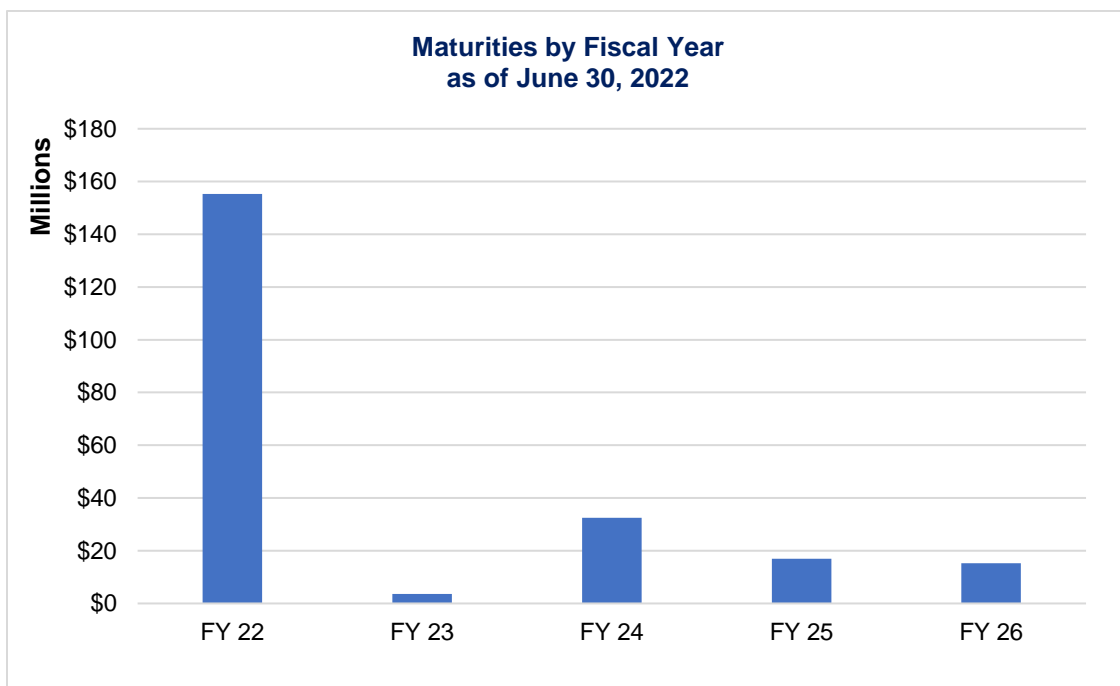
Other Miscellaneous revenues (grants, reimbursements, cell leases/rental income and investment revenues) received in the quarter were \$1,264,278 with a year-to-date total of \$7,730,556, approximately 82% of the budget of \$9,401,438. The primary reason for other miscellaneous revenues to come in under budget was primarily due to a delayed CIP project, as those construction costs were expected to be reimbursed in FY 2021/22. That project is scheduled for construction in FY 2022/23.



Investment Maturities by Fiscal Year

As of June 30, 2022, the Agency has \$223,473,532 in short and long-term investments. A significant amount (\$155.9 million) of the Agency's investments is held in liquid accounts, such as the Local Agency Investment Fund (LAIF), LA County Pooled Investment Funds (LACPIF), US Bank, and Wells Fargo Government Money Market Fund. Long-term investments (\$64.6 million) are held in Federal Home Loan Bank (FHLB) bonds, Federal National Mortgage Association (FNMA or Fannie Mae) and Certificates of Deposit (CD). Over the past couple of years, the Agency has invested in long-term investments in an effort to maximize its returns. Staff and the Agency's Investment Advisor will be looking for additional investment opportunities in order to maximize the Agency's investment returns.

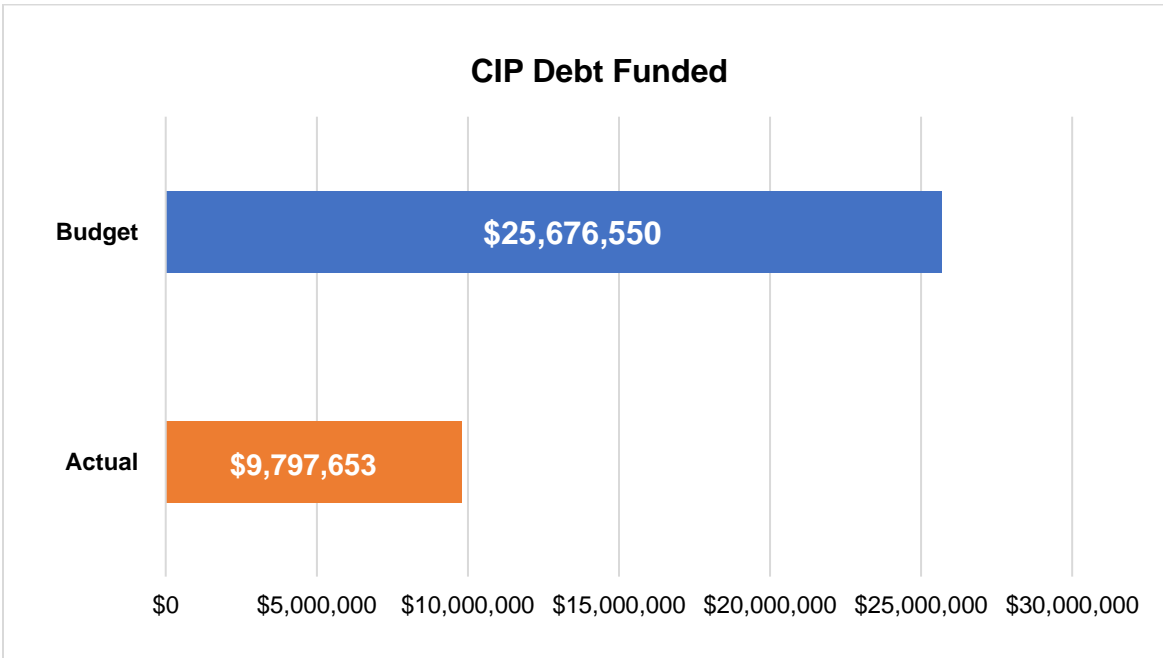
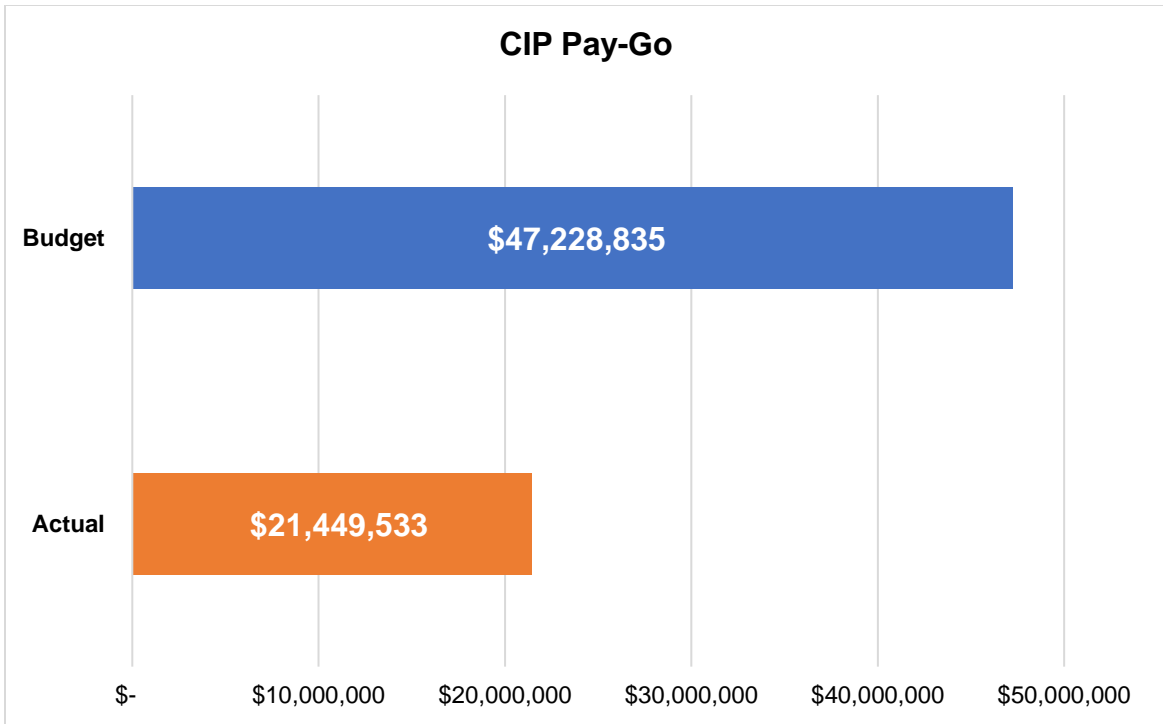
The Agency's average annual yield is 1.358%, as a majority of the Agency's investments is held in liquid accounts (80%).



Capital Improvement Program (Pay-go and Debt-Funded Projects)

In general, expenditures for CIP projects depend on bid timing and contract awards, coordination with other agencies, coordination with other projects, staffing levels and other such factors.

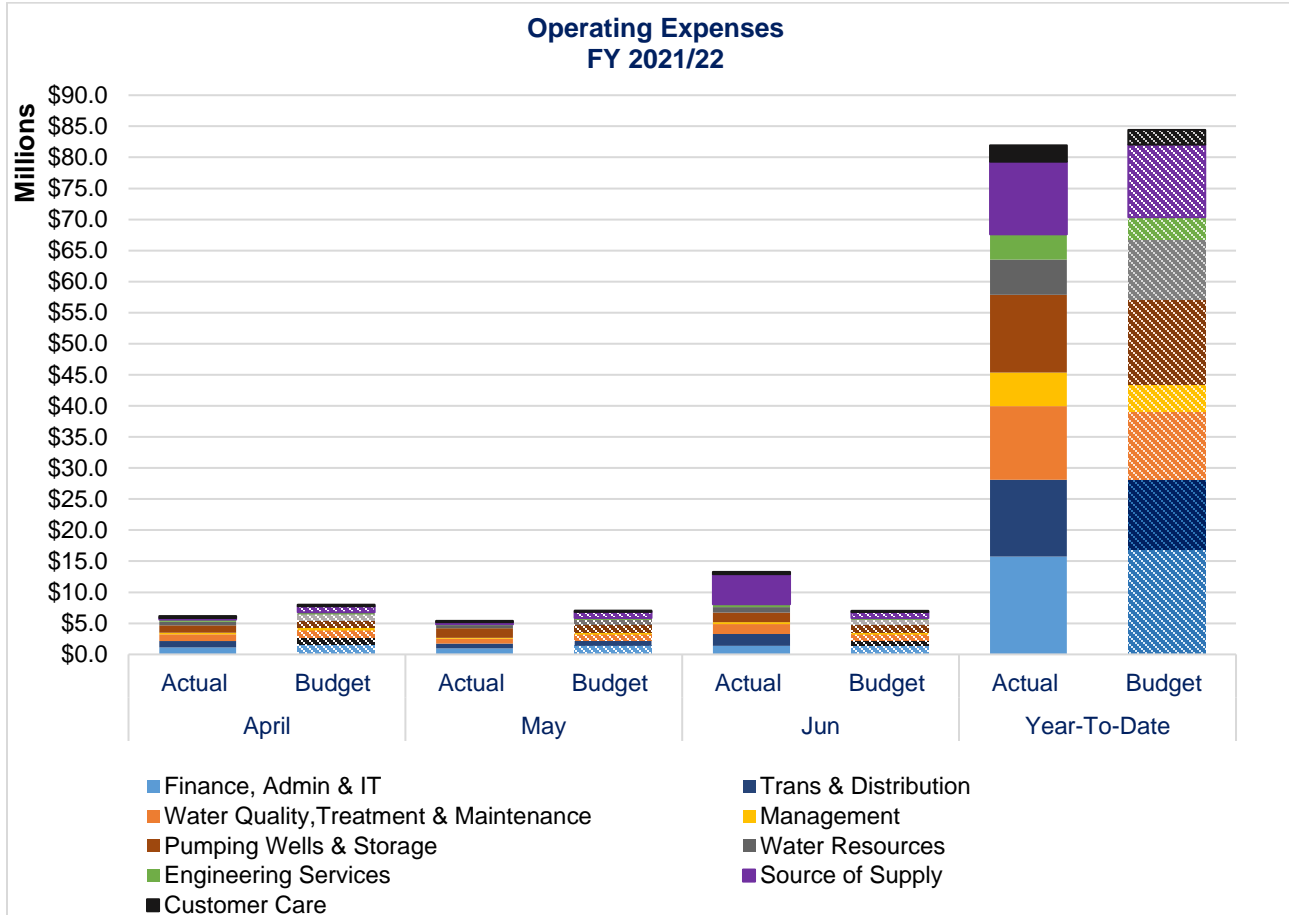
- The FY 2021/22 Pay-go Budget for Capital Improvement Program (CIP) expenditures was \$47,228,835. Of that amount 45% or \$21,449,533 funds have been expended.
- The FY 2021/22 Debt Funded Budget for CIP expenditures was \$25,676,550. Of that amount 38.2% or \$9,797,653 funds have been expended.



CIP project details are included at the end of this report.

Operating Expenditures

FY 2021/22 Operating Expenditures of \$81,933,572 were underbudget by 3% (\$2,475,030) of the \$84,408,603 budget.



Significant Activities

- Management – Over budget due to Perchlorate Litigation costs
- Water Resources – Conservation programs less than expected due to lower program participation.
- Pumping, Wells and Storage – Timing of PFAS resin changeouts and SCE invoices

Debt Service

In the 4th quarter of FY 2021/22, no payments were made. The principal debt outstanding as of June 30th, 2022, is \$280,289,218.

