



Date: October 11, 2018

To: **Public Outreach and Legislation Committee**

Jacque McMillan, Chair

B.J. Atkins

Kathy Colley

Jerry Gladbach

R.J. Kelly

Gary Martin

Lynne Plambeck

From: Steve Cole, Assistant General Manager 

The **Public Outreach and Legislative Committee** is scheduled to meet on **Thursday, October 18, 2018 at 5:30 PM** at **Santa Clarita Water Division** located at 26521 Summit Circle, Santa Clarita, CA. 91350 in the Training Room.

MEETING AGENDA

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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 (661) 297-1600, or 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, California 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.yourscvwater.com>.

Posted on October 11, 2018.

MBS



Memorandum

To: Matt Stone, Steve Cole
CC: Hunt Braly
From: Harry Henderson
Date: 10/9/2018
Re: September 2018 Federal Legislative Brief Update

Per Steve Cole's direction, Anchor is providing you with a brief update of activities in Washington.

As the calendar and the season turn to fall, Congress has completed their September session and now have turned their attention to the mid-term elections. Over the past several months, Anchor has monitored closely the progress made on several legislative initiatives, but closely followed efforts associated with the year-end Appropriations bills, the Water Resources Development Act, and other legislative and project initiatives central to our SCV Water agenda.

As we have noted in the past, Congress had a lot to accomplish with very little time to do it. They had to pass funding measures, authorization acts for the FAA, Pentagon, Homeland Security, and others, and the Senate had to do all of that while attempting to review and vote on the nomination of Judge Brett Kavanaugh for the Supreme Court. It was a daunting task, but by and large one that Congress made significant progress on.

Throughout this process, Anchor has identified ways to promote our initiatives and potential opportunities for success for the Agency. We have also worked to ensure that the Agency maintained positive relationships with key elected officials and staff throughout Washington.



Below you will find a brief synopsis of relevant information to the Agency. Furthermore, we have outlined for you a few of the issues we continue to track, and the action being taken on those matters.

Water Resources Development Act:

On May 23, 2018, the House Transportation and Infrastructure Committee unanimously approved the Water Resources Development Act (WRDA). On June 6, 2018, the House of Representatives passed H.R. 8, WRDA, by overwhelming majorities. On September 13, 2018, the House of Representatives unanimously approved with a few minor amendments S. 3021, America's Water Infrastructure Act. The legislation essentially is the Senate version of the Water Resources Development Act. The Senate was expected to pass the legislation immediately, but numerous delays have slowed the process.

Senate Minority Leader Mitch McConnell has indicated that the legislation must be approved before Senators leave Washington for the mid-term elections. It is expected that the Senate will approve the measure either October 5 or 6, 2018. However, as of the date of this memo, the Senate had not yet approved the bill.

Six years ago, Chairman Shuster indicated a goal to have reauthorization of WRDA every two years – essentially creating a regular order on the legislation. For each of the past two Congresses, this has been the norm. With House passage of the 2018 WRDA, the Chairman has indeed restored regular order to this process. A few relevant points here:

- WRDA authorizes the Army Corps of Engineers to conduct a wide variety of programs associated with the nation's water infrastructure and environmental remediation. The legislation typically enjoys broad bipartisan support and funds programs such as harbor dredging, environmental remediation efforts, and flood control.
- In the past, the Agency (CLWA at the time) has received authorization through WRDA for remediation of the Eastern Santa Clara River Watershed (perchlorate remediation).



In total, the Army Corps of Engineers was authorized to fund over \$10 million toward this effort.

- The Agency and Anchor have been working on finding projects and programs for consideration within WRDA that could impact a variety of initiatives.
- The House passed legislation is generally considered to be the broad first brushes associated with this subject. It is expected that during the Conference Committee, the measure will be far more specific than the one that passed the House of Representatives.
- The only real “controversy” in the bill was to move the Army Corps of Engineers from the Department of Defense.

FY2019 Appropriations:

As we have mentioned in previous memos, Congress has made significant progress on passing legislation to fund the Federal government. In early September, the House and Senate approved the Conference Report funding the Energy and Water, Legislative, and Military Construction/VA Appropriations Acts. On September 18, 2018, the United States Senate approved funding for the Department of Defense and Labor, HHS, Education Appropriations Acts. The House followed on September 25, 2018 with passage of this legislation.

While these five measures are far from a complete funding of the Federal government, it should be noted that this will mark the first time in over two decades that 75% of the Federal government will be funded in regular order without the need of a Continuing Resolution. This is significant progress.

The House and Senate respectfully have passed variations of the Department of Interior, Transportation/Housing and Urban Development, and Financial Services Appropriations Acts. There are minor differences remaining between the two chambers on these matters. However, those differences could not be bridged before the end of the Federal Fiscal Year (October 1). As such, both the House and Senate have passed a short-term Continuing Resolution funding the Federal government through December 7, 2018.

Anchor believes that the Department of Interior/Financial Services, Transportation bill should be ready for approval shortly after Congress returns from the mid-term elections recess. That would leave just three additional bills (Homeland Security, Foreign Operations, and Commerce/Justice) remaining. While this may appear simple, significant issues remain



unresolved in those measures. Specifically, the President has insisted that the Commerce/Justice and Homeland Security measures include funding for his proposed border wall.

As a reminder, Anchor the Agency are particularly interested in the Interior Appropriations Act with its water provisions and environmental funding matters. Below is a summary of variations between the two versions of this legislation.

On July 19, 2018, the House approved the Interior Appropriations Act as part of a “mini-bus” appropriations bill with two additional individual funding measures. The Interior portion contained a total of \$35.3 billion funding programs that “protect and make the best use of domestic natural resources”. Among other things, the legislation funded programs at the Environmental Protection Agency, environmental infrastructure programs, and safe drinking water systems.

Specifically, the legislation included:

- \$3.9 billion for the wildland firefighting and prevention programs;
- \$7.958 billion for the EPA, \$100 million below the current FY2018 levels;
- \$2.6 billion for the Clean Water and Drinking Water State Revolving Loan fund;
- \$40 million increase for Superfund site remediation efforts;
- \$75 million for WIFIA programs leveraging more than \$8 billion in water infrastructure projects;
- A full repeal of the Waters of the United States Rule;
- \$1.6 billion for the U.S. Fish and Wildlife Service; and
- \$360 million for the Land and Water Conservation Fund.

On August 1, 2018, the United States Senate passed their version of this legislation. Specifically, the Senate version includes:

- \$13.1 billion for the Interior Department;
- \$1.57 billion for the Fish and Wildlife Service;
- \$8.058 billion for the Environmental Protection Agency, equal to the FY2018 level;
- \$2.86 billion for the Clean Water and Drinking Water State Revolving Fund;
- \$63 million for WIFIA



- \$4.3 billion for wildland firefighting;
- \$3 million for the Council on Environmental Quality;
- No provision associated with the Waters of the United States Rule.

KHTS Washington Trip:

From September 26-28, 2018, Carl Goldman led a delegation from Santa Clarita to visit with key Members of Congress, Agencies and Departments within the Federal Government, and also outside Associations and organizations. For years, Anchor has assisted with these trips and worked closely with Carl and the rest of the delegation. This year was no different.

Anchor professionals assisted by using our network of contacts at the Department of Education, Labor, Health and Human Services, Transportation, and others. We obtained meetings for the delegation with the US Chamber of Commerce's Hiring our Heroes program, the Motion Picture Association of America, the Department of Transportation's Intergovernmental Affairs team, the Department of HHS's Agency and Disability programs, numerous Members of Congress, and others. We also assisted Carl in providing the participants with an overview of "where we stand" in Washington. The Agency was thanked by the participants for their help in making this year's program a success. While it was a lot of work, we believe that the benefit to the Agency was significant.

Other Issues:

- Anchor continues to monitor actions associated with the Waters of the United States case. The House Energy and Water Appropriations Act does include language preventing the implementation of the rule. The House Interior Appropriations Act also included language outlawing implementation of the rule. Both sides are currently preparing for litigation on this subject.
- Anchor is closely monitoring the future leadership of both parties associated with the House of Representatives. With the retirement of Speaker Paul Ryan, Anchor has carefully monitored the progress of individuals such as Majority Leader Kevin McCarthy as he seeks to take over as Speaker in the next Congress. Furthermore, Anchor has reviewed the recent announcements by Minority Leader Nancy Pelosi and the team of "potential Chairman and Chairwoman of a Democratic Majority." Finally, Anchor is monitoring the race to succeed Chairman Shuster at the House Transportation and Infrastructure Committee. All of these decisions will be finalized after the mid-term



elections and the re-organization efforts of both political parties in both bodies of congress.

- Volatile Organic Compounds. Over the past month, Anchor has worked to establish a funding stream for this effort. We have met with Representative Knight's office as well as both Senators. We have made progress, but Committee staff of jurisdiction on this matter has asked us to "run down" a few last issues. Specifically, Anchor is working closely with Hunt Braly to answer the questions from staff and interface with the Region 9 leadership of EPA. It should be noted that the key staff person for Representative Knight on this issue has recently announced that she will be leaving the office. However, during my discussions with Representative Knight at the KHITS trip, he indicated his continued strong support for our position.
- Anchor would again remind members of the Board that should they be approached or discuss the upcoming mid-term elections with the press (national, local, or Washington, DC-based) to please give our firm a "heads-up" on the conversation. We continue to expect that the 2018 election for Representative Steve Knight's seat will be highly contentious.
- We also continue to keep the Agency informed of actions going on back here in Washington pertaining to the Agency.

October 8th, 2018

MEMORANDUM

TO: Steve Cole, Santa Clarita Valley Water Agency

FROM: Dennis K. Albiani, Erinn Ryberg, California Advocates, Inc.

SUBJECT: October Report

California's Legislature revved into high gear when it came to writing laws in 2018, sending the most bills to the governor's desk in more than a decade. In all, Gov. Jerry Brown weighed in on 1,217 pieces of legislation passed by the state Senate and Assembly. He signed 1,016 into law, and most will take effect on Jan. 1. His veto percentage was 16.5%.

PRIORITY LEGISLATION

SB 623, SB 844, and SB 845: Water Tax

The water assessment for clean drinking water remained "held" in Assembly Rules at the end of session. Lawmakers were hesitant to approve a tax hike in an election year and ultimately both bills were not even brought up for a vote. In a public statement Assembly Speaker Anthony Rendon said, "a piecemeal funding approach" to the problem "won't work." Speaker Rendon went on to say, "the Assembly is committed to identifying a sustainable funding source to ensure safe drinking water for all Californians.

Santa Clarita Valley Water advocates attended a small private meeting with Speaker Rendon where he said the bills were not moving in 2018, but he assigned Asm Eduardo Garcia as lead on the issues for Democrat Caucus and Heath Flora as lead on the issue for the Republican Caucus. We are meeting with Speaker staff and Water, Parks and Wildlife Consultants to discuss the progress of the interim discussions.

In the end, the original bill, SB 623 was divided into two bills, SB 844 and SB 845. There were significant changes:

SB 844 and SB 845 (Monning)

- Imposes a fee structure on agriculture to generate \$30 million/year for 15 years – subject to fluctuation – along with the associated enforcement relief for those that pay into the Fund. The fees would decrease after 15 years but do not sunset.
- Appropriation of \$23.5 million from the General Fund for safe drinking water programs for disadvantaged communities. This funding was set aside in the FY 18/19 state budget but not appropriated. The SWRCB will use a portion of these funds to update their "needs assessment." A subsequent needs assessment would occur in 15 years.

- Bill language to require that retail water providers invoice and collect a “voluntary donation” through a “opt out” provision to be administered monthly from each customer. The amount of the donation would be based upon service connection size, with most residents being taxed 95 cents/month. Revenue generated would be deposited into the Safe and Affordable Drinking Water Fund.

SB 606 and AB 1668 (Hertzberg and Freidman): Permanent Water Conservation Standards
This year Governor Brown signed a pair of bills to set permanent overall targets for indoor and outdoor water consumption, something that has never been done before.

- Establishes an indoor water use standard of 55 gallons per capita daily (GPCD) by July 1, 2022 until January 1, 2025. Beginning January 1, 2025, until January 1, 2030, establishes an indoor water use standard of 52.5 GPCD and beginning January 1, 2030, establishes an indoor water use standard of 50 GPCD. Establishes a process for the DWR in coordination with the SWRCB to jointly recommend to the Legislature a standard that more appropriately reflects best practices for indoor water use that is different from the standards established in the bill.
- Requires the DWR in coordination with the SWRCB to conduct studies and investigations and recommend, no later than October 1, 2021, standards for outdoor residential. Requires the standards to incorporate the principles, as specified, of the model water efficient landscape ordinance.
- Requires DWR in coordination with the SWRCB to conduct studies and investigations and recommend no later than October 1, 2021, performance measures for CII water use for adoption by the SWRCB.

For enforcement:

- Authorizes the SWRCB to issue information orders on and after July 1, 2024, written notices on and after July 1, 2025, and conservation orders on and after July 1, 2026, to an urban water supplier that does not meet its urban water use objective. Prohibits the conservation orders from requiring an urban water supplier to impose civil liability.
- Establishes liability of \$1,000 per day for a violation of orders or regulations on the long-term standards after November 1, 2027. Increases the liability to \$10,000 if there is a drought emergency declared by the Governor or during a critically dry year that is preceded by two or more below average rainfall years.

AB 2050 (Caballero): Small System Water Authority Act of 2018

AB 2020 would have created a Small System Water Authority that would be authorized to absorb, improve, and competently operate currently non-compliant public water systems with either contiguous or non-contiguous boundaries. This new category of public water agency would be created by merging formerly non-compliant drinking water systems to sustainably provide technical, managerial, and financial capabilities to ensure the delivery of safe, clean, affordable, and accessible water. However, the Governor Vetoed the bill due to concerns about costs stemming from an interpretation that consolidating districts would result in a “reimbursable state mandate” costing the state hundreds of millions of dollars.

The bill was ultimately vetoed by Governor Brown. In his veto message he stated “this bill creates an expensive, bureaucratic process and does not address the most significant problem with providing safe drinking water - a stable funding source to pay for ongoing operations and maintenance costs.” He went on to say he wants the legislature to work on a comprehensive

solution that does not result in ongoing cost to the general fund next year. His veto message stated:

“My administration remains committed to a comprehensive solution to address safe drinking water issues based on shared responsibility between water users and water providers that will not result in ongoing costs to the General Fund. I urge the Legislature and stakeholders to work towards a stable funding solution in 2019.”

SB 998 (Dodd): Water Shut-Offs

SB 998 requires water systems to have a written policy on discontinuation of residential service for nonpayment available in languages spoken by at least 10% of the people residing in its service area. It prohibits a water system from discontinuing residential service for nonpayment until the customer has been delinquent for at least 60 days and certain conditions are met. Water service cannot be shutoff if the customer can show that shutting off the water would pose a serious threat to their health or safety or if they can prove they are financially unable to pay and are willing to enter into an amortization agreement or an alternative payment schedule. Additionally, SB 998 requires water systems to waive reconnection fees and offer a reduction/waiver of interest charges on delinquent bills once every 12 months for a residential customer in certain cases. The bill was signed by Governor Brown.

SB 1422 (Portantino) This bill requires the SWRCB to adopt requirements for the testing and reporting of the amount of microplastics in drinking water for four years and to adopt a definition of microplastics in drinking water. Signed by the Governor

AB 2543 (Eggman) This bill would require each state agency or department authorized to undertake any infrastructure project costing \$100,000,000 or more to publicly post on its Internet Web site any change in the cost or schedule of the project that would result in the project exceeding its established budget by 10 percent or more or being delayed by 12 months or longer. The bill would require that the posted information describe how much the project is expected to exceed its established budget or delay its construction schedule. Signed by Governor

Legislature Holds Water Contracts Extension Hearing

The Joint Legislative Budget Committee Held their hearing reviewing the contract extensions for the State Water Project. Water Code Section 147.5 requires an informational hearing with the legislature at least 60 days prior to final approval of any contract extension.

The process has been underway since 2013, with the Department of Water Resources holding 23 negotiation sessions over a one-year period that resulted in a set of Agreements In Principle for the contract extension which was signed by 25 of the 29 contractors. The Agreements in Principle provides for the extension of the expiration dates on all contracts to December 31, 2085; makes changes to billing procedures, reserves and other financial changes; and establishes a finance committee of both DWR staff and contractors.

The main controversy was the impact on the CA Water Fix. Director Nemeth committed to return to the committee and submit any extensions that are tied to the CA Water Fix to the committee under the same regulations as required under Water Code Section 147.5. Senator

Mitchel followed up with a letter confirming that commitment and providing the Legislatures expectations.

WATER BONDS

California Advocates prepared a detailed summary of the water bonds and provided it to staff to prepare for next legislative session.

June

Proposition 68, the California Clean Water and Safe Parks Act, is a \$4.1 billion measure which voters approved in June. The Proposition was added to the ballot by SB 5 (De Leon) which passed the Legislature in 2017. The proposition allocates \$550 million to protect local communities from flooding, \$540 million to ensure safe drinking water, \$357 million to protect and restore rivers, lakes and streams and \$180 million to increase water supplies with groundwater cleanup and water recycling.

Of interest to Mesa Water, the measure provides for:

- Clean Drinking Water and Drought Preparedness
 - o \$250 M for clean and safe drinking water
 - o \$30 M for regional supply projects in San Joaquin area
- \$80 M for groundwater cleanup
- \$550 M total for flood protection and repair
 - \$350 M for flood protection facilities and levee improvements
 - \$50 M for delta levee repairs
 - \$300 M multibenefit flood projects
 - o \$100 M for stormwater, mudslide, and other flood--related protections
 - o \$100 M for urban multibenefit flood projects
- Regional Sustainability for Drought and Groundwater, and Water Recycling
 - o \$290 M total for regional sustainability
 - \$50 M for groundwater sustainability plans
 - o \$100 M for water recycling

November

Proposition 3, known as the Water Supply and Water Quality Act, is a \$8.9 billion measure earmarked for safe drinking water to disadvantaged communities, groundwater management, flood management and flood plain restoration and would provide funding for urban and agricultural conservation, storm water management and more. This measure would give \$750 million for safe water to disadvantaged communities. There is \$675 million earmarked for implementation of the Sustainable Groundwater Management Act, which would stabilize groundwater levels in overdraft groundwater basins, and \$500 million slated for water for fisheries. The measure would give \$100 million for Central Valley flood management and flood plain restoration and would provide funding for urban and agricultural conservation, storm water management and more.

Specifically, the measure provides for:

- \$3 billion to increase the supply and improve the quality of water for human uses in the residential, commercial and industrial, and agricultural sectors.
- \$2.9 billion to protect, restore, and improve the health of watersheds, fisheries, and lands that provide water supplies.
- \$940 million to improve habitat conditions for fish, wildlife, and migratory birds.
- \$855 million for water conveyance including \$750 million for the Friant Water Authority to make capital improvements (including to increase water conveyance capacity to and in the Madera and Friant-Kern canals), (2) \$100 million for conveyance projects related to a legal settlement to restore native fish in the San Joaquin River, and (3) \$5 million to plan for a new diversion of water from the Sacramento River to the North Bay Aqueduct.
- \$685 million for projects and programs that support sustainable groundwater management—including projects to recharge groundwater basins—and to establish a state-level groundwater technical assistance program to serve disadvantaged communities.
- \$250 million for a group of eight water agencies in the Bay Area to develop new facilities that extend the regional benefits of existing surface water storage, such as by building new connections to existing water supplies.
- \$200 million for the repair and reconstruction of the spillways at the Oroville Dam and \$22 million to undertake sediment removal, flood control, and emergency preparedness activities downstream from the dam.

