



## AGENDA

### REGULAR MEETING OF THE BOARD OF DIRECTORS

December 8, 2022

4:00 PM

CALL TO ORDER AND ROLL CALL - Edmondson, Burke, Morris, Ryan, Williams

ADD-ON ITEMS

APPROVAL OF AGENDA

#### PUBLIC COMMENT

*Any person may address the Board at this time upon any subject not identified on this Agenda, but within the jurisdiction of Elsinore Valley Municipal Water District; however, any matter that requires action will be referred to staff for a report and action at a subsequent Board meeting. As to matters on the Agenda, an opportunity will be given to address the Board when the matter is considered.*

*Members of the public may make comments in-person, virtually, or submit a Public Comment Request Form located at <https://www.evmwd.com/evmwd-publiccomment>, no less than one hour prior to the posted start time of the meeting. Comments shall be made in an orderly manner and profanity, slanderous, or abusive language will not be tolerated. Please note, individuals have a limit of three (3) minutes to make comments and will have the opportunity when called upon by the presiding officer.*

#### I. ELECTION OF OFFICERS

- A. Election of Board Officers for 2023

#### II. PRESENTATIONS

- A. Presentation of the Public Relations Society of America Cappella Awards to EVMWD

#### III. BUSINESS ITEMS

*Business Items call for discussion and action by the Board.*

- A. Adoption of Resolution of Appreciation for Margie Armstrong's Dedicated Service

#### IV. CONSENT CALENDAR

*Consent Calendar items are expected to be routine and non-controversial, to be acted upon by the Board at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Calendar, it shall be removed so that it may be acted upon separately.*

##### A. APPROVAL OF:

- 1. Minutes of the Special Board Meeting of November 22, 2022



2. Minutes of the Regular Finance and Administration Committee Meeting of November 15, 2022
  3. Payment Ratification Report
  4. Amendment to the Board's Best Management Practices Handbook
  5. Adoption of Resolution of Appreciation for Melissa Melendez's Dedicated Service
  6. Adoption of Resolution of Appreciation for Stephen Arakawa's Dedicated Service
  7. Approval Of Community Facilities District 2020-1 (Horsethief) Change Proceedings for Improvement Area 1B
  8. Adoption of Resolution Reaffirming and Extending Findings and Determinations Under AB 361 for Continued Virtual Meetings
  9. Consider Initiating Procedure for Filling Board Vacancy in Division 4 by Appointment
  10. Funding Agreement with the County of Riverside for ARPA Infrastructure Projects
- B. APPROVAL OF TRAVEL AUTHORIZATIONS
1. Darcy Burke - Metropolitan Water District Board Meeting

V. REPORTS

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

- A. General Manager's Report
- B. Legal Counsel's Report
- C. Board Committee Reports

VI. DIRECTOR'S COMMENTS AND REQUESTS

*Directors' Comments concern District business which may be of interest to the Board. They are placed on the Agenda to enable individual Board members to convey information to the Board and the public. There is no discussion or action required, other than to place the matter on a subsequent Agenda.*

VII. ADJOURNMENT



*In the interest of public health and safety, this meeting will be conducted in accordance with provisions of the Brown Act and Assembly Bill 361. Participants who would like to join this meeting remotely can do so in one of the following ways:*

**For Online Participation:**

Go to: [www.zoom.us](http://www.zoom.us)  
Select Join a Meeting  
Enter Meeting ID: 843 2592 5336  
Meeting Password: 92530

**For Call-in Only:**

Call: (720) 707 2699  
Enter Meeting ID: 843 2592 5336  
Meeting Password: 92530

In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted in the main lobby of the District's Administrative offices not less than 72 hours prior to the meeting date and time above. All public records relating to each agenda item, including any public records distributed less than 72 hours prior to the meeting to all, or a majority of all, of the members of District's Board, are available for public inspection in the office of the District Secretary, 31315 Chaney Street, Lake Elsinore, California.

To request a disability-related modification or accommodation regarding agendas or attendance, contact Terese Quintanar, at (951) 674-3146, extension 8223 at least 48 hours before the meeting.



**Elsinore Valley Municipal Water District**

*Our Mission...*

The EVMWD team delivers total water management that powers the health and vibrancy of its communities so life can flourish.

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DATE: December 8, 2022

TO: Board of Directors

FROM: General Manager

**SUBJECT: ELECTION OF BOARD OFFICERS FOR 2023**

**STRATEGIC GOAL**

Elevate Communications

**RECOMMENDATION**

The General Manager and staff recommend that the Board of Directors:

1. Nominate members of the Board to serve as President, Vice President, and Treasurer for 2023 or until a successor is elected.

**BACKGROUND**

Section 402 of the Administrative Code states that the election of officers shall be held the first regular meeting which occurs in December of each year. Nominations are taken during the Board meeting with a majority vote of all Directors electing the new officers. The new officers are seated during the meeting, with the new President conducting the remainder of the meeting.

**ENVIRONMENTAL WORK STATUS**

Not applicable.

**FISCAL IMPACT**

None.

Originated by: Terese Quintanar – Administration

Reviewed by: Christy Gonzalez – Administration

Attachments:

None.



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DATE: December 8, 2022

TO: Board of Directors

FROM: General Manager

**SUBJECT: PRESENTATION OF THE PUBLIC RELATIONS SOCIETY OF AMERICA (PRSA) CAPPELLA AWARDS TO EVMWD**

**STRATEGIC GOAL**

Build Recognized Value  
Elevate Communications

**RECOMMENDATION**

The General Manager and staff recommend that the Board of Directors:

1. Accept the PRSA Capella Award in the category of "Annual Reports" for the "Annual Water Quality Report"
2. Accept the PRSA Capella Award in the category of Outreach campaigns for the "HOA Water Efficiency Outreach" campaign

**BACKGROUND**

EVMWD received acknowledgement from the Public Relations Society of America (PRSA), Inland Empire Chapter, for excellence in public outreach. The Polaris Awards recognize exemplary public relations efforts that successfully incorporate sound research, planning, implementation, and evaluation. These awards represent the highest standards of performance in the public relations and communications profession within the Inland Empire.

EVMWD received the Capella Award for its 2021 Annual Water Quality Report (Consumer Confidence Report) which included simple infographics to help readers understand the more technical aspects of the report and highlighted our dedicated staff who ensure clean water to our customers.

EVMWD received a Capella Award for the HOA water efficiency outreach campaign, which took a targeted approach to partner with local HOA communities on improving water efficiency through communication, incentives and rebates. The campaign highlight

included a toolkit for the HOA managers and customized presentations and workshops for the residents.

**ENVIRONMENTAL WORK STATUS**

Not applicable.

**FISCAL IMPACT**

None- Within budget

Originated by: Bonnie Woodrome – Public Affairs  
Reviewed by: Christina Henry – Community Affairs

Attachments:

None



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DATE: December 8, 2022

TO: Board of Directors

FROM: General Manager

**SUBJECT: RESOLUTION OF APPRECIATION FOR MARGIE ARMSTRONG'S  
DEDICATED YEARS OF SERVICE**

**STRATEGIC GOAL**

Optimize and Diversify Water Sourcing  
Build Recognized Value

**RECOMMENDATION**

The General Manager and staff recommend that the Board of Directors:

1. Adopt the Resolution of Appreciation of Margie Armstrong's 26 Years of Dedicated Service

**BACKGROUND**

Margie Armstrong joined Elsinore Valley Municipal Water District in January 1996 and served as the District's Controller until being promoted to the Director of Finance and then to the Chief Financial Officer, followed by becoming the District's first Director of Strategic Programs in 2015.

Over the years, she led the District through numerous innovative process improvements, such as implementing the first customer-initiated payment method, launching the first Enterprise Resources Program, overseeing the first automatic meter reading project, and assisting with the conversion of Elsinore Water District customers to the new meters, to name a few. Most recently, she had a vital role in the development and creation of the initial framework of the District's Asset Management Program.

For over two decades with the District, Ms. Armstrong guided the Board and staff through the creation, adoption and utilization of rate-based budgets and rate studies, while obtaining millions in low interest loans, reissuing bonds, securing grants, refinancing debt to realize millions in net savings, and receiving distinguished awards for budget reporting.

She also guided the District through the formation of over a dozen Community Facilities Districts, the formation of the Financing Authority, the formation of the Water Employee Services Authority (WESA), the creation and participation in the Santa Rosa Regional Resources Authority (SRRRA), and she spearheaded the formation of the Bedford-Coldwater Groundwater Sustainability Authority (BCGSA) JPA and was its first Administrator and Deputy Treasurer.

Ms. Armstrong led the successful negotiation and fruition of numerous critical and significant agreements, providing water supply stability for existing and future demands across the region, such as securing capacity in the WMWD Mills Gravity Line, Meeks and Daley Water Company water exchanges, beneficial land negotiations, such as the Lee Lake and Mayhew Well land exchanges. She has also contributed to numerous historic settlements such as Railroad Canyon Reservoir Lease Agreement Amendments, as well as a multitude of sales and acquisitions of real property.

Her achievements and contributions are too numerous to summarize and have all contributed to her reputation as a highly respected, dedicated, and valued professional, and an extraordinary person. Months ago, Ms. Armstrong announced her plans to retire, after devoting over twenty-six years of service to the District, to pursue the joys and adventures of retirement.

To extend gratitude and appreciation, the attached resolution of appreciation is presented for consideration. Staff recommends adoption and presentation of the resolution to Ms. Armstrong at this time.

### **ENVIRONMENTAL WORK STATUS**

Not applicable.

### **FISCAL IMPACT**

None.

Originated by: Terese Quintanar – Administration

Reviewed by: Christy Gonzalez – Administration

Attachments:

Resolution of Appreciation



RESOLUTION NO. 22-12-xxx

RESOLUTION OF THE BOARD OF DIRECTORS OF ELSINORE VALLEY MUNICIPAL WATER DISTRICT IN APPRECIATION OF MARGIE ARMSTRONG'S 26 YEARS OF DEDICATED SERVICE

WHEREAS, Margie Armstrong joined Elsinore Valley Municipal Water District in January 1996 and served as the District's Controller until being promoted to the Director of Finance and then to the Chief Financial Officer, followed by becoming the District's first Director of Strategic Programs in 2015; and

WHEREAS, she implemented the first customer-initiated payment method, launched the first Enterprise Resources Program, oversaw the automatic meter reading project, assisted with the conversion of Elsinore Water District customers to the new meters, and played an important and vital role in the development and creation of the initial framework of the District's Asset Management Program; and

WHEREAS, Margie steered the District through the creation, adoption and utilization of numerous rate studies and rate based budgets, while obtaining millions in low interest loans, reissuing bonds, securing grants, refinancing debt to realize millions in net savings, and receiving distinguished awards for budget reporting for over two decades; and

WHEREAS, she piloted the District through the formation of over a dozen Community Facilities Districts, the formation of the Financing Authority, the formation of the Water Employee Services Authority, and guided District's participation and role in the Santa Rosa Regional Resources Authority, in addition to spearheading the formation of the Bedford-Coldwater Groundwater Sustainability Authority JPA and becoming its first Administrator and Deputy Treasurer; and

WHEREAS, Margie Armstrong led the successful negotiation and fruition of numerous critical and significant agreements, providing water supply stability for existing and future demands across the region, such as securing capacity in the WMWD Mills Gravity Line, Meeks and Daley Water Company exchanges, and assistance with numerous historic settlements such as Railroad Canyon Reservoir Lease Agreement Amendments, as well as a multitude of beneficial sales or acquisitions of real property and agreements; and,

WHEREAS, additional achievements and contributions are too numerous to summarize, and have all contributed to her reputation as a highly respected, dedicated, and valued professional, and an extraordinary person; and

WHEREAS, Margie has announced her plans to retire, after devoting over twenty six years of service to the District, to pursue the joys and adventures of retirement.

NOW, THEREFORE BE IT RESOLVED, the Board of Directors of the Elsinore Valley Municipal Water District commends and expresses its utmost appreciation for her legacy of dedication and extends its sincere gratitude for her contribution in making the District what it is today.

THEREFORE, BE IT FURTHER RESOLVED, the Board of Directors wishes her a long, full, and rewarding retirement, abundant with health, happiness, and prosperity.

APPROVED, ADOPTED AND SIGNED this 8<sup>th</sup> day of December, 2022.

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Darcy M. Burke, President of the  
Board of Directors of  
Elsinore Valley Municipal Water District

ATTEST:

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Terese Quintanar, Secretary of the  
Board of Directors of  
Elsinore Valley Municipal Water District

**MINUTES  
SPECIAL MEETING OF THE BOARD  
OF DIRECTORS OF ELSINORE VALLEY  
MUNICIPAL WATER DISTRICT  
TUESDAY, NOVEMBER 22, 2022**

The Special Meeting of the Board of Directors of Elsinore Valley Municipal Water District was held at its principal offices at 31315 Chaney Street, Lake Elsinore, California with a remote public participation option (teleconference, through a call-in number clearly noted on the meeting Agenda) posted in accordance with the Brown Act.

Directors Present

Darcy M. Burke, President  
Andy Morris, Vice President  
Chance Edmondson  
Harvey Ryan

Staff Present

Greg Thomas, General Manager  
Steve Anderson, General Counsel  
Terese Quintanar, District Secretary/Administrative Services Supervisor  
Andrew Ferrer, Network Specialist I  
Christina Ramirez, Executive Assistant  
Christy Gonzalez, Deputy Board Secretary/Executive Assistant  
Darryn Flexman, Interim Director of Information Technology  
David Smith, Maintenance Manager  
Haley Munson, Conservation Specialist  
Jason Dafforn, Director of Engineering and Water Resources  
Jennifer Dancho, Director of Human Resources  
Jessie Arellano, Wastewater Operations Manager  
Kelia Jones, Engineering Project Coordinator  
LaDawn Allen, Accountant III  
Robert Hartwig, Assistant General Manager – Business Services  
Serena Johns, Sr. Management Analyst  
Susie Evans, Sr. Executive Assistant  
Tim Collie, Water Operations Manager

Others Present

Sally Johnson, Woodard & Curran  
Anthony Naccarato, Woodard & Curran

<b>CALL TO ORDER</b>
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The meeting was called to order by President Burke at 4:03 p.m.

<b>APPROVAL OF AGENDA</b>
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A motion was made by Vice President Morris, seconded by Director Ryan, and carried unanimously to approve the agenda as presented.

<b>PUBLIC COMMENTS</b>
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The meeting was opened to public comment and there were none. Opportunity was provided to the public to make public comments throughout the duration of the meeting.

<b>Item I.0 - PRESENTATION OF THE PUBLIC RELATIONS SOCIETY OF AMERICA CAPELLA AWARDS</b>
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This item was continued to December 8, 2022.

<b>Item II.0 - CONSENT CALENDAR</b> <i>Resolution Nos. 22-11-04 and 22-11-05</i> <i>Minute Order #5735 - 5741</i>
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- A. APPROVAL OF:
1. Minutes of the Regular Board Meeting of November 10, 2022
  2. Minutes of the Regular Engineering and Operations Committee Meeting of November 7, 2022
  3. Minutes of the Adjourned Finance and Administration Committee Meeting of October 25, 2022
  4. Payment Ratification Report
  5. A Professional Services Agreement with Lee + Ro, Inc. for the Goetz Road Intertie Project (*MO# 5735*)
  6. A Public Works Contract with Sancon Technologies, Inc. for the Manhole Rehabilitation Fiscal Year 2022 Project (*MO# 5736*)
  7. Investment Report, Receive and File (*MO# 5737*)
  8. Change Order No. 1 to the Contract with CDM Constructors Inc. for the Horsethief Canyon Water Reclamation Facility Design-Build Rehabilitation and Expansion Project (*MO# 5738*)
  9. Amendment to Authorized Position Listing (*MO# 5739*)
  10. Adoption of a Resolution for Acceptance of a Funding Agreement Issued by the State Water Resources Control Board (SWRCB) for the Diamond Regional Sewer Lift Station and Dual Force Main Project (Project No. 8514-110) (*Reso No. 22-11-04*)
  11. Task Order 23 with Systems Integrated for Terminal Control Panel and Radio Equipment for the Alberhill 1601/1676 Zone Water Pump Station (*MO# 5740*)

12. A Professional Services Agreement with Woodard and Curran for Grant Management Services (**MO# 5741**)
  13. Adoption of a Resolution Authorizing the General Manager to Submit a Grant Application to the Department of Water Resources for the Urban Community Drought Relief Program (**Reso No. 22-11-05**)
- B. APPROVAL OF TRAVEL AUTHORIZATIONS
1. Darcy Burke - CRWUA Annual Conference

A motion was made by Director Edmondson, seconded by Vice President Morris, and carried unanimously to:

**1. Approve the Consent Calendar as presented.**

**Item III. A GENERAL MANAGER'S REPORT**

Mr. Thomas thanked staff for all they do and wished everyone a Happy Thanksgiving.

**Item III. B LEGAL COUNSEL'S REPORT**

Mr. Anderson had nothing to report.

**Item III. C BOARD COMMITTEE REPORTS**

The entire Board expressed their deep sadness from the passing of Director Williams and reflected on their time spent with him, his character, and his devotion to his family, the community and the District. Among other things, Director Williams will be remembered for his integrity and great wisdom, and he is deeply missed.

President Burke announced that Congressman Calvert will be flying a flag in Director Williams honor over the capital, which will also be entered into congressional record. She then thanked staff for their efforts at the Sedco Hills Town Hall meeting. Director Ryan and Vice President Morris were appointed to an Ad Hoc Facilities Naming Committee to honor Director Williams.

**Item IV.0 DIRECTOR'S COMMENTS AND REQUESTS**

There were none.

**Item VI.0 ADJOURNMENT**

The meeting adjourned at 4:20 p.m. in honor of Phil Williams and the legacy he has left behind.

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Darcy M. Burke, President of the  
Board of Directors of the  
Elsinore Valley Municipal Water District

ATTEST:

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Terese Quintanar, Board Secretary  
to the Board of Directors of  
Elsinore Valley Municipal Water District

- EVMWD BOARD ACTION
- APPROVED
- APPROVED AS AMENDED
- DENIED
- CONTINUED

**MINUTES  
REGULAR MEETING  
FINANCE & ADMINISTRATION COMMITTEE**

**November 15, 2022  
3:30 P.M.**

The Regular Finance and Administration Committee (FAC) Meeting was held as a hybrid, in-person and virtually with members of the public notified of the ability to observe and provide public comment telephonically through the information provided on the meeting Agenda.

Director Present

Phil Williams  
Harvey Ryan

Others Present

Greg Thomas, General Manager  
Robert Hartwig, Assistant General Manager – Business Services  
Ganesh Krishnamurthy, Assistant General Manager – Engineering/Ops/Wtr Resources  
Terese Quintanar, District Secretary/Administrative Services Supervisor  
Bonnie Woodrome, Public Affairs Supervisor  
Christina Henry, Community Relations Manager  
Christy Gonzalez, Executive Assistant/Deputy Board Secretary  
Darryn Flexman, Director of Information Technology  
David Smith, Maintenance Manager  
Greg Morrison, Public Relations Officer  
Jase Warner, Director of Operations  
Jennifer Dancho, Director of Human Resources & Safety  
Margie Armstrong, Director of Strategic Programs  
Scott Thompson, Accounting Manager

**CALL TO ORDER**

Director Williams called the meeting to order at 3:32 p.m.