Capital Improvement Projects: Pay-Go Project List

Capital Pay-Go Projects		FY 2021/22 Budget	FY 2021/22 Actual	%	Committed Cost
1	Appurtenance Improvements - Agency-wide	\$ 410,000	\$ 211,049	51%	\$ 18,862
2	Booster Station/Turnout Improvements - Agency-wide	1,060,000	309,762	29%	48,215
3	Bridgeport Pocket Park	250,000	3,673	1%	-
4	BVRRB Storage and Recovery Program	2,797,506	2,796,139	100%	-
5	Capital Program/Facility Capacity Fees	50,000	26,968	54%	-
6	CIS Software Integration & Upgrade	1,350,000	645,893	48%	780,832
7	Deane Pump Station @ Sand Canyon Plaza*	1,232,200	627	0%	-
8	Deane Pump Station @ Skyline Ranch*	900,000	-	0%	-
9	Deane SC-6 Pump Station	175,000	40,096	23%	92,639
10	Deane SC-6 Soledad Pipeline	200,000	-	0%	-
11	Deane Tank Site (Existing) Improvements	50,000	-	0%	-
12	Deane Tanks - One 1.5 MG Tank @ Sand Canyon Plaza	1,175,000	-	0%	-
13	Deane Tanks (Two 2.5 MG Tanks) @ Skyline Ranch*	1,420,000	74,551	5%	10,957
14	Deane Zone Disinfection @ Skyline Ranch*	250,000	73,683	29%	2,526
15	Debt Financing and Administration	15,000	-	0%	-
16	Devil's Den Property Solar Project	100,000	16,843	17%	-
17	Disinfection Projects - Agency-wide	1,010,000	260,371	26%	41,567
18	Dickason Pipeline Replacement	20,000	15,865	79%	-
19	Equipment and Vehicle Replacements	1,375,000	239,212	17%	327,516
20	ERP Software (Finance & Accounting)	1,037,229	1,653,964	159%	92,074
21	ESFP Access Road Automatic Gate	75,000	-	0%	60,516
22	ESFP Repair & Replacement	385,000	190,006	49%	34,158
23	ESFP Standby Generator	1,025,000	1,033,175	101%	17,147
24	ESFP Two 5 MG Tanks Improvements	1,595,000	75,060	5%	7,448
25	ESIPS Repair & Replacement	100,000	63,798	64%	-
26	Friendly Valley Booster Station (Crossroads)	75,000	-	0%	-
27	Friendly Valley Pipeline @ Via Princessa (Crossroads)	100,000	-	0%	-
28	Friendly Valley Tank (3.25 MG) @ Crossroads	100,000	-	0%	-
29	Golden Valley Pipeline @ Via Princessa (Crossroads)	100,000	4,231	4%	-
30	Golden Valley Tank (1.6 MG) @ Crossroads	100,000	4,231	4%	-
31	GSP Implementation (monitoring,data base, reporting)	50,000	379,962	760%	-
32	Honby Pipeline Bottleneck	100,000	109,354	109%	50,134
33	Invasive Species Management	250,000	44,986	18%	15
34	Lab Equipment	50,000	42,512	85%	-
35	Market Street Pump Station (Wiley Canyon)	50,000	-	0%	-
36	Market Street/Shadeland/Maple Street Pipeline (Wiley Cyn)	75,000	-	0%	-
37	Meter Replacements - Agency-wide	2,075,000	2,739,256	132%	28,659
38	Miscellaneous Large Tools and Equipment	35,000	-	0%	-
39	Office Furniture - General	30,000	11,767	39%	-
40	Office Improvements - Various	270,000	224,887	83%	13,219
41	Office Reconfiguration - Summit Circle	15,000	7,716	51%	961
42	Pipeline Inspection Facility Modifications	300,000	127,999	43%	40,689
43	Pipeline Relocations/Modifications	213,900	107,396	50%	9,685
44	Pipeline Repair & Replacement	25,000	23,963	96%	-
45	Pipelines & Pipeline Replacements - Agency-wide	4,800,000	900,056	19%	111,581
46	Placerita Tanks (Two 1.6 MG Tanks)	75,000	-	0%	-

Capital Improvement Projects: Pay-Go Project List – continued

Capital Pay-Go Projects		FY 2021/22 Budget	FY 2021/22 Actual	%	Committed Cost
47	Recycled Water Program Phase II, 2B - Vista Cyn Customer Conv	240,000	244	0%	-
48	Recycled Water Program Phase II, 2B - Vista Cyn Distribution	400,000	378,174	95%	-
49	Recycled Water Program Phase II, 2C - South End Distribution	327,450	-	0%	-
50	Recycled Water Program Phase II, 2D - West Ranch Customer Conv	607,500	13,121	2%	42,542
51	Recycled Water System Repair & Replacement	550,000	300	0%	-
52	Resiliency Water Master Plan	1,210,000	302,647	25%	506,300
53	RVIPS Repair & Replacement	115,000	739	1%	17,306
54	RWWTP Repair & Replacement	579,450	75,649	13%	162,891
55	RWWTP Underground Storage Tank Replmt	526,000	143,426	27%	106,373
56	Sand Canyon System Repair & Replacement	65,000	53,303	82%	-
57	Saugus 1 and 2 Wells Repair & Replacement	75,000	-	0%	422
58	Saugus 3 & 4 Replacement Wells	4,882,000	-	0%	-
59	SC-12 Warmuth Pipeline	50,000	-	0%	-
60	SCADA - Agency-wide	375,000	188,574	50%	36,371
61	SCWWA Integration	100,000	-	0%	-
62	Security Equipment Upgrades	15,000	-	0%	-
63	Stair/Ladder Safety Improvements	790,000	29,511	4%	75
64	System Hydraulic Model	100,000	88,424	88%	22,721
65	Tank 4 (1.5 MG Tank @Wiley Canyon)	75,000	40,580	54%	-
66	Tanks & Tank Facility Improvements - Agency-wide	970,000	717,797	74%	272,322
67	Technology Improvements and Replacements	2,832,500	498,669	18%	191,344
68	Treatment Plant & Laboratory Improvements	770,000	365,620	47%	84,312
69	Update Water Conservation and Education Garden	1,210,000	137,384	11%	9
70	V-9 Improvements	158,000	970	1%	-
71	Valencia Marketplace Pipeline Replacement	200,000	93,308	47%	75,458
72	Vista Cyn Bridge Piping at Soledad/Lost Canyon	300,000	-	0%	-
73	Video Surveillance Equipment	10,000	-	0%	-
74	Well 205 (Perchlorate)	510,000	52,112	10%	385
75	Well Q2 (Perchlorate)	300,000	119,487	40%	12,756
76	Wells & Well Facility Improvements	1,170,000	1,024,858	88%	3,640
77	WR-Summit Circle - Repair & Replacement	24,000	-	0%	-
78	Yuba Accord Water	455,000	712,848	157%	-
79	Additional Wells (T7, U4, U6) (includes S1&S2 Wells VOC Treatment & FI	-	149,541	0%	323,044
80	E Wells (E-14, E-15, E-16, E-17)	-	29,684	0%	160,851
81	Dockweiler-Sierra Hwy Pipeline*	175,000	-	0%	-
82	Newhall Tanks 1 and 1A - Tank Upgrades	50,000	3,445	7%	-
83	Pitchess Pipeline Modifications Project	12,100	5,448	45%	3,614
84	S Wells (S6, S7 and S8)	-	57,954	0%	46,408
85	Santa Clara and Honby Wells	-	509,662	0%	459,581
86	Sierra Hwy Bridge Expansion Water Pipelines Protection	54,000	8,960	17%	-
87	Valley Center Well	-	3,188,045	0%	149,251
Total CIP - Pay Go Projects		\$ 47,228,835	\$ 21,449,533	45%	\$ 4,467,375

Capital Improvement Projects: Debt Funded Project List

Debt Funded Capital Projects		FY 2021/22 Budget	FY 2021/22 Actual	%	Committed Cost
1	Castaic Conduit	\$ 180,000	\$ 50,297	28%	\$ 45,842
2	ESFP Sludge Collection System	5,666,000	188,906	3%	1,700,767
3	Honby Parallel	135,000	13,447	10%	10,000
4	New Water Banking Program	100,000	-	0%	-
5	LARC Pipeline*	825,000	79,670	10%	63,500
6	Magic Mountain Pipeline No. 4	420,000	305,278	73%	64,302
7	Magic Mountain Pipeline No. 5	552,000	304,011	55%	81,238
8	Magic Mountain Pipeline No. 6	8,900,000	4,916,334	55%	1,474,634
9	Magic Mountain Reservoir	977,000	84,949	9%	56,308
10	Mitchell 5A Replacement	300,000	-	0%	-
11	Recycled Water Fill Station	78,000	80,997	104%	44,922
12	Recycled Water Program Phase II, 2A - Central Park	1,000	-	0%	-
13	Recycled Water Program Phase II, 2B - Vista Canyon Backbone	5,250,000	3,149,771	60%	210,420
14	Recycled Water Program Phase II, 2C - South End Backbone	857,550	489,950	57%	296,259
15	Recycled Water Program Phase II, 2D	-	41,149	0%	-
16	Sites Reservoir	750,000	-	0%	-
17	As-Needed Regulatory Support for Non-Potable Recycled Water Permitting	65,000	24,429	0%	71
18	Saugus Dry Year Reliability Wells 5 & 6	220,000	10,677	5%	-
19	Well 201 VOC Groundwater Treatment Improvements	400,000	57,786	0%	250,553
Total Debt Funded Capital Projects		\$ 25,676,550	\$ 9,797,653	38.2%	\$ 4,298,817

FINANCIAL CONSIDERATIONS

None.

RECOMMENDATION

That the Finance and Administration Committee recommend the Board of Directors receive and file the June 2022 Monthly and FY 2021/22 Fourth Quarter Financial Report.

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Monthly Financial And Quarterly Report

JUNE 2022

Q4 FY 2021/22

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Statement of Revenues and Expenses

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SCV Water
Statement of Revenues and Expenses
For the 12th Period Ending 6.30.22

	(A)		(B)		(C)		(D)		(E)		(F)		(G)		(H)	
	Actual		Budget	Variance	Budget	Percent	Actual		Budget	Variance	Actual	Budget	Variance	Percent		
(1)	\$ 7,800,473	\$ 8,538,020	\$ (737,547)	(9%)	Operating Revenues	(a)	Water Sales	\$ 87,531,670	\$ 85,380,201	\$ 2,151,469	3%	(1)				
(2)	24,362	5,699	18,663	327%	(b)	Water Sales - WWR	130,832	68,392	62,440	91%	(2)					
(3)	47,734	34,037	13,697	40%	(c)	Water Sales - Recycled	377,622	408,445	(30,823)	(8%)	(3)					
(4)	11,030	100,000	(88,970)	(89%)	(d)	Misc Fees and Charges	263,443	1,000,000	(736,557)	(74%)	(4)					
(5)	\$ 7,883,598	\$ 8,677,756	\$ (794,158)	(9%)		Total Operating Revenues	\$ 88,303,568	\$ 86,857,038	\$ 1,446,530	(e)	2%	(5)				
(6)	\$ 304,735	\$ 353,695	\$ (48,960)	(14%)	Operating Expenses	(f)	Management	\$ 5,396,206	\$ 4,300,023	\$ 1,096,183	25%	(6)				
(7)	1,394,118	1,368,007	26,111	2%		Finance, Admin & IT	15,730,901	16,849,949	(1,119,047)	(7%)	(7)					
(8)	336,738	186,257	150,481	81%	(g)	Customer Care	2,666,266	2,347,601	318,665	14%	(8)					
(9)	1,872,179	913,771	958,408	105%	(h)	Trans & Distribution	12,369,580	11,358,359	1,011,221	9%	(9)					
(10)	1,558,116	1,241,284	316,832	26%	(i)	Pumping Wells & Storage	12,533,087	13,649,535	(1,116,449)	(8%)	(10)					
(11)	872,152	783,490	88,662	11%	(j)	Water Resources	5,675,398	9,648,561	(3,973,163)	(41%)	(11)					
(12)	4,883,223	978,018	3,905,205	399%	(k)	Source of Supply	11,690,418	11,690,219	199	9%	(12)					
(13)	1,591,952	892,124	699,828	78%	(l)	Water Quality, Treatment & Maintenance	11,849,076	10,903,336	945,740	10%	(13)					
(14)	453,105	291,681	161,424	55%	(m)	Engineering Services	4,022,641	3,661,019	361,622	10%	(14)					
(15)	\$ 13,266,317	\$ 7,008,327	\$ 6,257,990	89%		Total Operating Expenses	\$ 81,933,572	\$ 84,408,603	\$ (2,475,030)	(l)	(3%)	(15)				
(16)	\$ (5,382,719)	\$ 1,689,430	\$ (7,052,149)	(422%)		Net Operating Revenues (Expenses)	\$ 6,369,995	\$ 2,448,435	\$ 3,921,560	(m)	160%	(16)				
(17)	\$ 2,283,311	\$ 1,706,987	\$ 576,324	34%	Non-Operating Revenues and (Expenses)	(n)	Non-Operating Revenues ¹	\$ 44,842,684	\$ 46,407,337	\$ (1,564,653)	(3%)	(17)				
(18)	(5,459,375)	(3,935,736)	(1,523,638)	39%		Capital Improvement Projects - Pay Go	(21,449,533)	(47,228,835)	25,779,302	(o)	(55%)	(18)				
(19)	-	-	-	0%		Debt Service	(32,912,555)	(32,960,792)	48,237	(0%)	(19)					
(20)	\$ (3,176,064)	\$ (2,228,749)	\$ (947,315)	43%		Net Non-Operating Revenues and (Expenses)	\$ (9,519,404)	\$ (33,782,290)	\$ 24,262,886	(p)	(72%)	(20)				
(21)	\$ (8,558,783)	\$ (559,319)	\$ (7,999,463)	1430%		Increase (Decrease) in Net Position	\$ (3,149,408)	\$ (31,333,855)	\$ 28,184,447	(q)	(90%)	(21)				

(a) Budget projection based on a seasonal trend. Historical trend of water sales will be used in FY 2023. Year-to-date actual is higher than budget.
(b) Wholesale water rates approved in April 2022 increased compared to historical budget. Year-to-date is higher than budget.
(c) Budget projection based on a seasonal trend. Historical trend of water sales will be used in FY 2023. Year-to-date actual is lower than budget.
(d) Fees coming in less than budget due to COVID-19 limitations.

