



SCV
WATER



SCV WATER AGENCY TELECONFERENCE REGULAR BOARD MEETING

TUESDAY, FEBRUARY 1, 2022

START TIME: 6:30 PM (PST)

Join the Board meeting from your
computer, tablet or smartphone:
<https://scvwa.zoomgov.com/j/1606722013>

-OR-

Listen in Toll Free by Phone
+1-(833)-568-8864
Webinar ID: 160 672 2013

To participate in public comment from your computer, tablet, or smartphone:

When the Board President announces the agenda item you wish to speak on, click the “**raise hand**” feature in Zoom*. You will be notified when it is your turn to speak.

To participate in public comment via phone:

When the Board President announces the agenda item you wish to speak on, **dial *9 to raise your hand**. Phone participants will be called on by the **LAST TWO digits** of their phone number. **When it is your turn to speak, dial *6 to unmute**. When you are finished with your public comment dial ***6 to mute**.

Can't attend? If you wish to still have your comments/concerns addressed by the Board of Directors, all written public comments can be submitted by 4:30 PM the day of the meeting by either e-mail or mail.** Please send all written comments to the Board Secretary. Refer to the Board Agenda for more information.

*For more information on how to use Zoom go to support.zoom.us or for “raise hand” feature instructions, visit <https://support.zoom.us/hc/en-us/articles/205566129-Raise-Hand-In-Webinar>

**All written comments received after 4:30 PM the day of the meeting will be posted to [yourscwater.com](https://www.yourscwater.com) the next day. Public comments can also be heard the night of the meeting.

Please Note: Pursuant to the provisions of AB 361 this meeting is being held remotely. The SCV Water Board will continue to hold remote Board and Committee meetings due to the continuing State of Emergency for COVID-19 and state and local official's continuance to impose or recommend measures to promote social distancing. The public may not attend meetings in person. The public may use the above methods to attend and participate in the public Board meetings.

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

**SANTA CLARITA VALLEY WATER AGENCY
RIO VISTA WATER TREATMENT PLANT
BOARD AND TRAINING ROOM
27234 BOUQUET CANYON ROAD
SANTA CLARITA, CA 91350**

**TELECONFERENCE ONLY
NO PHYSICAL LOCATION FOR MEETING**

TUESDAY, FEBRUARY 1, 2022, AT 6:30 PM

TELECONFERENCING NOTICE

Pursuant to the provisions of AB 361 this meeting is being held remotely. The SCV Water Board will continue to hold remote Board and Committee meetings due to the continuing State of Emergency for COVID-19 and state and local official's continuance to impose or recommend measures to promote social distancing. Any Director may call into the Agency Board meeting using the **Agency's Call-In Number 1-(833)-568-8864, Webinar ID: 160 672 2013 or Zoom Webinar by clicking on the link <https://scvwa.zoomgov.com/j/1606722013>** without otherwise complying with the Brown Act's teleconferencing requirements.

The public may not attend the meeting in person. Any member of the public may listen to the meeting or make comments to the Board using the call-in number or Zoom Webinar link above. Please see the notice below if you have a disability and require an accommodation in order to participate in the meeting.

If the State of Emergency for COVID-19 expires prior to this meeting and after the posting of this Agenda, this meeting will be held in person at the above listed address.

We request that the public submit any comments in writing if practicable, which can be sent to ajacobs@scvwa.org or mailed to April Jacobs, Board Secretary, Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. All written comments received before 4:30 PM the day of the meeting will be distributed to the Board members and posted on the Santa Clarita Valley Water Agency website prior to the start of the meeting. Anything received after 4:30 PM the day of the meeting will be made available at the meeting and will be posted on the SCV Water website the following day.

OPEN SESSION BEGINS AT 6:30 PM

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**

3. PUBLIC COMMENTS – Members of the public may comment as to items within the subject matter jurisdiction of the Agency that are not on the Agenda at this time. Members of the public wishing to comment on items covered in this Agenda may do so at the time each item is considered. (Comments may, at the discretion of the Board’s presiding officer, be limited to three minutes for each speaker.) Members of the public wishing to comment on items covered in Closed Session before they are considered by the Board must request to make comment at the commencement of the meeting at 6:30 PM.

4. APPROVAL OF THE AGENDA

5. CONSENT CALENDAR PAGE

5.1 *	Approve Minutes of the January 4, 2022 Santa Clarita Valley Water Agency Regular Board of Directors Meeting	7
5.2 *	Approve a Resolution to Execute a License Agreement with UNAVCO for Geodetic Monitoring Station Site License Agreement on SCV Water Property and Designating SCV Water Authorized Representative	13
5.3 *	Approve a Resolution Authorizing a Purchase Order to Kennedy/Jenks Consultants for Final Design Services for the Well 201 Volatile Organic Compounds Groundwater Treatment Improvements Project	45

6. ACTION ITEMS FOR APPROVAL PAGE

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6.2 *	Authorize the General Manager to Execute an Amendment to the Reservoir Agreement for Sites Reservoir to Fund Necessary Planning Costs	81
6.3 *	Approve Continuation of Remote Meetings as Described in AB 361 and Make Required Findings	153

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8. WRITTEN REPORTS FOR INFORMATIONAL PURPOSES ONLY (CONT.) PAGE

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9. PRESIDENT’S REPORT

10. AB 1234 WRITTEN AND VERBAL REPORTS PAGE

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10.3 *	January 20, 2022 Delta Conveyance Design and Construction Authority Regular Board Meeting – President Martin	231
10.4 *	January 20, 2022 AWA WaterWise Program – Director Ford	233
10.5	Other AB 1234 Reports	

11. DIRECTOR REPORTS PAGE

11.1 *	Approve the Nomination of Director E. G. “Jerry” Gladbach for the Independent Special District Voting Member to the Los Angeles County Local Agency Formation Commission – Vice President Gladbach	235
11.2	January 27, 2022 Ad Hoc Board Technology and Remote Public Participation Committee Meeting Report – Director Orzechowski	

12. CLOSED SESSION – SEPARATE DIAL-IN PHONE NUMBER WILL BE PROVIDED TO THE BOARD AND APPROPRIATE STAFF

- 12.1 Conference with Legal Counsel – Anticipated Litigation – Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9, Claim of Caleb Burch and Any and All Claims that Arise from Agency Vehicle Accident Occurring January 5, 2022, Against Santa Clarita Valley Water Agency, Claim for Personal and Property Damage, Date of Claim January 7, 2022.
- 12.2 Conference with Legal Counsel – Existing Litigation – Paragraph (1) of Subdivision (d) of Government Code Section 54956.9, Santa Clarita Valley Water Agency v. Whittaker Corporation, Case No: 2:18-cv-6825 SB (RAOx)

OPEN SESSION CONTINUES WITH THE LINK/PHONE NUMBER LISTED ON THE FIRST PAGE OF THIS AGENDA

13. CLOSED SESSION ANNOUNCEMENTS

14. DIRECTOR REQUESTS FOR APPROVAL FOR EVENT ATTENDANCE

15. ADJOURNMENT

- * Indicates Attachment
- Indicates Handout

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

NOTICES

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

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

Posted on January 26, 2022.

Minutes of the Regular Meeting of the Board of Directors of the Santa Clarita Valley Water Agency – January 4, 2022

A regular meeting of the Board of Directors of the Santa Clarita Valley Water Agency was held via teleconference at 6:30 PM on Tuesday, January 4, 2022. A copy of the Agenda is inserted in the Minute Book of the Agency preceding these minutes.

DIRECTORS PRESENT: Kathy Armitage, B. J. Atkins, Beth Braunstein, Ed Colley, William Cooper, Jeff Ford, Jerry Gladbach, R. J. Kelly, Gary Martin, Dan Mortensen, Piotr Orzechowski and Lynne Plambeck via teleconference.

DIRECTORS ABSENT: None.

Also present via teleconference: Accounting Tech II Kyle Arnold, Assistant General Manager Steve Cole, Associate Engineer Elizabeth Sobczak, Board Secretary April Jacobs, Chief Engineer Courtney Mael, Communications Manager Kathie Martin, Controller Amy Aguer, Customer Service Manager Kathleen Willson, Director of Finance and Administration Rochelle Patterson, Director of Operations and Maintenance Mike Alvord, Director of Technology Services Cris Perez, Engineer Robert Banuelos, Executive Assistants Elizabeth Adler, Eunie Kang and Leticia Quintero, General Counsel Tom Bunn and Joe Byrne, General Manager Matthew Stone, Human Resources Manager Ari Mantis, Management Analyst II Cheryl Fowler, Principal Engineer Jason Yim, Senior Engineers Shadi Bader and Jim Leserman, Senior Management Analyst Kim Grass, Water Resources Planners Sarah Fleury and Rick Vasilopoulos, Best Best and Krieger Attorney Sarah Owsowitz and members of the public.

President Martin called the meeting to order at 6:30 PM. A quorum was present.

President Martin announced the modifications to the Board Agenda which included pulling Items 13 and 14 (Closed Session and Closed Session Announcements) and due to changes to the staff report pulling Item 6.3 from the Consent Calendar to be considered separately. In addition, there was a revised staff report and resolution for Item 7.2. (For record, updates to items 6.3 and 7.2 were posted to the website and sent out via email to the Board including those that request a packet.) Seeing no further changes, the January 4, 2022 Agenda was approved with those modifications (Item 4).

General Counsel Tom Bunn reviewed the Rules of Order with the Board (Item 5).

Upon motion of Director Cooper, seconded by Director Ford and carried, the Board approved the Consent Calendar including (1) Resolution No. SCV-247, (2) pulled Item 6.3 for further discussion and review and (3) added to the December 21, 2021 meeting minutes under Item 8.1, as informational, the total compensation for the General Manager as \$374,360.28 by the following roll call votes (Item 6):

Director Armitage	Yes	Director Atkins	Yes
Director Braunstein	Yes	Director Colley	Yes
Director Cooper	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Director Kelly	Yes

President Martin	Yes	Vice President Mortensen	Yes
Director Orzechowski	Yes	Director Plambeck	Yes

RESOLUTION NO. SCV-247

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
AWARDING A CONTRACT TO AQUEOUS VETS FOR THE
SANTA CLARA AND HONBY WELLS PFAS GROUNDWATER TREATMENT
MATERIALS PURCHASE PROJECT**

<https://yourscvwater.com/wp-content/uploads/2022/01/SCV-Water-Approved-Resolution-010422-Resolution-SCV-247.pdf>

Upon motion of Director Atkins, seconded by Director Ford and carried, the Board approved (1) Resolution No. SCV-248 authorizing the General Manager to apply for funding under the 2021 Urban and Multibenefit Drought Relief Program, (2) execute a grant agreement and (3) submit any required documents, invoices, and reports required to obtain grant funding for the Saugus Wells 3 & 4 (Replacement Wells) Well Equipment and Site Improvement Project by the following roll call votes (Item 6.3):

Director Armitage	Yes	Director Atkins	Yes
Director Braunstein	Yes	Director Colley	Yes
Director Cooper	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Director Kelly	Yes
President Martin	Yes	Vice President Mortensen	Yes
Director Orzechowski	Yes	Director Plambeck	Yes

RESOLUTION NO. SCV-248

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
AUTHORIZING THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION
OF A FUNDING AGREEMENT FOR THE SAUGUS WELLS 3 & 4
(REPLACEMENT WELLS) WELL EQUIPMENT AND SITE IMPROVEMENT PROJECT**

<https://yourscvwater.com/wp-content/uploads/2022/01/SCV-Water-Approved-Resolution-010422-Resolution-SCV-248.pdf>

Upon motion of Director Orzechowski, seconded by Director Atkins and carried, the Board approved Resolution No. SCV-249 appointing Dirk S. Marks as Interim Director of Water Resources and approved the proposed Employment Agreement by the following roll call votes (Item 7.1):

Director Armitage	Yes	Director Atkins	Yes
Director Braunstein	Yes	Director Colley	Yes
Director Cooper	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Director Kelly	Yes
President Martin	Yes	Vice President Mortensen	Yes

Director Orzechowski Yes Director Plambeck Yes

RESOLUTION NO. SCV-249

**A RESOLUTION OF THE BOARD OF DIRECTORS
 OF THE SANTA CLARITA VALLEY WATER AGENCY
 APPOINTING DIRK S. MARKS AS DIRECTOR OF WATER RESOURCES
 ON AN INTERIM BASIS AND APPROVING EMPLOYMENT CONTRACT**

<https://yourscvwater.com/wp-content/uploads/2022/01/SCV-Water-Approved-Resolution-010422-Resolution-SCV-249.pdf>

Upon motion of Director Ford, seconded by Director Cooper and carried, the Board (1) adopted Resolution No. SCV-250 authorizing the General Manager to apply for funding under the 2021 Urban and Multibenefit Drought Relief Program, (2) execute a grant agreement and (3) submit any required documents, invoices, and reports required to obtain grant funding for the Santa Clara and Honby Wells PFAS Groundwater Treatment Site Improvement Project by the following roll call votes (Item 7.2):

Director Armitage	Yes	Director Atkins	Yes
Director Braunstein	Yes	Director Colley	Yes
Director Cooper	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Director Kelly	Yes
President Martin	Yes	Vice President Mortensen	Yes
Director Orzechowski	Yes	Director Plambeck	Yes

RESOLUTION NO. SCV-250

**A RESOLUTION OF THE BOARD OF DIRECTORS
 OF THE SANTA CLARITA VALLEY WATER AGENCY
 AUTHORIZING THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION
 OF A FUNDING AGREEMENT FOR THE SANTA CLARA AND HONBY WELLS PFAS
 GROUNDWATER TREATMENT SITE IMPROVEMENT PROJECT**

<https://yourscvwater.com/wp-content/uploads/2022/01/SCV-Water-Approved-Resolution-010422-Resolution-SCV-250.pdf>

Upon motion of Director Kelly, seconded by Director Armitage and carried, the Board voted to continue virtual meetings pursuant to AB 361 for an additional 30 days based on the findings that (1) found that a state of emergency related to COVID-19 is currently in effect and (2) Los Angeles County officials continue to impose or recommend measures to promote social distancing by the following roll call votes (Item 7.3):

Director Armitage	Yes	Director Atkins	Yes
Director Braunstein	Yes	Director Colley	Yes
Director Cooper	No	Director Ford	Yes
Vice President Gladbach	Yes	Director Kelly	Yes
President Martin	No	Vice President Mortensen	Yes
Director Orzechowski	No	Director Plambeck	Yes

Committee Meeting Recap Reports for Informational Purposes Only (Item 8).

There were no comments on the recap reports.

Written Reports for Informational Purposes Only (Item 9).

Director Armitage made a comment on the Finance, Administration and Information Technology Section Report.

Director Orzechowski had a question on the Water Resources and Outreach Section Report.

There were no other comments on the written reports.

President's Report (Item 10).

The President updated the Board on Agenda changes, upcoming meetings, events and Board reminders.

AB 1234 Written and Verbal Reports (Item 11).

A written report was submitted by Director Ford which was included in the Board packet. An additional written report was submitted by Director Plambeck which was posted on the SCV Water website and is part of the record.

Director Atkins reported that he met with the General Manager virtually on January 3, 2022.

President Martin reported that he and Vice President Gladbach and Directors Atkins, Cooper and Plambeck attended the SCV-GSA Board meeting on January 3, 2022.

There were no other AB 1234 Reports.

Director Reports (Item 12).

There were no Director reports.

Items 13 and 14 were removed from the Agenda and there was no discussion.

Director Requests for Approval for Event Attendance (Item 15).

There were no Director requests for event attendance.

The meeting was adjourned at 8:02 PM (Item 16).

April Jacobs, Board Secretary

ATTEST:

President of the Board

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BOARD MEMORANDUM

DATE: January 6, 2022

TO: Board of Directors

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

SUBJECT: Approve a Resolution to Execute a License Agreement with UNAVCO for Geodetic Monitoring Station Site License Agreement on SCV Water Property and Designating SCV Water Authorized Representative

SUMMARY

UNAVCO was founded in 1984 and operates the Geodetic Facility for the Advancement of Geoscience (GAGE), one of the National Science Foundation's (NSF) two premier geophysical facilities in support of geoscience and geoscience education. UNAVCO provides project technical support to researchers using the Global Positioning System/Global Navigation Satellite System (GPS/GNSS) and installs and operates GPS networks around the world in support of NSF and National Aeronautics and Space Administration (NASA) initiatives including permanent station installations.

In 2006, UNVACO and the SCV Water's predecessor-in-interest Castaic Lake Water Agency, entered into a one-page Revocable Permit and Non-Recorded Easement Agreement to allow UNAVCO to place a GPS monitoring device on agency property adjacent to the Sky Blue Tank Site on Los Angeles County Assessor's Parcel Number (APN) 2812-009-903 (Property) at no charge for a ten (10) year term. The Property location map (Exhibit A) is attached to the resolution.

The Sky Blue station was one of the first GPS sites installed in Southern California for geophysics research in 1999 as part of the Southern California Integrated GPS Network (SCIGN), a collaboration between NASA, the US Geological Survey, the Southern California Earthquake Center and Scripps Institution of Oceanography. This group was established after the 1994 magnitude 6.7 Northridge earthquake. In 2006 SCIGN transferred ownership of the Sky Blue station to the Plate Boundary Observatory which was a National Science Foundation project operated by UNAVCO.

GAGE was established in 2013 and has operated the Sky Blue station as part of the Network of the Americas (NOTA). The public data set provided by UNAVCO is used by many, but it is also proposed to be utilized locally by the Santa Clarita Valley Groundwater Sustainability Agency's land subsidence monitoring program.

The Revocable Permit and Non-Recorded Easement Agreement expired in 2016 and UNAVCO continues to occupy the Property in a holdover tenancy. SCV Water and UNAVCO now seek to enter into a new license agreement to permit UNAVCO's continued occupancy and use of the

Property. Staff, together with the General Counsel, has negotiated the Geodetic Monitoring Station Site License Agreement (License Agreement) attached to the resolution as Exhibit B.

DISCUSSION

The proposed License Agreement includes these key terms:

- License Fee – One dollar (\$1.00) per year
- Administrative Fee – Five thousand dollars (\$5,000.00) – one-time fee
- Initial term – Ten (10) years
- Three (3) renewal terms after initial term – Five (5) years each term
- Forty-eight (48) hours advance written notice during normal SCV Water operating hours with option for SCV Water to require an escort
- No assignment or sublicensing without SCV Water approval
- Relocation at UNAVCO expense upon SCV Water request
- Either party can terminate for any reason upon ninety (90) day advance notice
- Updated insurance and indemnity obligations and hazardous materials protections
- Requirement for Record of Survey

CEQA DETERMINATION

The License Agreement is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15061(b)(3), the "common sense exemption," which provides that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Here, SCV Water finds the License Agreement exempt from CEQA as "it can be seen with certainty that there is no possibility that the activity in question" as it provides for the extension of an existing lease for continuation of an existing use in an existing structure, and so will have no "significant effect on the environment."

On January 6, 2022, the Engineering and Operations Committee considered staff's recommendation to approve a resolution to execute a License Agreement with UNAVCO for Geodetic Monitoring Station Site License Agreement on SCV Water Property and designating SCV Water Authorized Representative.

FINANCIAL CONSIDERATIONS

The proposed license fee is \$1.00 per year. The proposed one-time administration fee of \$5,000.00 will be used for staff time and legal fees to compensate the cost of negotiating and drafting the License Agreement.

RECOMMENDATION

That the Engineering and Operations Committee recommends that the Board of Directors approve the attached resolution authorizing the General Manager or designee, to enter into the Geodetic Monitoring Station Site License Agreement with UNAVCO and take all necessary actions to carry out the intent of the proposed License Agreement.

Attachments

MBS

RESOLUTION NO. XXXX

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
AUTHORIZING SANTA CLARITA VALLEY WATER AGENCY TO
EXECUTE GEODETIC MONITORING STATION SITE LICENSE AGREEMENT
WITH UNAVCO; DESIGNATING AUTHORIZED REPRESENTATIVE**

WHEREAS, effective January 1, 2006, Santa Clarita Valley Water Agency's (SCV Water) predecessor-in-interest Castaic Lake Water Agency and UNAVCO entered into a Revocable Permit and Non-Recorded Easement Agreement to allow UNAVCO to place a GPS monitoring device on Agency property adjacent to the Sky Blue tank site on Los Angeles County Assessor's Parcel Number (APN) 2812-009-903 (Property), Location Map attached hereto as Exhibit "A"; and

WHEREAS, The Revocable Permit and Non-Recorded Easement Agreement expired in 2016 and UNAVCO continues to occupy the Property in a holdover tenancy; and

WHEREAS, SCV Water and UNAVCO now seek to enter into a new license agreement to permit UNAVCO's continued occupancy and use of the Property upon the terms and conditions of that certain Geodetic Monitoring Station Site License Agreement, attached hereto as Exhibit "B" and incorporated herein (License Agreement); and

WHEREAS, SCV Water, a public agency of the State of California duly organized, validly existing under and pursuant to the Constitution and the laws of the State of California, created January 1, 2018 by an act of the State Legislature (SB 634), has the requisite legal right, power, and authority to execute and deliver the License Agreement and carry out and consummate all transactions contemplated therein.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Santa Clarita Valley Water Agency AS FOLLOWS:

1. The recitals set forth above are true and correct and are made findings of the Board of Directors, and by this reference made an operative part of this Resolution.
2. The License Agreement in substantially the form on file with the Clerk of the Board and attached hereto as Exhibit "B" is hereby authorized and approved.
3. The SCV Water General Manager (the "Authorized Representative") or designee is hereby authorized and directed to execute and deliver the License Agreement with such changes, insertions and omissions as may be recommended by general counsel to SCV Water and approved by the Authorized Representative executing the same, said execution being conclusive evidence of such approval.
4. The Authorized Representative or designee and any other proper officer of SCV Water is hereby authorized to represent SCV Water in carrying out SCV Water's responsibilities under the License Agreement, including but not limited to execution and delivery of any and all documents and instruments and completion or causing completion of any and all acts and things necessary or proper for carrying out the transactions contemplated by the License Agreement and this Resolution or other required documentation.

5. Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given such terms in the License Agreement unless the context otherwise clearly requires.
6. This Resolution shall take effect immediately upon its passage and adoption.

EXHIBIT A



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GEODETIC MONITORING STATION SITE LICENSE AGREEMENT

BETWEEN

SANTA CLARITA VALLEY WATER AGENCY

AND

UNAVCO, INC.

FOR

GEODETIC MONITORING STATION AT SKY BLUE TANK SITE
(22722 SOLEDAD CANYON ROAD)

DATED _____, 2022

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GEODETIC MONITORING STATION SITE LICENSE AGREEMENT

This Geodetic Monitoring Station Site License Agreement (“License”) is made as of _____ 2022 (“**Effective Date**”), by and between the Santa Clarita Valley Water Agency, a public agency of the State of California (“Licensor”), and **UNAVCO, Inc., a Colorado nonprofit corporation**, with its principal office located at 6350 Nautilus Drive, Boulder CO 80301, together with its successors, assigns, and scientific collaborators (“Licensee”). Licensor and Licensee are sometimes referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

1. Premises & Grant of Authority.

1.1 Licensor is the record owner of a piece of real property generally located off Whites Canyon Road, Santa Clarita California, assigned Assessor’s Parcel Numbers 2812-009-903, 2812-009-904, 2812-009-902, and commonly known as the site of Licensor’s SkyBlue Tank Site. Licensor hereby licenses to Licensee a portion of the Property along with any necessary access rights, which are clearly and particularly depicted on Exhibit “A” attached hereto and incorporated herein by reference, hereinafter be referred to as “The Premises” or “Premises.”

1.2 Subject to the terms and conditions of this License, Licensor grants to Licensee the Premises so that Licensee, at its sole cost and expense, may install, operate, maintain, and service Global Navigation Satellite System (GNSS) monuments, Global Positioning System (GPS) monuments, and other related earth monitoring instrumentation (“Facilities”) which measure ground shifts caused by earthquakes and slow fault slip between earthquakes (“Permitted Use”).

1.2.1 All Parties acknowledge that Licensor, in executing this License, is acting only in its capacity as the owner of the Premises and not in any governmental fashion. Licensee shall not consider this License as approval of any permits, licenses or other governmental approvals required for the construction or operation of a wireless communications tower.

1.2.2 All Parties further acknowledge that Licensee shall install and operate its Facilities in a good and workmanlike manner that shall at all times be in compliance with federal, state and local law. Licensee’s right to use the Premises is conditioned on obtaining and maintaining all federal, state and local permits, certificates, licenses and approvals to install, operate and maintain the Facilities. Generators may only be used on the Site to generate temporary power for the Facilities with the prior written consent of Licensor.

2. Term.

2.1 The initial term of this License shall be ten (10) years (the “Initial Term”), commencing on the Effective Date and shall expire at Midnight on the day before the tenth (10th) anniversary of the Effective Date. Following the Initial Term, the License will automatically renew for up to three (3) additional five (5) year renewal terms (each a “Renewal Term”), provided neither Party chooses to terminate the License by providing advance written notice to the other Party at least ninety (90) days prior to the expiration of the Initial Term or any Renewal Term then in effect. Each Renewal Term shall be based on the same terms and conditions as set forth herein.

2.2 If Licensee shall remain in possession of the Premises at the expiration of the Initial Term of this License or any Renewal Term without a written agreement, such possession shall be deemed a holdover use under the same terms and conditions of this License, except such continued occupancy shall be on month-to-month basis. Nothing contained herein shall grant Licensee the right to holdover after the term of this License has expired.

3. **License Fee and Administrative Fee.**

3.1 License Fee. From and after the occurrence of the Effective Date until the commencement of a Renewal Term, Licensee shall pay Licensor annually in advance, the sum of **One Dollar (\$ 1.00)** ("License Fee") The License Fee shall be payable annually in advance without offset or deduction, except as provided herein, at Licensor's address specified below or to any other person or firm as Licensor may, from time to time, designate in writing at least sixty (60) days in advance of any License Fee payment date. All sums payable by Licensee under this License, whether or not stated to be License fees or additional License fees, shall be collectible by Licensor as License fees, and upon default in payment thereof Licensor shall have the same rights and remedies as for failure to pay License fees (without prejudice to any other right or remedy available therefor).

3.2 Administrative Fee. Within thirty (30) days of the Effective Date of this License Licensee shall pay to Licensor a one-time payment in the amount of Five Thousand and No/100 Dollars (\$5,000.00) ("Administrative Fee") as partial reimbursement of Licensor's costs and expenses incurred for processing and documenting this License. This Administrative Fee is non-reimbursable.

4. **Assignment and Subletting.** Licensee shall not assign, sublicense, or otherwise transfer this License without the prior express written consent of the Licensor, which consent may be withheld in the Licensor's sole discretion.

5. **Interference.**

5.1 Licensee shall operate its Facilities in a manner that will not cause interference with the use or enjoyment of the Property by Licensor and other lessees or licensees in and/or on the Property as of the date of this Agreement including but not limited to, the MATV systems, HVAC systems, computers, telephone systems, or any other system serving the Property and/or its occupants. Licensor hereby acknowledges that Licensee's use of the Premises for Licensee's Permitted Use shall not constitute an impermissible interference. All operations of Licensee shall be lawful and in compliance with all Governmental Requirements (as hereafter defined), rules and regulations including, but not limited to those of the Federal Communications Commission ("FCC") and the Federal Aviation Administration ("FAA"). "Governmental Requirements" shall mean all requirements under any federal, state or local statutes, rules, regulations, ordinances, or other requirements of any duly constituted public authority having jurisdiction over the Property (including, without limitation, the Premises). Should Licensee be notified by any government agency of any violation, it must share said notice with Licensor within five business days of notice and Licensee shall provide Licensor documentation from the government agency that Licensee has cured the default. Licensee shall indemnify Licensor and hold it harmless from all expenses, costs, damages, loss, claims or other expenses and liabilities arising from any interference caused by Licensee's failure to comply with FCC or FAA rules and regulations that is not curtailed within thirty (30) days after Licensee receives written notice of such interference from Licensor. Licensee shall be responsible for all costs associated with any tests deemed necessary to resolve any and all interference as set forth in this License. If such interference caused by Licensee's failure to comply with FCC or FAA rules and regulations has not been corrected within thirty (30) days after Licensee receives notice thereof

from Licensor, Licensor may require Licensee to remove the specific items from the Facilities causing such interference.

5.2 Licensor reserves the right to license other portions of the Property to other parties during the term of this License. Accordingly, Licensor agrees that any other person or entity who may install equipment subsequent to the Effective Date in and/or on the Property will be permitted to install only such communications equipment that is of the type and frequency that will not cause any interference to Licensee or persons or entities claiming through or under Licensee. In the event any such person or entity's equipment causes such interference, Licensor will cause the interfering party to take all steps necessary to correct and eliminate the interference or such interfering party will be required to cease operations until such interference is removed. To the extent that Licensee's operations are not within the parameters of its FCC license, this protection from co-located interference will not be applicable, but it shall be applicable with respect to those operations, or portions thereof, falling within the FCC license parameters. In the event that Licensee commences to use the Premises in a manner as to which Licensee is not presently licensed by the FCC, but with respect to which Licensee hereafter obtains necessary FCC licensure, Licensee's right to conduct such particular use shall be subordinate to the use of the Property by Licensor, other licensees or occupants thereof existing on or before the date on which Licensee commences such use. Licensor shall be under no obligation to exercise the duties concerning interference described above.

6. Improvements & Utilities.

6.1 Licensee shall take the Premises as-is with no warranty. The Facilities to be installed must be in compliance with all federal, state, and local laws, including but not limited to local zoning requirements. All work by Licensee shall be performed in compliance with applicable laws and ordinances. Licensee and its contractors and subcontractors shall be solely responsible for the transportation, storage and safekeeping of materials and equipment used in the performance of any work, for the removal of waste and debris resulting therefrom on a daily basis, and for any damage caused by them to any installations or work performed by Licensee's contractors and subcontractors. Licensee is not authorized to contract for or on behalf of Licensor for work on, or the furnishing of materials to the Premises or any other part of the Property, and Licensee shall discharge of record by payment, bond or otherwise, within ten (10) days subsequent to the date of its receipt of notice thereof from Licensor, any mechanic's, laborer's or similar lien filed against the Premises or the Property for work or materials claimed to have been furnished at the instance of Licensee. The Facilities shall remain the exclusive property of Licensee during the term of this License, and Licensee shall have the right to remove all or any portion of the Facilities at any time during the term of this License or following the term of this License as hereinafter provided.

6.2 Licensee will notify Licensor prior to commencing Licensee's installation work on the Property. All installation and other work to be performed by Licensee hereunder will be done in such a manner so as not to interfere materially with, delay or impose any additional expense upon Licensor in maintaining the Property. In no event will Licensor be required to consent to any installation or other work by Licensee which would physically affect any part of the Property outside the Premises. Licensee shall repair any damage caused by Licensee to Licensor's Property, reasonable wear and tear excepted. Licensee shall be responsible to reimburse Licensor for Licensor's reasonable costs and expenses incurred in reviewing and processing any improvement or modification request, including but not limited to Licensor's inspection of any completed improvement work.

6.3 Following any termination or expiration of this License, Licensee shall remove all of its Facilities. In performing such removal, Licensee shall restore the Premises and any personal property and fixtures thereon to as good a condition as they were in prior to the installation or placement of the

Facilities, reasonable wear and tear excepted, provided, however, this obligation to restore shall be limited to restoration to a depth of five (5) feet below grade. If Licensee fails to remove all of its Facilities within ninety (90) days after expiration or earlier termination of this License, Licensor may remove and dispose of the Facilities within the next succeeding year, and Licensee shall reimburse Licensor for the reasonable costs actually incurred of such removal and restoration of the Premises, or Licensor may deem the Facilities abandoned, whereupon the Facilities shall become Licensor's property.

6.4 All Parties acknowledge that the primary purpose of the Premises is to serve the water needs of the community, and should Licensee's equipment need to be moved at any time during this Agreement, Licensee shall move its equipment at its expense upon ninety (90) days written request by Licensor.

7. **Relocation.**

7.1 In the event the Property is sold, transferred, developed, redeveloped, renovated, upgraded, or put to another use by Licensor as directed by Licensor, the Licensee will be required to remove the Facilities at Licensee's expense for the purpose of relocation or disposal. If appropriate, Licensor will provide another location for the relocation of the Facilities, or for the installation of new improvements. Licensor will provide Licensee at least one (1) year of advance notice of the need for removal and relocation, and Licensee shall fully cooperate in such removal and relocation. If relocation is not possible, but the alteration to the Property will accommodate the installation of new facilities, the License will terminate and the parties may negotiate a new agreement appropriate for the new installation. The Parties will work together in an attempt to achieve a transition to the new facilities without service interruption.

8. **Access.**

8.1 Upon forty-eight (48) hour advance written notice to Licensor, Licensee and its "authorized personnel" shall be entitled to escorted access for customary maintenance of the Premises during Licensor's normal business hours. Should Licensee require access outside of Licensor's normal business hours or emergency access with less than forty-eight (48) hour advance written notice, said access shall be obtained by calling ([REDACTED]) and shall be subject to Licensor's sole discretion to accommodate such request. For purposes hereof, authorized personnel shall mean only authorized employees, engineers, technicians, or properly authorized contractors of Licensee or persons under their direct supervision. In the event Licensee submits its access request between Friday at 5 p.m. and Monday at 8 a.m., such access request shall be deemed initially submitted on Monday at 8 a.m. for purposes of the forty-eight (48) hour advance written notice requirement. All access to the Premises by Licensee shall be subject in each instance to the reasonable security requirements, including a required Agency escort, as well as compliance with reasonable rules and regulations from time to time in effect at the Property, of which Licensor shall inform Licensee in writing. In the event Licensee requires access to the Premises outside of Licensor's normal business hours, Licensee will be responsible for any reasonable costs incurred by Licensor in providing such escorted access to the Premises.

8.2 The Parties agree and accept that Licensor's access to the Premises is established through an access easement over third party property to the Property ("Access Easement"), and nothing herein shall be deemed to be a representation or warranty by Licensor that its interest or other rights to use the Access Easement is sufficient to permit its use for Licensee's purposes, and Licensee shall be deemed to gain only those rights to use as are properly in Licensor and as Licensor may have the undisputed right and power to give Licensee. Licensee assumes the risk of any challenge, claim, litigation or damage, asserted in connection with Licensee's use of the Access Easement for ingress and egress to the Property and releases Licensor from any and all responsibility, claim, damage, related to or in connection with

Licensee's use of the Access Easement. If Licensor's continued use of the Access Easement is challenged or threatened in any way by Licensee's use of the Access Easement, upon notice from Licensor, Licensee shall cease ingress and egress to the Property until such time as the challenge or threat to Licensor's continued use of the Access Easement is resolved which may require Licensee to obtain any necessary approvals, licenses or easements from the third-party property owner at its sole cost and expense.

9. **Termination.** Following the Effective Date, and except as otherwise provided herein, this License may be terminated by Licensee or Licensor for any reason or no reason upon ninety (90) days advance written notice to the other Party. Upon termination in accordance with this Section, Licensee shall surrender and vacate the Premises and deliver possession thereof to Licensor on or before the termination date in the condition required under this License for surrender of the Premises.

10. **Casualty and Condemnation.**

10.1 If at any time during the term of this License all or "substantially all" (meaning the remaining portion thereof shall not be of sufficient size or condition to permit the continuation of Licensee's Permitted Use in a commercially reasonable manner) of the Facilities upon the Premises shall be damaged and/or destroyed by fire or other casualty, then Licensee may terminate this License by providing written notice to Licensor, which termination shall be effective as of the date of such damage and/or destruction, and whereupon Licensee shall be entitled to collect all insurance proceeds payable on account thereof and to the reimbursement of any prepaid License Fee, to be apportioned as of the termination date.

10.2 If at any time during the term of this License all or "substantially all" (as described in the preceding subsection 13.1) of the Premises or the improvements located on the Property shall be taken in the exercise of the power of eminent domain by any governmental or other authority, or by deed in lieu of condemnation, then Licensee may terminate this License by providing written notice to Licensor, which termination shall be effective as of the date of the vesting of title in such taking and any prepaid License Fee shall be apportioned as of said date and reimbursed to Licensee. Licensor and Licensee shall each be entitled to pursue their own separate awards with respect to such taking, but in any event, Licensee's award shall be limited to lost improvements investment, relocation, and loss of business. In the event of any taking of less than all or substantially all of the Premises, this License shall continue and each of Licensor and Licensee shall be entitled to pursue their own separate awards with respect to such taking.

11. **Taxes.**

11.1 Licensee shall pay any personal property taxes assessed on, or any portion of such taxes attributable to, the Facilities. Licensor shall pay when due all real property taxes and all other fees and assessments attributable to the Premises and the Property. However, Licensee shall pay, as additional License Fee, any increase in real property taxes levied against the Premises (excluding any additional taxes that relate to the period prior to the Effective Date, i.e., rollback taxes) and all use and occupancy taxes, if any, which is directly attributable to Licensee's use of the Premises, and Licensor agrees to furnish written documentation of such increase to Licensee.

12. **Insurance, Release and Hold Harmless.**

12.1 Licensee shall, at Licensee's sole cost and expense, procure and continue in force during the term of this Agreement, including any Renewal Term:

12.1.1 Workers Compensation insurance at statutory limits, including Employers Liability coverage with a minimum limits of \$1,000,000 each-occurrence each accident/\$1,000,000 by disease each-occurrence/\$1,000,000 by disease aggregate;

12.1.2 Commercial General Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence and \$2,000,000 general aggregate for bodily injury and property damage, which coverage shall include products/completed operations(\$1,000,000 products/ completed operations aggregate), and XCU (Explosion, Collapse, Underground) hazards. Coverage must be written on an occurrence form. Contractual Liability must be maintained covering the Contractors obligations contained in the contract. The general aggregate limit must be at least two (2) times the each-occurrence limit.; and

12.1.3 Commercial Automobile Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence for bodily injury and property damage, including owned, non-owned, and hired car coverage;

12.1.4 "All-risk" property insurance insuring the Facilities and its appurtenant personal property for full replacement costs.

12.2 Any Subcontractor(s) hired by the Licensee shall maintain insurance coverage equal to that required of the Licensee. It is the responsibility of the Licensee to assure compliance with this provision. Licensor accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor.

12.2.1 Builders Risk coverage (if applicable) as follows:

(a) All Risk Builders Risk insurance, including collapse coverage, is required on a completed value form if the contract is for the construction of a structure or building.

(b) The Builders Risk policy must provide transit and off-premises coverage if the contract with the builder makes Licensor responsible for materials. The deductible shall not exceed \$5,000.

12.2.2 Comprehensive General Liability insurance form may be used in lieu of a Commercial General Liability insurance form. In this event, coverage must be written on an occurrence basis, at limits of \$1,000,000 each-occurrence, combined single limit, and coverage must include a broad form Comprehensive General Liability Endorsement, products/completed operations, XCU hazards, and contractual liability.

12.2.3 With reference to the foregoing insurance requirement, the Licensee shall specifically endorse applicable insurance policies as follows:

(a) Licensor shall be named as an additional insured with respect to General Liability, Automobile Liability, and Builders' Risk.

(b) All liability policies shall contain no cross liability exclusions or insured versus insured restrictions.

(c) A waiver of subrogation in favor of Licensor shall be contained in the Workers' Compensation and all liability policies.

(d) All insurance policies shall be endorsed to require the insurer to immediately notify Licensor of any material change in the insurance coverage.

(e) All insurance policies shall be endorsed to the effect that Licensor will receive at least sixty- (60) days' notice prior to cancellation or non-renewal of the insurance.

(f) All insurance policies, which name Licensor as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.

(g) Required limits may be satisfied by any combination of primary and umbrella liability insurances.

(h) Licensee may maintain reasonable and customary deductibles, subject to approval by Licensor.

(i) Insurance must be purchased from insurers that are financially acceptable to Licensor.

(j) Unless approved in writing by Licensor, Licensee shall place the Required Insurance with insurers licensed to do business in the State of California and with a current A.M. Best rating of at least

(k) Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting the following:

(i) Sets forth all endorsements and insurance coverages according to requirements and instructions contained herein.

(ii) Shall specifically set forth the notice-of-cancellation or termination provisions to Licensor.

(l) Upon request, Licensee shall furnish Licensor with certified copies of all insurance policies.

12.3 Licensee hereby releases Licensor and Licensor's property manager, if any, and their respective agents, employees, officers, directors, shareholders and partners (collectively the "Releasees") from, and shall not hold Releasees liable for, any liability for personal injury, consequential damages, loss of income or damage to or loss of property or persons, or loss of use of any property, in or about the Premises from any cause whatsoever unless such damage, loss or injury directly results from the gross negligence or willful misconduct of the Releasees. Further, the Releasees shall not be liable to Licensee for any such damage or loss to the extent Licensee is compensated or would have been compensated by the insurance which Licensee is obligated to maintain pursuant to this Section 15.

12.4 Licensee agrees to indemnify, defend and hold Releasees harmless from and against injury, loss, damage or liability (or any claims in respect of the foregoing), costs or expenses (including reasonable attorneys' fees and court costs) which may be imposed upon or incurred by or asserted against Releasees occurring during the term of this Agreement, or during any period of time prior to the Effective Date hereof or after the expiration date hereof when Licensee may have been given access to or possession of all or any part of the Premises arising from:

12.4.1 any work or act done in, on or about the Premises or any part thereof at the direction of Licensee, its agents, contractors, subcontractors, servants, employees, licensees or invitees, including but not limited to the installation, use, maintenance, repair or removal of the Facilities, except if such work or act is done or performed by Licensor or its agents or employee;

12.4.2 any negligence or other wrongful act or omission on the part of Licensee or any of its agents, contractors, subcontractors, servants, employees, sublicensees, licensees or invitees;

12.4.3 any accident, injury or damage to any person or property occurring in, on or about the Premises or any part thereof, unless caused by the gross negligence or willful misconduct of Licensor, its employees or agents; and

12.4.4 any failure on the part of Licensee to perform or comply with any of the covenants, agreements, terms, provisions, conditions or limitations contained in this Agreement on its part to be performed or complied with.

12.5 Each party hereto hereby waives any and every claim which arises or which may arise in its favor and against the other party hereto during the term of this Agreement or any extension or renewal thereof for any and all loss of, or damage to, any of its property located within or upon or constituting a part of the Building, to the extent that such loss or damage is recovered under an insurance policy or policies. Each party shall have their respective insurance company issue any such insurance policy with a provision waiving such insurance company's right of subrogation.

13. Notices.

13.1 All notices, requests, demands and other communications hereunder shall be in writing and shall be personally delivered or mailed, certified mail, return receipt requested, or sent by overnight carrier to the following addresses:

If to Licensor:

SCVWA Engineering
Santa Clarita Valley Water Agency
26521 Summit Circle
Santa Clarita, CA 91350-3049

with a copy to:

Gerard Lavery Lederer
Best Best & Krieger
1800 K Street, Suite 725
Washington, DC 20006

If to Licensee, to:

Attention: _____

Licensee also designates the following phone numbers for any questions, comments or other inquiries related to the Facilities or it's occupancy and use of the Premises granted by this License: 1-866-381-7507 or 303-381-7559.