**PUBLIC COMMENTS**

The meeting was opened to public comments and there were none.

1. **Proposed Amendment to Administrative Code Section 1550, Real Estate Disposal and Acquisition** – Ms. Armstrong presented on this item and referred to a PowerPoint presentation. She reported that when facilities or structures are retired from service, the abandonment of these facilities does not occur immediately and is prioritized based on available budget and urgency. Currently, the policy requires that obsolete District facilities must be abandoned prior to the property being declared as surplus. At this time, there are several properties with

obsolete facilities that can be declared as surplus once the facilities are abandoned.

Staff is proposing to modify this requirement to include an option for the prospective buyer of the surplus property to abandon the District facility within a reasonable amount of time. To qualify for this option, the prospective buyer must execute an agreement with the District which provides guidelines for the abandonment of the facility and the timeline associated with the completion of the abandonment.

The Committee requested additional information on property appraisal costs with the obsolete facility compared to without the facility. Director Williams also requested information of the County of Riverside requirements for abandoning a well. This item will be brought back to the Committee for discussion at the next Committee meeting.

2. **Grants Department Performance Measures FY 2021 & 2022** – Mr. Thompson reported on this item and referred to a presentation within the packet.

Director Ryan requested to see the cost to administer grants vs. grant amount received. The Committee requested this be brought to a future Study Session.

3. **Other** – Christina Henry shared data to the Committee showing past due balances and delinquent turn offs during 2022 versus 2019 (pre-COVID).
4. **Consider Items for Board Review** – There were none.
5. **Adjournment at 4:16 p.m.**



# Payment Ratification Report

Cash Disbursements for 11/11/2022 through 12/08/2022

Check or Reference #	Payment Date	Paid to Vendor	Payment Description	Pmt Type	Payment Amount
<b>ACH</b>					
8902	11/17/2022	ALBERT A. WEBB ASSOCIATES	WASHINGTON AVE. 18" SEWER & LIFT STATION OCT 2022	ACH	11,437.30
8903	11/17/2022	ALVAREZ ENTERPRISE SERVICE	JANITORIAL SERVICES OCT 2022	ACH	7,426.00
8904	11/17/2022	ANSER ADVISORY LLC	ON-CALL INSPECTION SERVICES JUN 2022	ACH	29,268.00
8905	11/17/2022	ARDURRA GROUP INC	ENGINEERING SERVICES DURING CONSTRUCTION BACK BASIN TP ELECTRICAL	ACH	1,671.49
8906	11/17/2022	BABCOCK LABORATORIES INC	LAB TESTING JUN 2022	ACH	38,547.93
8907	11/17/2022	CAROLLO ENGINEERS	PMIS INFOR TECH SUPPORT, HTCWRF DB OA CONST&PSA 2021 UPDATE MASTER PLAN	ACH	108,309.85
8908	11/17/2022	CDM CONSTRUCTORS INC	HORSETHIEF CANYON EXPANSION SEPT 2022	ACH	1,377,652.50
8909	11/17/2022	CHANDLER ASSET MANAGEMENT INC	INVESTMENT MANAGEMENT SERVICES OCT 2022	ACH	10,444.11
8910	11/17/2022	CIPPLANNER CORPORATION	ANNUAL SUPPORT AND MAINTENANCE CIP ACE SOFTWARE	ACH	28,818.25
8911	11/17/2022	DEGRAVE COMMUNICATIONS INC	COMMUNICATIONS SUPPORT OCT 2022	ACH	4,922.56
8912	11/17/2022	FERGUSON ENTERPRISES LLC	WATERWORKS INVENTORY SUPPLIES	ACH	13,571.85
8913	11/17/2022	FIELDMAN ROLAPP AND ASSOCIATES	SRF LOAN FINANCIAL ANALYSIS OCT 2022	ACH	181.50
8914	11/17/2022	GLOBAL POWER GROUP INC	GENERATOR MAINTENANCE	ACH	8,736.71
8915	11/17/2022	HELIX ENVIRONMENTAL PLANNING	SEDCO HILLS SEPTIC TO SEWER ENVIRONMENTAL SERVICES SEPT 2022	ACH	26,198.70
8916	11/17/2022	HILL BROTHERS CHEMICAL CO	CHEMICALS OCT 2022	ACH	4,009.32
8917	11/17/2022	INFRASTRUCTURE ENGINEERING COR	TOMLIN PIPELINE REPLACEMENT MAY & SEPT 2022	ACH	8,712.50
8918	11/17/2022	NORTHSTAR CHEMICAL	CHEMICALS OCT 2022	ACH	5,877.97
8919	11/17/2022	PINNACLE PETROLEUM INC	UNLEADED FUEL OCT 2022	ACH	21,054.43
8920	11/17/2022	TRI COUNTY PUMP COMPANY	PUMP REPAIR & MAINTENANCE SUMMERLY WELL & LAKESHORE	ACH	63,798.74
8921	11/17/2022	TRL SYSTEMS	GENETEC SSA RENEWAL 10/01/2022-09/30/2023	ACH	1,625.00
8922	11/17/2022	TRUEPOINT SOLUTIONS LLC	PERMIT TRACKING SYSTEM OCT 2022	ACH	8,193.75
8923	11/17/2022	WATER QUALITY AND TRTMNT SOLTN	DEVELOP RCMP AND DWSAP OCT 2022	ACH	4,560.00
8924	11/17/2022	WESTERN MUNICIPAL WATER DIST	WATER USE SEPT 2022	ACH	1,569,953.13
8925	11/23/2022	ADVANCED CHEMICAL TRANSPORT	CHEMICAL TRANSPORT	ACH	5,595.56
8926	11/23/2022	ALFA LAVAL	RECONDITION OF TRAIN A BELT PRESS & UPGRADES AT RWRF	ACH	50,874.00
8927	11/23/2022	AMERICAN LABOR POOL	TEMPORARY SERVICES NOV 2022	ACH	2,327.64
8928	11/23/2022	ANSER ADVISORY LLC	ON-CALL INSPECTION SERVICES JUL 2022	ACH	36,982.00
8929	11/23/2022	BABCOCK LABORATORIES INC	LAB TESTING JUL - AUG 2022	ACH	28,514.00
8930	11/23/2022	CORETEX USA INC	AIR TRAX VEHICLE SERVICE NOV 2022	ACH	1,782.60
8931	11/23/2022	DAVE NAHAY CLEANING SYSTEMS	FLEET WASHING & LOT SWEEPING	ACH	1,281.50
8932	11/23/2022	FERGUSON WATERWORKS #1082	WATERWORKS INVENTORY SUPPLIES	ACH	31,552.19
8933	11/23/2022	FIELDMAN ROLAPP AND ASSOCIATES	CONTINUING ANNUAL DISCLOSURE COMPLIANCE	ACH	2,895.90
8934	11/23/2022	GENERAL PUMP COMPANY, INC.	FLAGLER WELLS 2A & 3A EMERGENCY REHAB	ACH	17,750.00
8935	11/23/2022	GLOBAL POWER GROUP INC	GENERATOR MAINTENANCE	ACH	2,760.00
8936	11/23/2022	HACH COMPANY	CHEMICALS	ACH	2,332.62





# Payment Ratification Report

Cash Disbursements for 11/11/2022 through 12/08/2022

Check or Reference #	Payment Date	Paid to Vendor	Payment Description	Pmt Type	Payment Amount
8937	11/23/2022	HELIX ENVIRONMENTAL PLANNING	REGIONAL AG PIPELINE CONVERSION PROJECT-HABITAT RESTORATION	ACH	7,839.38
8938	11/23/2022	HILL BROTHERS CHEMICAL CO	CHEMICALS OCT 2022	ACH	975.24
8939	11/23/2022	KENNEDY JENKS CONSULTANTS	AS-NEEDED PALOMAR WELL OCT 2022	ACH	54,637.50
8940	11/23/2022	LEE & RO INC	ENG SERVICES (MCCS) CONDITION ASSESSMENT PROJECT	ACH	43,685.38
8941	11/23/2022	MPS SECURITY	AFTER HOURS SECURITY OCT 2022	ACH	4,457.93
8942	11/23/2022	NORTHSTAR CHEMICAL	CHEMICALS OCT 2022	ACH	10,713.05
8943	11/23/2022	NURSERY PRODUCTS	BIOSOLIDS HAULING AND DISPOSAL OCT 2022	ACH	76,733.56
8944	11/23/2022	ONLINE INFORMATION SERVICES	CREDIT CHECK SERVICES OCT 2022	ACH	196.90
8945	11/23/2022	PARKHOUSE TIRE INC	TIRES	ACH	2,307.93
8946	11/23/2022	SOUTHERN CA FLEET SERVICES INC	FLEET MAINTENANCE OCT 2022	ACH	12,587.00
8947	11/23/2022	SYSTEMS INTEGRATED LLC	RRWWRF AND CLWTP RADIOS	ACH	29,814.35
8948	11/23/2022	US BANK	VIRTUAL PAYMENT PROGRAM NOV 2022	ACH	304,689.17
8949	11/23/2022	VECTIS DC LLC	GOVERNMENT RELATIONS & FEDERAL LOBBYING SERVICES OCT 2022	ACH	5,000.00
<b>CHECKS</b>					
251988	11/17/2022	ACWA JOINT POWERS INS AUTH	AUTO & GENERAL LIABILITY ANNUAL PROGRAM 10/01/22-10/01/23	CHECK	6,854.00
251989	11/17/2022	APPLE ONE INC	TEMPORARY SERVICES OCT 2022	CHECK	5,027.21
251990	11/17/2022	AT&T MOBILITY LLC	MOBILITY INVOICE NOV 2022	CHECK	9,900.40
251991	11/17/2022	AYALA ENGINEERING	ON-CALL SEWER LINE, WET WELL MAINTENANCE & CCTV SERVICES OCT 2022	CHECK	8,300.00
251992	11/17/2022	BURKE, DARCY	TRAVEL EXPENSE REIMBURSEMENT	CHECK	107.56
251993	11/17/2022	CDM SMITH INC	PSA 2022 UPDATE OF THE IRP PROJECT	CHECK	28,218.00
251994	11/17/2022	CENTRAL COMMUNICATIONS	AFTER HOURS ANSWERING SERVICES NOV 2022	CHECK	916.55
251995	11/17/2022	CITY OF CANYON LAKE	UTILITY TAX REMITTANCE OCT 2022	CHECK	29,596.59
251996	11/17/2022	CITY OF CORONA	UTILITY INVOICE NOV 2022	CHECK	50.04
251997	11/17/2022	CR AND R INCORPORATED	RUBBISH PICKUP SERVICE OCT & NOV 2022	CHECK	2,589.05
252006	11/17/2022	DUDEK AND ASSOCIATES INC	RICE CANYON RESERVOIR ACCESS RD AUG 2022	CHECK	25,727.13
252007	11/17/2022	F.M. THOMAS AIR CONDITIONING INC	HVAC MAINTENANCE & REPAIR	CHECK	6,881.40
252008	11/17/2022	FEDERAL EXPRESS CORPORATION	DELIVERY SERVICE AUG - NOV 2022	CHECK	9,117.85
252009	11/17/2022	FIRST AMERICAN EQUIPMENT FINANCE	COMPUTER LEASE DEC 2022	CHECK	8,743.39
252010	11/17/2022	FRONTIER CALIFORNIA INC.	REMOTE PHONE LINES INCLUDING EQUIPMENT ALARMS	CHECK	616.87
252011	11/17/2022	GALLAGHER BENEFIT SERVICES INC.	COMPREHENSIVE ORGANIZATIONAL STUDY OCT 2022	CHECK	27,472.50
252012	11/17/2022	GREATAMERICA FINANCIAL SERVICE	COPIER LEASE NOV 2022	CHECK	1,041.75
252013	11/17/2022	LINCOLN NATL LIFE INS COMP	LIFE/AD&D/LTD INSURANCE NOV 2022	CHECK	42.04
252014	11/17/2022	RANDY BOND	PLUMBING SERVICES - EXCAVATION CHARGE	CHECK	929.00
252015	11/17/2022	PACIFIC PIPELINE SUPPLY	PIPELINE INVENTORY SUPPLIES	CHECK	1,825.25
252016	11/17/2022	SANTA ROSA REGIONAL RESOURCES AUTH	MONTHLY COST SHARE DEC 2022 & FY 2023 SRRA MEMBER AGENCY NON-OP DEBT SRV	CHECK	421,986.08



# Payment Ratification Report

Cash Disbursements for 11/11/2022 through 12/08/2022

Check or Reference #	Payment Date	Paid to Vendor	Payment Description	Pmt Type	Payment Amount
252017	11/17/2022	SCW CONTRACTING CORPORATION	CONSTRUCTION OF A SEWER LATERAL OCT 2022	CHECK	1,024.10
252018	11/17/2022	SO CAL GAS	GAS INVOICE OCT 2022	CHECK	2,984.61
252019	11/17/2022	SO CAL SHORT LOAD INC	SLURRY BACKFILL OCT 2022	CHECK	4,431.00
252020	11/17/2022	SOUTH COAST A Q M D	EMISSIONS & ANNUAL RENEWAL FEES	CHECK	14,068.72
252021	11/17/2022	SOUTH COAST WATER	1040 MB DI EXCHANGE OCT 2022	CHECK	60.00
252022	11/17/2022	SUPERIOR READY MIX CONCRETE LP	SACK SLURRY BACKFILL OCT 2022	CHECK	4,948.91
252023	11/17/2022	WASTE MANAGEMENT	RUBBISH SERVICE NOV 2022	CHECK	135.29
252024	11/23/2022	ALISON LOUKEH & ASSOCIATES	LANDSCAPING & DROUGHT WORKSHOPS	CHECK	650.00
252025	11/23/2022	AMERICAN CONSERVATION & BILLING	AQUAHAWK STANDARD NOV 2022	CHECK	9,126.00
252026	11/23/2022	AMERICAN MATERIAL CO	BUILDING, ELECTRICAL & SMALL TOOLS	CHECK	1,413.97
252027	11/23/2022	APPLE ONE INC	TEMPORARY SERVICES OCT & NOV 2022	CHECK	9,942.30
252028	11/23/2022	CALIFORNIA AQUASTORE	ANODES WITH INSTALLATION KITS	CHECK	42,113.94
252029	11/23/2022	CORE & MAIN LP	INDUSTRIAL INVENTORY SUPPLIES	CHECK	7,368.90
252030	11/23/2022	CR AND R INCORPORATED	RUBBISH PICKUP SERVICE	CHECK	2,810.25
252031	11/23/2022	CREDIT MANAGEMENT, LP	BAD DEBT COLLECTION OCT 2022	CHECK	1,372.54
252034	11/23/2022	DANGELO CO	WATERWORKS & FIRE PROTECTION SUPPLIES	CHECK	24,070.73
252035	11/23/2022	FEDERAL EXPRESS CORPORATION	DELIVERY SERVICES	CHECK	3,948.09
252036	11/23/2022	FRONTIER CALIFORNIA INC.	REMOTE PHONE LINES INCLUDING EQUIPMENT ALARMS	CHECK	626.51
252037	11/23/2022	G.M. SAGER CONSTRUCTION CO.	ASPHALT & CONCRETE	CHECK	14,940.00
252038	11/23/2022	GANNETT FLEMING INC	TOMLIN PIPELINE REPLACEMENT PROJECT	CHECK	2,607.50
252039	11/23/2022	GEOTAB USA INC	VEHICLE GPS TRACKING AND TELEMATRICS SERVICES	CHECK	94.74
252040	11/23/2022	JON CHRISTENSEN	PROP TAX - 1ST INSTALLMENT FY 22-23	CHECK	1,340.30
252041	11/23/2022	KRUGER INC	REGIONAL WRF TRAIN B AERATOR REPLACEMENTS	CHECK	749,856.57
252042	11/23/2022	MCI COMM SERVICE	REMOTE LOCATION PHONES LINES FOR EQUIPMENT ALARMS	CHECK	107.70
252043	11/23/2022	NETCOMP TECHNOLOGIES INC	IT SUPPORT SERVICES OCT 2022	CHECK	1,000.00
252044	11/23/2022	RAYNE WATER CONDITIONING INC	WATER CONDITIONING NOV 2022	CHECK	68.50
252046	11/23/2022	RIVERSIDE COUNTY SHERIFF'S OFF	POLICE REPORT	CHECK	13.00
252047	11/23/2022	RIVERSIDE COUNTY SHERIFF'S OFF	POLICE REPORT	CHECK	13.00
252048	11/23/2022	ROCKWELL CONSTRUCTION SERVICES	ON-CALL ELECTRICAL JUN 2022	CHECK	3,405.00
252049	11/23/2022	S & J SUPPLY CO	PIPELINE INVENTORY SUPPLIES	CHECK	1,008.12
252050	11/23/2022	SBC TAX COLLECTOR	PROP TAX - 1ST INSTALLMENT	CHECK	921.31
252051	11/23/2022	SO CAL GAS	INTER-UTILITY AGREEMENT	CHECK	3,714.70
252052	11/23/2022	SOLENIS	CHEMICALS OCT 2022	CHECK	12,709.50



# Payment Ratification Report

Cash Disbursements for 11/11/2022 through 12/08/2022

Check or Reference #	Payment Date	Paid to Vendor	Payment Description	Pmt Type	Payment Amount
252053	11/23/2022	SOUTH COAST WATER	1040 MB DI EXCHANGE OCT 2022	CHECK	120.00
252054	11/23/2022	TEKDRAULICS	IMPELLER, SUCTION AND LOCKSCREW	CHECK	20,544.06
252055	11/23/2022	THE PRIZM CIVIL ENG & LAND SURVEYORS	ON-CALL SURVEYING FOR CAPITAL & DEVELOP PROJECTS	CHECK	3,460.00
252056	11/23/2022	VERIZON WIRELESS	WIRELESS INVOICE NOV 2022	CHECK	113.33
252057	11/23/2022	WILSON BOHANNAN PADLOCK CO	INVENTORY PAD LOCKS	CHECK	701.22