(e) **Total Operating Revenues over budget year-to-date.**
(f) Outside services higher than budgeted due to higher legal costs than originally anticipated, due to Whittaker Litigation.
(g) Outside services higher than budgeted due to increased customer communications & enQuestia conversion (Customer Billing System)
(h) Outside services higher than budgeted due to emergency main line breaks, including emergency overtime
(i) Outside services higher than budgeted due to ordering Perchlorate treatment supplies earlier due to supply chain constraints and emergency leak repairs; under budget year-to-date.
(j) Budget based on a level trend. Historical trend of water purchases, and updated information, will be used in FY 2023.

(k) Buena Vista Rosedale Rio Bravo water purchase payments made in December and June each year. Year-to-date actuals on track with budget.
Utility expense actuals higher, by approximately \$450K, than budgeted amount in June. SCE invoiced for billing corrections (unread meters).

(l) **Total Operating Expenses under budget year-to-date.**
(m) Facility Capacity Fees came in over budget for the month of June.
(n) Pay-Go Capital Improvement Project actuals less than budget year-to-date.
(o) **Net Non-Operating Expenses below budget due to Pay-Go Capital coming in less than budget.**
(p) **Net Change in Net Position came in \$28.1 million over budget due primarily due to Pay-Go Capital coming in less than budget.**
(q) June payroll includes year-end accrued payroll.

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

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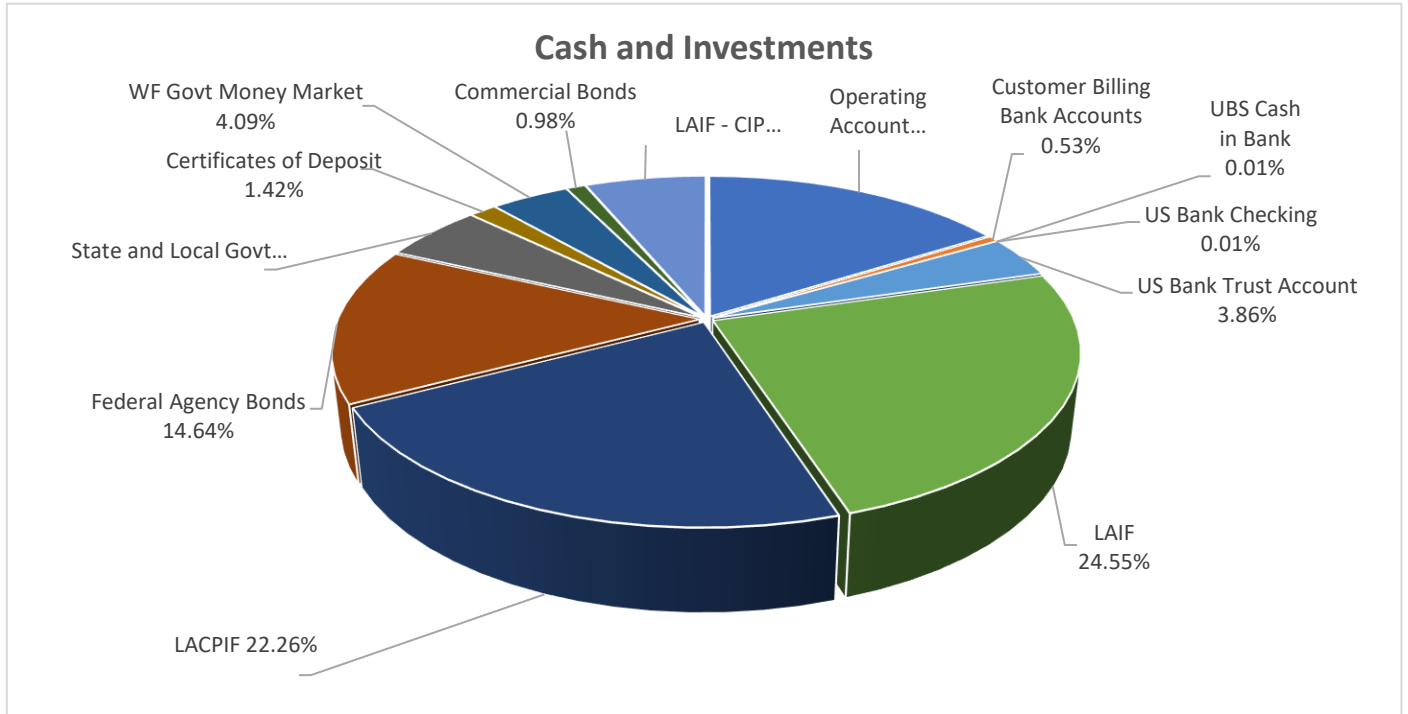
Investment Report

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Santa Clarita Valley Water Agency

Cash and Investment Summary

6/30/22



Operating Account-Incl FCF's, SWP & CIP	XXX-10101	\$	48,971,568	16.05%
Customer Billing Bank Accounts	101-10105		1,612,002	0.53%
UBS Cash in Bank	101-10109		21,110	0.01%
US Bank Checking (1% Prop Tax)	101-10201		29,934	0.01%
US Bank Trust Account (1% Prop Tax)	101-10202		11,780,714	3.86%
LAIF - Operating	101-11061		74,937,057	24.55%
LAC Pooled Investment Fund	101-11062		67,947,818	22.26%
Federal Agency Bonds	101-11064		44,684,835	14.64%
State and Local Government Bonds	101-11065		16,148,995	5.29%
Certificates of Deposit	101-11066		4,323,760	1.42%
WF Government Money Mkt Fund	101-11067		12,482,355	4.09%
Commercial Bonds	101-11068		3,000,000	0.98%
LAIF - CIP	220-11002		19,272,668	6.31%
		\$	305,212,817	100.00%

Estimated Refundable Developer Deposits:

\$ (8,696,594) in totals above

Portfolio-wide Investments:

Average Yield

1.358%

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
6/30/2022

	<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	48,971,568		
Less: Restricted Cash (FCFs, SWP & CIP)	1	2XX-10101	(1,096,501)		
Customer Billing - Northstar Account		101-10105	447,692		
Customer Billing - enQuesta Account		101-10107	1,164,310		
US Bank Checking (1% Prop Tax)		101-10201	29,934		
US Bank Trust Account (1% Prop Tax)		101/204-10202	11,780,714		
UBS Bank Cash		101-10109	21,110		
Less: Restricted Cash US Bank Accts -SWP	1	204-10201/10202	(143,298)		
Subtotal - Cash & Sweep Accounts Unrestricted				\$ 61,175,529	20.04%
Investments - Unrestricted					
Local Agency Investment Fund		101/202/204-11061	\$ 74,937,057		
LAC Pooled Investment Fund		101/204-11062	67,947,818		
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	12,482,355		
Commercial Bonds		101-11068	3,000,000		
Less: Restricted Investments - FCF	2	202-11061	(9,883,306)		
Less: Restricted Investments - SWP	3	204-11061/11062	(86,057,763)		
Subtotal - Investments Unrestricted				\$ 127,583,753	41.80%
Cash and Investments - Restricted					
Facility Capacity Fee Fund - Cash	4	202-10101	\$ -		
Facility Capacity Fee Fund - Investments	5	202-11061	9,883,306		
State Water Project - Cash (WF & US Bank)	6	204-10XXX	143,341		
State Water Project - Investments	7	204-11061/11062	86,057,763		
Subtotal - Investments Restricted				96,084,410	31.48%
TOTAL AGENCY CASH & INVESTMENTS				\$ 284,843,691	
<u>CAPITAL IMPROVEMENT PROJECT FUNDS</u>					
Cash & Sweep Accounts	8	220-10101	\$ 1,096,457		
Local Agency Investment Fund - Restricted		220-11061	19,272,668		
TOTAL CAPITAL IMPROVEMENT PROJECT FUNDS				\$ 20,369,125	6.67%
TOTAL CASH AND INVESTMENTS				\$ 305,212,817	100.00%

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

6/30/22

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	0.861%	0.861%	Various	Liquid	N/A	N/A	53,767
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	12,482,355	0.910%	0.910%	Various	Liquid	N/A	N/A	9,466
3	<u>\$ 155,315,942</u>		<u>0.070%</u>					<u>108,497</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	397	20,624
1 State of California GO Bonds	1,946,780	2.250%	2.862%	01/25/19	10/01/23	1710	458	43,803
1 Semitropic Improvement District	1,302,045	2.262%	2.262%	10/30/19	12/01/23	1493	519	29,452
1 State of California GO Bonds	3,098,130	3.000%	3.000%	05/28/19	04/01/24	1770	641	92,944
1 San Diego Successor Agency	1,147,938	3.000%	2.052%	10/23/19	09/01/24	1775	794	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	1067	162,098
1 Univ of Cal Ca Revenues TxbI-Relief	1,270,703.25	3.063%	3.063%	12/29/21	07/01/25	1,280	1097	38,922
1 Cal St TxbI-Various Purpose-Bid group	3,173,520.00	2.650%	2.650%	12/29/21	04/01/26	1,554	1371	84,098
8	<u>\$ 16,148,995</u>		<u>3.142%</u>				<u>6,344</u>	<u>506,378</u>

Avg Remaining Life 793 Days

Certificates of Deposit

1 Comenity Capital Bank - WF CD	250,000	3.150%	3.150%	07/16/18	07/18/22	1463	18	7,875
1 Live Oak Bkg Co - WF CD	250,000	1.550%	1.550%	03/06/20	09/06/22	914	68	3,875
1 Goldman Sachs Bank - UBS CD	200,000	2.290%	2.290%	10/24/17	11/01/22	1834	124	4,580
1 UBS Bank USA Salt LA UT- UBS CD	200,000	0.150%	0.150%	11/13/20	11/21/22	738	144	300
1 WEBBANK - WF CD	250,000	0.100%	0.100%	12/28/20	12/28/22	730	181	250
1 SYNCHRONY Bank - UBS CD	200,000	1.280%	1.280%	04/13/20	04/17/23	1099	291	2,560
1 BMW Bank North AME - UBS CD	200,000	0.250%	0.250%	11/13/20	05/22/23	920	326	500
1 Beal Bank USA - WF CD	250,000	0.600%	0.600%	01/05/22	01/03/24	728	552	1,500
1 First State Bank/NE - WF CD	250,000	0.500%	0.500%	01/12/22	01/12/24	730	561	1,250
1 TIAA FSB Florida - UBS CD	200,000	0.400%	0.400%	03/31/21	04/09/24	1105	649	800
1 American National Bk - UBS CD	244,388	0.250%	0.250%	06/08/21	05/21/24	1078	691	611
1 New York Cmnty Bk - UBS CD	245,000	0.350%	0.350%	06/08/21	06/03/24	1091	704	858
1 Leader Bank NA MA - UBS CD	244,373	0.250%	0.250%	06/08/21	06/03/24	1091	704	611
1 Greenstate Credit AI US - UBS CD	245,000	0.450%	0.450%	06/08/21	06/17/24	1105	718	1,103
1 LUANA Savings Bank- WF CD	250,000	0.250%	0.250%	12/30/20	07/01/24	1279	732	625
1 Texas Exchange Bank - UBS CD	200,000	0.500%	0.500%	07/22/21	07/30/24	1104	761	1,000
1 UBS Bank - UBS CD	200,000	0.700%	0.700%	10/14/20	10/28/24	1475	851	1,400
1 Morgan Stanley PRI NY - UBS CD	245,000	1.640%	1.640%	04/01/20	03/05/25	1799	979	4,018
1 Sallie Mae Bank - UBS CD	200,000	1.880%	1.880%	11/22/19	11/20/24	1825	874	3,760
19	<u>\$ 4,323,760</u>						<u>9928</u>	<u>37,475</u>

Weighted Avg Yield 0.867%

Avg Remaining Life 523 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	196	2,401
1 FFCB - WF	2,000,000	0.180%	0.180%	01/13/21	07/13/23	911	378	3,600
1 FHLB - UBS	3,000,000	1.125%	1.125%	04/12/22	10/12/23	548	469	33,750
1 FHLB - UBS	3,000,000	1.800%	1.800%	02/28/22	02/27/24	729	607	54,000
1 FHLB - WF	2,996,580	2.125%	2.125%	03/25/22	02/28/24	705	608	63,677
1 FHLB - UBS	2,000,000	1.875%	1.875%	03/14/22	03/14/24	731	623	37,500
1 FHLB - UBS	2,000,000	1.500%	1.500%	03/25/22	03/28/24	734	637	30,000
1 FFCB - WF	5,000,000	0.270%	0.270%	01/05/21	04/05/24	1186	645	13,500
1 FHLB - UBS	200,005	0.750%	0.750%	11/24/21	05/24/24	912	694	1,500
1 FHLB - UBS	235,000	1.350%	1.350%	02/24/22	05/24/24	820	694	3,173
1 FHLB - UBS	4,500,000	0.400%	0.400%	06/08/21	08/29/24	1178	791	18,000
1 FFCB - WF	1,997,700	0.875%	0.875%	11/18/21	11/18/24	1096	872	17,480
1 FHLB - WF	2,000,000	0.400%	0.400%	02/26/21	11/26/24	1369	880	8,000
1 FHLB - WF	996,470	3.063%	3.063%	01/03/22	01/13/25	1106	928	30,522
1 FHLB - WF	2,000,000	0.690%	0.690%	06/10/21	06/10/25	1461	1076	13,800
1 FNMA - WF	3,985,680	0.500%	0.500%	11/12/20	11/07/25	1821	1226	19,928
1 FNMA - WF	1,992,840	0.500%	0.500%	11/12/20	11/07/25	1821	1226	9,964
1 FHLB - UBS	280,000	0.500%	5.000%	04/15/21	04/29/26	1840	1399	1,400
1 FHLB - UBS	1,500,000	0.600%	0.600%	06/09/21	06/30/26	1847	1461	9,000
1 FHLB - UBS	3,000,000	0.500%	0.500%	06/08/21	06/30/26	1848	1461	15,000
20	<u>\$ 44,684,835</u>					<u>16871</u>	<u>386,195</u>	
	Weighted Avg Yield	<u>0.894%</u>			Avg Remaining Life	<u>844</u>	Days	