14. Hazardous Substances.

14.1 For purposes of this License, the term “Hazardous Substances” means: (a) any substance, products, waste, or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 United States Code Section 9601 et seq.; the Resources Conservation and Recovery Act, 42 United States Code Section 6901 et seq.; the Hazardous Materials Transportation Conservation and Recovery Act, 42 United States Code Section 1801 et seq.; the Clean Water Act, 33 United States Code Section 1251 et seq.; the Toxic Substances Control Act, 15 United States Code Section 2601 et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100 et seq.; the Hazardous Substance Account Act, Health and Safety Code Section 25330 et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5 et seq.; California Health and Safety Code Section 25280 et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1 et seq.; California Health and Safety Code Section 25501 et seq. (Hazardous Materials Release Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000 et seq., all as amended (the above cited statutes are hereinafter collectively referred to as the “Toxic Substances Laws”); or any other federal, state, or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Substance, now or at any time hereinafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum fuel or crude oil, other than petroleum and petroleum products which are contained within regularly operated motor vehicles; and (d) asbestos.

14.2 Except as otherwise specifically permitted under the terms of the License, Licensee shall not use, create, generate, store, deposit, dispose of or allow any Hazardous Substances on, under, about or within the Premises or the Property in violation of any federal, state, or local law, rule, regulation, order, decree. Storage batteries for emergency power, fuel for the approved generator, and ordinary paints, solvents and similar substances commonly used in small quantities and necessary for maintenance of the Facilities are excepted from the preceding prohibition of use by Licensee of Hazardous Substances on the Property, so long as Licensee complies with all applicable federal, state and local laws, rules and regulations governing the storage and use of such items.

14.3 Except as otherwise specifically permitted under the terms of the License, as amended herein, no permanent underground or above ground storage tanks shall be installed on the Property. Licensor or its officers, employees, contractors, or agents shall at all times have the right to go upon and inspect the Property and the operations conducted thereon to assure compliance with the requirements herein stated. This inspection may include taking samples for chemical analysis of substances and materials present and/or testing soils on the Property and taking photographs.

14.4 Licensee shall, within twenty-four (24) hours of the discovery by Licensee of the presence of, or believed presence of, a Hazardous Substance as defined herein not in compliance with Toxic Substance Laws caused by Licensee, give written notice to Licensor in the event that Licensee knows or has reasonable cause to believe that any release of Hazardous Substance caused by Licensee has come or will come to be located on, under, about or within the Premises or the Property. The failure to disclose in a timely manner the release of a Hazardous Substance, including but not limited to, an amount which is required to be reported to a state or local agency pursuant to law (e.g., California’s Hazardous Materials Storage and Emergency Response Act, Health and Safety Code Section 25550 et seq.) shall be grounds for termination of the Lease by Licensor in addition to actual damages and other remedies provided by law. Licensee shall immediately clean up and completely remove all Hazardous Substances placed by

Licensee on, under, about or within the Premises or the Property, in a manner that is in all respects safe and in accordance with all applicable laws, rules and regulations.

14.5 In the event Hazardous Substances are discovered by Licensee, Licensee shall disclose to Licensor the specific information regarding Licensee's discovery of any Hazardous Substances placed on, under, about or within Licensor's Real Property by Licensee, and provide written documentation of its safe and legal disposal, if Licensee disposes such.

14.6 Breach of any of these covenants, terms, and conditions, and Licensee's failure to cure within thirty (30) days of Licensee's receipt of written notice from Licensor, shall give Licensor the authority to either immediately terminate the License or to shut down Licensee's operations thereon, at the sole discretion of Licensor. In either case, Licensee will continue to be liable under the License to remove and mitigate all Hazardous Substances placed by Licensee on, under, about or within the Property. Lessee shall be responsible for, and bear the entire cost of removal and disposal of, all Hazardous Substances introduced to the Property by Licensee during Licensee's period of use and possession of Premises. Upon termination of the License, Licensee shall, in accordance with all laws, remove from the Property any equipment or improvements placed on Licensor's Real Property by Licensee that may be contaminated by Hazardous Substances.

14.7 Licensee shall defend, indemnify and hold Licensor and its officials, officers, employees, contractors and agents free and harmless from any and all claims, liability, injury, damage, costs, fines, or expenses (including, without limitation, the cost of attorney's fees) arising as a result of the presence of use of any Hazardous Substances placed or caused to be placed by Licensee or its partners, affiliates, agents, officials, officers, contractors or employees on the Premises or Licensor's Real Property. Licensor shall defend, indemnify and hold Licensee and its officials, officers, employees, contractors and agents free and harmless from any and all claims, liability, injury, damage, costs, fines, or expenses (including, without limitation, the cost of attorney's fees) arising as a result of the presence of use of any Hazardous Substances placed or caused to be placed by Licensor or its partners, affiliates, agents, officials, officers, contractors or employees on the Licensor's Real Property. The foregoing indemnity is intended to operate as an agreement pursuant to, among other requirements, Section 107, subdivision (e) of CERCLA, 42 United States Code Section 9607, subdivision (e), and California Health and Safety Code Section 25364, to insure, protect, hold harmless and indemnify each party from any liability created by the other party pursuant to such sections.

14.8 The terms of this Section 14 shall survive the expiration or earlier termination of this License.

15. **Successors and Assigns.**

15.1 This License shall run with the Property and shall be binding upon and inure to the benefit of the parties, their respective successors, personal representatives and assigns.

16. **Previous Licenses.**

16.1 In the event there is an existing license between Licensee and Licensor (or its predecessor-in-interest) covering the Premises, it is agreed and understood that this License shall cancel, supersede and terminate said prior license as of the Effective Date of this License.

17. **Waiver of Licensor's Lien.**

17.1 Licensor hereby waives any and all lien rights it may have, statutory or otherwise, concerning the Facilities or any portion thereof. The Facilities shall be deemed personal property for purposes of this License, regardless of whether any portion thereof is deemed real or personal property under applicable law, and Licensor hereby consents to Licensee's right to remove all or any portion of the Facilities from time to time in Licensee's sole discretion.

18. Miscellaneous.

18.1 The prevailing party in any litigation arising hereunder shall be entitled to its reasonable attorneys' fees and court costs. With respect to any provision in this License providing for payment or indemnification of attorneys' fees, such fees shall be deemed to include reasonable fees incurred through any applicable appeal process and shall include fees attributable to legal services provided by any in-house counsel and staff to the prevailing or indemnified party. For purposes hereof, the services of in-house attorneys and their staff shall be valued at rates for independent counsel prevailing in the metropolitan area in which such counsel and staff practice.

18.2 Each party agrees to furnish to the other, within ten (10) business days after request, such truthful, customary and reasonable estoppel information as the other may reasonably request.

18.3 This License constitutes the entire agreement and understanding of the parties and supersedes all offers, negotiations and other agreements. There are no representations or understandings of any kind not set forth herein. Any amendment to this License must be in writing and executed by both parties.

18.4 Either party hereto that is represented in this transaction by a broker, agent or commission salesperson (a "Representative") shall be fully and exclusively responsible for the payment of any fee, commission or other compensation owing to such Representative, and shall indemnify and hold the other party harmless from and against any claim to a fee, commission or other compensation asserted by such Representative, including reasonable attorneys' fees and costs incurred in defending such claim.

18.5 Each party agrees to cooperate with the other in executing any documents (including a Memorandum or short form of License and/or easement agreement) necessary to protect its rights under this License. Unless the laws of the state in which the Property is located prohibit the recordation of a memorandum or short form of License, neither party shall record this License, but may record, in lieu thereof, the aforementioned Memorandum or short form of License. In the event of a recordation prohibition described above, either party may record this License. Either party may record an easement agreement.

18.6 This License shall be construed in accordance with the laws of the county and state in which the Premises are located.

18.7 If any term of this License is found to be void or invalid, such invalidity shall not affect the remaining terms of this License, which shall continue in full force and effect.

18.8 The provisions of this License may be amended only by mutual written consent of the Parties.

18.9 Licensee acknowledges that Licensee is not entitled to relocation assistance, or any other applicable provision of law upon termination of this License.

18.10 Time is of the essence of this License.

[SIGNATURES APPEAR ON PAGES IMMEDIATELY FOLLOWING.]

IN WITNESS WHEREOF, the parties hereto have executed this License as of the date aforesaid.

LICENSOR:

By: _____

Printed Name: _____

Title: _____

Date: _____

LICENSEE:

By: _____

Printed Name: _____

Title: _____

Date: _____

[This page intentionally left blank.]

EXHIBIT "A"

PREMISES

The Premises shall consist of the following:

1. Ground space measuring approximately _____' in length by _____' in width as generally depicted within the red circle in the depiction below.

[LICENSEE MUST PREPARE AND PROVIDE A RECORD OF SURVEY DEPICTING PREMISES DIMENSIONS AND CONFIRMING LICENSEE'S FACILITIES ARE LOCATED WHOLLY ON THE PREMISES]

The Assessor's Parcel Number containing the entirety of the Premises is :2812-009-903

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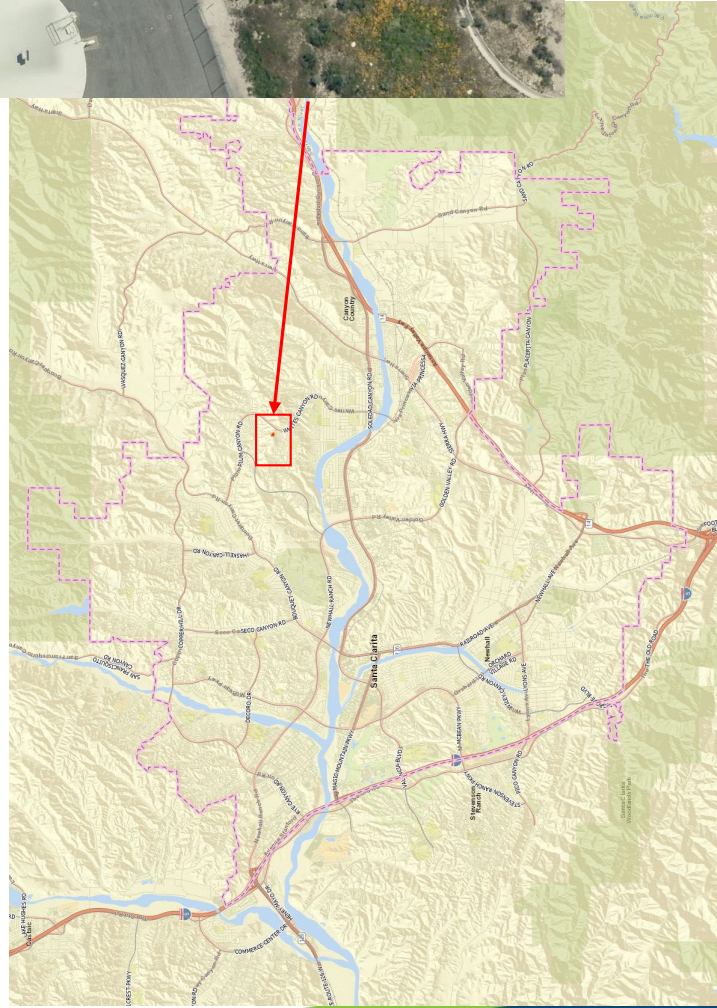


February 1, 2022

UNAVCO License Agreement

Board Meeting

Sky Blue Tank Site with UNAVCO Equipment Location Map



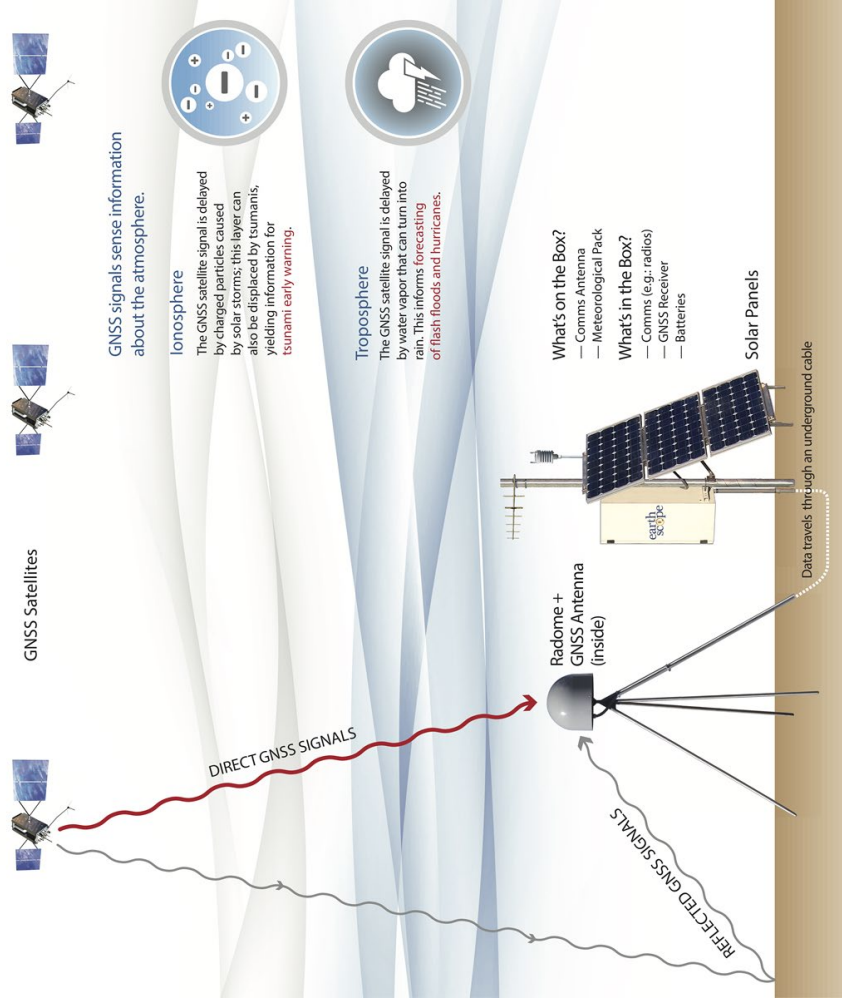
Sky Blue Tank Site with UNAVCO Equipment



YOURSCVWATER.COM

3

UNAVCO Equipment



GNSS Satellites

GNSS signals sense information about the atmosphere.



Ionosphere

The GNSS satellite signal is delayed by charged particles caused by solar storms; this layer can also be displaced by tsunamis, yielding information for tsunami early warning.



Troposphere

The GNSS satellite signal is delayed by water vapor that can turn into rain. This informs forecasting of flash floods and hurricanes.

What's on the Box?

- Comms Antenna
- Meteorological Pack

What's in the Box?

- Comms (Eg.: radios)
- GNSS Receiver
- Batteries

Solar Panels

Data travels through an underground cable



UNAVCO Equipment

What is in there?



Antenna: Trimble Choke Ring



Receiver: Polaris5



Existing Revocable Permit and Non-Recorded Easement Agreement

- On January 1, 2006, SCV Water's predecessor-in-interest Castaic Lake Water Agency and UNAVCO entered into a one-page Revocable Permit and Non-Recorded Easement Agreement.
 - Allowed UNAVCO to utilize the site at no charge for a ten (10) year term.
- The Revocable Permit and Non-Recorded Easement Agreement expired in 2016 and UNAVCO continues to occupy the Property in a holdover tenancy.
- The SCV Water and UNAVCO now seek to enter into a new detailed agreement that includes several new protections benefiting SCV Water.



New UNAVCO License Agreement

- License Fee - One dollar (\$1.00) per year
- Administrative Fee - Five thousand dollars (\$5,000.00) - one-time fee
- Initial term - Ten (10) years
- Three (3) renewal terms after initial term - Five (5) years each term
- Forty-eight (48) hour advance written notice during normal SCV Water operating hours with option for SCV Water to require an escort
- No assignment or sublicensing without SCV Water approval
- Relocation at UNAVCO expense upon SCV Water request
- Either party can terminate for any reason upon ninety (90) day advance notice
- Updated insurance and indemnity obligations and hazardous materials protections
- Requirement for Record of Survey



UNAVCO License Agreement Recommendation

**The Engineering and Operations Committee recommends that
the:**

- Board of Directors approve the attached resolution authorizing the General Manager or designee, to enter into the Geodetic Monitoring Station Site License Agreement with UNAVCO and take all necessary actions to carry out the intent of the proposed License Agreement.





BOARD MEMORANDUM

DATE: January 7, 2022

TO: Board of Directors

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

SUBJECT: Approve a Resolution Authorizing a Purchase Order to Kennedy/Jenks Consultants for Final Design Services for the Well 201 Volatile Organic Compounds Groundwater Treatment Improvements Project

SUMMARY

SCV Water is planning to add Volatile Organic Compounds (VOC) Groundwater treatment at Well 201. The planning work to identify the improvements needed were successfully completed by Kennedy/Jenks Consultants (KJ). The next step is to perform the final design services for the project. KJ provided a proposal for the final design services and staff is recommending approval of a resolution authorizing a purchase order to KJ for final design services for the Well 201 Volatile Organic Compounds Groundwater Treatment Improvements Project (Project).

DISCUSSION

SCV Water is planning to provide additional groundwater treatment at Well 201. Well 201 is located at 24050 Valencia Boulevard, Valencia, CA. As a result of perchlorate concentrations in the well water that exceed the State of California's Division of Drinking Water (DDW) Primary Maximum Contaminant Level (MCL), SCV Water installed perchlorate treatment using Ion Exchange at the Well 201 site in 2017. The design capacity of Well 201 is 2,400 gallons per minute (gpm), and the design perchlorate treatment capacity is 2,000 gpm. SCV Water is currently working with DDW to obtain the operational permit for Well 201 perchlorate treatment. Well 201 also contains VOCs, including trace concentrations of Trichloroethylene (TCE) that exceed detection limits. As a result of DDW's treatment requirements for this site, SCV Water is proceeding with Final Design to add VOC treatment for Well 201.

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

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

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CONSIDERATIONS

The proposed action today is the adoption of the attached resolution to approve a purchase order to KJ for engineering services for the final design of the Well 201 Volatile Organic Compounds (VOC) Groundwater Treatment Improvements Project. The whole of the action also includes operation of the Project. The term "Project" in CEQA refers to the whole of an action and to the underlying activity being approved, not to each governmental approval. (CEQA Guideline §15378(a), (c)–(d).) This definition ensures that the action reviewed under CEQA is not the approval itself but the development or other activities that will result from the approval.

Based on the preliminary project design and anticipated final design, and because the Project construction is minor alteration of existing facilities limited to construction within the Agency's existing property, design, construction, and operation of this project is found to be categorically exempt under the provisions of CEQA and the State CEQA Guidelines as described below:

- The Project, aka the whole of the action, qualifies for an exemption under CEQA guidelines section 15301 Class 1 Existing Facilities because it is a minor alteration of an existing public facility and it concerns proposed new mechanical equipment involving negligible or no expansion of use, i.e., no additional extraction of water, beyond that existing at the time of the lead agency's determination.
- None of the exemptions listed in Section 15300.2 of the CEQA Guidelines would apply to the action.

On January 6, 2022, the Engineering and Operations considered staff's recommendation to approve a resolution authorizing a purchase order to Kennedy/Jenks Consultants for Final Design Services for the Well 201 Volatile Organic Compounds Groundwater Treatment Improvements Project.

FINANCIAL CONSIDERATIONS

The Project is included in the Agency's FY 2021/22 Budget. The final design services will be performed on a time and materials basis with a not-to-exceed amount of \$310,000.

RECOMMENDATION

The Engineering and Operations Committee recommends that the Board of Directors approve the attached resolution authorizing a purchase order to Kennedy/Jenks Consultants for an amount not to exceed \$310,000 for final design engineering services for the Well 201 Volatile Organic Compounds Groundwater Treatment Improvements Project.

Attachment

M65

RESOLUTION NO. SCV-_____

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
AUTHORIZING A PURCHASE ORDER TO KENNEDY/JENKS CONSULTANTS FOR
FINAL DESIGN SERVICES FOR THE WELL 201 VOLATILE ORGANIC COMPOUNDS
GROUNDWATER TREATMENT IMPROVEMENTS PROJECT**

WHEREAS, Santa Clarita Valley Water Agency (Agency) determined the Well 201 will need Volatile Organic Compounds (VOC) Treatment; and

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

WHEREAS, the proposed Well 201 Volatile Organic Compounds Treatment Improvements Project (Project) will include installation of a new VOC treatment train, backwash system, and various appurtenances; and

WHEREAS, the Project, aka the whole of the action, qualifies for an exemption under CEQA guidelines section 15301 Class 1 Existing Facilities because it is a minor alteration of an existing public facility, and it concerns proposed new mechanical equipment involving negligible or no expansion of use. The project environment is located within SCV Water's existing facility property and none of the exemptions listed in Section 15300.2 of the CEQA guidelines would apply to the action; and

WHEREAS, it is in the Agency's best interest that the Board of Directors, on behalf of SCV Water, authorize its General Manager to authorize a Purchase Order in the amount not to exceed \$310,000 to Kennedy/Jenks Consultants for final design services.

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

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

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

RESOLVED FURTHER that the SCV Water's Board of Directors does authorize its General Manager to accept said proposal and does therefore authorize the SCV Water's General Manager to issue a Purchase Order to Kennedy/Jenks Consultants for the Final Design of Well 201 Volatile Organic Compounds Groundwater Treatment Improvements Project (Project), for an amount not to exceed of \$310,000.

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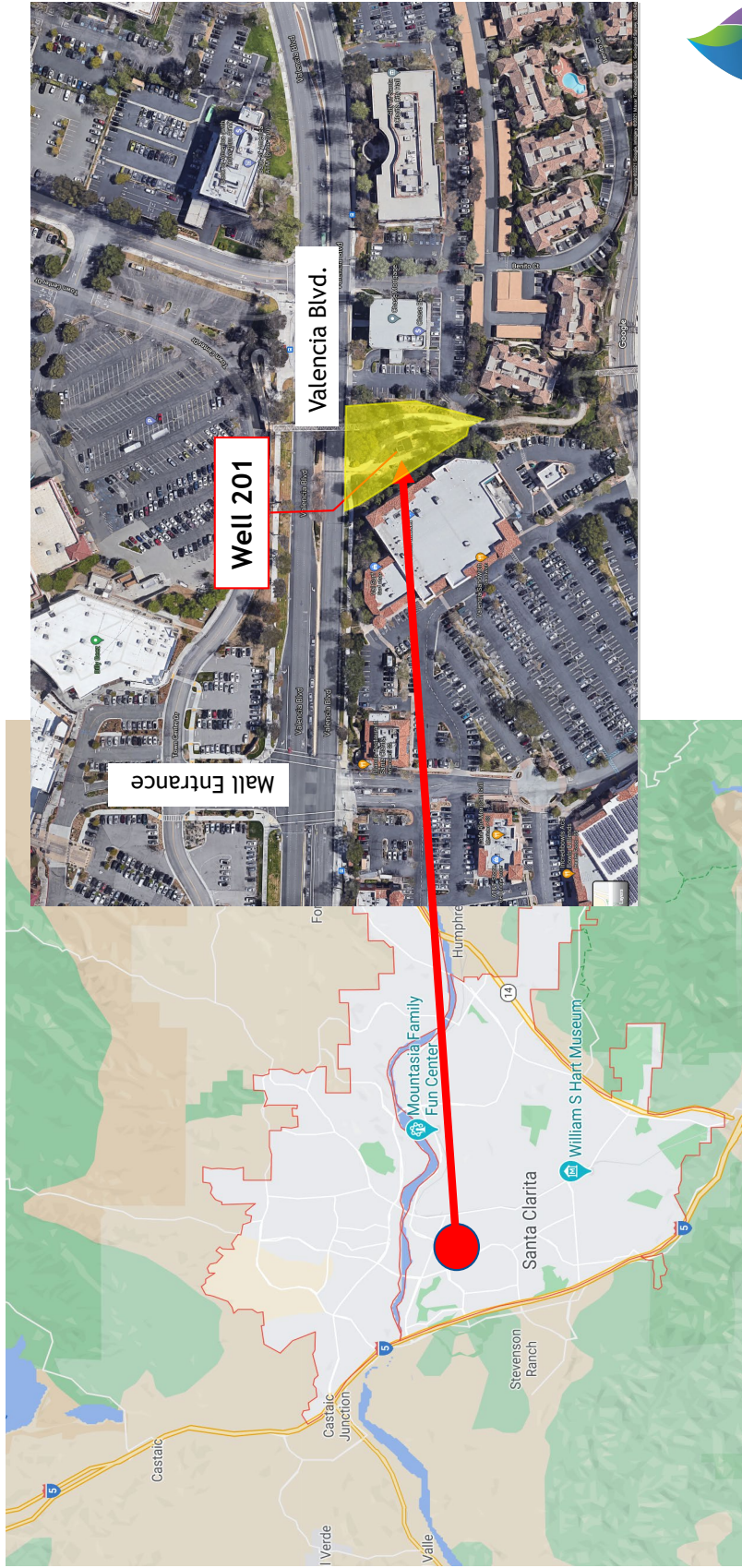


February 1, 2022

Well 201 VOC Groundwater Treatment Improvements Project Final Design Services

Board Meeting

Well 201 VOC Groundwater Treatment Improvements Location Map



Well 201 VOC Groundwater Treatment Improvements Final Design Services



- 2,400 GPM Well
- An existing Perchlorate Removal IX Treatment Train rated at 2,000 GPM



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Well 201 VOC Groundwater Treatment Improvements 3D Rendering



- Addition of GAC treatment train for VOC removal
- Addition for backwash tank
- Final Configuration, lay out and number of GAC Vessels will be determined during Final Design.



Well 201 VOC Groundwater Treatment Improvements

Final Design Scope

Final Design Services:

Site Investigation	\$40,000
Plans, Specifications, Calculations, etc.	\$270,000
Subtotal	\$310,000

Total Recommended Time and Materials Not to Exceed Budget \$310,000



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Well 201 VOC Groundwater Treatment Improvements Final Design Services Project Schedule

- Final Design Schedule:
 - ✓ January 6, 2022: Engineering & Operations Committee
 - ✓ February 1, 2022: Board Meeting
 - ✓ February 7, 2022: Issue Purchase Order to Proceed
 - ✓ June 30, 2022: Complete Final Design
 - ✓ July 1, 2022: Advertise for Construction Bids



Well 201 VOC Groundwater Treatment Improvements Final Design Services Project Recommendation

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


- Approve the attached resolution authorizing the General Manager to issue a purchase order to Kennedy/Jenks Consultants for an amount not to exceed \$310,000 for final design services for the Well 201 VOC Groundwater Treatment Improvements Project.



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BOARD MEMORANDUM

DATE: December 14, 2021
TO: Board of Directors
FROM: Eric Campbell 
Chief Financial and Administrative Officer
SUBJECT: Approve a Resolution Revising Wholesale Water Rates

SUMMARY AND DISCUSSION

Agency staff has completed its wholesale water rate analysis that has resulted in a proposed new wholesale water rate structure and wholesale water rates. Currently, SCV Water provides wholesale water service to one agency, the Los Angeles County Waterworks District No.36 ("District 36"). In November, Staff reviewed the recommended new wholesale water rates with the Finance and Administration Committee. Two implementation options were discussed by the committee – one option to provide a transition path with an initial lower rate, and the other option to implement the new wholesale rate in April 2022, rather than in January 2022. Staff was directed to review any legal considerations with counsel and bring a recommended option to Board of Directors in December 2021.

Staff has consulted with legal counsel and due to a combination of factors, a preferred option has been selected and legal counsel has advised that the Agency not consider it until after January 1, 2022. This would provide the Agency with the benefit of recently enacted SB 323, which shortens the time during which a party may challenge new rates to 120 days. Further, counsel advised that the option of adopted new rates at their full cost of service that take effect in April 2022 was preferable to adopting transitional rates that do not recover the new determination of cost of service.

The proposed wholesale rates are comprised of the following:

1. A monthly fixed charge (the Fixed Charge) of \$24,362 designed to recover the costs of the Agency to maintain the readiness to serve District 36 at any time, up to existing turnout capacity; and
2. A variable per acre foot charge (the Variable Charge) of \$205.88 designed to recover the Agency's costs for the source of water supply which includes the Buena Vista/Rosedale Rio Bravo (BV/RRB) supply and other banking programs; purchased power costs for operating the water treatment plant, cost of chemicals for water treatment, and public outreach & communication of water efficiency, and conservation program costs.

FINANCIAL CONSIDERATIONS

The proposed rates will recover \$292,338 annually in fixed costs (\$24,362 monthly) of providing District 36 with the readiness to serve water up to their full capacity of their turnouts. Up to an additional \$257,300 (1250 AF x \$205.88 per AF) could be received by the Agency if District 36 purchased this amount of water. In recent years, District 36 has purchased very little water.

On December 13, 2021, the Finance and Administration Committee considered staff's update on recommending approval of a resolution revising wholesale water rates.

RECOMMENDATION

The Finance and Administration Committee recommends that the Board of Directors approve the attached resolution revising wholesale water rates.

EC

Attachment

M65

RESOLUTION NO. SCV-____

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
REVISING AND ADOPTING RATES FOR WHOLESALE WATER SERVICE CHARGES**

WHEREAS, pursuant to Santa Clarita Valley Water Agency Act, the Santa Clarita Valley Water Agency (Agency) is authorized to (i) acquire water and water rights, including but not limited to, water from the State of California under the State Water Resources Development System; (ii) provide, sell, and deliver that water, for municipal, industrial, domestic and other purposes; and (iii) impose charges for such wholesale water services; and

WHEREAS, the Agency provides wholesale water service to one retail water purveyor – Los Angeles County Waterworks District No. 36 (District 36); and

WHEREAS, the Agency is able to meet approximately half of the urban water demand within its service area with imported water, and the Agency primarily meets the balance of demand with local groundwater and a small portion of recycled water; and

WHEREAS, the sole source of local groundwater for urban water supply in the Santa Clarita Valley is the Santa Clara River Valley Groundwater Basin, East Subbasin (the Basin); and

WHEREAS, to stabilize its revenues and fully recover the costs of providing water service, staff has prepared the attached comprehensive Wholesale Water Rate Study (the Rate Study) (Exhibit A) for its wholesale water service charges; and

WHEREAS, the wholesale water rate structure consists of two components:

1. a fixed monthly charge (the Fixed Charge) designed to recover the fixed costs of the Agency directly related to maintaining the readiness to serve water up to the full capacity of the turnouts that connect District 36 to the Agency; and
2. a variable per acre foot charge (the Variable Charge) designed to recover the Agency's costs for the treatment and distribution of imported water to District 36; and

WHEREAS, staff has prepared a Rate Study that includes a methodology for annually calculating the amount of the Fixed Charge and rates for the Variable Charge, and the Agency has distributed to District 36 a copy the Rate Study, which sets forth the Agency's costs of providing wholesale water services and the anticipated sources of revenue available to fund those costs; and

WHEREAS, based on the Rate Study, the Board has determined that the amount of the proposed charges are no more than necessary to cover the reasonable costs of providing the wholesale water services, and that the manner in which those costs are allocated to District 36 bears a fair or reasonable relationship to the District 36 burdens on, or benefits received from, the Agency's wholesale water service activities; and

WHEREAS, the new rates will take effect beginning April 1, 2022, and will be revised each January 1 thereafter based on the annual year over year increase in the Consumer Price Index provided, however, that such increase shall not cause the wholesale water service charges to exceed the reasonable cost of providing wholesale water service; and

WHEREAS, in accordance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines, Agency staff has determined that the increases in water service charges are exempt from CEQA pursuant to Section 15378 and Section 15273 of the CEQA Guidelines and Public Resources Code section 21080(b)(8) because: (i) the increased charges are for the purpose of meeting operational and maintenance expenses of the aforementioned services; and (ii) the charges constitute the creation of a funding mechanism/other governmental fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment; and

WHEREAS, the adoption of this Resolution is exempt from CEQA for the same reason.

NOW THEREFORE BE IT RESOLVED, by the Board of Directors of the Santa Clarita Valley Water Agency, as follows:

1. **FINDINGS AND DETERMINATIONS**: The foregoing Recitals are true and correct and are hereby made legislative findings and determinations of the Board of Directors (the Board) and by this reference made an operative part of this Resolution.
2. **FIXED CHARGE**: The Board hereby adopts, the Fixed Charge at the rate of \$24,362 per month, effective April 1, 2022.
3. **VARIABLE CHARGE**: The Board hereby adopts the Variable Charge at the rate of \$205.88 per acre-foot effective April 1, 2022.
4. **ANNUAL ADJUSTMENT**: Beginning January 1, 2023, and each January 1 thereafter until otherwise modified by the Board of Directors, the rates for the Fixed Charge and Variable Charge set forth above shall be adjusted for inflation in an amount not to exceed the year over year increase in the Los Angeles specific Consumer Price Index (CPI) provided, however, that no such annual adjustment shall exceed the reasonable cost of providing wholesale water service to District 36.
5. **AUTHORIZATIONS OF AGENCY GENERAL MANAGER**: The General Manager is hereby authorized and directed to take all actions necessary to effectuate and implement the rates for the wholesale water service charges and other authorizations set forth herein, including the annual adjustment to the wholesale water service charges.
6. **WHOLESALE WATER RATE SUFFICIENT TO FUND AGENCY OPERATING EXPENSES**: Based upon the evidence presented to the Board in the form of staff financial analysis and the Rate Study, the Board has determined that the wholesale water rates adopted in this Resolution will be sufficient to fund Agency operating expenses, Notwithstanding the foregoing, the Board of Directors shall review the wholesale water rates annually, as a part of its budget process, and may increase or decrease the wholesale water rates at any time if it determines an adjustment is necessary in accordance with this Resolution, and applicable law.
7. **CEQA**: The Board is adopting the wholesale water rates herein to meet the Agency's operating expenses. Therefore, the Board finds and determines, based upon substantial evidence, that the establishment of the rates for wholesale water service charges are exempt from CEQA, pursuant to Section 21080(b)(8) of the Public Resources Code and Section 15273(a) of the State CEQA Guidelines because the establishment of water

rates is for the purpose of meeting operating expenses and purchasing materials (e.g., water).

8. EFFECTIVE DATE: This Resolution shall be effective as of the date of adoption. The increased rates for wholesale water service charges set forth herein shall become effective as authorized herein.
9. SUPERSEDES PRIOR RESOLUTIONS: All resolutions or administrative actions by the Board, or parts thereof that are inconsistent with any provision of this Resolution are hereby superseded only to the extent of such inconsistency.
10. INVALIDITY: If any section, subsection, subdivision, sentence, clause, or phrase in this Resolution or any part thereof is for any reason held to be unconstitutional or invalid, ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Resolution or any part thereof. The Board hereby declares that it would have adopted each section irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, or phrases be declared unconstitutional, invalid, or ineffective. If the water rates established by this Resolution are declared invalid or otherwise set aside by any court of competent jurisdiction, the water rates in effect prior to the effective date of this Resolution shall be deemed by this Resolution to be restored, revived, and brought to full force and effect.
11. MAILING: The Secretary of the Agency is hereby directed to mail copies of this Resolution to District 36.

DRAFT

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EXHIBIT A

SANTA CLARITA VALLEY WATER AGENCY WHOLESALE WATER RATE STUDY



Santa Clarita Valley Water Agency

Wholesale Water Rate Study

February 2022

Providing responsible water stewardship to ensure the Santa Clarita Valley has reliable supplier of high-quality water at a reasonable cost

27234 BOUQUET CANYON ROAD • SANTA CLARITA, CALIFORNIA 91350-2173 • 661 297•1600 FAX 661 297•1611
website address: www.yoursvwater.com

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INTRODUCTION

The existing wholesale water rates were approved by the Board on November 20, 2017. Based on the rate design, which in part relied on a multi-year average of imported water purchases to recover a portion of fixed costs, wholesale water revenues from Los Angeles County Waterworks District 36 have declined over the past several years and are projected to continue to decline. Recognizing the need to fairly apportion the costs for wholesale services, including the standby value of the SCV Water delivery facilities and supply, staff prepared an updated cost analysis to derive a new proposed wholesale rate structure. The structure consists of a monthly fixed charge, and a variable charge for each acre foot of water purchased.

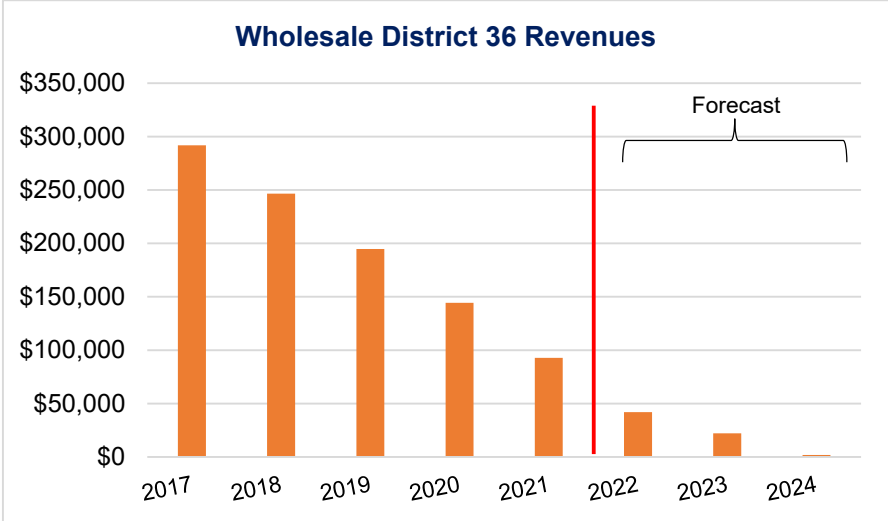
CURRENT RATES

Current rates for Calendar Year (“CY”) 2021 and 2022 are shown in Table 1 below. These rates were calculated based on a detailed water rate study dated March 16, 2016.

Table 1: Current Wholesale Water Rates

Current Wholesale Water Rates		
Calendar Year	Annual Fixed Charge	Variable Rate per AF
2021	\$92,849	\$242.92
2022	\$42,528	\$250.21

Chart 1: Actual and Projected Wholesale Gross Revenues with Current Rate Structure



PROPOSED RATES

This 2022 Wholesale Water Rate analysis conducted by staff follows the same methodology of cost functionalization as was used in the recently completed retail rate study. Functions are major groupings of many different types of costs that result in an output such as water quality and treatment. Table 2 contains a list of the Agency’s wholesale water functions. Functionalized costs were reviewed and only those costs applicable to wholesale water service were included in this study. Since the merger of water agencies in the Santa Clarita Valley, only District 36 remains as a wholesale customer of the Agency. As a result, the total amount of wholesale cost recovery is much smaller than in past wholesale water rate studies. The wholesale water rate structure is designed to meet the following Agency objectives:

- ◆ Ensure financial sufficiency by meeting the operation and maintenance (O&M) costs, and capital replacement and improvement costs, associated with maintaining the readiness to serve District 36, and the supply of high-quality water that may be requested by District 36
- ◆ Encourage efficient use and conservation of water by establishing a rate design framework consistent with the cost-of-service guidelines used in the industry that adequately and fairly distributes the full cost of service to customers of the Agency based on the demand they place on the Agency’s system
- ◆ Recover the customer billing costs associated with providing wholesale water service

New rates were developed by staff and reviewed by the Ratepayer Advocate. This report serves as the documentation for the analysis. The new rate structure includes two components:

- ◆ The **Fixed Charge** is a monthly charge designed to recover the costs of the Agency maintaining its readiness to serve District 36 at any time for up to the full capacity of the turnouts that connect District 36 to the Agency. For the Agency to be able to provide this service, costs of water quality and treatment facilities, and associated personnel salaries and benefits, laboratory and testing costs, regulatory fees, and professional services were included. In addition, customer account costs including billing, salaries and benefits were allocated; water resources costs comprised of personnel salaries and benefits, water acquisition costs, and the water shortage contingency plan were included. Also included in the fixed charge are portions of the water treatment capital improvement plan (structures and plants) and transmission and distribution transmission mains capital improvements. Table 2 summarizes these costs originated from the Agency budget.

Table 2: Wholesale Water Rate Fixed Charge Costs by Function

Function	Fixed Cost
Water Quality & Treatment	\$ 48,923
Customer Accounts	\$ 30
Administrative and General	\$ 150,131
Water Resources	\$ 86,914
Water Treatment-Structures & Plant	\$ 3,634
Transmission & Distribution -Transmission Mains	\$ 2,706
Total	\$ 292,338

- ◆ The **Variable Charge** recovers the cost per acre foot of water sold to District 36. This charge includes cost recovery of the source of water supply which includes the Buena Vista/Rosedale Rio Bravo (BV/RRB) supply and other banking programs; purchased power costs for operating the water treatment plant, cost of chemicals for water treatment, and public outreach & communication of water efficiency, and conservation program costs. Table 3 summarizes these costs by Function. Additional detail of these cost functions is shown in Table 3 and Table 5.

Table 3: Wholesale Water Rate Variable Charge Costs by Function

Function	Variable Cost Per ccf
Source of Supply	\$ 0.28
Purchase Power	\$ 0.02
Water Quality & Treatment	\$ 0.05
Water Resources	\$ 0.13
Total	\$ 0.48

In cases of state-mandated reduction in water usage, the Agency may reduce the amount of water made available to District 36 by the mandated reduction percentage, consistent with the Agency’s adopted Water Shortage Contingency Plan and Ordinance.

Per American Water Works Association (AWWA) M1 Manual “The rates may be “unbundled” into the various components of supply, treatment, transmission, distribution storage, and so on. By unbundling the utility’s rates, the various components that are relevant to the standby service can be consolidated into a standby rate.”

RATE DESIGN

The rates were calculated using procedures described in the AWWA’s M1 Manual, Stand-by-Charges, for determining wholesale water rates. It is important to remember that there is no "one-size-fits-all" approach to establishing cost-based water rates when developing wholesale water rates, the M1 Manual is aimed at outlining the basic elements involved in wholesale water rates and suggesting alternative rules of procedure for formulating rates, thus allowing the exercise of judgment and preference to meet local conditions and requirements.

To ensure rate equity, a customer should be required to bear any direct costs incurred to provide the service interconnection as well as the maintenance of that interconnection. In providing the readiness to serve, there are generally two types of rates to fairly collect the costs associated with reserving capacity and then the use of that capacity. First, the customer is assessed a fixed demand charge to recover the costs of providing standby or reserved capacity. This charge is billed to the customer regardless of the amount of water consumed. Once a customer consumes water on a standby basis, a consumption charge is applied for all water consumed. By using both rate components, this will ensure that the customer is not subsidized by other customers.