Issues to Prepare for in 2019:

- **New Administration, Priorities and People**
- **Water Assessment for Clean Water**
- **CA Water Fix**
- **Bond Funding Distribution, Prop 68 passed, Prop 3 Pending**
- **SGMA Implementation – Impact of recent Court Decisions**
- **State Water Project Issues including Oroville Spillway, Funding, Electricity Costs, Ongoing Maintenance**
- **Groundwater Recharge as a “Beneficial Use”**

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-VIA ELECTRONIC MAIL-

September 13th, 2018

MEMORANDUM

TO: Steve Cole, Santa Clarita Valley Water Agency

FROM: Dennis K. Albiani, Erinn Ryberg, California Advocates, Inc.

SUBJECT: Report on Bond Funds

Consistent with our discussion earlier this week, we have prepared a quick overview of the two water bonds to provide information to develop a plan and priorities for government affairs for the coming year. There are significant funding opportunities that may be available for Santa Clarita Valley Water Agency. Identifying the programs and aligning them with SCV Water priorities and capital outlay plans will assist in focusing the government affairs program and increase the likelihood of successfully obtaining bond funds. Between the two proposals, California voters will be asked this year to approve \$13 billion in two separate water bonds that collectively would pay for safe drinking water, improve water quality systems and watersheds, and increase funding for parks and water infrastructure improvements.

Proposition 68, the California Clean Water and Safe Parks Act, is a \$4.1 billion measure which voters approved in June. The Proposition was added to the ballot by SB 5 (De Leon) which passed the Legislature in 2017. The proposition allocates \$550 million to protect local communities from flooding, \$540 million to ensure safe drinking water, \$357 million to protect and restore rivers, lakes and streams and \$180 million to increase water supplies with groundwater cleanup and water recycling.

More funds could also be available if voters approve Proposition 3 in November. This measure, known as the Water Supply and Water Quality Act, is a \$8.9 billion measure earmarked for safe drinking water to disadvantaged communities, groundwater management, flood management and flood plain restoration and would provide funding for urban and agricultural conservation, storm water management and more. Specifically, this measure would give \$750 million for safe water to disadvantaged communities, \$675 million for the implementation of the Sustainable Groundwater Management Act – which would stabilize groundwater levels in overdraft groundwater basins – and \$500 million slated for water for fisheries.

We have reviewed both funding opportunities and identified potential “water related” opportunities. While many of these may not directly benefit SCV Water, we tried to identify the all the key water elements and bolded ones that may provide specific benefits to the district. Once we align the funding source with district priorities, we can further focus attention on the key programs and priorities.

Proposition 68 (June)

- **Clean Drinking Water and Drought Preparedness**
 - **\$250 M for clean and safe drinking water**
 - \$30 M for regional supply projects in San Joaquin area
- **\$80 M for groundwater cleanup**
- \$550 M total for flood protection and repair
 - \$350 M for flood protection facilities and levee improvements
 - \$50 M for delta levee repairs
 - \$300 M multibenefit flood projects
 - **\$100 M for stormwater, mudslide, and other flood--related protections**
 - **\$100 M for urban multibenefit flood projects**
- Regional Sustainability for Drought and Groundwater, and Water Recycling
 - **\$290 M total for regional sustainability**
 - **\$50 M for groundwater sustainability plans**
 - **\$100 M for water recycling**

The bonds do have some overlap in their funding. Both include funding for wastewater recycling (up to \$390 million in Prop. 68 and \$650 for the November proposition).

A lot of the funding from both bonds will only benefit select regions in California. For example, the November bond measure includes \$200 million to help pay for repairs at Oroville Dam, which was heavily damaged by storms in February 2017. This money is being made available in case the Federal Emergency Management Agency doesn't cover all the repair costs. The Oroville Dam is part of the State Water Project, which provides some water for about two-thirds of the state's residents.

For overview – Prop 3 includes the following general funding allocations:

- \$3 billion to increase the supply and improve the quality of water for human uses in the residential, commercial and industrial, and agricultural sectors.
- \$2.9 billion to protect, restore, and improve the health of watersheds, fisheries, and lands that provide water supplies.
- \$940 million to improve habitat conditions for fish, wildlife, and migratory birds.
- \$855 million for water conveyance including \$750 million for the Friant Water Authority to make capital improvements (including to increase water conveyance capacity to and in the Madera and Friant-Kern canals), (2) \$100 million for conveyance projects related to a legal settlement to restore native fish in the San Joaquin River, and (3) \$5 million to plan for a new diversion of water from the Sacramento River to the North Bay Aqueduct.
- \$685 million for projects and programs that support sustainable groundwater management—including projects to recharge groundwater basins—and to establish a state-level groundwater technical assistance program to serve disadvantaged communities.
- \$250 million for a group of eight water agencies in the Bay Area to develop new facilities that extend the regional benefits of existing surface water storage, such as by building new connections to existing water supplies.

- \$200 million for the repair and reconstruction of the spillways at the Oroville Dam and \$22 million to undertake sediment removal, flood control, and emergency preparedness activities downstream from the dam.

Proposition 3 (November)

- **\$500 M for Safe Drinking Water**
- \$250 M for Wastewater Treatment for Low Income Communities
- **\$400 M for Wastewater Recycling**
- \$300 M for Water Conservation, as well as:
 - \$15 Energy Commission Water and Energy Program
 - \$50 M Agricultural Water Conservation Incentives
- \$500 M for Flood Management
- **\$60 M for Water Measurement**
 - \$20 M for Department of Water Resources Management
 - \$10 M State Water Resources Control Board Records
 - \$10 M Water Data Administration Fund
 - \$20 M Research
- **\$550 M for Stormwater**
 - \$400 M for State Water Resources Control Board
 - \$30 M for Tahoe
 - \$40 M for Santa Monica
 - \$40 M for San Gabriel
 - \$40 M for Coastal Conservancy
- **\$675 for Groundwater**
- **\$200 M for Oroville Repair**
- \$6 M for Sutter Butte Flood Management: Oroville Wildlife Area

We have attached the “funding spreadsheets” that have been developed in coordination with each bond for further review. As discussed, this is a quick overview and as we align SCV Water priorities and capital outlay projects, we can then dig deeper into each potential program and identify qualifications and how to obtain the funding.

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MEMORANDUM

TO: STEVE COLE, SANTA CLARITA VALLEY WATER AGENCY

FROM: HUNT BRALY

RE: September Report

DATE: 10-8-18

I have provided a synopsis of activities performed on behalf of the Agency in September

- *Monitored and attended City Council Meetings on September 11 and 25.
- *Continued to participate in efforts with Harry Henderson regarding potential federal legislation. Reached out to new Region 9 EPA Director Mike Stoker. Provided input on HR 3990 letter.
- *Continued to monitor and review activities of the Santa Clarita Valley Groundwater Sustainability Agency.
- *Monitored key water bills passed and on the Governor's desk. Contacts with Senator Wilk and Assemblyman Acosta as necessary.
- *Coordinated and arranged presentation in October by Agency to the SCV Chamber of Commerce's Government Affairs Council in support of the Water Bond, Proposition 3.
- *Continued to monitor and review Agency Board Agendas
- *Attend Agency Public Outreach and Legislation Committee meetings.
- *Reviewed daily emails regarding articles of interest from Agency.

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COMMITTEE MEMORANDUM

DATE: October 11, 2018
TO: Public Outreach and Legislation Committee
FROM: Steve Cole
Assistant General Manager *SC*
SUBJECT: Legislative Advocacy Discussion

SUMMARY

Continuing the discussion started at the Public Outreach and Legislation Committee meeting on September 13, 2018, this memorandum contains a proposed outline to guide discussion on determining goals and objectives for our legislative advocacy program. In addition to the monthly reports (Item 2) submitted by Anchor Consulting, California Advocates and Poole and Shaffery, each has also submitted a summary of past successes in their term with SCV Water (attached here), as well as what they see ahead in the next 12 – 18 months.

DISCUSSION

For purposes of informing a discussion, the following are offered by staff as goals for a legislative advocacy contract:

1. To maintain a representative presence in Santa Clarita, Sacramento and Washington D.C., which monitors issues of importance to SCV Water, and the Santa Clarita community as a whole.
2. To foster and nurture relationships with elected representatives and their staff, on behalf of SCV Water.
3. To monitor funding opportunities, whether through bond measures or the budget process.
4. To act on those funding opportunities by assisting in the development of appropriate project/funding request submittals, and shepherding the proposals through the process.
5. To continue efforts in seeking funding for remediation of perchlorate and/or Volatile Organic Compounds.
6. To pursue opportunities for funding for emergency water storage, recycled water and/or other capital projects planned by SCV Water.
7. To monitor and track proposed legislation for impacts on SCV Water or its customers, on any of the ten principles identified in the SCV Water Legislative Policy Guidelines.

8. To actively advocate in support or opposition of such legislation.
9. To work with SCV Water Board of Directors and staff to identify any areas which might require the initiation of legislation.

FINANCIAL CONSIDERATIONS

The FY18/19 Budget assumes continuation at the current rate through June 30, 2019, even though contracts expire on December 31, 2018. We have spoken to each of the firms and all are in agreement with a month-to-month arrangement until the path forward is decided. As a summary of expenses:

- Anchor Consulting - \$9,000/month (\$108,000/year)
 - Balance: \$54,000 (3rd and 4th quarter payments to come)
- California Advocates - \$8,000/month (\$96,000/year)
 - Balance: \$27,687. (4th quarter payments to come)
- Poole & Shaffery - \$5,000/month (\$60,000/year)
 - Balance: \$16,610 (Sept. – Dec payments to come)

Total: \$22,000/month (\$264,000/year)

RECOMMENDATION

That the Public Outreach and Legislation Committee provide direction to staff on the establishment of a legislative advocacy strategy.

Attachments

Anchor Consulting Services Service Review
California Advocates Service Review
Poole & Shaffery Service Review

MGS



Memo

To: Steve Cole
From: Harry Henderson
cc: Kathie Martin
Date: October 8, 2019
Re: Review of Anchor Consulting Services to SCV Water

During our last contract negotiation with the then-Castaic Lake Water Agency, we said that the most under used two words in the English language are thank you. We cannot thank the Santa Clarita Valley Water Agency enough for the trust they have shown us for the past 16 years as your Federal lobbyist. We have been through both good and not-so-good times, but we have always enjoyed the work and the amazing professionals we have interacted with.

You have asked us to go back and tell what we have done, what we are doing and where we think we should be headed. We completely agree with this practice. In fact, we would like to expand upon it. A suggestion that Anchor would have would be to have our professionals come to California and spend a few days with the leadership of the Agency, its board members, and others to talk about what kind of things you would like to see the Agency working on.

One risk of being 3,000 miles away is that we don't always know everything that is going on internally at the Agency. This is a fact of life and physics. However, we believe that if we could sit down and talk about where you would like to see the Agency in five years, we believe that Anchor can help craft a strategy to get us there. After all, we have done it before.

As such, let us explore our past, our present and our future together.

How we got here:

Anchor Consulting and its professionals have represented and worked with the Santa Clarita Valley Water Agency and the Castaic Lake Water Agency for the better part of two decades. In that time, we have established funding lines for the Agency that were not previously considered. We aided in the delivery of over \$10 million in Federal authorization for perchlorate research, study, and construction. We also helped secure \$12.8 million in Federal funding toward perchlorate efforts in the Santa Clarita Valley. Considering the funding received, the Agency has realized a 10:1 ratio of return on investment from its partnership with Anchor Consulting.

Our efforts have not been entirely about financial assistance. We have aided the Agency through litigation with the former Whittaker-Bermite Company, numerous election campaigns that pitted one side against another in the Santa Clarita Valley, and the formation of a new Agency as well the change from Dan Masnada to Matt Stone as General Manager. Throughout this entire time, Anchor has ensured that SCV Water, and previously CLWA, remained in a positive light with elected officials, staff were informed and comfortable with actions being taken, and no adverse consequences were felt by the Agency. Considering the turbulent times in which we find ourselves, this record is something that we pride ourselves on.

Anchor also helped the Agency develop better and stronger relationships with key companies and individuals throughout the Santa Clarita Valley. Anchor has for the past decade or more worked to ensure that trips to Washington by the Chamber of Commerce or later with Carl Goldman and KHTS were a success. Our efforts have resulted in numerous business leaders thanking the Agency for their willingness to be a “team player” and help even if it is outside the direct “impact” of the Agency.

Anchor has also played a role in countless “Greater good Santa Clarita” projects on behalf of the Agency. For instance, Anchor worked closely with representatives of the City of Santa Clarita to ensure that the CEMEX mine was defeated. We participated in countless meetings, phone calls, and numerous strategy sessions to help get to where we are today. The Agency was part of that solution and Anchor was proud to be part of that success.

Often success is clear, but sometimes it is more nebulous. Anchor’s efforts in Washington during the tax reform discussions of 2017 helped realize significant benefits for the purchase of Valencia Water Company. The change in the corporate rate saved millions for the rate payers of Santa Clarita. For four years, Anchor worked with Dirk Marks to ensure that the Agency was aware of this issue and the impact on the Agency. We worked behind the scenes to make sure that Municipal Bonds were not taxed, that changes to the code would not alter the Agency’s tax liabilities and prepared the Agency for the new landscape. While it is not a check that the Agency received from the Federal government, it was a solution that saved money and prevented loss.

Furthermore, our efforts regarding perchlorate helped pave the way for settlements and negotiations with the Whittaker Bermite Corporation and the insurance providers. While we are not so naïve as to believe that our efforts were 100% responsible for these results, we do recognize that we are part of the team that brought these successes to light.

While these five examples are the most memorable ones, they are far from the only areas where Anchor has provided value. We aided the Agency in walking a tight rope through the Strickland-Knight campaign. We also made sure that staff knew of changes that key Committees and Federal Agencies were considering. Whether it was Mary Lou Cotton, Dirk Marks, or Steve Cole, we made certain that our contact at the Agency was as up to date as needed to fulfill their mission. This is not always the easiest area to identify, but it is one we take a great deal of pride in.

Anchor is proud to have been part of these successes. We know the investment made in Federal representatives is not easy and the tone in Washington can be frustrating. However, the Agency has been our longest serving client. We would proudly put our record with the Agency up against anyone else in the Santa Clarita Valley in terms of success and failures.

What is Anchor working on today for the Agency:

The Agency is in a transition period. It is not just about the formation of a new Agency from the Castaic Lake Water Agency, but rather a larger transition new issues, new ideas, and a new group of leaders in the local and national community. When we began our efforts for the Agency back in the early 2000's, Representative Buck McKeon was in Washington, Steve Knight was a city council member, and Scott Wilk was a staff member for the local Congressman. At the same time, the Agency was wrestling with what to do with the perchlorate contamination. How could they engage their local Congressman on this issue? Was there a Federal responsibility for the remediation? Anchor helped the Agency to answer all of these questions and more.

Fast forward 16 years. While the Agency is still wrestling with perchlorate, it is not the only issue on its plate. The drought created a new set of dilemmas that have an equal set of challenges and opportunities. As the Agency begins to move beyond the perchlorate remediation effort, it must be willing to finish the job or risk having to repeat the problems of the past 25 years on the subject.

That is why Anchor has focused on a series of issues that are still connected to perchlorate and the past successes, but with a keen eye toward what these projects will yield. Specifically, our efforts are building the Agency's profile to provide clean and reliable water sources at a reasonable price. We also spent a great deal of time with the phrase "finishing what we started" as it relates to perchlorate. At the same time, we are allowing key decision makers to understand that the future of the Agency will be about water security and reliability – not just perchlorate. Something we view as critical to the long-term success for a growing and vibrant community.

The new Agency formation took a significant amount of time and energy to explain and educate. During the debate on this subject, Anchor spent hours working with key staff in Representative Knight's office and both Senators. We worked to ensure that once the new Agency was formed, we would not have to go back and explain why this was a good thing. This helped tremendously with our project requests.

Anchor has two projects currently under review with Members of Congress and Federal Agencies. First, we have worked for a Federal component on removal of Volatile Organic Compounds (VOCs) at the four impacted wells from perchlorate. We have developed a program where the Environmental Protection Agency would establish a fund within the State Drinking Water

Revolving Fund for remediation of VOCs. Essentially, the fund would pay for equipment and capital improvement programs only. The Agency would clearly qualify for this funding.

Anchor has worked closely with both Senator Feinstein and Harris as well as Representative Knight on this topic. All have expressed an interest in the program. All three offices have worked with us to answer key questions with the EPA raised by Committee staff. Anchor believes that we are now at point to go back to Representative Knight's office on this topic and seek his support for next steps. We believe that Federal funds totaling \$4 to \$6 million could be realized for this program. While the funding is important, there are other intangible benefits that include potential long-term solutions with Whittaker should this program come to light.

Second, Anchor has worked closely with SCV Water staff to establish a project regarding emergency storage for water supplies in times of extreme drought. Specifically, Anchor put together a request for the Federal government as part of overall California drought relief totaling \$21 million for water reservoirs near Magic Mountain and a pumping station to assist in moving water to those that need it most. Anchor has spent considerable time and effort behind the scenes on this issue and believe that we are nearing success.

We have also continued our efforts this year of assisting with the KHTS trip and ensured that it would be a success. We aided in establishing 6 meetings (including all meetings outside of Congress) for the attendees and spoke before the group on how to best articulate the positions in front of key Federal decision makers. This goodwill effort has continued to pay dividends for the Agency over the years and today.

Anchor also continued its advocacy on other issues such as CEMEX and St. Francis Dam Memorial to name a few. Anchor spent a significant amount of time with staff of Representative Knight to ensure that she understood the background on the issues such as CEMEX. She expressed significant appreciation to the Agency for their help. This effort made it easier for the Agency to advance its own agenda throughout the year.

We certainly believe that the Agency is well positioned for success. While we cannot predict where Congress will find itself in three months let alone a year, our track record for success for the Agency speaks to our effectiveness.

Where are we going? How do we get there?

Where do we go next? The past three years have been among the most volatile that I have witnessed in politics and the operations of the Federal government. One needs only to turn on the evening news to see evidence of this. However, there are great successes occurring every day that never get identified. We believe that regardless of whether the Republican or Democratic Party are in the majority, the Agency's agenda is well positioned for success.

A friend recently told me that we didn't throw away the computer because the type-writer still worked. The reality is that change is everywhere, and Congress and the Federal government are not immune to progress. The reality is that the Federal government must find a way to control spending. This leads to numerous questions, specifically:

- How does the Federal government fund key and essential projects that have a clear and definitive Federal component?
- What takes priority in terms of Federal funding?
- How do entitlements play into the realm of Federal budgetary control?
- Who should make the decisions about what is a priority?

Over the past two years, Anchor has been looking at this conundrum to position the Agency for future success.

First, the Federal government is not getting out of the business of handing out funds for specific projects. The Federal budget is \$4 trillion - \$1 trillion of which provides for everything from B-2 bomber upgrades to clean water programs to veteran services. Even a 10% cut (which is highly unlikely) would mean that the Federal government would still hand out over \$900 billion in funding. There is certainly enough to go around.

Second, the Federal government is changing how they will fund projects. The days of the government providing the entirety of the cost are over. Nearly a decade ago, the Department of Transportation began experimenting with something called TIFIA (Transportation Infrastructure Financing Innovation Act). It essentially made it easier for projects to get financing and thus improve the efficiency of the infrastructure improvement. The result was road programs were built faster and the communities that participated saw return on investment faster.

This change has the government moving toward this new model. The Water Infrastructure Financing Innovation Act (WIFIA) has been in existence for two years now. The results have been spectacular. The program was recently quadrupled in size. This is the future of Federal funding for large scale projects.

Anchor embraced this and has worked closely with the Agency to be prepared for the development of a project in the next few years. The projects that we are working on now are specifically placed to ensure that they yield a pathway for future support of a WIFIA request.

Third, Congress has come to realize a major mistake regarding the elimination of earmarks. While on paper, this prohibition eliminated corruption and waste within the budget, the reality was that it made it nearly impossible to pass Appropriations Acts outside of party-line votes. The resulting new construct was that any Member of Congress could literally hold a veto over legislation without leadership providing provisions on a variety of issues. The result was a failure to pass budgets and appropriations bills in a timely fashion.