Commercial Bonds

1 JP Morgan Chase Financial	3,000,000	3.125%	3.125%	05/13/22	05/13/24	731	683	93,750
1	<u>\$ 3,000,000</u>					<u>683</u>	<u>93,750</u>	
	Weighted Avg Yield	3.125%			Avg Remaining Life	<u>683</u>	Days	

Cost

Portfolio-wide Investment Yield 223,473,532

Weighted Avg Yield 0.513%

Liquid Investments - LAIF, LACPIF, WF MM	155,315,942		
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		

3-Month Cashflow

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SANTA CLARITA VALLEY WATER AGENCY
3 - Month Cash Flow Projection

Cash Flow for July FY23 to September FY23

DESCRIPTION	UNRESTRICTED		RESTRICTED		
	Checking	Investments	CIP Fund	SWC	Capacity Fees
Beginning Balance (estimated):	\$ 61,175,529	\$ 127,583,753	\$ 20,369,125	\$ 86,201,104	\$ 9,883,306
July					
Cash Provided from:					
Water Sales	10,025,124	-	-	-	-
Water Sales Misc ¹	112,200	-	-	-	-
Recycled Water Sales	39,051	-	-	-	-
Non Operating Income:					
Property Taxes	1,280,509	-	-	1,280,509	-
Capacity Fees	-	-	-	-	466,667
Interest Earned	54,167	-	-	35,833	-
Communication/Rental	62,681	-	-	-	-
Grants	-	-	-	-	-
Reimbursements ²	530,971	-	-	-	-
Bond/Loan Proceeds	-	-	-	-	-
Other ³	1,917	-	-	-	-
Cash Used/Added to/for:					
Monthly Expenses	(7,211,287)	-	-	(216,445)	-
DWR Payments	-	-	-	(1,210,000)	-
Misc. Water Purchases	-	-	-	(5,579,591)	-
Debt Service	(29,909,652)	-	-	-	-
CIP	(6,317,153)	-	(3,498,417)	-	-
CalPERS UAL	(1,496,828)	-	-	-	-
Txfr to/from Investments	-	-	-	-	-
Projected Ending Balance Jul	\$ 28,347,228	\$ 127,583,753	\$ 16,870,709	\$ 80,511,410	\$ 10,349,972
August					
Cash Provided from:					
Water Sales	10,934,276	-	-	-	-
Water Sales Misc ¹	122,400	-	-	-	-
Recycled Water Sales	39,051	-	-	-	-
Non Operating Income:					
Property Taxes	-	-	-	-	-
Capacity Fees	-	-	-	-	466,667
Interest Earned	54,167	-	-	35,833	-
Communication/Rental	62,681	-	-	-	-
Grants	-	-	-	-	-
Reimbursements ²	530,971	-	-	-	-
Bond/Loan Proceeds	-	-	-	-	-
Other ³	1,917	-	-	-	-
Cash Used/Added to/for:					
Monthly Expenses	(7,711,626)	-	-	(216,445)	-
DWR Payments	-	-	-	(1,320,000)	-
Misc. Water Purchases	-	-	-	(1,330,803)	-
Debt Service	-	-	-	-	-
CIP	(6,317,153)	-	(3,498,417)	-	-
Txfr to/from Investments	-	-	-	-	-
Projected Ending Balance. Aug	\$ 26,063,913	\$ 127,583,753	\$ 13,372,292	\$ 77,679,996	\$ 10,816,639
September					
Cash Provided from:					
Water Sales	10,934,276	-	-	-	-
Water Sales Misc ¹	122,400	-	-	-	-
Recycled Water Sales	39,051	-	-	-	-
Non Operating Income:					
Property Taxes	-	-	-	-	-
Capacity Fees	-	-	-	-	466,667
Interest Earned	54,167	-	-	35,833	-
Communication/Rental	62,681	-	-	-	-
Grants	-	-	-	-	-
Reimbursements ²	530,971	-	-	-	-
Bond/Loan Proceeds	-	-	-	-	-
Other ³	1,917	-	-	-	-
Cash Used/Added to/for:					
Monthly Expenses	(7,711,626)	-	-	(216,445)	-
DWR Payments	-	-	-	(1,320,000)	-
Misc. Water Purchases	-	-	-	(1,330,803)	-
Debt Service	-	-	-	-	-
CIP	(6,317,153)	-	(3,498,417)	-	-
Txfr to/from Investments	-	-	-	-	-
Projected Ending Balance Sep	\$ 23,780,597	\$ 127,583,753	\$ 9,873,875	\$ 74,848,582	\$ 11,283,306

Notes:

¹ Water Sales Misc. includes Late Charges, Misc. Retail Charges, Rebates, Drought Offense Fee and Water Sales-One time

² Reimbursements include Annexation and PERCH Reimbursements - O&M & CIP

³ Other includes Laboratory Revenues and Other Non-Operating Revenue

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Debt & Cash Position

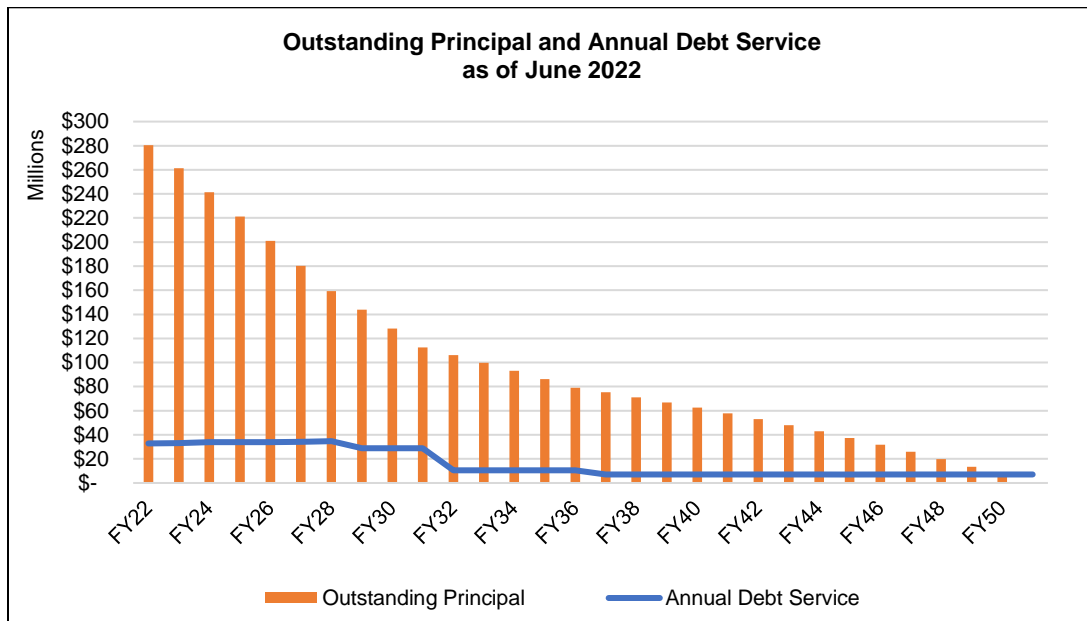
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This report reviews the Agency’s outstanding principal and debt service on an annual basis, cash balances of unrestricted, restricted, and reserve funds as of June 30, 2022, and the total current and non-current assets as of June 30, 2021.

DEBT SERVICE

The outstanding principal debt as of June 30, 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.

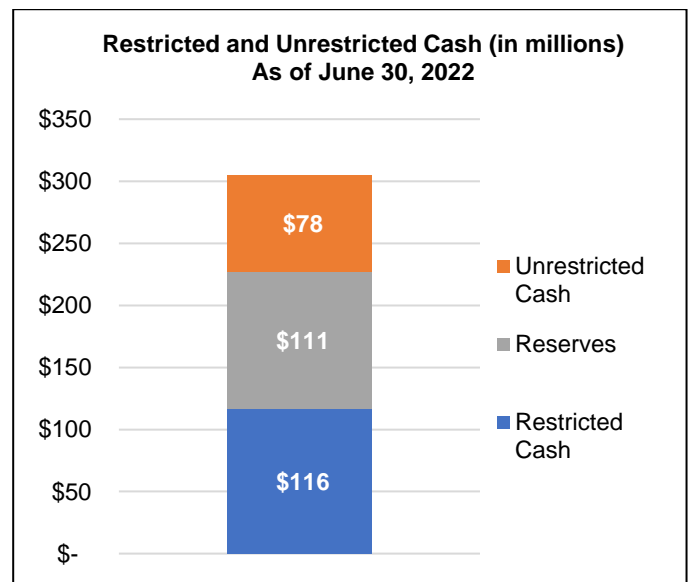


*The outstanding principal of VWD Acquisition Interfund Loan of \$63,411,661 is excluded from the outstanding principal balance.

CASH POSITION

As of June 30, 2022, the Agency has:

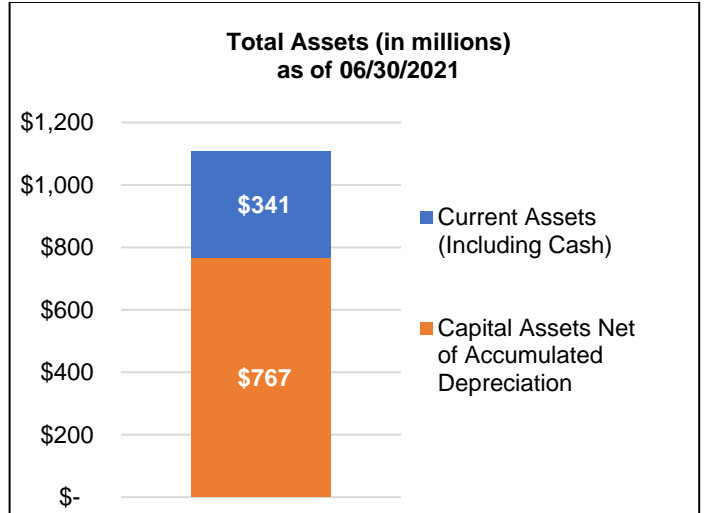
- Fully funded reserve balance of \$111,125,886 as per the agency policy, and
- Restricted cash of \$116,453,535 which includes the Facility/Retail Capacity Fee Funds, State Water Project Fund, and remaining Bond Proceeds, and
- Unrestricted cash of \$77,633,396 to meet the Agency’s payment obligations 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:

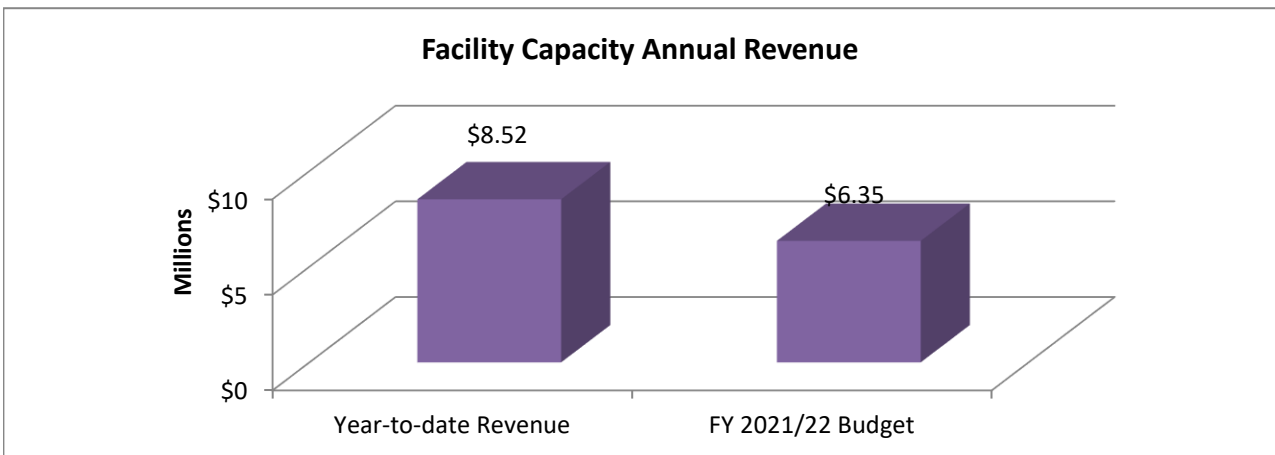
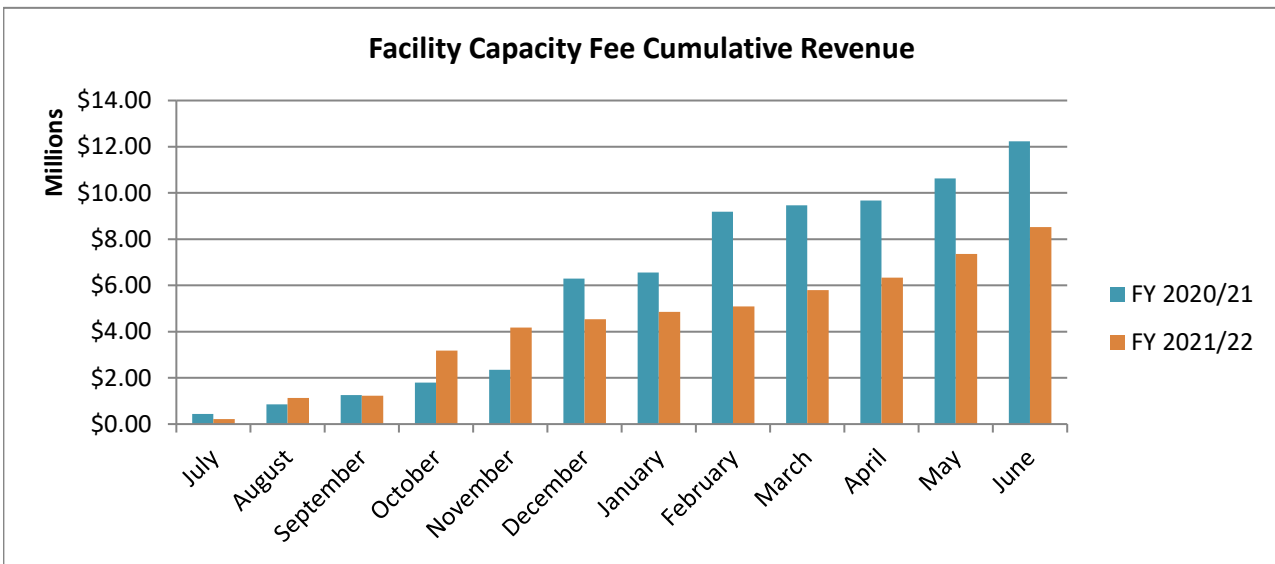
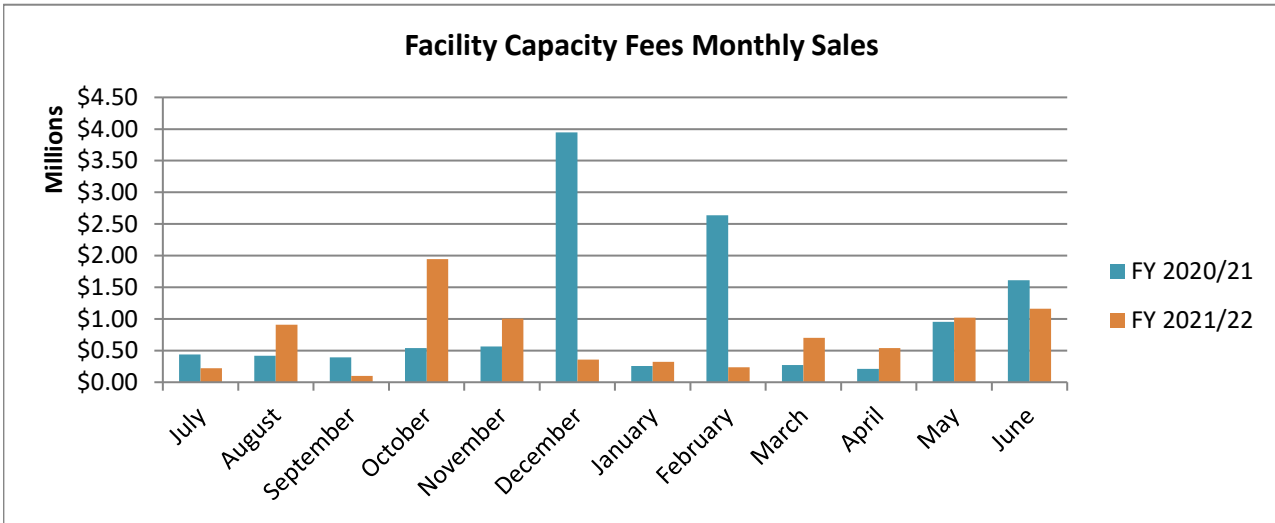
- Current Assets including cash with a balance of \$341,153,720, and
- Capital Assets Net of Accumulated Depreciation with a balance of \$766,983,482.