The analysis used data from the Agency’s 2021 retail cost-of-service and water-rate study, which is the most recent data available.

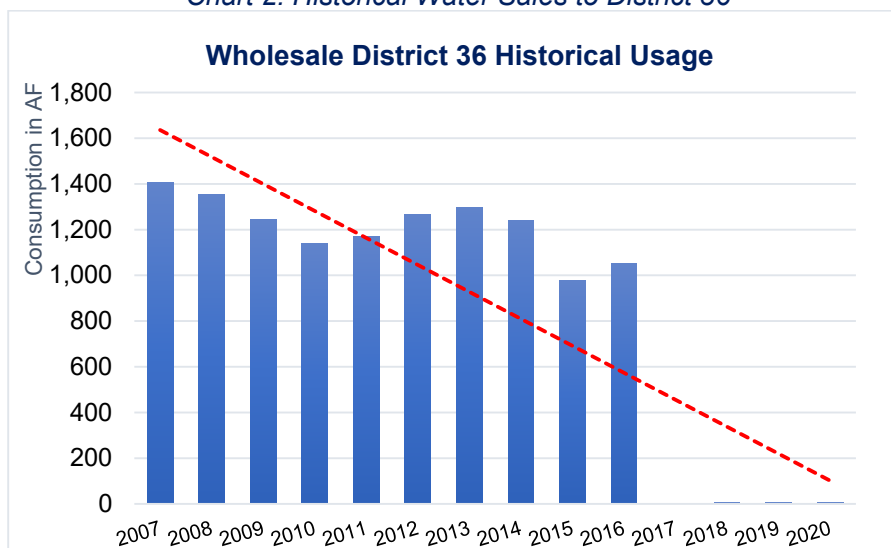
Water Demand in acre feet AF

The water supply and demand are expressed in acre feet (AF). The acre feet forecast in Table 4 is based on a number of components, including population growth projections from the Santa Clarita Economic Development Corporation (Data (scvedc.org)), as well as legal obligations for lower consumption. Table 4 shows the forecasted volumes in the current cost-of-service study.

Table 4: Projected Water Sales in Acre Feet

Projected Sales in AF				
	2021	2022	2023	2024
SCV Water Agency	58,636	58,810	58,940	59,073
L.A. County WWD #36	-	-	-	-
Total Projected Sales in AF	58,636	58,810	58,940	59,073

Chart 2: Historical Water Sales to District 36



Under the existing rate structure, wholesale revenues from District 36 are forecast to continue to decline as shown in Chart 2. This is because the fixed rate was set to recover 80% of the fixed costs of water that was actually sold to its wholesale customers. Now that the Agency has only a single wholesale customer, and that customer has significantly changed the amounts of water it purchases from the Agency, this rate design no longer performs as intended.

Variable Operating Expenditures

Table 5 breaks down the cost functions identified in Table 2 and includes the total cost of these items (attributable to the sum of wholesale and retail driven costs). The \$12,767,336 of total variable cost for these functions were reduced by a non-operating revenue offset of \$659,579 (the amount of non-operating revenues allocated to wholesale service as explained in “Water Rate Revenue Requirement”) to arrive at the Agency’s adjusted variable cost of water for these functions. There are other variable operating costs that do not apply to wholesale water (such as purchased power costs for operating wells and pumping facilities) and these are not shown in this table. Table 7 Total Purchased Power Cost for the Agency shows the full breakdown of the Function “Purchased Power”. The reason for excluding some of the Purchased Power Function’s cost elements is that they are not relevant to Wholesale Water. The costs shown in Table 5 are divided by the full expected number of ccf to be purchased by Agency customers (Retail and Wholesale). The result is the wholesale water variable cost per ccf. The analysis used data from the Agency’s 2021 retail cost-of-service and water-rate study, which was derived from the Agency’s budget and other financial documents and is the most recent data available.

Table 5: Functional Variable Cost Components

Functions	Allocated Variable Cost	Variable Cost per ccf
Source of Supply	\$ 7,501,112	\$ 0.28
<i>Buena Vista/ Rosedale Rio Bravo (BV/RRB) Supply</i>	4,417,409	0.17
<i>Firming Programs</i>	3,083,703	0.11
Purchased Power	\$ 433,867	\$ 0.02
<i>Power Purchased - Treatment Plant</i>	433,867	0.02
Water Quality & Treatment	\$ 1,374,520	\$ 0.05
<i>Chemicals</i>	1,374,520	0.05
Water Resources	\$ 3,457,837	\$ 0.13
<i>Agency Publications</i>	27,753	0.01
<i>Community Relations</i>	159,325	0.01
<i>Public Outreach & Activities</i>	808,555	0.02
<i>Water Efficiency and Conservation</i>	2,462,203	0.09
Total Variable Cost	\$ 12,767,336	\$ 0.48
<i>Revenue Offset</i>	\$ (659,575)	
Total Adjusted Variable Cost	\$ 12,107,761	
Units of Service in ccf	25,617,472	
Variable Cost per ccf	\$0.48	
Variable Cost per AF	\$205.88	

The unit cost formula used to calculate the Variable Cost per ccf is:

Variable Cost =	$\frac{\text{(Variable Operating Expenditures – Allocated Revenue Offset)}}{\text{Units of Service}}$
------------------------	---

Water Rate Revenue Requirement

To estimate the overall water rate revenue needed, miscellaneous fees, service connections fees, 1% property taxes, communication and rental income, investment revenues, and grants were removed as offsets to operational expenses. Table 6 shows that the Agency’s overall Non-Operating Revenue Offset is \$32,558,931, with a \$1,701,805 offset for the Source of Supply allocated costs.

The variable Wholesale cost-of-service is \$12,767,336 as shown in Table 5, representing 38.76% of the overall Source of Supply O&M costs of \$32,941,760 in Table 6. Using this percentage (38.76%) we derived the revenue offset of \$659,575 shown in Table 5. This is 38.67% of the \$1,701,805 of the non-operating revenue offset for source of supply shown in Table 6.

Table 6: Retail Revenue Cost of Service Non-Operating Revenue Offset

Cost Allocation Summary	Cost of Service	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service
O&M Expense	\$ 77,422,023	\$32,941,760	\$ 22,293,556	\$ 10,076,152	\$ 7,866,263	\$ 547,143	\$ 3,608,334	\$ 88,817
Other Obligations	31,349,791	-	13,022,980	3,871,338	6,129,943	4,177,763	4,113,972	33,795
Non-Operating Revenues Offset	(32,558,931)	(1,701,805)	(13,015,464)	(4,047,280)	(5,990,674)	(3,834,151)	(3,934,183)	(35,375)
Total Revenue Requirements	\$ 76,212,883	\$31,239,955	\$ 22,301,071	\$ 9,900,209	\$ 8,005,532	\$ 890,755	\$ 3,788,124	\$ 87,237

Table 7: Total Purchased Power Cost for the Agency

Purchase Power	Variable
Power Purchased	\$ 69,729
Power Purchased - Pumping	\$ 8,160,827
Power Purchased - Sewer	\$ 10,330
Power Purchased - Treatment Plant*	\$ 433,867
Power Purchased - Wells	\$ 173,547
Total Purchased Power	\$ 8,848,299

*The purchased power cost for operating the water treatment plant is the only cost that is allocated to both wholesale and retail. Other purchase power costs are fully allocated to retail customers.

Fixed Costs

All other operating costs are fixed as they do not vary with the amount of water sales. The Operating and Maintenance (“O&M”) expenses and planned capital improvement, by function and their allocated amounts to wholesale water rates are shown in Table 8. The methodology for allocating these costs to wholesale water rates is described in the table below.

Table 8: Fixed Costs by Function (O&M and Capital)

Functions	Fixed	Allocated to Wholesale Rates
<i>Water Quality and Treatment</i>	\$ 1,160,009	\$ 48,923
<i>Customer Accounts</i>	2,425,388	30
<i>Administrative and General</i>	7,448,115	150,131
<i>Water Resources</i>	4,311,877	86,914
Total O&M Fixed Cost	\$ 15,345,388	285,998

CIP Functions	Fixed	Allocated to Wholesale Rates
<i>Water Treatment -Structures and Plant</i>	\$ 10,934,607	\$ 3,634
<i>T&D-Transmission Mains</i>	8,140,351	2,706
Total CIP Cost	\$ 19,074,957	6,340
Total Fixed Cost	\$ 34,420,345	\$ 292,338

The capital improvement projects (CIP) shown in Table 8, are directly related to wholesale water service.

Fixed Cost Allocation Methodology

The fixed costs are allocated among three categories: Source of Supply, Maximum Day Demand, and Customer Service.

1. Source of Supply which includes the Administrative and General costs
2. Maximum Day Demand (MDD)¹ which includes Water Quality and Treatment, Administrative and General and CIP costs.
3. Customer Service which includes Customer Accounts

¹ *Maximum Day Demand (MDD) – the costs of delivering water to customers on the day with the highest demand*

The first step is to calculate the fixed unit cost.

$\text{Fixed Unit Cost} = \frac{\text{Fixed Operating Expenditures} - \text{Allocated Revenue Offset}}{\text{Units of Service}}$
--

The fixed unit cost is then multiplied by the readiness to serve volume.

1. Source of Supply categories:

$$\text{Annual Fixed Cost} = \text{Readiness to Serve Volume} \times \text{Fixed Unit Cost}$$

Readiness to serve volume is based on pre 2017 Ten-Year Historical Usage Average approximately 1,250 Acre Feet per year. Following AWWA capacity standards to scale fixed rates ensures a consistent pricing baseline. Charges for providing District 36 with accessibility to water are classified as "readiness-to-serve" charges. Since they are assessed whether or not water is utilized, they make up a constant amount of District 36' bills.

2. Maximum Day Demand (MDD)¹ categories:

$$\text{Annual Fixed Cost} = \text{Capacity Base} \times \text{Fixed Unit Cost}$$

Capacity base is calculated using the Waterworks District 36 turnout's capacity of 6,600 gallon per minute.

The AWWA guidelines recommend using a 2-to-4-hour multiplier for the capacity requirement when estimating the system's maximum day capacity. In this study, staff chose 3 hours to represent the midpoint of the 2-to-4-hour range. In the end, it comes down to the fire standards that must be met while constructing system infrastructure. The fact of the matter is that the capacity of system infrastructure is far more than the average daily demand placed on the system by users, and the cost of capacity maintenance, repair, and replacement must be recovered fairly from all customers.

$$\text{District 36 Turnouts MDD Capacity} = (6,600 \text{ GPM} \times 60 \text{ mins} \times 3 \text{ hours}) / 748 = 1,588 \text{ CCF/Day}$$

The following section of Tables are showing the detail of costs included in Table 8.

Fixed Operating Expenditures Breakdown

Figure 1: Water Quality and Treatment

Functions	Fixed	Allocated to Wholesale Rates
Water Quality and Treatment - Benefits	\$ 318,015	\$ 13,412
Water Quality and Treatment - Labor	583,315	24,601
Backflow Prevention	213	9
Laboratory Expense	157,946	6,661
Maintenance & Repair - Treatment Equipment	10,719	452
Miscellaneous Expense (testing samples, gases)	33,013	1,392
Professional Services - Outside Services & Consulting	17,015	718
Regulatory Fees	39,773	1,677
Water Quality and Treatment	\$ 1,160,009	\$ 48,923

Figure 2: Customer Accounts

Functions	Fixed	Allocated to Wholesale Rates
Customer Accounts - Benefits	\$ 552,378	\$ 7
Customer Accounts - Labor	1,086,674	14
Billing & Collecting	723,920	9
Uncollectable Accounts	62,416	1
Customer Accounts	\$ 2,425,388	\$ 30

Figure 3: Water Resources

Functions	Fixed	Allocated to Wholesale Rates
DD Landowner Expenditure	\$ 204,980	\$ 4,132
DD Variable DWR Charges	102,490	2,066
Groundwater Sustainability Agency	250,000	5,039
Water Resources - Benefits	706,154	14,234
Water Resources - Labor	1,822,953	36,745
Water Shortage Contingency Plan	20,000	403
Water Acquisition costs- Ventura	20,498	413
Water Acquisition costs- Semi Tropic	84,240	1,698
Water Acquisition costs- BV/RRB	60,000	1,209
Salt and Nutrient Management Plant	100,000	2,016
Annexation Support	50,000	1,008
Grant Administration	200,000	4,031
Professional Services - Outside Services & Consulting	640,563	12,912
Integrated Regional Water Management Plan	50,000	1,008
Water Resources	\$ 4,311,877	\$ 86,914

Figure 4: Administrative and General

Functions	Fixed	Allocated to Wholesale Rates
General & Administrative - Labor	\$ 1,776,854	\$ 35,816
Management - Labor	253,842	5,117
Payroll Taxes (UEI)	2,916	59
General & Administrative - Benefits	895,057	18,042
Management - Benefits	119,601	2,411
Retiree Benefits	191,642	3,863
Earthquake/Flood Insurance	21,871	441
Liability/Property Insurance	486,972	9,816
Parts & Material	43,096	869
Professional Services - Outside Services & Consulting	220,542	4,445
Security/Alarm Services	51,032	1,029
Capital Equipment to CIP	(32,322)	(652)
Dues and Memberships	82,325	1,659
Employee Expense	45,498	917
Employee Travel	45,376	915
Internal Relations	20,673	417
Maintenance & Repair - Office Equipment	21,413	432
Miscellaneous Expenses (bank fees, special projects)	85,704	1,728
Office Supplies	67,203	1,355
Overhead Allocation	(221,481)	(4,464)
Professional Development - Education/Training	132,834	2,678
Professional License/Fees	36,451	735
Professional Services - Accounting	29,886	602
Professional Services - Outside Services & Consulting	220,277	4,440
Publications	6,932	140
Recruitment	10,935	220
Rent/HOA Dues	20,486	413
Safety Training and Equipment	62,462	1,259
Supplies and Services	110,720	2,232
Temporary Personnel	91,582	1,846
Uniforms	43,377	874
Utilities	144,387	2,910
Vehicle Expense (Repairs)	546,222	11,010
Vehicle Operating (Includes Fuel)	73,265	1,477
Director - Benefits	124,528	2,510
Director - Compensation	82,292	1,659
Director - Expenses	49,454	997
Professional Services - Legal	408,035	8,225
Professional Services - Legislative Advocate Services	118,467	2,388
Professional Services - Outside Services & Consulting	63,790	1,286
Computer Support	893,919	18,019
Administrative and General	\$ 7,448,115	\$ 150,131

Figure 5: Water Treatment, Transmission and Distribution CIP Projects

CIP Functions	Fixed	Allocated to Wholesale Rates
<i>Water Treatment - Structures</i>	\$ 508,430	\$ 169
<i>Water Treatment - Plant</i>	10,426,177	3,465
Water Treatment -Structures and Plant	\$ 10,934,607	\$ 3,634
<i>T&D-Transmission Mains</i>	8,140,351	2,706
T&D-Transmission Mains	\$ 8,140,351	\$ 2,706
Total CIP Cost	\$ 19,074,957	\$ 6,340

These capital improvement projects, which are included in the proposed rates, only include projects allocated to wholesale customers.

REVENUE OFFSETS

Revenue offsets are Agency revenues other than retail and wholesale water rate revenues. These revenues are available to offset retail and wholesale water rate revenues. The results are shown in Table 9 below. Table 9 is showing a projected amount of offsets for the future years; actual adjustments will be made based on Consumer Price Index increases.

Table 9: Agency Revenues available for reducing retail and wholesale rates

Revenue Offsets	Budget FY 2021/22	Budget FY 2022/23	Budget FY 2023/24	Budget FY 2024/25
Other operating revenues	\$ 3,999,700	\$ 4,049,697	\$ 4,100,394	\$ 4,151,802
<i>Misc. Fees (Customer Related fees and charges such as late fees, disconnect charges, etc.)</i>	1,000,000	1,020,000	1,040,400	1,061,208
<i>Service Connection/Expansion Fees</i>	2,999,700	3,029,697	3,059,994	3,090,594
Non-operating revenues	\$ 28,559,231	\$ 24,912,679	\$ 21,318,227	\$ 22,198,199
<i>1% Property Tax Revenues</i>	16,417,976	16,647,957	17,597,295	18,411,491
<i>Communication/ Rental Income</i>	509,682	519,876	530,273	540,879
<i>Investment Revenues</i>	1,678,043	1,703,213	1,728,761	1,754,693
<i>Settlement Agreement (CIP)</i>	3,940,000	-	-	-
<i>Settlement Agreement (O&M)</i>	1,405,131	1,433,233	1,461,898	1,491,136
<i>Grants and Reimbursements</i>	1,608,400	1,608,400	-	-
<i>Use of Capacity Fees (Retail)</i>	3,000,000	3,000,000	-	-
Total Revenue Offsets	\$ 32,558,931	\$ 28,962,376	\$ 25,418,621	\$ 26,350,001

FINANCIAL RESULTS FORECAST

Wholesale water rate components (fixed and variable) are based on the actual and projected Agency expenses for providing wholesale water service to its Wholesale Customer, District 36. Annual rate changes will be based on the Consumer Price Index (“CPI”). The assumptions for the table below are that annually, the wholesale rate will increase by 3% due to changes in the CPI, and water usage will be 500 AF in Calendar 2022 and each year after that, usage will increase by 10% each year. Table 10 is a scenario of what rates may look like under these assumptions. This is not a table of what the rates will necessarily be.

Table 10: Projected Wholesale Water Rates for Calendar Years 2022-2026

Wholesale Water Rates					
	2022	2023	2024	2025	2026
Annual Rate Increase		3.00%	3.00%	3.00%	3.00%
Proposed Fixed per Year	\$292,338	\$301,108	\$310,141	\$319,446	\$329,029
Proposed Variable per AF	\$205.88	\$212.05	\$218.42	\$224.97	\$231.72
Projected Operating Revenue	\$80,052,122	\$85,487,878	\$91,312,445	\$98,207,437	\$105,644,007
Wholesale Water Usage in AF	500	550	605	666	732
Projected Wholesale Revenue	\$395,277	\$417,738	\$442,283	\$469,162	\$498,658

RECOMMENDATION

The operating and capital improvement costs allocated to wholesale water rates are summarized in Table 11. Both the variable unit cost and fixed cost per function. The result of this cost allocation are the wholesale rates shown in Table 11.

Table 11: Operating and Capital Improvement Costs Allocated to Wholesale Water Rates

		Capacity Base		6,600 GPM			
		Readiness to Serve Volume		1,250 AF			
O&M Functions	Variable Unit Cost	Fixed Unit Cost	Cost Components	Multiplier (Capacity or Usage)	Unit	Total Annual Cost	Total Monthly Cost
Source of Supply	\$0.28						
Purchase Power - Treatment Plant	\$0.02						
Water Quality & Treatment	\$0.05	\$30.80	MDD	1,588	ccf - Turnouts MDD Capacity	\$48,923	\$4,077
Customer Accounts		\$2.52	# of Bills	12	Bills	\$30	\$3
Administrative and General		\$0.28	Source of Supply	544,499	Readiness to Serve Volume	\$150,131	\$12,511
Water Resources	\$0.13	\$0.16	Source of Supply	544,499	Readiness to Serve Volume	\$86,914	\$7,243
		\$0.48 ccf				Annual Fixed	\$285,998
		\$205.88 per AF				Monthly Fixed	\$23,833
CIP Functions	Variable Unit Cost	Fixed Unit Cost	Cost Components	Multiplier (Capacity or Usage)	Unit	Total Annual Cost	Total Monthly Cost
Water Treatment-Structures & Plant		\$2.29	MDD	1,588	ccf - Turnouts MDD Capacity	\$3,634	\$302.86
T&D-Transmission Mains		\$1.70	MDD	1,588	ccf - Turnouts MDD Capacity	\$2,706	\$225
						Annual Fixed	\$6,340
						Monthly Fixed	\$528
						Total Fixed	\$292,338
							\$24,362

*Readiness to Serve Volume:Based on pre 2017 Ten-Year Historical Usage Average

Table 12: Proposed Wholesale Water Rates

Wholesale Water Rates		
Calendar Year	Annual Fixed Charge	Variable Rate per AF
2022	\$292,338	\$205.88



BOARD MEMORANDUM

DATE: January 13, 2022
TO: Board of Directors
FROM: Dirk Marks *DM*
Director of Water Resources
SUBJECT: Authorize the General Manager to Execute an Amendment to the Reservoir Agreement for Sites Reservoir to Fund Necessary Planning Costs

SUMMARY

The Sites Reservoir is an off-stream reservoir that would supplement SCV Water's imported water supplies. State and federal agencies, and public water agencies north and south of the Delta are participating in the development of this project. On June 22, 2016, the Castaic Lake Water Agency (CLWA) Board of Directors authorized participation in the initial planning efforts for the Sites Reservoir Project. The subsequent participation agreement was amended twice to facilitate planning activities through 2021 with significant progress being made including securing Proposition 1 Funding, right-sizing the project, preparation of initial and revised environmental documents, and development of water rights applications, operating principles and financial plans. Although not currently incorporated into the Urban Water Management Plan (UWMP), the Sites Reservoir project provides an alternative to currently planned projects that maintain reliability as water demands grow or may provide a contingency supply. Execution of a third amendment to complete planning process and initiate preliminary design would keep these options open to SCV Water. Subsequent approval by the Board of Directors would be required prior to SCV Water committing to participating in final design, construction, and operation of Sites Reservoir.

DISCUSSION

Background

The Sites Reservoir has been evaluated as a water supply project for more than 30 years. It was originally envisioned as part of, what was called at the time, Stage II of the State Water Project and was administered by DWR until 2010 when the Sites Reservoir Authority (Authority) was formed to take over the project and move it forward. The Authority (membership consisting of north of the Delta entities) would own the land, the reservoir and hold the water rights and permits. Its Reservoir Committee was created in 2016 to fund and oversee the planning, construction and operation and is currently made up of 23 entities from both north and south of the Delta. Initial planning efforts focused on preparation of a Draft EIR/EIS driven in part by efforts to secure Proposition 1 funding. In 2018, the California Water Commission awarded \$816M to fund public interest participation in the project and the U.S. Department of Agriculture committed to fund \$449M to help build certain aspects of the project.

In 2010, the project was envisioned as an off-stream reservoir with 1.3 to 1.8 million acre-feet (MAF) of storage capacity. In 2020, participants undertook a considerable value engineering

process that arrived at a preferred 1.5 MAF off-stream reservoir project, filled using existing Sacramento River diversions from the Tehama-Colusa and Glenn-Colusa Canals. South of Delta deliveries would be made through the Tehama-Colusa Canal through the proposed Dunnigan Pipeline to the Colusa Basin Drain and then to the Sacramento River. This preferred alternative is incorporated in the October 2021 Revised Draft EIR/EIS (<https://sitesproject.org/revised-draft-environmental-impact-report-supplemental-draft-environmental-impact-statement/>). A map of the proposed facilities and an operational diagram are included in Attachment A. The project would divert water from the Sacramento River during high flow conditions during winter and spring. Water would be released to participants during the summer and fall. Releases to South of Delta Participants would occur primarily during dryer years when conveyance capacity through the Delta is available. Further, the California Department of Fish and Game would operate 16 percent of the reservoir to support public environmental interest.

Potential Benefits to SCV Water of Sites Reservoir Participation

While the Sites Reservoir Project is not included in SCV Water’s UWMP at this time, participation in this project provides a potential backstop if some of the planned for water supply elements in the UWMP cannot be developed or could provide a contingency source of supply to mitigate potential known or unknown risks facing SCV Water while further diversifying the Agency’s water supply portfolio. Figure 1 below illustrates those existing and proposed water supply elements at buildout included in the UWMP but differs somewhat from previous UWMP presentations as the demands shown assumes only passive conservation measures which is indicated by the large black dot below. Because future active conservation could change as may be dictated by future regulatory actions and is also dependent on the level of Board authorized spending, the following diagrams show it as a future water supply.

Figure 1

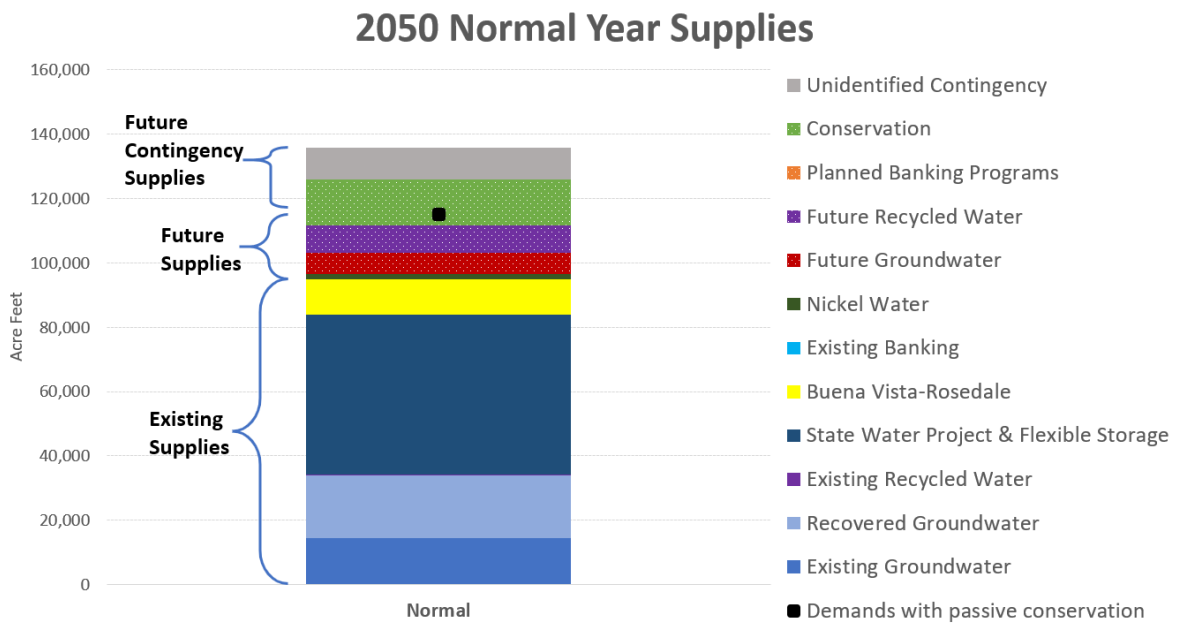
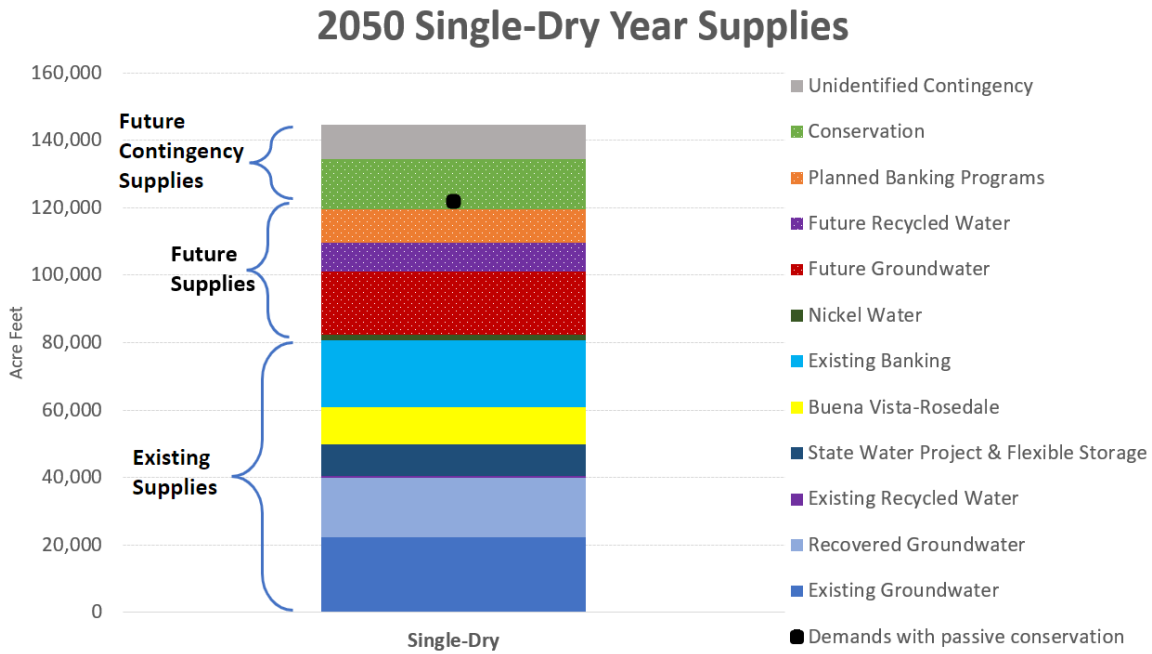


Figure 2



A high-level summary of uncertainties associated with current and future elements of SCV Water portfolio is provided in the Figure 3 below. These include actual climate change impacts exceeding those estimates that are already incorporated into demand estimates, groundwater operating plans and State Water Project supplies. As illustrated by SCV Water’s experience with PFAS contamination, groundwater supplies and groundwater banking programs are subject to future regulatory constraints that may occur due to constituents of emerging concern (CECs). Additionally, water supplies that pass through the Sacramento San Joaquin Delta are subject to ongoing water quality and endangered species regulation by the State Water Resources Control Board, California Department of Fish and Wildlife, US Fish and Wildlife Service and NOAA National Marine Fisheries Service.

Sites Reservoir would be subject to similar uncertainties common with other surface water supplies. The project, however, has several potential upsides that may result in additional yield. To the extent that climate change results in less snowpack and higher flow rates in the Sacramento River, Sites reservoir is positioned to divert a portion of those flows for use later in the year or during dry and critically dry years. Additionally, should a Delta Conveyance Facility (DCF) be constructed, that facility could be used to convey Sites Project water and thus reduce carriage losses that otherwise would be experienced. This potential was specifically recognized in the Agreement in Principle that would form the basis for a contract amendment for the DCF.

Figure 3

Portfolio Elements	Uncertainties
Existing Water Supplies	<ul style="list-style-type: none"> • Climate change exceeds those estimates already included in UWMP analysis • Temporary disruption of groundwater and banking programs due to constituents of emerging concern (CECs) • Increased regulatory constraints on SWP supplies • State approval of Groundwater Sustainability Plan
Active Water Conservation	<ul style="list-style-type: none"> • New conservation mandates (interior 42 gpcd and higher irrigation efficiency) may increase conservation • Fiscal investments and enforcement implications • Nature of future development
Recycled Water	<ul style="list-style-type: none"> • Conservation mandates may decrease supply and decrease demand for non-potable irrigation water
Planned Groundwater Banking (Rosedale Expansion)	<ul style="list-style-type: none"> • CECs • Siting of proposed wells
Planned Groundwater Banking (NLF Semitropic)	<ul style="list-style-type: none"> • Contract negotiations for transfer to SCV Water
Future Groundwater – Alluvial (Retired Ag Production Newhall Ranch)	<ul style="list-style-type: none"> • Siting and permitting of wells • CECs
Future Groundwater - Saugus	<ul style="list-style-type: none"> • Siting and permitting of wells • CECs
Sites Reservoir	<ul style="list-style-type: none"> • Climate change may result in higher winter flows in the Sacramento River and greater project yield • Additional benefits from Delta Conveyance Facility • Increased regulatory constraints on operating criteria

Staff has performed some initial analyses of how Sites Reservoir could be incorporated into SCV Water Portfolio. This analysis was part of the 2021 Update of the Water Reliability Plan. (https://yourscvwater.com/wp-content/uploads/2021/04/SCV-Water-Reliability-Plan-update_2021-Master_DRAFT-1.pdf). Several scenarios were developed that are summarized in Figure 4. The base case and case 1 represent existing supplies and the current UWMP supplies respectively. Cases 2-5 represent various assumptions relating to the future development of Saugus wells with Sites Reservoir analyzed for cases 3-5. The analysis concluded that these cases met SCV Water’s reliability objective.

Figure 4

Component	Base	1	2	3	4	5
Alluvial & Existing Saugus	*	*	*	*	*	*
SWP and BVRRB	*	*	*	*	*	*
Existing Banking Programs	*	*	*	*	*	*
Saugus Wells 3 and 4		*	*	*		
Saugus Wells 5 - 8		*				
Additional Rosedale Bank Capacity		*	*	*	*	
Sites Reservoir				*	*	*
AVEK High Desert Bank			*		*	*
McMullin GSA Aquaterra Bank						*

Additionally, the Sites Reservoir could benefit SCV Water by further diversifying the Agency’s water supply portfolio and mitigating further reduction of SWP imported supplies. In addition, being a surface supply (and the fact that current available Delta pumping windows occur in the summer), delivery of this supply is more readily scheduled in high demand summer months than groundwater banking supplies. Thus, this supply could complement needed investments in groundwater banking programs.

Current Estimate of Water Supply Benefits

At SCV Water’s current 5,000 AF participation level, it would receive approximately 2% of available diversions from the Sacramento River and control storage space of approximately 31,000 AF. Under the Draft Operating Principles, once diverted into the reservoir, water would be delivered as scheduled by SCV Water in a year of its choice. Generally, the availability of Delta conveyance capacity is higher in below normal, dry, and critically dry years when the value of this supply to SCV Water would be the greatest. SCV Water would have the ability to sell its supply to other participants or lease its storage space to other participants to offset its costs should that be desired. The Sites Project is working with DWR and Reclamation to explore coordinate operations of Sites with operations of the State Water Project and the Central Valley Project including opportunities for exchanging water to enhance project operations including preserving cold water reserves at Shasta and Oroville reservoirs.

Current estimates indicate the project could make up to 9,000 to 10,000 AF available in dry and critically dry years North of the Delta. This supply would be subject to carriage losses which can run between 15%-35% depending on conditions in specific hydrologic years. If a Delta Conveyance Facility is constructed these carriage losses would likely be reduced. Conversely, more restrictive diversion conditions resulting from the permitting process for incidental take permitting for endangered species could result in lower yields.

Although not currently incorporated into the Urban Water Management Plan, the Sites Reservoir project provides an alternative to currently planned projects that maintain reliability as water demands grow or may provide a contingency supply. Continued participation in the Sites project maintains water supply reliability options for SCV Water while uncertainties associated with other existing and potential supplies become better defined.

Current Estimate of Costs

Sites Reservoir represents a significant investment of public funds to secure future water supplies. It is a multi-purpose reservoir that will provide incidental flood control protection for adjacent communities, environmental benefits funded through Prop 1 investments and water supply benefits to agricultural and M&I participants. The current estimated cost for the project is \$3.9B (2021 dollars). Approximately 85% of project costs would be capitalized construction and planning costs with the remaining 15% representing fixed and variable operating costs. The average annual cost for water north of the Delta is estimated at approximately ~\$750/AF to ~\$900/AF, depending largely on the cost of debt financing Carriage losses across the Delta would increase unit costs 15% to 35% depending on hydrologic conditions. Similarly, more restrictive permitting diversion criteria could increase unit costs.

The California Water Commission, at its December 15, 2021 meeting, determined the project feasible and confirmed the Sites Project remains eligible for up to \$836M of Prop 1 storage funding. The Sites Authority has secured \$100M in Water Infrastructure Improvements from the Nation Act (WIIN Act), and \$449M in USDA loans and is seeking \$600M in Water Infrastructure Finance and Innovation Act (WIFIA) loans to reduce financing costs. If secured, WIFIA funding sources could lower anticipated financing costs.

While it is difficult to compare costs at this juncture to other projects, Sites Reservoir is in the same order of magnitude with some of SCV Water's current and proposed water supplies like the Buena Vista Rosedale-Rio Bravo (BVRRB) water purchase or Phase 2 Recycled Water Projects. For example, the cost for the BVRRB supply is currently \$932/AF and that cost continues to increase at the average rate of the consumer price index and SWP cost increases. Given the large, fixed cost component of Sites Reservoir, it would be likely that the BVRRB unit costs will exceed those of Sites Reservoir within a decade of operation.

Another perspective when examining potential participation in Sites Reservoir would be to estimate the impact of Sites Reservoir participation on the cost on water supply to customers. While it is unknown at this time how much (if any) project costs might be paid for from 1% Property Tax or SWP Ad Valorem taxes, a conservative assumption would be to assume that the cost of the project would be paid for entirely through water rates. The currently estimated annual capital cost for the Sites project is \$4.3M with operating cost a \$0.64M. This results in a total annual cost of \$4.9M. Average annual water sales in 2050 are estimated at 101,000 AF or 44MCCF (in billing units). Thus, potential participation could add approximately \$0.11 per CCF or about \$1.67 per month for a customer that uses an average of 15 CCF.

Proposed Amendment to Reservoir Project Agreement

As authorized by the CLWA Board, staff executed the Reservoir Project Agreement for Sites Reservoir. Planning efforts resulted in the successful application to secure Prop 1 funding in the amount of \$816 million. In 2019 and 2020, staff executed no cost amendments that extended the work period through September 2020. Execution of a second amendment for 2021 planning costs was authorized by the SCV Water Board at its July 21, 2020 Regular Board Meeting. Work in this second phase included a value engineering effort that arrived at

the current project configuration. Attachment B contains the Agreement, past amendments, and the proposed Third Amendment. The proposed Third Amendment would cover the continuation of planning efforts through December 31, 2024. These efforts would include completing CEQA and NEPA documents, securing critical permits, securing water rights, advancing design and preconstruction activities sufficient to make the project ready to secure financing. Payments would be made consistent with the schedule in Table 1 below.

Table 1

Calendar Year	Payment Due Date	Unit Costs	SCVWA Costs
2022	May 1, 2022	100	\$500,000
2023	January 1, 2023	140*	\$700,000*
2024	January 1, 2024	160*	\$800,000*

*Maximum amount provided by agreement actual cost may be less. Collection subject to an affirmative vote of 75% of total number of participating agencies and 75% of the weighted participation in project.

At the end of the planning process, updated cost estimates, water rights and permit conditions would allow participants to reassess their commitment to complete the project. Such action would require affirmative action by participating members including SCV Water. There is also a chance that after 18 months into the work plan enough progress will have been made such that the Sites Project Authority would be eligible for financing the remainder of the planning workplan as well as commit to the remainder of the project. Again, such an action would require affirmative action by the Reservoir Committee members including SCV Water, desiring to continue participation prior to proceeding.

On January 12, 2022, the Water Resources and Watershed Committee considered staff's recommendation to authorize the General Manager to execute an amendment to the Reservoir Agreement for Sites Reservoir to fund necessary planning costs.

FINANCIAL CONSIDERATIONS

Sites Reservoir planning costs are contained in SCV Water's Capital Budget which contains \$750,000 and \$800,000 for FY2021/22 and FY 2023/23 respectively. These funding levels more than cover the scheduled funding amounts needed (see Table 1) during this period.

RECOMMENDATIONS

The Water Resources and Watershed Committee recommends that the Board authorize the General Manager to execute the Third Amendment to the Reservoir Agreement for the Sites Project.

DSM

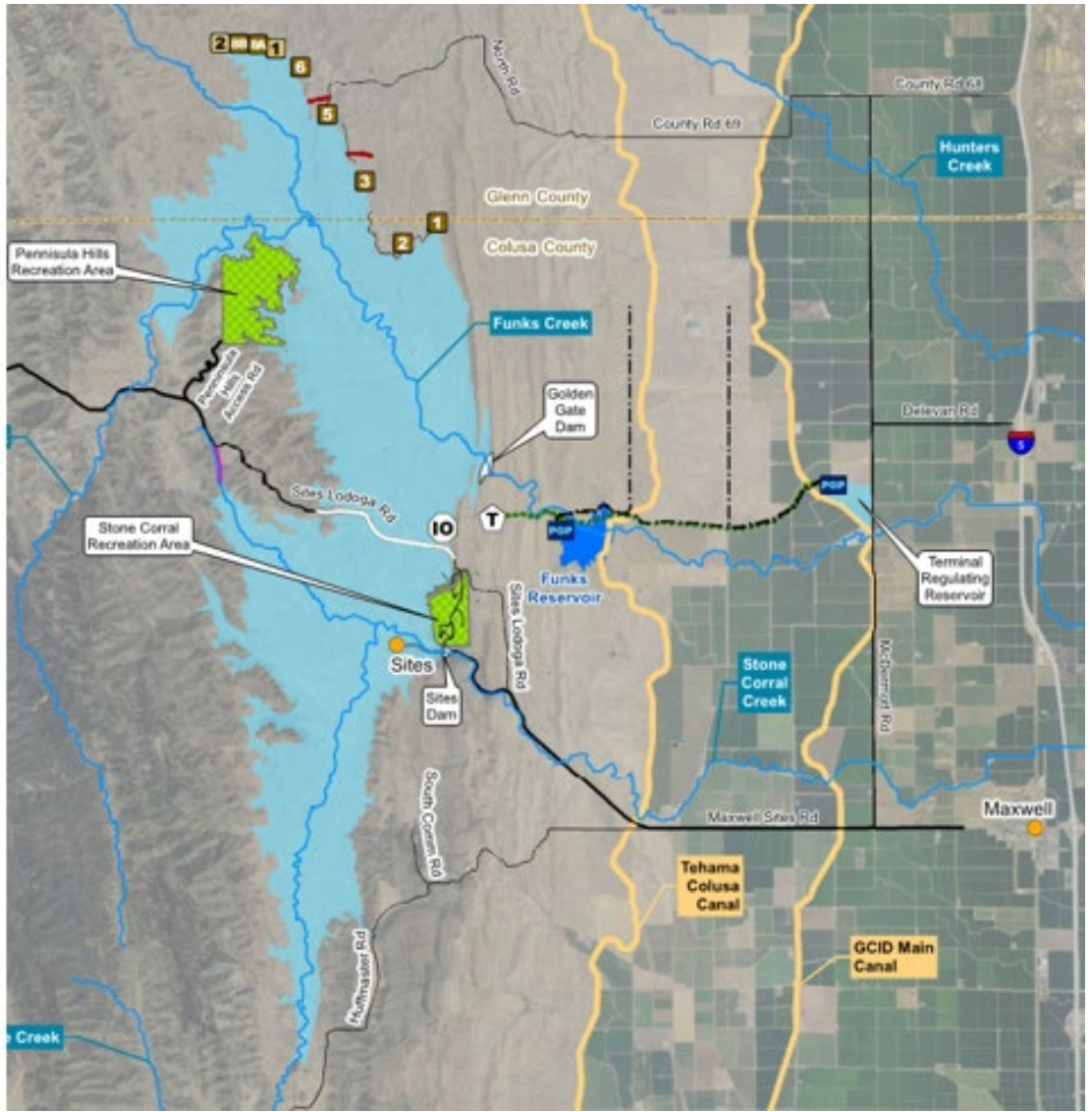
Attachments

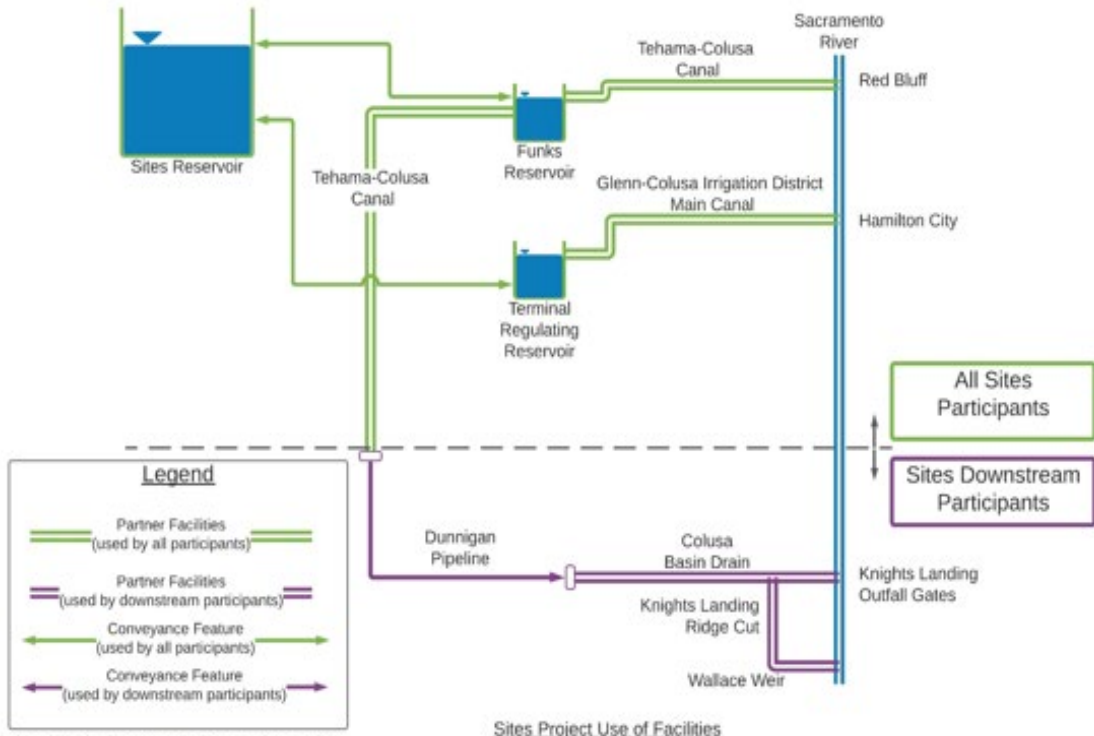
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Attachment A

Project Map





Predecisional Working Document – For Discussion Purposes Only

Sites Project Use of Facilities

Attachment B

SITES PROJECT AUTHORITY

2019 RESERVOIR PROJECT AGREEMENT

DATED AS OF APRIL 1, 2019

BY AND AMONG

SITES PROJECT AUTHORITY

AND

THE PROJECT AGREEMENT MEMBERS LISTED HEREIN

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THIS 2019 RESERVOIR PROJECT AGREEMENT is made effective as of April 1, 2019, by and among (a) the Sites Project Authority (the “Authority”) and (b) certain Members and/or Non-Member Participating Parties, listed on the attached **Exhibit A** and is made with reference to the following facts:

RECITALS

A. Various public agencies in the Sacramento River Watershed created the Authority in 2010. Various public agencies in the Sacramento River Watershed, including certain Project Agreement Members, previously entered into the Fourth Amended and Restated Sites Project Authority Joint Exercise of Powers Agreement, dated November 21, 2016, pursuant to which they are developing the Sites Reservoir Project, which is contained in the CalFed Bay-Delta program Programmatic Record of Decision, August 28, 2000. The Joint Powers Agreement provides a mechanism for “Project Agreements” (as defined in the Joint Powers Agreement) to undertake specific work activities for the development of the Sites Reservoir Project. On September 17, 2018, the Authority’s Board of Directors also adopted Bylaws for Phase 2 of the Sites Reservoir Project, which also address Project Agreements and their management through Reservoir Project Committees.