Both sides of the aisle recognize the problem. Fixing the problem has been difficult. However, regardless of which party finds itself in the majority, the reality is that a form of earmarks will be back in the coming Congress. Minority Leader Nancy Pelosi has indicated that she will rescind the rule in her package to be approved by the Democratic Caucus. On the Republican side, a group of Members of Congress has focused on a way to restore some aspect of Congressional project

designation. Even the most conservative fiscal budget hawks are now open to some return of the earmark practice.

Anchor also believes that the Agency needs to remain a key part of the community. Water is the most crucial part of any Western economy. Thus, the Agency remaining a key part of community solutions keeps the Agency at the forefront of all issues within the Santa Clarita Valley. Being a part of solutions back in Washington is only a small part of that effort.

Conclusions:

To quote a famous Beatles song, it's been a long and winding road to get to where we are today. Yet, no one can argue with our accomplishments. The Agency has received significant financial resources from the Federal government. The Agency has also found itself in a stronger position with the local community than it ever has before. Finally, the Agency is well positioned to find success both now and in the future.

Anchor would like to continue this relationship and find new and innovative ways for the Agency to provide clean, reliable, secure, and affordable water supplies for the Santa Clarita Valley. We believe that we are uniquely prepared to help you continue this effort. We also believe that we have a strategy to achieve this goal.

We would like to reiterate two points we made at the beginning of the memo. First, we would like to schedule some time to come to California and talk about goals and objectives. This would not take a long time to obtain the information but would allow us to effectively put together a long-term plan.

Second, we want to thank the Agency again for their business and support. As stated earlier, you have always trusted us in our efforts. We are proud to have played a small part in your successes.

LEGISLATIVE ANALYSIS

**PROFESSIONAL SERVICES AGREEMENT
AMENDMENT NO. 1**

between

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

AND

Firm Name:	Anchor Consulting, LLC
Address Line 1:	5101 Cherokee Avenue
Address Line 2:	Alexandria, VA 22312
Telephone Number:	(703) 333-6013
Contact Person:	Catherine Harper

This is Amendment No. 1 to Professional Services Agreement number W1415-011-107108 between Castaic Lake Water Agency (CLWA) and Anchor Consulting, LLC (Consultant) effective as of January 1, 2015.

Amendment No. 1 increases the budget for the Agreement by \$216,000 from \$216,000 to \$432,000 and extends the term of the Agreement through December 31, 2018.

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

Section 2: COMPENSATION

Amount: \$432,000

Section 8. TERM OF THE AGREEMENT:

8.1. Period of Services - The Term of the Agreement shall be extended through December 31, 2018.

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

Accepted:

Castaic Lake Water Agency

Contractor: Anchor Consulting, LLC

By: Matthew Stone
Name: Matthew G. Stone
Title: General Manager

By: Catherine Harper
Name: Catherine Harper
Title: Owner / CEO

Date: 1/12/17

Date: 1/4/2017

DM

Agreement Number: W1415-011-107108
Amendment Number: 1

Agreement Number:	W1415-011-107108
Resolution Number:	3136
Amendment Number:	1
Budget Code:	0011100000
Account Number:	53242
Project Code:	N/A

LEGISLATIVE ANALYSIS

**Professional Services Agreement
 Castaic Lake Water Agency
 27234 Bouquet Canyon Road
 Santa Clarita, CA 91350
 Telephone (661) 297-1600 FAX (661) 297-1611**

AND

Firm Name:	Anchor Consulting, LLC
Address Line 1:	5101 Cherokee Avenue
Address Line 2:	Alexandria, VA 22312
Telephone Number:	(703) 333-6013
Federal Tax ID Number:	20-0759782

This Professional Services Agreement (“Agreement”) is made effective as of January 1, 2015, by and between the Castaic Lake Water Agency, (CLWA), a public agency organized and operating pursuant to Water Code Appendix, Chapter 103 (“CLWA”), and Anchor Consulting, LLC, a (“Consultant”) (collectively, the “Parties”), at Santa Clarita, California, with reference to the following facts and intentions:

WHEREAS, CLWA is engaging in legislative analysis (“Project”); and

WHEREAS, CLWA requires a highly qualified consultant with the requisite knowledge, skill, ability and expertise to provide the necessary services for the Project (“Services”); and

WHEREAS, Consultant represents to CLWA that it is fully qualified and available to perform the Services for and as requested by CLWA; and

NOW, THEREFORE, in consideration of the mutual promises, covenants, and terms and conditions herein, the Parties agree as follows:

1. SCOPE OF WORK

1.1. Contractor shall provide all services set forth below:

- Participate as legislative advocate in federal legislation and budget matters affecting CLWA and report to staff, the Water Resources and Outreach Committee and the Legislative Ad Hoc Committee;
- Monitor and report on water and energy related legislation affecting CLWA;
- Participate in water industry coalition efforts;
- Advise and assist CLWA in pursuit of additional federal support of remediation for Whittaker-Bermite contamination;
- Advise and assist CLWA in pursuit of federal support of recycled water;
- Inform designated representative periodically on the status of all legislation affecting CLWA as requested;
- Identify, notify, analyze and provide guidance related to federal grant or other funding opportunities that would benefit CLWA and its rate payers;
- Prepare and submit quarterly/monthly reports to CLWA;

- Arrange for meeting/visits between CLWA Board Members and staff with appropriate federal staff;
- Lobby on behalf of CLWA for the approval of the Bay Delta Conservation Plan; and
- Find and evaluate all federal tax reform efforts and inform staff as to the likely effect on CLWA operations and recommended position for CLWA.

The Consultant shall not speak for or represent CLWA in any specific matter without prior approval of staff of CLWA.

- 1.2. **Independent Contractor; Agency** - The Consultant is acting hereunder as an independent contractor and not as an agent or employee of CLWA. The Consultant is thus not eligible to receive workers' compensation, medical, indemnity or retirement benefits, including but not limited to enrollment in CalPERS. Except as expressly provided herein, the Consultant is not eligible to receive overtime, vacation or sick pay. The Consultant shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of CLWA.
- 1.3. **Extra Services** - Before performing any services outside the scope of this Agreement ("Extra Services"), Consultant shall submit a written request for approval of such Extra Services and receive written approval from CLWA. CLWA shall have no responsibility to compensate Consultant for any Extra Services provided by Consultant without such prior written approval.
- 1.4. **Methods** - Consultant shall have the sole and absolute discretion in determining the methods, details and means of performing the Services required by CLWA. CLWA shall not have any right to direct the methods, details and means of the Services; however, Consultant must receive prior written approval from CLWA before assigning or changing any assignment of Consultant's project manager or key personnel and before using any sub-consultants ("Sub-consultants") or Sub-consultant agreements for services or materials under this Agreement and any work authorizations.
- 1.5. **Review** - Consultant shall furnish CLWA with reasonable opportunities from time to time to ascertain whether the Services of Consultant are being performed in accordance with this Agreement. All work done and materials furnished shall be subject to final review and approval by CLWA. CLWA's review and approval of the Services shall not, however, relieve Consultant of any of its obligations under this Agreement.

2. COMPENSATION

- 2.1. **Amount** - As consideration for the Services described above, CLWA will pay the Consultant a monthly retainer fee of Nine Thousand Dollars (\$9,000) representing full payment for services performed during the respective month for a total of Two Hundred Sixteen Thousand Dollars (\$216,000) for 24 months ("Maximum Amount"). Consultant shall submit an invoice within ten (10) days after the end of each month during the term of this Agreement describing the Services performed for which payment is requested.
- 2.2. **Invoicing** - The invoice shall identify and describe the activities performed by Consultant and state the total cost of the Services for the period of the invoice; the hours worked; the name and title of the person(s) performing the work; the hourly rate for the person(s) performing the work; the accrued reimbursable expenses; and the budget amount and percentage remaining (after invoice payment), without reduction for retentions. The invoice shall also identify expenses for which reimbursement is requested and attach supporting documentation, including original receipts and/or bills. Any expenses exceeding \$500 shall

require written approval from CLWA. Reimbursable costs shall not include any administrative or overhead expenses and shall be reimbursable as described in the Fee Schedule. Costs or expenses not designated or identified in the Fee Schedule shall not be reimbursable unless otherwise provided in this Agreement. Only actual time in providing the Services will be charged. CLWA will not make any payments for Consultant's travel time incurred in providing the Services, and Consultant agrees not to invoice CLWA for any travel time incurred in providing the Services.

CLWA shall review and approve all invoices prior to payment. Consultant agrees to submit additional supporting documentation to support the invoice if requested by CLWA. If CLWA does not approve an invoice, CLWA shall send a notice to the Consultant setting forth the reason(s) the invoice was not approved. Consultant may re-invoice CLWA to cure the defects identified in the CLWA notice. The revised invoice will be treated as a new submittal. If CLWA contests all or any portion of an invoice, CLWA and the Consultant shall use their best efforts to resolve the contested portion of the invoice.

CLWA shall pay approved invoice amounts within thirty (30) days of receipt. CLWA'S determinations regarding verification of Consultant's performance accrued reimbursable expenses and percentage of completion shall be binding and conclusive. Consultant's time records, invoices, receipts and other documentation supporting the invoices shall be available for review by CLWA upon reasonable notice and shall be retained by Consultant for three (3) years after completion of the Project.

All invoices submitted for payment must indicate the contract agreement number and are to be mailed to Castaic Lake Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA. 91350, attention: Accounts Payable. Payment terms shall be Net 30 days from the receipt of the invoice.

- 2.3. **Withholding Payment** - In the event CLWA has reasonable grounds for believing Consultant will be unable to materially perform the Services under this Agreement or unable to complete the Services within the Maximum Amount described in this Agreement, or if CLWA becomes aware of a potential claim against Consultant or CLWA arising out of Consultant's negligence, intentional act or breach of any provision of this Agreement, including a potential claim against Consultant by CLWA, then CLWA may withhold payment of any amount payable to Consultant that CLWA determines is related to such inability to complete the Services, negligence, intentional act, or breach.

3. TAXES; INSURANCE; PERMITS; LICENSES

- 3.1. **Taxes** - Consultant shall be solely responsible for the payment of all federal, state and local income tax, social security tax, worker's compensation insurance, state disability insurance, and any other taxes or insurance Consultant, as an independent contractor, is responsible for paying under federal, state or local law. Consultant is aware of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Consultant shall comply with such provisions before commencing the performance of the Services under the Agreement. Consultant and its Sub-consultants shall maintain workers' compensation insurance for their employees in effect during all work covered by the Agreement.
- 3.2. **Permits and Licenses** - Consultant shall procure and maintain all permits, and licenses and other government-required certification necessary for the performance of the Services, all at the sole cost of Consultant. None of the items referenced in this section shall be

reimbursable to Consultant under the Agreement. Consultant shall comply with any and all applicable local, state, and federal regulations and statutes including Cal/OSHA requirements.

4. RISK TRANSFER PROVISIONS

- 4.1. **Workers' Compensation Insurance** - By his/her signature hereunder, Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing the performance of the work of this Agreement.
- 4.2. **Indemnification** - Consultant shall indemnify and hold harmless and defend Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers and each of them from and against:
 - 4.2.1. When the law establishes a professional standard of care for Consultant's services, liabilities and losses arising out of the performance non-performance of the services under this Agreement, but only to the extent caused by the Consultant's intentional or negligent acts, errors or omissions committed. Consultant shall defend itself against any and all liabilities, claims, losses, damages, and costs arising out of or alleged to arise out of Consultant's negligent performance or non-performance of the services hereunder, and shall not tender such claims to Castaic Lake Water Agency nor to its directors, officers, employees, or authorized volunteers, for defense or indemnity.
 - 4.2.2. Other than in the performance of professional services, all claims and demands arising out of the negligent performance or non-performance by the Consultant or Consultant's employees for damages to persons or property of the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers.
 - 4.2.3. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the intentional or negligent violation of any governmental law or regulation, compliance with which is the responsibility of Consultant.
 - 4.2.4. Any and all losses, expenses, damages (including damages to the work itself), attorneys' fees, and other costs, including all costs of defense, including but not only costs of counsel acceptable to the Castaic Lake Water Agency, which any of them may incur with respect to the failure, neglect, or refusal of Consultant to perform its operations and that result in bodily injury or property damage. Such costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.
 - 4.2.5. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings that may be brought or instituted against Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers.
 - 4.2.6. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers, in any and all such aforesaid suits, actions, or other legal proceedings if arising as provided in the previous subsections of the Section.

- 4.2.7. Consultant shall reimburse Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith.
- 4.2.8. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers.

Notwithstanding the foregoing, Consultant shall not at any time be responsible for any claims, liabilities, or demands arising from CLWA's misconduct or negligence.

5. GENERAL CONDITIONS

- 5.1. **Laws, Regulations and Permits** - The Consultant shall give all notices required by law and comply with all laws, ordinances, rules, and regulations pertaining to the conduct of the work. The Consultant shall be liable for all violations of the law in connection with work furnished by the Consultant. If the Consultant performs any work knowing it to be contrary to such laws, ordinances, rules and regulations, the Consultant shall bear all costs arising therefrom.
- 5.2. **Safety** - The Consultant shall execute and maintain his/her work so as to avoid injury or damage to any person or property.

In carrying out his/her work, the Consultant shall at all times exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all applicable federal, state and local statutory and regulatory requirements including State of California, Department of Industrial Relations (Cal/OSHA) regulations, and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act. Safety precautions, as applicable, shall include but shall not be limited to: adequate life protection and life saving equipment; adequate illumination; instructions in accident prevention for all employees, such as the use of machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection, and other safety devices; equipment and wearing apparel as are necessary or lawfully required to prevent accidents, injuries, or illnesses; and adequate facilities for the proper inspection and maintenance of all safety measures.

6. REQUIRED INSURANCE

- 6.1. **Liability Insurance** - The Consultant shall provide and maintain at all times during the performance of the work under this Agreement, the following commercial general liability, professional liability and automobile liability insurance:

- 6.2. **Coverage** - Coverage shall be at least as broad as the following:

~~6.2.1. Coverage for Professional Liability appropriate to the Consultant's profession covering Consultant's wrongful acts, negligent actions, errors or omissions. The retroactive date (if any) is to be no later than the effective date of this Agreement.~~

- 6.2.2. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001)

6.2.3. Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (non-owned, and hired automobiles)

6.3. **Limits** - The Consultant shall maintain limits no less than the following:

~~6.3.1. Professional Liability – Two million dollars (\$2,000,000) per claim and annual aggregate.~~

6.3.2. General Liability – Two million dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to the Castaic Lake Water Agency) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.

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

6.4. **Required Provisions** - The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

6.4.1. The Castaic Lake Water Agency, its directors, officers, employees, and authorized volunteers are to be given insured status (via ISO endorsement CG 2010, CG 2033, or insurer's equivalent for general liability coverage) as respects: liability arising out of activities performed by or on behalf of the Consultant; and premises owned, occupied or used by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers.

6.4.2. For any claims related to this project, the Consultant's insurance shall be primary insurance as respects the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers. Any insurance, self-insurance, or other coverage maintained by the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers shall not contribute to it.

6.4.3. Any failure to comply with the reporting or other provisions of the policies including breaches and warranties shall not affect coverage provided to the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers.

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

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

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

6.4.7. The automobile liability policy shall cover all owned, non-owned, and hired automobiles.

- 6.4.8. Each insurance policy required by this Agreement shall state, or be endorsed to state, that coverage shall not be canceled by the insurance carrier or the Consultant, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. mail has been given to the Castaic Lake Water Agency.
- 6.4.9. All of the insurance shall be provided on policy forms and through companies satisfactory to the Castaic Lake Water Agency.
- 6.5. **Workers' Compensation and Employer's Liability Insurance** - The Consultant and all sub-consultants shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their employees employed directly by them or through sub-consultants in carrying out the work contemplated under this contract, all in accordance with the "Workers' Compensation and Insurance Act", Division IV of the Labor Code of the State of California and any Acts amendatory thereof. The Consultant shall provide employer's liability insurance with limits of no less than \$1,000,000 each accident, \$1,000,000 disease policy limit, and \$1,000,000 disease each employee.
- 6.6. **Deductibles and Self-Insured Retentions** - Any deductible or self-insured retention must be declared to and approved by the Castaic Lake Water Agency. At the option of the Castaic Lake Water Agency, the insurer shall either reduce or eliminate such deductibles or self-insured retentions.
- 6.7. **Acceptability of Insurers** - Insurance is to be placed with insurers having a current A.M. Best rating of no less than A-VII or equivalent or as otherwise approved by the Castaic Lake Water Agency.
- 6.8. **Evidences of Insurance** - Prior to execution of the Agreement, the Consultant shall file with the Castaic Lake Water Agency a certificate of insurance (Acord Form 25-S or equivalent) signed by the insurer's representative evidencing the coverage required by this Agreement. Such evidence shall include an additional insured endorsement signed by the insurer's representative. Such evidence shall also include confirmation that coverage includes or has been modified to include Required Provisions 6.4.1 through 6.4.9.
- The Consultant shall, upon demand of the Castaic Lake Water Agency, deliver to the Castaic Lake Water Agency such policy or policies of insurance and the receipts for payment of premiums thereon.
- 6.9. **Continuation of Coverage** - If any of the required coverages expire during the term of this Agreement, the Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to the Castaic Lake Water Agency at least ten (10) days prior to the expiration date.
- 6.10. **Sub-Consultants** - In the event that the Consultant employs other consultants (sub-consultants) as part of the services covered by this Agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.

7. LABOR AND MATERIALS

Consultant shall furnish, at its own expense, all labor, materials, equipment, tools, transportation and services necessary for the successful completion of the Services to be performed under this Agreement. Consultant shall give its full attention and supervision to the fulfillment of the

provisions of this Agreement by its employees and Sub-consultants and shall be responsible for the timely performance of the Services required by this Agreement. Consultant's standard schedule of fees and charges is attached as Exhibit 1, which is incorporated herein as though fully set forth ("Fee Schedule"). All compensation for Consultant's Services under this Agreement shall be pursuant to the Fee Schedule.

8. TERM OF THE AGREEMENT

- 8.1. **Period of Services** - This Agreement between CLWA and Consultant is for a term of 24 months, beginning January 1, 2015 and ending December 31, 2016, subject to the termination provisions herein.
- 8.2. **Termination** - CLWA may terminate this Agreement for any reason by giving Consultant at least thirty (30) days prior written notice of such termination. Such termination shall not relieve CLWA from responsibility for payment for Services rendered by Consultant prior to the date of termination but shall relieve CLWA of its obligations for the full payment of compensation due under the Agreement for the Services of Consultant after the notice of termination.
- 8.3. **Termination for Cause** - CLWA may terminate the Agreement for cause, effective immediately upon written notice of such termination to Consultant, based upon the occurrence of any of the following events:
 - 8.3.1. Material breach of the Agreement by Consultant
 - 8.3.2. Cessation of Consultant to be licensed, as required by law
 - 8.3.3. Failure of Consultant to substantially comply with any applicable federal, state or local laws or regulations
 - 8.3.4. The voluntary or involuntary filing of any petition under any law for the relief of debtors with respect to Consultant
 - 8.3.5. Conviction of Consultant of any crime other than minor traffic offenses
- 8.4. **Compensation Upon Termination** - If the Services of Consultant are terminated, in whole or in part, Consultant shall be compensated as provided herein for all Services and approved Extra Services performed prior to the date of such termination.
- 8.5. **Completed Work and Work Product** - In the event of termination or completion of the Services under the Agreement, Consultant shall, at CLWA's request, promptly surrender to CLWA all completed work and work in progress and all materials, records and notes developed, procured, or produced pursuant to the Agreement. Consultant may retain copies of such work product as a part of its record of professional activity.