Facility Capacity Fee Revenues

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SCV WATER FACILITY CAPACITY FEE REVENUES FY 2021/22 as of June 30, 2022



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Ten Largest Disbursements Check Register

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SCV Water
Ten Largest Disbursements
June 1, 2022 to June 30, 2022

No.	Date	Supplier_Name	Invoice_Description	Method	Amount
	06-08-2022	Department of Water Resources	Monthly Variable - Apr 2022	CHECK	995,954.00
1		Department of Water Resources			995,954.00
	06-30-2022	So. California Edison Co.	Acct-4924 Statement 5/17/22	AUTO_DEBIT	306,010.33
2		So. California Edison Co.			306,010.33
	06-30-2022	So. California Edison Co.	Credit Note	AUTO_DEBIT	-20,182.55
			Acct-4924 6/17/22 Statement	AUTO_DEBIT	284,939.77
3		So. California Edison Co.			264,757.22
	06-29-2022	Rosedale-Rio Bravo Water Storage District	Power and O&M Charges - April 2022	SCV_ACH	225,264.99
4		Rosedale-Rio Bravo Water Storage District			225,264.99
	06-30-2022	So. California Edison Co.	Acct-1360 5/24/22	AUTO_DEBIT	219,362.02
5		So. California Edison Co.			219,362.02
	06-01-2022	GSE Construction Company Inc.	Valley Center Well PFAS Groundwater Treatment Improvements, Progress Payment through 4/30/22	CHECK	200,536.92
6		GSE Construction Company Inc.			200,536.92
	06-15-2022	Water Co. Refund Contract Trust 2010-1	Annual Mainline Contract Refunds 2022	CHECK	193,258.17
7		Water Co. Refund Contract Trust 2010-1			193,258.17
	06-15-2022	Purolite Corporation	Purolite IX Resin Delivery and Service	SCV_ACH	189,183.89
8		Purolite Corporation			189,183.89
	06-08-2022	Rosedale-Rio Bravo Water Storage District	Well Power Charges, Operation, and Maintenance - February 2022	SCV_ACH	184,336.85
9		Rosedale-Rio Bravo Water Storage District			184,336.85
	06-30-2022	So. California Edison Co.	Acct-1812 Statement 5/24/22	AUTO_DEBIT	148,057.22
10		So. California Edison Co.			148,057.22

Total **2,926,721.61**

Total-All Disbursements Issued During June 2022 **7,390,307.94**

Largest Ten Vendor Payments as Compared to Total **40%**

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Credit Card Register

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**SCV Water
Credit Card Charges
Paid in April-June 2022**

Payee	Sum of Transaction Amount
1077 M&S GRILL ANAHEIM	148.88
AWWA Conference - 4/11 - Dinner	52.18
AWWA Conference - 4/13 - Dinner	96.7
8870 ROYAL	3257.43
Box for outlet and ESTP clarifier trough.	714.01
Cable ties and rechargeable inspector led pen for Instrumentation shop	202.47
Control XFMR, TPak, Fuses, Cable Cutter	225.82
Electrical Test Instrument	499.98
Instrument Case and Leads	155
Klein Case	28.8
Kneeling Mat	30.66
Parts and materials for truck number N-61	997.38
Suppliers and Materials	403.31
ACE PARKING 0997	15
ACT Expo Parking	15
ADMIN PRO FORUM CONFER	549
Admin Pro Forum 2022 - Registration - 05/18-05/19/22 - T. Bell	549
ADOBE ACROPRO SUBS	11693.24
Adobe licenses	2887.32
Adobe Pro DC subscription	5918.6
Adobe subscription licenses	2887.32
ADOBE CAPTIVATE SUBS	101.97
Adobe Captivate monthly renewal.	33.99
Monthly ADOBE Captivate license.	33.99
Monthly renewal for Adobe Captivate - training development application.	33.99
ADOBE IL CREATIVE CLD	16.8
Photoshop License	16.8
ADOBE PS CREATIVE CLD	16.8
Illustrator license	16.8
ADOBE STOCK	319.96
Adobe Photo Stock	159.98
Digital Photo Stock	79.99
Photo Stock for Publications	79.99
ADVANCE AUTO PARTS	185
Inverter N61	185
ALBERTSONS #1360	110.38
Board Meeting Supplies	15.96
Coffee for Board/Committee Meetings	14.48
Office Supplies	6.49
Q-tips, used for cleaning chlorine analyzers at RVWTP	38.04
Vending Machine Supplies	35.41
ALBERTSONS #3301	0.8
Board Meeting Supplies	0.8
ALLIED ELECTRONICS INC	417.26
Bridge Rectifiers	107.84
Disconnect Switch	248.22
MOV Varisters, Terminals	61.2
AMAZON.COM*130178UA1 AMZN	46.31
Office Supplies	46.31
AMAZON.COM*162C92XF0	19.68
Office Supplies - Hand Lotion	19.68
AMAZON.COM*1638P6XR0	9.82
Office Supplies - Hand Lotion	9.82
AMAZON.COM*1A7QE9VM2 AMZN	215.84
Bound Columnar Books for J. Koelewyn	215.84
AMAZON.COM*1H15S4KW1	387.86
Norco Battery Jump Starter for Unit S-19	387.86
AMAZON.COM*1H36L8N71 AMZN	32.67
Industrial Velcro for strapping battery to a/v cart.	32.67

**SCV Water
Credit Card Charges
Paid in April-June 2022**

Payee	Sum of Transaction Amount
AMAZON.COM*1H3ZQ90V0 AMZN	499.8
Tools For Crew	499.8
AMAZON.COM*1H4B181W0	37.04
Office Supplies	37.04
AMAZON.COM*1H8SG47W1 AMZN	48.79
Office Supplies	48.79
AMAZON.COM*1I0HO6HV2 AMZN	133.18
Beads for Education Department	133.18
AMAZON.COM*1I1A207O2	37.04
Office Supplies	37.04
AMAZON.COM*1L5X42E81	27.16
Office Supplies	27.16
AMAZON.COM*1O6ER4WX1 AMZN	543.46
EZ UP Canopy for Shade and Weather Conditions	543.46
AMAZON.COM*1Q69N7R22 AMZN	37.04
Office Supplies	37.04
AMAZON.COM*1W3OO2YW2	74.97
Coffee - Rio Vista Kitchens	74.97
AMAZON.COM*1W3WM69Z2	239.76
Extra RAM memory for computers.	239.76
AMAZON.COM*1W7FM88U1	45.79
Office Supplies	45.79
AMAZON.COM*1Z10Z6R50 AMZN	104.85
Vehicle repair supplies	104.85
AMERICAN WATER COLLEGE	299.99
California Grade D4 Water Distribution Operator Exam Prep for L.Margheritis	299.99
AMZ*ANKER INNOVATION	875.95
Anker portable power banks for use in Boardroom.	875.95
AMZN MKTP US	10262.82
Vehicle Supplies: mobile device chargers, stands, seat organizers Invoice was split based on delivery date	120.94
Adapter for HP - GIS Department	57.89
Air Purifier	108.41
Air Purifier for Committee Meetings	415.01
Barcode Scanner	41.6
Board Meeting Supplies	101.71
Board/Committee Meeting Snacks	19.03
Board/Committee Meeting Supplies	143.14
Board/Committee Snacks	16.24
Canopy For Shade Weather Conditions	330.2
Car Chargers for iPad	186
Credit - Returned Printer	-536.95
Dent Repair Tool and Supplies	46.74
Desk Pad Protectors for Directors	245.12
Gaffers Tape to Mark Boardroom Carpet	17.51
Labels for Zebra Printer	104.62
Laptop chargers. For use during support of conference meetings.	875.96
Magnets to Mount Cameras at Warehouses; LED Brake Lights for Trucks	224.42
Mobile low profile audio/video stand.	236.51
Moist Towelettes for Board/Committee Meetings	28.42
Moveable conference camera and tripod for ESS conference room.	1411.43
Moveable conference camera and tripod for multipurpose room at Rockefeller.	1411.43
Office Supplies	807.22
Office Supplies - Laminating Sheets	56.94
Office trash can for Rockefeller.	10.07
Pentel Mechanical Pencils - Accounting	27.82
Replacement Filters for Air Purifier	42.71
Safety Chains for Trailers	191.34
Sanitizer for Boardroom	26.27
Silicone Sealant	7.83
Small Light bulbs for Unit S-10 Crane indicator Panel	15.19

**SCV Water
Credit Card Charges
Paid in April-June 2022**

Payee	Sum of Transaction Amount
Small rolling cart for use in Boardroom.	52.31
Standing desks, chargers, mat and labels	506.87
Standing desks, chargers, mat and labels.	101.85
Supplies for Home Garden Show	1006.36
TV cables.	37.17
TV remote.	16.39
Vehicle repair supplies	32.25
Vehicle supplies: fire extinguisher brackets, seatback organizers for first aid kits, seat cover, and trunk organizer	705.67
Vehicle Supplies: mobile device chargers, stands, seat organizers Invoice was split based on delivery date	146.8
Vending Machine Snacks	35.28
Vending Machine Supplies	162.13
Witching Sticks for locating water mains	122.56
Zebra GT Label Printer.	546.41
APPLE.COM/BILL	157.94
Bluebeam Revu app for D. Campos' iPad.	9.99
Broadcastify app for J. Woodworth's iPhone 12.	2.99
iPad app for Crestron Boardroom system.	99.99
Jump app for A. Herrera	14.99
Jump app for R. Bye	14.99
Jump app for W. Ayros	14.99
AQUA-FLO SUPPLY INC #3	134.9
Glue and Teflon paste.	43.35
PVC Parts and Materials	91.55
ARCO#83059GREEN DESERT O	18.7
Fuel for Rental Car	18.7
ASSOC OF CALIFORNIA WATE	475
EHS Job Posting	475
ASSOCIATION OF CALIFORNI	5500
ACWA 2022 Spring Conference - Registration - 05/03/22-05/05 - Director Martin	775
ACWA 2022 Spring Conference - Registration - 05/03-05/05/22 - Director Armitage	775
ACWA 2022 Spring Conference - Registration - 05/03-05/05/22 - Director Atkins	775
ACWA 2022 Spring Conference - Registration - 05/03-05/05/22 - Director Plambeck	620
ACWA 2022 Spring Conference - Registration - 05/03-05/05/22 - M. Stone	775
ACWA 2022 Spring Conference - Registration - 05/03-05/05/22 - S. Cole	775
ACWA 2022 Virtual Legislative Symposium - Registration - 03/10/22 - Director Gladbach	155
ACWA DC2022 Annual Washington D.C. Conference - Registration - 07/12-07/14/22 - Director Kelly	760
ACWA Region 9 Program - Registration - 06/24/22 - Director Atkins	90
AUTOZONE #4070	80.73
Dash and Glass for cleaning	24.6
Light bulbs for S41 and S38	43.78
Truck accessories for S41	12.35
BEST BUY 00001065	9.89
Display Port Adapter for Newline Screen Golden Triangle	9.89
BEST BUY 00001131	600.95
Cords and Cables	55.8
HDMI cables for Discovery Room.	114.92
Micro SD card and parts for camera at pine	61.3
SCADA computer accessories	336.1
Temporary Yard Cameras Supplies	32.83
BEST WESTERN PLUS NEWPORT	637.34
CMTA Conference	637.34
BESTBUYCOM806648691042	0
Canceled this order due to wrong pick up store.	248.96
Refund on mistaken order	-248.96
BESTBUYCOM806649138710	248.96
iPad keyboard for SCADA use.	248.96
BITLY.COM	348
Online Presence	348
BJ'S RESTAURANTS 414	88.04
Administrative Professional Lunch - B. Payne, M. Restivo, E. Blanford	88.04