## REFUNDS AND REBATES

251998	11/17/2022	GAIL WARNER	CUSTOMER REFUNDS	CHECK	37.82
251999	11/17/2022	ROSS MIETZEL	CUSTOMER REFUNDS	CHECK	61.06
252000	11/17/2022	KIMBERLI MCBRIDE	CUSTOMER REFUNDS	CHECK	172.29
252001	11/17/2022	DANIEL MENDOZA	CUSTOMER REFUNDS	CHECK	122.34
252002	11/17/2022	MEGAN HASSANI	CUSTOMER REFUNDS	CHECK	51.05
252003	11/17/2022	TRISTEN GIROUX	CUSTOMER REFUNDS	CHECK	41.78
252004	11/17/2022	FM UNITED	CUSTOMER REFUNDS	CHECK	1,225.50
252005	11/17/2022	VIRGINIA PEYKOFF	CUSTOMER REFUNDS	CHECK	14.47
252032	11/23/2022	RICARDO ACEVEDO	CUSTOMER REFUNDS	CHECK	119.60
252033	11/23/2022	DOUGLAS PIPELINE INC	CUSTOMER REFUNDS	CHECK	1,041.20
252045	11/23/2022	FROYLAN ALFARO	HOT WATER REBATES	CHECK	175.00

## WIRE TRANSFERS

22043812866	10/21/2022	U.S. BANK GLOBAL CORPORATE TRUST	2020-1 1A-2A ANNUAL ADMIN FEES	WIRE	3,075.00
00370240972	11/17/2022	EVMWD – GENERAL CHECKING	TRANSFER - CAMP TO CHECKING	WIRE	3,000,000.00
03003	11/14/2022	FEDERAL TAX PAYMENTS	PAYROLL TAXES - PAY PERIOD 2022-11-09 BOD	WIRE	696.85
03003-2	11/14/2022	FICA WITHHELD	PAYROLL TAXES - PAY PERIOD 2022-11-09 BOD	WIRE	1,243.06
1558149344	11/14/2022	CALIF STATE TAXES	PAYROLL TAXES - PAY PERIOD 2022-11-09 BOD	WIRE	87.42
680001546	11/15/2022	WESA GENERAL CHECKING	PMT OF PERSONNEL SVCS FOR OCT 2022	WIRE	3,193,680.91
2231053061	11/23/2022	U.S. BANK GLOBAL CORPORATE TRUST	2020-1 1A-3A ANNUAL ADMIN FEES	WIRE	2,750.00

## VIRTUAL PAYMENT PROGRAM

699	11/17/2022	AMERICAN MATERIAL CO	BUILDING, ELECTRICAL & SMALL TOOLS	VIRTUAL	420.66
700	11/17/2022	ANIMAL PEST MANAGEMENT SERVICES INC	PEST CONTROL & BEE REMOVAL OCT 2022	VIRTUAL	660.50
701	11/17/2022	BEST BEST AND KRIEGER	LEGEL SERVICES OCT 2022	VIRTUAL	34,079.00
702	11/17/2022	LAWNSCAPE SYSTEMS INC	LAWNSCAPE & WEED ABATEMENT OCT 2022	VIRTUAL	28,720.09



# Payment Ratification Report

Cash Disbursements for 11/11/2022 through 12/08/2022

Check or Reference #	Payment Date	Paid to Vendor	Payment Description	Pmt Type	Payment Amount
703	11/17/2022	MCCALL'S METER INC.	FIELD METER TEST OCT 2022	VIRTUAL	2,115.00
704	11/17/2022	RIGHTWAY SITE SERVICES INC	PORT-A-POTTY SERVICE OCT 2022	VIRTUAL	122.63
705	11/17/2022	WATER ONE	MONTHLY WATER TREATMENT SERVICE OCT 2022	VIRTUAL	325.00
706	11/23/2022	AQUA METRIC SALES COMPANY	METERS	VIRTUAL	12,545.56
707	11/23/2022	CALOLYMPIC GLOVE AND SAFETY	SAFETY INVENTORY SUPPLIES	VIRTUAL	1,407.36
708	11/23/2022	CINTAS CORPORATION	MATS, TOWELS AND JANITORIAL SUPPLIES	VIRTUAL	2,529.87
709	11/23/2022	INNOVATIVE DOCUMENT SOLUTIONS	DISTRICT NETWORK COPIERS	VIRTUAL	5,670.97
710	11/23/2022	MCCALL'S METER INC.	METERS	VIRTUAL	4,182.11
711	11/23/2022	POLYDYNE INC	CHEMICALS OCT 2022	VIRTUAL	15,540.54
712	11/23/2022	RIGHTWAY SITE SERVICES INC	PORT-A-POTTY SERVICE OCT 2022	VIRTUAL	115.88
713	11/23/2022	UNDERGROUND SERVICE ALERT	UNDERGROUND SERVICE ALERT NOV 2022	VIRTUAL	1,351.30

Reviewed By: 

Date: 11/29/2022



*Our Mission...*

The EVMWD team delivers total water management that powers the health and vibrancy of its communities so life can flourish.

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DATE: December 8, 2022

TO: Board of Directors

FROM: General Manager

**SUBJECT: AMENDMENT TO THE BOARD'S BEST MANAGEMENT PRACTICES HANDBOOK**

**STRATEGIC GOAL**

Build Recognized Value  
Elevate Communications  
Expand Collaboration, Innovation and Relationships

**RECOMMENDATION**

The General Manager and staff recommend that the Board of Directors:

1. Adopt the amended Board's Best Management Practices Handbook

**BACKGROUND**

The Board's Best Management Practices Handbook was reviewed, refreshed and adopted in May of 2021. It is good practice and the intent to periodically review this document and make edits as required to keep it current and relevant. Staff performed a review of the documents and recommends updates including revisions to the Executive Summary, addition of the new Vision Statement and the removal of redundant language which has previously been incorporated into the Administrative Code.

Staff reviewed the recommended updates with the Finance and Administration Committee on May 17, 2022. During review, Director Ryan requested the addition of verbiage in line with Strategic Plan Objective C2, for continued education and training for current and future Board members. Draft verbiage has been added to Section IV, Principles and Performance Expectations of the Board of Directors to reflect that Board Members are expected to receive training to assist Board productivity, legislative advocacy, Board governance & operating basics.

Staff presented the proposed amendments to the Board's Best Management Practices Handbook to the Board at the August 3, 2022, Study Session for review and discussion,

and once again at the November 2, 2022, Study Session meeting. Edits from the discussions have been incorporated. As a result of the November 2, 2022, meeting, clarifying language has been added to Section VIII.B.9. This change reflects that general discussion of the recommended action takes place after staff's report, invitation for public comment and a motion is made, which has been the practice.

Incorporated into the Board's Best Management Practices Handbook is a Letter of Commitment. Signed Letters of Commitment are kept on file by the District Secretary. After thorough review, staff recommends adoption of the updated Board's Best Management Practices Handbook.

### **ENVIRONMENTAL WORK STATUS**

Not applicable.

### **FISCAL IMPACT**

Not applicable.

Originated by: Terese Quintanar – Administration

Reviewed by: Christy Gonzalez – Administration

Attachments:

Board's Best Management Practices Handbook  
Rosenberg's Rules of Order

## **Elsinore Valley Municipal Water District's Commitment to Board's Best Management Practices**

### **I. Executive Summary**

#### **Comprehensive Organizational Development Plan**

The Elsinore Valley Municipal Water District (District) approved the development of its first Comprehensive Organizational Development Plan (Plan) in September of 2014. The Plan assisted District leadership in better defining appropriate management policies and procedures while improving the overall management efficiency of the District by closely integrating three separate but uniquely linked elements. The three elements of the Plan include development of a Board Member Best Management Practices Handbook, an Organizational Performance Assessment and the 2021 Strategic Plan. This document deals with the first element of the Plan, The **Board's Best Management Practices**.

#### **Board's Best Management Practices**

The members of the Board of Directors understand the importance of the role each of them plays in representing the District's customers and ratepayers in the most ethical and accountable manner possible. The legal framework that provides guidance for their roles as either elected or appointed public officials are established in the California Government and Water Codes. Additionally, policies within EVMWD's Administrative Code, further define and guide the Board of Directors and staff on management of the District. Sections 400, 500 and 700 of the Administrative Code were used extensively in the development of the Board's Best Management Practices and are utilized as a complement to this document

To further identify and define expectations of accountability and behavior the Board of Directors and General Manager conducted a thorough review of the Best Practices in early 2021 to ensure that the document paralleled "*standards and expectations for governance that guides organizational performance to achieve superior results.*" The following criteria were used in identifying the appropriate Best Practices:

- Ethical standards and accountable leadership
- Public confidence and integrity
- Compliance with the letter and spirit of existing laws and policies
- Dedication to superior service
- Personalized standards of conduct

The process of developing a Board's Best Management Practices consisted of individual meetings with WESA staff, two workshops with the Board of Directors and a review of five separate elements of a proposed Handbook, starting with a review of the existing Government Code and Administrative Code as a first step. The second

step included identifying a set of agreed upon performance expectations for Board Members related to their roles in governance. This included Board and staff behavior expectations in the performance of their official capacity, official representation of the agency at various functions, the working relationship with staff and support of District objectives. The third step of the process included a review of the role and expectations for the official positions of the Board President, Vice-President and for that of a Board Member. The fourth step involved a review of the appropriate manner in which the Board provides direction to staff, the evaluation of the General Manager's staff and the level of respect required for the different roles of staff and of the Board. The final step of the workshop included development of a written expression of Best Practices which was then to be reviewed and signed by each Board Member as a public acknowledgement of the District's commitment to Best Practice expectations and accountability in the form of a Letter of Commitment.

In addition to the signed Letter of Commitment, the Board of Directors and General Manager agreed that a bi-annual review of the approved Board's Best Management Practices Handbook would serve as an ongoing reminder of their roles in policy governance and principles of behavior as a "Best of Class" water utility. The document would also serve as a valuable tool in the orientation of new Board Members as well as future General Managers.

## **II. Introduction**

### **Strategic Vision- Culture-Values**

The District's Board of Directors and its General Manager recognize the importance and value of a positive and constructive culture to the overall performance of the District. This culture in large part is a product of the District's Strategic Vision and the goal of performing as a Best in Class utility, individually and corporately. Whether in the capacity of an elected or appointed Director, or as an employee, their primary responsibility is to serve our customers.

When considering the adoption of the new Strategic Plan as a part of the overall Comprehensive Organizational Development Plan, the Board of Directors considered a series of Strategic Vision Goals to guide the planning and application of all policies and procedures including the application of the Best Practices identified in this document. It is the responsibility of each Board and staff member to know, understand, and carry out their respective role as outlined in the Board's Best Management Practices as well as the Strategic Vision goals and its objectives within their respective capacities. The Vision Goals that will be considered will include but are not limited to the following categories:

1. Innovative, Creative, proactive, and technologically advanced.
2. "One Water" water sourcing, wastewater treatment, water recycling.
3. Trusted and recognized for positive relationships; Customers, Community, Staff.

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4. Fiscally fit and highest value.

- **Authority, Role of the Board and General Guidelines**

### **A. Authority**

The District is an independent public agency, which provides water service to the lands and inhabitants within its boundaries. The District operates under the authority of Division 12 of the Municipal Water District Act of 1911. The District is governed by an elected Board of Directors who has the authority to oversee the business and affairs of the District, including the authority to fix terms and conditions of employment (including compensation) of WESA employees. The Board is authorized to delegate those powers. The Board has the power to employ and set terms and conditions for employment of the General Manager who, in turn, has management authority over WESA employees.

In order for a Board of Directors to function in an effective manner, it is important that Directors understand their respective roles and the relationship to other members of the Board and to the General Manager. This also requires an understanding of the performance expectations necessary to carry out the duties of a Board Member.

The officers of the Board of Directors consist of the President, a Vice-President, Treasurer and Secretary. Officers of the District are selected every year corresponding with the end of the calendar year or as otherwise determined by the Board of Directors.

### **B. Role of the Board**

The primary role of the Board is to establish policies that guide the District to achieve its mission. The policy decisions of the Board constitute the “action” of the Board of Directors. As such, each Board Member is strongly encouraged to support the actions of the collective Board even when there may be individual opinions.

### **C. Best Practice General Guidelines**

1. The Board of Directors provides policy direction and leadership for the District.
2. The Board is responsible for ensuring (from a policy perspective) that the District is a progressive, innovative, and well-managed agency.
3. The Board exercises authority only as a Board.
4. The Board understands and provides leadership in regional, state and national issues affecting the operation and management of the District. This action may be supported by the General Manager as required.
5. The Board respects the role of constituents in the governance of the District, encourages their participation and consults with key stakeholders when and where appropriate.
6. Board Members recognize and respect the distinctions between the policy-setting role and the day-to-day implementation of policy by staff.

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7. Board Members represent the District in various community and water industry events.
8. Board Members maintain a high level of communication with the General Manager and notify the General Manager of their unavailability in a timely manner.
9. Board Members have equal access to information including staff reports, committee agendas, customer inquiries, background information, etc.
10. Board Members inform the General Manager of any specific information they want to receive from outside agencies or organizations and are provided such information in a timely manner.
11. Board Members may request information from the General Manager, or the District Secretary while notifying the General manager of such request, provided such request does not cause significant disruption in staff workload. The General Manager shall advise if the requested information should be placed on the Board of Directors meeting agenda or the appropriate committee agenda to affect a policy change or approve an expenditure of public funds.

- **Principles and Performance Expectations of the Board of Directors**

1. The Board and the General Manager function as a participatory team.
2. The Board values a visionary, constructive, high-energy work environment.
3. The Board values open and honest communication, with open agendas.
4. The Board works for the common good of its customers and stakeholders and not for any private or personal interest.
5. Board Members are prepared for meetings.
6. Board Members practice continued professional development in their role as Board Members.
7. Board Members are respectful and considerate of each other and staff.
8. Board Members are expected to receive training and refresher training to assist Board productivity, legislative advocacy, Board governance & operating basics.

**V. Board of Directors Interaction and Communication**

1. Board Members maintain informal and professional relationships among one another.
2. Board Members refrain from personal attacks against other fellow Board and staff.
3. Attire at Board meetings, and when representing the District at public events, shall be business attire when appropriate for the event.
4. Board Members are representatives of the District's culture and values at all times and lead by example in their interactions.
5. Board Members are knowledgeable of the District's travel and expense reporting policies.

6. When attending meetings or conferences, Board Members are ambassadors and representatives of the District and conform with behavior that always places the District in a positive light.
7. Board Members are aware of the rules governing communication among Board Members in compliance with the Ralph M. Brown Act and the Public Records Act, and Rosenberg's Rules of Order. This includes communications by electronic, written and verbal means and methods.
8. Board Members function as a team and are not exclusive in their communication and interaction.
9. Board Members will not include false or misleading information in a candidate's statement for a general District election.
10. Outside of scheduled meeting locations for Board Meetings, Committee Meetings and Study Sessions, tours or site visits to District facilities shall be pre-scheduled through the District Secretary and must be accompanied by staff with appropriate knowledge and access to those facilities.
11. Board Members shall have equal access to enter the District Headquarters during business hours.
12. When the Board of Directors participates in social media, communications shall be in compliance with the General Social Media Use policy, Section 1470 of the Administrative Code.

## **VI. Role of the General Manager and Board Interaction with Staff**

### **A. Role of the General Manager**

The most vital relationship in the District is between the Board and the General Manager. The General Manager is the primary agent of the Board, the individual to whom the Board delegates its authority to manage and administer the District's daily operations in accordance with policies approved by the Board. This position is important because to be successful, the District requires leadership and vision from its General Manager. In this capacity, the General Manager has two roles: Chief Executive Officer and top advisor to the Board. As the most visible employee, the General Manager truly represents the District to its many constituencies.

The success of the strong relationship between the Board and the General Manager depends on a shared sense of purpose, open communication, honest and mutual support. Both parties must also understand that the relationship itself is paradoxical with inherent tensions. The General Manager is hired to carry out Board policy directives, and at the same time, is looking to the Board for guidance and leadership.

One of the most important decisions a Board makes is the selection of a General Manager in whom the Board has confidence. The Board must be able to support the decisions of the General Manager and grant him or her the authority to manage and lead the District.

It is the General Manager's responsibility to ensure that the Board Members have the information needed to make Board level decisions. The General Manager provides the same information to all Board Members and will promptly alert them about problems and issues to prevent surprises. Board Members expect the General Manager to make a recommendation on issues before the Board, except those that are strictly a matter of the Board of Directors.

## **B. Board Interaction with the General Manager**

1. The General Manager establishes and presents annual goals, which are approved by the Board of Directors as a part of the formal performance review process.
2. The Board of Directors will provide the General Manager with constructive feedback on his or her performance annually in a written evaluation.
3. Board Members are encouraged to contact the General Manger about any subject related to the operations of the District. Similarly, the General Manger may discuss District related issues with any Board Member. ~~710-D~~
4. The Board's concerns regarding overall District operations, specific division issues or problems with staff are addressed with the General Manager.
5. The General Manager handles internal District matters. The Board of Directors does not interfere with the ~~day-day-to-to~~ day operations of the District.
6. Board Members should report matters related to safety, concerns for safety, or hazards to the General Manager.
- 5-7. If contacted by constituents or officials of neighboring agencies regarding water or sewer related emergencies, Board Members should refer the calls to the General Manager, or in the absence of the General Manager, the General Manager's designee

## **C. Board Interaction with Staff**

1. Board Members shall not direct staff to take a particular action. Requests are made through the General Manager.
2. Board Members may contact the ~~District Secretary and~~ General Manager with questions related to District operations. ~~The General Manager is advised of these communications.~~ The General Manager is responsible for ensuring that the requests are handled promptly and accurately.
3. Critical information about District operations is provided to all Board Members in verbal, written or electronic format ~~by an appropriate staff member,~~ by the General Manager or by a designee at the request of the General Manager. ~~with the knowledge of the General Manager.~~
4. Board Members make every effort to contact the General Manager and District Secretary prior to a Board meeting regarding questions related to agenda items so the most accurate and prepared response can be provided. Information provided in response to questions related to the agenda shall be shared with the entire Board of Directors. The Board and staff operate by the "No Surprise Rule" regarding information sharing.

4.5. Board members should request all documents through the District Secretary.

**D. ~~Role of~~Interaction with District's Legal Counsel**

1. The District's Legal Counsel operates as an extension of and in collaboration with the Board, the General Manager and staff.
2. The Legal Counsel's primary point of contact is the General Manager.
3. The Legal ~~counsel~~Counsel regularly consults with the Board and the General Manager on items of concern related to any facet of District operations.
4. When more specialized legal expertise is needed for the District, the Legal Counsel will oversee their work to the extent possible or advise the General Manager on matters of their performance when necessary.
5. The Legal counsel is pro-active in informing and protecting the District and Board of Directors in the performance of their duties from any potential violations and conflicts that may arise.
6. The Legal Counsel meets with General Manager and the Board of Directors annually to review the performance of the Legal Counsel, establish goals and review their contract.
7. Board members recognize that General Counsel represents the District and does not represent individual Board members.
8. Board members shall not request legal research or legal opinions from General Counsel without Board consensus, unless matters are of ethical or conflict of interest concern.
9. Board members shall not request legal assistance or legal advice of a personal or business nature from General Counsel.
10. Board members recognize and acknowledge that the Attorney-Client Privilege, as applied to the District and that as individual Board members, they cannot waive the attorney client privilege of the District and, as such, they shall not disclose legal opinions or advice provided to the District to any third party without the approval of the Board.
11. Any complaints made by one Board member against another should be reported to the General Manager and General Counsel.