9. INTERESTS OF CONSULTANT

- 9.1 Consultant represents and warrants that it presently has no interests, and covenants that it will not acquire any interests, direct or indirect, financial or otherwise, that would conflict with the performance of the Services to be provided by Consultant under the Agreement. Consultant further covenants that, in the performance of the Agreement, it will not employ any sub-consultant or employee with any such interest. Consultant certifies that no one who has or will have any financial interest under this Agreement or within Consultant is a director, officer or employee of CLWA.
- 9.2 Although Consultant is retained as an independent contractor, Consultant's employees or agents may still be required under the California Political Reform Act and the CLWA

Administrative Code to file annual financial disclosure statements. Consultant agrees that its employees and/or agents will file with CLWA in a timely manner those financial disclosure statements that CLWA determines Consultant is required to file pursuant to the Political Reform Act. Failure to file such financial disclosure statements by Consultant and any of its employees or agents is grounds for termination of this Agreement.

10. COMPLETED WORK AND WORK PRODUCT

In the event of termination or completion of the Services under the Agreement, Consultant shall, at CLWA's request, promptly surrender to CLWA all completed work and work in progress and all materials, records and notes developed, procured, or produced pursuant to the Agreement. Consultant may retain copies of such work product as a part of its record of professional activity.

11. CONFIDENTIALITY AND RESTRICTIONS ON DISCLOSURE

- 11.1. **Confidential Nature of Materials** - The Consultant understands that all documents, records, reports, data, or other materials (collectively "Materials") provided by CLWA to the Consultant pursuant to the Agreement, including but not limited to draft reports, final report(s) and all data, information, documents, graphic displays and other items that are not proprietary to the Consultant and that are utilized or produced by the Consultant pursuant to the Agreement are to be considered confidential for all purposes.
- 11.2. **No Disclosure of Confidential Materials** - The Consultant shall be responsible for protecting the confidentiality and maintaining the security of CLWA documents and records in its possession. All Materials shall be deemed confidential and shall remain the property of CLWA. The Consultant understands the sensitive nature of the above and agrees that neither its officers, partners, employees, agents or sub-consultants will release, disseminate, or otherwise publish said reports or other such data, information, documents, graphic displays, or other materials except as provided herein or as authorized, in writing, by CLWA. The Consultant agrees not to make use of such Materials for any purpose not related to the performance of the Services under the Agreement. The Consultant shall not make written or oral disclosures thereof, other than as necessary for its performance of the Services hereunder, without the prior written approval of CLWA. Disclosure of confidential Materials shall not be made to any individual, agency, or organization except as provided for in the Agreement or as provided for by law.
- 11.3. **Protections to Ensure Control Over Materials** - All confidential Materials saved or stored by the Consultant in an electronic form shall be protected by adequate security measures to ensure that such confidential Materials are safe from theft, loss, destruction, erasure, alteration, and any unauthorized viewing, duplication, or use. Such security measures shall include, but not be limited to, the use of current virus protection software, firewalls, data backup, passwords, and internet controls.

The provisions of this Section survive the termination or completion of the Agreement.

12. OWNERSHIP OF DOCUMENTS AND DISPLAYS

All original written or recorded data, documents, graphic displays, reports or other materials which contain information relating to the Consultant's performance hereunder and which are originated and prepared for CLWA pursuant to the Agreement shall be "work for hire" and shall be the property of CLWA. The Consultant hereby assigns all of its right, title and interest therein to CLWA, including but not limited to any copyright interest. In addition, CLWA reserves the right to use, duplicate and disclose in whole, or in part, in any manner and for any purpose whatsoever all

such data, documents, graphic displays, reports or other materials delivered to CLWA pursuant to this Agreement and to authorize others to do so.

To the extent that the Consultant utilizes any of its property (including, without limitation, any hardware or software of Consultant or any proprietary or confidential information of Consultant or any trade secrets of Consultant) in performing services hereunder, such property shall remain the property of Consultant, and CLWA shall acquire no right or interest in such property.

13. ASSIGNMENT PROHIBITED

The Consultant shall not assign, transfer, convey, or otherwise dispose of its rights, title or interest in or to this Agreement or any part thereof without the previous written consent of CLWA.

14. REPRESENTATIVES OF THE PARTIES AND SERVICE OF NOTICES

14.1. **Designated Representatives** - The CLWA representative designated below shall be the principal representative of CLWA for purposes of the Services that are the subject of this Agreement. Consultant shall designate, in writing, Consultant's project engineer and/or project manager for the performance of the Services under this Agreement, which designation shall be subject to CLWA's reasonable approval.

The representatives of the Parties who are authorized to administer this Agreement and to whom formal notices, demands and communications shall be given are as follows:

CLWA Representative:

Dirk Marks
Castaic Lake Water Agency
27234 Bouquet Canyon Road
Santa Clarita, CA 91350-2173
(661) 297-1600

Consultant:

Harry Henderson
Anchor Consulting, LLC
5101 Cherokee Avenue
Alexandria, VA 22312
(703) 333-6013

14.2. **Notices** - Formal notices, demands and communications to be given hereunder by either Party shall be made in writing and may be effected by personal delivery or fax or by registered or certified mail, postage prepaid, return receipt requested to the address set out below and shall be deemed communicated as of the date of mailing. If the name or address of the person to whom notices, demands or communications shall be given changes, written notice of such change shall be given, in accordance with this section within five (5) working days.

15. MISCELLANEOUS PROVISIONS

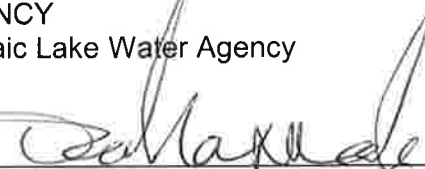
15.1. **Integration** – This Agreement represents the complete agreement of the parties and supersedes any other agreements between the parties, whether written or oral.

- 15.2. No Waiver – No waiver by either parties of any term or condition of this Agreement shall be a continuing waiver thereof.
- 15.3. Modification – This Agreement only may be amended in writing, signed by all parties.
- 15.4. Attorneys' Fees – In any proceeding to enforce this Agreement, the prevailing party shall be entitled to attorneys' fees and costs in any amount determined by the court.
- 15.5. Choice of Laws/Venue – This Agreement shall in all respects be governed by the laws of the State of California applicable to Agreement executed and to be wholly performed with the State. Any action regarding this Agreement shall be brought in Los Angeles Superior Court, Central/Downtown Division.
- 15.6. Counterparts – This Agreement may be executed in separate counterparts that, together, shall constitute and be one and the same instrument.
- 15.7. No Presumption Regarding Drafter – The parties to this Agreement acknowledge that its terms and provisions have been negotiated and discussed among them and that it reflects their mutual agreement regarding its subject matter. Therefore, neither party shall be deemed to be the drafter of this Agreement and there shall be no presumption for or against the drafter in its interpretation or enforcement.

IN WITNESS WHEREOF, the Parties have executed this Agreement at the place and as of the date first written above.

AGENCY
Castaic Lake Water Agency

CONSULTANT
Anchor Consulting, LLC

By: 
Dan Masnada, General Manager

By: 
Catherine Harper, Owner *ICEO*

Attachments: Exhibit A: Resolution

Agreement Number:	W1415-011-107108
Resolution Number:	3005
Work Authorization Number:	
Purchase Order Number:	
Budget Code:	0011100000
Account Number:	53242
Project Code:	N/A

Exhibit A: Resolution

RESOLUTION NO. 3005

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CASTAIC LAKE WATER AGENCY AUTHORIZING
THE GENERAL MANAGER TO RENEW THE EXISTING CONTRACT WITH ANCHOR
CONSULTING, LLC FOR FEDERAL LEGISLATIVE ADVOCACY SERVICES FOR A
TWO-YEAR TERM**

WHEREAS, the Board of Directors has determined that good relations with all branches of government is in the best interests of the Agency; and

WHEREAS, the Board of Directors has determined that it is critical for the Agency to have a voice when water issues that might impact the Agency are being deliberated in Washington D.C.; and

WHEREAS, the Agency has concluded that being aware of, and competing for, any available funding from the federal government is beneficial to its operations; and

WHEREAS, the Agency has determined that using firms that are knowledgeable in governmental processes at all levels and familiar with governmental representatives and their staffs is of benefit to the Agency and its customers; and

WHEREAS, the Board finds that Anchor Consulting, LLC offer services and have capabilities that meet the Agency's needs to perform these governmental relations tasks.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Castaic Lake Water Agency does authorize the General Manager to renew the existing contract with Anchor Consulting, LLC for federal legislative advocacy services for a two-year term.



President

I, the undersigned, hereby certify: That I am the duly appointed and acting Secretary of the Castaic Lake Water Agency, and that at a special meeting of the Board of Directors of said Agency held on November 24, 2014, the foregoing Resolution No. 3005 was duly and regularly adopted by said Board, and that said resolution has not been rescinded or amended since the date of its adoption, and that it is now in full force and effect.

DATED: November 24, 2014



Secretary

-VIA ELECTRONIC MAIL-

October 10th, 2018

MEMORANDUM

TO: Kathie Martin, Steve Cole, Santa Clarita Valley Water Agency

FROM: Dennis K. Albiani, Erinn Ryberg, California Advocates, Inc.

SUBJECT: Government Affairs Historical Activities

California Advocates has worked cooperatively representing Santa Clarita Valley Water Agency (SCV Water) and one of its predecessors, Castaic Lake Water Agency (CLWA), for over 25 years and have assisted the Agency in managing the government relations and shepherding the Agency's state government affairs needs, working with staff to maintain strong relationships with key legislators and administration officials, and working on designated issues.

Before discussing our specific service for SCV Water, we want to provide you with a background of our firm. California Advocates was established in 1971 and is the oldest contract lobbying firm in Sacramento. Several of our clients (such as the California Judges Association and the California Motor Car Dealers Association) have been clients since the inception of the firm and others (such as The Coca-Cola Company and the American Institute of Architects, California Council) have been clients for over 35 years.

Our long-term tenure with clients allows us to most effectively engage in public policy stewardship and strategic advocacy on the issues that affect them. As you are aware, the public policy arena is an incremental process that evolves over a period of time. There are a myriad of financial, budgetary, and political circumstances that interact at a given point in time to influence the outcome of government decisions. We believe that the opportunity to represent a client for multiple years benefits the ultimate government decisions for a client because it facilitates a proactive and visionary approach to public policy.

These long-term and broad-based client relationships not only provide a familiarity with a myriad of public policy issues, but also positions California Advocates with legislators, committee consultants, and administration officials interacting on a full range of issues that may impact SCV Water.

We are a substantive based lobbying firm. Our highly qualified advocates are subject matter experts recognized by staff, legislators and administration officials as representatives who are not only responsive, but can provide knowledge based insight, historical references and substantive responses and assistance to address government affairs challenges.

The current contract has been for the current two-year legislative session so we focused on specific deliverables during the most recent legislative session.

Recent Activities:

California Advocates provides the following services on a daily/weekly basis as part of effective advocacy:

Bill tracking: We read every single bill introduced and create a custom tracking list for SCV Water. Unique to California Advocates, we also have a portal for clients to be able to access their report 24 hours per day through a password protected webpage.

We read every amended bill on an ongoing basis. Most bills are amended several times and we follow the tracked bills as they are amended, but also every “gut and amend” to make sure all amended legislation is reviewed.

We went back 3 sessions to illustrate the tracking for SCV Water and CLWA:

2017-18 legislative session	Bills Tracked: 127
2015-16 legislative session	Bills Tracked: 163
2013-14 legislative session	Bills tracked: 192

Key legislative issues that we aggressively follow and engage upon include:

- Any issue directly impacting SCV Water. Examples include the consolidation bill SB 634 (Wilk), prior legislation on district governance.
- Bills impacting the State Water Project. Examples include Bills mandating electricity procurement policies and increase costs, “Restore the Delta” coalition that will impact water exporting, bills impacting diversions, water transfers, etc.
- Bills restricting or impacting water recycling or reclaimed water, water discharges – due to the salinity issue in the river and potential penalties.
- Identify funding opportunities through matching grants or low interest loans for district capital priorities.
- Efforts to address funding challenges such as Prop 218, water bonds, assessments.

The following issues we monitor and report to staff to educate them on actions in the state legislature and see if engagement is a priority:

- General water district governance, special district governance, LAFCO’s.
- Labor issues that impact public agency employment.
- General environmental bills on CEQA, enforcement, water quality etc.
- Impacts on water rates such as water taxes, regulatory fees, capital costs.

Coordinate with related organizations attending meetings, working on strategy and communication documents, considering positions on legislation of mutual concern and being the face of SCV Water in Sacramento. Some of the activities include:

- Attend weekly Monday Morning Lobbyist Meetings at Association of California Water Agencies (ACWA). Report back to staff on issues, legislation and regulatory activities of concern.
- Regularly attend ACWA Legislative Affairs meetings for specific issues of concern.

- Attend State Water Contractors Lobbyist meetings, coordinate activities with other advocates and after engaging with SCV Water staff, advocate on behalf of key State Water Contractor issues important to SCV Water.
- Attend conferences and working groups to stay up on key issues important to SCV Water.
- Dennis Albiani also serves on the Legislative Affairs Committee of the Southern California Water Committee on behalf of SCV Water.

Important to Sacramento is to have advocates accessible and that are in front of the Legislators and administration officials to serve as a critical point of contact and also to demonstrate the engagement of the district. We serve as a communicator and strategist on many fronts such as:

- Communicator to legislators and administration officials on litigation issues with Whittaker Corporation. Met with all legislative representatives in last few weeks of session to notify them of the recent litigation filing, answer questions and explain position.
- Legislators reach out to us to discuss issues of local concern. Specific issues include Cemex mine and what the water districts position on the mine, or expressing concerns on surface water and groundwater impacts, coordination with the local sanitation district on water quality issues, Aliso Canyon issues also inquiring about concerns regarding water quality.
- Be the first point of contact on local or political issues, articles in the paper, public outreach. This often blunts the focus on the district and we can provide an explanation and “buffer” on issues.
- Work with staff to review public affairs documents and provide strategic advice on some external documents dealing with policy issues.

The 2017-18 legislative session was a very active one for SCV Water and California Advocates. We worked on sponsored legislation, took positions on several bills and engaged on general issues such as litigation discussions and were the Sacramento entity that would be the initial contact from legislators and administration officials.

SB 634 (Wilk) – Worked extensively on the legislation to create SCV Water from the three predecessor districts into one. The activities included:

- Pre-introduction strategy development including focus of legislative language, development and review of legislative collateral materials.
- Coordinated, scheduled, developed pre meeting strategy and talking points for in district meetings with key legislators.
- Multiple meetings with legislators representing SCV Water prior to introduction of legislation.
- Multiple conference calls with staff, Counsel from Newhall and Castaic Lake formulating appropriate language to incorporate settlement agreement. Reviewed multiple drafts of legislative language and provided feedback and alternative language.
- Secured commitment from Senator to introduce legislation.
- Set up meetings and negotiations sessions for Newhall and Castaic Lake Counsel and staff to meet with Legislative staff including consultants from Senate Local Government and Finance Committee, Senate Natural Resources and Water Committee, Senate

Appropriations and Senate Floor Unit. As legislation progressed, set up meetings in the Assembly with Local Government Committee, Water Parks and Wildlife Committee, Assembly Appropriations Committee and Floor Unit.

- Lobbied all members of the above mentioned committees, many of them several times.
- Negotiated multiple amendments, coordinated with staff and board members to ensure the amendments meet terms of settlement agreement.
- Coordinated advocacy to Governor's Office to ensure signature.

SB 623, SB 844, and SB 845 (Monning): Water Tax, Safe, Affordable Drinking Water Account:

- Attended multiple meetings on two-year legislative session on the creation of the legislation, language and reported back to staff each development.
- Reviewed late amendments on bill language to require that retail water providers invoice and collect a "voluntary donation" through an "opt out" provision to be administered monthly from each customer. The amount of the donation would be based upon service connection size, with most residents being taxed 95 cents/month. Revenue generated would be deposited into the Safe and Affordable Drinking Water Fund.
- Coordinated with staff on various options beside the language in the bill.
- Worked with Governor's office on alternatives to the "opt out" language and brought concerns with administrative costs and difficulties to legislators and Governor's Office.
- One of six advocates that met with the Speaker directly to discuss the measure when he directly stated the bills would not move this year. In this meeting he also announced for the first time that Assemblyman Eduardo Garcia would lead for Democrat Caucus and Assemblyman Heath Flora would lead for Republican Caucus.
- We are meeting with Speaker staff and Water, Parks and Wildlife Consultants to discuss the progress of the interim discussions.

SB 606 and AB 1668 (Hertzberg and Freidman) Permanent Water Conservation Standards

This was also a two-year legislative effort. This year Governor Brown signed a pair of bills to set permanent overall targets for indoor and outdoor water consumption, something that has never been done before.

- Worked through 2017 on legislative effort, attending meetings with legislative staff and administration officials on the legislation.
- Provided SCV Water staff and during monthly meetings full briefings on the legislation and proposed amendments.
- Meet with ACWA working group and staff to understand amendments and manage the issue moving forward.
- The administration has already initiated working groups.

AB 2050 (Caballero): Small System Water Authority Act of 2018

Bill would have created a Small System Water Authority that would be authorized to absorb, improve, and competently operate currently non-compliant public water systems with either contiguous or non-contiguous boundaries. This new category of public water agency would be created by merging formerly non-compliant drinking water systems to sustainably provide technical, managerial, and financial capabilities to ensure the delivery of safe, clean, affordable, and accessible water.

- Worked with ACWA working group to support the proposal moving forward as an alternative to mandatory Water Assessment.
- Advocated to legislators as bill went through the legislative process including meeting with author's office to discuss strategy and amendments.
- Provided updates and briefings for staff and board members on legislation as it progressed.

SB 998 (Dodd): Water Shut-Offs

Bill requires water systems to have a written policy on discontinuation of residential service for nonpayment.

- Obtained policy from Newhall Division and met with author staff and Senate Natural Resource and Water Consultant explaining that the premise of the bill as introduced was not valid. This illustrated that most water districts had policies. Bill was soon thereafter amended altering the focus.
- Continued to oppose the legislation "as unnecessary" and testified in committee.
- Communicated with Governor's office requesting a veto.

AB 2543 (Eggman)

This bill would require each state agency or department authorized to undertake any infrastructure project costing \$100,000,000 or more to publicly post on its Internet Web site any change in the cost or schedule of the project that would result in the project exceeding its established budget by 10 percent or more or being delayed by 12 months or longer.

- Following a state water contractors lobbyist meeting we discussed various legislation that was being sponsored by restore the delta.
- We engaged with the authors and key staff to articulate concerns about various bills, one of which was AB 2543.
- Testified in committee.

These are just a few key deliverables from 2017-18 session. However, because we have been engaged with CLWD and SCV Water, we have historical knowledge and experience that continues to serve the district.

Future Engagement Opportunities:

New Administration – After Governor Brown completes his fourth term the new administration will be ready to bring on new people into many leadership roles. Several of the top leaders in the administration have been with Governor Brown since his first two terms, leaving a void for many leadership roles in the new administration. We will be working with staff to identify leaders in water and natural resource policy and as they are selected, introduce them to SCV Water, our board and staff and the issues impacting the district. This administration will be tasked with implementing the many programs that have been started under Brown and these relationships and knowledge of the district will be essential for positive outcomes for the ratepayers and board members of SCV Water.

Water Infrastructure Funding Via Bond Appropriation – As discussed in the September 13th memo California Advocates provided to staff (attached), there are significant funding

opportunities that may be available for SVC Water. Identifying the programs and aligning them with SCV Water priorities and capital outlay plans will assist in focusing the government affairs program and increase the likelihood of successfully obtaining bond funds. Between the two proposals, California voters will be asked this year to approve \$13 billion in two separate water bonds that collectively would pay for safe drinking water, improve water quality systems and watersheds, and increase funding for parks and water infrastructure improvements.