B. On April 11, 2016, certain Authority Members of the Authority entered into the PHASE 1 RESERVOIR PROJECT AGREEMENT which was amended and restated as of November 21, 2016.

C. The Authority and certain Project Agreement Members have undertaken a process to negotiate a 2019 Reservoir Project Agreement to undertake specific work activities.

D. The Project Agreement Members wish to continue development of the Project pursuant to a Work Plan approved by the Authority on November 19, 2018 and the Reservoir Project Committee on November 16, 2018 and a summary of which is described in **Exhibit B** attached hereto. The Project will be undertaken in the name of the Authority and in accordance with the Authority’s stated Mission as set forth in the fourth Recital of the Joint Powers Agreement. The Project Agreement Members are entering into this Project Agreement to satisfy the requirements of Article VI of the Joint Powers Agreement.

E. All members of the Authority have also been given the opportunity to enter into this Project Agreement. The form of this Project Agreement was determined to be consistent with the Joint Powers Agreement and the Bylaws and approved by the Authority’s Board of Directors on September 17, 2018.

F. The Authority and the Project Agreement Members acknowledge that one of the Authority’s goals, in addition to providing environmental benefits, is to develop and make both a water supply and storage capacity available to water purveyors and landowners within the Sacramento River watershed, and in other areas of California, who are willing to purchase either or both a water supply and storage capacity from the Sites Reservoir Project, and that the Project Agreement Members should have a preference to the water supply or storage capacity.

G. The Authority and the Project Agreement Members acknowledge that the approval and execution of this Project Agreement does not commit the Authority, the Project Agreement Members or any other party to any definite course of action regarding the Sites Reservoir Project. As

set forth in Section 6(a) of this Project Agreement, there are no assurances that the Sites Reservoir Project will be constructed. One of the prerequisites that would need to be fulfilled before the Sites Reservoir Project could be constructed is the completion of environmental review under the California Environmental Quality Act (“CEQA”). As part of this environmental review, the Authority, as the lead agency that is conducting the review, reserves all of its rights, responsibilities, obligations, powers, and discretion under the provisions of CEQA to: (i) evaluate the environmental impacts of the Sites Reservoir Project; (ii) deny and disapprove the Sites Reservoir Project if the environmental review reveals significant environmental impacts that cannot feasibly be mitigated; (iii) adopt feasible mitigation measures and/or an alternative to the Sites Reservoir Project to avoid or lessen significant environmental impacts; or (iv) determine that any significant environmental impacts that cannot feasibly be mitigated are outweighed by the economic, social or other benefits of the Sites Reservoir Project.

AGREEMENT

THEREFORE, in consideration of the facts recited above and of the covenants, terms and conditions set forth herein, the parties agree as follows:

Section 1 Definitions

“Authority” means the Sites Project Authority, a joint exercise of powers agency created pursuant to the Joint Powers Agreement.

“Authority Members” means the members of the Authority executing the Joint Powers Agreement, as such members may change from time-to-time in accordance with Section 3.3, Section 7.12 and Section 7.2 of the Joint Power Agreement.

“Board” means the Board of Directors of the Authority.

“Bylaws” means the Bylaws for Phase 2 of the Sites Reservoir Project adopted by the Authority on September 17, 2018, as such Bylaws may be amended or supplemented from time-to-time in accordance therewith.

“Committee” means the Reservoir Project Committee described in Section 3 of this Project Agreement.

“Fiscal Year” means the fiscal year of the Authority, which currently begins on January 1 of each calendar year and ends on December 31 of each calendar year, or such other twelve month period which may be designated by the Authority as its Fiscal Year.

“Joint Power Agreement” means the Fourth Amended and Restated Sites Project Authority Joint Exercise of Powers Agreement, dated November 21, 2016, as such agreement may be amended or supplemented from time-to-time in accordance therewith.

“Law” means Articles 1 through 4 (commencing with Section 6500), Chapter 5, Division 7, Title 1 of the California Government Code, as amended or supplemented from time-to-time.

“Material Change Item” shall have the meaning ascribed thereto in the Bylaws.

“Participation Percentage” means the Participation Percentages as set forth in **Exhibit A** hereto, as such Participation Percentages may be modified in accordance herewith.

“2019 Budget” means the 2019 Budget approved by the Committee on November 16, 2018 and the Authority on November 19, 2018, as such 2019 Budget may be amended or supplemented from time-to-time in accordance with the Joint Powers Agreement, this Project Agreement and the Bylaws.

“Project” or “Sites Reservoir Project” means the Sites Reservoir Project as described in **Exhibit B** hereto, as modified from time-to-time in accordance therewith.

“Project Agreement” means this Project Agreement, dated as of April 1, 2019, by and among the Authority and the Project Agreement Members listed on **Exhibit A** from time-to-time, as such Project Agreement may be amended or supplemented from time-to-time in accordance herewith.

“Project Agreement Members” means (a) the Authority Members listed in the attached **Exhibit A**, (b) the Non-Member Participating Parties listed in the attached **Exhibit A** and (c) additional Authority Members or Non-Member Participating Parties who execute this Project Agreement from time-to-time pursuant to Section 10 hereof.

“Work Plan” means the activities described in **Exhibit B** hereto as such description may be amended or supplemented from time-to-time.

Section 2 **Purpose**

The purpose of this Project Agreement is to permit the Authority and the Project Agreement Members to continue development of the Project in the name of the Authority consistent with the Joint Powers Agreement. The activities undertaken to carry out the purposes of this Project Agreement shall be those, and only those, authorized by the Authority and the Committee in accordance with this Project Agreement, the Joint Powers Agreement and the Bylaws. Without limiting in any way the scope of the activities that may be undertaken under this Project Agreement, such activities shall include funding the Authority’s costs undertaken to carry out the directions of the Committee. Notwithstanding any other provision of this Project Agreement, no activity undertaken pursuant to this Project Agreement shall conflict with the terms of the Joint Powers Agreement or the Bylaws, nor shall this Project Agreement be construed in any way as creating an entity or combination of entities that is separate and apart from the Authority.

Section 3 **Reservoir Project Committee**

(a) **Committee Membership.** The business of the Project Agreement Members under this Project Agreement shall be conducted by a Committee consisting of one member appointed by each Project Agreement Member. Appointment of each member of the Committee shall be by action of the governing body of the Project Agreement Member appointing such member, and shall be effective upon the appointment date as communicated in writing to the Authority. Project Agreement Members may also appoint one or more alternate Committee members, which alternate(s) shall assume the duties of the Committee member in case of absence or unavailability of such member. Project Agreement Members may also appoint an alternate Committee member from a different Project Agreement Member for convenience in attending Committee meetings, who may

cast votes for such Project Committee Members, provided that no person shall represent more than five other Project Committee Members and more than 20% of the weighted vote as provided in Subsection 3(g) at any given meeting; provided however, that if the appointing Project Committee Member is an officer of the Committee, the appointed alternate Committee member shall not assume the capacity of such officer position. In order to serve as an alternate Committee member, a written evidence of such designation shall be filed with the Committee Secretary. Each member and alternate member shall serve on the Committee from the date of appointment by the governing body of the Project Agreement Member he/she represents and at the pleasure of such governing body.

(b) Officers. The Committee shall select from among its members a Chairperson, who shall annually act as presiding officer, and a Vice Chairperson, to serve in the absence of the Chairperson. There also shall be selected a Secretary, who may, but need not be, a member of the Committee and a Treasurer. All elected officers shall be elected and remain in office at the pleasure of the Committee, upon the affirmative vote of at least a majority of the total weighted vote as provided at Subsection 3(g);

(c) Treasurer. The Authority Treasurer shall serve as the Committee's Treasurer and shall act as the Committee's liaison to the Authority's General Manager and Authority Board on financial matters affecting the Committee. The Treasurer shall prepare and provide regular financial reports to the Committee as determined by the Committee. The Treasurer shall not be required to be a member of the Board of Directors of the Authority.

(d) General Manager. The Authority's General Manager shall (1) serve as the Project Director responsible for advancing the Sites Reservoir Project, (2) be a non-voting member of the Committee, (3) ensure coordination of activities between the Authority and Committee, (4) convene, on an as needed basis, legal representatives from the Project Agreement Members and Authority Members to advise the General Manager on legal matters that will be reported to the Committee and Authority on a timely basis, and (5) coordinate the activities between the Committee and both the United States Bureau of Reclamation and Department of Water Resources.

(e) Meetings. The Chairperson of the Committee or a majority of a quorum of the members of the Committee are authorized to call meetings of the Committee as necessary and appropriate to conduct its business under this Project Agreement. All such meetings shall be open to the public and subject to the requirements set forth in the Ralph M. Brown Act (Government Code Sections 54950 et seq.).

(f) Quorum. A majority of the Committee members based on the weighted vote provided in Subsection 3(g) shall constitute a quorum of the Committee.

(g) Voting. Notwithstanding any provisions of the Bylaws that might be construed otherwise, for purposes of this Project Agreement, the voting rights of each Project Agreement Member shall be determined as follows:

(i) an equal number of voting shares for each Project Agreement Member as defined in **Exhibit A**, that being for each Project Agreement Member, 1 divided by the total number of Project Agreement Members, multiplied by 50; plus

- (ii) an additional number of voting shares for each Project Agreement Member equal to its respective Participation Percentage described in **Exhibit A**, multiplied by 50, using the version of **Exhibit A** in effect at the time the Committee votes.

The resulting weighted total of all voting shares shall equal 100. An Example of this weighted voting incorporating the formulas for determining participating percentages is attached at **Exhibit A**.

(h) Decision-making Thresholds. In accordance with Section 5.8 of the Bylaws, for purposes of this Project Agreement, approval by the Committee for material and non-material changes shall be as follows: for actions other than Material Change Items, action of the Committee shall be taken upon the affirmative vote of at least a majority of the total weighted vote as provided in Subsection 3(g); for Material Change Items, action shall be taken upon the affirmative vote of at least 75% of the total weighted vote as provided at Subsection 3(g).

(i) Delegation of Authority/Powers and Limitations Thereon. Subject to the direction of the governing bodies of the Project Agreement Members, the Committee shall undertake all actions necessary for carrying out this Project Agreement, including but not limited to setting policy for the Project Agreement Members acting under this Project Agreement with respect to the Project; recommending actions to be undertaken in the name of the Authority under this Project Agreement; determining the basis for calculation of the Participation Percentages for each fiscal year, and the timing required for payments of obligations hereunder; authorizing expenditure of funds collected under this Project Agreement within the parameters of the Work Plan and budget; and such other actions as shall be reasonably necessary or convenient to carry out the purposes of this Project Agreement. This Section 3(i) is subject to any and all limitations set forth in the Joint Powers Agreement and Bylaws, including but not limited to, any action that constitutes a material change as defined at Section 12.3 of the Bylaws requiring the approval of both the Committee and the Authority Board, and actions specified in Section 10 of the Bylaws which remain exclusively with the Authority Board.

Section 4 Funding

(a) Budget. The Committee shall, in cooperation with the Authority's Board, provide and approve both a Fiscal Year operating budget and reestablish a Phase 2 budget target, annually or more frequently as needed. On November 19, 2018, the Board approved the Fiscal Year 2019 operating budget. The Work Plan, including annual budget, dated November 19, 2018, is **Exhibit B**. The Project Agreement Members shall contribute their respective pro-rata share of the budgeted sums in accordance with Section 5 of this Project Agreement; provided, however, that in no event shall the amount paid by a Project Agreement Member exceed \$60 per acre-foot without the approval of such Project Agreement Member.

(b) Fiscal Responsibilities. **Exhibit B** specifies the Authority's requirements regarding the fiscal responsibilities of the Committee.

(c) Allocation of Project Agreement Expenses. The Project Agreement Members agree that all expenses incurred by them and/or by the Authority under this Project Agreement are the costs of the Project Agreement Members and not of the Authority or the Project Agreement Members of the Authority that do not execute this Project Agreement, and shall be paid by the Project Agreement Members; provided, however, that this Section shall not preclude the Project Agreement Members from accepting voluntary contributions and/or Authority Board's pre-approval

of in-kind services from other Authority Members, or Project Agreement Members, and applying such contributions to the purposes hereof. The Project Agreement Members further agree to pay that share of any Authority costs reasonably determined by the Authority's Board to have been incurred by the Authority to administer this Project Agreement. Before the Authority's costs of administering this Project Agreement become payable, the Authority will provide its calculation of such costs to the Committee, which will have the right to audit those costs and provide comments on the calculation to the Authority Board. The Authority Board shall consider the Committee's comments, if any, including the results of any such audit, in a public meeting before the Authority Board approves a final invoice for such costs.

Section 5 Participation Percentages

Subject to Section 4(a), each Project Agreement Member shall pay that share of costs for activities undertaken pursuant to this Project Agreement, whether undertaken in the name of the Authority or otherwise, equal to such Project Agreement Member Participation Percentage as established in this Section 5. The initial Participation Percentages of the Project Agreement Member are set forth in the attached **Exhibit A**. These initial Participation Percentages are for the purpose of establishing the Reservoir Project Agreement Members respective responsibilities for costs under this Project Agreement and other amounts contained in the approved Fiscal Year budget and Phase 2 budget target, which is defined as the "Approved Budget" on **Exhibit B**. The Participation Percentages of each Project Agreement Member will be modified by the Committee from time to time as the result of the admission of a new Project Agreement Member to this Project Agreement or the withdrawal of a Project Agreement Member, and **Exhibit A** shall be amended to reflect all such changes. Such amended **Exhibit A** shall, upon approval by the Committee, be attached hereto and upon attachment, shall supersede all prior versions of **Exhibit A** without the requirement of further amendment of this Project Agreement.

Section 6 Future Development of the Sites Reservoir Project

(a) The Project Agreement Members acknowledge that the Sites Reservoir Project is still in the conceptual stage and there are no assurances that the Sites Reservoir Project will be constructed or that any water supplies will be developed as a result of this Project Agreement. The Project Agreement Members therefore recognize that they are not acquiring any interest in the Sites Reservoir Project other than their interest in the specific permitting, design, engineering and other materials that will be in the Work Plan Project as described in **Exhibit B**, and that the Project Agreement Members are not acquiring under this Project Agreement any interest in any future water supply or access to any other services from the Sites Reservoir Project except as provided hereunder.

(b) Without limiting the foregoing, any Project Agreement Member that elects to continue participating in the development, financing, and construction of the Sites Reservoir Project to the time when the Authority offers contracts for a water supply or other services, will be afforded a first right, equal to that Project Agreement Member's Participation Percentage, to contract for a share of any water supply that is developed, and for storage capacity that may be available from, the Sites Reservoir Project. In any successor phase agreements, Project Agreement Members who are parties to this Project Agreement that submitted a proposal to participate before February 28, 2019, shall be granted rights to contract for a share of any water supply that is developed, and for storage capacity that may be available from the Sites Reservoir Project prior to the rights of those becoming parties to this Project Agreement after that date. The Authority and the Project Agreement Members will cooperate on the drafting of provisions in the water supply contract that will allow a Project

Agreement Member or other eligible entity that commits to purchase a Sites Reservoir Project water supply to transfer water that the entity may not need from time to time on terms and conditions acceptable to the such Project Agreement Member.

Section 7 Indemnity and Contribution

(a) Each Project Agreement Member, including Authority Members acting in their capacity as Project Agreement Members, shall indemnify, defend and hold the Authority, Authority Members and other Project Agreement Members and their directors, trustees, officers, employees, and agents harmless from and against any liability, cause of action or damage (including, without limitation, reasonable attorneys' fees) arising out of the performance of this Project Agreement multiplied by each Project Agreement Member's Participation Percentage. Notwithstanding the foregoing, to the extent any such liability is caused by the negligent or intentional act or omission of an Authority Member or a Project Agreement Member, such Authority Member or Project Agreement Member shall bear such liability.

(b) Each Project Agreement Member, including Authority Members acting in their capacity as Project Agreement Members, shall indemnify, defend and hold the Authority and the members of the Authority that do not execute this Project Agreement and their directors, trustees, officers, employees and agents harmless from and against any liabilities, costs or expenses of any kind (including, without limitation, reasonable attorney's fees) arising as a result of the activities described in or undertaken pursuant to this Project Agreement multiplied by each Project Agreement Member's Participation Percentage. All assets, rights, benefits, debts, liabilities and obligations attributable to activities undertaken under this Project Agreement shall be assets, rights, benefits, debts, liabilities and obligations solely of the Project Agreement Members in accordance with the terms hereof, and shall not be the assets, rights, benefits, debts, liabilities and obligations of the Authority or of those members of the Authority that have not executed this Project Agreement. Members of the Authority not electing to participate in the Project Agreement shall have no rights, benefits, debts, liabilities or obligations attributable to the Project Agreement.

Section 8 Term

(a) No provision of this Project Agreement shall take effect until this Project Agreement has been duly executed and delivered by the Authority and by one Project Agreement Member.

(b) The term of this Project Agreement shall continue until December 31, 2019, unless extended in writing by the parties hereto.

Section 9 Withdrawal From Further Participation

To withdraw from this Project Agreement, a Project Agreement Member shall give the Authority and other Project Agreement Members written notice of such withdrawal not less than 30 days prior to the withdrawal date. As of the withdrawal date, all rights of participation in this Project Agreement shall cease for the withdrawing Project Agreement Member. The financial obligation as prescribed in the Bylaws' Section 5.11 in effect on the withdrawal date, shall consist of the withdrawing Member's share of the following costs: (a) payment of its share of all non-contract costs incurred prior to the date of the written notice of withdrawal, and (b) those contract costs associated with funds approved in either contract amendments or task orders that were approved

prior to the date of the written notice of withdrawal for which the contractor's work extends beyond the withdrawal date. However, a withdrawing member shall have no liability for any change order or extensions of any contractor's work that the remaining Project Agreement Members agree to after the withdrawing Member provides written notice of withdrawal. Withdrawal from this Project Agreement shall not be considered a Material Change Item and shall not be subject to the Dispute Resolution process provided for in Section 13.3 of the Bylaws.

Section 10 Admission of New Project Agreement Members

Additional Members of the Authority and Non-Member Participating Parties may become Project Agreement Members upon (a) confirmation of compliance with the membership requirements established in the Bylaws, (b) the affirmative vote of at least 75% of the total weighted vote as provided at Subsection 3(g) of the then-current Project Agreement Members, (c) the affirmative vote of at least 75% of the total number of Directors of the Authority, and (d) upon such conditions as are fixed by such Project Agreement Members.

Section 11 Amendments

This Project Agreement may be amended only by a writing executed by the Authority and at least 75% of the total weighted vote as provided in Subsection 3(g) of the then-current Committee members.

Section 12 Assignment; Binding on Successors

Except as otherwise provided in this Project Agreement, the rights and duties of the Project Agreement Members may not be assigned or delegated without the written consent of the other Project Agreement Members and the Authority, which consent shall not be unreasonably withheld. Any attempt to assign or delegate such rights or duties in contravention of this Project Agreement shall be null and void. Project Agreement Members may assign and delegate their rights and duties under this Project Agreement to other Project Agreement Members, and they may assign, sell, trade, or exchange all or a fraction of the potential benefits (e.g. acre-feet of water supply, megawatt-hours of power) they expect to receive through their participation in this Project Agreement. Any approved assignment or delegation shall be consistent with the terms of any contracts, resolutions, indemnities and other obligations of the Authority then in effect. This Project Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Authority and the Project Agreement Members.

Section 13 Counterparts

This Project Agreement may be executed by the Authority and each Project Agreement Member in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. Facsimile and electronic signatures shall be binding for all purposes.

Section 14 Merger of Prior Agreements

This Project Agreement and the exhibits hereto constitute the entire agreement between the parties and supersede all prior agreements and understanding between the parties

relating to the subject matter hereof. This Project Agreement is intended to implement, and should be interpreted consistent with, the Joint Powers Agreement.

Section 15 **Severability**

If one or more clauses, sentences, paragraphs or provisions of this Project Agreement shall be held to be unlawful, invalid or unenforceable, the remainder of the Project Agreement shall not be affected thereby.

Section 16 **Choice of Law**

This Project Agreement shall be governed by the laws of the State of California.

Section 17 **Notices**

Notices authorized or required to be given under this Project Agreement shall be in writing and shall be deemed to have been given when mailed, postage prepaid, or delivered during working hours, to the addresses set forth **Exhibit E** (“**Notifications**”), or to such other address as a Project Agreement Member may provide to the Authority and other Project Agreement Members from time to time.

IN WITNESS WHEREOF, the Authority and Project Agreement Members hereto, pursuant to resolutions duly and regularly adopted by their respective governing bodies, have caused their names to be affixed by their proper and respective officers on the date shown below:

Dated: 3/25/2019

SITES PROJECT AUTHORITY

By: [Signature]
Name: JC Watson
Title: General Manager

[PROJECT AGREEMENT MEMBER]

Dated: _____

City of American Canyon

(Authority & Project Agreement Member)

4,000 AF

By: [Signature] City Manager
Name: Jason Hoie
Title: City Manager
2/11/19

Dated: 3/1/19

ANTELOPE VALLEY - EAST KERN WATER AGENCY

(Authority & Project Agreement Member)

500 AF

By: [Signature] For
Name: DWAYNE CHISAM
Title: GENERAL MANAGER

[PROJECT AGREEMENT MEMBER]

Dated 2/27/2019

CARTER MUTUAL WATER COMPANY

(Authority & Project Agreement Member)

300 AF

By: [Signature]
Name: BENJAMIN F. CARTER
Title: MANAGER

Dated: 02.13.2019

COACHELLA VALLEY WATER DISTRICT

(Authority & Project Agreement Member)

10,000 AF

By: [Signature]
Name: J. M. Barrett
Title: General Manager

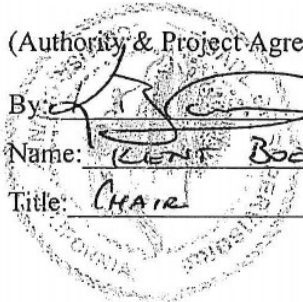
Dated: 2/19/19

Colusa County

10,000 AF

(Authority & Project Agreement Member)

By: [Signature]
Name: KENT BOES
Title: CHAIR



ATTEST: Wendy G. Tyler, Clerk to the Board of Supervisors

By: [Signature]
Patricia Rodriguez, Deputy Clerk

APPROVE AS TO FORM

[Signature]
Marcos Kropf, County Counsel

Dated: 2/25/19

[PROJECT AGREEMENT MEMBER]

[Signature]

(Authority & Project Agreement Member)

11,975 AF

By: [Signature]
Name: Colusa County Water District
Title: General Manager

Dated: 02/05/19

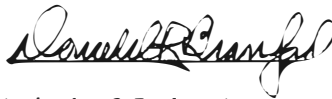
6,500 AF

(Authority & Project Agreement Member) Desert Water Agency

By: [Signature]
Name: Mark S. Krause
Title: General Manager-Chief Engineer

Dated: 1/25/19

GLENN COLUSA IRRIGATION DISTRICT



(Authority & Project Agreement Member)

By: Donald R. Braunsford Name:

5,000 AF

Title: President - Glenn-Colusa Irrigation District

Dated: 3/10/19

Metropolitan Water District of Southern California

(Authority & Project Agreement Member)

By: 

Name: Jeffrey Kightlinger

Title: General Manager

50,000 AF

Dated: 15 FEB 20 19

RD - 108

(Authority & Project Agreement Member)

By: 

Name: WILLIAM VANDERWAAL

Title: DEPUTY MANAGER, RD-108

4,000 AF

Dated: 1/28/19

[PROJECT AGREEMENT MEMBER]

San Bernardino Valley Municipal Water District

(Authority & Project Agreement Member)

By: 

Name: Douglas D. Headrick

Title: General Manager

21,400 AF

[PROJECT AGREEMENT MEMBER]

Dated: 2-27-19

San Geronimo Pass Water Agency

(Authority & Project Agreement Member)

14,000 AF

By: [Signature]
Name: Jeff Davis
Title: General Manager

Dated: 2/14/19

Santa Clarita Valley Water Agency

(Authority & Project Agreement Member)

5,000 AF

By: [Signature]
Name: Matthew G. Stone
Title: General Manager

Dated: February 26, 2019

SANTA CLARA VALLEY WATER DISTRICT

(Authority & Project Agreement Member)

16,000 AF

By: [Signature]
Name: Norma J. Camacho
Title: Chief Executive Officer

Dated: 3/7/2019

CORTINA WATER DISTRICT

(Authority & Project Agreement Member)

450 AF

By: [Signature]
Name: James Peterson
Title: Vice President

[Signature]
Charles Grimmer
President CWI

Dated: 2/13/19

Davis Water District

(Authority & Project Agreement Member)

2,000 AF

By: [Signature]
Name: Thomas Charter
Title: Vice-President

[PROJECT AGREEMENT MEMBER]

Dated: 15 FEB 2019

Dunnigan WD

(Authority & Project Agreement Member)

By: [Signature]
Name: WILLIAM VANDERWAAL
Title: MANAGER - DWD

2717 AF

Dated: 03-21-19

(Authority & Project Agreement Member)

1,000 AF

By: LaGrande Water District by [Signature]
Name:
Title:

Dated: 2-25-2019

Westside Water District

(Authority & Project Agreement Member)

15,000 AF

By: [Signature]
Name: Doug Parker
Title: Board President

Dated: February 13, 2019

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT

3,050 AF

By: 
Name: George R. Cappello
Title: President

By: 
Name: Jose B. Marin
Title: Secretary

Dated: 1/30/19

ZONE 7 WATER AGENCY



(Authority & Project Agreement Member)

10,000 AF

By: _____
Name: _____
Title: _____

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EXHIBIT A

PROJECT AGREEMENT MEMBERS

Participant	Participation (Annualized Acre-Foot)		
	Estimated Deliveries	Water Supply Pct	Weighted Voting Pct
American Canyon, City of	4,000	2.1%	3.42 %
Antelope Valley-East Kern WA	500	0.3%	2.51 %
Carter MWC ‡	300	0.2%	2.46 %
Coachella Valley WD	10,000	5.2%	4.97 %
Colusa County	10,000	5.2%	4.97 %
Colusa County WD	11,975	6.2%	5.49 %
Desert WA	6,500	3.4%	4.06 %
Glenn-Colusa ID	5,000	2.6%	3.68 %
Metropolitan WD of S. CA	50,000	25.9%	15.34 %
Reclamation District 108	4,000	2.1%	3.42 %
San Bernardino Municipal WD	21,400	11.1%	7.93 %
San Geronio Pass WA	14,000	7.3%	6.01 %
Santa Clara Valley WD	16,000	8.3%	6.53 %
Santa Clarita Valley WA	5,000	2.6%	3.67 %
TC4: Cortina WD	450	0.2%	2.50 %
TC4: Davis WD	2,000	1.0%	2.90 %
TC4: Dunnigan WD	2,717	1.4%	3.09 %
TC4: LaGrande WD	1,000	0.5%	2.64 %
Westside WD	15,000	7.8%	6.27 %
Wheeler Ridge-Maricopa WSD	3,050	1.6%	3.17 %
Zone 7 WA	10,000	5.2%	4.97 %
Total:	192,892	100.0 %	100.00 %

Participation Percentages exclude State of California's and United States Bureau of Reclamation's participation in the Sites Reservoir Project.

‡ Denotes a non-member participating party. Refer to California Corporations Code Section 14300 et. seq. with additional requirements provided in both the Public Utilities Code and Water Code.

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EXHIBIT B
2019 WORK PLAN

2018 November 16 Reservoir Committee Meeting - Attachment A - Agenda Item 3-3

Category	(Multiple Items)
Action	(Multiple Items)
Funding Source	(Multiple Items)
Work Manager	(All)
Priority	(All)

Report: Reservoir Committee 2019 Work Plan & Budget
Report Date: 2018 Nov 12

Expense (-) or Revenue (+)	Cost Center	Task	Resource	Reprioritize	Approved Budget
				Currently Approved Budget	Authority= 12 mon Res. Comm= 9 mon
				Sum of Total End of Phase 1	Sum of Total 2019
Expense	C.R. Policy			\$ -	\$ (2,067,094)
	Engagement			\$ -	\$ (135,000)
	Operations	Contingency		\$ -	\$ -
		Env Interests		\$ (44,936)	\$ (120,552)
		Exchange		\$ -	\$ (75,550)
		Modeling		\$ (325,000)	\$ (998,480)
		Op POA		\$ (59,488)	\$ (61,040)
		Staff+		\$ (69,705)	\$ (417,555)
		Storage		\$ (17,824)	\$ (136,300)
		Water Rights		\$ (29,712)	\$ (204,264)
		Water Rights+		\$ (29,712)	\$ (119,892)
	Operations Total			\$ (576,377)	\$ (2,133,633)
	Power	Grid Interconn+		\$ -	\$ (1,097,880)
		H2oPower+		\$ -	\$ (668,453)
		Staff Aug+		\$ -	\$ (632,880)
		Staff+		\$ -	\$ -
	Power Total			\$ -	\$ (2,399,213)
	Res. Comm. O	Advisory		\$ (43,200)	\$ (82,565)
		Office		\$ -	\$ (133,100)
		Participation		\$ (109,800)	\$ (210,600)
		PROCURE		\$ -	\$ (80,240)
		PROCURE-2		\$ -	\$ -
		Rebalance		\$ (8,400)	\$ (134,070)
		Staff		\$ (6,000)	\$ (1,739,573)
		Staff Aug		\$ -	\$ (4,237,495)
		Staff Aug+		\$ -	\$ (225,990)
		Staff+		\$ -	\$ -
		Support		\$ (26,925)	\$ (107,678)
		Technology		\$ (3,330)	\$ (13,280)
		USDA-1		\$ (10,000)	\$ (10,800)
		WSIP-1		\$ (51,440)	\$ (81,960)
	Res. Comm. OH Total			\$ (259,095)	\$ (7,057,351)
	Water	Dam Design		\$ -	\$ (8,776,500)
		Economics+		\$ -	\$ (329,880)
		EIR-EIS		\$ (165,000)	\$ (2,371,767)
		Field Studies		\$ (200,000)	\$ (887,876)
		Field Surveys		\$ -	\$ (91,980)
		Permit Coord		\$ (590,000)	\$ (8,095,900)
		Rights of Entry		\$ (306,000)	\$ (600,119)
	Water Total			\$ (1,261,000)	\$ (21,154,022)
Expense Total				\$ (2,096,472)	\$ (34,946,312)

Summary - Page 1 of 2

				Reprioritize Currently Approved Budget	Approved Budget Authority= 12 mon Res. Comm= 9 mon
Expense (-) or Revenue (+)	Cost Center	Task	Resource	Sum of Total End of Phase 1	Sum of Total 2019
Revenue	Conversion			\$ -	\$ 2,067,094
	WIIN			\$ -	\$ 8,776,500
	WSIP			\$ 821,603	\$ 10,077,760
	Res. Comm.			\$ -	\$ 14,044,440
Revenue Total				\$ 821,603	\$ 34,965,795
Grand Total				\$ (1,274,870)	\$ 19,482

Summary - Page 2 of 2

NOTE: 2019 budget, which is applicable to this Agreement, was approved by the Reservoir Committee at their November 16, 2018 meeting with the Reservoir Committee's share of expenses listed on page B-1.

EXHIBIT C
NOTIFICATIONS

Attention: Mr. Steve Hartwig
City of American Canyon
4381 Broadway, Suite 201
American Canyon, CA 94503

Attention: Mr. Tom Charter
c/o Ms Jamie Traynham
Davis Water District
P.O. Box 83
Arbuckle, CA 95912

Attention: Mr. Dwayne Chisam
Antelope Valley-East Kern WA
6500 West Avenue N
Palmdale, CA 93551

Attention: Mr. Mark Krause
Desert Water Agency
1200 South Gene Autry Trail
Palm Springs, CA 92264

Attention: Mr. Ben Carter
Carter MWC
4245 River Road
Colusa, CA 95932

Attention: Mr. Bill Vanderwaal
Dunnigan Water District
P.O. Box 84
Dunnigan, CA 95937

Attention: Mr. Jim Barrett
Coachella Valley Water District
P.O. Box 1058
Coachella, CA 92236

Attention: Mr. Thad Bettner
Glenn-Colusa Irrigation District
P.O. Box 150
Willows, CA 95988

Attention: Ms. Wendy Tyler
Colusa County
547 Market St., Suite 102
Colusa, CA 95932

Attention: Mr. Matt LaGrande
LaGrande Water District
P.O. Box 370
Williams, CA 9598

Attention: Ms. Shelley Murphy
Colusa County Water District
P.O. Box 337
Arbuckle, CA 95912

Attention: Mr. Steve Arakawa
Metropolitan Water District of Southern
California
1121 L Street, Suite 900
Sacramento, CA 95814

Attention: Mr. Jim Peterson
Cortina Water District
P.O. Box 489,
Williams, CA 95987

Attention: Mr. Bill Vanderwaal

Reclamation District 108
P.O. Box 50
Grimes, CA 95950

Attention: Mr. Dirk Marks

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

Attention: Mr. Doug Headrick

San Bernardino Valley Municipal Water District
380 East Vanderbilt Way
San Bernardino, CA 92408-3593

Attention: Dan Ruiz

Westside Water District
5005 State Hwy 20
Williams, CA 95987

Attention: Mr. Jeff Davis

San Geronio Pass Water Agency
1210 Beaumont Ave,
Beaumont, CA 92223

Attention: Robert Kunde

Wheeler Ridge-Maricopa Water Storage District
12109 Highway 166
Bakersfield, CA 93313

Attention: Ms. Cindy Kao

Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3686

Attention: Ms. Valerie Pryor

Zone 7 Water Agency
100 North Canyons Parkway
Livermore, CA 945

Attention: Mr. Dirk Marks

FIRST AMENDMENT TO 2019 RESERVOIR PROJECT AGREEMENT

BY AND AMONG
SITES PROJECT AUTHORITY

and

THE PROJECT AGREEMENT MEMBERS LISTED HEREIN

Dated as of January 1, 2020

[This page intentionally left blank.]

THIS FIRST AMENDMENT TO RESERVOIR PROJECT AGREEMENT (this “First Amendment”), dated as of January 1, 2020, by and among SITES PROJECT AUTHORITY, a joint powers authority duly organized and existing under the laws of the State of California (the “Authority”), and the project agreement members listed in the Original Agreement referenced below (the “Project Agreement Members”) and amends that certain 2019 Reservoir Project Agreement dated as of April 1, 2019 (the “Original Agreement”), by and among the Authority and the Project Agreement Members;

WITNESSETH:

WHEREAS, Authority and the Project Agreement Members have determined to extend the term of the Original Agreement to June 30, 2020; and

WHEREAS, under Section 11 of the Original Agreement, the Original Agreement may be amended by a writing executed by the Authority and at least 75% of the total weighted vote as provided in Subsection 3(g) of the then-current Committee members; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and the entering into of this First Amendment do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this First Amendment;

NOW, THEREFORE, THIS FIRST AMENDMENT WITNESSETH, the Authority and the Project Agreement Members agree, as follows:

ARTICLE I

DEFINITIONS

Section 1.01. **Definitions.** All capitalized terms not otherwise defined herein shall have the meaning set forth in the Original Agreement.

ARTICLE II

AMENDMENTS TO 2019 ORIGINAL AGREEMENT

Section 2.01. **Amendments to Section 8(b) of the Original Agreement.**

(a) The reference in Section 8(b) of the Original Agreement to December 31, 2019 shall be changed to June 30, 2020. In the event that this First Amendment is not approved by Project Agreement Members with the requisite percentage of the total weighted vote as set forth in the Original Agreement by December 31, 2019, the Original Agreement shall be revived immediately upon approval by such requisite percentage, without any additional approval of the Project Agreement Members, and this First Amendment shall become effective.

ARTICLE III

MISCELLANEOUS

Section 3.01. **Effectiveness of Original Agreement.** Except as expressly amended by this First Amendment, the Original Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof. The amendments set forth in this First Amendment shall be incorporated as part of the Original Agreement upon their effectiveness in accordance with Section 11 of the Original Agreement.

Section 3.02. **Execution in Several Counterparts.** This First Amendment may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and the Project Agreement Members shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 3.03. **Laws Governing First Amendment.** The effect and meaning of this First Amendment and the rights of all parties hereunder shall be governed by, and construed according to, the laws of the State.

IN WITNESS WHEREOF, the Authority and Project Agreement Members hereto, pursuant to resolutions duly and regularly adopted by their respective governing bodies, have caused their names to be affixed by their proper and respective officers on the date shown below:

Dated: May 13, 2020

SITES PROJECT AUTHORITY

By: _____
Name: Jos C Waters
Title: _____

Dated: 1/9/20
[PROJECT AGREEMENT MEMBER]
Santa Clarita Valley Water Agency
(Authority & Project Agreement Member)
By: Matthew Stone
Name: Matthew G. Stone
Title: General Manger, Santa Clarita Valley Water Agency

Dated: 12-17-2019
[PROJECT AGREEMENT MEMBER]
Westside Water District
(Authority & Project Agreement Member)
By: Douglas Parker
Name: Douglas Parker
Title: President of Board of Directors

Dated: 12/17/19
[PROJECT AGREEMENT MEMBER]
DESERT WATER AGENCY
(Authority & Project Agreement Member)
By: Mark S. Krause
Name: Mark S. Krause
Title: General Manager-Chief Engineer

Dated: 12/9/19
[PROJECT AGREEMENT MEMBER]
Davis Water District
(Authority & Project Agreement Member)
By: Thomas E. Charter
Name: Thomas E. Charter
Title: Vice-President

Dated: 11 DEC 2019
[PROJECT AGREEMENT MEMBER]
DUNNIGAN WATER DISTRICT
(Authority & Project Agreement Member)
By: WR VANDERWAAL
Name: WR VANDERWAAL
Title: MANAGER

Dated: _____
[PROJECT AGREEMENT MEMBER]
GLENN-COLUMBIA I.P.
(Authority & Project Agreement Member)
By: THADDEUS L. BETNER
Name: THADDEUS L. BETNER
Title: GENERAL MANAGER, SECRETARY

Dated: 3/3/20
[PROJECT AGREEMENT MEMBER]
METROPOLITAN WATER DISTRICT
(Authority & Project Agreement Member)
By: William Vanderwaal
Name: WILLIAM VANDERWAAL
Title: DEPUTY MANAGER

Dated: 19 DEC 2019
[PROJECT AGREEMENT MEMBER]
RECLAMATION DISTRICT No. 108
(Authority & Project Agreement Member)
By: William Vanderwaal
Name: WILLIAM VANDERWAAL
Title: DEPUTY MANAGER

Dated: 12/17/19
[PROJECT AGREEMENT MEMBER]
San Bernardino Valley Municipal Water District
(Authority & Project Agreement Member)
By: Douglas D. Headrick
Name: Douglas D. Headrick
Title: General Manager

Dated: 12-6-19
[PROJECT AGREEMENT MEMBER]
San Geronimo Pass Water Agency
(Authority & Project Agreement Member)
By: Jeff Davis
Name: Jeff Davis
Title: General Mgr

Dated: 12/27/19
[PROJECT AGREEMENT MEMBER]
SANTA CLARA VALLEY WATER DISTRICT
(Authority & Project Agreement Member)
By: Rick L. Callender
Name: Rick L. Callender
Title: Chief of External Affairs - External Affairs Division Acting for Norma J. Camacho Chief Executive Officer

Dated: December 11, 2019
[PROJECT AGREEMENT MEMBER]
WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT
(Authority & Project Agreement Member)
By: Dennis Atkinson
Name: Dennis Atkinson
Title: President

Dated: 4/19/2020
[PROJECT AGREEMENT MEMBER]
CASCADE MUTUAL WATER COMPANY
(Authority & Project Agreement Member)
By: Tommy Holt
Name: _____
Title: _____

Dated: 12/23/19
[PROJECT AGREEMENT MEMBER]
SITES PROJECT AUTHORITY
(Authority & Project Agreement Member)
By: Jason Holt
Name: Jason Holt
Title: City Manager

Dated: 01.15.2020

COACHELLA VALLEY WATER DISTRICT

Dated: 12/31/19

(Authority & Project Agreement Member)

By: [Signature]
Name: J.M. BARRETT
Title: GENERAL MANAGER

COLUSA COUNTY WATER DISTRICT

By: [Signature]
Name: Shelly Murphy
Title: General manager

Dated: 12/17/19

COUNTY OF COLUSA

Dated: 1/15/20

(Authority & Project Agreement Member)

By: [Signature]
Name: Ken S. Boes
Title: Chairman

Zone 7 Water Agency

(Authority & Project Agreement Member)

By: [Signature]
Name: Valerie Pryor
Title: General Manager

ATTEST: Wendy G. Tyler, Clerk to the Board of Supervisors

by [Signature]
Melissa Kitts, Deputy

SECOND AMENDMENT TO 2019 RESERVOIR PROJECT AGREEMENT

BY AND AMONG
SITES PROJECT AUTHORITY

and

THE PROJECT AGREEMENT MEMBERS LISTED HEREIN

Dated as of July 1, 2020

[This page intentionally left blank.]