**SCV Water
Credit Card Charges
Paid in April-June 2022**

Payee	Sum of Transaction Amount
BLACK TAP - ANAHEIM	30.98
AWWA Conference - 4/12 - Dinner	30.98
BOB HOPE AIRPORT	39
ACWA Conference	39
BOUQUET AUTO PARTS	118.23
Fusible link N61	6.56
Pin Reducer for Trailer Connection	24.08
Vehicle Parts	87.59
BOX, INC.	1800
File share subscription	1200
File sharing subscription	600
BROWN AND CALDWELL	400
EHS Job Posting	200
Job Posting Water Systems Technician	200
BUDGET RENT A CAR	150.2
Sacramento - Sites Reservoir Mtg	150.2
BULLET JOURNAL	249
Bullet Journal Course for R. Banuelos.	249
BURRTEC WASTE INDUSTRIES	1426.15
3 yard Trash Services 1/1-1/31/22	1426.15
CA AIR RESOURCES BOARD	805
Pine Blue Pump CARB PERP Registration	805
CA AIR RESOURCES SVC F	21.33
CARB PERP Registration Fees	21.33
CA TOXIC MAIN/US EPA FEE	200
EPA ID Number Reactivation	200
CAL OSHA REPORTER	290.45
EHS Job Posting	290.45
CA-NV SECTION, AWWA	1404
AWWA Seminar: Corrosion Control for B. Zvara	100
AWWA Seminar: SCADA Operations for P. Woeger	175
AWWA Webinar: Drinking Water Regulations for B. Zvara.	100
AWWA Webinar: Electrical Motor Operations & Control for J. Campos.	75
B. Payne attending the AWWA CA-NV Section Spring Conference in Anaheim, April 11th - 14th, 2022. Approval attached with Receipt an	329
Continuing Education training	625
Credit due for AWWA incorrect reg fee for P. Woeger.	-25
Credit from AWWA for mistake on registration fee. Should have been \$50. This offsets their \$75 fee.	-25
Electrical Motor Operations And Control Webinar for J. Campos.	50
CAPIO - CA ASSOCIATION OF	625
CAPIO Conference - L. Gallegos	350
CAPIO Membership for L. Gallegos	275
CARROT-TOP INDUSTRIES	580.93
Flag replacement	580.93
CBI*AOMEI	449.25
AOMEI Partition Manager App	449.25
CHECK ALL VALVE MANUFACT	806.39
Flange Insert Check Valves for RVWTP-Ozone; requested by L.Margheritis.	806.39
CHICK-FIL-A #02317	86.03
Dinner For Crew Working on Leak	86.03
CHIPOTLE ONLINE	137.05
TPO Interview Panel Lunch 5/23/22	137.05
CMT SACRAMENTO27680016	109
ACWA Conference	41.5
Taxi Cab to the SWCs Meeting on 4/20/22	67.5
CMTA	455
CMTA Specialized Training 2022 A. Aguer	455
CONFERENCES AND SEMINARS	119
Internship Webinar- J. Brison and J. Joo	119

**SCV Water
Credit Card Charges
Paid in April-June 2022**

Payee	Sum of Transaction Amount
CORNER BAKERY 0208	864.64
Breakfast for Staff Training	669.76
Staff Workshop - Water Resiliency Planning -WR Staff	194.88
COSTCO DELIVERY 653	1462.11
Office Supplies - Non Taxable	692.99
Office Supplies - Taxable	769.12
COSTCO MEM PR V #0844	240
Membership Renewal April 2022-2023	240
COSTCO WHSE #0447	192.76
Board/Committee Supplies	50.06
Supplies / Meeting	92.62
Vending Machine Supplies	50.08
COURSRA77FPQHKJ4Y7XRL	117
Coursera Subscription Payment	39
Cousera Subscription Payment	78
CQ-ROLL CALL INC.	416
Congressional Directories	416
CURRENCY CONVERSION FEE	15.42
Country currency fee for Kahoots program needed for Education	4.68
Foreign conversion fee for online application renewal.	10.74
DAPPER DANS CARWASH	81.85
Car Wash	59.85
Car wash for truck S41	12
Vehicle car wash for I68	10
DD DOORDASH CALIFORNI	32.07
WR Interview Panel Lunch	32.07
DD DOORDASH DUNKIN	39.41
WR Staff Lunch	39.41
DD DOORDASH STONEFIRE	0
WR Interview Panel - Order Cancelled	-32.11
WR Interview Panel - Order Cancelled	32.11
DELTA AIR	552.2
Conference Airfare for S. Bader	552.2
DISPUTE-SAMS MEMBERSHIP	-109.5
Card dispute	-109.5
DISTINCTIVE	515
All Employee Meeting	515
DLR FRONT DESK DLH	1313.72
AWWA Conference - 4/10-4/15 - Hotel	1610.9
Credit applied to hotel stay for conference.	-297.18
DLR TRADER SAM'S	106.26
AWWA Conference - 4/11 - Lunch	21.72
AWWA Conference - 4/12 - Breakfast	19.71
AWWA Conference - 4/13 -Breakfast	19.71
AWWA Conference - 4/14 - Breakfast	19.71
AWWA Conference - 4/15 - Breakfast	25.41
DNH*DOMAIN HOSTING SRVCS	715.33
Dedicated IP hosting monthly.	8.68
DNH Domain renewal.	29.34
Domain name hosting monthly.	8.68
Domain name hosting, 2yr domain renewal.	34.34
Domain name renewal.	28.34
Monthly domain name service.	5.98
SCADA Dedicated Server Renewal	599.97
DNH*DOMAIN NAME/HOSTING	144.66
Domain name hosting.	8.68
SSL Certificate	135.98

**SCV Water
Credit Card Charges
Paid in April-June 2022**

Payee	Sum of Transaction Amount
DNH*SUCURI WEBSITE SECURI	29.97
Agency Web Maintenance	9.99
Agency Website	9.99
Agency Website Maintenance	9.99
DRI*UPRINTING	378.56
Postcards - Home Garden Show	98.93
Refrigerator Magnets - Home Garden Show	279.63
DTV	331.04
Services 3/7-4/6/22	331.04
DUNGAREES LLC	253.56
Electrical Flame Resistant Carhartt for J. Campos (E&I Dept.)	253.56
DWYER INSTRUMENTS, INC	1617.45
Pressure transducer for RVWTP Clearwell 2, requested by T. Braxhoofden on 2/17.	1617.45
EB 2022 FALL ECONOMIC	190
2022 Fall Economic Outlook Forecast - Registration - 09/09/22 - D. Conner	95
2022 Fall Economic Outlook Forecast - Registration - 09/09/22 - R. Patterson	95
EB CVU-101 2 DAY COUR	825
Conference Registration	825
EB SOUTHERN CALIFORNI	100
SCWC Quarterly Luncheon - Registration - 04/22/22 - Director Atkins	100
ECO PROMOTIONAL PRODUCTS	2499.77
Home and Garden Event	2499.77
EGG PLANTATION	54.65
Meeting with Five Point	54.65
EHS CAREERS.COM INC.	200
EHS Job Posting	200
EIG	945
Constant Contact - eNews	630
eNews	315
EL CUBANO RESTAURANT	144.02
Admin appreciation lunch	144.02
ELECTRO SWITCH CORPORATI	160.44
Replacement Trip Coil for Rio Vista; requested by L.Margheritis.	160.44
EMBASSY SUITES	526.53
Remote Room for Board Meeting - Hotel - 04/05/22 - Directors Armitage & Braunstein	526.53
ENGINEERS BD	180
P.E. Registration Fee	180
EPIC-LA	2296
County Permit	1148
County Permits	1148
ESQUIRE GRILLE SMF	33.91
ACWA Conference	33.91
ESRI	1595
N. Pipitharut's Registration, Receipt, and Approval for the ESRI User Conference in San Diego, July 11 - 15, 2022	1595
EUCI	1195
EUCI Registration - R. Vasilopulous	1195
EVEREST BURGERS	657.98
April Birthdays and Anniversaries	172.19
March Birthdays and Anniversaries	315.78
May Birthdays and Anniversaries	170.01
FACEBK *E4SNCKJH2	332.49
Facebook Digital Messaging	332.49
FACEBK *SMHDNCTJH2	93.22
Online Presence	93.22
FASTENAL COMPANY 01CAVAE	345.04
Bolts and Key way	97.84
Wedge Anchors	247.2
FD *CA DMV 662	28
DMV Registration for Water Pump	28

**SCV Water
Credit Card Charges
Paid in April-June 2022**

Payee	Sum of Transaction Amount
FD *CA DMV 662 *SVC	0.65
DMV Registration for Water Pump Credit Card Charge	0.65
FERGUSON ENT #616	632.54
Faucet for Outdoor Bathroom at Rio Vista	316.27
Utility sink Faucet for chem dispenser	316.27
FLW INC	570.92
Temperature Switch for Rio Vista Ozone, per L. Margheritis.	570.92
FMCSA D&A CLEARINGHOUSE	62.5
DOT FMCSA Queries	62.5
FREDPRYOR CAREERTRACK	149
Stress Management Webinar on 5/4/22 for J.Hithe.	149
FRESHWATERSYSTEMS	456.87
Food Grade Lubricant for Hydrants and fittings	456.87
FS *2BRIGHTSPARKS	54.95
Sync Software for Filepath	54.95
FS *TECHSMITH	34.99
SnagIT app license For D. Burleson	34.99
GALCO INDUSTRIAL ELECTRO	90
Rotary C/B Handle	90
GIH*GLOBALINDUSTRIALEQ	3596.36
Lock for eWaste storage.	20.72
Secure metal storage for eWaste lockup.	3575.64
GLADSTEIN NEANDROSS & AS	50
ACT Expo 2022	50
GLOBALTEST	617.79
Arc Flash Suit (Coveralls) for D. Hoffman/ E&I Dept.	617.79
GLOBALTEST SUPPLY	617.79
Arc Flash Suit/Coveralls for D. Hoffman. Okay to charge to Safety.	617.79
GORDON ELECTRIC SUPPLY I	192.76
Reducing Splice Couplings	192.76
GOTO GOTOMEETING	404
GOTOMEETING Annual - K. Grass	197
GOTOMEETING Annual - R. Patterson	197
GOTOMEETING Monthly sub.	10
GRAC.ORG	100
GSA Conference Registration - R. Viergutz	100
GREEN THUMB INTERNATIONA	50
Drought BMP Social Media Contest	50
GYROMANIA	38.95
Lunch Meeting with Consultant K. Helm	38.95
HARBOR FREIGHT TOOLS 459	424.81
Drill Pumps	26.26
Transfer Pumps	26.26
Transmission Jack	372.29
HB SEALING PRODUCTS WEBST	792.6
O-rings.	356.14
O-Rings	356.14
Pneumatic Piston Seals	80.32
HIRSCH PIPE & SUPPLY 013	774.35
Filters for drinking fountain at ESFP	239.19
Sink Faucet Rio Vista	214.43
Two pressure tanks for toilets at summit circle	320.73
HOME SCIENCE TOOLS	295.7
Home Garden Show	295.7
HOMEDEPOT.COM	747.53
Broad-head bull pin for Flange setting	227.68
Credit for Weed Killer, damaged during shipping	-43.77
Plastic Yellow Safety Chain for Barrier in GT Yard	32.57
Weed Killer (Damaged/Returned will receive credit)	43.77
Window Evaporating Cooling Pads	487.28

**SCV Water
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Payee	Sum of Transaction Amount
HYATT REGENCY SACRAMENTO	886.04
Hotel for Conference	689.04
Parking for Conference	75
SWC's Monthly Meeting - 4/20-21/22 - One Night - Sacramento	122
IN N OUT BURGER 107	47.47
Crew for dinner working on 16530 lost Canyon 2" service leak	47.47
INFRAGARD LOS ANGELES	10
FBI Infraguard cybersecurity training.	10
INNOVYZE INC	3325
InfoAsset Planner Training Registration (JY)	1900
InfoAsset Planner Training Registration (YT)	1425
IPMA-HR	200
Membership Renewal for L. Pointer	200
ISP SUPPLIES, LLC	467.22
GPS antennas for SCADA radio network	467.22
JACK IN THE BOX 3296	139.22
Lunch for Staff	139.22
JIMMY DEANS	539.45
Employee Birthday and Anniversary Celebration - Jan/Feb/Mar	539.45
JIMMY DEANS BURGERS	470.3
Breakfast for Staff	470.3
JOHN M ELLSWORTH CO INC	163.64
Fuel Hoses and fitting for Fuel Tanks	163.64
JOHNSTONE SUPPLY VALENCIA	1139.49
Chemical for Cleaning Evaporation	81.99
Filters for AC	255.13
I-Wave Air Cleaner	383.24
Thermometer for AC	135.18
Thermostat for RVWTP air handlers in maintenance building.	37.95
Trailer unit filters and cleaner	246
KAHOOT! ASA	468
Presentation program for Education	468
KLEEN RITE CORP	273.06
Super Swivel for Ditch Witch Hose Reels	273.06
KOMODO LABS	395
Cybersecurity tool	395
LA CHARRITA RESTAURANT	66.94
Staff Lunch	66.94
LA COCINA BAR & GRILL BOU	51.25
Welcome Lunch - L. Lazaro	51.25
LANGUAGE LINE, INC.	67.15
Interpretation for non English speaking customer	67.15
LAS DELICIAS GOLDEN VALL	94
Meal for Crew working on leak	52.18
Supervisor Lunch - RH, AP, JJ	41.82
LAS DELICIAS MEXICAN TAQU	240.89
Staff lunch meeting, including WST's, E&I, and Operators	240.89
LAS ROCAS BAR & GRILL	69.2
Staff Lunch	69.2
LINDE GAS & EQUIP	681.59
Welding supplies	681.59
LINGO SYSTEMS LLC	328
Document Translation	328
LOGMEIN	2867.99
Logmein Subscription	839.99
Online meeting application.	2028