Proposition 68, the California Clean Water and Safe Parks Act, is a \$4.1 billion measure which voters approved in June. The Proposition was added to the ballot by SB 5 (De Leon) which passed the Legislature in 2017. The proposition allocates \$550 million to protect local communities from flooding, \$540 million to ensure safe drinking water, \$357 million to protect and restore rivers, lakes and streams and \$180 million to increase water supplies with groundwater cleanup and water recycling.

More funds could also be available if voters approve Proposition 3 in November. This measure, known as the Water Supply and Water Quality Act, is a \$8.9 billion measure earmarked for safe drinking water to disadvantaged communities, groundwater management, flood management and flood plain restoration and would provide funding for urban and agricultural conservation, storm water management and more.

CA Water Fix – As a state contractor, the California Water Fix is a project that cannot be ignored. While many in the Brown Administration hope to obtain the necessary regulatory approvals by end of the year, the issue will continue to evolve and SCV Water needs to be engaged. Issues will include financing the project, whether there is adequate benefit for cost, operations criteria, construction scheduling, water quality issues within the delta and areas of origin. SCV Water and government affairs staff will need to work closely with the State Water Contractors Association and DWR to ensure the CA Water Fix delivers on its promise and provides benefit for the cost for ratepayers as the decision process proceeds.

Safe Drinking Water Assessments Legislation – Identifying and ongoing funding source for safe drinking water through some type of water assessment will continue to be a significant legislative issue. SCV Water staff, Directors and California Advocates have already initiated internal conversations on appropriate alternative approaches to the current proposals. Engaging on the issue will be essential for SCV Water ratepayers and implementation of any policy on the subject.

Contaminated Water Clean Up and Litigation – California Advocates continues to provide government affairs support to staff and counsel of the litigation involving cleaning up contaminated properties in the SCV Water service area. Briefing legislators and key administration officials will be important to ensure they are informed on the actions and have “no surprises.”

Sustainable Groundwater Management – Many believe the Sustainable Groundwater Management Act may be the most significant water policy in California for the past Century. As the program continues to be implemented in northern Los Angeles County there may need to be

engagement with administration officials and legislators to secure funding and grants, inform them of progress and possibly even address issues such as governance.

Water Quality Issues – Salinity, Bromides, water discharges, coordination with the Sanitation District, are all issues that will continue to be significant challenges to the Santa Clarita Valley. SCV Water has historically taken a leadership role on these issues within the valley. A robust government affairs program would continue this leadership and assist in addressing these issues.

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LEGISLATIVE ANALYSIS

**PROFESSIONAL SERVICES AGREEMENT
AMENDMENT NO. 1**

between

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

AND

Firm Name:	California Advocates, Inc.
Address Line 1:	925 L Street, Suite 1250
Address Line 2:	Sacramento, CA 95814
Telephone Number:	(916) 441-5050
Contact Person:	Dennis Albani

This is Amendment No. 1 to Professional Services Agreement number W1415-009-107096 between Castaic Lake Water Agency (CLWA) and California Advocates, Inc. (Consultant) effective as of January 1, 2015.

Amendment No. 1 increases the budget for the Agreement by \$192,000 from \$192,000 to \$384,000 and extends the term of the Agreement through December 31, 2018.

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

Section 2: COMPENSATION

Amount: \$384,000

Section 8. TERM OF THE AGREEMENT:

8.1. Period of Services - The Term of the Agreement shall be extended through December 31, 2018.

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

Accepted:

Castaic Lake Water Agency

Contractor: California Advocates, Inc.

By: Matthew Stone

By: Dennis Albani

Name: Matthew G. Stone

Name: Dennis Albani

Title: General Manager

Title: Vice President

Date: 12/27/16

Date: December 20, 2016

Agreement Number:	W1415-009-107096
Amendment Number:	1
Resolution Number:	3136
Budget Code:	0011100000
Account Number:	53242
Project Code:	N/A

LEGISLATIVE ANALYSIS

**Professional Services Agreement
Castaic Lake Water Agency
27234 Bouquet Canyon Road
Santa Clarita, CA 91350
Telephone (661) 297-1600 FAX (661) 297-1611**

AND

Firm Name:	California Advocates, Inc.
Address Line 1:	925 L Street, Suite 1250
Address Line 2:	Sacramento, CA 95814
Telephone Number:	(914) 441-5050
Federal Tax ID Number:	94-2151404

This Professional Services Agreement (“Agreement”) is made effective as of January 1, 2015, by and between the Castaic Lake Water Agency, (CLWA), a public agency organized and operating pursuant to Water Code Appendix, Chapter 103 (“CLWA”), and California Advocates, Inc. (“Consultant”) (collectively, the “Parties”), at Santa Clarita, California, with reference to the following facts and intentions:

WHEREAS, CLWA is engaging in legislative analysis (“Project”); and

WHEREAS, CLWA requires a highly qualified consultant with the requisite knowledge, skill, ability and expertise to provide the necessary services for the Project (“Services”); and

WHEREAS, Consultant represents to CLWA that it is fully qualified and available to perform the Services for and as requested by CLWA; and

NOW, THEREFORE, in consideration of the mutual promises, covenants, and terms and conditions herein, the Parties agree as follows:

1. SCOPE OF WORK

1.1. Contractor shall provide all services set forth below:

- Participate as a legislative advocate in state legislation and budget matters affecting CLWA ;
- Monitor legislation affecting CLWA and report to staff, the Water Resources and Outreach Committee and ad hoc committees dealing with legislative matters;
- Participate in water industry coalition efforts;
- Inform designated CLWA representative periodically on the status of all state legislation affecting CLWA as requested;
- Perform water industry-related activities such as attend meetings of the ACWA State and Regulatory Affairs Committee;
- Participate in State Water Contractors meetings;
- Attend ACWA lobbyist meetings during legislative session; and

- Prepare and submit quarterly written reports to CLWA.

The Consultant shall not speak for or represent CLWA in any specific matter without the prior approval of staff of CLWA.

- 1.2. **Independent Contractor; Agency** - The Consultant is acting hereunder as an independent contractor and not as an agent or employee of CLWA. The Consultant is thus not eligible to receive workers' compensation, medical, indemnity or retirement benefits, including but not limited to enrollment in CalPERS. Except as expressly provided herein, the Consultant is not eligible to receive overtime, vacation or sick pay. The Consultant shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of CLWA.
- 1.3. **Extra Services** - Before performing any services outside the scope of this Agreement ("Extra Services"), Consultant shall submit a written request for approval of such Extra Services and receive written approval from CLWA. CLWA shall have no responsibility to compensate Consultant for any Extra Services provided by Consultant without such prior written approval.
- 1.4. **Methods** - Consultant shall have the sole and absolute discretion in determining the methods, details and means of performing the Services required by CLWA. CLWA shall not have any right to direct the methods, details and means of the Services; however, Consultant must receive prior written approval from CLWA before assigning or changing any assignment of Consultant's project manager or key personnel and before using any sub-consultants ("Sub-consultants") or Sub-consultant agreements for services or materials under this Agreement and any work authorizations.
- 1.5. **Review** - Consultant shall furnish CLWA with reasonable opportunities from time to time to ascertain whether the Services of Consultant are being performed in accordance with this Agreement. All work done and materials furnished shall be subject to final review and approval by CLWA. CLWA's review and approval of the Services shall not, however, relieve Consultant of any of its obligations under this Agreement.

2. COMPENSATION

- 2.1. **Amount** - As consideration for the Services described above, CLWA will pay the Consultant a monthly retainer fee of Eight Thousand Dollars (\$8,000) representing full payment for services performed during the respective month, for a total of One Hundred Ninety Two Thousand Dollars (\$192,000) for 24 months. In addition, CLWA agrees to reimburse Consultant for all customary out-of-pocket expenses incurred by Consultant on behalf of CLWA including, but not limited to, postage and delivery, copying, telephone, fax and internet. However, in no event shall reimbursable expenses in one calendar month exceed One Hundred and Fifty Dollars (\$150).
- 2.2. **Invoicing** - The invoice shall identify and describe the activities performed by Consultant and state the total cost of the Services for the period of the invoice; the hours worked; the name and title of the person(s) performing the work; the hourly rate for the person(s) performing the work; the accrued reimbursable expenses; and the budget amount and percentage remaining (after invoice payment), without reduction for retentions. The invoice shall also identify expenses for which reimbursement is requested and attach supporting

documentation, including original receipts and/or bills. Any expenses exceeding \$500 shall require written approval from CLWA. Reimbursable costs shall not include any administrative or overhead expenses and shall be reimbursable as described in the Fee Schedule. Costs or expenses not designated or identified in the Fee Schedule shall not be reimbursable unless otherwise provided in this Agreement. Only actual time in providing the Services will be charged. CLWA will not make any payments for Consultant's travel time incurred in providing the Services, and Consultant agrees not to invoice CLWA for any travel time incurred in providing the Services.

CLWA shall review and approve all invoices prior to payment. Consultant agrees to submit additional supporting documentation to support the invoice if requested by CLWA. If CLWA does not approve an invoice, CLWA shall send a notice to the Consultant setting forth the reason(s) the invoice was not approved. Consultant may re-invoice CLWA to cure the defects identified in the CLWA notice. The revised invoice will be treated as a new submittal. If CLWA contests all or any portion of an invoice, CLWA and the Consultant shall use their best efforts to resolve the contested portion of the invoice.

CLWA shall pay approved invoice amounts within thirty (30) days of receipt. CLWA'S determinations regarding verification of Consultant's performance accrued reimbursable expenses and percentage of completion shall be binding and conclusive. Consultant's time records, invoices, receipts and other documentation supporting the invoices shall be available for review by CLWA upon reasonable notice and shall be retained by Consultant for three (3) years after completion of the Project.

All invoices submitted for payment must indicate the contract agreement number and are to be mailed to Castaic Lake Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA. 91350, attention: Accounts Payable. Payment terms shall be Net 30 days from the receipt of the invoice.

- 2.3. **Withholding Payment** - In the event CLWA has reasonable grounds for believing Consultant will be unable to materially perform the Services under this Agreement or unable to complete the Services within the Maximum Amount described in this Agreement, or if CLWA becomes aware of a potential claim against Consultant or CLWA arising out of Consultant's negligence, intentional act or breach of any provision of this Agreement, including a potential claim against Consultant by CLWA, then CLWA may withhold payment of any amount payable to Consultant that CLWA determines is related to such inability to complete the Services, negligence, intentional act, or breach.

3. TAXES; INSURANCE; PERMITS; LICENSES

- 3.1. **Taxes** - Consultant shall be solely responsible for the payment of all federal, state and local income tax, social security tax, worker's compensation insurance, state disability insurance, and any other taxes or insurance Consultant, as an independent contractor, is responsible for paying under federal, state or local law. Consultant is aware of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Consultant shall comply with such provisions before commencing the performance of the Services under the Agreement. Consultant and its Sub-consultants shall maintain workers' compensation insurance for their employees in effect during all work covered by the Agreement.

- 3.2. **Permits and Licenses** - Consultant shall procure and maintain all permits, and licenses and other government-required certification necessary for the performance of the Services, all at the sole cost of Consultant. None of the items referenced in this section shall be reimbursable to Consultant under the Agreement. Consultant shall comply with any and all applicable local, state, and federal regulations and statutes including Cal/OSHA requirements.

4. RISK TRANSFER PROVISIONS

- 4.1. **Workers' Compensation Insurance** - By his/her signature hereunder, Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing the performance of the work of this Agreement.
- 4.2. **Indemnification** - Consultant shall indemnify and hold harmless and defend Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers and each of them from and against:
 - 4.2.1. When the law establishes a professional standard of care for Consultant's services, liabilities and losses arising out of the performance non-performance of the services under this Agreement, but only to the extent caused by the Consultant's intentional or negligent acts, errors or omissions committed. Consultant shall defend itself against any and all liabilities, claims, losses, damages, and costs arising out of or alleged to arise out of Consultant's negligent performance or non-performance of the services hereunder, and shall not tender such claims to Castaic Lake Water Agency nor to its directors, officers, employees, or authorized volunteers, for defense or indemnity.
 - 4.2.2. Other than in the performance of professional services, all claims and demands arising out of the negligent performance or non-performance by the Consultant or Consultant's employees for damages to persons or property of the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers.
 - 4.2.3. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the intentional or negligent violation of any governmental law or regulation, compliance with which is the responsibility of Consultant.
 - 4.2.4. Any and all losses, expenses, damages (including damages to the work itself), attorneys' fees, and other costs, including all costs of defense, including but not only costs of counsel acceptable to the Castaic Lake Water Agency, which any of them may incur with respect to the failure, neglect, or refusal of Consultant to perform its operations and that result in bodily injury or property damage. Such costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.
 - 4.2.5. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings that may be brought or instituted

against Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers.

- 4.2.6. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers, in any and all such aforesaid suits, actions, or other legal proceedings if arising as provided in the previous subsections of the Section.
- 4.2.7. Consultant shall reimburse Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith.
- 4.2.8. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers.

Notwithstanding the foregoing, Consultant shall not at any time be responsible for any claims, liabilities, or demands arising from CLWA's misconduct or negligence.

5. GENERAL CONDITIONS

- 5.1. **Laws, Regulations and Permits** - The Consultant shall give all notices required by law and comply with all laws, ordinances, rules, and regulations pertaining to the conduct of the work. The Consultant shall be liable for all violations of the law in connection with work furnished by the Consultant. If the Consultant performs any work knowing it to be contrary to such laws, ordinances, rules and regulations, the Consultant shall bear all costs arising therefrom.
- 5.2. **Safety** - The Consultant shall execute and maintain his/her work so as to avoid injury or damage to any person or property.

In carrying out his/her work, the Consultant shall at all times exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all applicable federal, state and local statutory and regulatory requirements including State of California, Department of Industrial Relations (Cal/OSHA) regulations, and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act. Safety precautions, as applicable, shall include but shall not be limited to: adequate life protection and life saving equipment; adequate illumination; instructions in accident prevention for all employees, such as the use of machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection, and other safety devices; equipment and wearing apparel as are necessary or lawfully required to prevent accidents, injuries, or illnesses; and adequate facilities for the proper inspection and maintenance of all safety measures.

6. REQUIRED INSURANCE

- 6.1. **Liability Insurance** - The Consultant shall provide and maintain at all times during the performance of the work under this Agreement, the following commercial general liability, professional liability and automobile liability insurance:

6.2. **Coverage** - Coverage shall be at least as broad as the following:

~~6.2.1. Coverage for Professional Liability appropriate to the Consultant's profession covering Consultant's wrongful acts, negligent actions, errors or omissions. The retroactive date (if any) is to be no later than the effective date of this Agreement.~~ *DSM up*

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

6.2.3. Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (non-owned, and hired automobiles)

6.3. **Limits** - The Consultant shall maintain limits no less than the following:

~~6.3.1. Professional Liability - Two million dollars (\$2,000,000) per claim and annual aggregate.~~ *DSM up*

6.3.2. General Liability - Two million dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to the Castaic Lake Water Agency) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.

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

6.4. **Required Provisions** - The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

6.4.1. The Castaic Lake Water Agency, its directors, officers, employees, and authorized volunteers are to be given insured status (via ISO endorsement CG 2010, CG 2033, or insurer's equivalent for general liability coverage) as respects: liability arising out of activities performed by or on behalf of the Consultant; and premises owned, occupied or used by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers.

6.4.2. For any claims related to this project, the Consultant's insurance shall be primary insurance as respects the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers. Any insurance, self-insurance, or other coverage maintained by the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers shall not contribute to it.

6.4.3. Any failure to comply with the reporting or other provisions of the policies including breaches and warranties shall not affect coverage provided to the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers.

- 6.4.4. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- 6.4.5. Such liability insurance shall indemnify the Consultant and his/her sub-consultants against loss from liability imposed by law upon, or assumed under contract by, the Consultant or his/her sub-consultants for damages on account of such bodily injury (including death), property damage, personal injury, completed operations, and products liability.
- 6.4.6. The general liability policy shall cover bodily injury and property damage liability, owned and non-owned equipment, blanket contractual liability, completed operations liability, explosion, collapse, underground excavation and removal of lateral support.
- 6.4.7. The automobile liability policy shall cover all owned, non-owned, and hired automobiles.
- 6.4.8. Each insurance policy required by this Agreement shall state, or be endorsed to state, that coverage shall not be canceled by the insurance carrier or the Consultant, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. mail has been given to the Castaic Lake Water Agency.
- 6.4.9. All of the insurance shall be provided on policy forms and through companies satisfactory to the Castaic Lake Water Agency.
- 6.5. **Workers' Compensation and Employer's Liability Insurance** - The Consultant and all sub-consultants shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their employees employed directly by them or through sub-consultants in carrying out the work contemplated under this contract, all in accordance with the "Workers' Compensation and Insurance Act", Division IV of the Labor Code of the State of California and any Acts amendatory thereof. The Consultant shall provide employer's liability insurance with limits of no less than \$1,000,000 each accident, \$1,000,000 disease policy limit, and \$1,000,000 disease each employee.
- 6.6. **Deductibles and Self-Insured Retentions** - Any deductible or self-insured retention must be declared to and approved by the Castaic Lake Water Agency. At the option of the Castaic Lake Water Agency, the insurer shall either reduce or eliminate such deductibles or self-insured retentions.
- 6.7. **Acceptability of Insurers** - Insurance is to be placed with insurers having a current A.M. Best rating of no less than A:VII or equivalent or as otherwise approved by the Castaic Lake Water Agency.
- 6.8. **Evidences of Insurance** - Prior to execution of the Agreement, the Consultant shall file with the Castaic Lake Water Agency a certificate of insurance (Acord Form 25-S or equivalent) signed by the insurer's representative evidencing the coverage required by this Agreement. Such evidence shall include an additional insured endorsement signed by the insurer's representative. Such evidence shall also include confirmation that coverage includes or has been modified to include Required Provisions 6.4.1 through 6.4.9.

The Consultant shall, upon demand of the Castaic Lake Water Agency, deliver to the Castaic Lake Water Agency such policy or policies of insurance and the receipts for payment of premiums thereon.

- 6.9. **Continuation of Coverage** - If any of the required coverages expire during the term of this Agreement, the Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to the Castaic Lake Water Agency at least ten (10) days prior to the expiration date.
- 6.10. **Sub-Consultants** - In the event that the Consultant employs other consultants (sub-consultants) as part of the services covered by this Agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.

7. LABOR AND MATERIALS

Consultant shall furnish, at its own expense, all labor, materials, equipment, tools, transportation and services necessary for the successful completion of the Services to be performed under this Agreement. Consultant shall give its full attention and supervision to the fulfillment of the provisions of this Agreement by its employees and Sub-consultants and shall be responsible for the timely performance of the Services required by this Agreement. Consultant's standard schedule of fees and charges is attached as Exhibit 1, which is incorporated herein as though fully set forth ("Fee Schedule"). All compensation for Consultant's Services under this Agreement shall be pursuant to the Fee Schedule.

8. TERM OF THE AGREEMENT

- 8.1. **Period of Services** - This Agreement between CLWA and Consultant is for a term of 24 months, beginning January 1, 2015 and ending December 31, 2016, subject to the termination provisions herein.
- 8.2. **Termination** - CLWA may terminate this Agreement for any reason by giving Consultant at least thirty (30) days prior written notice of such termination. Such termination shall not relieve CLWA from responsibility for payment for Services rendered by Consultant prior to the date of termination but shall relieve CLWA of its obligations for the full payment of compensation due under the Agreement for the Services of Consultant after the notice of termination.
- 8.3. **Termination for Cause** - CLWA may terminate the Agreement for cause, effective immediately upon written notice of such termination to Consultant, based upon the occurrence of any of the following events:
 - 8.3.1. Material breach of the Agreement by Consultant
 - 8.3.2. Cessation of Consultant to be licensed, as required by law
 - 8.3.3. Failure of Consultant to substantially comply with any applicable federal, state or local laws or regulations
 - 8.3.4. The voluntary or involuntary filing of any petition under any law for the relief of debtors with respect to Consultant
 - 8.3.5. Conviction of Consultant of any crime other than minor traffic offenses

8.4. **Compensation Upon Termination** - If the Services of Consultant are terminated, in whole or in part, Consultant shall be compensated as provided herein for all Services and approved Extra Services performed prior to the date of such termination.