THIS SECOND AMENDMENT TO 2019 RESERVOIR PROJECT AGREEMENT (this “Second Amendment”), dated as of July 1, 2020, by and among SITES PROJECT AUTHORITY, a joint powers authority duly organized and existing under the laws of the State of California (the “Authority”), and the project agreement members listed in the Agreement referenced below (the “Project Agreement Members”) and amends that certain 2019 Reservoir Project Agreement dated as of April 1, 2019 (the “Original Agreement”), as previously amended by the First Amendment to 2019 Reservoir Project Agreement dated as of January 1, 2020 (the “First Amendment” and, together with the Original Agreement, the “Agreement”), each by and among the Authority and the Project Agreement Members;

WITNESSETH:

WHEREAS, Authority and the Project Agreement Members have determined to approve an Amendment 2 Work Plan and to extend the term of the Agreement to December 31, 2021; and

WHEREAS, under Section 11 of the Agreement, the Agreement may be amended by a writing executed by the Authority and at least 75% of the total weighted vote of the then current Committee members as provided in Subsection 3(g); and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and the entering into of this Second Amendment do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Second Amendment;

NOW, THEREFORE, THIS SECOND AMENDMENT WITNESSETH, the Authority and the Project Agreement Members agree, as follows:

ARTICLE I

DEFINITIONS

Section 1.01. **Definitions.** All capitalized terms not otherwise defined herein shall have the meaning set forth in the Agreement.

ARTICLE II

AMENDMENTS TO AGREEMENT

Section 2.01. **Project Agreement Members.**

(a) Effective September 1, 2020, the Project Agreement Members attached as Exhibit A to the Agreement shall be succeeded in their entirety by the Project Agreement Members attached hereto as Exhibit A.

Section 2.02. **Work Plan.**

(a) Effective September 1, 2020, the 2019 Work Plan attached as Exhibit B to the Agreement shall be supplemented by the Work Plan attached hereto as Exhibit B (the “Amendment 2 Work Plan”).

Section 2.03. **Funding.**

The Agreement is hereby amended to remove Section 4(a) in its entirety and replace it with the following:

“(a) **Budget.** The Committee shall, in cooperation with the Authority’s Board, provide and approve both a Fiscal Year operating budget and reestablish a Phase 2 budget target, annually or more frequently as needed. The Project Agreement Members shall contribute their respective pro-rata share of the budgeted sums reflected in the 2019 Work Plan (prior to November 1, 2020) and the Amendment 2 Work Plan (on and after November 1, 2020) in accordance with Section 5 of this Project Agreement; provided, however, that in no event shall the amount paid by a Project Agreement Member exceed \$160 per acre-foot (with \$60 of such amount being attributable to the 2019 Work Plan and \$100 of such amount being attributable to the Amendment 2 Work Plan) without the approval of such Project Agreement Member. The contribution with respect to the pro-rata budgeted sums reflected in the Amendment 2 Work Plan shall be payable by each Project Agreement Member in two installments. The first installment shall be in an amount equal to \$60 per acre-foot and shall be payable by no later than November 1, 2020. The second installment shall be in an amount up to \$40 per acre-foot and shall be payable by no later than April 1, 2021. The exact amount per acre-foot of the second installment shall be established by the Committee, in cooperation with the Authority’s Board, and notice of such amount shall be provided by the Authority to each Project Agreement Member.”

Section 2.04. **Future Development of the Sites Reservoir Project.**

The Agreement is hereby amended to remove Section 6(b) in its entirety and replace it with the following:

“(b) Without limiting the foregoing, any Project Agreement Member that elects to continue participating in the development, financing, and construction of the Sites Reservoir Project to the time when the Authority offers contracts for a water supply or other services, will be afforded a first right, equal to that Project Agreement Member’s Participation Percentage, to contract for a share of any water supply that is developed, and for storage capacity that may be available from, the Sites Reservoir Project. In any successor phase agreements, Project Agreement Members who are parties to this Project Agreement that submitted a proposal to participate before February 28, 2019, shall be granted rights to contract for a share, in an amount equal to that Project Agreement Member’s Participation Percentage as of the effective date of such successor phase agreement, of any water supply that is developed, and for storage capacity that may be available from the Sites Reservoir Project prior to the rights of those becoming parties to this Project Agreement after that date.

If a participating Project Agreement Member as of February 28, 2019 identifies a lesser amount in the Second Amendment than its Original Agreement requested amount, that participating Project Agreement Member’s first rights of refusal in the future are to be based on the Second Amendment amounts and not the February 28, 2019 amounts.

Provided, however, that if a Project Agreement Member withdraws from the Project Agreement pursuant to Section 9 of this Agreement but later requests to be reinstated, then to the extent there is unsubscribed participation in the Project as determined by the Committee, the

Committee may vote to readmit said withdrawn Member with a reinstated first right of refusal provided said withdrawing Member provides funding to the Project commensurate with the funding requirements met by all current Project Agreement Members in the current phase of the Project as well as any prior phase, as adjusted for any credits, payments and/or reimbursements made under the Authority's credit reimbursement policy (the "Credit Reimbursement Policy").

Further provided, that if a Project Agreement Member desires to increase its participation after execution of the Second Amendment, then to the extent there is unsubscribed participation in the Project as determined by the Committee, the Committee may vote to approve said increase, or portion thereof, with a first right of refusal attendant thereto, provided said increasing Project Agreement Member provides funding to the Project commensurate with the funding requirements met by all current Project Agreement Members in the current phase of the Project as well as any prior phase, as adjusted for any credits, payments and/or reimbursements made under the Credit Reimbursement Policy.

The Authority and the Project Agreement Members will cooperate on the drafting of provisions in the water supply contract that will allow a Project Agreement Member or other eligible entity that commits to purchase a Sites Reservoir Project water supply to transfer water that the entity may not need from time to time on terms and conditions acceptable to the Project Agreement Member."

Section 2.05. **Term.** The Agreement is hereby amended to remove Section 8(b) in its entirety and replace it with the following:

"(b) The term of this Project Agreement shall continue until December 31, 2021. In the event that this Second Amendment is not approved by Project Agreement Members with the requisite percentage of the total weighted vote as set forth in the Agreement by June 30, 2020, the Agreement shall be revived immediately upon approval by such requisite percentage, without any additional approval of the Project Agreement Members, and this Second Amendment shall become effective."

Section 2.06. **Executive Director.** All references to the "General Manager" in the Agreement shall be changed to "Executive Director."

ARTICLE III

PROJECT AGREEMENT MEMBER PARTICIPATION

Section 3.01. **Project Agreement Participation.** Each Project Agreement Member shall specify its participation in the Sites Reservoir Project by indicating its elected water participation amount in the Sites Reservoir Project and the associated cost in the space provided therefor on the signature page to this Second Amendment. Based upon the respective participation elections of the Project Agreement Members, the Authority shall update Exhibit A pursuant to Section 5 of the Agreement.

ARTICLE IV

MISCELLANEOUS

Section 4.01. **Effectiveness of Agreement.** Except as expressly amended by this Second Amendment, the Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof. The amendments set forth in this Second Amendment shall be incorporated as part of the Agreement upon their effectiveness in accordance with Section 11 of the Agreement.

Section 4.02. **Execution in Several Counterparts.** This Second Amendment may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and the Project Agreement Members shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 4.03. **Authorization, Ratification and Confirmation of Certain Actions.** The Authority and the Project Agreement Members each hereby authorize, ratify and confirm the extension of the term of the Agreement, as previously extended pursuant to the First Amendment, to June 30, 2020, and the expenditure of funds collected under the Agreement with respect to the 2019 Work Plan on and prior to June 30, 2020.

Section 4.04. **Laws Governing Second Amendment.** The effect and meaning of this Second Amendment and the rights of all parties hereunder shall be governed by, and construed according to, the laws of the State.

IN WITNESS WHEREOF, the Authority and Project Agreement Members hereto, pursuant to resolutions duly and regularly adopted by their respective governing bodies, have caused their names to be affixed by their proper and respective officers on the date shown below:

Dated: 12/15/2020

SITES PROJECT AUTHORITY

By: Jerry Brown
Name: Executive Director
Title:

Dated: 12/14/2020

SANTA CLARITA VALLEY WATER AGENCY

DocuSigned by:
Matthew G Stone
By: 1659DE94EC6B485...
Name: Matthew G. Stone
Title: General Manager

PARTICIPATION AMOUNT

SANTA CLARITA VALLEY WATER AGENCY hereby elects to participate in the Sites Reservoir Project in the amount and at the cost identified below.

Participation (Second Amendment Annualized Acre-Foot):

5,000 AF

Second Amendment Cost:

NOT TO EXCEED \$500,000

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EXHIBIT A
PROJECT AGREEMENT MEMBERS

Participant	Participation (Second Amendment Annualized Acre-Foot)	
	Preliminary	Percent
American Canyon, City of		
Antelope Valley-East Kern Water Agency		
Carter Mutual Water Company #		
Coachella Valley Water District		
Colusa County		
Colusa County Water District		
Cortina Water District		
Davis Water District		
Desert Water Agency		
Dunnigan Water District		
Glenn-Colusa Irrigation District		
LaGrande Water District		
Metropolitan Water District of S. CA		
Pacific Resources Mutual Water Company #		
Reclamation District 108		
San Bernardino Valley Municipal Water District		
San Geronio Pass Water Agency		
Santa Clara Valley Water District		
Santa Clarita Valley Water Agency		
Westside Water District		
Wheeler Ridge-Maricopa Water Storage District		
Zone 7 Water Agency		
Potential new participants		
	Total:	

Participation Percentages exclude State of California and United States Bureau of Reclamation share of the Project.

Denotes a non-public agency. Refer to California Corporations Code Section 14300 et. seq. with additional requirements provided in both the Public Utilities Code and Water Code.

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EXHIBIT B
AMENDMENT 2 WORK PLAN

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Exhibit B
Reservoir Committee
2020 and 2021 Work Plan

Reservoir Committee Annual Budget for FY 2020 and FY 2021 (\$000)

Subject Area		2020	2021	Total
Revenue				
Beginning Balance	\$6,847	\$0	\$6,847	
Participation Revenue	\$11,520	\$7,680	\$19,200	
Federal Revenue	\$0	\$4,000	\$4,000	
State Revenue	\$5,134	\$5,502	\$10,636	
Revenue Total	\$23,501	\$17,182	\$40,683	
Expenses				
Permitting	(\$2,558)	(\$5,011)	(\$7,569)	
Early Mitigation	(\$243)	(\$2,257)	(\$2,500)	
Environmental Planning	(\$3,511)	(\$2,376)	(\$5,887)	
Operations Modeling	(\$3,486)	(\$536)	(\$4,022)	
Engineering	(\$4,360)	(\$2,180)	(\$6,540)	
Geotechnical	(\$1,142)	(\$2,003)	(\$3,145)	
Real Estate	(\$145)	(\$272)	(\$417)	
Communications	(\$489)	(\$579)	(\$1,068)	
Project Controls	(\$1,333)	(\$1,528)	(\$2,861)	
Funding	(\$777)	(\$590)	(\$1,367)	
Growth	(\$819)	(\$910)	(\$1,729)	
Management	(\$461)	(\$1,219)	(\$1,681)	
Support	(\$248)	(\$388)	(\$636)	
Expenses Total	(\$19,573)	(\$19,848)	(\$39,422)	
Grand Total	\$3,928	(\$2,666)	\$1,261	

Annual expense budgets are based on the projected spend rate for the Amendment 1B and Amendment 2 work plans combined (Pg 2 and 3).

Amendment 1B Budget by Month (\$000s)

Reservoir Committee Work Plan Summary

Subject Area	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Jul 20	Aug 20	Total
Revenue									
Beginning Balance*	\$6,847								\$6,847
Participation Revenue									\$0
Federal Revenue									\$0
State Revenue	\$3,300								\$3,300
Revenue Sum	\$10,147								\$10,147
Expenses									
Environmental Planning	(\$269)	(\$245)	(\$269)	(\$269)	(\$245)	(\$257)	\$0	\$0	(\$1,555)
Operations Modeling	(\$519)	(\$472)	(\$355)	(\$220)	(\$116)	(\$85)	(\$55)	(\$53)	(\$1,876)
Engineering	\$0	(\$151)	(\$237)	(\$239)	(\$247)	(\$272)	(\$248)	(\$205)	(\$1,600)
Geotechnical	\$0	\$0	(\$27)	(\$118)	(\$107)	(\$118)	(\$118)	(\$113)	(\$601)
Real Estate	(\$7)	(\$6)	(\$7)	(\$7)	(\$6)	(\$7)	(\$7)	(\$7)	(\$55)
Communications	(\$38)	(\$35)	(\$38)	(\$38)	(\$35)	(\$38)	(\$38)	(\$36)	(\$297)
Project Controls	(\$255)	(\$77)	(\$85)	(\$85)	(\$77)	(\$85)	(\$85)	(\$81)	(\$828)
Funding	(\$74)	(\$109)	(\$120)	(\$121)	(\$104)	(\$61)	(\$37)	(\$35)	(\$661)
Growth	(\$93)	(\$84)	(\$93)	(\$93)	(\$84)	(\$93)	(\$93)	(\$88)	(\$719)
Management	\$0	\$0	\$0	(\$1)	(\$23)	(\$25)	(\$9)	\$0	(\$58)
Support	(\$15)	(\$14)	(\$15)	(\$15)	(\$14)	(\$15)	(\$15)	(\$15)	(\$120)
Expenses Sum	(\$1,271)	(\$1,194)	(\$1,247)	(\$1,206)	(\$1,059)	(\$1,056)	(\$705)	(\$633)	(\$8,370)

*Adjusted from value published in work plan based on 2019 close-out

Amendment 2 Budget by Month (\$000s)

Reservoir Committee Work Plan Summary

Subject Area	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Oct 21	Sep 21	Nov 21	Dec 21	Total
Revenue																	
Participation Revenue			\$11,520					\$7,680									\$19,200
Federal Revenue							\$2,000				\$2,000						\$4,000
State Revenue			\$1,834			\$1,834						\$1,834			\$1,834		\$7,336
Revenue Total			\$13,354			\$1,834	\$2,000	\$7,680			\$2,000	\$1,834			\$1,834		\$30,536
Expenses																	
Permitting	(\$253)	(\$577)	(\$1,023)	(\$705)	(\$525)	(\$525)	(\$584)	(\$471)	(\$419)	(\$448)	(\$295)	(\$309)	(\$295)	(\$295)	(\$613)	(\$232)	(\$7,569)
Early Mitigation	\$0	\$0	(\$113)	(\$131)	(\$119)	(\$119)	(\$136)	(\$131)	(\$119)	(\$235)	(\$231)	(\$242)	(\$231)	(\$231)	(\$220)	(\$242)	(\$2,500)
Environmental Planning	(\$488)	(\$512)	(\$442)	(\$513)	(\$474)	(\$474)	(\$218)	(\$71)	(\$65)	(\$71)	(\$61)	(\$62)	(\$216)	(\$42)	(\$343)	(\$279)	(\$4,332)
Operations Modeling	(\$621)	(\$680)	(\$232)	(\$78)	(\$71)	(\$71)	(\$81)	(\$72)	(\$43)	(\$48)	(\$46)	(\$48)	(\$11)	(\$46)	\$0	\$0	(\$2,146)
Engineering	(\$1,134)	(\$768)	(\$398)	(\$461)	(\$108)	(\$185)	(\$355)	(\$292)	(\$221)	(\$190)	(\$161)	(\$186)	(\$155)	(\$155)	(\$147)	(\$25)	(\$4,941)
Geotechnical	(\$52)	(\$54)	(\$61)	(\$374)	(\$346)	(\$461)	(\$513)	(\$134)	(\$124)	(\$172)	(\$42)	(\$44)	(\$42)	(\$42)	(\$40)	(\$42)	(\$2,544)
Real Estate	(\$23)	(\$24)	(\$20)	(\$24)	(\$21)	(\$21)	(\$25)	(\$24)	(\$21)	(\$24)	(\$23)	(\$24)	(\$23)	(\$23)	(\$21)	(\$24)	(\$362)
Communications	(\$48)	(\$50)	(\$43)	(\$50)	(\$46)	(\$46)	(\$52)	(\$50)	(\$46)	(\$50)	(\$48)	(\$50)	(\$48)	(\$48)	(\$46)	(\$50)	(\$771)
Project Controls	(\$126)	(\$132)	(\$114)	(\$132)	(\$120)	(\$120)	(\$138)	(\$132)	(\$120)	(\$132)	(\$126)	(\$132)	(\$126)	(\$126)	(\$120)	(\$132)	(\$2,033)
Funding	(\$29)	(\$30)	(\$26)	(\$30)	(\$64)	(\$66)	(\$76)	(\$73)	(\$66)	(\$71)	(\$29)	(\$30)	(\$29)	(\$29)	(\$28)	(\$30)	(\$706)
Growth	(\$25)	(\$26)	(\$23)	(\$26)	\$0	\$0	(\$38)	(\$36)	(\$33)	(\$36)	(\$35)	(\$154)	(\$146)	(\$146)	(\$139)	(\$148)	(\$1,010)
Management	(\$101)	(\$106)	(\$91)	(\$106)	(\$96)	(\$96)	(\$110)	(\$106)	(\$96)	(\$106)	(\$101)	(\$106)	(\$101)	(\$101)	(\$96)	(\$106)	(\$1,623)
Support	(\$32)	(\$34)	(\$29)	(\$34)	(\$31)	(\$31)	(\$35)	(\$34)	(\$31)	(\$34)	(\$32)	(\$34)	(\$32)	(\$32)	(\$31)	(\$34)	(\$516)
Expenses Total	(\$2,931)	(\$2,994)	(\$2,616)	(\$2,663)	(\$2,020)	(\$2,214)	(\$2,362)	(\$1,624)	(\$1,404)	(\$1,616)	(\$1,230)	(\$1,422)	(\$1,954)	(\$1,314)	(\$1,844)	(\$1,345)	(\$31,052)

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THIRD AMENDMENT TO 2019 RESERVOIR PROJECT AGREEMENT

BY AND AMONG

SITES PROJECT AUTHORITY

and

THE PROJECT AGREEMENT MEMBERS LISTED HEREIN

Dated as of January 1, 2022

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THIS THIRD AMENDMENT TO 2019 RESERVOIR PROJECT AGREEMENT (this “Third Amendment”), dated as of January 1, 2022, by and among SITES PROJECT AUTHORITY, a joint powers authority duly organized and existing under the laws of the State of California (the “Authority”), and the project agreement members listed in the Agreement referenced below (the “Project Agreement Members”) and amends that certain 2019 Reservoir Project Agreement dated as of April 1, 2019 (the “Original Agreement”), as previously amended by the First Amendment to 2019 Reservoir Project Agreement dated as of January 1, 2020 (the “First Amendment”) and by the Second Amendment to 2019 Reservoir Project Agreement dated as of July 1, 2020 (the “Second Amendment” and, together with the Original Agreement and the First Amendment, the “Agreement”), each by and among the Authority and the Project Agreement Members;

WITNESSETH:

WHEREAS, Authority and the Project Agreement Members have determined to approve an Amendment 3 Work Plan and to extend the term of the Agreement to December 31, 2024; and

WHEREAS, under Section 11 of the Agreement, the Agreement may be amended by a writing executed by the Authority and at least 75% of the total weighted vote of the then current Committee members as provided in Subsection 3(g); and

WHEREAS, except as provided below in Section 2.07 below, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and the entering into of this Third Amendment do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Third Amendment;

NOW, THEREFORE, THIS THIRD AMENDMENT WITNESSETH, the Authority and the Project Agreement Members agree, as follows:

ARTICLE I

DEFINITIONS

Section 1.01. **Definitions.** All capitalized terms not otherwise defined herein shall have the meaning set forth in the Agreement.

ARTICLE II

AMENDMENTS TO AGREEMENT

Section 2.01. **Project Agreement Members.**

(a) Effective January 1, 2022, Exhibit A to the Agreement titled “Project Agreement Members” shall be removed and replaced with Exhibit A to this Third Amendment titled “Project Agreement Members.”

Section 2.02. **Work Plan.**

(a) Effective January 1, 2022, the Amendment 2 Work Plan attached as Exhibit B to the Second Agreement shall be supplemented by the Work Plan attached hereto as Exhibit B (the “Amendment 3 Work Plan”).

Section 2.03. **Funding.**

The Agreement is hereby amended to remove Section 4(a) in its entirety and replace it with the following:

“(a) **Budget.** The Committee shall, in cooperation with the Authority’s Board, provide and approve both a Fiscal Year operating budget and reestablish a Phase 2 budget target, annually or more frequently as needed. The Project Agreement Members shall contribute their respective pro-rata share of the budgeted sums reflected in the Amendment 3 Work Plan in accordance with Section 5 of this Project Agreement. The contribution with respect to the pro-rata budgeted sums reflected in the Amendment 3 Work Plan shall be payable by each Project Agreement Member in three installments. The first installment shall be in an amount equal to \$100 per acre-foot and shall be payable by no later than May 1, 2022. The second installment shall be in an amount equal to up to \$140 per acre-foot and shall be payable by no later than January 1, 2023. The third installment shall be in an amount equal to up to \$160 per acre-foot and shall be payable by no later than January 1, 2024. The obligation of the Project Agreement Members to make the second installment and third installment shall be conditioned upon the Authority and the Committee reapproving the Amendment 3 Work Plan or approving an amendment thereto by (i) an affirmative vote of at least 75% of the total number of Directors of the Authority Board and (ii) an affirmative vote of at least 75% of the total weighted vote as provided at Subsection 3(g) of the then-current Committee members, prior to January 1, 2023 or January 1, 2024, as applicable.”

Section 2.04. **Future Development of the Proposed Sites Reservoir Project.**

The Agreement is hereby amended to add the below Sections 6(c), 6(d) and 6(e):

“(c) On or prior to March 31, 2022, each Project Agreement Member shall provide the Authority with a completed Project Agreement Member Project Payment Annex in the form attached hereto as Exhibit C. The Project Agreement Members, upon written request of the Authority, will meet with Authority staff from time to time, but not more often than once per calendar quarter, at which meeting, Authority staff will provide such Project Agreement Members with information regarding the then-current financing options being considered by the Authority and the expected terms of such financing options and the Project Agreement Member will provide updates regarding the status of the items identified in the Project Agreement Member Project Payment Annex.

(d) On or prior to June 30, 2023, each Project Agreement Member shall provide the Authority with a written update (the “Project Agreement Member Update”) with respect to the progress in the implementation of such repayment option, the remaining actions to be taken and the estimated completion dates.

For those Project Agreement Members that identified special benefit assessments or land based charges imposed in an improvement district as a source of repayment for an Authority financing in its Project Agreement Member Payment Annex, the Project Agreement Member Update

will also include a confirmation that such Project Agreement Member has the legal or contractual authority to discontinue water service to a water user that is delinquent in the payment of such special benefit assessment or land based charge, as applicable.

The Project Agreement Member Update will also include a confirmation that the Project Agreement Member has adopted a debt management policy that is compliant with California Government Code Section 8555(i), or, if such Project Agreement Member has not adopted such a debt management policy, the Project Agreement Member Update will include a statement that such Project Agreement Member expects to adopt such a debt management policy [or an opinion from the general counsel to such Project Agreement Member to the effect that such a debt management policy is not required to be adopted by the Project Agreement Member to finance its share of the Project].

The Project Agreement Member Update shall also identify any change in the proposed source of repayment from the source identified in the Project Agreement Member Payment Annex previously submitted to the Authority.

(e) The Project Agreement Members that identified the repayment options of either special benefit assessments or land based charges imposed in an improvement district in their respective Project Agreement Member Payment Annexes agree to use best efforts complete the necessary procedures to comply with the applicable requirements of Proposition 218 by no later than June 30, 2023.”

Section 2.05. **Term.** The Agreement is hereby amended to remove Section 8(b) in its entirety and replace it with the following:

“(b) The term of this Project Agreement shall continue until December 31, 2024. In the event that this Third Amendment is not approved by Project Agreement Members with the requisite percentage of the total weighted vote as set forth in the Agreement by March 31, 2022, the Agreement shall be revived immediately upon approval by such requisite percentage, without any additional approval of the Project Agreement Members, and this Third Amendment shall become effective.”

Section 2.06. **Admission of New Project Agreement Members.** The Agreement is hereby amended to add the following sentence to end of the paragraph included under Section 10 of the Agreement:

“The Authority shall have the right to charge Project Agreement Members executing the Agreement after a date determined by the Board a fee, which such fee shall be established by the Board, to compensate Project Agreement Members who executed the Agreement prior to a date determined by the Board, for providing funding for the initial phases of the Project.”

Section 2.07. **California Environmental Quality Act.** The Agreement is hereby amended to add the following Section 18:

“Section 18 California Environmental Quality Act

Notwithstanding any provision of this Agreement, the Authority and the Project Agreement Members fully reserve all of their respective rights, powers, authority and discretion with respect to the proposed Project pursuant to the agencies’ respective obligations and responsibilities under the

California Environmental Quality Act (“CEQA”). This includes: (A) the power and discretion of the Authority as the lead agency, upon the completion of its CEQA review, to adopt feasible mitigation measures or a feasible project alternative, to approve the proposed Project based on the requisite CEQA findings, or to disapprove the proposed Project; and (B) the powers and discretion of the Project Agreement Members concerning the specific matters within their respective jurisdiction and authority acting as responsible agencies under CEQA. Any future decisions on whether to issue an approval of the proposed Project, and if so, how to issue such approval, will not be made until the agency making the decision has first completed its CEQA review of the proposed Project.”

ARTICLE III

MISCELLANEOUS

Section 3.01. **Effectiveness of Agreement.** Except as expressly amended by this Third Amendment, the Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof. The amendments set forth in this Third Amendment shall be incorporated as part of the Agreement upon their effectiveness in accordance with Section 11 of the Agreement.

Section 3.02. **Execution in Several Counterparts.** This Third Amendment may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and the Project Agreement Members shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 3.03. **Laws Governing Third Amendment.** The effect and meaning of this Third Amendment and the rights of all parties hereunder shall be governed by, and construed according to, the laws of the State.

IN WITNESS WHEREOF, the Authority and Project Agreement Members hereto, pursuant to resolutions duly and regularly adopted by their respective governing bodies, have caused their names to be affixed by their proper and respective officers on the date shown below:

Dated: _____

SITES PROJECT AUTHORITY

By: _____

Name:

Title:

[PROJECT AGREEMENT MEMBER]

Dated: _____

(Authority & Project Agreement Member)

By: _____

Name:

Title:

DRAFT

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EXHIBIT A

PROJECT AGREEMENT MEMBERS

Participant	Participation		Storage Allocation
	(Third Amendment Annualized Acre-Foot)		
	Preliminary	Percent	
American Canyon, City of	4,000	2.4%	
Antelope Valley-East Kern Water Agency	500	0.3	
Carter Mutual Water Company #	300	0.2	
Coachella Valley Water District	10,000	6.0	
Colusa County	10,000	6.0	
Colusa County Water District	10,073	6.0	
Cortina Water District	450	0.3	
Davis Water District	2,000	1.2	
Desert Water Agency	6,500	3.9	
Dunnigan Water District	2,972	1.8	
Glenn-Colusa Irrigation District	5,000	3.0	
Irvine Ranch Water District	1,000	0.6	
LaGrande Water District	1,000	0.6	
Metropolitan Water District of S. CA	50,000	29.8	
Reclamation District 108	4,000	2.4	
Rosedale-Rio Bravo Water Storage District	500	0.3	
San Bernardino Valley Municipal Water District	21,400	12.8	
San Geronio Pass Water Agency	14,000	8.4	
Santa Clara Valley Water District	500	0.3	
Santa Clarita Valley Water Agency	5,000	3.0	
Westside Water District	5,375	3.2	
Wheeler Ridge-Maricopa Water Storage District	3,050	1.8	
Zone 7 Water Agency	10,000	6.0	
Total:	167,620	100.0	

Participation Percentages exclude State of California and United States Bureau of Reclamation share of the Project.

Denotes a non-public agency. Refer to California Corporations Code Section 14300 et. seq. with additional requirements provided in both the Public Utilities Code and Water Code.

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EXHIBIT B
AMENDMENT 3 WORK PLAN

DRAFT

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EXHIBIT C

FORM OF PROJECT AGREEMENT MEMBER
PROJECT PAYMENT ANNEX

Project Agreement Member:

Date:

Expected Source(s) of Repayment For Authority Financing (Check Each Box That Applies):	<input type="checkbox"/> Amounts Collected Through Department of Water Resources State Water Project Annual Statement of Charges	<input type="checkbox"/> Water Rates and Charges (Proposition 218 Compliance Required)	<input type="checkbox"/> Water Rates and Charges (Proposition 218 Compliance Not Required)	<input type="checkbox"/> Special Benefit Assessment-Districtwide	<input type="checkbox"/> Land-Based Charges Imposed Within an Improvement District
If An Improvement District, Has It Been Formed?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	If no, is it anticipated to be formed by June 30, 2023? <input type="checkbox"/> Yes <input type="checkbox"/> No		
If A Special Benefit Assessment, Has the Special Benefit Been Approved In An Amount To Pay Debt Service On The Authority Financing?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	If no, is it anticipated to be presented for landowner approval by June 30, 2023? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Does the District Have A Debt Management Policy Compliant With Section 8855(i) of the California Government Code?	<input type="checkbox"/> Yes	<input type="checkbox"/> No			

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BOARD MEMORANDUM

DATE: January 20, 2022
TO: Board of Directors
FROM: Joseph Byrne and Thomas Bunn
General Counsel
SUBJECT: Approve Continuation of Remote Meetings as Described in AB 361 and Make Required Findings

SUMMARY / DISCUSSION

At the September 28, 2021 adjourned Board meeting, pursuant to AB 361, the Board of Directors adopted Resolution No. SCV-235 that authorized the Board to continue to have remote meetings based upon the continued state of emergency for COVID-19, and made findings that (1) Los Angeles County officials have imposed or recommended measures to promote social distancing; and (2) meeting in person would present imminent risks to the health and safety of attendees. In order to continue to hold remote meetings pursuant to AB 361, the Board is required to reconsider the circumstances of the state of emergency and make one or both of the above findings within 30 days of the last action.

Consistent with this requirement, at the October 19, November 17, December 7, 2021 and January 4, 2022 regular Board meetings, the Board reconsidered the circumstances of the state of emergency and authorized continued remote meetings for an additional 30 days, making one of the above findings - that state and local officials continue to impose or recommend measures to promote social distancing.

At the time this report was prepared, there is a continued state of emergency for COVID-19. This item is on the Agenda for the Board to consider whether to continue remote meetings pursuant to AB 361 for an additional 30 days

The recommendation below is consistent with the action the Board took at the October 19, November 17, December 7, 2021 and January 4, 2022 regular Board meetings, which authorized continued remote meetings pursuant to AB 361 based on a finding that state and local officials continue to impose or recommend social distancing.

Due to previously noticed Committee meetings staff is requesting that when the Board does vote to discontinue the findings as stated in AB 361, that they continue remote meetings for at least as an additional 15 days to cover meetings already noticed.

FINANCIAL CONSIDERATIONS

None.

RECOMMENDATION

That the Board of Directors vote to continue virtual meetings pursuant to AB 361 for an additional 30 days based on the findings that (1) it has reconsidered the circumstances of the state of emergency for COVID-19 and (2) state and local officials continue to impose or recommend measures to promote social distancing. Alternatively extend it for an additional 15 days to cover previously noticed meetings.



BOARD MEMORANDUM

DATE: January 7, 2022
TO: Board of Directors
FROM: Courtney Mael, P.E., Chief Engineer *CM*
Keith Abercrombie, Chief Operating Officer *KA*
SUBJECT: January 6, 2022 Engineering and Operations Committee Meeting Report

The Engineering and Operations Committee met at 5:30 PM on Thursday, January 6, 2022 via teleconference. In attendance were Chairman William Cooper, Directors Jeff Ford, Gary Martin, Piotr Orzechowski and Lynne Plambeck. Staff members present were General Manager Matt Stone; Assistant General Manager Steve Cole; Chief Engineer Courtney Mael; Executive Assistant Leticia Quintero; Executive Assistant Elizabeth Adler; Director of Operations and Maintenance Mike Alvord; Principal Engineer Jason Yim; Senior Engineer Shadi Bader; Senior Engineer Jim Leserman; Associate Engineer Elizabeth Sobczak; and Right of Way Agent Kristina Jacob. Five members of the public were present on the call. A copy of the agenda is attached.

Item 1: Pledge of Allegiance – Chairman Cooper led the Committee in the pledge of allegiance.

Item 2: Public Comments – There was no public comment.

Item 3: Recommend Approval of a Resolution to Execute a License Agreement with UNAVCO for Geodetic Monitoring Station Site License Agreement on SCV Water Property and Designating SCV Water Authorized Representative – The Committee and staff discussed this item and recommended Board approval and placement of the item on the Board consent calendar at the February 1, 2022 regular Board meeting.

Item 4: Recommend Approval of a Resolution Authorizing a Purchase Order to Kennedy/Jenks Consultants for Final Design Services for the Well 201 Volatile Organic Compounds Groundwater Treatment Improvements Project – The Committee and staff discussed the proposed design and concerns that appropriate measures be addressed in the design with regards to sound mitigation if necessary, site security from vandalism, and aesthetics and after much discussion recommended Board approval and placement of the item on the Board consent calendar at the February 1, 2022 regular Board meeting.

Item 5: Monthly Operations and Production Report – Staff and the Committee reviewed the Operations and Production Report.

Item 6: Capital Improvement Projects Construction Status Report – Staff and the Committee reviewed the Capital Improvement Projects Construction Status Report.

Item 7: Committee Planning Calendar – Staff and the Committee reviewed the FY 2021/22 Committee Planning Calendar.

Item 8: General Report on Treatment, Distribution, Operations and Maintenance Services Section Activities – Mike Alvord informed the Committee of upcoming presentations that will be made for the Agency's Fleet Vehicle Program and the Emergency Response Plan. In

addition, Mike shared the recent water quality inquires and how the staff is helping to address each customers request.

Item 9: General Report on Engineering Services Section Activities – Courtney Mael updated the Committee on upcoming presentations that Right of Way Agent Kristina Jacob will be bringing to the Committee in future months. Courtney also shared the anticipated completion of the PFAS Valley Center Wells Project and the Tesoro Development.

Item 10: Adjournment – The meeting adjourned at 6:23 PM.

CM/MA

Attachment

MBS



Date: December 27, 2021

To: **Engineering and Operations Committee**
William Cooper, Chair
Jeff Ford
Gary Martin
Piotr Orzechowski
Lynne Plambeck

From: Courtney Mael, Chief Engineer *CM*
Keith Abercrombie, Chief Operating Officer *KA*

The **Engineering and Operations Committee** is scheduled to meet via teleconference on **Thursday, January 6, 2022 at 5:30 PM**, call-in information is listed below.

**TELECONFERENCE ONLY
NO PHYSICAL LOCATION FOR MEETING**

TELECONFERENCING NOTICE

Pursuant to the provisions of AB 361 this meeting is being held remotely. The SCV Water Board will continue to hold remote Board and Committee meetings due to the continuing State of Emergency for COVID-19 and state and local official's continuance to impose or recommend measures to promote social distancing. Any Director may call into the Agency Committee meeting using the **Agency's Call-In Number 1-(833)-568-8864, Webinar ID: 160 627 2982 or Zoom Webinar by clicking on the link <https://scvwa.zoomgov.com/j/1606272982>** without otherwise complying with the Brown Act's teleconferencing requirements.

The public may not attend the meeting in person. 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. Please see the notice below if you have a disability and require an accommodation in order to participate in the meeting.

If the State of Emergency for COVID-19 expires prior to this meeting and after the posting of this Agenda, this meeting will be held in person at the Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350 in the Board and Training Rooms.

We request that the public submit any comments in writing if practicable, which can be sent to **eadler@scvwa.org** or mailed to **Elizabeth Adler, Executive Assistant**, Santa Clarita Valley Water Agency, 26515 Summit Circle, Santa Clarita, CA 91350. All written comments received before 4:00 PM the day of the meeting will be distributed to the Committee members and posted on the Santa Clarita Valley Water Agency website prior to the start of the meeting. Anything received after 4:00 PM the day of the meeting will be made available at the meeting and will be posted on the SCV Water website the following day.

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 Resolution to Execute a License Agreement with UNAVCO for Geodetic Monitoring Station Site License Agreement on SCV Water Property and Designating SCV Water Authorized Representative	1
4. *	Recommend Approval of a Resolution Authorizing a Purchase Order to Kennedy/Jenks Consultants for Final Design Services for the Well 201 Volatile Organic Compounds Groundwater Treatment Improvements Project	31
5. *	Monthly Operations and Production Report	43
6. *	Capital Improvement Projects Construction Status Report	149
7. *	Committee Planning Calendar	151
8.	General Report on Treatment, Distribution, Operations and Maintenance Services Section Activities	
9.	General Report on Engineering Services Section Activities	
10.	Adjournment	
*	Indicates Attachment	
◆	Indicates Handout	

NOTICES:

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning Elizabeth Adler, Executive Assistant, at (661) 297-1600, or in writing to Santa Clarita Valley Water Agency at 26515 Summit Circle, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

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


Posted on December 28, 2021.

M65

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BOARD MEMORANDUM

DATE: January 13, 2022
TO: Board of Directors
FROM: Steve Cole 
Assistant General Manager
SUBJECT: January 12, 2022 Water Resources and Watershed Committee Meeting Report

The Water Resources and Watershed Committee met at 5:30 PM on Wednesday, January 12, 2022 via teleconference. In attendance were Committee Chair Jeff Ford, Directors B. J. Atkins, Ed Colley, William Cooper, and Jerry Gladbach. Staff members present were Chief Operating Officer Keith Abercrombie, Assistant General Manager Steve Cole, Sustainability Manager Matt Dickens, Water Resources Planner Sarah Fleury, Management Analyst II Cheryl Fowler, Water Conservation Specialist I Julia Grothe, Board Secretary April Jacobs, Director of Water Resources Dirk Marks, Chief Engineer Courtney Mael, Executive Assistant Leticia Quintero, General Manager Matt Stone, Water Resources Planner Rick Vasilopoulos, Water Resources Planner Ernesto Velazquez, Principal Water Resources Planner Rick Viergutz and Principal Engineer Jason Yim. Erica Linard (Rincon Consultants) and members of the public were also present. A copy of the Agenda is attached.

Item 2: Public Comment – There was general public comment.

Item 3: Recommend Authorizing the General Manager to Execute an Amendment to the Reservoir Agreement for Sites Reservoir to Fund Necessary Planning Costs – Staff gave a presentation outlining progress on the Sites Reservoir Project and the proposed amendment to the Sites Reservoir Agreement. After discussion, the Committee recommended that this item be presented at the February 1, 2022, regular Board meeting.

Item 4: Recommend Authorizing the General Manager to Enter Into Agreement with TerraVerde Energy for Application Preparation and Project Management of Self-Generating Incentive Program Projects (Photovoltaic and Battery Storage) Funding – Staff gave a presentation describing the funding program for Self-Generating Incentive Projects (Photovoltaic and Battery Storage) (SGIP), including the need for consultant support to manage the program and the funding application process. The Committee discussed the SGIP Project and Program, requested that a CEQA finding relating to this project be added to the Board report, and recommended that this item be presented at the February 15, 2022, regular Board meeting.

Item 5: Water Resources Director's Report

- 5.1 Status of Water Supplies** – Staff updated the Committee on the Status of Water Supplies including data on recent precipitation, reservoir storage levels, improving drought classifications throughout the state and the prospect of DWR increasing the SWP allocation. Staff's presentation is available at <https://yourscwater.com/wp-content/uploads/2022/01/Item-5.1-WRW-011221-PowerPoint-Status-of-Water-Supplies.pdf>.

- 5.2 Staff Activities** – Staff provided a brief update on a January 6, 2022 multi-agency meeting regarding the Bouquet Creek Restoration Project. New funding opportunities, along with recently passed SB 155, present significant opportunities to advance the project. A follow-up meeting is scheduled for February 2022.

Item 6: Sustainability Manager's Report

- 6.1 Status of Drought Response and Performance** – Staff provided a comprehensive update on the Status of Drought Response and Performance, noting that both the weather and SCV Water Customers response to voluntary conservation measures are driving water demands lower. Staff's presentation is available at <https://yourscvwater.com/wp-content/uploads/2022/01/Item-6.1-WRW-011221-PowerPoint-Status-of-Drough-Response-and-Performance.pdf>.
- 6.2 Status of Sustainability and Climate Action Plan** – Staff and consultant Rincon Consultants, Inc. updated the Committee on the status of the Sustainability and Climate Action Plan (S&CAP). The Committee discussed the necessity and advisability of preparing the S&CAP in advance of regulatory requirements. Staff's presentation is available at <https://yourscvwater.com/wp-content/uploads/2022/01/Item-6.2-WRW-011221-PowerPoint-Status-of-Sustainability-and-Climate-Action-Plan.pdf>.