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Payee	Sum of Transaction Amount
LOWES #01510	4279.8
2ft. 3 outlet extension cord	14.21
3/4 plywood	148.75
3/8" driver, 3/8" wobble, Mechanical Pencil	122.51
Allen Hex Keys	21.86
Arbor & Hole Saw	45.78
B and G parts flag pole	19.6
Batteries and charger Truck 167	626.3
Batteries for label maker	36.09
Bleach	24.55
Buckets, Lids, Tool Bag	54.2
Caliper, 1/4 Drive Set, Allen Keys	114.85
Ceiling Tile for Rockefeller	141.87
Channel Lock Pliers	80.88
Copper and Miscellaneous plumbing parts RVWTP	162.17
Disposable Gloves, Tape Measure	29.52
Electrical Box, 125V Night Light, Conduits, Rigid Bushes	70.58
Extension cord, Outlet, and Power Strips for Board Room	79.43
Hacksaw, Wrenches, Caliper	78.75
Head Lamp, Earmuffs, Clips	60.13
Heat Shrink Tubing	10.42
Lithium Instrument Batteries	122.53
Lumber and Pipe Straps For PERCH	22.64
Lumber for PERCH Plant	16.38
Parts and Materials	242.02
Pipe, chalk, chalk gun, batteries, nitrile gloves	122.91
Plants for Home Garden Show	545.28
Plywood	241.45
Pressure relief valve for ozone building, Water heater at RVWTP and 100ft, Hose for chiller at RVWTP	90.29
Reflective numbers for pump station	38.65
Sand Canyon Pump Station Traffic Box Parts	37.38
Small tool box	24.07
Small Tools for Crew	38.3
Terminal Kit, Stainless Steel, Test Leads	116.46
Under Cabinet Lighting for Summit Building and Thermostat Cover	88.63
Various Materials	161.14
Various Parts & Materials	144.49
Vehicle Repair Tools	350.46
Vehicle Repair Tools	174.08
Vehicle Repair Tools credit	-239.81
LOWES #01972	178.36
Flashlight for N76	32.81
Shovels and Sledge hammer for trenching.	114.91
Supplies and Materials	30.64
LYFT *1 RIDE 03-25	17.99
Vehicle Pick Up for S6 Rio to Repair Shop	17.99
LYFT *1 RIDE 04-09	28.29
Travel Transportation: NAFA Conference: Airport to Hotel	28.29
LYFT *1 RIDE 04-14	35.41
Travel Transportation: Hotel to Airport	35.41
LYFT *1 RIDE 05-17	15.99
Vehicle Drop Off for V64	15.99
LYFT *1 RIDE 05-19	17.87
Vehicle Drop Off for N58	17.87
LYFT *1 RIDE 05-21	14.83
Vehicle drop off for V81	14.83
LYFT *2 RIDES 03-23	32.57
Vehicle Pick Up for S23 and N74 Rio to Canyon Muffler	32.57
LYFT *RIDE SUN 1PM	15.74
Vehicle Pick Up for N86 Golden Triangle to Pine	15.74

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Payee	Sum of Transaction Amount
LYFT *RIDE SUN 9PM	14.85
Vehicle Pick Up for N86 Golden Triangle to Pine	14.85
LYFT *RIDE WED 6PM	30.59
Taxi in Sacramento	30.59
MARIA BONITA MEXICAN REST	141.49
Engineering Team (JY, JL, RB, YT, ES, DC, KJ, MA) Lunch	141.49
MCMASTER-CARR	1389.81
Air Mufflers Gaskets	206.49
Credit for shipping charges	-8.68
Document Holder, Document Protection	195.41
Heat Gun, Heat Shrink	218.88
Replacement tubing and small plumbing fittings for RVWTP turbidity analyzers	57.12
Rubber Sheets, Shrink Insulation	102.38
Sump Pump, Heat Shrink	618.21
MONIKAS TACOS & CATERING	1485.59
Deposit for Taco Catering for M. Passamani and J. Walker Retirement Luncheon	205
J. Walker and M. Passamani Retirement Lunch	1280.59
NAFA REGISTRATION	1197
NAFA Seminar - J Ramirez	1197
NAPOLINI	26.94
AWWA Conference - 4/14 - Dinner	26.94
NEWEGG MARKETPLACE	68.97
Power adapter for HP laptop	68.97
NEWHALL VALENCIA LOCK &	95.21
3 - keys	29.02
3-keys, key tags	16.91
Vehicle key made for I65	49.28
NGMA	174
2022 Membership Dues	174
NNA SERVICES LLC	897.59
National Notary Course - K. Jacob	837.22
Notary Embossment Inker	60.37
NW LOCK & SUPPLY	16.27
Blank Keys	16.27
OFFICE DEPOT #2263	1128.03
Warehouse: Inventory Count Supplies	1128.03
OLIVE TERRACE CAFE	164.52
HR Lunch-A. Mantis, J. Joo, J. Brison, M. Aragon	164.52
ORDERTRAILERPARTS	107.04
Trailer Brake Cables	107.04
O'REILLY AUTO PARTS 2822	22.96
Vehicle Parts	22.96
OWPSACSTATE	168.53
Online Water Distribution Systems Operation and Maintenance Class	168.53
PANERA BREAD #204228 O	1372.94
Breakfast for Respiratory Training/FIT Testing on 2/28; request from Safety Dept.	92.25
Executive Staff Meeting	392.76
Pastries for Confined Space Operations Refresher (OSTS)/ Safety Dept. staff training at Rio Vista on 4/28.	54.62
Safety Training / Rockefeller	389.85
Training with Los Angeles County Fire Department	430.47
Virtual Lunch Meeting - Matt Stone	12.99
PANERA BREAD #204229 O	1702.97
Executive Staff Meeting	526.06
Safety Training	403.93
Safety Training / Pine Street Location	479.61
Water Resources/Educational Staff Meeting	293.37

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Payee	Sum of Transaction Amount
PAYPAL	1368
AWA/CCWUC Cyber-Security for the Public Sector - Registration - 03/23/22 - C. Perez	30
AWA/CCWUC Cyber-Security for the Public Sector - Registration - 03/23/22 - K. Jameson	35
AWA/CCWUC Educational Program Meeting	33
Certification renewal fees	100
UWI Annual Conference - Refund for Early Bird Special - 08/24-08/28/22 - Director Martin	-50
UWI Annual Conference - Registration - 08/24-08/26/22 - M. Stone	525
UWI Conference - Registration - 08/24-08/26/22 - Director Martin	575
Water Treatment Math - J Martinez	120
PEPPERDINE UNIVERSITY	560.5
Registration - L. Gallegos	560.5
PHENIX ENTERPRISES	1400
Truck DECKED drawers and toolboxes for S4 and V81	1400
PRINTBOSS	174.56
11" BLUE/RED Fade Check Paper	174.56
QR-CODES.COM	9.99
Online Presence	9.99
QUALITYIMPRINT	6946.12
Home & Garden Show printing	6946.12
RALPHS #0147	699.81
Board Meeting Supplies	12.07
M. Passamani & J. Walker Retirement Party Gift Cards and Desserts	655.93
Vending Machine Supplies	31.81
RATTLERS BAR B QUE - 1	189.67
Lunch meeting with Director RJ Kelly, E. Campbell and R. Patterson to discuss the March F&A agenda.	80
Thank you lunch with vendors for vehicle lift demo and training. Attendees: Jesus, Scott H. Mobile Lift Vendor (1), vehicle mobile service	109.67
REPUBLIC SERVICES TRASH	3239.32
20 CU YD 3/1-3/31/22 & 40 CU YD 3/1-3/31/22	1457.17
20yd Rental/Service 2/1-2/28/22	97.61
27234 Bouquet Canyon Rd 20 Cu Yd	115.18
27234 Bouquet Canyon Rd 40 Cu Yd 4/1/22-4/30/22	275.67
3 yard Rental/Service 4/1-4/30/22	334.86
32700 N Lake Hughes Rd 3 Cu Yd 5/1-5/31/22	334.86
3yd Rental/Service - 3/1-3/31/22	390.36
40yd Rental/Service 2/1-2/28/22	233.61
ROSS CONTROLS	110.22
AV Solenoid Valve	110.22
RSTUDIO PBC	117
Online Customer Rate Calculator	78
Online Rate Calculator	39
SAMS CLUB #4824	402.48
Board/Committee Meeting Supplies	82.07
Board/Committee Meetings Supplies	79.7
Vending Machine Supplies	240.71
SAMSCLUB #4824	290.65
Board/Committee Meeting Supplies	145.32
Vending Machine Snacks	145.33
SANTA CLARITA BEARING COM	61.17
Belts for air compressor	61.17
SANTA CLARITA VALLEY CHAM	1500
SCV Chamber of Commerce Corporate Silver Membership	1500
SAUGUS DRUG	26.95
Shipping for CARB Registration	26.95
SCHOONERS PATIO GRILLE SA	49.65
Staff Lunch	49.65
SCV LOCK KEY	15
Spare keys for I41	15
SHERATON	1009.48
ACWA Conference	1009.48

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Payee	Sum of Transaction Amount
SHERATON PARK HOTEL ANAH	1369.58
Hotel stay and parking during AWWA CA-NV 2022 Spring Conference in Anaheim California	1369.58
SMART AND FINAL 468	381.75
Office Supplies	294.48
Supplies Pine	87.27
SMART AND FINAL 483	234.9
Vending Machine Supplies	234.9
SMARTDRAW SOFTWARE LLC	119.4
Smartdraw software renewal	119.4
SMARTSIGN	62.52
Recycling signs for staff functions	62.52
SMK	900
Online Presence	900
SOCIETYFORHUMANRESOURCE	229
Joo - Professional HR Membership valid through 6/30/22 6/30/23	229
SOR INC	624.1
Spare pressure switches for Sand Canyon Pump Station	624.1
SOUTHWES	4740.51
ACWA 2022 Spring Conference - Flight - 05/02-05/05/22 - Director Kelly	297.95
ACWA 2022 Spring Conference - Flight - 05/02-05/05/22 - Director Martin	297.95
ACWA Spring Conference Flight	357.96
DCP & SWC Meetings - Flight - 04/20-04/21/22 - M. Stone	332.95
DCP Partnering Workshop - Flight - 04/28/22 - Matt Stone	387.97
KHTS Sacramento Road Trip - Airfare - 05/31-06/01/22 - M. Stone	297.95
KHTS Sacramento Road Trip - Airfare Change - 06/01/22 - Director Martin	50
KHTS Sacramento Road Trip - Flight - 06/01/22 - Director Martin	128.98
L. Gallegos - Conference	177.96
Monterey Agreement Celebration - Airfare - 03/16/22 - D. Marks	347.96
NAFA Seminar - J Ramirez	1146.96
Round Trip BUR-SMFSWC Meeting	481.95
Round Trip to Sacramento - Round Trip	433.97
SP NW LOCK & SUPPLY	64
Blank Keys	40.92
Special Blanks for Gate Lock	23.08
SP THE LOCK PEOPLE	519.11
LOTO Master Locks	519.11
SPECIAL ACCT JERI LYN BRO	3610
KHTS 2022 DC Trip - Registration - 09/18-09/21/22 - Director Martin	1490
KHTS 2022 DC Trip - Registration - 09/18-09/21/22 - S. Cole	1490
KHTS Sacramento Road Trip - Director Ford	630
SPUDNUTS DONUTS	247.9
Golden Triangle Operations Safety Tailgate Meeting snacks	50.12
GT Ops / Maintenance Safety Tailgate snacks	34.84
Meal for Crew on 6" meter replacement on Sunday	38.32
PINE / WS safety tailgate snacks	20.43
Rockefeller FCSR Safety tailgate snacks	30.52
RVWTP EAP training snacks	19.29
RVWTP/BG/I&E EAP Training Snacks	19.6
Water Systems Safety Tailgate snacks	34.78
SQ *EAT REAL CAFE	66.98
Lunch meeting to discuss renaming operations facilities: K. Abercrombie, M. Alvord, R. Bye, G. Hermosillo, A. Pontious	66.98
SQ *LAPTOPEMT	187.5
Repair to control board	187.5
SQ *ORANGE CAB.	48.53
ACWA Conference	48.53
SQ *RICK BENTLEY	375
Machined Flanges made for meter at Greenbriar Mobile Home Park	375
SQ *SCV AUTO KEY -	434.91
Spare Keys for Truck 66	434.91

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Payee	Sum of Transaction Amount
SQ *VINCENZO'S PIZZA SAUG	142.86
Staff Lunch for Home Garden Show	142.86
STAPLES 00114686	32.81
Office Supplies	32.81
STAPLES DIRECT	875.99
Office Supplies	875.99
STARBUCKS STORE 20227	350
Drought BMP Water Saving Videos	100
Home & Garden Event	250
STONEFIRE GRILL - 1	42.8
J. Walker's Last Day	42.8
STONEFIRE GRILL - 1 - CAT	438.65
WST SCADA discussion luncheon	438.65
STONEFIRE GRILL - 1 - ECO	626.23
Lunch for Confined Space Operations Refresher (OSTS)/ Safety Dept. staff training at Rio Vista on 4/28.	313.17
Lunch for Staff	313.06
SUPPLYHOUSE.COM	887.35
4" Weld On 45 Coupling for Ditch Witch Trailers	431.19
4" Weld On Coupling for Ditch Witch Trailers	163.79
Blue Monster Thread Sealant	292.37
SWAGelok - VENTURA	1196.54
Small SS parts for ESFP O3 analyzers	508.29
small SS plumbing parts for ESFP O3 generator analyzers	688.25
TEECO PRODUCTS INC SAC	500.32
1/2" SS Relief Valves (\$23.12 for shipping)	500.32
THE HOME DEPOT #0653	717.61
100a breaker	44.15
AA Batteries for Clocks at Rockefeller	21.76
Brass Nipples	71.02
Cable and padlock for event trash cans	14.74
Lobby at Rockefeller	34.97
Pipe wrench trash can file degreaser	161.67
Quickcrete for Sand Canyon Pump station	43.89
Ratchet Straps for Trucks to Tie Down Materials	126.79
Spare Keys for 108	11.45
Splash prevention sponges	18.09
Tools for V59	169.08
THE HOME DEPOT #1055	1785.46
3/8" x 75' Camo DB Poly ESTP	16.4
5 Amp Battery for Power Tools, Truck #i58	185.06
5 Gallon Buckets	27.27
8 foot ladder for B&G truck	163.16
Adapter for Towing Water Pump to Clean the AC Condensers	64.49
Buckets for the Rio lab	21.81
Canvas zipper bag for N61	12.01
Carpet for Rockefeller	66.57
Electrical Breakers	24.18
Extension Cords for temporary power at 160	233.41
Faucet Tool for Rockefeller	24.39
Gate spring for Rockefeller patio gate	16.84
Hinges and spray paint	30.91
Hose Repair Kit and Rubber Hose	60.15
Inverter for Truck I-67	141.26
Lobby lights at Rockefeller	48.05
Paint for Christy Box	25.67
Simple Green	21.8
Steel plate	36.84
Sump Pump	175.38
Supplies and Materials	72.26
Tools for Air Handlers at Rio	165.15