8.5. **Completed Work and Work Product** - In the event of termination or completion of the Services under the Agreement, Consultant shall, at CLWA's request, promptly surrender to CLWA all completed work and work in progress and all materials, records and notes developed, procured, or produced pursuant to the Agreement. Consultant may retain copies of such work product as a part of its record of professional activity.

9. INTERESTS OF CONSULTANT

9.1 Consultant represents and warrants that it presently has no interests, and covenants that it will not acquire any interests, direct or indirect, financial or otherwise, that would conflict with the performance of the Services to be provided by Consultant under the Agreement. Consultant further covenants that, in the performance of the Agreement, it will not employ any sub-consultant or employee with any such interest. Consultant certifies that no one who has or will have any financial interest under this Agreement or within Consultant is a director, officer or employee of CLWA.

9.2 Although Consultant is retained as an independent contractor, Consultant's employees or agents may still be required under the California Political Reform Act and the CLWA Administrative Code to file annual financial disclosure statements. Consultant agrees that its employees and/or agents will file with CLWA in a timely manner those financial disclosure statements that CLWA determines Consultant is required to file pursuant to the Political Reform Act. Failure to file such financial disclosure statements by Consultant and any of its employees or agents is grounds for termination of this Agreement.

10. COMPLETED WORK AND WORK PRODUCT

In the event of termination or completion of the Services under the Agreement, Consultant shall, at CLWA's request, promptly surrender to CLWA all completed work and work in progress and all materials, records and notes developed, procured, or produced pursuant to the Agreement. Consultant may retain copies of such work product as a part of its record of professional activity.

11. CONFIDENTIALITY AND RESTRICTIONS ON DISCLOSURE

11.1. **Confidential Nature of Materials** - The Consultant understands that all documents, records, reports, data, or other materials (collectively "Materials") provided by CLWA to the Consultant pursuant to the Agreement, including but not limited to draft reports, final report(s) and all data, information, documents, graphic displays and other items that are not proprietary to the Consultant and that are utilized or produced by the Consultant pursuant to the Agreement are to be considered confidential for all purposes.

11.2. **No Disclosure of Confidential Materials** - The Consultant shall be responsible for protecting the confidentiality and maintaining the security of CLWA documents and records in its possession. All Materials shall be deemed confidential and shall remain the property of CLWA. The Consultant understands the sensitive nature of the above and agrees that neither its officers, partners, employees, agents or sub-consultants will release, disseminate, or otherwise publish said reports or other such data, information, documents,

graphic displays, or other materials except as provided herein or as authorized, in writing, by CLWA. The Consultant agrees not to make use of such Materials for any purpose not related to the performance of the Services under the Agreement. The Consultant shall not make written or oral disclosures thereof, other than as necessary for its performance of the Services hereunder, without the prior written approval of CLWA. Disclosure of confidential Materials shall not be made to any individual, agency, or organization except as provided for in the Agreement or as provided for by law.

- 11.3. **Protections to Ensure Control Over Materials** - All confidential Materials saved or stored by the Consultant in an electronic form shall be protected by adequate security measures to ensure that such confidential Materials are safe from theft, loss, destruction, erasure, alteration, and any unauthorized viewing, duplication, or use. Such security measures shall include, but not be limited to, the use of current virus protection software, firewalls, data backup, passwords, and internet controls.

The provisions of this Section survive the termination or completion of the Agreement.

12. OWNERSHIP OF DOCUMENTS AND DISPLAYS

All original written or recorded data, documents, graphic displays, reports or other materials which contain information relating to the Consultant's performance hereunder and which are originated and prepared for CLWA pursuant to the Agreement shall be "work for hire" and shall be the property of CLWA. The Consultant hereby assigns all of its right, title and interest therein to CLWA, including but not limited to any copyright interest. In addition, CLWA reserves the right to use, duplicate and disclose in whole, or in part, in any manner and for any purpose whatsoever all such data, documents, graphic displays, reports or other materials delivered to CLWA pursuant to this Agreement and to authorize others to do so.

To the extent that the Consultant utilizes any of its property (including, without limitation, any hardware or software of Consultant or any proprietary or confidential information of Consultant or any trade secrets of Consultant) in performing services hereunder, such property shall remain the property of Consultant, and CLWA shall acquire no right or interest in such property.

13. ASSIGNMENT PROHIBITED

The Consultant shall not assign, transfer, convey, or otherwise dispose of its rights, title or interest in or to this Agreement or any part thereof without the previous written consent of CLWA.

14. REPRESENTATIVES OF THE PARTIES AND SERVICE OF NOTICES

- 14.1. **Designated Representatives** - The CLWA representative designated below shall be the principal representative of CLWA for purposes of the Services that are the subject of this Agreement. Consultant shall designate, in writing, Consultant's project engineer and/or project manager for the performance of the Services under this Agreement, which designation shall be subject to CLWA's reasonable approval.

The representatives of the Parties who are authorized to administer this Agreement and to whom formal notices, demands and communications shall be given are as follows:

CLWA Representative:

Dirk Marks
Castaic Lake Water Agency
27234 Bouquet Canyon Road
Santa Clarita, CA 91350-2173
(661) 297-1600

Consultant:

Dennis Albiani
California Advocates
925 L Street, Suite 1250
Sacramento, CA 95814
(914) 441-5050

- 14.2. **Notices** - Formal notices, demands and communications to be given hereunder by either Party shall be made in writing and may be effected by personal delivery or fax or by registered or certified mail, postage prepaid, return receipt requested to the address set out below and shall be deemed communicated as of the date of mailing. If the name or address of the person to whom notices, demands or communications shall be given changes, written notice of such change shall be given, in accordance with this section within five (5) working days.

15. MISCELLANEOUS PROVISIONS

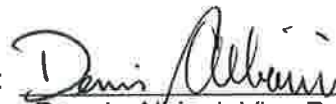
- 15.1. **Integration** – This Agreement represents the complete agreement of the parties and supersedes any other agreements between the parties, whether written or oral.
- 15.2. **No Waiver** – No waiver by either parties of any term or condition of this Agreement shall be a continuing waiver thereof.
- 15.3. **Modification** – This Agreement only may be amended in writing, signed by all parties.
- 15.4. **Attorneys' Fees** – In any proceeding to enforce this Agreement, the prevailing party shall be entitled to attorneys' fees and costs in any amount determined by the court.
- 15.5. **Choice of Laws/Venue** – This Agreement shall in all respects be governed by the laws of the State of California applicable to Agreement executed and to be wholly performed with the State. Any action regarding this Agreement shall be brought in Los Angeles Superior Court, Central/Downtown Division.
- 15.6. **Counterparts** – This Agreement may be executed in separate counterparts that, together, shall constitute and be one and the same instrument.
- 15.7. **No Presumption Regarding Drafter** – The parties to this Agreement acknowledge that its terms and provisions have been negotiated and discussed among them and that it reflects their mutual agreement regarding its subject matter. Therefore, neither party shall be deemed to be the drafter of this Agreement and there shall be no presumption for or against the drafter in its interpretation or enforcement.

IN WITNESS WHEREOF, the Parties have executed this Agreement at the place and as of the date first written above.

AGENCY
Castaic Lake Water Agency

CONSULTANT
California Advocates, Inc.

By: 
Dan Masnada, General Manager

By: 
Dennis Aljiani, Vice President

Attachments: Exhibit A: Resolution

Agreement Number:	W1415-009-107096
Resolution Number:	3006
Work Authorization Number:	
Purchase Order Number:	
Budget Code:	0011100000
Account Number:	53242
Project Code:	N/A

**Exhibit A: Resolution
RESOLUTION NO. 3006**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CASTAIC LAKE WATER AGENCY AUTHORIZING
THE GENERAL MANAGER TO RENEW THE EXISTING CONTRACTS
WITH CALIFORNIA ADVOCATES, INC. AND POOLE & SHAFFERY LLP FOR
LEGISLATIVE ADVOCACY SERVICE**

WHEREAS, the Board of Directors has determined that good relations with all branches of government is in the best interests of the Agency; and

WHEREAS, the Board of Directors has determined that it is critical for the Agency to have a voice when water issues that might impact the Agency are being deliberated locally and in Sacramento; and

WHEREAS, the Agency has concluded that being aware of, and competing for, any available funding from the state is beneficial to its operations; and

WHEREAS, the Agency has determined that using firms that are knowledgeable in governmental processes at all levels and familiar with governmental representatives and their staffs is of benefit to the Agency and its customers; and

WHEREAS, the Board finds, after considering the recommendation of staff, that California Advocates, Inc. and Poole & Shaffery LLP offer services and have capabilities that meet the Agency's needs to perform these governmental relations tasks.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Castaic Lake Water Agency does authorize the General Manager to renew the existing contracts with California Advocates, Inc. and Poole & Shaffery LLP, for legislative advocacy services for two-year terms.



President

I, the undersigned, hereby certify: That I am the duly appointed and acting Secretary of the Castaic Lake Water Agency, and that at a special meeting of the Board of Directors of said Agency held on November 24, 2014, the foregoing Resolution No. 3006 was duly and regularly adopted by said Board, and that said resolution has not been rescinded or amended since the date of its adoption, and that it is now in full force and effect.

DATED: November 24, 2014



Secretary

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MEMORANDUM

TO: STEVE COLE, KATHIE MARTIN

FROM: HUNT BRALY

DATE: OCTOBER 9, 2018

Looking back:

I first became a consultant to the former Castaic Lake Water Agency (CLWA) in the late 1990s. CLWA and the City of Santa Clarita were both trying to acquire the Santa Clarita Water Company. I was able to provide strategic advice and help obtain public support for the CLWA acquisition. After this successful effort, I was retained on a regular basis to provide ongoing strategic advice on many issues facing the CLWA. These included successful legislation to assist in implementing the Santa Clarita Water acquisition. In addition, I was involved in a public effort with all stakeholders, including environmental groups, to create a consensus for the future of the Agency. I also provided assistance, guidance and support in the decades-long process of acquiring Valencia Water Company.

More recently, I was integrally involved with planning for the merger between CLWA and Newhall County Water, and the subsequent successful legislation to implement the merger. My experience in understanding the process, and the relationships I had developed with our elected officials and community leaders, were effectively used to assist in the passage of this enabling legislation.

As a result of my almost two decades of work for CLWA and now SCV Water, I have significant institutional knowledge which has assisted the Agency in various legislative efforts. In addition, I have built relationships in the Community and with our elected officials which has provided us with the ability to obtain necessary political support, and community support, for our efforts.

Looking ahead:

Since the successful legislative effort to create SCV Water, my continuing role for SCV Water has been somewhat less defined. However, many of the major issues we have faced for the past two decades remain. The continuing implementation of the new SCW Water will allow a more comprehensive, regional approach to water issues. These include issues such as Whitaker Bermite, water availability, good planning, environmental concerns and the continued need to build consensus support for long term water planning. Locally this will include working closely with the SCV Groundwater Sustainability Agency and building a community outreach and engagement aspect to that program. This can give us the opportunity to further engage with the community and develop some consensus on our future water planning.

Steve Cole, Kathie Martin

October 9, 2018

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In addition to my relationships in the Santa Clarita community, I have very good relationships with Supervisor Barger and can be of continuing assistance with any issues with Los Angeles County. In the past I have been more involved with the Agency on statewide water issues, including ACWA and the Legislature. While not based in Sacramento, we can increase our role in Sacramento as desired by the Agency. In light of the recent water bond which was passed in June, and Proposition 3 on this November's ballot, there will be increased funding opportunities for the Agency which we would be in a position to assist in obtaining. In addition, I am currently working closely with our Federal advocate on the Whitaker Bermite contamination issues.

During the next several months I look forward to working with the Agency in further defining the various advocacy opportunities for the next phase of this Agency.

LEGISLATIVE ANALYSIS

**PROFESSIONAL SERVICES AGREEMENT
AMENDMENT NO. 1**

between

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

AND

Firm Name:	Poole & Shaffery, LLP
Address Line 1:	25350 Magic Mountain Parkway, 2 nd Floor
Address Line 2:	Santa Clarita, CA 91355
Telephone Number:	(661) 290-2991
Contact Person:	Hunt Braly, Partner

This is Amendment No. 1 to Professional Services Agreement number W1415-010-107107 between Castaic Lake Water Agency (CLWA) and Poole & Shaffery, LLP (Consultant) effective as of January 1, 2015.

Amendment No. 1 increases the budget for the Agreement by \$120,000 from \$120,000 to \$240,000 and extends the term of the Agreement through December 31, 2018.

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

Section 2: COMPENSATION

Amount: \$240,000.00

Section 8. TERM OF THE AGREEMENT:

8.1. Period of Services - The Term of the Agreement shall be extended through December 31, 2018.

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

Accepted:

Castaic Lake Water Agency

Contractor: Poole & Shaffery, LLP

By: Matthew Stone
Name: Matthew G. Stone
Title: General Manager

By: Hunt Braly
Name: Hunt Braly
Title: Partner

Date: 12/27/16

Date: 12/13/16

DSM

Agreement Number: W1415-010-107107
Amendment Number: 1

Agreement Number:	W1415-010-107107
Amendment Number:	1
Resolution Number:	3136
Budget Code:	0011100000
Account Number:	53242
Project Code:	N/A

LEGISLATIVE ANALYSIS

**Professional Services Agreement
 Castaic Lake Water Agency
 27234 Bouquet Canyon Road
 Santa Clarita, CA 91350
 Telephone (661) 297-1600 FAX (661) 297-1611**

AND

Firm Name:	Poole & Shaffery, LLP
Address Line 1:	25350 Magic Mountain Parkway, 2nd Floor
Address Line 2:	Santa Clarita, CA 91355
Telephone Number:	(661) 290-2991
Federal Tax ID Number:	95-4687011

This Professional Services Agreement (“Agreement”) is made effective as of January 1, 2015, by and between the Castaic Lake Water Agency, (CLWA), a public agency organized and operating pursuant to Water Code Appendix, Chapter 103 (“CLWA”), and Poole & Shaffery, LLP (“Consultant”) (collectively, the “Parties”), at Santa Clarita, California, with reference to the following facts and intentions:

WHEREAS, CLWA is engaging in legislative analysis (“Project”); and

WHEREAS, CLWA requires a highly qualified consultant with the requisite knowledge, skill, ability and expertise to provide the necessary services for the Project (“Services”); and

WHEREAS, Consultant represents to CLWA that it is fully qualified and available to perform the Services for and as requested by CLWA; and

NOW, THEREFORE, in consideration of the mutual promises, covenants, and terms and conditions herein, the Parties agree as follows:

1. SCOPE OF WORK

1.1. Contractor shall provide all services set forth below:

- Provide liaison services with local legislators, Los Angeles County Fifth District Supervisor’s Office and the City of Santa Clarita;
- Work with media outlets and community groups;
- Support CLWA’s Ad Hoc 2015 Legislative Committee;
- Provide government relations services to all levels of government on CLWA’s behalf and keep respective offices informed of issues of interest to CLWA; and
- Coordinate with CLWA’s federal and state lobbyists on issues of interest to CLWA.

The Consultant shall not speak for or represent CLWA in any specific matter without the prior approval of staff of CLWA.

1.2. **Independent Contractor; Agency** - The Consultant is acting hereunder as an independent contractor and not as an agent or employee of CLWA. The Consultant is thus

not eligible to receive workers' compensation, medical, indemnity or retirement benefits, including but not limited to enrollment in CalPERS. Except as expressly provided herein, the Consultant is not eligible to receive overtime, vacation or sick pay. The Consultant shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of CLWA.

- 1.3. **Extra Services** - Before performing any services outside the scope of this Agreement ("Extra Services"), Consultant shall submit a written request for approval of such Extra Services and receive written approval from CLWA. CLWA shall have no responsibility to compensate Consultant for any Extra Services provided by Consultant without such prior written approval.
- 1.4. **Methods** - Consultant shall have the sole and absolute discretion in determining the methods, details and means of performing the Services required by CLWA. CLWA shall not have any right to direct the methods, details and means of the Services; however, Consultant must receive prior written approval from CLWA before assigning or changing any assignment of Consultant's project manager or key personnel and before using any sub-consultants ("Sub-consultants") or Sub-consultant agreements for services or materials under this Agreement and any work authorizations.
- 1.5. **Review** - Consultant shall furnish CLWA with reasonable opportunities from time to time to ascertain whether the Services of Consultant are being performed in accordance with this Agreement. All work done and materials furnished shall be subject to final review and approval by CLWA. CLWA's review and approval of the Services shall not, however, relieve Consultant of any of its obligations under this Agreement.

2. COMPENSATION

- 2.1. **Amount** - As consideration for the Services described above, CLWA will pay the Consultant a monthly retainer fee of Five Thousand Dollars (\$5,000) representing full payment for services performed during the respective month, for a total of One Hundred Twenty Thousand Dollars (\$120,000) for 24 months ("Maximum Amount"). Consultant shall submit an invoice within ten (10) days after the end of each month during the term of this Agreement describing the Services performed for which payment is requested.
- 2.2. **Invoicing** - The invoice shall identify and describe the activities performed by Consultant and state the total cost of the Services for the period of the invoice; the hours worked; the name and title of the person(s) performing the work; the hourly rate for the person(s) performing the work; the accrued reimbursable expenses; and the budget amount and percentage remaining (after invoice payment), without reduction for retentions. The invoice shall also identify expenses for which reimbursement is requested and attach supporting documentation, including original receipts and/or bills. Any expenses exceeding \$500 shall require written approval from CLWA. Reimbursable costs shall not include any administrative or overhead expenses and shall be reimbursable as described in the Fee Schedule. Costs or expenses not designated or identified in the Fee Schedule shall not be reimbursable unless otherwise provided in this Agreement. Only actual time in providing the Services will be charged. CLWA will not make any payments for Consultant's travel time incurred in providing the Services, and Consultant agrees not to invoice CLWA for any travel time incurred in providing the Services.

CLWA shall review and approve all invoices prior to payment. Consultant agrees to submit additional supporting documentation to support the invoice if requested by CLWA. If CLWA does not approve an invoice, CLWA shall send a notice to the Consultant setting

forth the reason(s) the invoice was not approved. Consultant may re-invoice CLWA to cure the defects identified in the CLWA notice. The revised invoice will be treated as a new submittal. If CLWA contests all or any portion of an invoice, CLWA and the Consultant shall use their best efforts to resolve the contested portion of the invoice.

CLWA shall pay approved invoice amounts within thirty (30) days of receipt. CLWA'S determinations regarding verification of Consultant's performance accrued reimbursable expenses and percentage of completion shall be binding and conclusive. Consultant's time records, invoices, receipts and other documentation supporting the invoices shall be available for review by CLWA upon reasonable notice and shall be retained by Consultant for three (3) years after completion of the Project.

All invoices submitted for payment must indicate the contract agreement number and are to be mailed to Castaic Lake Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA. 91350, attention: Accounts Payable. Payment terms shall be Net 30 days from the receipt of the invoice.

- 2.3. **Withholding Payment** - In the event CLWA has reasonable grounds for believing Consultant will be unable to materially perform the Services under this Agreement or unable to complete the Services within the Maximum Amount described in this Agreement, or if CLWA becomes aware of a potential claim against Consultant or CLWA arising out of Consultant's negligence, intentional act or breach of any provision of this Agreement, including a potential claim against Consultant by CLWA, then CLWA may withhold payment of any amount payable to Consultant that CLWA determines is related to such inability to complete the Services, negligence, intentional act, or breach.