Item 7: Committee Planning Calendar – The Committee reviewed the Planning Calendar.

The meeting adjourned at 8:15 PM.

Attachment



Date: January 5, 2022

To: **Water Resources and Watershed Committee**
Jeff Ford, Chair
B.J. Atkins
Edward Colley
William Cooper
E.G. "Jerry" Gladbach

From: Steve Cole, Assistant General Manager *SC*

The **Water Resources and Watershed Committee** is scheduled to meet via teleconference on **January 12, 2022 at 5:30 PM**, call-in information is listed below.

**TELECONFERENCE ONLY
NO PHYSICAL LOCATION FOR MEETING**

TELECONFERENCING NOTICE

Pursuant to the provisions of AB 361 this meeting is being held remotely. The SCV Water Board will continue to hold remote Board and Committee meetings due to the continuing State of Emergency for COVID-19 and state and local official's continuance to impose or recommend measures to promote social distancing. Any Director may call into the Agency Committee meeting using the **Agency's Call-In Number 1-(833)-568-8864 Webinar ID: 160 736 0842 or Zoom Webinar by clicking on the link <https://scvwa.zoomgov.com/j/1607360842>** without otherwise complying with the Brown Act's teleconferencing requirements.

The public may not attend the meeting in person. 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. Please see the notice below if you have a disability and require an accommodation in order to participate in the meeting.

If the State of Emergency for COVID-19 expires prior to this meeting and after the posting of this Agenda, this meeting will be held in person at the Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350 in the Board and Training Room.

We request that the public submit any comments in writing if practicable, which can be sent to cfowler@scvwa.org or mailed to Cheryl Fowler, Management Analyst II, Santa Clarita Valley Water Agency, 26501 Summit Circle, Santa Clarita, CA 91350. All written comments received before 4:00 PM the day of the meeting will be distributed to the Committee members and posted on the Santa Clarita Valley Water Agency website prior to the start of the meeting. Anything received after 4:00 PM the day of the meeting will be made available at the meeting and will be posted on the SCV Water website the following day.

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 Authorizing the General Manager to Execute an Amendment to the Reservoir Agreement for Sites Reservoir to Fund Necessary Planning Costs	
4. * Recommend Authorizing the General Manager to Enter Into Agreement with TerraVerde Energy for Application Preparation and Project Management of Self Generating Incentive Program Projects (Photovoltaic and Battery Storage) Funding	
5. Water Resources Director’s Report	
5.1 Status of Water Supplies	
5.2 Staff Activities	
6. Sustainability Manager’s Report	
6.1 Status of Drought Response and Performance	
6.2 Status of Sustainability and Climate Action Plan	
7. * Committee Planning Calendar	
8. Adjournment	

* Indicates Attachment

◆ Indicates Handout

NOTICES:

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning Cheryl Fowler, Management Analyst II, at (661) 297-1600, or in writing to Santa Clarita Valley Water Agency at 26501 Summit Circle, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons

January 5, 2021

Page 3 of 3

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 the Santa Clarita Valley Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.yourscvwater.com>.

Posted on January 5, 2022.

MGS

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BOARD MEMORANDUM

DATE: January 21, 2022
TO: Board of Directors
FROM: Steve Cole *SC*
Assistant General Manager
SUBJECT: January 20, 2022 Public Outreach and Legislation Committee Meeting Report

The Public Outreach and Legislation Committee met at 5:30 PM on Thursday, January 20, 2022 via teleconference. In attendance were Committee Chair Jerry Gladbach; Directors Kathye Armitage, R. J. Kelly and Lynne Plambeck and; General Manager Matt Stone, Assistant General Manager Steve Cole, Communications Manager Kathie Martin, Executive Assistance Eunie Kang, Administrative Technician Terri Bell; Consultants Dennis Albiani and Anthony Molina from California Advocates, Consultant Geoff Bowman from Van Scoyoc Associate, Consultant Hunt Braly from Poole Shaffery and members of the public. A copy of the agenda is attached.

Item 2: Public Comments – There was no public comment.

Item 3: Legislative Consultant Reports – Staff and the Committee reviewed the federal legislative report by Geoff Bowman, state legislative report by Dennis Albiani and Anthony Molina and local legislative report by Hunt Braly.

Item 4: Discussion of the 2022 Legislative Platform and Advocacy Process – Staff and the Committee discussed the draft 2022 Legislative Platform and advocacy process. After discussion and edits to the draft, the Committee unanimously supported presenting this item to the Board for consideration at the February 16, 2022 regular Board meeting under the consent calendar.

There was public comment on item 4.

Item 5: Communications Manager Activities – Staff and the Committee reviewed the following information: Legislative Tracking, Grant Status Report, Sponsorship Tracking FY 2021/22 and the Public Outreach and Legislation Committee Planning Calendar FY 2021/22.

Item 6: Adjournment – The meeting adjourned at 7:16 PM.

Attachment


M65

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Date: January 13, 2022

To: **Public Outreach and Legislation Committee**
Jerry Gladbach, Chair
Kathye Armitage
B.J. Atkins
R.J. Kelly
Lynne Plambeck

From: Steve Cole, Assistant General Manager 

The **Public Outreach and Legislation Committee** is scheduled to meet via teleconference on **Thursday, January 20, 2022 at 5:30 PM**, dial information is listed below.

**TELECONFERENCE ONLY
NO PHYSICAL LOCATION FOR MEETING**

TELECONFERENCING NOTICE

Pursuant to the provisions of AB 361 this meeting is being held remotely. The SCV Water Board will continue to hold remote Board and Committee meetings due to the continuing State of Emergency for COVID-19 and state and local official's continuance to impose or recommend measures to promote social distancing. Any Director may call into the Agency Committee meeting using the Agency's **Call-In Number 1-833-568-8864, Webinar ID: 160 707 0730** or **Zoom Webinar by clicking on the link <https://scvwa.zoomgov.com/j/1607070730>** without otherwise complying with the Brown Act's teleconferencing requirements.

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We request that the public submit any comments in writing if practicable, which can be sent to **ekang@scvwa.org** or mailed to **Eunie Kang, Executive Assistant**, Santa Clarita Valley Water Agency, 27234 Bouquet Canyon 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 and will be posted on the SCV Water website the following day.

MEETING AGENDA

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3. Legislative Consultant Report:	
* 3.1 Van Scoyoc Associates	1
* 3.2 California Advocates	3
* 3.3 Poole & Shaffery	19
4. * Discussion of the 2022 Legislative Platform and Advocacy Process	21
5. Communications Manager Activities:	
* 5.1 Legislative Tracking	29
* 5.2 Grant Status Report	33
* 5.3 Sponsorship Tracking FY 2021/22	37
* 5.4 Committee Planning Calendar FY 2021/22	39
6. Adjournment	
* Indicates Attachment	
◆ Indicates Handout	

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Posted on January 13, 2022

MGS



BOARD MEMORANDUM

DATE: January 17, 2022
TO: Board of Directors
FROM: Courtney Mael *CM*
 Chief Engineer
SUBJECT: Engineering Services Section Report

CAPITAL IMPROVEMENT PROJECTS (CIP) CONSTRUCTION

Project	Contractor	Contract Amount	Scheduled Completion	Notes
ESFP Standby Generator	NoHo Constructors, Inc.	\$463,000	3/15/2022	Construction is 14% complete.
Vista Canyon Recycled Water Main Extension (Phase 2B)	Ferreira Construction Co., Inc.	\$2,584,110	3/31/2022	Construction is 80% complete. Contractor is fabricating pipe hangers and will start constructing bridge crossing in February 2022.
Commerce Center Pipeline	FivePoint/Blois Construction, Inc.	\$891,139.70	4/01/2022	Construction is 99% complete.
Magic Mountain Pipeline Phase 4	FivePoint/Toro Enterprises	\$3,368,093.07	4/01/2022	Construction is 90% complete.
Magic Mountain Pipeline Phase 5	FivePoint/Toro Enterprises	\$3,269,978.85	4/01/2022	Construction is 90% complete.
Vista Canyon Recycled Water Tank (Phase 2B)	Pacific Tank and Construction, Inc.	\$3,906,870	4/01/2022	Construction is 65% complete.
Magic Mountain Pipeline Phase 6A	FivePoint/Toro Enterprises	\$7,168,844.85	5/01/2022	Construction is 65% complete.

Magic Mountain Pipeline Phase 6B	FivePoint/ Leatherwood Construction	\$4,568,687.07	5/01/2022	Construction is 70% complete.
Valley Center Well Material Purchase	Evoqua Water Technologies, LLC	\$512,802	5/16/2022	Material delivery complete. Start-up services on-hold pending site construction work to be completed.
Valley Center Well Site Construction	GSE Construction Company, Inc.	\$2,996,800	5/16/2022	Construction is 42% complete.
Santa Clara & Honby Wells Material Purchase	Aqueous Vets	\$814,050	TBD	Contract, Bonds, and Insurance Certificate documents are being executed.

CAPITAL IMPROVEMENT PROJECTS (CIP) PLANNING AND DESIGN

1. Castaic Conduit Bypass Pipeline – Design is 90% complete. Staff is in the process of acquiring a pipeline easement from the City of Santa Clarita.
2. ESFP Two 5 MG Tank Improvements – Final design is in progress.
3. ESFP Washwater Return and Sludge Collection System – The project is being advertised for construction bids.
4. E Wells (E-14, E-15, E-16, and E-17) PFAS Groundwater Treatment Improvements – Planning is in progress.
5. Honby Parallel Pipeline Phase 2 – The Board of Directors adopted the Addendum to the EIR on June 1, 2021. Design is in progress. Staff is securing permits from the California Department of Fish and Wildlife and the Los Angeles Regional Water Quality Control Board.
6. Magic Mountain Reservoir and Pump Station – Staff is preparing the California Environmental Quality Act (CEQA) documents. Staff is finalizing the preliminary plans for the pump station.
7. Newhall Tanks 1 and 1A Stairs and Catwalks Improvements – The CEQA Notice of Exemption form has been submitted to the County. Final design is in progress.
8. Pitches Pipeline Modifications During I-5 Improvements in North County – LA County Metropolitan Transportation Authority (Metro), as the CEQA Lead Agency, approved the Project's EIR in September 2009 and re-evaluated it in March 2020 and determined that the EIR is still valid. SCVWA entered into the Utility Agreement with Metro for the Pitches Pipeline Modifications work on May 2019. Metro has received construction bids for the project and staff is reviewing the pipeline work bid item and will be requesting for construction funding authorization at the February or March Engineering & Operations Committee meeting.
9. Recycled Water Central Park (Phase 2A) – The project's Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Program (MMRP) was adopted by the CLWA Board of Directors on December 13, 2017. Design is on-hold pending resolution of recycled water permitting and regulatory issues.
10. Recycled Water Fill Station – The CEQA Notice of Exemption form was submitted to the County. Final design is in progress.
11. Recycled Water South End (Phase 2C) – Newhall County Water District, as the CEQA Lead Agency, certified the recirculated MND on August 10, 2017. The project MND/IS was adopted by the CLWA Board of Directors on August 23, 2017. Grant application for a Proposition 1 Grant was submitted the week of December 2, 2019. The Board of Directors adopted the Addendum to the MND on June 1, 2021 and authorized additional final design services on August 3, 2021. Final design is in progress.
12. Replacement Wells (Saugus Wells 3 and 4: Site and Equipment Design) – The Board of Directors authorized final design services on August 4, 2020 and final design is in progress.

13. Replacement Wells (Saugus Wells 3 and 4: Well Construction) – The well drilling work is being advertised for construction bids.
14. RVWTP Diesel Underground Storage Tank (UST) Replacement – The Board of Directors authorized final design services on December 7, 2021 and final design is in progress.
15. Sand Canyon Pipeline Protection at Sierra Highway Bridge Widening – Final design is in progress. The City of Santa Clarita plans to advertise the Sand Canyon Pipeline Protection work under a separate bid item for the Sierra Highway Bridge Widening Project.
16. Santa Clara and Honby Wells PFAS Groundwater Treatment Improvements – Final design of the site improvements is in progress.
17. Saugus Formation Dry Year Reliability Wells (Saugus Wells 5 and 6) – Staff is preparing a Planning and Feasibility Study Request for Proposal document.
18. S Wells PFAS Groundwater Treatment and Disinfection Facility – Preliminary Design and landscape concept has been completed. Environmental Consultant retained to prepare CEQA documents. Discussions with the City of Santa Clarita are ongoing related to purchase of property.
19. T7, U4, and U6 Wells PFAS Groundwater Treatment Improvements, New RVIPS Disinfection Facility, and Saugus 1 and 2 VOC Improvements – The Preliminary Design Report has been completed. Biological and Cultural Resources Assessment in progress. Request to authorize final engineering contract to be presented to E&O Committee on February 3, 2022.
20. V-9 Turnout Facility – Planning is in progress.
21. Valencia Marketplace Pipeline Replacement – The Preliminary Design Report and CEQA evaluation have been completed. Final design is in progress.
22. Well 201 VOC Treatment Improvements – Planning is in progress. Staff will be requesting for authorization of final design services at the February 1, 2022 Board meeting.
23. Well 205 Perchlorate Treatment Improvements – Staff is preparing responses to questions and comments raised at the meeting with Woodlands HOA before CEQA documents are released for public comment.

DEVELOPMENT PROJECTS – DESIGN, CONSTRUCTION, AND INSPECTION

Project Developer	Development Size	Infrastructure (Estimated at Build-out)	Schedule	Status
Aidlin Hills (Tract 52796) Lennar	102 Dwelling Units	2 tanks, 1 pump station, ±7670' of potable pipelines, and 9 public fire hydrants.	TBD	Consultants are preparing an updated WaterTech Memo for the project.
Castaic High School Rasmussen	250,000 Square Feet	2 miles of pipelines, 1 tank, and 1 pump station.	Facilities were constructed to meet scheduled school opening in fall 2019.	Construction is complete and pending punch list items. Easement documents are being prepared.
College of the Canyons (COC)	New Parking Structure for Valencia Campus	Relocation of 16" water line (approximately 1,015').	Construction is complete and pipeline is in operation.	Staff are working with COC on preparing easement.
Dockweiler	93 Single Family Units	1,400' of offsite pipeline, 3,600 feet of onsite pipeline.	Construction expected to be completed by January 2022.	Construction started in early March 2021. Construction is complete. Closeout and NOC in process.
Landmark Village (Tract 53108) FivePoint	1444 Dwelling Units	3.5 miles of piping pressure reducing station, 2MG Zone IA Tank, and 2 Hwy 126 crossings.	TBD	Design is on hold.

Project Developer	Development Size	Infrastructure (Estimated at Build-out)	Schedule	Status
Mission Village (FivePoint)	4055 Dwelling Units	11.5 miles of new pipeline, 1 pressure reducing station (Telemark (formerly Petersen), 2 booster stations (Telemark (formerly Petersen) potable & recycled). 1 booster station upgrade (Magic Mtn.), and 3 tanks (Telemark (formerly Petersen) potable & recycled tanks and Magic Mtn. Tank No. 2 potable).	Telemark (formerly Petersen) Tanks and Booster Stations design to be complete by June 2022.	<p>Design: To date, 38 water distribution pipeline designs have been approved for construction. Telemark (formerly Petersen) potable and recycled water tanks and booster stations are near 75% design completion. Phase 3B water distribution pipeline plan sets are under review.</p> <p>Construction: Retaining wall work on the Magic Mountain Tank No. 2 site is in progress. 1A, 1B, 1C, 1D, and in-tract potable water pipelines construction is completed, and recycled water pipelines construction is at 90% completion. Well 206/207 pipe relocation project in construction. Magic Mountain Booster Station Upgrade is in construction. Notices of Completion are being executed for completed construction projects.</p>
Needham Ranch Trammell Crow Co.	2,550,000 Square Feet Industrial and Commercial	4 miles of pipelines, 1 pump station, 2 tanks, and 2 pressure reducing stations.	Phase 1 construction is substantially complete. Phase 2 contract agreement was signed May 4, 2020.	Phase 2 water distribution plans approved. Tank 7A plans approved. Pine Street plans are approved, and DDW waiver approvals received. Temporary water line is complete.

Project Developer	Development Size	Infrastructure (Estimated at Build-out)	Schedule	Status
Sand Canyon Plaza	129 Single Family Units, 451 Multi-Family Units, 140 Bed Senior Living, Commercial	1 tank, 1 pump station, 1,700' of offsite pipeline, and 8,500' of onsite pipeline.	TBD	Offsite pipeline plans are approved. 100% pump station plan review is complete. Tank planning study and preliminary design (25% plans) are complete. Final Design Authorization and MND & MMRP adoption was approved by Board of Directors on July 6, 2021.
Sheriff Station City of Santa Clarita	44,300 Square Feet	1 mile of pipeline.	Construction of main pipeline was completed in November 2019, with temporary bypass crossing over LADWP aqueduct. The permanent undercrossing will be scheduled for bidding pending LADWP's approval of undercrossing design.	Contract close out for the main pipeline is nearly complete. Staff are continuing to work with design and geotechnical consultants to address LADWP's comments on undercrossing design.
Spring Canyon (Tract 48086)	492 Dwelling Units	1 tank, 1 pump station, and 1 pressure reducing valve, Mammoth Lane upgrades and lift station upgrades.	Mammoth Lane upgrades must be complete prior to commencement of development.	Design plans for in-tract pipelines, tanks and pump station were approved and issued in July 2020. Staff is working with developer and consultant to address County standards for sewer lift station upgrades in order to transfer ownership to the City of Santa Clarita

Project Developer	Development Size	Infrastructure (Estimated at Build-out)	Schedule	Status
Skyline Ranch Pardee (Tract 60922)	1220 Dwelling Units	17 miles of pipelines, 3 pump stations, and 4 tanks.	Phase 1 pipelines, pump station and tanks are online. Phase 2 pipelines, pump stations and tank are to be constructed by Spring 2023.	Sierra Highway pipeline passed disinfection test and is 95% complete pending completion of punch list items. Design of Phase 2 Deane Zone facilities (tank, chloramine facility, pump station) is underway.
Tesoro Highlands	696 Single Family Units, 9 Multi-Family Units, 2 acres of Commercial	2 tanks, 1 pump station, 1 pressure reducing station, and 64,000' of pipeline.	TBD	Phase 1 pipeline plans are approved. Tank 3/3A plans are approved. Pump station plans are 95% complete. 90% plans for Phases 2, 3 and 4 pipeline have been reviewed. 60% plans for Phase 5 and 6 have been reviewed. Phase 7 30% plans currently under review.
Vista Canyon (Tract 69164) JSB Development	1100 Dwelling Units	5 miles of potable and recycled pipelines.	Construction of Phase 1 Potable and Recycled Water Systems are complete. Construction of Phase 2 to be completed by developer in December 2021.	Final punch list items, tie-ins, and easements are in progress.

RIGHT OF WAY – CELL SITES

1. Bouquet Tank Site – T-Mobile has constructed fences around sector antennas. Carrier is also working on plans to install an emergency generator at this location. Agency has received deposit of \$10,000 and is reviewing plans for emergency generator.
2. Catala Tank Site – AT&T has identified this location as a potential new cell site. Agency is working with carrier on deposit letter. T-Mobile has identified this existing site for upgrades. Agency has received deposit of \$10,000 and is reviewing plans.
3. Commerce Center Tank Site – AT&T has identified this location as a potential new cell site. Agency is working with carrier on a deposit letter.
4. Honby Tank Site – T-Mobile has identified this existing site for upgrades. Agency is working with carrier on deposit letter and review of plans.
5. Live Oaks Tank Site – AT&T has identified this location as a potential new cell site. Agency is working with carrier on a deposit letter.
6. Newhall Tank 2 Site – Agency is waiting on T-Mobile carrier plans to relocate decommissioned Sprint equipment off the tank due to T-Mobile's acquisition of Sprint. Agency is waiting on carrier plans from AT&T and Verizon to install emergency generators.
7. Princess Tank Site – Agency previously issued a breach of contract to Crown Castle (site manager) and AT&T. BB&K is working with Crown Castle legal team to resolve the issue. Verizon has identified this site for emergency generator installation. Agency is working with carrier on a deposit letter.
8. Pinetree 3 Site – T-Mobile and Sprint placed temporary generators outside of their lease agreement areas for the second time since August at this site, and Notices of Trespass were sent. Carriers have since removed the generators. T-Mobile has also identified this existing site for upgrades. Agency has received deposit of \$10,000 and is reviewing plans.
9. Skyblue Tank Site – Verizon has requested an access easement for this site to resolve access issues. Agency is working with carrier on easement agreement. UNAVCO has requested a license for use of property for geodetic survey equipment. Staff presented the license at the January 6, 2022 Engineering and Operations Committee and will be requesting license approval at the February 1, 2022 Board meeting.

CAPITAL IMPROVEMENT PROJECTS (CIP) MISCELLANEOUS

- Fire Flow Tests – In December 2021, staff processed 7 fire flow requests.


FACILITY CAPACITY FEES (FCFs) AND CONNECTION FEES

Month	Regional	Distribution	Total
July 2021	\$220,561	\$2,395	\$222,956
August 2021	\$910,782	\$0	\$910,782
September 2021	\$100,195	\$12,771	\$112,966
October 2021	\$1,944,990	\$47,900	\$1,992,890
November 2021	\$1,004,416	\$0	\$1,004,416
December 2021	\$357,621	\$66,586	424,207
FY 2021/22 to Date	\$4,538,565	\$129,652	\$4,668,217
FY 2021/22 Budget	\$5,500,000	\$1,000,000	\$6,500,000

M65



BOARD MEMORANDUM

DATE: January 18, 2022
TO: Board of Directors 
FROM: Eric Campbell
Chief Financial and Administrative Officer
SUBJECT: Finance, Administration and Information Technology Section Report

FINANCE & ADMINISTRATION

Key Accomplishments/Activities:

The FY 2020/21 Annual Comprehensive Financial Report (ACFR) was submitted to the Government Finance Officers Association (GFOA) for consideration of the Certificate of Achievement for Excellence in Financial Reporting.

Staff continues to work with Emtec and their ClearCare group to complete much-needed reports, as well as complete final data conversion and validation.

Significant Upcoming Items:

The annual State Controller's reports will be completed for SCV Water, Upper Santa Clara Valley JPA, SCV Groundwater Sustainability Agency and Devil's Den Water District.

US Census Bureau 2021 Annual Survey of Local Government Finances will be prepared for SCV Water and Upper Santa Clara Valley JPA.

Staff will be attending the California Association of Public Procurement Officials (CAPPO) 2022 Conference which will be held in Pasadena, CA.

Staff will be attending the California Society of Municipal Finance Officers (CSMFO) 2022 Conference which will be held in San Diego, CA.

Ongoing: Staff continues to review and approve Certificates of Insurance, ensuring that the insurance limits conform with the Agency's insurance requirements.

Ongoing: Staff continues to assist with training in Oracle's procurement module with applications such as requisitions, purchase orders, and contract agreements.

CUSTOMER SERVICE

Key Accomplishments/Activities:

Ongoing: Direct customer outreach for aged receivables continues through mail and in-house phone collection campaigns. Each campaign is executed monthly, rotating every two weeks. Customer messaging has been modified to reflect that late fees and disconnections for nonpayment are scheduled to resume in early 2022.

Work related to the enQuesta Conversion and Upgrade Project (enCUP) continues. The first conversion of Northstar data was completed and is undergoing analysis by the Implementation Team. The enQuesta v6 Train and Production environments have been fully provisioned and accessible to the core team for when testing begins. The Implementation Team and key staff from Field Services participated in several Business Process Review sessions to evaluate the configuration and implementation of the enQuestaLink (enQLink) mobile work order solution.

Staff is working with the Outreach and Communications Team to finalize a communication plan that envelopes all aspects of the enCUP, including direct outreach to Santa Clarita Division (SCWD) customers regarding new account numbers and global messaging regarding the new online customer portal, Capricorn.

Significant Upcoming Items:

Staff is currently focused on identifying and programming all work order work flows for enQLink with the ultimate goal of maximizing automation and increasing efficiency.

Core Team Training is scheduled for the full week of January 24, 2022 with System Administrator Training immediately following.

Staff is preparing for receipt of COVID-19 relief funding from the California Water and Wastewater Arrearage Program. Once received, the Agency will have 60 days to post funds and notify eligible customers of their funding allocation. The Program is being administered by the California State Water Board Division of Drinking Water (DDW).

HUMAN RESOURCES

Key Accomplishments/Activities:

Staff is currently working with an executive recruiter to recruit for the position of Director of Water Resources.

Staff is currently recruiting for the position of Environmental Health and Safety Supervisor.

Staff is preparing to recruit for the position of Electrical/Instrumentation Technician, Senior Instrumentation Technician, and Treatment Plant Operator.

Staff completed onboarding for the positions of Administrative Technician for the Technology Services Department, Data Scientist for the Water Resources Department, and three Utility Workers for the Operations Department.

Staff conducted management and staff orientation meetings with Koff & Associates to discuss the Finance Department organizational study. Staff is in the process of completing the Position Description Questionnaire (PDQ) which analyzes in detail each classification. The study is anticipated to take about 3 months to complete.

Staff is continuing to participate in the bi-weekly Covid-19 Emergency Team meetings with management. Staff manages all the positive Covid-19 cases which have been significantly increased since the beginning of the new year. In addition, staff process all of the Emergency Administration Leave (EAL) hours and policy as approved by the Board.

Staff completed the implementation of the new year insurance benefits processes and updated changes in health, vision, dental, cash in-lieu, IGOE healthcare and dependent care FSA plans, vesting schedule, etc. for every employee record, as well as updating Retiree's HRA plan reimbursements which went into effect on January 1, 2022.

Significant Upcoming Items:

Comply with the Affordable Care Act (ACA) law and regulations and provide employees with their 1095-B documentation.

Implement any employment new laws and regulations for Year 2022.

Post the new labor posters in every Agency's location.

Assist with the OSHA-300 report regarding employee working hours.

Establish an Internship Program.

TECHNOLOGY SERVICES

Key Accomplishments/Activities:

The IT team successfully serviced 90 ticket requests and fielded 30 hotline calls in December 2021.

IT team has onboarded a new Administrative Technician. This position will support the administrative functions of the Tech Services Department.

The tech team has completed significant upgrades to the Agency SharePoint.

Significant Upcoming Items:

IT team will be moving imaging and update server from on-premise to cloud. This streamlines management of remote devices.

GIS will be coordinating cross-departmental drone training. The drone project will support the Agency's GIS data collection efforts.

The IT team will be assisting the Laboratory with upgrading their computer technology.

Ongoing: The IT team is working with Buildings and Grounds (B&G) to strategize and plan for an Agency-wide video surveillance system.

Ongoing: The IT team is currently assisting Customer Care with the enQuesta Conversion and Upgrade Project.

BUILDINGS AND GROUNDS

Key Accomplishments/Activities:

Installing safety shield in Board Room at Rio Vista for all Board members.

Repaired outer doors to Admin building leading into lobby area.

Significant Upcoming Items:

Ongoing: Staff is working with contactor to upgrade camera and operating system on mechanical gate at the Pine location.

Ongoing: Remodeling lobby counters, cabinets, and glass for better security for staff.

Ongoing: Working on project to remove and replace valves and Y-strainers at Rockefeller.

Start investigation process on HVAC controls system for heat actuators at Rockefeller.

EC

M65



BOARD MEMORANDUM

DATE: January 17, 2022
TO: Board of Directors
FROM: Keith Abercrombie
 Chief Operating Officer
SUBJECT: Treatment, Distribution, Operations and Maintenance Section Report

The Treatment, Distribution, Operations and Maintenance Section (TDOMS) provides reliable and high-quality water through rigorous preventative maintenance programs and timely response to corrective action maintenance. Routine inspections and maintenance of each facility is part of the overarching goal of TDOMS. Below is a discussion on these activities for the month of December 2021.

TREATMENT OPERATIONS AND MAINTENANCE

Monthly corrective and preventative maintenance work orders were completed at the following locations:

- Rio Vista Water Treatment Plant (RVWTP)
- Rio Vista Intake Pump Station (RVIPS)
- Earl Schmidt Filtration Plant (ESFP)
- Earl Schmidt Intake Pump Station (ESIPS)
- Saugus Perchlorate Treatment Facility (SPTF)
- Castaic and Pitchess Pipelines
- Recycled Water Pump Station
- Rio Vista Valve Vault No. 1
- Saugus Well 1
- Sand Canyon Reservoir
- Sand Canyon Pump Station (SCPS)

Preventative and Corrective Maintenance Work Order Summary

Work Orders	December 2021	FYTD 2021/22
Corrective Maintenance	14	176
Preventative Maintenance	62	416
Key Action Items Completed: All three distribution SCADA systems are now combined into one SCADA system.		

Work in Progress – Treatment

- SCPS – Repair hydraulic actuators on pumps No. 5
- Treatment SCADA System – Upgrade Treatment Servers
- Installing new screens on RVWTP Clarifiers
- Installing new drain valves on RVWTP clarifiers
- SPTF – Replacing aqueous ammonia tank
- SPTF – Replacing VFD at Saugus Well 2

Completed Work

- ESIPS – Installing Replacement VFD Drives
- ESFP – Annual plant maintenance

FLEET AND WAREHOUSING

The goal of the Fleet and Warehousing Department is to support all other departments by providing essential services, materials, and supplies, as well as safe and reliable vehicles and equipment.

Work in Progress

- Transitioning to a new fleet management system
- Setting up inventory controls in the agency's inventory system
- Developing action plans for proposed and adopted regulations
- Exploring a partnership with College of the Canyons' Automotive Internship Program

Completed Work

- Performing on-going maintenance and repairs on vehicles and equipment
- Completing state-mandated emissions tests for 38 vehicles
- Hosting a California Highway Patrol (CHP) educational seminar on vehicle regulations and safety
- Transitioning to the use of renewable diesel for vehicles and equipment at one yard

DISTRIBUTION OPERATIONS AND MAINTENANCE

General operational and maintenance activities include:

- Valve exercising
- Fire hydrant maintenance
- Air and vacuum valve maintenance
- Blow off maintenance
- Meter reading
- Meter change-outs
- Control valve maintenance

In addition to routine operational and maintenance activities, there are a variety of other projects.

**Meter Change-out Summary
NWD**

Meter Size	December 2021	Quantity FYTD 2021/22
3/4"	25	170
1"	5	15
1 1/2"		2
2"	10	19
>2"	9	23

SCWD

Meter Size	December 2021	Quantity FYTD 2021/22
3/4"	9	332
1"	12	55
1 1/2"		13
2"		7
>2"		

VWD

Meter Size	December 2021	Quantity FYTD 2021/22
3/4"	15	467
1"	5	35
1 1/2"	23	24
2"	1	28
>2"	7	59

Distribution System Leak Summary

NWD – Approx. 9,679 Service Connections

Leak Type	December 2021	FYTD 2021/22
Service Leaks	2	24
Main Leaks		1

SCWD – Approx. 31,218 Service Connections

Leak Type	December 2021	FYTD 2021/22
Service Leaks	8	73
Main Leaks		2

VWD – Approx. 29,974 Service Connections

Leak Type	December 2021	FYTD 2021/22
Service Leaks	2	36
Main Leaks	2	5

Work in Progress

- SC-2 Gravity – Completing above ground construction. Abandoning old line at SC-4, fence to be installed
- Dickason Drive Pipeline Replacement – Plans complete January 10, 2022
- Smyth Drive Pipeline Replacement – Plans complete February 1, 2022
- Newhall Ranch Road Pipeline Replacement – Working on Plans
- Vasquez Pipeline – Researching easement
- Mammoth Booster Station 3 Suction and Discharge Pipeline Replacement – (3) Hydro Shop Valves installed, and parts ordered for bypass

Completed Work

- Interconnection between the NWD and SCWD Systems on Old Wiley Cyn Rd
- Decoro Drive Pipeline Replacement

- West Newhall Interconnection (VWD and NWD) on Vista Ridge/Wiley Cyn
- Ridge Route Road Phase 2 Pavement Repair
- The Old Road Pavement Repair
- Sierra Highway Regulator Station – Work Complete
- Gary Drive Interconnection – Work complete

PRODUCTION OPERATIONS AND WATER SYSTEMS

In addition to the general operation and maintenance of the production facilities, there are a variety of other projects within the Production and Water Systems.

Work in Progress

- SC-12 – Facility construction and upgrades for efficiency are complete, station is online. Working with engineering on easements, survey scheduled for January 2022
- Carnegie Booster Station – Meter, pump and motor replacement completed, pump 19 – Replacing broken suction valve, valve is on back order
- SC-2 gravity – SCE energized in October, Cla-Val, station slab completed in December. Start-up pending SCADA programming and fencing
- Honby Tank – Asphalt repairs ordered, scheduled for January 2022
- Saugus Well 2 Rehab – Motor replacement completed, well video and casing integrity study scheduled January 2022
- Sand Canyon and Princess Boosters – Electrical equipment replacement work completed, pending SCE re-energization
- Fairway Water Storage Tank Coating Project – Reline interior, spot repair exterior. Associated Tank Constructors, Inc. awarded project December 21, 2021, contract pending signatures
- Commerce Center Tanks No. 1 and No. 2 Exterior Recoat Project – RPF posted December 13, 2021, Tony Painting lowest responsible bidder

Completed Work

- Sierra Well and W10 – Returned to service July 6, 2021
- Mitchell 5A – Returned to service July 7, 2021
- Castaic HS Booster – Operational, punch list items completed August 2021
- Friendly Valley Tank – Fence cut by fire department during fire suppression, repair completed September 28, 2021
- Pinetree Well P1 – Returned to service September 8, 2021
- N Wells Treatment Facility (BFDF) – Air conditioning for treatment building installed in September 2021, commissioned in October 2021
- Castaic HS Tank – In service, interior tank coating repairs completed
- North Oaks Booster – Pump repair, installation completed December 2021

Water production summary by Division and Source is provided in the table below.

SCV Water Production Summary (Acre-Feet)

Division	Groundwater Dec 2021 (AF)	Imported Water Dec 2021 (AF)	*Total Production Dec 2021 (AF)	Groundwater FYTD 2021/22 (AF)	Imported Water FYTD 2021/22 (AF)	*Total Production FYTD 2021/22 (AF)	Recycled Water Production FYTD 2021/22 (AF)
NWD	406	112	518	3,764	2,475	6,238	NA
SCWD	285	1,105	1,390	2,619	12,824	15,443	NA
VWD	662	690	1,352	7,940	7,226	15,166	272
*SCV Water Totals	1,353	1,907	3,260	14,323	22,525	36,848	272
Percent	41%	59%		39%	61%		

* Displayed totals may vary due to rounding

SCV Water Regional Raw Water and Wholesale Summary (Acre-Feet)

Source	December 2021 (AF)	FYTD 2021/22 (AF)
Wholesale (LA36)	.28	2.83
Raw Water (RVWTP)	1,847	15,630
Raw Water (ESTP)	43	5,853
Wells (Saugus 1 & 2)	205	1,219

WATER QUALITY

Water Quality Complaints

NWD

Type of Complaint	December 2021	# of Complaints FYTD 2021/22
Hardness		
Odor		
Taste		
Color		2
Air		1
Suspended Solids		1
Totals		4

SCWD

Type of Complaint	December 2021	# of Complaints FYTD 2021/22
Hardness		
Odor		2
Taste		1
Color		4
Air	1	1
Suspended Solids	1	2
Totals	2	10

VWD

Type of Complaint	December 2021	# of Complaints FYTD 2021/22
Hardness		
Odor		
Taste		1
Color		2
Air		
Suspended Solids		1
Totals		4

Heterotrophic Plate Count Samples

NWD

Total # of HPCs Collected December 2021	# of HPCs Collected FYTD 2021/22
1	4

SCWD

Total # of HPCs Collected December 2021	# of HPCs Collected FYTD 2021/22
2	18

VWD

Total # of HPCs Collected December 2021	# of HPCs Collected FYTD 2021/22
3	6

PERCHLORATE CONTAMINATION PROGRAM MANAGEMENT

As a result of the detection of perchlorate at Well V-201, modifications are being made to the Department of Toxic Substances Control (DTSC) Remedial Action Plan (RAP) and the perchlorate project DDW 97-005 Engineering Report. A perchlorate removal facility has been constructed and resumption of Well V-201 service will occur following receipt of permit from State Water Resources Control Board (SWRCB) Division of Drinking Water (DDW).

In late December 2017, perchlorate was detected at Well V-205 just above the maximum contaminant level for drinking water of 6 ppb. A confirmation sample taken in March 2018 indicated a level of 8.1 ppb. The well was previously taken out of service in 2012. Staff is determining the course of action to pursue to return the well to service and potential cost recovery under the terms of the Settlement Agreement.

In May 2019, for the first time since 2005, perchlorate was detected in Alluvial Aquifer Well Q-2 at the maximum contaminant level of 6 µg/L. No drinking water quality standards were violated, but the well was removed immediately from service. Design has been completed on retrofitting treatment vessels. Bids to supply new treatment vessels were received on December 9, 2019 and a contract was awarded to Evoqua Water Technologies, LLC on December 12, 2019. Six bids for the site work were received on February 7, 2020 and a contract was awarded to Pacific Hydrotech Corp. on February 9, 2020. Construction at Q2 complete. The well will return to service upon permit approval by DDW.

PFAS

In May 2019, initial sampling for PFAS substances occurred and results were received. One well (Valley Center) exceeded Division of Drinking Water Interim Response Level of 70 ng/L and was shut off. Other wells exceeded the Interim Notification Levels for PFOS and PFOA. This information was presented to the SCV Water Board on June 4, 2019. PFAS sampling for the second quarter was done in August 2019 with results received in September and October 2019. In February 2020, the State Water Resources Control Board Division of Drinking Water issued new response levels; 10 parts per trillion (ppt) for perfluorooctanoic acid (PFOA) and 40 ppt for perfluorooctanesulfonic acid (PFOS.)

SCV Water has taken 20 wells out of service due to PFAS. Three (3) were returned to service in late 2020 (N, N7, N8) with the completion of the first PFAS Treatment System.

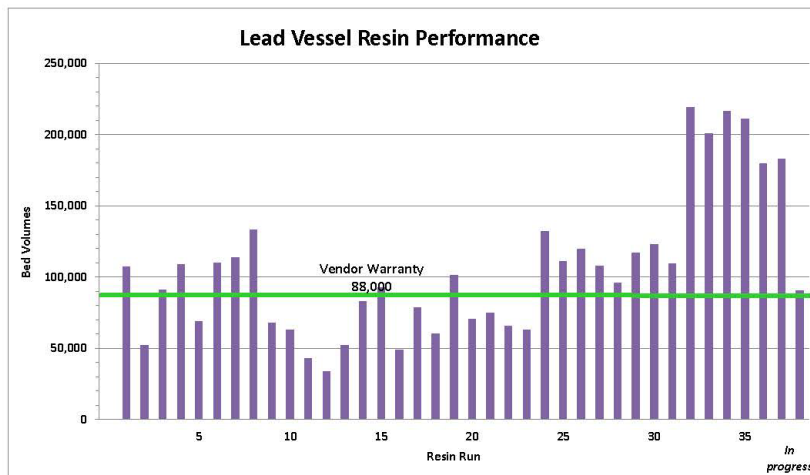
WATER QUALITY LABORATORY

The laboratory continues to analyze compliance PFAS samples. Work is continuing on the new laboratory regulation requirements that were adopted in 2021.