6-

**VII. Selection, Role and Responsibility of the President and Vice-President**

**A. President of the Board**

1. The President of the Board of Directors is selected by a majority vote of the Board corresponding with the end of the calendar year, unless otherwise modified by the Board.

**B. Vice-President of the Board**

Revision: May 27, 2021

1. The Vice President of the Board of Directors is selected by a majority vote of the Board corresponding with the end of the calendar year, unless otherwise modified by the Board.

## **VIII. Public & Media Interaction**

### **A. Customer Inquires**

1. All customer concerns and inquiries are referred to the General Manager or an appropriate staff member in their absence.
2. Staff provides the Board with a written or verbal report of a customer concern or inquiry that cannot be handled as a routine manner along with a response to the concern or inquiry.
3. The Board is informed of significant, politically sensitive, urgent and/or repetitive communication inquiries. Staff will research the matter as soon as possible, and provide the General Manager with the appropriate follow-up and response. The General Manager will review the communication prior to dissemination to the Board.
4. Board Members refer responses and inquiries to customer or media concerns either to the General Manager or the President.
5. Inquiries from customers outside of the division of the receiving Board Member shall be forwarded to the Board Member of that customer's division with a courtesy copy to the District Secretary.

### **B. Board of Directors Meetings**

1. All noticed meetings are conducted using Rosenberg's Rules of Order. Rosenberg's Rules of Order provides for constructive and democratic meetings.
2. Special meetings are called by the President. Noticing for special meetings will be in compliance with the Ralph M. Brown Act.
3. All meetings are open meetings in compliance with the Ralph M. Brown Act.
4. The General Manager is responsible for setting the agenda. Any Director may request that an item be placed on the agenda through notification to the General Manager and President. Any member of the public may request that an item be placed on the agenda. The General Manager and the President will determine if the item should be placed on the agenda or referred to the appropriate Committee.
5. The General Manager or his designee informs the Board of items of significance that will be placed on future agendas.
6. Oral communications are allowed for items of significance not on the agenda pursuant to the Ralph M. Brown Act.
7. Directors may ask clarifying questions to ensure that staff provides an appropriate response. During meetings, Directors may respond briefly to public comments and the President may refer matters to the General Manager for

follow-up. Occasionally, a prompt response may be offered when an obvious answer or resolution is available. Directors should refrain from debating or making decisions in response to public comments. If direction is made for a staff member to assist the customer with the public comment, Board Members may contact that customer independently.

8. The President presides at all meetings. The President decides all points of order and procedure during meetings. The President cannot make a motion but may second a motion on the floor. The President is responsible for maintaining an orderly progression of the business before the Board, and to the extent possible regulates the amount and type of input from the public and from Directors and staff.
9. Each Director may ask clarifying questions to the person or persons reporting on the item before them and may discuss the item after the presiding officer invites public comments and after a motion has been made. ~~may speak on an item prior to the making of a motion and prior to vote.~~
10. Roll Call votes are required on all Resolutions and Ordinances considered for adoption. A Roll Call vote can be requested by a Director, but at the discretion of the President.
11. The Board works diligently to achieve unanimity on all actions items. At the request of a Director, and the discretion of the President, and prior to a vote where unanimity may not be achieved, the item may be referred back to a Standing Committee to consider a resolution to the issue.
12. Once an agenda item has been voted on, the disposition is considered as the “action” of the Board and subsequently supported by the individual Directors.
13. Directors on the minority side where less than unanimous vote is cast cannot bring back an item for consideration for one year. The majority can bring it back at will.

### **C. Consent Calendar Agenda**

1. The District utilizes a Consent Calendar on the Agenda to approve routine business matters, such as minutes, production reports, cash reports and previously approved budgetary items.
2. If a Board Member has a question on a Consent Calendar Agenda item, they are encouraged to contact the General Manager and/or District Secretary for clarification prior to the official meeting, rather than having it pulled for separate discussion during the meeting.
3. Staff is prepared to provide a verbal report on any Consent Calendar Agenda items, when necessary.

### **D. Closed Session**

1. All Closed Session discussions and materials are considered legal and confidential information, and as such, are not shared outside the Closed Session Conference unless specific action is taken, and then must be reported out of Closed Session. Closed Session staff reports should be returned to the

- General Manager immediately following the meeting. Electronic copies of the reports will not be provided to the Board.
2. Closed Session meetings may be held at times other than the regular meetings of the Board of Directors so long as the meeting is posted pursuant to the Brown Act rules.
  3. Withholding confidential information that is discussed in Closed Session shall also extend to elected officials from other agencies and the media.
  4. A Board Member should refer a request for information regarding a Closed Session item to the General Manager who, in concert with Legal Counsel, will prepare an appropriate response.

#### **VIII. IX. Role and Responsibility of Standing Committees and Special Committees**

1. Board Committees are given the authority to obtain more information, investigate, and provide a report or recommendation to the full Board of Directors. The committee format allows the Board to conduct its business more efficiently.
2. Any Standing Committee may be formed, renamed, or have functions changed or terminated with approval of the Board.
3. A Standing Committee consists of two Board Members. Standing Committees are open to the public and subject to provisions of the Ralph M. Brown Act.
4. Other Board Members may attend the meetings of the Standing Committees; however, the Brown Act prohibits their participation in the meeting because this constitutes a quorum of the Board.
5. Staff assists members of Standing Committees by preparing agendas, staff reports, distributing materials, and performing other support functions as required. Committee members may request staff assistance through the General Manager.
6. Individuals appointed to Ad Hoc committees serve at the pleasure of the President of the Board, and their participation on the Committee ends upon completion of the project or issue for which the Ad Hoc committee was formed.
7. The Committee Chair is responsible for providing a report of items discussed and/or recommendations to the entire Board at the next available Board of Directors meeting.
8. Copies of committee agendas are made available to the entire Board.
9. Upon request of the General Manager or President, a committee meeting may be scheduled to address an issue requiring attention.
10. If members of committee are in disagreement on a recommendation, the issue is brought to the full Board for consideration.
- 10-11. Committee members shall make diligent efforts to attend assigned meetings and events. Members missing 25% or more of regularly occurring meetings, for reasons not associated with District business, may be replaced by another member of the Board, upon Board action.



\*Upon adoption, links to references such as Rosenberg's Rules of Order, and others will be included in the final document.



**Elsinore Valley Municipal Water District**

## **LETTER of COMMITMENT TO BEST MANAGEMENT PRACTICES**

As a member of the Elsinore Valley Municipal Water District Board of Directors and as the General Manager, I have read the District's Best Practices and understand the expectations placed on me as a representative of the District. I am committed to upholding the public trust and representing the best interest of our customers. I understand that the Board's Best Management Practices Handbook applies exclusively to performance expectations and ethical standards of conduct rather than legal issues. By signing this Letter of Commitment to the Board's Best Management Practices, I am pledging my commitment to uphold a standard of integrity and competence beyond what is required by law. I agree to uphold the following principles, which demonstrate my commitment to the District:

1. I will recognize the value of individual members and appreciate their talents, perspectives and contributions.
2. I will help create an atmosphere of respect and civility where individual members, staff and the public are free to express their ideas and work together to their full potential.
3. I will conduct my personal business and public affairs with honesty, integrity, fairness and respect for others.
4. I will keep the common good as my highest purpose and focus on achieving constructive solutions for the public's benefit.
5. I will avoid and discourage conduct which is divisive or harmful to the best interests of the Elsinore Valley Municipal Water District.
6. I will treat all people with whom I come into contact within a manner in which I wish to be treated.

Name \_\_\_\_\_

Date \_\_\_\_\_

\_\_\_\_\_  
Title or Official Position

Revision: May 27, 2021



# Rosenberg's Rules of Order

REVISED 2011

*Simple Rules of Parliamentary Procedure for the 21st Century*

*By Judge Dave Rosenberg*



## MISSION AND CORE BELIEFS

To expand and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.

## VISION

To be recognized and respected as the leading advocate for the common interests of California's cities.

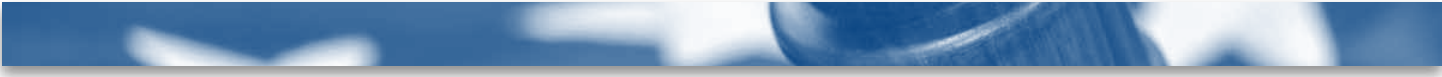
### About the League of California Cities

Established in 1898, the League of California Cities is a member organization that represents California's incorporated cities. The League strives to protect the local authority and autonomy of city government and help California's cities effectively serve their residents. In addition to advocating on cities' behalf at the state capitol, the League provides its members with professional development programs and information resources, conducts education conferences and research, and publishes Western City magazine.

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### ABOUT THE AUTHOR

Dave Rosenberg is a Superior Court Judge in Yolo County. He has served as presiding judge of his court, and as presiding judge of the Superior Court Appellate Division. He also has served as chair of the Trial Court Presiding Judges Advisory Committee (the committee composed of all 58 California presiding judges) and as an advisory member of the California Judicial Council. Prior to his appointment to the bench, Rosenberg was member of the Yolo County Board of Supervisors, where he served two terms as chair. Rosenberg also served on the Davis City Council, including two terms as mayor. He has served on the senior staff of two governors, and worked for 19 years in private law practice. Rosenberg has served as a member and chair of numerous state, regional and local boards. Rosenberg chaired the California State Lottery Commission, the California Victim Compensation and Government Claims Board, the Yolo-Solano Air Quality Management District, the Yolo County Economic Development Commission, and the Yolo County Criminal Justice Cabinet. For many years, he has taught classes on parliamentary procedure and has served as parliamentarian for large and small bodies.



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## INTRODUCTION

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The rules of procedure at meetings should be simple enough for most people to understand. Unfortunately, that has not always been the case. Virtually all clubs, associations, boards, councils and bodies follow a set of rules — *Robert's Rules of Order* — which are embodied in a small, but complex, book. Virtually no one I know has actually read this book cover to cover. Worse yet, the book was written for another time and for another purpose. If one is chairing or running a parliament, then *Robert's Rules of Order* is a dandy and quite useful handbook for procedure in that complex setting. On the other hand, if one is running a meeting of say, a five-member body with a few members of the public in attendance, a simplified version of the rules of parliamentary procedure is in order.

Hence, the birth of *Rosenberg's Rules of Order*.

What follows is my version of the rules of parliamentary procedure, based on my decades of experience chairing meetings in state and local government. These rules have been simplified for the smaller bodies we chair or in which we participate, slimmed down for the 21st Century, yet retaining the basic tenets of order to which we have grown accustomed. Interestingly enough, *Rosenberg's Rules* has found a welcoming audience. Hundreds of cities, counties, special districts, committees, boards, commissions, neighborhood associations and private corporations and companies have adopted *Rosenberg's Rules* in lieu of *Robert's Rules* because they have found them practical, logical, simple, easy to learn and user friendly.

This treatise on modern parliamentary procedure is built on a foundation supported by the following four pillars:

1. **Rules should establish order.** The first purpose of rules of parliamentary procedure is to establish a framework for the orderly conduct of meetings.
2. **Rules should be clear.** Simple rules lead to wider understanding and participation. Complex rules create two classes: those who understand and participate; and those who do not fully understand and do not fully participate.
3. **Rules should be user friendly.** That is, the rules must be simple enough that the public is invited into the body and feels that it has participated in the process.
4. **Rules should enforce the will of the majority while protecting the rights of the minority.** The ultimate purpose of rules of procedure is to encourage discussion and to facilitate decision making by the body. In a democracy, majority rules. The rules must enable the majority to express itself and fashion a result, while permitting the minority to also express itself, but not dominate, while fully participating in the process.

### Establishing a Quorum

The starting point for a meeting is the establishment of a quorum. A quorum is defined as the minimum number of members of the body who must be present at a meeting for business to be legally transacted. The default rule is that a quorum is one more than half the body. For example, in a five-member body a quorum is three. When the body has three members present, it can legally transact business. If the body has less than a quorum of members present, it cannot legally transact business. And even if the body has a quorum to begin the meeting, the body can lose the quorum during the meeting when a member departs (or even when a member leaves the dais). When that occurs the body loses its ability to transact business until and unless a quorum is reestablished.

The default rule, identified above, however, gives way to a specific rule of the body that establishes a quorum. For example, the rules of a particular five-member body may indicate that a quorum is four members for that particular body. The body must follow the rules it has established for its quorum. In the absence of such a specific rule, the quorum is one more than half the members of the body.

### The Role of the Chair

While all members of the body should know and understand the rules of parliamentary procedure, it is the chair of the body who is charged with applying the rules of conduct of the meeting. The chair should be well versed in those rules. For all intents and purposes, the chair makes the final ruling on the rules every time the chair states an action. In fact, all decisions by the chair are final unless overruled by the body itself.

Since the chair runs the conduct of the meeting, it is usual courtesy for the chair to play a less active role in the debate and discussion than other members of the body. This does not mean that the chair should not participate in the debate or discussion. To the contrary, as a member of the body, the chair has the full right to participate in the debate, discussion and decision-making of the body. What the chair should do, however, is strive to be the last to speak at the discussion and debate stage. The chair should not make or second a motion unless the chair is convinced that no other member of the body will do so at that point in time.

### The Basic Format for an Agenda Item Discussion

Formal meetings normally have a written, often published agenda. Informal meetings may have only an oral or understood agenda. In either case, the meeting is governed by the agenda and the agenda constitutes the body's agreed-upon roadmap for the meeting. Each agenda item can be handled by the chair in the following basic format:

**First**, the chair should clearly announce the agenda item number and should clearly state what the agenda item subject is. The chair should then announce the format (which follows) that will be followed in considering the agenda item.

**Second**, following that agenda format, the chair should invite the appropriate person or persons to report on the item, including any recommendation that they might have. The appropriate person or persons may be the chair, a member of the body, a staff person, or a committee chair charged with providing input on the agenda item.

**Third**, the chair should ask members of the body if they have any technical questions of clarification. At this point, members of the body may ask clarifying questions to the person or persons who reported on the item, and that person or persons should be given time to respond.

**Fourth**, the chair should invite public comments, or if appropriate at a formal meeting, should open the public meeting for public input. If numerous members of the public indicate a desire to speak to the subject, the chair may limit the time of public speakers. At the conclusion of the public comments, the chair should announce that public input has concluded (or the public hearing, as the case may be, is closed).

**Fifth**, the chair should invite a motion. The chair should announce the name of the member of the body who makes the motion.

**Sixth**, the chair should determine if any member of the body wishes to second the motion. The chair should announce the name of the member of the body who seconds the motion. It is normally good practice for a motion to require a second before proceeding to ensure that it is not just one member of the body who is interested in a particular approach. However, a second is not an absolute requirement, and the chair can proceed with consideration and vote on a motion even when there is no second. This is a matter left to the discretion of the chair.

**Seventh**, if the motion is made and seconded, the chair should make sure everyone understands the motion.

This is done in one of three ways:

1. The chair can ask the maker of the motion to repeat it;
2. The chair can repeat the motion; or
3. The chair can ask the secretary or the clerk of the body to repeat the motion.

**Eighth**, the chair should now invite discussion of the motion by the body. If there is no desired discussion, or after the discussion has ended, the chair should announce that the body will vote on the motion. If there has been no discussion or very brief discussion, then the vote on the motion should proceed immediately and there is no need to repeat the motion. If there has been substantial discussion, then it is normally best to make sure everyone understands the motion by repeating it.

**Ninth**, the chair takes a vote. Simply asking for the “ayes” and then asking for the “nays” normally does this. If members of the body do not vote, then they “abstain.” Unless the rules of the body provide otherwise (or unless a super majority is required as delineated later in these rules), then a simple majority (as defined in law or the rules of the body as delineated later in these rules) determines whether the motion passes or is defeated.

**Tenth**, the chair should announce the result of the vote and what action (if any) the body has taken. In announcing the result, the chair should indicate the names of the members of the body, if any, who voted in the minority on the motion. This announcement might take the following form: “The motion passes by a vote of 3-2, with Smith and Jones dissenting. We have passed the motion requiring a 10-day notice for all future meetings of this body.”

## Motions in General

Motions are the vehicles for decision making by a body. It is usually best to have a motion before the body prior to commencing discussion of an agenda item. This helps the body focus.

Motions are made in a simple two-step process. First, the chair should recognize the member of the body. Second, the member of the body makes a motion by preceding the member’s desired approach with the words “I move . . .”

A typical motion might be: “I move that we give a 10-day notice in the future for all our meetings.”

The chair usually initiates the motion in one of three ways:

1. **Inviting the members of the body to make a motion**, for example, “A motion at this time would be in order.”
2. **Suggesting a motion to the members of the body**, “A motion would be in order that we give a 10-day notice in the future for all our meetings.”
3. **Making the motion**. As noted, the chair has every right as a member of the body to make a motion, but should normally do so only if the chair wishes to make a motion on an item but is convinced that no other member of the body is willing to step forward to do so at a particular time.

## The Three Basic Motions

There are three motions that are the most common and recur often at meetings:

**The basic motion.** The basic motion is the one that puts forward a decision for the body’s consideration. A basic motion might be: “I move that we create a five-member committee to plan and put on our annual fundraiser.”

**The motion to amend.** If a member wants to change a basic motion that is before the body, they would move to amend it. A motion to amend might be: “I move that we amend the motion to have a 10-member committee.” A motion to amend takes the basic motion that is before the body and seeks to change it in some way.

**The substitute motion.** If a member wants to completely do away with the basic motion that is before the body, and put a new motion before the body, they would move a substitute motion. A substitute motion might be: “I move a substitute motion that we cancel the annual fundraiser this year.”

“Motions to amend” and “substitute motions” are often confused, but they are quite different, and their effect (if passed) is quite different. A motion to amend seeks to retain the basic motion on the floor, but modify it in some way. A substitute motion seeks to throw out the basic motion on the floor, and substitute a new and different motion for it. The decision as to whether a motion is really a “motion to amend” or a “substitute motion” is left to the chair. So if a member makes what that member calls a “motion to amend,” but the chair determines that it is really a “substitute motion,” then the chair’s designation governs.

A “friendly amendment” is a practical parliamentary tool that is simple, informal, saves time and avoids bogging a meeting down with numerous formal motions. It works in the following way: In the discussion on a pending motion, it may appear that a change to the motion is desirable or may win support for the motion from some members. When that happens, a member who has the floor may simply say, “I want to suggest a friendly amendment to the motion.” The member suggests the friendly amendment, and if the maker and the person who seconded the motion pending on the floor accepts the friendly amendment, that now becomes the pending motion on the floor. If either the maker or the person who seconded rejects the proposed friendly amendment, then the proposer can formally move to amend.

### Multiple Motions Before the Body

There can be up to three motions on the floor at the same time. The chair can reject a fourth motion until the chair has dealt with the three that are on the floor and has resolved them. This rule has practical value. More than three motions on the floor at any given time is confusing and unwieldy for almost everyone, including the chair.