3. TAXES; INSURANCE; PERMITS; LICENSES

- 3.1. **Taxes** - Consultant shall be solely responsible for the payment of all federal, state and local income tax, social security tax, worker's compensation insurance, state disability insurance, and any other taxes or insurance Consultant, as an independent contractor, is responsible for paying under federal, state or local law. Consultant is aware of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Consultant shall comply with such provisions before commencing the performance of the Services under the Agreement. Consultant and its Sub-consultants shall maintain workers' compensation insurance for their employees in effect during all work covered by the Agreement.
- 3.2. **Permits and Licenses** - Consultant shall procure and maintain all permits, and licenses and other government-required certification necessary for the performance of the Services, all at the sole cost of Consultant. None of the items referenced in this section shall be reimbursable to Consultant under the Agreement. Consultant shall comply with any and all applicable local, state, and federal regulations and statutes including Cal/OSHA requirements.

4. RISK TRANSFER PROVISIONS

- 4.1. **Workers' Compensation Insurance** - By his/her signature hereunder, Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing the performance of the work of this Agreement.
- 4.2. **Indemnification** - Consultant shall indemnify and hold harmless and defend Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers and each of them from and against:
 - 4.2.1. When the law establishes a professional standard of care for Consultant's services, liabilities and losses arising out of the performance non-performance of the services under this Agreement, but only to the extent caused by the Consultant's intentional or negligent acts, errors or omissions committed. Consultant shall defend itself against any and all liabilities, claims, losses, damages, and costs arising out of or alleged to arise out of Consultant's negligent performance or non-performance of the services hereunder, and shall not tender such claims to Castaic Lake Water Agency nor to its directors, officers, employees, or authorized volunteers, for defense or indemnity.
 - 4.2.2. Other than in the performance of professional services, all claims and demands arising out of the negligent performance or non-performance by the Consultant or Consultant's employees for damages to persons or property of the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers.
 - 4.2.3. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the intentional or negligent violation of any governmental law or regulation, compliance with which is the responsibility of Consultant.
 - 4.2.4. Any and all losses, expenses, damages (including damages to the work itself), attorneys' fees, and other costs, including all costs of defense, including but not only costs of counsel acceptable to the Castaic Lake Water Agency, which any of them may incur with respect to the failure, neglect, or refusal of Consultant to perform its operations and that result in bodily injury or property damage. Such costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.
 - 4.2.5. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings that may be brought or instituted against Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers.
 - 4.2.6. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers, in any and all such aforesaid suits, actions, or other legal proceedings if arising as provided in the previous subsections of the Section.
 - 4.2.7. Consultant shall reimburse Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith.

- 4.2.8. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers.

Notwithstanding the foregoing, Consultant shall not at any time be responsible for any claims, liabilities, or demands arising from CLWA's misconduct or negligence.

5. GENERAL CONDITIONS

- 5.1. **Laws, Regulations and Permits** - The Consultant shall give all notices required by law and comply with all laws, ordinances, rules, and regulations pertaining to the conduct of the work. The Consultant shall be liable for all violations of the law in connection with work furnished by the Consultant. If the Consultant performs any work knowing it to be contrary to such laws, ordinances, rules and regulations, the Consultant shall bear all costs arising therefrom.
- 5.2. **Safety** - The Consultant shall execute and maintain his/her work so as to avoid injury or damage to any person or property.

In carrying out his/her work, the Consultant shall at all times exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all applicable federal, state and local statutory and regulatory requirements including State of California, Department of Industrial Relations (Cal/OSHA) regulations, and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act. Safety precautions, as applicable, shall include but shall not be limited to: adequate life protection and life saving equipment; adequate illumination; instructions in accident prevention for all employees, such as the use of machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection, and other safety devices; equipment and wearing apparel as are necessary or lawfully required to prevent accidents, injuries, or illnesses; and adequate facilities for the proper inspection and maintenance of all safety measures.

6. REQUIRED INSURANCE

- 6.1. **Liability Insurance** - The Consultant shall provide and maintain at all times during the performance of the work under this Agreement, the following commercial general liability, professional liability and automobile liability insurance:
- 6.2. **Coverage** - Coverage shall be at least as broad as the following:
- 6.2.1. Coverage for Professional Liability appropriate to the Consultant's profession covering Consultant's wrongful acts, negligent actions, errors or omissions. The retroactive date (if any) is to be no later than the effective date of this Agreement.
- 6.2.2. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001)
- 6.2.3. Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (non-owned, and hired automobiles)

- 6.3. **Limits** - The Consultant shall maintain limits no less than the following:
- 6.3.1. Professional Liability – Two million dollars (\$2,000,000) per claim and annual aggregate.
 - 6.3.2. General Liability – Two million dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to the Castaic Lake Water Agency) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.
 - 6.3.3. Automobile Liability – One million dollars (\$1,000,000) for bodily injury and property damage each accident limit.
- 6.4. **Required Provisions** - The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:
- 6.4.1. The Castaic Lake Water Agency, its directors, officers, employees, and authorized volunteers are to be given insured status (via ISO endorsement CG 2010, CG 2033, or insurer's equivalent for general liability coverage) as respects: liability arising out of activities performed by or on behalf of the Consultant; and premises owned, occupied or used by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers.
 - 6.4.2. For any claims related to this project, the Consultant's insurance shall be primary insurance as respects the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers. Any insurance, self-insurance, or other coverage maintained by the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers shall not contribute to it.
 - 6.4.3. Any failure to comply with the reporting or other provisions of the policies including breaches and warranties shall not affect coverage provided to the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers.
 - 6.4.4. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
 - 6.4.5. Such liability insurance shall indemnify the Consultant and his/her sub-consultants against loss from liability imposed by law upon, or assumed under contract by, the Consultant or his/her sub-consultants for damages on account of such bodily injury (including death), property damage, personal injury, completed operations, and products liability.
 - 6.4.6. The general liability policy shall cover bodily injury and property damage liability, owned and non-owned equipment, blanket contractual liability, completed operations liability, explosion, collapse, underground excavation and removal of lateral support.
 - 6.4.7. The automobile liability policy shall cover all owned, non-owned, and hired automobiles.

- 6.4.8. Each insurance policy required by this Agreement shall state, or be endorsed to state, that coverage shall not be canceled by the insurance carrier or the Consultant, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. mail has been given to the Castaic Lake Water Agency.
- 6.4.9. All of the insurance shall be provided on policy forms and through companies satisfactory to the Castaic Lake Water Agency.
- 6.5. **Workers' Compensation and Employer's Liability Insurance** - The Consultant and all sub-consultants shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their employees employed directly by them or through sub-consultants in carrying out the work contemplated under this contract, all in accordance with the "Workers' Compensation and Insurance Act", Division IV of the Labor Code of the State of California and any Acts amendatory thereof. The Consultant shall provide employer's liability insurance with limits of no less than \$1,000,000 each accident, \$1,000,000 disease policy limit, and \$1,000,000 disease each employee.
- 6.6. **Deductibles and Self-Insured Retentions** - Any deductible or self-insured retention must be declared to and approved by the Castaic Lake Water Agency. At the option of the Castaic Lake Water Agency, the insurer shall either reduce or eliminate such deductibles or self-insured retentions.
- 6.7. **Acceptability of Insurers** - Insurance is to be placed with insurers having a current A.M. Best rating of no less than A-VII or equivalent or as otherwise approved by the Castaic Lake Water Agency.
- 6.8. **Evidences of Insurance** - Prior to execution of the Agreement, the Consultant shall file with the Castaic Lake Water Agency a certificate of insurance (Acord Form 25-S or equivalent) signed by the insurer's representative evidencing the coverage required by this Agreement. Such evidence shall include an additional insured endorsement signed by the insurer's representative. Such evidence shall also include confirmation that coverage includes or has been modified to include Required Provisions 6.4.1 through 6.4.9.
- The Consultant shall, upon demand of the Castaic Lake Water Agency, deliver to the Castaic Lake Water Agency such policy or policies of insurance and the receipts for payment of premiums thereon.
- 6.9. **Continuation of Coverage** - If any of the required coverages expire during the term of this Agreement, the Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to the Castaic Lake Water Agency at least ten (10) days prior to the expiration date.
- 6.10. **Sub-Consultants** - In the event that the Consultant employs other consultants (sub-consultants) as part of the services covered by this Agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.

7. LABOR AND MATERIALS

Consultant shall furnish, at its own expense, all labor, materials, equipment, tools, transportation and services necessary for the successful completion of the Services to be performed under this Agreement. Consultant shall give its full attention and supervision to the fulfillment of the provisions of this Agreement by its employees and Sub-consultants and shall be responsible for

the timely performance of the Services required by this Agreement. Consultant's standard schedule of fees and charges is attached as Exhibit 1, which is incorporated herein as though fully set forth ("Fee Schedule"). All compensation for Consultant's Services under this Agreement shall be pursuant to the Fee Schedule.

8. TERM OF THE AGREEMENT

- 8.1. **Period of Services** - This Agreement between CLWA and Consultant is for a term of 24 months, beginning January 1, 2015 and ending December 31, 2016, subject to the termination provisions herein.
- 8.2. **Termination** - CLWA may terminate this Agreement for any reason by giving Consultant at least thirty (30) days prior written notice of such termination. Such termination shall not relieve CLWA from responsibility for payment for Services rendered by Consultant prior to the date of termination but shall relieve CLWA of its obligations for the full payment of compensation due under the Agreement for the Services of Consultant after the notice of termination.
- 8.3. **Termination for Cause** - CLWA may terminate the Agreement for cause, effective immediately upon written notice of such termination to Consultant, based upon the occurrence of any of the following events:
- 8.3.1. Material breach of the Agreement by Consultant
 - 8.3.2. Cessation of Consultant to be licensed, as required by law
 - 8.3.3. Failure of Consultant to substantially comply with any applicable federal, state or local laws or regulations
 - 8.3.4. The voluntary or involuntary filing of any petition under any law for the relief of debtors with respect to Consultant
 - 8.3.5. Conviction of Consultant of any crime other than minor traffic offenses
- 8.4. **Compensation Upon Termination** - If the Services of Consultant are terminated, in whole or in part, Consultant shall be compensated as provided herein for all Services and approved Extra Services performed prior to the date of such termination.
- 8.5. **Completed Work and Work Product** - In the event of termination or completion of the Services under the Agreement, Consultant shall, at CLWA's request, promptly surrender to CLWA all completed work and work in progress and all materials, records and notes developed, procured, or produced pursuant to the Agreement. Consultant may retain copies of such work product as a part of its record of professional activity.

9. INTERESTS OF CONSULTANT

- 9.1 Consultant represents and warrants that it presently has no interests, and covenants that it will not acquire any interests, direct or indirect, financial or otherwise, that would conflict with the performance of the Services to be provided by Consultant under the Agreement. Consultant further covenants that, in the performance of the Agreement, it will not employ any sub-consultant or employee with any such interest. Consultant certifies that no one who has or will have any financial interest under this Agreement or within Consultant is a director, officer or employee of CLWA.
- 9.2 Although Consultant is retained as an independent contractor, Consultant's employees or agents may still be required under the California Political Reform Act and the CLWA Administrative Code to file annual financial disclosure statements. Consultant agrees that

its employees and/or agents will file with CLWA in a timely manner those financial disclosure statements that CLWA determines Consultant is required to file pursuant to the Political Reform Act. Failure to file such financial disclosure statements by Consultant and any of its employees or agents is grounds for termination of this Agreement.

10. COMPLETED WORK AND WORK PRODUCT

In the event of termination or completion of the Services under the Agreement, Consultant shall, at CLWA's request, promptly surrender to CLWA all completed work and work in progress and all materials, records and notes developed, procured, or produced pursuant to the Agreement. Consultant may retain copies of such work product as a part of its record of professional activity.

11. CONFIDENTIALITY AND RESTRICTIONS ON DISCLOSURE

- 11.1. **Confidential Nature of Materials** - The Consultant understands that all documents, records, reports, data, or other materials (collectively "Materials") provided by CLWA to the Consultant pursuant to the Agreement, including but not limited to draft reports, final report(s) and all data, information, documents, graphic displays and other items that are not proprietary to the Consultant and that are utilized or produced by the Consultant pursuant to the Agreement are to be considered confidential for all purposes.
- 11.2. **No Disclosure of Confidential Materials** - The Consultant shall be responsible for protecting the confidentiality and maintaining the security of CLWA documents and records in its possession. All Materials shall be deemed confidential and shall remain the property of CLWA. The Consultant understands the sensitive nature of the above and agrees that neither its officers, partners, employees, agents or sub-consultants will release, disseminate, or otherwise publish said reports or other such data, information, documents, graphic displays, or other materials except as provided herein or as authorized, in writing, by CLWA. The Consultant agrees not to make use of such Materials for any purpose not related to the performance of the Services under the Agreement. The Consultant shall not make written or oral disclosures thereof, other than as necessary for its performance of the Services hereunder, without the prior written approval of CLWA. Disclosure of confidential Materials shall not be made to any individual, agency, or organization except as provided for in the Agreement or as provided for by law.
- 11.3. **Protections to Ensure Control Over Materials** - All confidential Materials saved or stored by the Consultant in an electronic form shall be protected by adequate security measures to ensure that such confidential Materials are safe from theft, loss, destruction, erasure, alteration, and any unauthorized viewing, duplication, or use. Such security measures shall include, but not be limited to, the use of current virus protection software, firewalls, data backup, passwords, and internet controls.

The provisions of this Section survive the termination or completion of the Agreement.

12. OWNERSHIP OF DOCUMENTS AND DISPLAYS

All original written or recorded data, documents, graphic displays, reports or other materials which contain information relating to the Consultant's performance hereunder and which are originated and prepared for CLWA pursuant to the Agreement shall be "work for hire" and shall be the property of CLWA. The Consultant hereby assigns all of its right, title and interest therein to CLWA, including but not limited to any copyright interest. In addition, CLWA reserves the right to use, duplicate and disclose in whole, or in part, in any manner and for any purpose whatsoever all

such data, documents, graphic displays, reports or other materials delivered to CLWA pursuant to this Agreement and to authorize others to do so.

To the extent that the Consultant utilizes any of its property (including, without limitation, any hardware or software of Consultant or any proprietary or confidential information of Consultant or any trade secrets of Consultant) in performing services hereunder, such property shall remain the property of Consultant, and CLWA shall acquire no right or interest in such property.

13. ASSIGNMENT PROHIBITED

The Consultant shall not assign, transfer, convey, or otherwise dispose of its rights, title or interest in or to this Agreement or any part thereof without the previous written consent of CLWA.

14. REPRESENTATIVES OF THE PARTIES AND SERVICE OF NOTICES

14.1. **Designated Representatives** - The CLWA representative designated below shall be the principal representative of CLWA for purposes of the Services that are the subject of this Agreement. Consultant shall designate, in writing, Consultant's project engineer and/or project manager for the performance of the Services under this Agreement, which designation shall be subject to CLWA's reasonable approval.

The representatives of the Parties who are authorized to administer this Agreement and to whom formal notices, demands and communications shall be given are as follows:

CLWA Representative:

Dirk Marks
Castaic Lake Water Agency
27234 Bouquet Canyon Road
Santa Clarita, CA 91350-2173

Consultant:

Hunt Braly
Poole & Shaffery, LLP
25350 Magic Mountain Parkway, 2nd Floor
Santa Clarita, CA 91355

14.2. **Notices** - Formal notices, demands and communications to be given hereunder by either Party shall be made in writing and may be effected by personal delivery or fax or by registered or certified mail, postage prepaid, return receipt requested to the address set out below and shall be deemed communicated as of the date of mailing. If the name or address of the person to whom notices, demands or communications shall be given changes, written notice of such change shall be given, in accordance with this section within five (5) working days.

15. MISCELLANEOUS PROVISIONS

15.1. **Integration** – This Agreement represents the complete agreement of the parties and supersedes any other agreements between the parties, whether written or oral.

15.2. **No Waiver** – No waiver by either parties of any term or condition of this Agreement shall be a continuing waiver thereof.

- 15.3. Modification – This Agreement only may be amended in writing, signed by all parties.
- 15.4. Attorneys’ Fees – In any proceeding to enforce this Agreement, the prevailing party shall be entitled to attorneys’ fees and costs in any amount determined by the court.
- 15.5. Choice of Laws/Venue – This Agreement shall in all respects be governed by the laws of the State of California applicable to Agreement executed and to be wholly performed with the State. Any action regarding this Agreement shall be brought in Los Angeles Superior Court, Central/Downtown Division.
- 15.6. Counterparts – This Agreement may be executed in separate counterparts that, together, shall constitute and be one and the same instrument.
- 15.7. No Presumption Regarding Drafter – The parties to this Agreement acknowledge that its terms and provisions have been negotiated and discussed among them and that it reflects their mutual agreement regarding its subject matter. Therefore, neither party shall be deemed to be the drafter of this Agreement and there shall be no presumption for or against the drafter in its interpretation or enforcement.

IN WITNESS WHEREOF, the Parties have executed this Agreement at the place and as of the date first written above.

AGENCY
Castaic Lake Water Agency

CONSULTANT
Poole & Shaffery, LLP

By: 
Dan Masnada, General Manager

By: 
Hunt Braly, Partner

Attachments: Exhibit A: Resolution

Agreement Number:	W1415-010-107107
Resolution Number:	3006
Work Authorization Number:	
Purchase Order Number:	
Budget Code:	0011100000
Account Number:	53242
Project Code:	N/A

Exhibit A: Resolution

RESOLUTION NO. 3006

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CASTAIC LAKE WATER AGENCY AUTHORIZING
THE GENERAL MANAGER TO RENEW THE EXISTING CONTRACTS
WITH CALIFORNIA ADVOCATES, INC. AND POOLE & SHAFFERY LLP FOR
LEGISLATIVE ADVOCACY SERVICE**

WHEREAS, the Board of Directors has determined that good relations with all branches of government is in the best interests of the Agency; and

WHEREAS, the Board of Directors has determined that it is critical for the Agency to have a voice when water issues that might impact the Agency are being deliberated locally and in Sacramento; and

WHEREAS, the Agency has concluded that being aware of, and competing for, any available funding from the state is beneficial to its operations; and

WHEREAS, the Agency has determined that using firms that are knowledgeable in governmental processes at all levels and familiar with governmental representatives and their staffs is of benefit to the Agency and its customers; and

WHEREAS, the Board finds, after considering the recommendation of staff, that California Advocates, Inc. and Poole & Shaffery LLP offer services and have capabilities that meet the Agency's needs to perform these governmental relations tasks.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Castaic Lake Water Agency does authorize the General Manager to renew the existing contracts with California Advocates, Inc. and Poole & Shaffery LLP, for legislative advocacy services for two-year terms.



President

I, the undersigned, hereby certify: That I am the duly appointed and acting Secretary of the Castaic Lake Water Agency, and that at a special meeting of the Board of Directors of said Agency held on November 24, 2014, the foregoing Resolution No. 3006 was duly and regularly adopted by said Board, and that said resolution has not been rescinded or amended since the date of its adoption, and that it is now in full force and effect.


DATED: November 24, 2014



Secretary



COMMITTEE MEMORANDUM

DATE: October 11, 2018
TO: Public Outreach and Legislation Committee
FROM: Steve Cole
Assistant General Manager 
SUBJECT: Discussion of Options for an Agency Annual Report

SUMMARY

As we approach our one-year anniversary as SCV Water, staff recommends implementation of a new communication tool in the form of an annual report, or “State of the Agency.” We envision a user-friendly product that provides a snapshot of accomplishments and the current status of important indicators of the health of the agency and our water supply. These would differ from other reports produced annually, such as the Consumer Confidence Report or Water Report, in that they would not be mandated publications heavy on data, but instead would report items of interest in layman’s terms. We anticipate distribution in mid-January 2019, after the holidays.