**Saugus Perchlorate Treatment Facility
Resin Usage Summary
Based on Time to Breakthrough**

Resin Run Number	Fill Date	Breakthrough Date*	Days	Volume Treated (Million Gallons)	Volume Treated (Acre-Feet)	Bed Volumes Treated	Replacement Costs	\$/BV	\$/AF	Combined (Lead and Lan)		
										MG	AF	BVs
1	5/3/10	8/25/10	115	253	776	107,310	*	*	*			
2	9/8/10	11/8/10	62	120	368	52,289	\$ 105,728	\$ 2.02	\$ 287	373	1,144	159,599
3	12/10/10	3/26/11	107	239	735	90,841	\$ 115,458	\$ 1.27	\$ 157	359	1,103	143,130
4	5/5/11	8/9/11	97	288	883	108,745	\$ 112,255	\$ 1.03	\$ 127	527	1,618	199,586
5	8/17/11	10/14/11	59	180	554	68,941	\$ 112,255	\$ 1.63	\$ 203	468	1,437	177,686
6	11/6/11	4/10/12	157	288	883	109,850	\$ 112,048	\$ 1.02	\$ 127	468	1,437	178,790
7	4/20/12	7/16/12	88	280	860	113,905	\$ 112,048	\$ 0.98	\$ 130	568	1,743	223,754
8	7/11/12	11/5/12	118	349	1,070	133,044	\$ 112,048	\$ 0.84	\$ 105	629	1,930	246,949
9	11/16/12	1/10/13	56	177	544	67,744	\$ 112,258	\$ 1.66	\$ 206	526	1,614	200,788
10	1/10/13	3/10/13	60	165	505	62,836	\$ 43,567	\$ 0.69	\$ 86	342	1,049	130,579
11	3/19/13	5/4/13	47	112	344	42,769	\$ 118,213	\$ 2.76	\$ 344	276	849	105,605
12	5/8/13	6/15/13	39	95	293	33,577	\$ 141,989	\$ 4.23	\$ 485	207	637	76,346
13	6/10/13	8/20/13	72	179	551	52,099	\$ 118,212	\$ 2.27	\$ 215	275	844	85,676
14	9/12/13	11/30/13	80	217	667	83,031	\$ 118,212	\$ 1.42	\$ 177	397	1,218	135,130
15	11/21/13	2/9/14	81	246	755	92,790	\$ 118,212	\$ 1.27	\$ 157	463	1,422	175,821
16	2/24/14	3/31/14	36	128	393	48,854	\$ 105,494	\$ 2.18	\$ 269	374	1,148	141,644
17	4/28/14	8/8/14	103	205	629	78,423	\$ 105,494	\$ 1.35	\$ 168	333	1,022	127,277
18	8/21/14	12/3/14	105	158	485	60,237	\$ 105,494	\$ 1.75	\$ 218	363	1,114	138,660
19	12/4/14	3/16/15	103	266	816	101,458	\$ 105,494	\$ 1.04	\$ 129	424	1,301	161,695
20	3/17/15	5/28/15	73	184	565	70,380	\$ 105,494	\$ 1.50	\$ 187	450	1,381	171,838
21	5/29/15	8/3/15	67	195	598	74,610	\$ 105,494	\$ 1.41	\$ 176	379	1,163	144,990
22	8/4/15	10/15/15	73	171	525	65,484	\$ 105,494	\$ 1.61	\$ 201	366	1,123	140,094
23	10/16/15	12/8/15	54	165	506	62,988	\$ 105,494	\$ 1.67	\$ 208	336	1,031	128,472
24	12/9/15	3/31/16	114	346	1,062	131,983	\$ 105,494	\$ 0.80	\$ 99	511	1,568	194,971
25	4/1/16	7/7/16	98	291	893	111,167	\$ 105,494	\$ 0.95	\$ 118	637	1,955	243,150
26	7/8/16	10/17/16	102	314	964	119,919	\$ 105,494	\$ 0.88	\$ 109	605	1,857	231,086
27	10/21/16	1/25/17	97	283	869	107,984	\$ 105,494	\$ 0.98	\$ 121	597	1,832	227,903
28	1/26/17	4/18/17	83	252	773	96,192	\$ 105,494	\$ 1.10	\$ 136	555	1,642	204,176
29	4/25/17	8/5/17	103	306	939	116,938	\$ 105,494	\$ 0.90	\$ 112	558	1,713	213,130
30	8/11/17	1/3/18	146	322	988	122,845	\$ 105,494	\$ 0.86	\$ 107	628	1,927	239,783
31	1/16/18	6/9/18	145	289	887	109,395	\$ 105,494	\$ 0.96	\$ 119	611	1,875	232,240
32	6/18/18	12/24/18	190	574	1,762	219,207	\$ 105,494	\$ 0.48	\$ 60	863	2,649	328,602
33	12/13/18	6/10/19	180	525	1,611	200,536	\$ 105,494	\$ 0.53	\$ 65	1,099	3,373	419,743
34	6/11/19	12/30/19	203	566	1,737	216,073	\$ 108,162	\$ 0.50	\$ 62	1,091	3,348	416,609
35	12/18/19	7/8/20	204	552	1,694	211,010	\$ 108,162	\$ 0.51	\$ 64	1,118	3,431	427,083
36	7/9/20	2/6/21	213	471	1,446	179,890	\$ 128,334	\$ 0.71	\$ 89	1,023	3,140	390,900
37	2/16/21	8/30/21	196	477	1,464	182,727	\$ 142,690	\$ 0.78	\$ 97	948	2,910	362,617
38	9/14/21	1/6/22	115	237	727	90,510		\$ -	\$ -	714	2,191	273,237
Total			4,041	10,466	32,122	3,998,578	\$ 3,938,743	NA	NA	20,442	62,740	7,799,337
Average			103	265	814	101,299	\$107,874	\$ 1.15	\$ 142.15	607	1,657	193,602

* Breakthrough defined as Lead Vessel effluent reaching 6 µg/L
 * Initial resin delivery was included in construction contract
 Runs 1-2 had 315 cubic feet of resin
 Runs 3-11 had 350 cubic feet of resin + 180 cubic feet of anthracite
 Run 12 has 434 cubic feet of resin + 180 cubic feet of anthracite
 Runs 13-present had 350 cubic feet of resin + 180 cubic feet of anthracite



SAFETY/EMERGENCY/RISK MANAGEMENT

A safe and healthful work environment is a critical component to the mission and values of SCV Water. Throughout the reporting month, several routine safety related training, inspections, and various other items were completed. The Safety Department continues to integrate health and safety programs for SCV Water. Some of the items completed and currently in progress are as follows:

Work in Progress

- Development of First Aid/CPR training through American Heart Association. Both online and hands on training will be conducted this fall and winter
- Implementing mass notification software to more effectively communicate with staff

Completed Work

Inspections

Monthly Inspections

- Underground storage tank (UST) designated operator
- Aboveground storage tank (AST) inspection
- Fire extinguishers
- Emergency eye-wash/shower stations
- Self-Contained Breathing Apparatus (SCBA) units
- Automated External Defibrillator (AED) units
- Quarterly inspection (Golden Triangle Warehouse)

Incident Data

- There were no recordable illnesses in December 2021
- There were no lost workdays in December 2021

Safety Training

- Tailgate meetings took place at each location in December 2021
- Three new hire safety orientations took place in December 2021
- First Aid/CPR training took place at several locations in December 2021
- One Hazardous Waste Operations training class was completed in December 2021
- Qualified Rigging and Hand Signal Training took place in December 2021

Safety Compliance

- Continue to meet Cal-OSHA and Los Angeles County Public Health requirements regarding COVID-19

Safety Committee

- The next Safety Committee meeting will be held on January 26, 2022

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BOARD MEMORANDUM

DATE: January 18, 2021
TO: Board of Directors
FROM: Steve Cole *SC*
Assistant General Manager
SUBJECT: Water Resources and Outreach Section Report

Key Accomplishments

Water Resources

- Staff participation continues in several Los Angeles County Water Planning Workshops to provide input to the County about concepts for better coordination (e.g., streamlined permitting and data sharing) and regional targets and facilitating a regional approach to water reliability and resiliency.
- During its regularly scheduled January 3, 2022 meeting, the SCV-GSA held a public hearing for adoption of the Groundwater Sustainability Plan. The SCV-GSA Board voted unanimously to adopt the plan and adopted Resolution 2022-01 to memorialize the Board action. The adoption of the GSP brings to the close a 3-year plan development process.
- Staff completed recruitment for a Senior Water Resources and Data Scientist. The successful candidate is Najwa Pitois. Najwa holds degrees in Civil and Environmental Engineering, most recently receiving a PhD from the University of Illinois in Urbana and is a registered Civil Engineer in California. Having worked in both the private and public sectors (most recently as a Senior Engineer for Geosyntec Consultants), Najwa brings years of experience performing complex water resource analysis relying heavily on data analysis tool and models.

Sustainability & Conservation

- Completed and submitted Fiscal Year 2020/2021 Water Loss Audit and Validation reports for SCV Water's retail and regional systems (Newhall, Castaic, Tesoro, Pinetree, Santa Clarita, Valencia, Regional) to the Department of Water Resources as required by SB 555.
- Submitted response letter regarding the State Water Resources Control Board's proposed emergency regulations.
- Staff completed SCV Water internal (staff) survey and feedback in support of the Sustainability and Climate Action Plan. The analysis compiles sustainability-salient measures identified in adopted policy and planning documents to determine quantitative and qualitative metrics of each measure.
- Sustainability/Conservation staff coordinated and facilitated the monthly Sustainable Water Action Taskforce meeting.

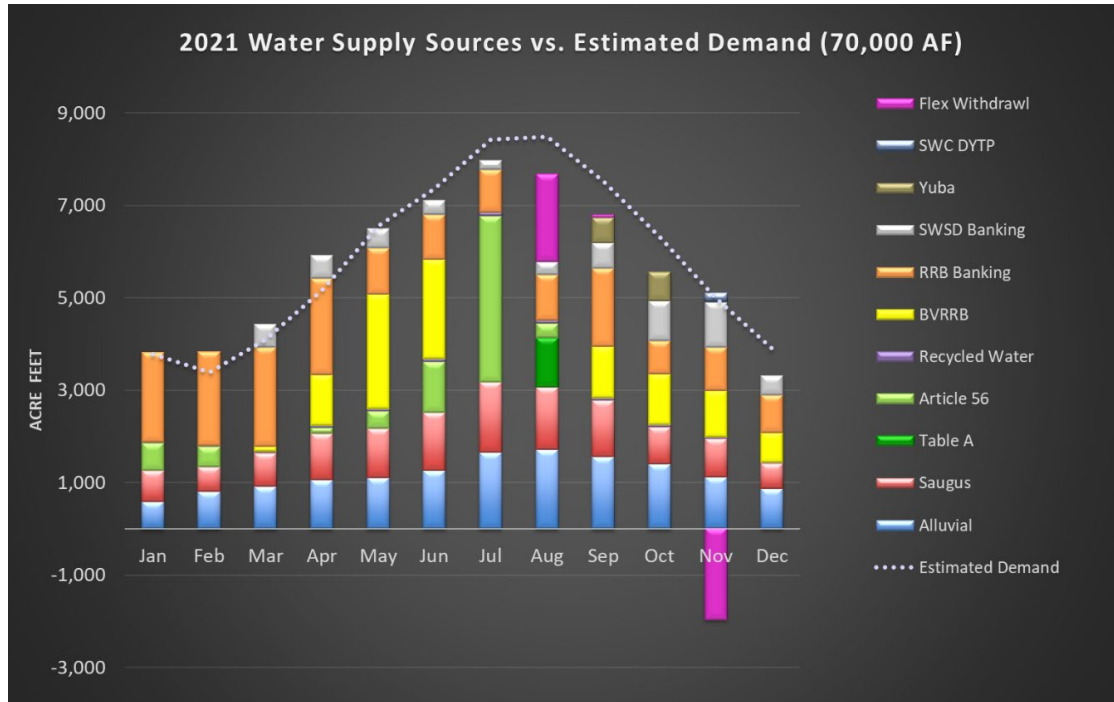
Outreach, Legislation and Grants

- Staff coordinated with Operations on outreach for the annual maintenance at Castaic Lake from January 3-12, 2022. During that time, the Metropolitan Water District of Southern California performed pipeline inspections. SCV Water had no planned maintenance or repairs.
- Communications staff published the winter issue of The Pipeline employee newsletter.
- Staff conducted outreach for the public hearing and post-hearing communication on the adoption of the Groundwater Sustainability Plan.
- In December 2021, the CA Department of Water Resources released the draft Proposal Solicitation Package for Round 2 of Proposition 1 IRWM funding. DWR also released the final PSP for the Sustainable Groundwater Management Implementation funding. Water Resources is reviewing both documents, and estimates grant applications for both opportunities will be due in approximately 10 months.
- On December 22, 2021, staff submitted a grant application under the Department of Water Resources' 2021 Urban and Multibenefit Drought Grant Program for the Santa Clara and Honby Wells PFAS Groundwater Treatment Site Improvement Project requesting \$4 million in funding for the project. On January 7, 2022, DWR confirmed that the request constitutes an eligible project and that the application is proceeding to technical review.
- On January 12, 2022, staff submitted a grant application under the Department of Water Resources' 2021 Urban and Multibenefit Drought Grant Program for the Saugus 3 & 4 Wells (Replacement Wells) Well Equipment and Site Improvement Project requesting \$2.5 million in funding for the project.

WATER RESOURCES

Water Demand and Supply

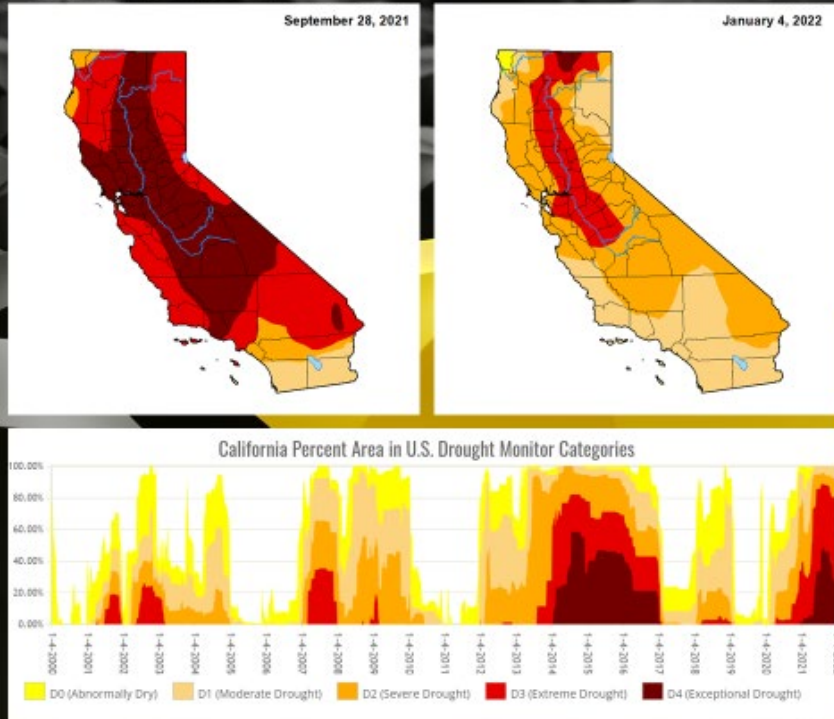
A summary of 2021 water deliveries are shown below:



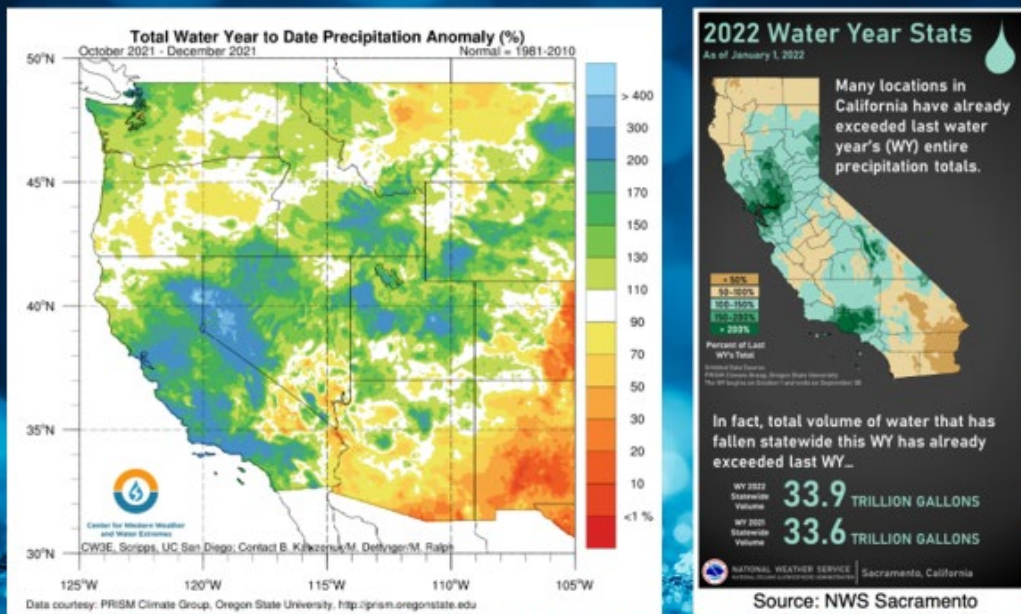
Note: Precipitation for water year 2021 in Santa Clarita was recorded as the driest year on record. Overall, the state hydrology was extremely dry resulting in a very low 2021 SWP allocation of 5%. In January 2021, SCV Water began utilizing dry-year water supplies, which continued through the end of the year. The graph above shows monthly water supply use vs. estimated demands. In November, additional water deliveries were utilized to pay back flexible storage used in August 2021 to help meet summer demands. SCV Water flexible storage in Castaic Lake will be full in preparation of dry 2022.

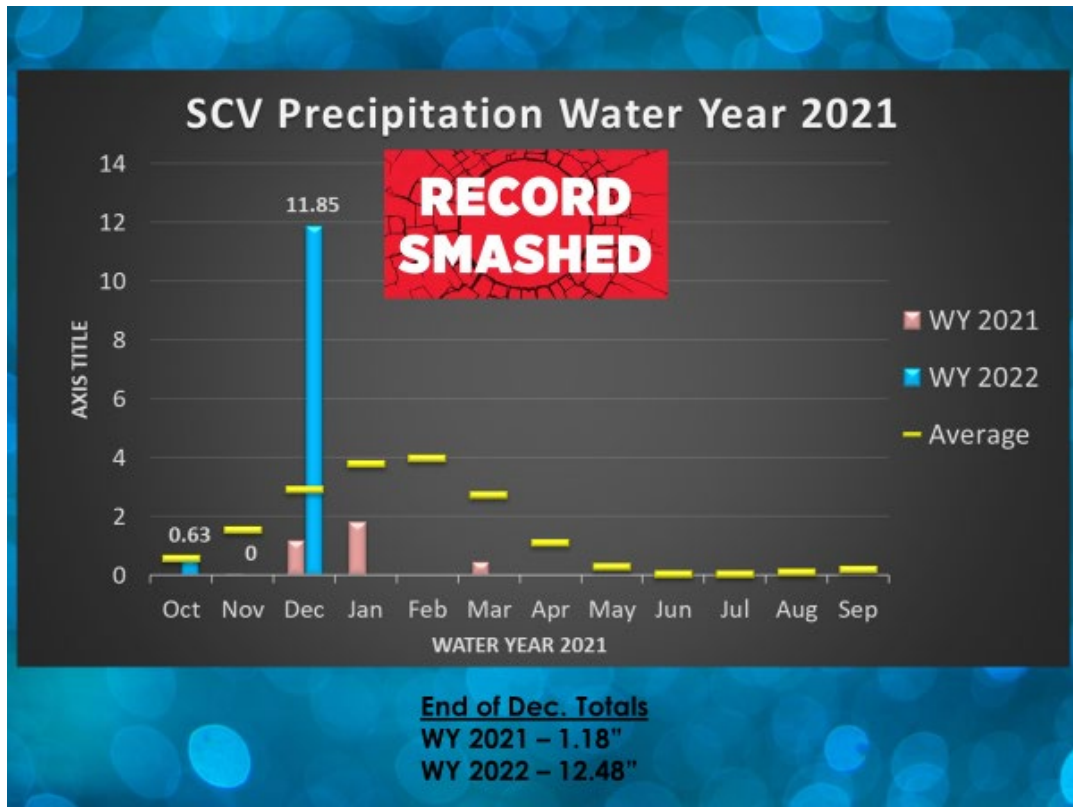
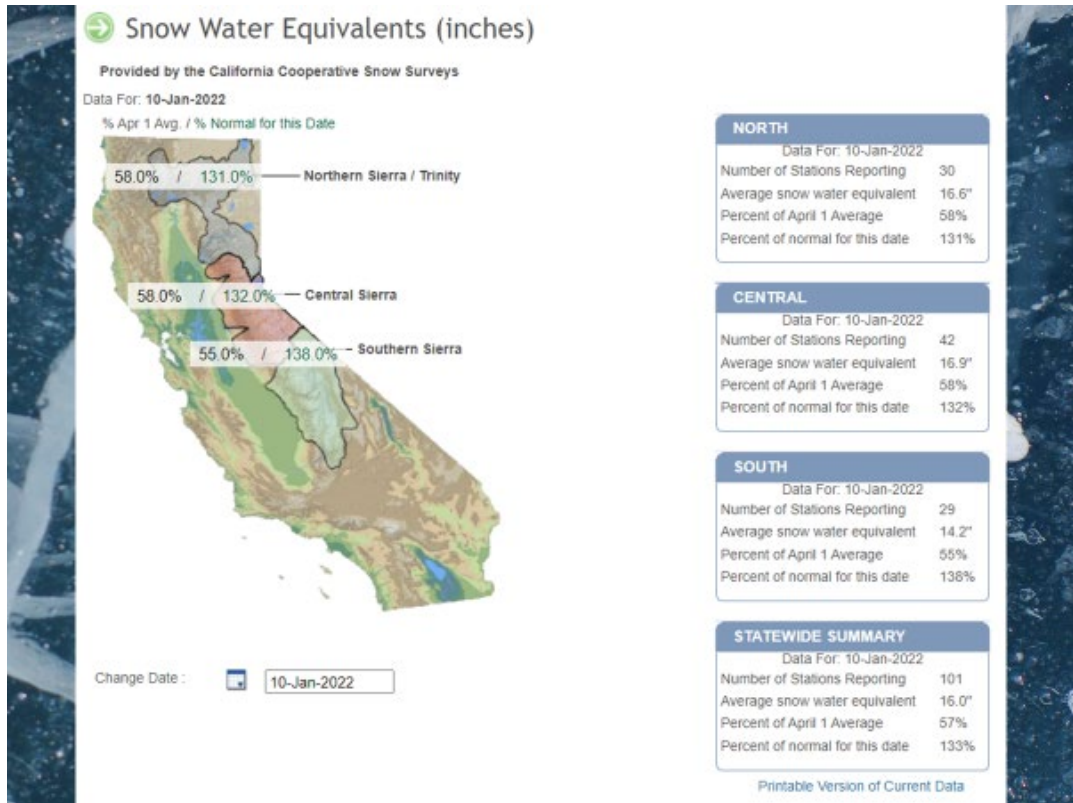
Status of Water Supplies Update (Jan 12, 2022) – Following is a condensed version of the Status of Water Supplies presentation which was presented to the Water Resources and Watershed Committee at its January 12, 2022 meeting. The update included drought classification, December 2021 storm impacts, a precipitation update, San Luis Reservoir levels, and odds for reaching 100% normal water year precipitation graphic, and the updated 2022 Operating Plan. Based on recent DWR Operations meetings, a conservative Table A SWP allocation increase is anticipated by the end of January 2022.

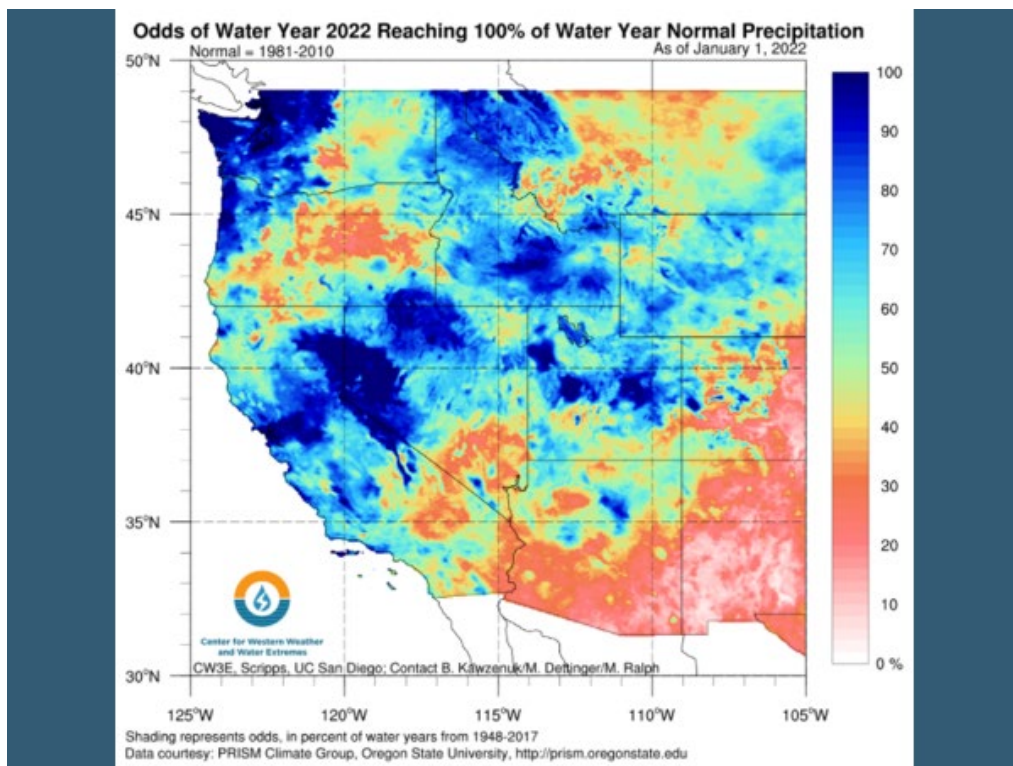
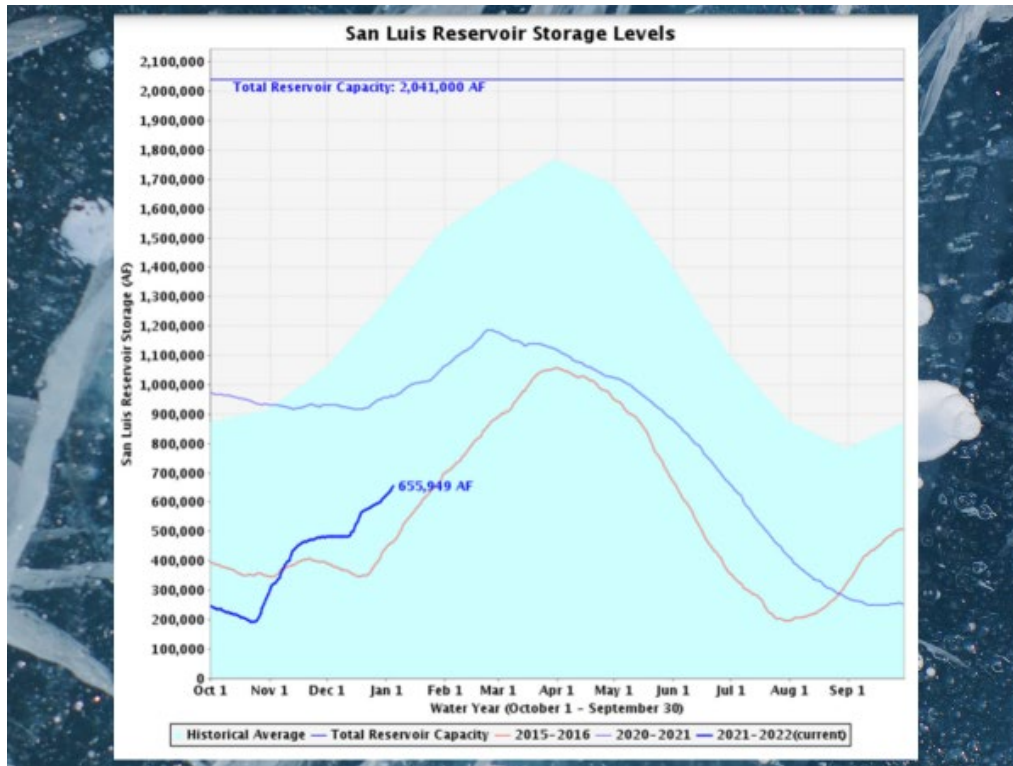
Drought Classification



Holiday Storm Impacts Big!







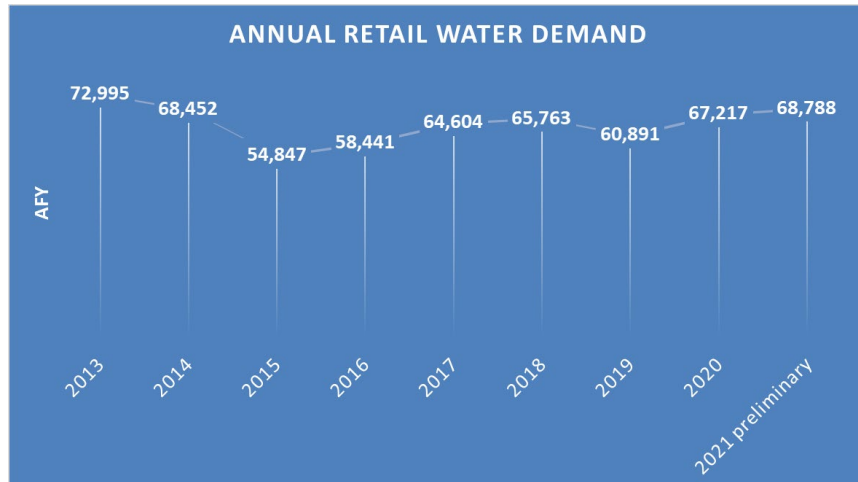
Anticipate SWP Allocation Increase

2022 Operating Plan (as of Jan 2022)	2022 0% SWP Allocation	2022 5% SWP Allocation	2022 10% SWP Allocation	2022 15% SWP Allocation2	2023 5% SWP Allocation
Demand	71,100	71,100	71,100	72,100	73,200
Groundwater	27,700	27,700	27,700	27,700	30,300
Alluvium	15,500	15,500	15,500	15,500	16,300
Saugus	12,200	12,200	12,200	12,200	14,000
Recycled Water	450	450	450	450	700
Imported Demand	42,950	42,950	42,950	43,950	42,200
Imported Supplies					
SWP Table A	0	4,760	9,520	14,280	4,760
BVRRB	11,000	11,000	11,000	11,000	11,000
Total Available Imported Supplies	11,000	15,760	20,520	25,280	15,760
<i>Excess Imported Supplies (neg = shortfall)</i>	<i>(31,950)</i>	<i>(27,190)</i>	<i>(22,430)</i>	<i>(18,670)</i>	<i>(26,440)</i>
Dry Year Water Supplies					
★ SWP Carryover Delivered (not always guaranteed)	13,500	13,500	13,500	13,500	2,550
Rosedale Banking	15,000	15,000	15,000	10,000	10,000
Semitropic Enhanced Recovery Unit (Banking)	5,000	5,000	5,000	5,000	5,000
Yuba Accord	1,000	1,000	1,000	1,000	1,000
Dry Year Water Purchase					
Flexible Storage (up to 6,060 AF)					6,060
Total Imported & Dry Year Supplies	45,500	50,260	55,020	54,780	40,370
2022 SWP Carryover into 2023 (neg = shortage)	2,550	7,310	12,070	10,830	(1,830)

★ Updated end of year estimate of SWP Carryover Supplies

2021 & 2022 Operation Details

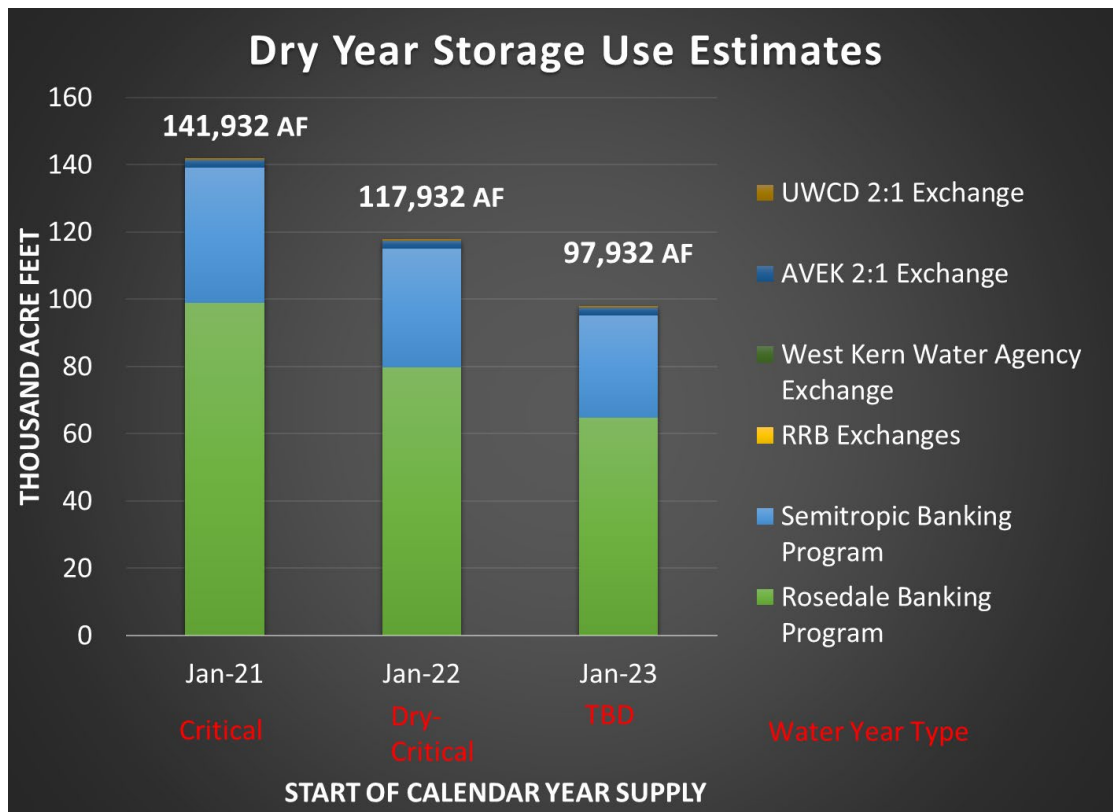
- The initial State Water Project allocation for 2021 was 10% of Table A amount. On March 23, 2021, the allocation decreased to 5% of Table A amount.
- 2021 demands were estimated at 70,000 AF, and end of year demands totaled 68,800 AF.



- The initial 2022 State Water Project allocation was set at meeting minimum Human Health and Safety requirements for contractors, calculated at 55 gallons per person per day. At this time, SCV Water has sufficient supplies available from other sources such as SWP carryover, BVRRB and

local groundwater in 2022 to meet Health and Safety requirements and, therefore, the Agency will receive an initial 0% SWP allocation.

- 2022 demands, without mandated conservation, are estimated at 71,100 AF. Recovery from Rosedale and Semitropic banking programs will continue into 2022 until hydrologic conditions improve. As shown below, this would result an estimated balance of approximately 98,000 AF at the beginning of 2023.



Note: This graph shows actual SCVWA Dry Year Storage totals at the beginning of 2021 and estimated totals for the beginning of 2022 and 2023 based on 0-5% SWP allocation in 2022.

Significant Upcoming Items

- At the December 8, 2021, Water Resources and Watershed Committee meeting, staff presented two transfer/exchange programs available to SCV Water in partnership with Irvine Ranch Water District. Staff was directed to negotiate terms for both a Short-term Drought Relief transfer program, and a Long-term unbalanced exchange program. These options will be presented to the Board in early 2022 for consideration of approval.
- The Upper Santa Clara River Regional Water Management Group (USCR RWMG) and Stakeholders are preparing for the Round 2 grant solicitation under Proposition 1.
- Staff reviewed the draft Salt and Nutrient Management Plan (SNMP) Monitoring Report Update received from Luhdorff & Scalmanini Consulting Engineers (LSCE) on September 3, 2021. Upon review of the draft, additional adjustments to the numerical model were needed and additional information was requested. The revisions took longer than expected due to LSCE technical modeling

personnel turnover. Staff received a portion of the written report on December 20, 2021. A final draft of the report with reference maps and figures is expected in mid-January 2022, with the completed report anticipated in early February 2022.

- Staff continues to work with Woodard and Curran to refine the Online New Drop database. Reporting features, QA/QC, and dashboards will be improved as the tool is used by Water Resources and Customer Service staff. Customized reports continue to be developed to assist staff in completing quarterly reports to the Regional Board for the Agency's recycled water permit. Staff is also continuing to work with the Sanitation District to determine average wastewater flows from new development as part of an ongoing process to perfect New Drop flow estimates. Additionally, various bug fixes and improvements have been made to the online database with the help of Customer Care Department feedback.
- Staff is working with Kennedy Jenks on the preparation of a Water Supply Assessment for the Lyons Canyon Trail and Castaic Mountainview Apartment projects.
- Staff is working with Geosyntec to transition SCV Water's Excel based MBK Water Supply Reliability Model to the GoldSim platform which will allow for a more dynamic reliability analysis of our near term and long-term water resource supplies. A draft version of the model is expected to be completed in February 2022.
- As part of GSP implementation, two adjacent groundwater recharge sites have been selected on the east end of the Santa Clara River Basin for inclusion in the recharge feasibility study being conducted with the help of GSI technical consultants. Staff worked with City personnel to obtain an access agreement to conduct data collection activities for the study. The geophysical portion of the fieldwork is scheduled to be completed the week of January 17, 2022. A prep meeting between Operations/Water Resources staff along with the consultant/subconsultants was held on January 6, 2022 to assist with coordination of the fieldwork activities. The results of the geophysical study fieldwork will help inform the locations for the infiltration tests and borehole samples. Additionally, groundwater monitoring data from the Castaic School site monitoring well will continue to be collected by staff for the Castaic portion of the recharge study.
- Staff has initiated a data management effort to determine the feasibility of a centralized data repository for all SCV Water departments. Data collection efforts are underway to help determine the extent of information collected by the various departments, the reports that each department generates, and existing methods/tools used for data organization within the Agency. Staff met with Operations personnel and will continue to provide input for the new production tracking tools that are being developed.
- Staff continues to evaluate potential agreements with solar generation companies for projects at the Devil's Den Water District.
- Staff met with an agent representing interests that desire a long-term lease of Devil's Den property for the purpose of growing olives.
- Staff participated in a multi-agency meeting regarding restoration of Bouquet Creek. Representatives of the Department of Fish and Game indicated that State money is available for restoration projects and that SB 155 provides for a statutory exemption for restoration projects. Los Angeles County Public Works is evaluating advancing a comprehensive project.

- Staff continues to support Sites Reservoir Committee efforts to advance environmental and water rights permitting for the project.

LEGISLATIVE/GOVERNMENT AFFAIRS

- AGM Steve Cole and Communications Manager Kathie Martin hosted a briefing and site visit (Q2 treatment site near Lowe's) with Congressman Mike Garcia and his local field representative, Tami Stephens. Topics discussed included the completed water rate study, water supplies/drought, Bouquet Creek Restoration and PFAS.

Upcoming Sponsorships

- Urban Water Institute – Feb. 16-18, 2022
- ACWA conference – May 3-6, 2022
- The Agency also continued annual support of Maven's Notebook and the Valley Industry Association.

OUTREACH – Social/Digital Media & Education

Staff continues to share water news, conservation tips, featured plants and job openings on our social media and e-news channels.

Outlet	Description	Notable Activity	Audience
Facebook	Social media		855
Instagram			1,373
Twitter			1,090
Website	yourSCVwater.com	Total users in September 2021	15,844
Water Currents	Customer e-newsletter	Open rate: December issue: 39% (average industry open rate: 21.64%)	17,428

Public Education - 2021

Activity	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2021	2020
Education (virtual)**														
Students	926	888	1,054	626	720	420	53	79	564	715	584	461	7,090	2,457
Teachers	33	32	42	28	27	16		1	21	26	21	18	265	179
Garden Classes (virtual)	94	33	35	71	32	44	21	32	17	28	23	14	443	337

* Data not yet available

Significant Ongoing or Upcoming Items

- Drought focus will be on Water Shortage Contingency Plan (WSCP) prohibited measures and the need to remain steadfast with our conservation efforts despite receiving significant rain in December 2021; a new round of special edition eNews and a direct mail piece; and ramping up social media posts to include more videos.

- Staff will assist Customer Care on messaging around planned upgrade to a new billing system for all customers; and working with operations to being communication planning on Advanced Metering Infrastructure (AMI).
- Staff is writing the Board President’s annual look back/look ahead op-ed for The Signal. Staff will use that messaging to develop the 2021 State of the Agency infographic. To tie both efforts together, staff will create some social media posts and an eblast to share the message.
- Staff is coordinating with Conservation to roll out a marketing and outreach plan for the newly revamped Lawn Replacement Program in March 2022.
- Staff continues to engage with grant consultants and legislative advocates to identify grant funding opportunities for the Agency’s planned Capital Improvement Projects.
- Staff is coordinating with Customer Care on a communications plan for: (1) a new remittance address for the Newhall division, (2) upgrading the Santa Clarita division to a new billing platform with new account numbers, and (3) upgrading all legacy divisions to one online customer portal. The anticipated completion date is May 31, 2022.

SUSTAINABILITY & WATER CONSERVATION

Status of SCV Water Drought Response

This section includes a condensed version of the monthly drought updates presented to the Water Resources and Watershed Committee at its December 8, 2021 meeting and includes an overview of current regulatory status, State Water Resource Control Board monthly conservation reports, SCV Water monthly conservation performance relative to 2020’s consumption and the Governor’s 15% of 2020 voluntary conservation request, and monthly and cumulative conservation trends compared to the same metrics.

Regulatory Overview

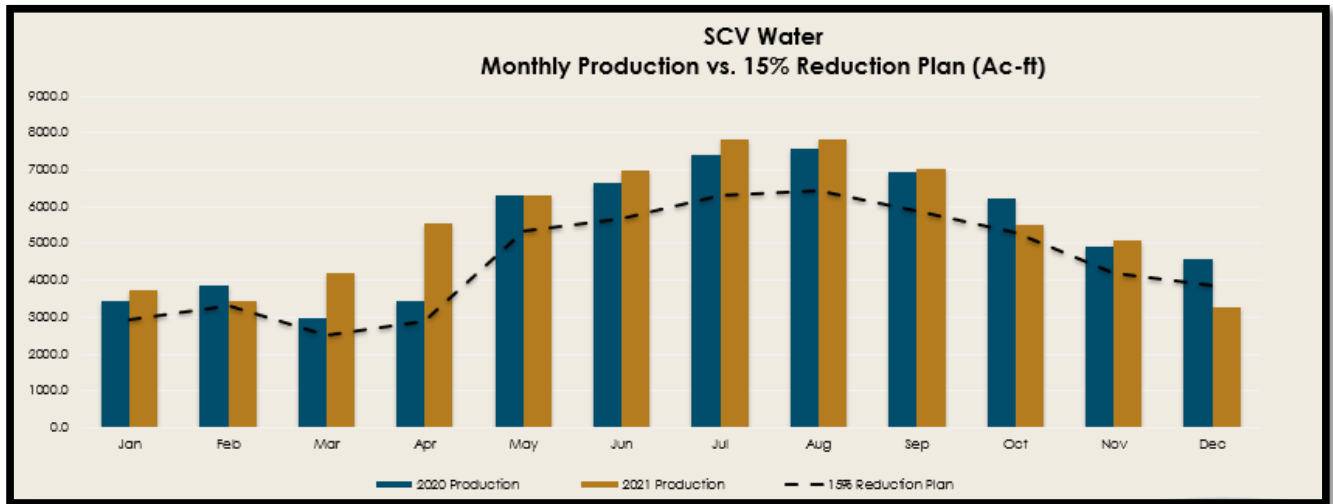
Entity/Agency	Regulatory Status	Notes
Governor Newsom	<ul style="list-style-type: none"> • Voluntary 15% v. 2020 Call (July 8, 2021) • Statewide Drought Emergency Declaration (October 19, 2021) 	<ul style="list-style-type: none"> • April 1, 2021 (2 Counties) • May 10, 2021 (Extended to 41 Counties) • July 8, 2021 (Extended to 50 Counties) • October 19, 2021 (Extended to Statewide)
State Water Resources Control Board	<ul style="list-style-type: none"> • Monthly Conservation Performance Reporting (July 2021) • Adopted Emergency Regulations (January 4, 2022) 	<ul style="list-style-type: none"> • Emergency regulations include water waste restrictions and provisions specific to HOA CCR implementation.
SCV Water	<ul style="list-style-type: none"> • Stage 1 – WSCP (11/16/2021) • Stage 1 – Water Conservation and Water Supply Shortage Ordinance (Ordinance)(11/16/2021) 	<ul style="list-style-type: none"> • WSCP includes strategies which prioritize education and incentive to achieve up to 10% conservation. • Stage 1 of Ordinance includes water waste restrictions.