When there are two or three motions on the floor (after motions and seconds) at the same time, the vote should proceed *first* on the *last* motion that is made. For example, assume the first motion is a basic “motion to have a five-member committee to plan and put on our annual fundraiser.” During the discussion of this motion, a member might make a second motion to “amend the main motion to have a 10-member committee, not a five-member committee to plan and put on our annual fundraiser.” And perhaps, during that discussion, a member makes yet a third motion as a “substitute motion that we not have an annual fundraiser this year.” The proper procedure would be as follows:

**First**, the chair would deal with the *third* (the last) motion on the floor, the substitute motion. After discussion and debate, a vote would be taken first on the third motion. If the substitute motion *passed*, it would be a substitute for the basic motion and would eliminate it. The first motion would be moot, as would the second motion (which sought to amend the first motion), and the action on the agenda item would be completed on the passage by the body of the third motion (the substitute motion). No vote would be taken on the first or second motions.

**Second**, if the substitute motion *failed*, the chair would then deal with the second (now the last) motion on the floor, the motion to amend. The discussion and debate would focus strictly on the amendment (should the committee be five or 10 members). If the motion to amend *passed*, the chair would then move to consider the main motion (the first motion) as *amended*. If the motion to amend *failed*, the chair would then move to consider the main motion (the first motion) in its original format, not amended.

**Third**, the chair would now deal with the first motion that was placed on the floor. The original motion would either be in its original format (five-member committee), or if *amended*, would be in its amended format (10-member committee). The question on the floor for discussion and decision would be whether a committee should plan and put on the annual fundraiser.

### To Debate or Not to Debate

The basic rule of motions is that they are subject to discussion and debate. Accordingly, basic motions, motions to amend, and substitute motions are all eligible, each in their turn, for full discussion before and by the body. The debate can continue as long as members of the body wish to discuss an item, subject to the decision of the chair that it is time to move on and take action.

There are exceptions to the general rule of free and open debate on motions. The exceptions all apply when there is a desire of the body to move on. The following motions are not debatable (that is, when the following motions are made and seconded, the chair must immediately call for a vote of the body without debate on the motion):

**Motion to adjourn.** This motion, if passed, requires the body to immediately adjourn to its next regularly scheduled meeting. It requires a simple majority vote.

**Motion to recess.** This motion, if passed, requires the body to immediately take a recess. Normally, the chair determines the length of the recess which may be a few minutes or an hour. It requires a simple majority vote.

**Motion to fix the time to adjourn.** This motion, if passed, requires the body to adjourn the meeting at the specific time set in the motion. For example, the motion might be: “I move we adjourn this meeting at midnight.” It requires a simple majority vote.



**Motion to table.** This motion, if passed, requires discussion of the agenda item to be halted and the agenda item to be placed on “hold.” The motion can contain a specific time in which the item can come back to the body. “I move we table this item until our regular meeting in October.” Or the motion can contain no specific time for the return of the item, in which case a motion to take the item off the table and bring it back to the body will have to be taken at a future meeting. A motion to table an item (or to bring it back to the body) requires a simple majority vote.

**Motion to limit debate.** The most common form of this motion is to say, “I move the previous question” or “I move the question” or “I call the question” or sometimes someone simply shouts out “question.” As a practical matter, when a member calls out one of these phrases, the chair can expedite matters by treating it as a “request” rather than as a formal motion. The chair can simply inquire of the body, “any further discussion?” If no one wishes to have further discussion, then the chair can go right to the pending motion that is on the floor. However, if even one person wishes to discuss the pending motion further, then at that point, the chair should treat the call for the “question” as a formal motion, and proceed to it.

When a member of the body makes such a motion (“I move the previous question”), the member is really saying: “I’ve had enough debate. Let’s get on with the vote.” When such a motion is made, the chair should ask for a second, stop debate, and vote on the motion to limit debate. The motion to limit debate requires a two-thirds vote of the body.

**NOTE:** A motion to limit debate could include a time limit. For example: “I move we limit debate on this agenda item to 15 minutes.” Even in this format, the motion to limit debate requires a two-thirds vote of the body. A similar motion is a *motion to object to consideration of an item*. This motion is not debatable, and if passed, precludes the body from even considering an item on the agenda. It also requires a two-thirds vote.

## Majority and Super Majority Votes

In a democracy, a simple majority vote determines a question. A tie vote means the motion fails. So in a seven-member body, a vote of 4-3 passes the motion. A vote of 3-3 with one abstention means the motion fails. If one member is absent and the vote is 3-3, the motion still fails.

All motions require a simple majority, but there are a few exceptions. The exceptions come up when the body is taking an action which effectively cuts off the ability of a minority of the body to take an action or discuss an item. These extraordinary motions require a two-thirds majority (a super majority) to pass:

**Motion to limit debate.** Whether a member says, “I move the previous question,” or “I move the question,” or “I call the question,” or “I move to limit debate,” it all amounts to an attempt to cut off the ability of the minority to discuss an item, and it requires a two-thirds vote to pass.

**Motion to close nominations.** When choosing officers of the body (such as the chair), nominations are in order either from a nominating committee or from the floor of the body. A motion to close nominations effectively cuts off the right of the minority to nominate officers and it requires a two-thirds vote to pass.

**Motion to object to the consideration of a question.** Normally, such a motion is unnecessary since the objectionable item can be tabled or defeated straight up. However, when members of a body do not even want an item on the agenda to be considered, then such a motion is in order. It is not debatable, and it requires a two-thirds vote to pass.

**Motion to suspend the rules.** This motion is debatable, but requires a two-thirds vote to pass. If the body has its own rules of order, conduct or procedure, this motion allows the body to suspend the rules for a particular purpose. For example, the body (a private club) might have a rule prohibiting the attendance at meetings by non-club members. A motion to suspend the rules would be in order to allow a non-club member to attend a meeting of the club on a particular date or on a particular agenda item.

## Counting Votes

The matter of counting votes starts simple, but can become complicated.

Usually, it’s pretty easy to determine whether a particular motion passed or whether it was defeated. If a simple majority vote is needed to pass a motion, then one vote more than 50 percent of the body is required. For example, in a five-member body, if the vote is three in favor and two opposed, the motion passes. If it is two in favor and three opposed, the motion is defeated.

If a two-thirds majority vote is needed to pass a motion, then how many affirmative votes are required? The simple rule of thumb is to count the “no” votes and double that count to determine how many “yes” votes are needed to pass a particular motion. For example, in a seven-member body, if two members vote “no” then the “yes” vote of at least four members is required to achieve a two-thirds majority vote to pass the motion.

What about tie votes? In the event of a tie, the motion always fails since an affirmative vote is required to pass any motion. For example, in a five-member body, if the vote is two in favor and two opposed, with one member absent, the motion is defeated.

Vote counting starts to become complicated when members vote “abstain” or in the case of a written ballot, cast a blank (or unreadable) ballot. Do these votes count, and if so, how does one count them? The starting point is always to check the statutes.

In California, for example, for an action of a board of supervisors to be valid and binding, the action must be approved by a majority of the board. (California Government Code Section 25005.) Typically, this means three of the five members of the board must vote affirmatively in favor of the action. A vote of 2-1 would not be sufficient. A vote of 3-0 with two abstentions would be sufficient. In general law cities in

California, as another example, resolutions or orders for the payment of money and all ordinances require a recorded vote of the total members of the city council. (California Government Code Section 36936.) Cities with charters may prescribe their own vote requirements. Local elected officials are always well-advised to consult with their local agency counsel on how state law may affect the vote count.

After consulting state statutes, step number two is to check the rules of the body. If the rules of the body say that you count votes of “those present” then you treat abstentions one way. However, if the rules of the body say that you count the votes of those “present and voting,” then you treat abstentions a different way. And if the rules of the body are silent on the subject, then the general rule of thumb (and default rule) is that you count all votes that are “present and voting.”

Accordingly, under the “present and voting” system, you would **NOT** count abstention votes on the motion. Members who abstain are counted for purposes of determining quorum (they are “present”), but you treat the abstention votes on the motion as if they did not exist (they are not “voting”). On the other hand, if the rules of the body specifically say that you count votes of those “present” then you **DO** count abstention votes both in establishing the quorum and on the motion. In this event, the abstention votes act just like “no” votes.

*How does this work in practice?*

*Here are a few examples.*

Assume that a five-member city council is voting on a motion that requires a simple majority vote to pass, and assume further that the body has no specific rule on counting votes. Accordingly, the default rule kicks in and we count all votes of members that are “present and voting.” If the vote on the motion is 3-2, the motion passes. If the motion is 2-2 with one abstention, the motion fails.

Assume a five-member city council voting on a motion that requires a two-thirds majority vote to pass, and further assume that the body has no specific rule on counting votes. Again, the default rule applies. If the vote is 3-2, the motion fails for lack of a two-thirds majority. If the vote is 4-1, the motion passes with a clear two-thirds majority. A vote of three “yes,” one “no” and one “abstain” also results in passage of the motion. Once again, the abstention is counted only for the purpose of determining quorum, but on the actual vote on the motion, it is as if the abstention vote never existed — so an effective 3-1 vote is clearly a two-thirds majority vote.

Now, change the scenario slightly. Assume the same five-member city council voting on a motion that requires a two-thirds majority vote to pass, but now assume that the body **DOES** have a specific rule requiring a two-thirds vote of members “present.” Under this specific rule, we must count the members present not only for quorum but also for the motion. In this scenario, any abstention has the same force and effect as if it were a “no” vote. Accordingly, if the votes were three “yes,” one “no” and one “abstain,” then the motion fails. The abstention in this case is treated like a “no” vote and effective vote of 3-2 is not enough to pass two-thirds majority muster.

Now, exactly how does a member cast an “abstention” vote?

Any time a member votes “abstain” or says, “I abstain,” that is an abstention. However, if a member votes “present” that is also treated as an abstention (the member is essentially saying, “Count me for purposes of a quorum, but my vote on the issue is abstain.”) In fact, any manifestation of intention not to vote either “yes” or “no” on the pending motion may be treated by the chair as an abstention. If written ballots are cast, a blank or unreadable ballot is counted as an abstention as well.

Can a member vote “absent” or “count me as absent?” Interesting question. The ruling on this is up to the chair. The better approach is for the chair to count this as if the member had left his/her chair and is actually “absent.” That, of course, affects the quorum. However, the chair may also treat this as a vote to abstain, particularly if the person does not actually leave the dais.

## The Motion to Reconsider

There is a special and unique motion that requires a bit of explanation all by itself; the motion to reconsider. A tenet of parliamentary procedure is finality. After vigorous discussion, debate and a vote, there must be some closure to the issue. And so, after a vote is taken, the matter is deemed closed, subject only to reopening if a proper motion to consider is made and passed.

A motion to reconsider requires a majority vote to pass like other garden-variety motions, but there are two special rules that apply only to the motion to reconsider.

First, is the matter of timing. A motion to reconsider must be made at the meeting where the item was first voted upon. A motion to reconsider made at a later time is untimely. (The body, however, can always vote to suspend the rules and, by a two-thirds majority, allow a motion to reconsider to be made at another time.)

Second, a motion to reconsider may be made only by certain members of the body. Accordingly, a motion to reconsider may be made only by a member who voted in the majority on the original motion. If such a member has a change of heart, he or she may make the motion to reconsider (any other member of the body — including a member who voted in the minority on the original motion — may second the motion). If a member who voted in the minority seeks to make the motion to reconsider, it must be ruled out of order. The purpose of this rule is finality. If a member of minority could make a motion to reconsider, then the item could be brought back to the body again and again, which would defeat the purpose of finality.

If the motion to reconsider passes, then the original matter is back before the body, and a new original motion is in order. The matter may be discussed and debated as if it were on the floor for the first time.

## Courtesy and Decorum

The rules of order are meant to create an atmosphere where the members of the body and the members of the public can attend to business efficiently, fairly and with full participation. At the same time, it is up to the chair and the members of the body to maintain common courtesy and decorum. Unless the setting is very informal, it is always best for only one person at a time to have the floor, and it is always best for every speaker to be first recognized by the chair before proceeding to speak.

The chair should always ensure that debate and discussion of an agenda item focuses on the item and the policy in question, not the personalities of the members of the body. Debate on policy is healthy, debate on personalities is not. The chair has the right to cut off discussion that is too personal, is too loud, or is too crude.

Debate and discussion should be focused, but free and open. In the interest of time, the chair may, however, limit the time allotted to speakers, including members of the body.

Can a member of the body interrupt the speaker? The general rule is “no.” There are, however, exceptions. A speaker may be interrupted for the following reasons:

**Privilege.** The proper interruption would be, “point of privilege.” The chair would then ask the interrupter to “state your point.” Appropriate points of privilege relate to anything that would interfere with the normal comfort of the meeting. For example, the room may be too hot or too cold, or a blowing fan might interfere with a person’s ability to hear.

**Order.** The proper interruption would be, “point of order.” Again, the chair would ask the interrupter to “state your point.” Appropriate points of order relate to anything that would not be considered appropriate conduct of the meeting. For example, if the chair moved on to a vote on a motion that permits debate without allowing that discussion or debate.

**Appeal.** If the chair makes a ruling that a member of the body disagrees with, that member may appeal the ruling of the chair. If the motion is seconded, and after debate, if it passes by a simple majority vote, then the ruling of the chair is deemed reversed.

**Call for orders of the day.** This is simply another way of saying, “return to the agenda.” If a member believes that the body has drifted from the agreed-upon agenda, such a call may be made. It does not require a vote, and when the chair discovers that the agenda has not been followed, the chair simply reminds the body to return to the agenda item properly before them. If the chair fails to do so, the chair’s determination may be appealed.

**Withdraw a motion.** During debate and discussion of a motion, the maker of the motion on the floor, at any time, may interrupt a speaker to withdraw his or her motion from the floor. The motion is immediately deemed withdrawn, although the chair may ask the person who seconded the motion if he or she wishes to make the motion, and any other member may make the motion if properly recognized.

## Special Notes About Public Input

The rules outlined above will help make meetings very public-friendly. But in addition, and particularly for the chair, it is wise to remember three special rules that apply to each agenda item:

**Rule One:** Tell the public what the body will be doing.

**Rule Two:** Keep the public informed while the body is doing it.

**Rule Three:** When the body has acted, tell the public what the body did.



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*Our Mission...*

The EVMWD team delivers total water management that powers the health and vibrancy of its communities so life can flourish.

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DATE: December 8, 2022

TO: Board of Directors

FROM: General Manager

**SUBJECT: RESOLUTION OF APPRECIATION FOR MELISSA MELENDEZ'S DEDICATED SERVICE**

**STRATEGIC GOAL**

Elevate Communications  
Expand Collaboration, Innovation, and Relationships

**RECOMMENDATION**

The General Manager and staff recommend that the Board of Directors:

1. Adopt the Resolution of Appreciation for Melissa Melendez's Dedicated Service

**BACKGROUND**

Melissa Melendez has dedicated her career to serving the United States, the State of California, the City of Lake Elsinore, and her community. She is a veteran of the United States Navy where she became one of the first women approved to fly aboard an EP-3 reconnaissance aircraft overseas and served her country for ten years, during the Cold War, Operation Desert Shield and Desert Storm.

Melissa Melendez was elected to serve a four-year term on the Lake Elsinore City Council in 2008, where she also served as Mayor Pro Tem and Mayor, and then represented California's 67th Assembly District from 2012 to May 2020. Continuing to serve, she was elected to represent California's 28th Senate District in May 2020.

Throughout her career, Melissa Melendez has served on a multitude of policy committees, and associations, and has numerous legislative successes including workplace harassment reform and has been an advocate for public safety, reducing taxes and regulations, and providing services to help people. She has also assisted Elsinore Valley Municipal Water District in acquiring funding for the Feasibility Study of

Lake Elsinore and assisted with the County Water Company transition to public Water Service.

Upon her announcement to retire from office, the Board of Directors of Elsinore Valley Municipal Water District wishes to express its appreciation for her efforts and service. The attached resolution is presented for consideration of adoption. If adopted, it will be forwarded for presentation to Ms. Melendez. Staff recommends adoption at this time.

**ENVIRONMENTAL WORK STATUS**

Not applicable

**FISCAL IMPACT**

None.

Originated by: Terese Quintanar – Administration  
Reviewed by: Christy Gonzalez – Administration

Attachments:

Resolution

RESOLUTION NO. 22-12-xxx

RESOLUTION OF THE BOARD OF DIRECTORS OF ELSINORE VALLEY  
MUNICIPAL WATER DISTRICT IN APPRECIATION OF MELISSA  
MELENDEZ'S SERVICE

WHEREAS, Melissa Melendez has dedicated her career to serving the United States, the State of California, the City of Lake Elsinore, and her community; and,

WHEREAS, she is a veteran of the United States Navy where she became one of the first women approved to fly aboard an EP-3 reconnaissance aircraft overseas and served her country for ten years, during the Cold War, Operation Desert Shield and Desert Storm; and,

WHEREAS, Melendez was one of the first women to fly aboard EP-3 aircraft overseas, was a Russian language translator for ten years, and was part of flight missions during Operation Desert Shield and Desert Storm;

WHEREAS, Melissa Melendez was elected to serve a four-year term on the Lake Elsinore City Council in 2008, where she also served as Mayor Pro Tem and Mayor; and,

WHEREAS, she represented California's 67th Assembly District from 2012 to May 2020; and,

WHEREAS, Melissa Melendez was elected to represent California's 28<sup>th</sup> Senate District in May 2020; and,

WHEREAS, throughout her career she has served on a multitude of policy committees, and associations, and has numerous legislative successes including workplace harassment reform and has been an advocate for public safety, reducing taxes and regulations, and providing services to help people; and

WHEREAS, among others, Melissa Melendez's efforts helped the Elsinore Valley Municipal Water District acquire funding for the Feasibility Study of Lake Elsinore and assisted with the County Water Company transition to public Water Service.

THEREFORE, BE IT RESOLVED, the Board of Directors of Elsinore Valley Municipal Water District hereby commends and expresses its utmost appreciation for her efforts and service; and

THEREFORE, BE IT FURTHER RESOLVED, the Board of Directors of Elsinore Valley Municipal Water District extends its sincere gratitude for her life-long dedication and contributions to her nation and community and wishes her a fulfilling future.

APPROVED, ADOPTED AND SIGNED this 8th day of December 2022.

---

Darcy M. Burke, President of the  
Board of Directors of  
Elsinore Valley Municipal Water District

ATTEST:

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Terese Quintanar, Secretary of the  
Board of Directors of  
Elsinore Valley Municipal Water District



*Our Mission...*

The EVMWD team delivers total water management that powers the health and vibrancy of its communities so life can flourish.