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Payee	Sum of Transaction Amount
Vehicle floor jacks	120.41
Wall at Rockefeller	31.99
THE HOME DEPOT 1055	4558.12
3/16" alignment tool, utility knife, file, cable cutter, crimper.	233.74
3/8 sockets, box ratchets, marker, pencils, alignment punch, files, cut off wheel, saw blade, spanner wrench and wrench set.	685.7
Air Fittings, Pliers, Sockets	83.78
Bucket, Simple Green, Cleaner, Rags, Brushes, Rust Remover, Scrubber	684.91
Cordless Drill, Drill Bit Set	212.4
Grinder disks	88.53
Lights for lab and Anchors for Shelves	374.36
Painting Materials	90.4
Parts and materials for N-61 and I58. Trash can bags and shovels for ESFP.	243.62
Single Gang, Critter Catcher GFCI 32oz Bottle	301.65
Step up bits, screwdriver set, power saw, etc.	542.74
Stranded Wire N-wells	319.74
Tape Measure, lineman, side cutters, level, knife, nut drivers	212.16
Trash can shovels bags and broom for clean up at ESFP	243.91
Yard Temporary Cameras Installation Hardware	240.48
THE HOME DEPOT 653	1929.5
Hammer drill and Ladder for ESFP	464.28
Stranded Wire N Wells	319.74
Trash cans for on-site events	206.86
Various Parts & Materials	938.62
THE LOCK PEOPLE	2953.22
Lock out, tag out locks. Approved by Safety.	2953.22
THE O-RING STORE	59.59
O-Rings	59.59
THE UPS STORE 1482	59.14
Packing and shipping for SCADA network switches RMA	59.14
THE UPS STORE 6401	138.2
Send meter head to McCrometer	12.15
Send out Gaskets to be Copied	15.61
Send out meter register for service	110.44
TIGERTOUGH	2269
Seat Covers Credit	-75
Truck seat covers and organizers for I62, N88, S45, I57	1604
Vehicle Seat Covers for I68 and V71	740
TOPPERS PIZZA CANYON COUN	193.46
Staff Lunch	77.69
Thank you lunch with vendor for vehicle calibration demo. Vendor (Derive) flew from Florida to install fuel sensors on 40 vehicles from }	115.77
TOPPERS PIZZA PLACE VALEN	175.6
RVWTP Lunch Meeting on 5/18 (bone yard) per M. Alvord.	175.6
TRACTOR SUPPLY #2264	477.9
Hose, Extensions Bar, Lock Pin	83.73
Waders for Entering Vault	307.12
Weld on hinges	87.05
TRENDNET	120.43
RJ45 to Fiber communication converters for SCADA communication system	120.43
TST* CREST CAFE	18.67
ACWA Conference	18.67
TST* MI CASA - COSTA MESA	22.6
Dinner CMTA Conference	22.6
TST* NOTHING BUNDT CAKES	212.5
Desserts for M. Passamani & J. Walker Retirement Party	212.5
TST* VINCENZOS	157.89
D-WST Lunch meeting	157.89
TST* ZANKOU CHICKEN - VAL	189.06
Lunch for Staff	152.63
Lunch with Customer Care Staff	36.43

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Payee	Sum of Transaction Amount
TWITTER ONLINE ADS	337.16
Twitter Ad	337.16
UPLIFT DESK	719.42
Ergonomic Desk Converter	719.42
UPS	312.99
Adjustment charge on shipping due to size of container shipped	2.67
Gas Monitors Shipper For Repair	69.25
SCBA Shipped to vendor for repair	44.93
Ship 4-gas monitors for repair	52
Ship SCBA equipment for repair	73.74
Shipped gas detection and breathing apparatus	70.4
USA BLUE BOOK	838.87
Latex gloves and D-Chlor tablets	838.87
USA CD VALENCIA 24	444.55
A/C Filters	444.55
USPS KIOSK 0569529550	1.96
Postage to contractor, project 1001066 - Commerce Center Tanks Recoat	1.96
USPS PO 0569500155	1.76
Postage	1.76
USPS PO 0569520150	14.72
Mail return item	14.72
UVA BAR	79.8
AWWA Conference - 4/14 - Lunch	79.8
V.S.P. PARKING BURBANK	154.3
Parking - Burbank Airport	36.3
Parking at the Burbank Airport for the SWC's Meeting in Sacramento	42
Parking at Burbank Airport	27.5
Parking Burbank Airport	27.5
Parking SWC/DCP Partnership Meeting	21
VALLEY INDUSTRIAL ASSOCIA	275
VIA Cocktails & Conversation w/S. Valladares - Registration - 03/24/22 - Director Cooper	35
VIA Cocktails & Conversation w/S. Valladares - Registration - 03/24/22 - Director Martin	35
VIA Luncheon - Registration - 03/15/22 - Director Atkins	55
VIA Luncheon - Registration - 03/15/22 - Director Orzechowski	55
VIA Monthly Luncheon	55
VIA Rocks American Family Funding - Registration - 05/25/22 - Director Kelly	20
VIA Workforce of Tomorrow - Registration - 02/16/22 - Director Atkins	20
VERIZONWRLSS	79238.74
CIMIS 1/11-2/10/22	38.01
CIMIS 2/11-3/10/22	38.01
CIMIS 3/11-4/10/22	38.01
Equipment 1/11-2/20/22	21529.46
Equipment 2/11-3/10/22	9813.72
Equipment 3/11-4/10/22	1130.6
Services 1/11-2/10/22	16211.29
Services 2/11-3/10/22	15944.44
Services 3/11-4/10/22	14495.2
VONS #3138	31.12
Office Supplies	31.12
VZWRLSS*IVR VB	2326.32
Telemetry 01/24-2/23/22	776.56
Telemetry 03/24-4/23/22 Invoice #9904945262	773.22
Telemetry 2/24-3/23/22	776.54
WALGREENS #12023	65.69
Sd card for security cam	65.69
WAL-MART #3523	320.45
Yard Temporary Cameras Memory Cards	320.45
WATER INFORMATION SHARI	2200
WaterISAC membership renewal for Agency.	2200

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Payee	Sum of Transaction Amount
WEB	23.97
Domain hosting	7.99
Domain hosting NCWD	7.99
Web Host	7.99
WESTERN BAGEL TOO #4	146.4
Bagels for Meeting	146.4
WESTIN BONAVENTURE PKG	49
Parking for IT Leadership Conference	49
WOLF CREEK RESTAURANT & B	65.75
HR Meeting- A. Mantis, L. Pointer and J. Brison	65.75
WPONCALL.COM	147
GSA Web Maintenance	49
GSA Website	49
GSA Website Maintenance	49
WP-SHEET-EDITOR-BULK-S	29.99
Online Presence	29.99
WWW.DOODLE.COM	1074
Annual renewal for Doodle meeting scheduling application.	1074
XTREME AUTOSPORTS	1204.5
Electrical repairs for N51	1204.5
YELLOW CAB OF SACRAMENTO	45.6
Taxi - Sacramento DCP Coordination Meeting 3/16/22	45.6
YOURMEMBER-CAREERS	399
EHS Job Posting on AWWA	399
ZIPS TRUCK EQUIPMENT INC	350.38
Safety Cone Holder for N-84 Dump Truck	350.38
ZOOM.US 888-799-9666	599.6
HR Zoom Account	599.6
Grand Total	254730.25

Director Stipends

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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 AP Transactions Updated as of: **06/30/2022**

DIRECTORS

P- Card (VISA) Transactions Updated as of: **6/30/22** * June PCard transactions affect July cash.

Date	Recipient of Reimbursement	Reason for Reimbursement	Amount
06/01/22	Ford, Jeff	KHTS Road Trip Sacramento, CA 6/1/22 Expenses (Meals)	65.34
06/01/22	Ford, Jeff	KHTS Road Trip Sacramento, CA 6/1/22 Travel Expenses (Mileage)	5.26
06/01/22	Kelly, R.J.	P-CARD (VISA) - CSDA Conference, Monterey, CA 8/29/21 (Lodging)	251.31
06/01/22	Martin, Gary	KHTS Road Trip Sacramento, CA 6/1/22 Expenses (Meals)	57.94
06/01/22	Martin, Gary	P-CARD (VISA) - KHTS Road Trip Sacramento, CA 6/1/22 Travel Expenses (Airfare)	50.00
06/01/22	Martin, Gary	KHTS Road Trip Sacramento, CA 6/1/22 Travel Expenses (Mileage)	25.04
06/01/22	Martin, Gary	P-CARD (VISA) - Via Ruby Bash 11/5/21 - Registration	150.00
06/01/22	Orzechowski, Piotr	P-CARD (VISA) - Special District Leadership Academy 2021 - Tahoe - 9/26-29/21-Registration	600.00
06/01/22	Plambeck, Lynne	ACWA 2022 Conference, Sacramento, CA 5/3/22-5/5/22 - Expenses (Lodging, Meals)	697.84
06/03/22	Cooper, William	ACWA Board Meeting, Sacramento, CA 6/2/22-6/3/22 -Expense (Lodging)	206.10
06/03/22	Cooper, William	ACWA Board Meeting, Sacramento, CA 6/2/22-6/3/22 -Travel Expense (Airfare, Parking, Milage, Ground Transportation- Uber)	486.18
			<u>2,595.01</u>

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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)																								
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)																								
3	Recommend Approval of Revised Agency Classification Plan and Position Control																								
4	Recommend Approval of Revised Capitalization Policy for Fixed Assets																								
5	Recommend Receiving and Filing of April 2022 Monthly Financial Report (consent)																								
6	Recommend Approval of a Resolution Authorizing FY 2022/23 Water Supply Contract Payments (consent)		C																						
7	Recommend Approval of a Contract Amendment with Robert D. Niehaus, Inc. for Ratepayer Advocate Services		C																						
8	Recommend Approval of a Contract with Chandler Asset Management, Inc. for As-Needed Investment Advisory Services		C																						
9	Recommend Receiving and Filing of May 2022 Monthly Financial Report (consent)		C																						

**ITEM NO.
10**

**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
10	Recommend Approval of a Revised Customer Service Policy			P	P																				
11	Recommend Approval of a Revised Debt Management Policy			P	P																				
12	Recommend Approval to Complete Letter of Interest Form for the EPA's WIFIA Program			P	P																				
13	Recommend Approval of a Resolution Adjusting Employer's Contributions for PERS Medical Insurance			P	P																				
14	Technology Update			P																					
15	Fleet and Warehouse Update			P																					
16	Recommend Receiving and Filing of June 2022 Monthly and FY 2021/22 Fourth Quarter Financial Report			P	P																				
17	Discuss Project Timelines and Assumptions for Rates and Fees - PPT					P																			
18	Recommend Approval of a Reimbursement Resolution (Bonds)					P	P																		
19	Recommend Receiving and Filing of July 2022 Monthly Financial Report (consent)					P	P																		
20	Review Strategic Plan Strategy Updates - All Depts						P																		
21	Discuss Long-Term Financing for Capital Projects							P																	
22	Recommend Receiving and Filing of August 2022 Monthly Financial Report (consent)							P	P																
23	Technology Update																							P	
24	Fleet and Warehouse Update																							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
25	Recommend Receiving and Filing of September 2022 Monthly and FY 2022/23 First Quarter Financial Report									P															
26	Recommend Receiving and Filing of SCV Water Annual Comprehensive Financial Report (ACFR) ended June 30, 2022 (consent)											P													
27	Recommend Approval of a Resolution Adopting a Revised Investment Policy - (Annually adopted via reso) (consent)													P	P										
28	Recommend Receiving and Filing of October 2022 Monthly Financial Report (consent)													P	P										
29	Recommend Receiving and Filing of November 2022 Monthly Financial Report (consent)													P	P										
30	Review Budget Calendar																P								
31	FY 2022/23 Mid-Year Budget Review																P								
32	Technology Update																P								
33	Fleet and Warehouse Update																P								
34	Recommend Receiving and Filing of December 2022 and FY 2022/23 Second Quarter Financial Report																P	P							
35	Recommend Approval of a Proposed Employee Salary Adjustment (COLA) for FY 2023/24																		P						
36	Review Annual List of Professional Services Contracts (consent)																		P						
37	Recommend Receiving and Filing of January 2023 Monthly Financial Report (consent)																			P					
38	Recommend Approval of a Resolution Adopting the FY 2023/24 and FY 2024/25 Biennial Budget																				P				
39	Recommend Receiving and Filing of February 2023 Monthly Financial Report (consent)																					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
40	Approve a Resolution Adopting the Appropriation of All As-Yet Unappropriated Funds for FY 2022/23 (consent)																								
41	Approve a Resolution Adopting the Appropriation Limit for FY 2023/24 (consent)																								
42	Technology Update																								
43	Fleet and Warehouse Update																								
44	Recommend Receiving and Filing of March 2022 and FY 2022/23 Third Quarter Financial Report																								
45	Recommend Receiving and Filing of April 2022 Monthly Financial Report (consent)																								P