DISCUSSION

Format:

An annual report can take a number of formats. Several samples will be provided to you at the meeting, but in general they are:

1. Tabloid style, with feature stories (A vendor offers a newsprint product that will be shared with the Committee. Price sheet and details are attached.) Cost: \$18,500 for 60,000 copies. An additional cost for insertion and distribution through *The Signal* newspaper. Also includes digital version.
2. Traditional print style – Other agency examples range from 4-10 pages, which are also uploaded and distributed digitally. Cost varies depending on length. Using a graphic artist, we would estimate less than \$1,000 to produce, and another \$1,000 for a limited print run. Primary distribution would be digital.
3. Video – This has been done as a stand-alone message, or in support of a printed piece. Cost could range to \$2,500 to produce.
4. Webpage – At a minimum, the communication tool will be posted on the website (no cost). There are options for creating a more engaging, interactive experience as well.

Content:

A theme: A creative theme can drive more interesting content and better retention by readers.

1. Letter from General Manager (brief; year in review)
2. Mission/Vision
3. Service Area Map
4. Stories
 - a. "By the Numbers" highlights – infographics
 - b. Small chunks of information with captivating visuals
 - c. Q&A with a staff member that could address an issue at the top of mind in the community
 - d. Financial snapshot – "By the Numbers"
 - e. Key initiatives: Spotlight/Impact
 - i. Watershed Management (groundwater)
 - ii. Conservation
 - iii. Local/State initiatives – recycled water, CA WaterFix, etc.
5. Staff/Employees
 - a. Board of Directors – Only if item is not mailed. Would have to vet the FPPC rules.
 - b. Leadership/Management team
 - c. Key contact information – Customer Care, social media accounts, etc.

FINANCIAL CONSIDERATIONS

Staff budgeted \$5,900 in the FY 2018/19 Budget. Additional funds have been identified in the Professional Services line item if the Committee were to choose Option 1. The final presentation could combine several of these options. For certain, a webpage will be developed to house this report, and add future years.

RECOMMENDATION

That the Public Outreach and Legislation Committee provide direction on development of an Annual Report.

Attachment

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TELLING STORIES — IT'S WHAT WE DO

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About N&R Publications

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LEGISLATION TRACKING

Letters of Support/Opposition

ITEM NO.
5.1

Date	Bill/Initiative	Title	Stand	Notes	Leg. Policy*	Status
10/10/2018	Public hearing for DWR Certificate of Consistency	Delta Stewardship Council Public Hearing on DWR Cert of Consistency of WaterFix with the Delta Plan	SUPPORT	Letter sent to Delta Stewardship Council; also signed on to coalition letter from Southern CA Water Coalition.	2.0	Hearing scheduled for Oct. 24 - 26
6/19/2018	Prop 3	Water Supply and Water Quality Act of 2018.	SUPPORT	Resolution passed by Board	4.0 & 10.	On Nov ballot
5/29/2018	AB 2649 (Arambula) (Now Bloom)	Water Rights (Now State Water Project: water supply contracts)	OPPOSITION Withdrawn	9/4/18: (5/29/18: In light of the most recent amended version of the bill, SCV withdrew opposition) Lacks important safeguards to insure permanent underground storage is implemented in a way that protects existing water users and the environment (Initially opposed 4/16/2018)	4.0 & 10	Died, then gutted and amended to address another issue entirely. JLBC to review State Water Contracts on 9/11. (Not required to take action or approve.)
5/16/2018	AB 2065 (Ting)	Local Agencies Surplus Land	OPPOSE unless amended	Require special districts/ local agencies to offer right of first refusal to affordable housing developers, schools, and parks before selling, leasing, or otherwise conveying their land; regardless of the appropriateness of use and regardless of desire to protect or preserve the land for future use.	11.0	Dead. Held in suspense file.
5/10/2018	AB 3045 (Gallagher)	State Water Project Commission	OPPOSE	Transfers control of SWP from CA DWR to a new SWP Commission, with 9 members appointed by the governor, confirmed by Senate. Requires representation from upstream watershed, but not actual SWP service area.	2.0	Held in suspense file. Won't move FW this year.
5/9/2018	Assembly Hearing	CA WaterFix Coalition (Atkins/Rendon)	SUPPORT	Signed on to coalition letter in advance of an Assembly Committee meeting	1.0	n/a
4/13/2018	SR 96 (Wilk)	Proposed mining project	SUPPORT	Signed on to letter from City of Santa Clarita, opposing CEMEX planned operations in Soledad Canyon, which would have a negative effect on the Santa Clara River	4.0	Adopted 7/2/2018
4/4/2018	SB 929 (McGuire)	Website Transparency (special districts)	SUPPORT	CSDA sponsored bill to increase awareness, accessibility, transparency of special districts, more than half of which do not have websites.	9.0	Approved by governor/chaptered 9/14/18.
3/27/2018	SB 998 (Dodd)	Restrictions on Shutoff Notices	OPPOSE	Requires process for retail water districts to follow prior to shutting off water for low wealth and disadvantaged ratepayers and customers.		Approved by governor/chaptered 9/28/18.
3/26/2018	AB 792 (Frazier)	Delta Stewardship Council	OPPOSE	Delta policy. The replacement "Delta Protection Commission" is dominated by in-Delta interest.	2.0	Failed

Date	Bill/Initiative	Title	Stand	Notes	Leg. Policy*	Status
3/26/2018	AB 1876 (Frazier)	Delta Stewardship Council	OPPOSE	Replaced AB792 for 2018. Still to create new "Delta Protection Commission" dominated by in-Delta interest.	2.0	Failed
3/22/2018	WaterSense	EPA WaterSense program	SUPPORT	This letter urges the administrator of the EPA to continue to fund the program.	5.0	n/a
6/4/2018 3/19/2018	SB 623 Budget Trailer Bill SB 845 (Monning)	Drinking Water Tax	OPPOSE unless amended	(6/4/18: Oppose unless amended letter sent to ACWA, Senator Wilk and Assemblymember Acosta) Seeks to establish a fund through state-mandated tax on local ratepayers, with funds going to SWRCB to assist those who do not have access to safe drinking water. Alternative funding sources proposed: State Revolving Fund; GO Bonds (i.e. Prop 68); Ag funding; General Fund	9.0	SB 623 "effectively dead". Re-referred to Comm on Rules. 8/31 - statement from Speaker Rendon references "will continue working next year"
3/19/2018	AB 2543 (Eggman)	State Infrastructure Projects	OPPOSE	Adds new costs/paperwork to state entities advancing infrastructure projects to provide info already available by request [changes in cost (10%) or schedule (12 mos.)].	9.0	Approved by governor 9/29/18
3/14/2018	Prop 68	Drought, Water, Parks, Climate, Coastal Protection and Outdoor Access for All Act (June 2018)	RESO in Support (SCV-25)	General obligation bond (\$4 billion) which includes safe drinking water, watershed restoration, groundwater investments/recharge, recycled water, more	4.0	Passed w/ 56.29% of the vote

* Reference to applicable section of Legislative Policy Guidelines

Revised: Oct 10, 2018

Represents changes since last distribution.

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SPONSORSHIP TRACKING

ITEM NO.
5.2

Agency Name	Event	Event Date	Event Location	Sponsorship	Amount
Urban Water Institute	25th Annual Water Conference	Aug 22-24, 18	Hilton San Diego Resort & Spa	Marketing Sponsor: Logo on website, agenda, on presentation screens and in registration area.	1,500.00
AWA - Association of Water Agencies of Ventura County	Member/Elected Officials Reception	Sept 20, 2018	Ronald Reagan Presidential Library	Senatorial: acknowledgement on invitation & program, Agency's name on signage, Agency's introduction at event; agency reps attend free	1,000.00
Santa Clarita Environmental Education Consortium (SCEEC)	Green STEM	Nov 17, 18	College of the Canyon	Previously sponsored by the Family of Water, we are continuing the participation as Presenting Sponsorship. The event provides high school and college students with exposure to STEM (Science, Technology, Engineering, Math) concepts, but with sustainability as a key focus. The Water Technology program at COC is one of the featured programs.	5,000.00
ACWA	Fall 2018 Conference	Nov 27-30, 18	Manchester Grand Hyatt, San Diego	Wednesday Opening Breakfast (includes 1 meal ticket); sponsor ribbon for badges; acknowledgement in ACWA News, website, conference programs, screens at meals, mobile app.	2,500.00
CVWD - Cucamonga Valley Water District	ACWA Women in Water	Nov 28, 2018	Manchester Grand Hyatt, San Diego	Empowerment: name & logo included on invitations & materials promoting the reception, as well as displayed on signage throughout the reception room	500.00

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2018 Public Outreach Events

This is a list of events where SCV Water participates as a vendor, or as the host, in the case of the garden classes and Open House. We set up a branded outreach booth with information on our classes, programs, water supply, conservation efforts, etc. All retail divisions will be represented under the SCV Water umbrella, with occasional expanded presence by conservation staff.

	Event	Location	Notes (Pre and/or Post)
January			
1/6	Landscape class	Admin	Proper Pruning
1/11	Landscape class (evening)	Admin	Creating a Landscape Plan and Budget
February			
2/8	Landscape class (evening)	Admin	Designing a Sustainable Landscape
2/10	Landscape class	Admin	Waterwise Vegetable Gardening
2/25	Mardi Gras Madness 5K/10K	Valencia Town Center	Students Off And Running: free afterschool program for youth in need through training for and completing a marathon. Fundraiser for SOAR: https://mgm5k.weebly.com/
March			
3/8	Landscape class (evening)	Admin	Top 30 Plants for the SCV
3/10	Landscape class	Admin	Creating a Landscape Plan and Budget
3/17	Michael Hoefflin 5K Walk for Kids with Cancer	COC	The Michael Hoefflin Foundation is a non-profit organization that assists children diagnosed with cancer and their families. https://www.mhf.org/mhf-walk-kids-cancer/
April			
4/8	Dragon Boat Racing	Castaic Lake	Hosted by Castaic Lake Dragon Boat Club https://www.facebook.com/events/147534415894351/
4/14	Landscape class	Admin	Drip Irrigation
4/15	Castaic Town Council 5K	Castaic Lake	https://www.castaictowncouncil.org/annual-run
4/19	Landscape class (evening)	Admin	Irrigating a Sustainable Landscape
4/21-22	Cowboy Poetry Festival	Various	City event - http://cowboyfestival.org/
4/28	Water Quality from a Public Health Perspective	Admin	Speakers' Bureau: Cal. State University Northridge Nursing students. Speaker: Jeff Koelewyn / Lab Supervisor. Topic: Water Quality.
4/28-29	Earth/Arbor Day/H&G Show	Central Park	City event - http://greensantaclarita.com/eartharborday/ KHTS event - http://www.santaclaritahomeandgardenshow.com/
May			
5/5	Fishing & Fun for Kids Day	Castaic Lake	Presented by Friends of Castaic Lake
5/5-6	Pacific Islander Festival	Hart Park	https://www.facebook.com/SCVPIF/
5/6	Taste of the Town	Mann Bio. Park	Child and Family Center Fundraiser http://childfamilycenter.org/events/

5/9	SCV Water: Clear Goals, Bold Ideas and a Whole Lot of Grit	Sacramento, CA	ACWA Spring Conference Panel. Panelists: Joe Byrne (BBK), Steve Cole, Bill Cooper, Maria Gutzeit.
5/10	Conservation and Gardening Resources	Sierra Hills Swim & Racquet Club	Speakers' Bureau: Gardening Club of Santa Clarita. Speaker: Matt Dickens. Topic: gardening classes, conservation programs, plant selection and other resources.
5/11	Open House Set up (dark Friday)		
5/12	Open House	Central Park	Annual Agency Open House to celebrate California Water Awareness Month
5/15	SCV Water: Clear Goals, Bold Ideas and a Whole Lot of Grit	Valencia Country Club	Speakers' Bureau: Valley Industry Association. Speakers: Matt Stone and Maria Gutzeit. Topic: New Agency
5/16	SCV Chamber Mixer	Admin	SCV Water will host the monthly SCV Chamber Business After Hours Mixer
5/17	Landscape class (evening)	Admin	Caring for the Top 30 Plants for the SCV
5/18	Realtors Networking Meeting	SCV Aquatic Center	Speakers' Bureau: Realtors Networking Meeting. Speaker: Steve Cole. Topic: New agency status update.
5/19	Landscape class	Admin	Landscaping with Perennials
5/19	Veteran Appreciation Day	Hart Park	Presented by Help the Children
June			
6/9-10	SCV Quilt Show	Hart Park	http://www.scvquiltguild.org/Quilt_Show.htm
6/14	Landscape class (evening)	Admin	Maintaining a Sustainable Landscape
6/16	Landscape class	Admin	Shrubs and Native Plants
6/16	Touch a Truck	Central Park	Supports SC Senior Center http://myscvcoa.org/touch-a-truck/
6/29	Jazz & Blues Concerts	Hyatt	Fundraiser for Child and Family Center
July			
7/12	Landscape class (evening)	Admin	Creating a Landscape Plan and Budget
7/21	Landscape class	Admin	The Basics of a Sustainable Landscape
7/13	Jazz & Blues Concerts	Hyatt	Fundraiser for Child and Family Center
	Concert in the Park	Central Park	Did not do in 2018
August			
8/9	Landscape class (evening)	Admin	Designing a Sustainable Landscape
8/11	Landscape class	Admin	Proper Turf Care and Turf Substitutes
8/25	CAST for Kids	Pyramid Lake	Kids with disabilities, ages 6-17, experience the sport of fishing
September			
9/6	Landscape class (evening)	Admin	Top 30 Plants for the SCV
9/8	Landscape class	Admin	Controlling Weeds, Pests and Diseases

Purple = Events Green = SCV Gardening Classes Blue = Speakers' Bureau

9/8	9/11 Day of Service & Remembrance	Various	Hosted by Hands on SCV. A day of service to honor those lost and those who rose in service after the 9/11 attacks. http://www.handsonscv.org/main/events/9-11-days-of-service-remembrance
9/21-23	Main Street Chalk Art Festival	Newhall	www.otna.org
9/22	River Rally	TBD	Clean up of the Santa Clara River http://greensantaclarita.com/calendar/river-rally/
9/29	Be the Light 5K	West Creek Park	http://www.bethelight5k.org/ Supporting A Light Of Hope (ALOH) https://www.alightofhopescv.org/ , a program for recovery from addiction/self-destructive behaviors
October			
10/6-7	Pow Wow Festival	Hart Park	A festival celebrating Native American Culture. Hosted by William S. Hart County Park & Museum and the Friends of Hart Park. http://www.friendsofhartpark.org/Event_Pages/powwow.html
10/6	CAST for Kids	Castaic Lake	Kids with disabilities, ages 6-17, experience the sport of fishing http://castforkids.org/event/castaiclake/
10/13	Touch a Truck	Newhall	Proceeds support the Santa Clarita Senior Center. http://myscvcoa.org/touch-a-truck/
10/18	Landscape class (evening)	Admin	Irrigating a Sustainable Landscape
10/20	Landscape class	Admin	Trees for the SCV
10/20	LASD/Special Olympics Chili Cook off	Jack Bones Eq Center	Benefitting Special Olympics https://www.sosc.org/scvtv/chilicookoff
10/21	Kids Expo	Golden Valley HS	Child and Family Center benefit. http://childfamilycenter.org/events/
10/28	Haunted Jailhouse		SCV Sheriff's Department
November			
11/1	Landscape class (evening)	Admin	Caring for the Top 30 Plants for the SCV
11/3	Landscape class	Admin	SCV Soils and Fertilizers
December			
12/1	Landscape class	Admin	How to Remove a Lawn
12/1	Castaic Lake Winter Magic	Castaic Lake	Hosted by Friends of Castaic Lake http://www.castaiclake.com/focl.html
12/3	Landscape class (evening)	Admin	Maintaining a Sustainable Landscape
12/15	5/10K Holiday Fun Run	Magic Mtn	By Hands on SCV volunteer center

Purple = Events Green = SCV Gardening Classes Blue = Speakers' Bureau

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**PUBLIC OUTREACH AND LEGISLATION COMMITTEE
AGENDA PLANNING CALENDAR 2018**

**ITEM NO.
5.4**

March 21, 18 Special Committee

1. Legislative Consultant Reports
2. Legislative Policy Guidelines Draft
3. Resolution in Support of Prop 68 Draft
4. Resolution in Support of California Water Bond of 2018 Draft
5. Outreach Communication Plan Discussion
6. Informational: Public Outreach Events 2018

April 3, 18 Board Meeting

1. Legislative Policy Guidelines
2. Resolution in Support of Prop 68

April 19, 18 Committee

1. Legislative Consultant Reports
2. Outreach Communication Plan Draft
3. Informational: Legislative Tracking 2018

May 15, 18 Board Meeting

1. Outreach Communication Plan

May 17, 18 Committee

1. Legislative Consultant Reports
2. Resolution in Support of Water Supply & Water Quality Act of 2018 Draft
3. Informational: Public Outreach Events 2018
4. Informational: Legislative Tracking 2018
5. Other Staff Activities: Stakeholder List
6. Other Staff Activities: Website reports & documents library search
7. Water Bottle Fill Station – PP Presentation

June 5, 18 Board Meeting

1. Approval of Resolution Supporting Water Supply and Water Quality Act of 2018
(Moved to June 19 Board Meeting – Board requesting more information on financial considerations)

June 19, 18 Board Meeting

1. Approval of Resolution Supporting Water Supply and Water Quality Act of 2018

June 21, 18 Committee

1. Legislative Consultant Reports
2. Informational: Legislative Tracking 2018
3. Other Staff Activities: Semi-Annual Media Outreach Plan
4. Water Bottle Fill Station Pilot Program
5. ACWA Conference Sponsorship Options

July 3, 18 Board Meeting Cancelled

July 17, 18 Board Meeting

July 19, 18 Committee Cancelled

August 7, 18 Board Meeting



**PUBLIC OUTREACH AND LEGISLATION COMMITTEE
AGENDA PLANNING CALENDAR 2018**

August 16, 18 Committee

1. Legislative Consultant Reports
2. Informational: Legislative Tracking 2018
3. Other Staff Activities: Sierra Club/SCV Water Collaboration
4. Other Staff Activities: CSDA's Award Nominations
5. Other Staff Activities: ACWA's Huell Howser Best in Blue Award Nomination

August 21, 18 Board Meeting Cancelled

September 4, 18 Board Meeting

September 13, 18 Special Committee

1. Legislative Consultant Reports
2. Discuss Legislative Advocacy
3. Informational: Legislative Tracking 2018
4. Informational: Sponsorship Tracking 2018
5. Committee Planning Calendar

September 18, 18 Board Meeting

September 20, 18 Committee Cancelled

October 2, 18 Board Meeting

1. Approve a Resolution Establishing Water Professionals Appreciation Week

October 16, 18 Board Meeting

October 18, 18 Committee

1. Legislative Consultant Reports
2. Discuss Legislative Advocacy
3. Public Outreach: Annual Report
4. Informational: Legislative Tracking 2018
5. Informational: Sponsorship Tracking 2018
6. Informational: Public Outreach Event Calendar
7. Informational: Committee Planning Calendar

November 6, 18 Board Meeting

November 15, 18 Committee

1. Legislative Consultant Reports
2. Discuss Legislative Advocacy
3. Tentative Blue Ribbon Committee
4. Tentative Agency's Media Policy
5. Informational: Legislative Tracking 2018
6. Informational: Sponsorship Tracking 2018
7. Informational: Public Outreach Event Calendar
8. Informational: Committee Planning Calendar

November 20, 18 Board Meeting

December 4, 18 Board Meeting



**PUBLIC OUTREACH AND LEGISLATION COMMITTEE
AGENDA PLANNING CALENDAR 2018**

December 18, 18 Board Meeting

December 20, 18 Committee

1. Legislative Consultant Reports
2. Discuss Legislative Advocacy
3. Informational: Legislative Tracking 2018
4. Informational: Sponsorship Tracking 2018
5. Informational: Public Outreach Event Calendar
6. Informational: Committee Planning Calendar