---

DATE: December 8, 2022

TO: Board of Directors

FROM: General Manager

**SUBJECT: RESOLUTION OF APPRECIATION FOR STEPHEN ARAKAWA'S DEDICATED SERVICE**

**STRATEGIC GOAL**

Elevate Communications  
Expand Collaboration, Innovation, and Relationships

**RECOMMENDATION**

The General Manager and staff recommend that the Board of Directors:

1. Adopt the Resolution of Appreciation for Stephen Arakawa's Dedicated Service

**BACKGROUND**

Stephen Arakawa, manager of the Bay-Delta Initiatives Program at the Metropolitan Water District of Southern California, has a background of 30 years working in the water field as a civil engineer.

His efforts have helped secure a reliable supply from the State Water Project through environmental and water supply improvements in the Sacramento-San Joaquin River Delta. His work includes Bay-Delta initiatives such as the completion of the Delta Conveyance Project and California EcoRestore to improve the state water delivery system and restore the Delta environment.

Mr. Arakawa has diligently managed Metropolitan's water supply plans and integrated resources plans. He has also overseen the development and implementation of Metropolitan's resources programs for conservation, local resources projects, and groundwater recovery and conjunctive use programs, as well as the management and negotiations of resource contracts related to the State Water Project, Colorado River deliveries and water transfers and purchases.



After his long career working on issues that intersect environmental, social, scientific, economic and engineering aspects of reliable water supplies, Stephen Arakawa has announced his plans to retire. His commitment to finding resolutions to the ongoing challenges of securing water supplies over the years has resulted in achievements that will be recognized and beneficial for years to come.

The attached resolution of appreciation is presented for consideration of adoption. If adopted, the resolution will be forwarded to the Metropolitan Water District of Southern California for presentation to Mr. Arakawa. Staff recommends adoption at this time.

**ENVIRONMENTAL WORK STATUS**

Not applicable.

**FISCAL IMPACT**

None.

Originated by: Terese Quintanar – Administration  
Reviewed by: Christy Gonzalez – Administration

Attachments:

Resolution

RESOLUTION NO. 22-12-xxx

RESOLUTION OF THE BOARD OF DIRECTORS OF  
ELSINORE VALLEY MUNICIPAL WATER DISTRICT IN  
APPRECIATION OF STEPHEN ARAKAWA'S DEDICATED  
SERVICE TO THE WATER INDUSTRY

WHEREAS, Stephen Arakawa, manager of the Bay-Delta Initiatives Program at the Metropolitan Water District of Southern California, has a background of 30 years working in the water field as a civil engineer; and

WHEREAS, Stephen Arakawa's efforts have helped secure a reliable supply from the State Water Project through environmental and water supply improvements in the Sacramento-San Joaquin River Delta, including Bay-Delta initiatives such as the completion of the Delta Conveyance Project and California EcoRestore to improve the state water delivery system and restore the Delta environment; and

WHEREAS, he has diligently managed Metropolitan's water supply plans and integrated resources plans; the development and implementation of Metropolitan's resources programs for conservation, local resources projects, and groundwater recovery and conjunctive use programs; and the management and negotiations of resource contracts related to the State Water Project, Colorado River deliveries and water transfers and purchases; and

WHEREAS, Stephen's commitment to finding resolutions to the ongoing challenges of securing water supplies over the years has resulted in achievements that will be recognized and beneficial for years to come; and

WHEREAS, after his long career working on issues that intersect environmental, social, scientific, economic and engineering aspects of reliable water supplies, Stephen Arakawa has announced his plans to retire.

THEREFORE BE IT RESOLVED, the Board of Directors of the Elsinore Valley Municipal Water District hereby commends and expresses its utmost appreciation for Stephen's dedication to the water industry, and wishes him a full and rewarding retirement.

APPROVED, ADOPTED AND SIGNED this 8th day of December 2022.

\_\_\_\_\_  
Darcy M. Burke, President of the  
Board of Directors of  
Elsinore Valley Municipal Water District

ATTEST:

\_\_\_\_\_  
Terese Quintanar, Secretary of the  
Board of Directors of  
Elsinore Valley Municipal Water District



**Elsinore Valley Municipal Water District**

*Our Mission...*

The EVMWD team delivers total water management that powers the health and vibrancy of its communities so life can flourish.

---

DATE: December 8, 2022

TO: Board of Directors

FROM: General Manager

**SUBJECT: APPROVAL OF COMMUNITY FACILITIES DISTRICT 2020-1 (HORSETHIEF) CHANGE PROCEEDINGS FOR IMPROVEMENT AREA 1B**

### **STRATEGIC GOAL**

Maintain and Upgrade Infrastructure

### **RECOMMENDATION**

The General Manager and staff recommend that the Board of Directors:

1. Adopt a resolution of consideration relating to Improvement Area 1B of Community Facilities District No. 2020-1; and
2. Adopt a resolution of necessity relating to Improvement Area 1B of Community Facilities District No. 2020-1
3. Call a public hearing for January 12, 2023.

### **BACKGROUND**

Since 2016, Elsinore Valley Municipal Water District (“EVMWD”) has been working with four landowners on future developments within the Horsethief Canyon area of the EVMWD service area to provide water and sewer service for 1,174 new residential units. In April 2020, the Board approved a development agreement allowing for the expansion of Horsethief Water Reclamation Facility (“WRF”) from an average daily capacity of 0.5 million gallons per day (“MGD”) to 0.8 MGD, which will be primarily funded by the developers.

On January 14, 2021, the Board adopted a resolution establishing Community Facilities District (CFD) No. 2020-1 (Horsethief). The CFD was formed with 7 improvement areas and structured with Improvement Areas “A” and “B.” Improvement Area “A” bonds are to be used to finance each developer’s proportionate share of the Horsethief WRF expansion while Improvement Area “B” bonds will be utilized for capacity fees and other public facilities within each of the developments. Improvement Area “A” bonds were

issued first with the “B” bonds dependent on the timing of each development. The purpose of dividing the CFD into several improvement areas was to provide flexibility in the future and to mitigate risk. Should several developments move forward and one development lag, then the slower developing parcel will not impact the credit or the special taxes of the other developments.

At this time, the landowner of Improvement Area 1B, Temescal Valley Land, LLC has expressed that it would like to amend Improvement Area 1B to increase the amount of authorized bond indebtedness. As anticipated when forming the CFD, the estimated land value in the Improvement Area has increased and development plans have changed. Therefore, a larger bond issue and longer term for the special taxes are merited and still in compliance with all District policies. The proposed amendments include an increase to the amount of authorized bond indebtedness from \$1,250,000 to \$4,500,000, a revision to the Rate and Method of Apportionment of Special Tax to increase rates of special tax to be levied, and a five year increase to the term of the special tax from fiscal year 2065 to fiscal year 2070. The special tax is only expected to be levied for 25-30 years but it is prudent to have extra years to collect the tax in the event that there are occurrences which prevent the District from collecting unpaid and delinquent special taxes.

Staff presented this item at the 10/25/22 Finance and Administration Committee meeting and the 11/2/22 Regular Study Session and is recommending approval of the amendments. This item is also expected to go to the following board meetings for additional approval:

- 1/12/23 Board Meeting - Public Hearing, Resolution of Change, Landowner Election and First Reading of Ordinance
- 1/26/23 Board Meeting - Second Reading of Ordinance

### **ENVIRONMENTAL WORK STATUS**

Not applicable.

### **FISCAL IMPACT**

Not applicable.

Originated by: Corrine Nikolic – Finance  
Reviewed by: Scott Thompson – Finance

Attachments:

Resolution of Consideration  
Resolution Declaring Necessity

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE BOARD OF DIRECTORS OF ELSINORE VALLEY MUNICIPAL WATER DISTRICT DETERMINING THAT THE PUBLIC CONVENIENCE AND NECESSITY REQUIRE THE AMOUNT OF AUTHORIZED BONDED INDEBTEDNESS OF COMMUNITY FACILITIES DISTRICT NO. 2020-1 (HORSETHIEF) TO BE INCURRED FOR IMPROVEMENT AREA NO. 1B BE INCREASED, THAT THE RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR IMPROVEMENT AREA NO. 1B BE REVISED TO INCREASE THE RATE OF SPECIAL TAX TO BE LEVIED ON PROPERTY THEREIN, AND THAT THE TERM OF THE SPECIAL TAX FOR THE IMPROVEMENT AREA NO. 1B BE EXTENDED

WHEREAS, the Board of Directors (the "Board of Directors") of the Elsinore Valley Municipal Water District (the "District") has received a written petition from Temescal Valley Land, LLC, the owner (the "Owner" ) of the territory within Improvement Area No. 1B of Community Facilities District No. 2020-1 (Horsethief) of the Elsinore Valley Municipal Water District (the "Improvement Area" and the "Community Facilities District" respectively) requesting that the Board of Directors initiate proceedings pursuant to the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code, to (i) increase the amount of the authorized bonded indebtedness that is allocated to the Improvement Area from \$1,250,000 to \$4,500,000; (ii) revise the Rate and Method of Apportionment of Special Tax for Improvement Area No. 1B to increase the rates of special tax to be levied on parcels of property in the Improvement Area to pay debt service on the bonds of the Community Facilities District that may be issued to finance the design, construction and acquisition of public facilities for the Improvement Area and to pay directly for such facilities; and (iii) extend the term of the special tax for the Improvement Area from 2064-65 to 2069-70.

WHEREAS, the Board of Directors has determined that the public convenience and necessity require the changes proposed in the aforementioned petition, and that it should, therefore, adopt a resolution of consideration pursuant to Sections 53331 and 53334 of the Government Code to initiate proceedings for the consideration of such changes.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ELSINORE VALLEY MUNICIPAL WATER DISTRICT, AS FOLLOWS:

Section 1. Findings. The Board of Directors finds as follows:

(a) The public convenience and necessity require the proposed changes specified in the preceding recitals;

(b) there are not any persons registered to vote within the territory of the Improvement Area; and

(c) pursuant to Section 53326 of the Government Code, the vote in the special election on the changes that are proposed by this resolution, if it is held, shall, therefore, be by the landowners within the Improvement Area, with each landowner of record at the close of the public hearing having one vote for each acre or portion of an acre of land that he or she owns within the Improvement Area.

Section 2. The Community Facilities District. The Community Facilities District is “Community Facilities District No. 2020-1 (Horsethief) of the Elsinore Valley Municipal Water District, County of Riverside, State of California.” The territory within the Improvement Area is generally shown and described on the map of the boundaries of the Improvement Area, which was recorded in Book 85 of Maps of Assessment and Community Facilities Districts at Page 96 and as Instrument No. 2020-0562738 in the office of the County Recorder of the County of Riverside.

Section 3. Bonded Indebtedness. It is proposed (a) that the amount of the authorized bonded indebtedness of the Community Facilities District that shall be allocated to the Improvement Area shall be increased from \$1,250,000 to \$4,500,000; (b) that the Rate and Method of Apportionment of Special Tax for the Improvement Area shall be revised as set forth in Exhibit “A” attached hereto; and (c) that the term of the special tax for the Improvement Area be increased from 2064-65 to 2069-70. The Amended and Restated Rate and Method of Apportionment of Special Tax provides for (i) an increase in the rates of special tax to be levied on parcels of property in the Improvement Area to pay debt service on the bonds of the Community Facilities District that may be issued to finance the design, construction and acquisition of public facilities for the Improvement Area and to pay directly for such facilities.

Section 4. Hearing. A public hearing regarding the proposed changes identified in Section 3 hereof shall be held at 4:00 p.m. on January 12, 2023 in the Board of Directors Chambers located at 31315 Chaney Street, Lake Elsinore, California 92530, or via teleconference as directed by the District due to COVID-19 social distancing guidelines.

Section 5. Description of Voting Procedures. Since less than 12 persons are registered to vote within the territory of the Improvement Area, pursuant to Section 53326 of the Government Code (“Section 53326”), the vote in the special election on the changes that are proposed by this resolution will be by the landowners of the property located within the Improvement Area, with each landowner of record at the close of the public hearing having one vote for each acre or portion of an acre of land that he or she owns within the Improvement Area, and the special election shall be conducted as a mail ballot election. The special election shall be conducted by the Secretary of the Board of Directors (the “Secretary”). The special election shall be held on the earliest date, following the conclusion of the public hearing, as may be selected by the Board of Directors, pursuant to Section 53326, or such earlier date as the owner of land with the Improvement Area and the Secretary agrees and concurs is acceptable. Pursuant to Section 53326, the special election may be held earlier than 90 days following the close of the public hearing, if the qualified elector of the Improvement Area waives the time limits for conducting the election set forth in Section 53326 by unanimous written consent and the Secretary concurs in such earlier election date as shall be consented to by the

qualified electors. Pursuant to Section 53326, ballots for the special election shall be distributed to the qualified electors by the Secretary by mail with return postage prepaid, or by personal service, and the special election shall be conducted in conformance with the applicable requirements of Section 53326, 53327 and 53327.5 of the Government Code. The procedures set forth in this section for conducting the special election, if it is held, may be modified as the Board of Directors may determine to be necessary or desirable by a resolution subsequently adopted by the Board of Directors.

Section 6. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED and ADOPTED this 8th day of December, 2022, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

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Darcy M. Burke, President of the  
Board of Directors of the Elsinore Valley  
Municipal Water District

ATTEST:

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Terese Quintanar, Secretary of the  
Board of Directors of the  
Elsinore Valley Municipal Water District

I, TERESE QUINTANAR, Secretary of the Board of Directors of Elsinore Valley Municipal Water District, certify that the foregoing is a full, true and correct copy of Resolution No. 22-\_\_\_\_\_ adopted by said Board at its regular meeting of December 8, 2022 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Terese Quintanar, Secretary



## EXHIBIT “A”

### AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT FOR IMPROVEMENT AREA NO. 1B (HORSETHIEF) OF COMMUNITY FACILITIES DISTRICT NO. 2020-1 OF THE ELSINORE VALLEY MUNICIPAL WATER DISTRICT

A Special Tax shall be levied and collected in Improvement Area No. 1B (Horsethief) (“IA No. 1B) of Community Facilities District No. 2020-1 (Horsethief) of the Elsinore Valley Municipal Water District (“CFD No. 2020-1”) each Fiscal Year, in an amount determined by the Board of Directors of the Elsinore Valley Municipal Water District acting in its capacity as the legislative body of CFD No. 2020-1 through the application of this Rate and Method of Apportionment as described below. All of the real property in IA No. 1B of CFD No. 2020-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

#### A DEFINITIONS

The terms hereinafter set forth have the following meanings:

“**Acreage**” means that acreage shown on the Assessor’s Parcel Map for each Assessor’s Parcel. In the event that the Assessor’s Parcel Map shows no acreage, the Acreage for any Assessor’s Parcel shall be that shown on the applicable condominium plan, final map, parcel map, or similar instrument. For condominiums, Acreage shall be determined by allocating the acreage of the underlying lot on which the condominiums are or are to be constructed equally to each such condominium unit. An Acre means 43,560 square feet of land.

“**Act**” means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

“**Administrative Expenses**” means actual or reasonably estimated costs related to the administration of CFD No. 2020-1 allocable to IA No. 1B including, but not limited to, the following: (1) the costs of computing the Special Taxes and of preparing the annual collection schedules of Special Taxes; (2) the costs of collecting the Special Taxes; (3) the costs of remitting the Special Taxes to the Fiscal Agent for any Bonds; (4) the Fiscal Agent’s costs (including its legal counsel) in the discharge of the duties required of it under any Fiscal Agent Agreement; (5) the costs of the District, CFD No. 2020-1, or designee in complying with arbitrage rebate requirements, or responding to questions from the SEC or IRS pertaining to any Bonds or any audit from the SEC or IRS pertaining to any Bonds; (6) the costs of the District, CFD No. 2020-1, or designee in complying with the disclosure requirements of applicable federal and state securities laws and of the Act; (7) the costs associated with responding to public inquiries regarding IA No. 1B of CFD No. 2020-1 or the Special Taxes; (8) the costs associated with the release of funds from any escrow account (to the extent not paid from other sources); (9) the costs of the District, CFD No. 2020-1, or designee related to an appeal of the Special Taxes; and (10) an allocable share of the salaries and overhead of the District staff directly relating to the foregoing. Administrative Expenses shall also include, but are not limited to, amounts advanced by the District for any administrative purposes of IA No. 1B of CFD No. 2020-1 including the costs of commencing and pursuing to completion any foreclosure action arising from delinquent Special Taxes in IA No. 1B of CFD No. 2020-1.

“**Assessor’s Parcel**” means a lot or parcel shown in an Assessor’s Parcel Map with an assigned Assessor’s Parcel number.

**“Assessor’s Parcel Map”** means an official map of the Assessor of the County designating parcels by Assessor’s Parcel number.

**“Assigned Special Tax”** means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.

**“Association Property”** means, for each Fiscal Year, any property within the boundaries of IA No. 1B of CFD No. 2020-1 that was owned by a property owner association, including any master or sub-association, as of the January 1 preceding such Fiscal Year.

**“Authorized Facilities”** means those District facilities described in Resolution No. 20-10-01 adopted by the Board of Directors on October 22, 2020 that can be acquired and/or constructed by the levy of Special Tax.

**“B&S”** means the County or City department with authority to issue the Building Permits and Certificates of Occupancy for Assessor’s Parcels in IA No. 1B of CFD No. 2020-1.

**“Backup Special Tax”** means the Special Tax applicable to each Assessor’s Parcel of Developed Property, as determined in accordance with Section C.1.b.

**“Board”** means the Board of Directors of the District, acting as the legislative body of IA No. 1B of CFD No. 2020-1.

**“Bonds”** means any bonds or other indebtedness (as defined in the Act), whether in one or more series, secured by the levy of Special Tax.

**“Building Permit”** means the first legal document issued by the B&S giving official permission for the construction of a building on an Assessor’s Parcel. For purposes of this definition and application of the Special Tax, “Building Permit” may or may not include any subsequent Building Permits issued or changed after the first issuance, as determined by the CFD Administrator.

**“Certificate of Occupancy”** means a document issued by the B&S which permits the initial habitation of a newly constructed Dwelling Unit.

**“CFD Administrator”** means an official of the District, or designee thereof, responsible for determining the Special Tax Requirements, and providing for the levy and collection of the Special Taxes.

**“City”** means any city in which IA No. 1B of CFD No. 2020-1 is located as the result of an incorporation or annexation following the formation of CFD No. 2020-1.

**“County”** means the County of Riverside, California.

**“Developed Property”** means all Taxable Property, exclusive of Taxable Association Property and Taxable Public Property, for which the Final Subdivision was recorded as of the January 1 and a Building Permit for new construction was issued prior to the June 1 of the Fiscal Year preceding the Fiscal Year for which the Special Taxes are being levied, provided such Building Permit was also issued after January 1, 2021.

**“District”** means the Elsinore Valley Municipal Water District.

**“Dwelling Unit” or “DU”** means a residential dwelling unit.

**“Final Subdivision”** means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.), or recordation of a condominium plan pursuant to California Civil Code 4285, that creates individual lots for which Building Permits may be issued without further subdivision.