State Water Resources Control Board (Monthly Conservation Reporting)

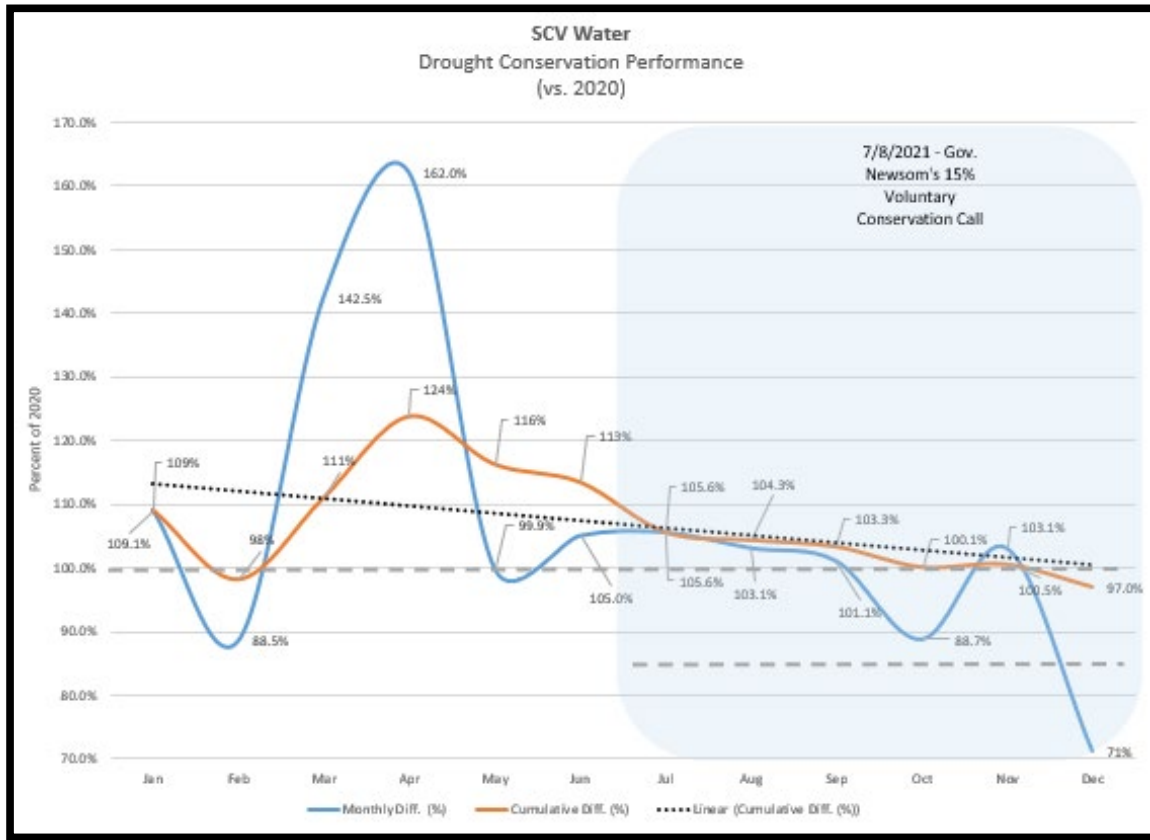
Region	July	Aug	Sep	Oct	Nov	Cumulative
Statewide	-1.8%	-5.0%	-3.9%	-13.2%	-6.8%	-6.0%
South Coast	-0.2%	-3.1%	-4.2%	-12.0%	+0.8%	-3.8
SCV Water	+5.6%	+3.1%	+1.1%	-11.3%	+3.1%	+0.5%

Note: The State Water Resources Control Board conservation reporting data has a one-month lag. This table includes most recent data as reporting on the Board's website.

SCV Water – Monthly Conservation Performance (Current Production v. 2020 and 15% of 2020 Target)



SCV Water – Monthly and Cumulative Conservation Performance Trends (In Percent)





Water Conservation

Water Resources Monthly Section Report - December 2021

Water Production vs. Interim Goal (Non-Drought)



Key Data Points (AF)

Monthly Variance: (417.49)

YTD Variance: 19.77

Well 201 Adj.: 0

Economic Activity Adj.: 77

Conservation Program Participation (Current Month/Fiscal Year)



	Check-Ups	Workshops	Rebates	Engagement	Other
Residential	104/215	86/209	11/152	3,414/19,663	0/2



	Check-Ups	Retrofits	Rebates	Engagement
Commercial	178/196	903/953	0/5	2/11



	Check-Ups	Rebates	Engagement	Other
Landscape	2/10	1/4	2/7	0/0

Significant Upcoming Items

- Conservation - Staff to launch consultant workgroup to focus on water conservation support including supply-chain and stakeholder advisory groups specific to the Lawn Replacement Program 2.0 launch and sustainability effort.
- Conservation - Staff to finalize findings from the FY 20/21 Water Loss Audit Validation Reports for use process improvements and potential water savings initiatives.
- Recycled Water - Staff conducting follow-up meetings with RW Phase 2B and 2D customers to determine status of Purple PREP and potential conversion schedules.
- Sustainability- Staff to develop Request for Proposal for long-term management (Asset, Operations, Maintenance, Preventative Maintenance) of the Agency's photovoltaic assets.



M65

Engineering and Operations Committee
Planning Calendar
FY 2021/22

ITEM NO.
8.5

Item	Jul 1 Comm	Aug 3 Board	Aug 5 Comm	Aug 17 Board	Sep 2 Comm	Sep 7 Board	Oct 5 Board	Oct 7 Comm	Oct 19 Board	Nov 2 Board	Nov 4 Comm	Nov 16 Board	Dec 7 Board	Dec 9 Comm	Dec 21 Board	Jan 4 Board	Jan 6 Comm	Jan 18 Board	Feb 1 Board	Feb 3 Comm	Feb 15 Board	Mar 1 Board	Mar 3 Comm	Mar 15 Board	Apr 5 Board	Apr 7 Comm	Apr 19 Board	May 3 Board	May 12 Comm	May 17 Board	Jun 2 Comm	Jun 7 Board	Jun 21 Board	Jul 5 Board			
1	Monthly Committee Planning Calendar																																				
2	CIP Construction Status Report																																				
3	Monthly Operations and Production Report																																				
4	Third Party Funded Agreements Quarterly Report																																				
5	Quarterly Safety Program Presentation																																				
6	Annual Safety Program Update (FY 20-21)																																				
7	Recommend Approval to Authorize General Manager to Execute Reimbursement Agreement with City of Santa Clarita for Eligible Portions of Golden Valley Pipeline to New Sheriff Station	C	C																																		
8	Recommend Approval of a Resolution Awarding a Purchase Order for Additional Final Design Services for Phase 2C South End Recycled Water Main Extension		C	C																																	
9	Recommend Approval of Decoro Drive Pavement Repair																																				
10	Recommend Approval of Purchase of IX Resin for the N Wells PFAS Treatment System																																				
11	Approve a Resolution Authorizing Santa Clarita Valley Water Agency to Provide Water Quality Laboratory Testing Services to the State of California Department of Water Resources																																				
12	Recommend Approval of a Three-Year Annual Service Contract for the Liquid Chromatography Tandem Mass Spectrometer (LCMSMS)																																				
13	Recommend Approval of a Resolution for a Construction Contract with Neko Constructors for the Earl Schmidt Filtration Plant (ESFP) Standby Generator Project																																				
14	Recommend Adopting a Resolution Authorizing SCV Water to Apply for Funding from the Drinking Water State Revolving Fund (DWSRF) and to Execute a Financing Agreement for Groundwater Contamination Treatment Projects with the State Water Resources Control Board																																				
15	Recommend Approval of a Resolution Authorizing the General Manager to Apply for Grant Funding Under the Federal Bureau of Reclamation WaterSmart Water Energy Efficiency Grant Program (WEEG) for an Automated Metering Infrastructure Project																																				
16	Recommend Approval to Purchase Approximately 5,000 AMI Compatible Meters																																				
17	Recommend Adopting a Resolution Authorizing SCV Water to Execute a Financing Agreement with the State Water Resources Control Board for the Los Angeles Residential Community Pipeline Project																																				
18	Recommend Approval of a Resolution Authorizing a Purchase Order to Lee & Ro, Inc. for Final Design Services for Rio Vista Water Treatment Plant (RWVTP) Underground Storage Tank (UST) Replacement Project																																				
19	Recommend Approval of a Resolution Awarding a Contract for Fairway Water Storage Tank Coating Project																																				
20	Recommend Adopting a Resolution Authorizing the General Manager to Apply for Grant Funding Under the 2021 Urban and Multibenefit Drought Relief Program and Execute a Grant Agreement with the Department of Water Resources for the Saigus Wells 3 & 4 (Replacement Wells) Well Equipment and Site Improvement Project																																				

**Engineering and Operations Committee
Planning Calendar
FY 2021/22**

Item	Jul 1 Comm	Aug 3 Board	Aug 5 Comm	Aug 17 Board	Sep 2 Comm	Sep 7 Board	Oct 5 Board	Oct 7 Comm	Oct 19 Board	Nov 2 Board	Nov 4 Comm	Nov 16 Board	Dec 7 Board	Dec 9 Comm	Dec 21 Board	Jan 4 Board	Jan 6 Comm	Jan 18 Board	Feb 1 Board	Feb 3 Comm	Feb 15 Board	Mar 1 Board	Mar 3 Comm	Mar 15 Board	Apr 5 Board	Apr 7 Comm	Apr 19 Board	May 3 Board	May 12 Comm	May 17 Board	Jun 2 Comm	Jun 7 Board	Jun 21 Board	Jul 5 Board						
21	Recommend Approval of a Resolution Awarding a Materials Purchase Contract for the Santa Clara and Honby Wells PFAS Groundwater Treatment Project with Aqueous Vets																																							
22	Recommend Adopting a Resolution Authorizing the General Manager to Apply for Grant Funding Under the 2021 Urban and Multibenefit Drought Relief Program and Execute a Grant Agreement with the Department of Water Resources for the Santa Clara and Honby Wells PFAS Groundwater Treatment Site Construction Project																																							
23	Recommend Approval of a Resolution to Execute a License Agreement with UNAVCO for Geodetic Monitoring Station Site License Agreement on SCV Water Property and Designating SCV Water Authorized Representative																																							
24	Recommend Approval of a Resolution Authorizing a Purchase Order to Kennedy/Jenks Consultants for Final Design Services for the Well 201 Volatile Organic Compounds Groundwater Treatment Improvements Project																																							
25	Recommend Approval of Resolution Awarding Construction Contract for Commerce Center Tanks 1 and 2 Exterior Recoat																																							
26	Recommend Approval of Pipeline Improvements Associated with Pinefree Booster Station #3																																							
27	Recommend Approval of a Purchase Order for the Final Design of the T7, U4 and U6 PFAS Treatment System, Saugus 1 and Saugus 2 VOC Treatment System and Disinfection Facility at the Rio Vista Intake Pump Station.																																							
28	Recommend Adopting a Resolution Approving Funding for the Construction of the Pitches Pipeline Modifications during I-5 Improvements in North County Project to the Los Angeles County Metropolitan Transportation Authority																																							
29	Recommend Approval of Revisions to the Board of Directors Policies and Procedures to Update the Section Regarding General Manager Authority to Accept and Convey Interests in Real and Personal Property																																							
30	Recommend Approval of Resolution Authorizing SCV Water to Execute Water Service Agreements with the Los Angeles Residential Community and Lily of the Valley Mobile Village																																							
31	Recommend Approval of Resolution Awarding Construction Contract and Purchase Orders for Construction Management and Inspection Services and Engineering Services During Construction for ESFP Washwater Return and Sludge Systems Project																																							
32	Recommend Approval of Resolution Awarding Construction Contract and Purchase Orders for Construction Management and Inspection Services and Engineering Services During Construction for Saugus Wells 3 & 4 - Wells Construction																																							
33	Recommend Adopting a Resolution Authorizing the General Manager to Execute a Reimbursable Agreement with the City of Santa Clarita for the Sand Canyon Pipeline Protection Improvements for the Sierra Highway Bridge Widening Project																																							

**Engineering and Operations Committee
Planning Calendar
FY 2021/22**

Item	Jul 1 Comm	Aug 3 Board	Aug 5 Comm	Aug 17 Board	Sep 2 Comm	Sep 7 Board	Oct 5 Board	Oct 7 Comm	Oct 19 Board	Nov 2 Board	Nov 4 Comm	Nov 16 Board	Dec 7 Board	Dec 9 Comm	Dec 21 Board	Jan 4 Board	Jan 6 Comm	Jan 18 Board	Feb 1 Board	Feb 3 Comm	Feb 15 Board	Mar 1 Board	Mar 3 Comm	Mar 15 Board	Apr 5 Board	Apr 7 Comm	Apr 19 Board	May 3 Board	May 12 Comm	May 17 Board	Jun 2 Comm	Jun 7 Board	Jun 21 Board	Jul 5 Board		
34	Recommend Approval of Resolution Adopting an Addendum to the EIR and Awarding a Purchase Order for Final Design Services for Magic Mountain Pump Station																																			
35	Recommend Approval of Resolution Adopting an Addendum to the EIR and Awarding a Purchase Order for Final Design Services for Magic Mountain Reservoir																																			
36	Recommend Approval of Resolution Awarding a Purchase Order for Final Design Services for Well 205 Groundwater Treatment Improvements																																			
37	Recommend Approval of Resolution Awarding Construction Contract and Purchase Order for Construction Management and Inspection Services for Newhall Tanks 1 and 1A Slair Retrofit																																			
38	Recommend Approval of Design of Pipeline in Sierra Highway from Dockweiler to Newhall Avenue																																			
39	Recommend Approval of Construction of New Sand Canyon Plaza (Deane Zone) Pump Station and Cost Sharing Agreement with Developer																																			
40	Review Proposed FY 2022/23 Major Capital Projects																																			
41	Recommend Approval of Resolution Awarding Construction Contract and Purchase Orders for Construction Management and Inspection Services and Engineering Services During Construction for Santa Clara and Honby Wells PFAS Groundwater Treatment Improvements																																			
42	Recommend Approval of Resolution Awarding Construction Contract and Purchase Orders for Construction Management and Inspection Services and Engineering Services During Construction for Recycled Water Fill Station																																			
43	Recommend Approval of Resolution Awarding Construction Contract for Pipeline to Los Angeles Residential Community																																			
44	Recommend Approval of Construction of a New Skyline Ranch (Deane Zone) Pump Station and Cost Sharing Agreement with Developer																																			
45	Recommend Approval of Construction of New Skyline Ranch 2.1 MG Tank (Deane Zone) and Cost Sharing Agreement with Developer																																			
46	Recommend Approval of Resolution Awarding a Purchase Order for Final Design Services for Honby Tank Pipeline Improvements																																			
47	Call Sites Program Presentation																																			
48	Recommend Approval of Smyth Drive 14" PVC Replacement																																			
49	Recommend Approval of Dickason Drive 14" PVC Replacement																																			
50	Recommend Approval of Abdale, Maplebay and Beachgrove Pipeline Replacement																																			
51	Recommend Approval of Construction of New Sand Canyon Plaza 1.5 MG Tank (Deane Zone) and Cost Sharing Agreement with Developer																																			
52	Recommend Approval of Resolution Awarding Construction Contract and Purchase Orders for Construction Management and Inspection Services and Engineering Services During Construction for Phase 2C South End Recycled Water Main Extension																																			

**Finance and Administration Committee
Planning Calendar
FY 2021/22**

Item	July 6 Board	July 19 Comm	Aug 3 Board	Aug 16 Comm	Sept 7 Board	Sept 20 Comm	Oct 5 Board	Oct 18 Comm	Nov 2 Board	Nov 15 Comm	Dec 7 Board	Dec 13 RESCHEDULED Comm	Dec 21 Board	Jan 24 RESCHEDULED Comm	Feb 1 Board	Feb 15 Board	Feb 28 RESCHEDULED Comm	Mar 15 Board	Mar 21 Comm	April 5 Board	April 18 Comm	May 3 Board	May 16 Comm	June 7 Board	June 20 Comm	June 21 Board
1 Approve a Resolution Allowing for PFAS Financing	C																									
2 Recommend Approval of Revised Customer Service Policy	C																									
3 Recommend Approval of a Contract Amendment with Equation Technologies for Project Management Services	C																									
4 Recommend Approval of Resolutions Setting Santa Clarita Valley Water Agency Tax Rate for FY 2021/22 and Requesting Levy of Tax by Los Angeles County and Ventura County (consent)	C																									
5 July 2021 Water Supply Contract Payment (consent)	C																									
6 Recommend Receiving and Filing of April 2021 Monthly Financial Report (consent)	C																									
7 Recommend Approval of a Resolution Revising the Appropriations Limits for FY 2020/21 and FY 2021/22		C	C																							
8 Recommend Approval of a Resolution Authorizing FY 2021/22 Water Supply Contract Payments (consent)		C	C																							
9 Recommend Receiving and Filing of May 2021 Monthly Financial Report (consent)		C	C																							
10 Discuss Financing Policy - Financial Advisor				C																						
11 Discuss Establishing a Community Facilities District (CFD) for the Spring Canyon Development				C	C																					
12 Discuss Establishing a Community Facilities District (CFD) for The Highlands at Tesoro del Valle Development				C	C																					
13 Recommend Approval of Employee Manual 40 - Flexible Workplace Program				C	C																					
14 Recommend Approval of a Resolution Adjusting Employer's Contributions for PERS Medical Insurance				C	C																					
15 Review Financial Performance Metrics				P																						

**Finance and Administration Committee
Planning Calendar
FY 2021/22**

Item	July 6 Board	July 19 Comm	Aug 3 Board	Aug 16 Comm	Sept 7 Board	Sept 20 Comm	Oct 5 Board	Oct 18 Comm	Nov 2 Board	Nov 15 Comm	Dec 7 Board	Dec 13 RESCHEDULED Comm	Dec 21 Board	Jan 24 RESCHEDULED Comm	Feb 1 Board	Feb 15 Board	Feb 28 RESCHEDULED Comm	Mar 15 Board	Mar 21 Comm	April 5 Board	April 18 Comm	May 3 Board	May 16 Comm	June 7 Board	June 20 Comm	June 21 Board
16	Recommend Receiving and Filing of June 2021 Monthly Financial Report (consent)			C	C																					
17	Discuss Financing Policy - Financial Advisor				C																					
18	Recommend Approval of Additional Oracle Software Licenses with DLT Solutions, LLC				C	C																				
19	Review Financial Performance Metrics				C																					
20	Discuss Financing Policy - Financial Advisor							C																		
21	Discuss Wholesale Water Rates - Ratepayer Advocate							C																		
22	Discuss Community Facilities District (CFD) Policy							C																		
23	Technology Update							P																		
24	Discuss Financing Policy - Financial Advisor									C																
25	Recommend Approval of a Revised Purchasing Policy									C	C															
26	Technology Update									C	C															
27	Recommend Receiving and Filing of July 2021 Monthly Financial Report (consent)									C	C															
28	Recommend Approval of a Revised Community Facilities District (CFD) Policy										C															
29	Discuss California Water and Wastewater Arrearage Payment Program										C															
30	Recommend Receiving and Filing of SCV Water Annual Comprehensive Financial Report (ACFR) ended June 30, 2021 (consent)											C														
31	Recommend Approval of a Resolution Appointing Dirk S. Marks as Interim Director of Water Resources and Approving Employment Agreement											C	C													
32	Update to the Recommendation for Approval of a Resolution Revising Wholesale Water Rates											C														

C = Completed Item
P = Planned Item

**Finance and Administration Committee
Planning Calendar
FY 2021/22**

Item	July 6 Board	July 19 Comm	Aug 3 Board	Aug 16 Comm	Sept 7 Board	Sept 20 Comm	Oct 5 Board	Oct 18 Comm	Nov 2 Board	Nov 15 Comm	Dec 7 Board	Dec 13 RESCHEDULED Comm	Dec 21 Board	Jan 24 RESCHEDULED Comm	Feb 1 Board	Feb 15 Board	Feb 28 RESCHEDULED Comm	Mar 15 Board	Mar 21 Comm	April 5 Board	April 18 Comm	May 3 Board	May 16 Comm	June 7 Board	June 20 Comm	June 21 Board	
33	Recommend Receiving and Filing of August 2021 Monthly Financial Report (consent)											C															
34	Recommend Approval of a Professional Services Agreement for Oracle Managed Services													C		P											
35	Discuss Ratepayer Assistance Program																										
36	Recommend Approval of a Resolution Adopting a Revised Investment Policy - (Annually adopted via reso) (consent)																										
37	Recommend Receiving and Filing of FY 2021/22 First Quarter Financial Report																										
38	Approve a Resolution Revising Wholesale Water Rates															P											
39	Discuss Ratepayer Assistance Program																	P									
40	Recommend Receiving and Filing of FY 2021/22 Second Quarter Financial Report																	P									
41	Recommend Receiving and Filing of October 2021 Monthly Financial Report (consent)																	P									
42	Recommend Receiving and Filing of November 2021 Monthly Financial Report (consent)																	P									
43	Recommend Receiving and Filing of December 2021 Monthly Financial Report (consent)																	P									
44	Review Budget Calendar																		P								
45	Review Annual List of Professional Services Contracts (consent)																		P								
46	Technology Update																										
47	Recommend Receiving and Filing of January 2022 Monthly Financial Report (consent)																										
48	Recommend Approval of a Proposed Employee Salary Adjustment for FY 2022/23																										

C = Completed Item
P = Planned Item

**Finance and Administration Committee
Planning Calendar
FY 2021/22**

Item	July 6 Board	July 19 Comm	Aug 3 Board	Aug 16 Comm	Sept 7 Board	Sept 20 Comm	Oct 5 Board	Oct 18 Comm	Nov 2 Board	Nov 15 Comm	Dec 7 Board	Dec 13 RESCHEDULED Comm	Dec 21 Board	Jan 24 RESCHEDULED Comm	Feb 1 Board	Feb 15 Board	Feb 28 RESCHEDULED Comm	Mar 15 Board	Mar 21 Comm	April 5 Board	April 18 Comm	May 3 Board	May 16 Comm	June 7 Board	June 20 Comm	June 21 Board	
49	Review Status of Operating FY 2021/22 and FY 2022/23 Biennial Budget																										
50	Recommend Receiving and Filing of February 2022 Monthly Financial Report (consent)																					P					
51	Recommend Approval of a Resolution Revising the FY 2021/22 and FY 2022/23 Biennial Budget																						P				
52	Approve a Resolution Adopting the Appropriation of All As-Yet Unappropriated Funds for FY 2021/22 (consent)																							P	P	P	P
53	Approve a Resolution Adopting the Appropriation Limit for FY 2022/23 (consent)																							P	P	P	P
54	Review Financial Performance Metrics																										
55	Recommend Receiving and Filing of FY 2021/22 Third Quarter Financial Report																										
56	Recommend Receiving and Filing of March 2022 Monthly Financial Report (consent)																										
57	Recommend Approval of Resolution Authorizing July 2021 Water Supply Contract Payment																										
58	Technology Update																										
59	Recommend Receiving and Filing of April 2022 Monthly Financial Report (consent)																										



PUBLIC OUTREACH AND LEGISLATION COMMITTEE AGENDA PLANNING CALENDAR FY 2021-2022

July 15, 2021 Committee – VIRTUAL MEETING

1. Legislative Consultant Reports
2. Recommendation to Serve on the ACWA Legislative Committee
3. Equitable and Inclusive Engagement
4. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2021/22
 - Committee Planning Calendar FY 2021/22

August 19, 2021 Committee – VIRTUAL MEETING

1. Legislative Consultant Reports
2. Communications Manager Activities:
 - Social Media Report from Consultant Tripepi Smith
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2021/22
 - Committee Planning Calendar FY 2021/22

September 16, 2021 Committee – VIRTUAL MEETING

1. Legislative Consultant Reports
2. Discussion on Community Event Participation
3. Equitable and Inclusive Engagement
4. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2021/22
 - Committee Planning Calendar FY 2021/22

October 21, 2021 Committee – VIRTUAL MEETING

1. Legislative Consultant Reports
2. Review of Outreach on Rent and Utility Relief Program
3. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2021/22
 - Committee Planning Calendar FY 2021/22

November 18, 2021 Committee – VIRTUAL MEETING

1. Legislative Consultant Reports
2. Update on Communication and Engagement Gap Analysis Efforts
3. Communications Manager Activities:
 - Social Media Report from Consultant Tripepi Smith
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2021/22
 - Committee Planning Calendar FY 2021/22

December 16, 2021 Committee – VIRTUAL MEETING

1. Legislative Consultant Reports
2. Outreach Year in Review
3. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2021/22
 - Committee Planning Calendar FY 2021/22

January 20, 2022 Committee – VIRTUAL MEETING

1. Legislative Consultant Reports
2. Discussion of the 2022 Legislative Platform and Advocacy Process
3. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2021/22
 - Committee Planning Calendar FY 2021/22

February 15, 2022 Regular Board Meeting

1. Adoption of the 2022 Legislative Platform

February 17, 2022 Committee

1. Legislative Consultant Reports
2. Status Update on Communication and Engagement Gap Analysis Efforts
3. Communications Manager Activities:
 - Social Media Report from Consultant Tripepi Smith
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2021/22
 - Committee Planning Calendar FY 2021/22

March 17, 2022 Committee

1. Legislative Consultant Reports
2. Discussion of Water 101 Ambassador Program
3. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2021/22
 - Committee Planning Calendar FY 2021/22

April 21, 2022 Committee

1. Legislative Consultant Reports
2. Discussion of Legislative Workshop
3. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2021/22
 - Committee Planning Calendar FY 2021/22

May 19, 2022 Committee

1. Legislative Consultant Reports
2. Communications Manager Activities:
 - Social Media Report from Consultant Tripepi Smith
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2021/22

- Committee Planning Calendar FY 2021/22

June 16, 2022 Committee

1. Legislative Consultant Reports
2. Communications Manager Activities:
 - Legislative Tracking
 - Grant Status Report
 - Sponsorship Tracking FY 2021/22
 - Committee Planning Calendar FY 2021/22

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**Santa Clarita Valley Water Agency
Water Resources & Watershed Committee and Board Calendar**

FY 2021/22

Item	Jul 6 Board	Jul 14 Comm	Aug 3 Board	Aug 11 Comm	Sep 7 Board	Sep 8 Comm	Oct 5 Board	Oct 13 Comm	Nov 2 Board	Nov 10 Comm	Nov 16 Board	Dec 7 Board	Dec 8 Comm	Jan 4 Board	Jan 12 Comm	Feb 1 Board	Feb 9 Comm	Feb 15 Board	Mar 1 Board	Mar 9 Comm	Apr 5 Board	Apr 13 Comm	May 3 Board <i>TO BE MOVED</i>	May 11 Comm	Jun 7 Board	Jun 8 Comm
1 Recommend Approval of Amendment to Sites Reservoir Planning Costs Agreement																										
2 Recommend Adoption of a Resolution Approving the Water Supply Assessment for the Castaic Mountainview Apartment Project																	P			P						
3 Update on Conservation Activities & Performance		C		C		C		C		C			C				P			P				P		P
4 Status of Drought Response and Performance				C		C				C			C				P			P				P		P
5 Status of Water Supplies													C		C		P									
6 Devil's Den Semi-Annual Report						C	C										P									
7 Recommend that the Board Authorize the General Manager to Enter Into Water Exchange Agreements with Irvine Ranch Water District													C							P						
8 Authorize the General Manager to Enter Into Agreement with TerraVerde Energy for Application Preparation and Project Management for Self Generating Incentive Program Projects (Photovoltaic and Battery Storage) Funding														C				P								
9 Authorize the General Manager to Enter into an Agreement to Fund Planning Costs for the Proposed High Desert Groundwater Banking Program																				P						
10 Recommend Approval of a Resolution Adopting Recycled Water Rules and Regulations																				P						
11 Status of Sustainable Groundwater Management Act Implementation				C									C													
12 Status of Water Supply and Water Banking Programs																				P						
13 Status of Recycled Water Program																				P						
14 Update on Water Resiliency Plan Initiative Activities																				P						
15 Recommend Adopting a Resolution Authorizing Creation of a Standby Charge for the Tesoro del Val Annexation Area.																							P			
16 Authorize General Manager to enter into contracts for Water Resiliency Plan Initiative																								P		
17 Review and Discussion of FY 2021/22 and FY 2022/23 Water Resources Operating Budget and Minor and Major Capital Projects Budgets																									P	
18 Status of Sites Reservoir Project, Rosedale-Rio Bravo Water Banking Program and AVEK High Desert Banking Program		C											C													
19 Review of Lawn Replacement Program Evaluation																										
20 Status of Efforts Relating to Groundwater Spreading Pilot Program																										

**Santa Clarita Valley Water Agency
Water Resources & Watershed Committee and Board Calendar**

FY 2021/22

Item	Jul 6 Board	Jul 14 Comm	Aug 3 Board	Aug 11 Comm	Sep 7 Board	Sep 8 Comm	Oct 5 Board	Oct 13 Comm	Nov 2 Board	Nov 10 Comm	Nov 16 Board	Dec 7 Board	Dec 8 Comm	Jan 4 Board	Jan 12 Comm	Feb 1 Board	Feb 9 Comm	Feb 15 Board	Mar 1 Board	Mar 9 Comm	Apr 5 Board	Apr 13 Comm	May 3 Board <i>TO BE MOVED</i>	May 11 Comm	Jun 7 Board	Jun 8 Comm	
21	Recommend Authorizing the General Manager to Enter into a Contract with Kris Helm Consulting for Water Resources Strategic Planning Services					C	C																				
22	Recommend Approval of Modification to Lawn Replacement Program					C																					
23	CLOSED SESSION: Devil's Den Real Property Negotiation and Ongoing Litigation						C																				
24	Status of Devil's Den Solar Generation Facilities						C																				
25	Approve a Resolution Authorizing the General Manager to Apply for Grant Funding Under the Federal Bureau of Reclamation WaterSmart Drought Relief Program for the Rosedale Phase 2 Wells Project						C		C																		
26	CLOSED SESSION: Property Negotiation - Water Transfers							C																			
27	Status of Upper Santa Clara River Salt and Nutrient Management Plan						C																				
28	Update on Water Operating Plan and Water Conservation Response Actions						C																				
29	Discuss and Consider Potential Amendment to the Deposit and Funding Agreement between Santa Clarita Valley Water Agency and DACA-Castaic, LLC for Tapia Ranch								C			C															
30	CLOSED SESSION: Anticipated Litigation								C																		
31	Consider Adoption of a Resolution to Enact Stage 1 of the Water Shortage Contingency Plan and Water Conservation and Water Supply Shortage Ordinance										C																
32	Authorize the General Manager to Enter into a Lease Agreement with Rolling Hills Farms for the Devil's Den Property											C															
33	Status of Integrated Regional Water Management Plan Update												C														
34	Status of Sustainability and Climate Action Plan																										
35	Recommend Authorizing the General Manager to Execute an Construction Contract for Bridgeport Pocket Park - TBD																										

P = Planned
C = Completed
CNL = Cancelled
CNT = Continued Item

DIRECTOR AB 1234 REPORT

Director Name: Jerry Gladbach

Meeting Attended: ACWA Board

Date of Meeting: Jan. 5, 2022

Date of Meeting to be Presented: Feb. 1, 2022

Points of Interest:

The main purpose of the meeting was for the Board to ratify the committee chairs and vice-chairs of ACWA Committees that President Pam Tobin had selected.

They are:

COMMITTEE	CHAIR	VICE CHAIR
Agriculture Committee	Alexandra Biering	Anjanette Shadley
Business Development Committee	Stacy Taylor	Piret Harmon
Communications Committee	Melissa Williams	Melissa McChesney
Energy Committee	Gary Arant	Tasha Wright
Federal Affairs Committee	Jim Peifer	Jolene Walsh
Finance Committee	Marwan Khalifa	Bruce Rupp
Groundwater Committee	John Woodling	Michael Markus
Legal Affairs Committee	Jennifer Buckman	Rebecca Akroyd
Local Government Committee	Ernie Avila	T. Milford Harrison
Membership Committee	Joone Lopez	Shelisa Jackson
State Legislative Committee	Brian Poulsen	Lauren Layne
Water Management Committee	David Pedersen	Sean Bigley
Water Quality Committee	Edgar Dymally	Pamela Jeane

Donna Pangborn, Board Secretary, also described the process for the election by the Board of 3 of its members to be on the Executive Committee. Two members stated that they would be interested in being on the Executive Committee. The election will occur at the Board meeting on Feb. 4, 2022

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BOARD OF DIRECTORS

AGENDA

ACWA Board of Directors	
January 5, 2022 • 10:00 a.m.	Videoconference Meeting via Zoom
Zoom link: https://acwa.zoom.us/j/89988256812?pwd=WTIsNXpFSXIGUzhKZ3FXNEhRMEx5dz09	
Pamela Tobin, President • Cathy Green, Vice President • Dave Eggerton, Executive Director	

	PAGE
I. CALL TO ORDER	PAMELA TOBIN
A. Approval of Agenda	1
B. Approval of Excused Absences	—
 II. PRESIDENTIAL APPOINTMENTS	 PAMELA TOBIN
A. Ratification of Committee Chair/Vice Chair Appointments	2
 III. ELECTION OF AT-LARGE EXECUTIVE COMMITTEE MEMBERS	 DONNA PANGBORN
A. Overview of Process to Elect 2022-2023 At-Large Executive Committee Members.....	4
 IV. ADJOURNMENT	 PAMELA TOBIN

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Director name: Gary Martin
Meeting attended: VIA Virtual Series w/ Mayor Laurene Weste
Date of meetings: January 18, 2022
Location: Virtual – Zoom
SCV Water Board meeting to be presented at: February 1, 2022

On January 18, I attended the VIA Virtual Series with guest speaker Santa Clarita Mayor Laurene West. The Mayor spoke on a variety of topics including the following:

- During the past year during the second year of the COVID19 pandemic, the city kept businesses, parks, trails and open space open to the public, contributing to the health and wellbeing of the community.
- In general, Mayor Weste’s goal for 2022 is to work together (with city staff and the community) to accomplish what we need to.
- The city’s budget for 2022 is \$248 million, including \$20 million for “emergencies.” As a rule, the City does not spend money they don’t have and is in a very healthy financial position.
- Going forward, the Central Park expansion plan will provide new ball field and amenities for the community. The city is also looking to add to the existing 12,000 acres of open space and will continue to oppose placing high-risk youth offenders at Camp Scott on Bouquet Canyon Road. The Mayor also spoke about the multi-year revitalization of Old Newhall, work on several historical preservation projects underway and the buildout of the Needham Ranch business park.
- In addition, Mayor Weste will continue to support law enforcement and questioned the polices of the LA County District Attorney.

I found the program informative and I appreciate being able to attend.

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Director AB 1234 Report
February 1, 2022

Director name: Gary Martin

Meeting attended: Delta Conveyance Design and Construction Authority (DCA) Regular Board Mtg.

Date of meetings: January 20, 2022

Location: Virtual – Zoom

SCV Water Board meeting to be presented at: February 1, 2022

On January 20, I attended the regular meeting of the Delta Conveyance Design and Construction Authority (DCA) board of directors meeting. The agenda for the meeting was as follows:

1. Call to Order
2. Roll Call (attendance)
3. Pledge of Allegiance
4. Public Comment
5. Approval of Minutes
 - 5a. November 18, 2021 Regular Board Meeting
 - 5b. December 16, 2021 Special Board Meeting
 - 5c. January 14, 2022 Special Board Meeting
6. Consent Calendar
 - 6a. Approve Resolution Authorizing Virtual Board and Committee Meetings Pursuant to AB361
7. Discussion Items
 - 7a. January DCA Monthly Report (no action required, information only)
 - 7b. Second DCA FY21/22 Budget Adjustment (recommend adoption)
 - 7c. Adopt Resolution to Sunset the Stakeholder Engagement Committee (recommend adoption)
 - 7e. Adopt Resolution to Award Geotechnical Exploration and Reporting Services Contract, Making Responsible Agency Findings under CEQA (recommend adoption)
8. Staff Reports and Announcements
 - 8a. General Counsel’s Report
 - 8b. Treasurer’s Report
 - 8c. DWR Environmental Manager’s Report
 - 8d. Verbal Reports, if any
9. Future Agenda Items
10. Adjournment

Points of Interest:

- The DCA Board voted to continue virtual meetings under AB361
- The program administration team continued efforts for the board room hybrid meeting project
- The engineering team focused primarily on finalizing the narrative report, technical memoranda, GIS data, and engineering drawings to complete the conformed Final Draft of the Central / Eastern Corridor and Bethany Reservoir Alternative Engineering Report (EPR) documents.
- The field work team continued efforts to collect and evaluate Delta-wide subsurface conditions.
- The second budget adjustment was adopted finalizing the FY 21/22 at \$24.478 million.
- The board voted to adopt a resolution sun-setting the Stakeholder Engagement Committee effective 1/20/22. Public outreach efforts will continue in the future in a different format.
- The board approved an award to AECOM Technical Services, Inc. for geotechnical services with a contract period of 3 years and a total NTE value of \$30 million to be authorized on a task order basis.

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DIRECTOR REPORT AB 1234

Director Name: Jeff Ford

Conference/Seminar Name: AWA WaterWise Program

Date: 1/20/2022

To Be Presented at Next Regularly Scheduled Board Meeting on: 2/1/2022

Subject Matter of Conference/Seminar: Drought Buster During a La Nina

Speakers and Persons of Interest in Attendance: Water professionals,
government representatives, consultants, and others, from numerous
entities in Ventura and Los Angeles Counties.

Points of Interest:

Eric Boldt of the National Weather Service discussed the lack of
precipitation last year that led to the extreme drought, what has developed
in the current hydrologic year , and if the remainder of the year could remain
above average for precipitation.

Wet October, with one major storm then led to a very dry November.

December has wet records (26.11" at Mount Wilson). It was the wettest
October to December since 2000, other than 2010/2011 which, surprisingly,
was also a La Nina year. January has been very dry across the state thus far.
Forecast for La Nina to continue but to slowly head back towards neutral
conditions. Estimated 5-8" locally (Ventura County) for January to March
based on averages during a La Nina, however, model forecasts are for drier

conditions through the rest of the Spring. Therefore, the 5-8 inches of precipitation locally is probably optimistic and local drought conditions are likely to persist.



MEMORANDUM

To: Los Angeles County Independent Special Districts

From: William F. Kruse, Special Counsel

Date: December 6, 2021

Subject: Nomination of Candidates for Special District Voting Member and Special District Alternate Member

As you know, since 1994 special districts in Los Angeles County have been represented by two members of the Local Agency Formation Commission. On May 22, 2022, the four-year terms for Special District Voting Member Jerry Gladbach and Special District Alternate Voting Member Mel Matthews will conclude. On behalf of the special districts of Los Angeles County, LAFCO has appointed us to assist in conducting the election to fill these vacancies.

By law, independent special district seats on LAFCO are filled by the Special District Selection Committee. That Committee is made up of the presiding officers of each independent special district in Los Angeles County.

In order to expedite the process of electing the voting member and the alternate member, I have included a form to be used to nominate candidates for consideration for each of the positions. After nominations are received, each district will receive a complete package of nominee resumes, together with a ballot for consideration by the presiding officer of your board. Voting will be conducted by mailed ballot.

Nominations for the Committee's consideration are welcome. Please provide as much relevant information about the candidates as reasonably possible. Any biographical information and/or candidate statement should be **limited to one page**. Please remember that, to be eligible, the nominee must be an elected official or appointed to your board for a fixed term. Nominations must be received in the office of Lagerlof, LLP, **ATTN: WILLIAM F. KRUSE**, no later than **5:00 p.m. on February 18, 2022**.

Please feel free to contact me directly with any questions.

Voice: (626) 793-9400

Fax: (626) 793-5900

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NOMINATION
OF
INDEPENDENT SPECIAL DISTRICT **VOTING MEMBER**
TO THE
LOS ANGELES COUNTY LOCAL AGENCY FORMATION COMMISSION

To: Independent Special District Selection Committee

From: Santa Clarita Valley Water Agency Board of Directors

Date: February 1, 2022

Name of Candidate: Jerry Gladbach

Santa Clarita Valley Water Agency is pleased to nominate
Jerry Gladbach as a candidate for appointment as special district **voting member** to the Los Angeles Local Agency Formation Commission. The nominee is an elected official or a member of the board of an independent special district appointed for a fixed term. For your consideration, we submit the following additional information together with a resume of the candidate's qualifications.

Elective office: Division 2 Director

Agency: Santa Clarita Valley Water Agency

Type of Agency: Special Act Water Agency

Term Expires: January 2023

Residence Address: 27491 Hillcrest Place, Valencia, CA 91354

Telephone: (661) 297-2200

PLEASE ATTACH RESUME OR CANDIDATE STATEMENT (limit one page)

Santa Clarita Valley Water Agency
(Name of Agency)

By: _____

Its: President

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E.G. “Jerry” Gladbach

27491 Hillcrest Place / Valencia, CA 91354
Phone: (661) 297-2200 / Email: ejglad@aol.com



EXPERIENCE / COMMITMENT / DEDICATION

I would be honored to continue serving you on the Local Agency Formation Commission for Los Angeles County. As Chair of Los Angeles LAFCO I have urged the Commission to become more customer oriented. If reelected I would also be able to continue representing Los Angeles County on the California Association of Local Agency Formation Commissions' Board of Directors, even though I am not a member of the CALAFCO Board. Recognizing that Special Districts are an important segment of government in California, I will represent your concerns at LAFCO for Los Angeles County and CALAFCO.

LAFCO

Chair	2006 – present
First Vice-Chair	2005 – 2006
Commissioner	2002 – present
Alternate Commissioner	2001 – 2002

California Association of LAFCOs

President	2011 – 2012
Vice President	2010 – 2011
Treasurer	2008 – 2010
Secretary	2006 – 2008
Chair, CALAFCO Conference Committee	2008
Member, Board of Directors	2005 – 2013

Association of California Water Agencies (ACWA)

President	2004 – 2005
Vice President	2002 – 2003
Region Chair	1998 – 2001
Board of Directors	1998 – present

ACWA – Joint Powers Insurance Authority

President	2010 – present
Executive Committee	2002 – 2003, 2006 – present
Board of Directors	2002 – present

Santa Clarita Valley Water Agency/Castaic Lake Water Agency

Board of Directors	1985 – present
President	1987 – 1990
Vice President	2021– present
Chair, Public Outreach and Legislative Committee	2021– present
Chair, Water Resources Committee	2003 – 2017
Chair, Finance, Administration, PR Committee	1991 – 2002

CALAFCO's “Lifetime Achievement” Award 2021

CALAFCO's “Outstanding Commissioner” Award 2013

Water Education Foundation, Board of Directors 1987 – 2009

Member of the Special District Leadership Foundation Task Force that developed the Leadership Series of Classes 2002– 2004

Los Angeles Department of Water and Power

Leadership in Engineering, Management, Environmental Planning / retired after 35 years

Past Member, United States EPA's Groundwater Task Force

Provided technical assistance to U.S. Commission on Water Quality

**Past Member, Advisory Committee, CalPoly State University,
Civil and Environmental Engineering**

Professional Engineer, Registered in California

Fellow/Life Member, American Society of Civil Engineers

Master of Science Degree in Civil Engineering / Water Resources

PERSONAL

Married with 3 children, and 6 grandchildren, I have lived in the Santa Clarita Valley for over 50 years and have been devoted to community service for that entire period.

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