**“Fiscal Agent”** means the fiscal agent or trustee under the Fiscal Agent Agreement.

**“Fiscal Agent Agreement”** means the fiscal agent agreement, indenture, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

**“Fiscal Year”** means the period starting July 1 and ending on the following June 30.

**“Land Use Classification”** means any of the categories listed in Section C and for Developed Property as listed in Table 1.

**“Maximum Special Tax”** means the maximum Special Tax, determined in accordance with Section C that can be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

**“Non-Residential Property”** means all Assessor’s Parcels of Developed Property which are not classified as Residential Property.

**“Occupied Property”** means all Assessor’s Parcels of Residential Property for which a Certificate of Occupancy for private residential use has been issued.

**“Outstanding Bonds”** mean all Bonds which are deemed to be outstanding under its Fiscal Agent Agreement.

**“Proportionately”** means for Developed Property that the ratio of the actual Special Tax levy to the Assigned Special Tax is equal for all Assessor’s Parcels of Developed Property. For Undeveloped Property, Taxable Association Property, and Taxable Public Property, “Proportionately” means that the ratio of the actual Special Tax levy per Acre to the Maximum Special Tax per Acre is equal for all Assessor’s Parcels of Undeveloped Property, Taxable Association Property, and Taxable Public Property.

**“Public Property”** means any property within the boundaries of IA No. 1B of CFD No. 2020-1 owned by, irrevocably offered or dedicated to the federal government, the State, the County or any local government or other public agency, provided however that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act.

**“Residential Floor Area”** means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area for an Assessor’s Parcel shall be made by reference to the Building Permit(s) issued for such Assessor’s Parcel.

**“Residential Property”** means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for the construction thereon of one or more Dwelling Units.

**“Special Tax”** means the special tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property within IA No. 1B of CFD No. 2020-1 to fund the Special Tax Requirement.

**“Special Tax Requirement”** means that amount with respect to IA No. 1B of CFD No. 2020-1 determined by the Board or designee as required in any Fiscal Year to pay: (1) the Administrative Expenses, (2) regularly scheduled debt service on all Outstanding Bonds due in the calendar year commencing in such Fiscal Year, (3) any amount required to replenish any reserve fund established in connection with Bonds, (4) for reasonably anticipated delinquent Special Taxes, (5) the costs of remarketing, credit enhancement and liquidity facility fees for Bonds (including such fees for instruments that serve as the basis of a reserve fund in lieu of cash related to any such indebtedness), (6) directly for the acquisition and/or construction of Authorized Facilities to the extent that the inclusion of such amount does not increase the Special Tax levy on Undeveloped Property, less (7)

a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator pursuant to the applicable Fiscal Agent Agreement.

“**State**” means the State of California.

“**Taxable Association Property**” means, for each Fiscal Year, all Assessor’s Parcels of Association Property that are not exempt pursuant to Section E.

“**Taxable Property**” means all or a portion of an Assessor’s Parcel that is located within the boundaries of IA No. 1B of CFD No. 2020-1 which is not exempt from the Special Tax pursuant to law or Section E.

“**Taxable Public Property**” means, for each Fiscal Year, all Assessor’s Parcels of Public Property that are not exempt pursuant to Section E.

“**Undeveloped Property**” means all Taxable Property not classified as Developed Property, Taxable Association Property, or Taxable Public Property.

**B CLASSIFICATION OF PROPERTY**

Commencing with Fiscal Year 2021-2022 and each following Fiscal Year, all Taxable Property within IA No. 1B of CFD No. 2020-1 shall be classified as Developed Property, Undeveloped Property, Taxable Association Property, or Taxable Public Property, and shall be subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment determined pursuant to Sections C and D below.

Assessor’s Parcels of Residential Property shall be assigned to Land Use Class 1 through 4 as specified in Table 1 below based upon the Residential Floor Area constructed or to be constructed on an Assessor’s Parcel. Assessor’s Parcels of Non-Residential Property shall be assigned to Land Use Class 5. With respect to Residential Property, the Residential Floor Area shall be determined from the Building Permit(s) issued prior to the Assessor’s Parcel being classified as Occupied Property.

**C MAXIMUM SPECIAL TAX RATE**

**C.1 Developed Property**

The Maximum Special Tax for each Assessor’s Parcel classified as Developed Property shall be the greater of (i) the applicable Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax.

**C.1.a Assigned Special Tax**

The Assigned Special Tax for each Land Use Class is shown in Table 1.

**Table 1: Assigned Special Tax Rates**

Land Use Class	Description	Residential Floor Area	Assigned Special Tax
1	Residential Property	3,650 sq. ft. or Greater	\$1,198/DU
2	Residential Property	≥ 3,150 and < 3,650 sq. ft.	\$1,178/DU
3	Residential Property	≥ 2,650 and < 3,150 sq. ft.	\$1,158/DU
4	Residential Property	Less than 2,650 sq. ft.	\$1,138/DU
5	Non-Residential Property	N/A	\$7,108/Acre

**C.1.b Backup Special Tax**

The Backup Special Tax attributable to a Final Subdivision is equal to \$7,108, multiplied by the Acreage of all Taxable Property, exclusive of any Taxable Association Property and Taxable Public Property, therein. The Backup Special Tax for each Assessor’s Parcel of

Residential Property shall be computed by dividing the Backup Special Tax attributable to the applicable Final Subdivision by the number of Assessor's Parcels, or residential lots or Dwelling Units as applicable, for which Building Permits for residential construction have or may be issued. The Backup Special Tax for each Assessor's Parcel of Non-Residential Property shall equal to \$7,108, multiplied by the Acreage of such Assessor's Parcel.

If a Final Subdivision includes Assessor's Parcels of Taxable Property for which Building Permits for both residential and non-residential construction may be issued, exclusive of Taxable Association Property and Taxable Public Property, then the Backup Special Tax for each Assessor's Parcel of Residential Property shall be computed exclusive of the Acreage and Assessor's Parcels of property for which Building Permits for non-residential construction may be issued.

Notwithstanding the foregoing, if all or any portion of a Final Subdivision is modified subsequent to its initial recordation by a lot line adjustment or similar instrument, and if the CFD Administrator determines that such modification results in a decrease in the number of Assessor's Parcels of Taxable Property, or residential lots or Dwelling Units as applicable, for which Building Permits for residential construction have or may be issued within such Final Subdivision, then the Backup Special Tax for each Assessor's Parcel of Developed Property that is part of the lot line adjustment or similar instrument shall be recalculated below. The Backup Special Tax previously determined for an Assessor's Parcel of Developed Property that is not a part of the lot line adjustment or similar instrument shall not be recalculated.

- 1st. Determine the total Backup Special Taxes applicable to the modified portion of the Final Subdivision area prior to the modification.
- 2nd. The result of 1<sup>st</sup> step above shall be divided by the number of Assessor's Parcels of Developed Property for such modified portion of the Final Subdivision area, as reasonably determined by the CFD Administrator.
- 3rd. The result of 2<sup>nd</sup> step above shall be the Backup Special Tax applicable to Assessor's Parcels of Developed Property in such modified portion of the Final Subdivision area for all remaining Fiscal Years in which the Special Tax may be levied.

### **C.1.c Release of Obligation to Pay and Disclose Backup Special Tax**

If all Bonds that are authorized to be issued by IA No. 1B of CFD No. 2020-1 have been issued or IA No. 1B of CFD No. 2020-1 has covenanted that it will not issue any more Bonds (except refunding bonds), all Assessors' Parcels within IA No. 1B of CFD No. 2020-1 will be relieved simultaneously and permanently from the obligation to pay and disclose the Backup Special Tax if the CFD Administrator determines that the annual debt service required for the Outstanding Bonds, when compared to the total Assigned Special Taxes that may be levied against all Assessor's Parcels of Developed Property results in 110% debt service coverage (i.e., the total Assigned Special Taxes that may be levied against all Developed Property in each remaining Fiscal Year based on then existing development in IA No. 1B of CFD No. 2020-1 is at least equal to the sum of (i) the reasonably expected Administrative Expenses and (ii) 1.10 times maximum annual debt service, in each remaining Fiscal Year on the Outstanding Bonds).

### **C.1.d Multiple Land Use Classes**

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum Special Taxes for all Land Use Classes located on that Assessor's Parcel.

## **C.2 Undeveloped Property, Taxable Association Property, and Taxable Public Property**

The Maximum Special Tax for Undeveloped Property, Taxable Association Property, and Taxable Public Property shall be \$7,108 per Acre.

### **D METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2023-2024 and for each following Fiscal Year, the Board shall determine the Special Tax Requirement and shall levy the Special Tax until the total Special Tax levy equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

**First:** The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax to satisfy the Special Tax Requirement;

**Second:** If additional Special Taxes are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax for Undeveloped Property as set forth in Section C.2 above;

**Third:** If additional Special Taxes are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the levy of the Special Tax on each Assessor's Parcel of Developed Property whose Maximum Special Tax is determined through the application of the Backup Special Tax shall be increased in equal percentages from the Assigned Special Tax up to 100% of the applicable Maximum Special Tax; and

**Fourth:** If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Association Property and Taxable Public Property at up to 100% of the applicable Maximum Special Tax.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Occupied Property in any Fiscal Year be increased as a consequence of delinquency or default by the owner of any other Assessor's Parcel or Parcels within IA No. 1B of CFD No. 2020-1 by more than ten (10) percent above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

### **E EXEMPTIONS**

No Special Tax shall be levied on up to 102.58 Acres of Public Property and/or Association Property. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Association Property or Public Property. However, should an Assessor's Parcel no longer be classified as Association Property or Public Property, its tax-exempt status will be revoked.

Association Property and Public Property that is not exempt from the Special Tax under this section shall be subject to the levy of the Special Tax and shall be taxed Proportionately as part of the fourth step in Section D, at up to 100% of the applicable Maximum Special Tax.

### **F TERM**

The Special Tax shall be levied as necessary to satisfy the Special Tax Requirement, but in no circumstances shall it be levied after Fiscal Year 2069-70.

### **G APPEALS**

Any property owner who feels that the amount of the Special Tax levied on their Assessor's Parcel is in error may submit a written appeal to IA No. 1B of CFD No. 2020-1 not later than thirty-six (36) months after having paid the first installment of the Special Tax that is disputed. The reissuance or cancellation of a Building Permit is not an eligible reason for appeal, with the exception of an incorrect Residential Floor Area. The CFD Administrator shall promptly review

the appeal and, if necessary, meet with the property owner, consider written and oral evidence regarding the amount or application of the Special Tax, and rule on the appeal. If the CFD Administrator's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, the CFD Administrator shall take any of the following actions, in order of priority, in order to correct the error; provided, however, no action shall be taken that would cause a default under the Fiscal Agent Agreement:

- (i) amend the Special Tax levy for the current Fiscal Year to the extent possible;
- (ii) require IA No. 1B of CFD No. 2020-1 to reimburse the property owner the amount of the overpayment to the extent of available funds of IA No. 1B of CFD No. 2020-1 and only for the preceding Fiscal Year(s); or
- (iii) grant a credit against, eliminate or reduce the future Special Taxes levied on the property owner's property within IA No. 1B of CFD No. 2020-1 in the amount of the overpayment.

The Board may interpret this Rate and Method of Apportionment for purposes of clarifying any ambiguity and make determinations relative to the annual administration of the Special Tax and any property owner appeals. Any decision of the Board shall be final and binding as to all persons.

## **H MANNER OF COLLECTION**

The Special Tax will be collected in the same manner and at the same time as ordinary *ad valorem* property taxes, provided, however, that IA No. 1B of CFD No. 2020-1 may collect Special Taxes at a different time or in a different manner as determined by the Board, if necessary to meet its financial obligations.

## **I PREPAYMENT OF SPECIAL TAX**

The following additional definitions apply to this Section I:

**"Buildout"** means, for IA No. 1B of CFD No. 2020-1, that all expected Building Permits for Dwelling Units to be constructed in IA No. 1B of CFD No. 2020-1 have been issued, as reasonably determined by the CFD Administrator.

**"Facilities Costs"** means \$4,500,000 or such lower number as determined by the Board or as determined pursuant to Section J below.

**"Future Facilities Costs"** means the Facilities Costs minus (i) costs of Authorized Facilities previously paid from the Improvement Fund, (ii) moneys currently on deposit in the Improvement Fund available to pay costs of Authorized Facilities, and (iii) moneys currently on deposit in an escrow fund established in connection with the Bonds that are expected to be available to pay the cost of Authorized Facilities.

**"Improvement Fund"** means a fund or account identified in the Fiscal Agent Agreement from which moneys may be disbursed to pay costs of Authorized Facilities.

**"Minimum Denomination"** means the lowest denomination of Bonds that can be purchased as authorized by the Fiscal Agent Agreement.

### **I.1 Prepayment in Full**

The obligation of the Assessor's Parcel to pay the Special Tax may be prepaid and permanently satisfied as described herein, provided that a prepayment may be made only for Assessor's Parcels of Developed Property, or an Assessor's Parcel of Undeveloped Property for which a Building Permit has been issued, and only if there are no delinquent Special Taxes with respect to such Assessor's Parcel and all other Assessor's Parcels of Taxable Property which are under the same ownership at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify

such owner of the prepayment amount for such Assessor's Parcel. The CFD Administrator may charge such owner a reasonable fee for providing this service.

The Special Tax Prepayment Amount shall be the sum of the Bond Redemption Amount, Redemption Premium, Future Facilities Amount, Defeasance Amount, and Prepayment Fees and Expenses less the Reserve Fund Credit and less the Capitalized Interest Credit with such capitalized terms defined below.

As of the proposed date of prepayment, the Special Tax Prepayment Amount shall be calculated as follows:

- 1st. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel.
- 2nd. For Assessor's Parcels of Developed Property, compute the Assigned Special Tax and Backup Special Tax. For Assessor's Parcels of Undeveloped Property for which a Building Permit has been issued, compute the applicable Assigned Special Tax and Backup Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the Residential Floor Area referenced on the Building Permit which has already been issued for such Assessor's Parcel.
- 3rd. Divide the Assigned Special Tax computed pursuant to 2<sup>nd</sup> step by the total estimated Assigned Special Tax levy which could be levied in the current Fiscal Year on all expected development at Buildout, excluding any Assessor's Parcels for which Special Taxes have been prepaid in full.
- 4th. Divide the Backup Special Tax computed pursuant to 2<sup>nd</sup> step by the total estimated Backup Special Tax which could be levied in the current Fiscal Year on all expected development at Buildout, excluding any Assessor's Parcels for which Special Taxes have been prepaid in full.
- 5th. Multiply the larger quotient computed pursuant to 3<sup>rd</sup> or 4<sup>th</sup> steps by the Outstanding Bonds less the scheduled principal payment, if any, on the redemption date, to compute the amount of Bonds to be retired and prepaid (the "Bond Redemption Amount").
- 6th. Multiply the Bond Redemption Amount computed pursuant to 5<sup>th</sup> step by the applicable redemption premium (e.g., the redemption price minus 100%), if any, on the Bonds to be redeemed (the "Redemption Premium").
- 7th. Compute the Future Facilities Costs.
- 8th. Multiply the larger quotient computed pursuant to 3<sup>rd</sup> or 4<sup>th</sup> steps by the amount determined pursuant to 7<sup>th</sup> step to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Amount").
- 9th. Compute the amount needed to pay interest on the Bond Redemption Amount on each interest payment date for the Bonds following the date of prepayment through the redemption date for the Bonds, taking into consideration available capitalized interest during such period.
- 10th. Determine the portion of the Special Tax levied on the Assessor's Parcel in the current Fiscal Year attributable to interest due on the Bonds which has been paid but not yet applied toward the payment of interest on the Bonds.
- 11th. Subtract the amounts computed pursuant to 10<sup>th</sup> step from the amount computed pursuant to 9<sup>th</sup> step (the "Defeasance Amount").
- 12th. The prepayment fees and expenses of IA No. 1B of CFD No. 2020-1 are as calculated by the CFD Administrator and include the costs of computation of the prepayment, the costs of redeeming Bonds, the costs to remove the Special Tax from the County tax roll, and the costs of recording any notices to evidence the prepayment and the redemption (the "Prepayment Fees and Expenses").



- 13th. The reserve fund credit (the "Reserve Fund Credit") shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Fiscal Agent Agreement), if any, associated with the redemption of Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Fiscal Agent Agreement) in effect after the redemption of Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. No Reserve Fund Credit shall be granted if the amount then on deposit in the reserve fund for the Bonds is below the reserve requirement (as defined in the Fiscal Agent Agreement).
- 14th. If any capitalized interest for the Bonds will not have been expended as of the date immediately following the redemption of Bonds, a capitalized interest credit shall be calculated by multiplying the larger quotient computed pursuant to 3<sup>rd</sup> or 4<sup>th</sup> steps by the expected balance in the capitalized interest fund or account under the Fiscal Agent Agreement after such redemption date (the "Capitalized Interest Credit").
- 15th. The Special Tax prepayment is equal to the sum of the Bond Redemption Amount, Redemption Premium, Future Facilities Amount, Defeasance Amount and Prepayment Fees and Expenses, less the Reserve Fund Credit and Capitalized Interest Credit (the "Special Tax Prepayment Amount").

From the Special Tax Prepayment Amount, the Bond Redemption Amount, Redemption Premium, Defeasance Amount, Reserve Fund Credit and Capitalized Interest Credit shall be deposited into the appropriate fund as established under the Fiscal Agent Agreement and be used to retire Bonds or make debt service payments. The Future Facilities Amount shall be deposited into the Improvement Fund. The Prepayment Fees and Expenses shall be retained by IA No. 1B of CFD No. 2020-1.

The Special Tax Prepayment Amount may be insufficient to redeem a full Minimum Denomination of Bonds. In such cases, the increment above the Minimum Denomination or integral multiple thereof will be retained in the appropriate fund established under the Fiscal Agent Agreement to be used with the next prepayment of Bonds or to make debt service payments.

Upon confirmation of the receipt of the Special Tax Prepayment Amount, the CFD Administrator shall determine if there is any portion of the current Fiscal Year's Special Tax levy for such Assessor's Parcel that has not been applied as a credit in determining the Special Tax Prepayment Amount, has or will not be utilized for payment of debt service on the Bonds, or has or will not be utilized for Administrative Expenses (the "Unutilized Special Tax"). The CFD Administrator shall cause the removal of the Unutilized Special Tax from the County tax roll, if feasible, or alternatively and to the extent the Unutilized Special Tax has been paid the issuance of a refund to the prepaid parcel. With respect to any Assessor's Parcel that is prepaid, the Board shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of the Special Tax and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay the Special Tax shall cease.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless, at the time of such proposed prepayment, the amount of Maximum Special Tax that may be levied on Taxable Property within IA No. 1B of CFD No. 2020-1 (after excluding 102.58 Acres of Public Property and Association Property as set forth in Section E) both prior to and after the proposed prepayment is at least equal to the sum of (i) the Administrative Expenses and (ii) 1.10 times maximum annual debt service, in each remaining Fiscal Year on the Outstanding Bonds.

## **I.2 Prepayment in Part**

The obligation of the Assessor's Parcel to pay the Special Tax may be partially prepaid as described herein, provided that a partial prepayment may be made only for Assessor's Parcels of Developed Property, or an Assessor's Parcel of Undeveloped Property for which a Building Permit has been issued, and only if there are no delinquent Special Taxes with respect to such

Assessor's Parcel and all other Assessor's Parcels of Taxable Property which are under the same ownership at the time of partial prepayment. The amount of the prepayment for the Special Tax shall be calculated pursuant to Section I.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = [(STPA - PF) \times F] + PF$$

These terms have the following meaning:

PP = the partial prepayment.

STPA = the Special Tax Prepayment Amount calculated according to Section I.1.

F = the percentage, expressed as a decimal, by which the owner of the Assessor's Parcel is partially prepaying the Special Tax.

PF = the Prepayment Fees and Expenses calculated according to Section I.1.

The owner of any Assessor's Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax and the percentage by which the Special Tax shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax for an Assessor's Parcel within 30 days of the request and may charge a reasonable fee for providing this service. With respect to any Assessor's Parcel that is partially prepaid, the CFD Administrator shall (i) distribute or cause to be distributed the funds remitted to it according to Section I.1, and (ii) indicate in the records of IA No. 1B of CFD No. 2020-1 that there has been a partial prepayment of the Special Tax and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the remaining Maximum Special Tax, shall continue to be levied on such Assessor's Parcel.

## **J SPECIAL TAX REDUCTION**

The following additional definitions apply to this Section J:

**"Issuance Date"** means the date a bond purchase contract related to the sale of the Bonds is entered into between the underwriter of the Bonds and IA No. 1B of CFD No. 2020-1.

**"Maximum Debt Burden"** means the maximum property tax and other property-based fee and charge burden, including the proposed Special Taxes, set forth in the District's Public Financing Policy being Section 2800 of the District's Administrative Code, effective as of April 13, 2017.

**"Plan Type"** means a discrete residential plan type (generally consisting of residential dwelling units that share a common product type (e.g., detached, attached, cluster) and that have nearly identical amounts of living area) that is constructed or expected to be constructed within IA No. 1B of CFD No. 2020-1 as identified in the Price Point Study.

**"Price Point"** means, with respect to the residential dwelling units in each Plan Type, as of the date of the applicable Price Point Study, (a) for such units sold as of such date, the actual sales price of the units and (b) for such units that have not yet been sold as of such date, the base price of such residential dwelling units, estimated by the Price Point Consultant as of such date, including any incentives and concessions, but excluding potential appreciation or premiums, options or upgrades, based upon their actual or expected characteristics, such as living area, view, or lot size. Price Point Consultant shall develop and employ an equitable methodology to determine the final Price Point for each Plan Type based upon the prices determined in (a) and (b) above.

**"Price Point Consultant"** means any consultant or firm of such consultants selected by IA No. 1B of CFD No. 2020-1 that (a) has substantial experience in performing price point studies for residential units within community facilities districts or otherwise estimating or

confirming pricing for residential units in community facilities districts, (b) is well versed in analyzing economic and real estate data that relates to the pricing of residential units in community facilities districts, (c) is in fact independent and not under the control of IA No. 1B of CFD No. 2020-1 or the District, (d) does not have any substantial interest, direct or indirect, with or in (i) IA No. 1B of CFD No. 2020-1, (ii) the District, (iii) any owner of real property in IA No. 1B of CFD No. 2020-1, or (iv) any real property in IA No. 1B of CFD No. 2020-1, and (e) is not connected with IA No. 1B of CFD No. 2020-1 or the District as an officer or employee thereof, but who may be regularly retained to make reports to IA No. 1B of CFD No. 2020-1 or the District.

**“Price Point Study”** means a price point study or a letter updating a previous price point study, which (a) has been prepared by the Price Point Consultant, (b) sets forth the Plan Types constructed or expected to be constructed within IA No. 1B of CFD No. 2020-1, (c) sets forth the estimated number of constructed and expected residential dwelling units for each Plan Type, (d) sets forth such Price Point Consultant’s estimate of the Price Point for each Plan Type and (e) uses a date for establishing such Price Points that is no earlier than 30 days prior to the date the Price Point Study is delivered to the CFD Administrator pursuant to Step No. 1 of this Section J. The Price Point Study will only include the for-sale Residential Property in IA No. 1B of CFD No. 2020-1.

**“Total Effective Tax Rate”** means, for a Plan Type, the quotient of (a) the Total Tax and Assessment Obligation for such Plan Type divided by (b) the Price Point for such Plan Type, converted to a percentage.

**“Total Tax and Assessment Obligation”** means, with respect to a Plan Type, for the Fiscal Year for which the calculation is being performed, the quotient of (a) the sum of the Assigned Special Tax and estimated *ad valorem* property taxes, special assessments, special taxes for any overlapping community facilities districts, and any other governmental taxes, fees and charges levied or imposed on all residential dwelling units of such Plan Type in such Fiscal Year or that would have been levied or imposed on all such residential dwelling units had such residential dwelling units been completed, sold and subject to such levies and impositions in such Fiscal Year divided by (b) the number of residential dwelling units in such Plan Type. The Total Tax and Assessment Obligation for each Plan Type shall be calculated based on the applicable Residential Floor Area, Price Point, and number of constructed and expected residential dwelling units for such Plan Type as identified in the Price Point Study.

Prior to the issuance of the first series of Bonds, the following steps shall be taken for each Land Use Class of for-sale Residential Property:

- 1st. At least 30 days prior to the expected Issuance Date of the first series of Bonds, IA No. 1B of CFD No. 2020-1 shall cause a Price Point Study to be delivered to the CFD Administrator for Assessor’s Parcels of Developed Property, compute the Assigned Special Tax and Backup Special Tax. For Assessor’s Parcels of Undeveloped Property for which a Building Permit has been issued, compute the applicable Assigned Special Tax and Backup Special Tax for that Assessor’s Parcel as though it was already designated as Developed Property, based upon the Residential Floor Area referenced on the Building Permit which has already been issued for such Assessor’s Parcel.
- 2nd. As soon as practicable after receipt of the Price Point Study, the CFD Administrator shall calculate the Total Tax and Assessment Obligation and Total Effective Tax Rate for each Plan Type.
- 3rd. Separately, for each Land Use Class of for-sale Residential Property, the CFD Administrator shall determine whether or not the Total Effective Tax Rate for all Plan Types in a Land Use Class is less than or equal to the Maximum Debt Burden.

- a. If the Total Effective Tax Rate for all Plan Types in a Land Use Class is less than or equal to the Maximum Debt Burden, then there shall be no change in the Assigned Special Tax for such Land Use Class.
  - b. If the Total Effective Tax Rate for any Plan Type in a Land Use Class is greater than the Maximum Debt Burden, the CFD Administrator shall calculate a revised Assigned Special Tax for such Land Use Class, which revised Assigned Special Tax shall be the highest amount (rounded to the nearest whole dollar) that will not cause the Total Effective Tax Rate for any Plan Type in such Land Use Class to exceed Maximum Debt Burden.
- 4th. If the Assigned Special Tax for any Land Use Class is revised pursuant to step 3.b. above, the Backup Special Tax attributable to a Final Subdivision as set forth in Section C.1.b. above shall be revised as followed.
- a. Calculate the total amount of Assigned Special Tax for Land Use Classes 1 through 4 in IA No. 1B of CFD No. 2020-1 by taking the sum of the products of the number of units constructed or expected to be constructed in each such Land Use Class multiplied by the Assigned Special Tax for the corresponding Land Use Class in Table 1 in Section C.
  - b. Pursuant to the step 3.b. above, calculate the reduction in the total amount of Assigned Special Tax for Land Use Classes 1 through 4 in IA No. 1B of CFD No. 2020-1 by taking the sum of the products of the number of units constructed or expected to be constructed in each such Land Use Class that are changing multiplied by the reduction in the Assigned Special Tax for the corresponding Land Use Class.
  - c. Calculate the weighted average percentage reduction in the Assigned Special Tax for Land Use Classes 1 through 4 by dividing the amount derived from the step 4.b. by the amount derived from the step 4.a.
  - d. The revised Backup Special Tax attributable to the Residential Property within a Final Subdivision shall be an amount equal to \$7,108 reduced by the percentage derived from the step 4.c., rounded to the nearest whole dollar.
- 5th. If the Assigned Special Tax for any Land Use Class is revised pursuant to step 3.b. above, the CFD Administrator shall prepare and execute a Certificate of Reduction in Special Taxes substantially in the form of Appendix A hereto and shall deliver such Certificate of Reduction in Special Taxes to IA No. 1B of CFD No. 2020-1. The Certificate of Reduction in Special Taxes shall be completed for all Land Use Classes and shall set forth, as applicable, either (i) the reduced Assigned Special Tax for a Land Use Class as calculated pursuant to step 3.b., or (ii) the Assigned Special Tax as identified in Table 1 in Section C for a Land Use Class that was not revised as determined pursuant to step 3.a.; as well as the revised Backup Special Tax as calculated pursuant to step 4. The Certificate of Reduction in Special Taxes shall also recommend a corresponding reduction in the Facilities Costs amount to be applied in Section I above.
- 6th. If the Issuance Date of the first series of Bonds is within 120 days of the date of receipt of the Price Point Study by the CFD Administrator, IA No. 1B of CFD No. 2020-1 shall execute the acknowledgement on such Certificate of Reduction in Special Taxes, dated as of the closing date of such Bonds, and upon the closing of such first series of Bonds, the Assigned Special Tax for each Land Use Class and the Backup Special Tax shall be, for all purposes, as set forth in such Certificate of Reduction in Special Taxes. If the Issuance Date of the first series of Bonds is not within 120 days of the date of receipt of the Price Point Study by the CFD Administrator, such Certificate of Reduction in Special Taxes shall not be acknowledged by IA No. 1B of CFD No. 2020-

1 and shall, as of such date, be void and of no further force and effect. In such case, if subsequently a first series of Bonds is expected to be issued, at least 30 days prior to the expected Issuance Date of such first series of Bonds, the CFD Administrator shall cause a new Price Point Study to be delivered to the CFD Administrator and, following such delivery, steps 2 through 5 of this section shall be performed based on such new Price Point Study.

- 7th. As soon as practicable after the execution by IA No. 1B of CFD No. 2020-1 of the acknowledgement on the Certificate of Reduction in Special Taxes, IA No. 1B of CFD No. 2020-1 shall cause to be recorded in the records of the County Recorder an Amended Notice of Special Tax Lien for IA No. 1B of CFD No. 2020-1 reflecting the Assigned Special Tax and the Backup Special Tax set forth in such Certificate of Reduction in Special Taxes.
- 8th. If the Assigned Special Tax is not required to be changed for any Land Use Class based on the calculations performed under step 3 above, there shall be no reduction in the Maximum Special Tax, and no Certificate of Reduction in Special Taxes shall be required. However, the CFD Administrator shall prepare and deliver to IA No. 1B of CFD No. 2020-1 a Certificate of No Reduction in Special Taxes substantially in the form of Appendix B hereto dated as of the closing date of the first series of Bonds that states that the calculations required pursuant to this Section J have been made and that no changes to the Maximum Special Tax are necessary.
- 9th. IA No. 1B of CFD No. 2020-1 and the CFD Administrator shall take no further actions under this Section J upon the earlier to occur of the following: (i) the execution of the acknowledgement by IA No. 1B of CFD No. 2020-1 on a Certificate of Reduction in Special Taxes pursuant to step 6; or (ii) the delivery by the CFD Administrator of a Certificate of No Reduction in Special Taxes pursuant to step 8.

**APPENDIX A**

**CERTIFICATE OF REDUCTION IN SPECIAL TAXES FOR  
COMMUNITY FACILITIES DISTRICT NO. 2020-1  
OF THE ELSINORE VALLEY MUNICIPAL WATER DISTRICT  
IMPROVEMENT AREA NO. 1B (HORSETHIEF)**

1. Pursuant to Section J of the Amended and Restated Rate and Method of Apportionment, the Maximum Special Tax for Developed Property for [certain or all] Land Use Classes within IA No. 1B of CFD No. 2020-1 has been reduced.
2. The calculations made pursuant to Section J were based upon a Price Point Study that was received by the CFD Administrator on \_\_\_\_\_.
3. Table 1 below shows the Assigned Special Tax for each Land Use Class after such reduction.

**Table 1: Assigned Special Tax Rates**

Land Use Class	Description	Residential Floor Area	Assigned Special Tax*
1	Residential Property	3,650 sq. ft. or Greater	\$ _____
2	Residential Property	≥ 3,150 and < 3,650 sq. ft.	\$ _____
3	Residential Property	≥ 2,650 and < 3,150 sq. ft.	\$ _____
4	Residential Property	Less than 2,650 sq. ft.	\$ _____
* Per residential dwelling unit for Residential Property.			

4. The Backup Special Tax attributable to a Final Subdivision after such reduction shall equal to \$ \_\_\_\_\_ multiplied by the Acreage of all Taxable Property, exclusive of any Taxable Association Property and Taxable Public Property, therein.
5. The Facilities costs in Section I shall equal \$ \_\_\_\_\_.
6. Upon execution of this certificate by IA No. 1B of CFD No. 2020-1, IA No. 1B of CFD No. 2020-1 shall cause an amended notice of Special Tax lien for IA No. 1B of CFD No. 2020-1 to be recorded reflecting the Assigned Special Tax, Backup Special Tax and Facilities Costs set forth herein.

Submitted

CFD ADMINISTRATOR

By: \_\_\_\_\_ Date: \_\_\_\_\_

By execution hereof, the undersigned acknowledges, on behalf of IA No. 1B of CFD No. 2020-1, receipt of this certificate and modification of the Amended and Restated Rate and Method of Apportionment as set forth in this certificate.

Community Facilities District No. 2020-1 of the Elsinore Valley Municipal Water District

IMPROVEMENT AREA NO. 1B (Horsethief)

By: \_\_\_\_\_ Date as of: [closing date of Bonds]

**APPENDIX B**  
**CERTIFICATE OF NO REDUCTION IN SPECIAL TAXES FOR**  
**COMMUNITY FACILITIES DISTRICT NO. 2020-1**  
**OF THE ELSINORE VALLEY MUNICIPAL WATER DISTRICT**  
**IMPROVEMENT AREA NO. 1B (HORSETHIEF)**

1. All calculations required pursuant to Section J of the Amended and Restated Rate and Method of Apportionment have been made based upon a Price Point Study that was received by the CFD Administrator on \_\_\_\_\_.
2. Total Effective Tax Rate for all Plan Types in all Land Use Classes is less than or equal to Maximum Debt Burden.
3. The Maximum Special Tax for Developed Property within IA No. 1B of CFD No. 2020-1, including the Assigned Special Tax set forth in Sections C.1.a. and the Backup Special Tax set forth in Section C.1.b. of the Amended and Restated Rate and Method of Apportionment, shall remain in effect and not be reduced.

Submitted

CFD ADMINISTRATOR

By: \_\_\_\_\_

Date: \_\_\_\_\_



RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE BOARD OF DIRECTORS OF ELSINORE VALLEY MUNICIPAL WATER DISTRICT DECLARING NECESSITY FOR COMMUNITY FACILITIES DISTRICT NO. 2020-1 (HORSETHIEF) OF THE ELSINORE VALLEY MUNICIPAL WATER DISTRICT TO INCUR BONDED INDEBTEDNESS IN AN INCREASED AMOUNT FOR IMPROVEMENT AREA NO. 1B OF THE COMMUNITY FACILITIES DISTRICT

WHEREAS, the Board of Directors (the “Board of Directors”) of the Elsinore Valley Municipal Water District (the “District”) has received a written petition from Temescal Valley Land, LLC, the owner (the “Owner” ) of the territory within Improvement Area No. 1B of Community Facilities District No. 2020-1 (Horsethief) of the Elsinore Valley Municipal Water District (the “Improvement Area” and the “Community Facilities District” respectively) requesting that the Board of Directors initiate proceedings pursuant to the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code, to (i) increase the amount of the authorized bonded indebtedness that is allocated to the Improvement Area No. 1B from \$1,250,000 to \$4,500,000; (ii) revise the Rate and Method of Apportionment of Special Tax for the Improvement Area to increase the rates of special tax to be levied on parcels of property in the Improvement Area to pay debt service on the bonds of the Community Facilities District that may be issued to finance the design, construction and acquisition of public facilities for the Improvement Area and to pay directly for such facilities; and (iii) extend the term of the special tax for the Improvement Area from 2064-65 to 2069-70.

WHEREAS, on January 14, 2021, the Board of Directors adopted Resolution No. 21-01-02 determining, among other matters, that it was necessary for the Community Facilities District to incur a bonded indebtedness and allocating \$1,250,000 of the bonded indebtedness for the Improvement Area; and

WHEREAS, On January 14, 2021, consolidated special elections were held within the Community Facilities District on propositions, among others, regarding the Community Facilities District incurring a bonded indebtedness not to exceed \$1,250,000 for Improvement Area No. 1B for the purpose of financing public facilities for the Improvement Area, and all votes cast in such elections were voted in favor of such propositions; and

WHEREAS, the Community Facilities District is, therefore, authorized to incur a bonded indebtedness and issue bonds in an aggregate principal amount not to exceed \$1,250,000 for Improvement Area No. 1B for the purpose of financing the design, construction and acquisition of public facilities for the Improvement Area; and

WHEREAS, the Board of Directors has adopted a resolution of consideration, pursuant to Sections 53331 and 53334 of the Government Code, determining that the public convenience and necessity require the proposed changes specified in the aforementioned petition (the “Resolution of Consideration”) and scheduling a public hearing on such proposed changes for January 12, 2023; and

WHEREAS, in order to increase the authorized bonded indebtedness to be incurred by the Community Facilities District for the Improvement Area from \$1,250,000 to \$4,500,000, as requested by such petition, it is necessary that the Board of Directors adopt a resolution pursuant to Section 53345 of the Government Code declaring the necessity for the Community Facilities District to incur bonded indebtedness in such increased amount for the purpose of providing and financing public facilities for the Improvement Area.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ELSINORE VALLEY MUNICIPAL WATER DISTRICT, AS FOLLOWS:

Section 1. Findings. The above recitals are all true and correct.

Section 2. Necessity. This Board of Directors declares that it is necessary that a bonded indebtedness be incurred by and for the Community Facilities District for the Improvement Area in a principal amount not to exceed \$4,500,000 for the purpose of financing for the Improvement Area the design, construction and acquisition of public facilities of the types identified in Resolution No. 21-01-01, the Resolution of Formation establishing the District, which was adopted by the Board of Directors on January 14, 2021.

Section 3. Costs Included. The amount of the proposed bonded indebtedness shall include all costs and estimated costs incidental to, or connected with, the accomplishment of the purposes for which the proposed bonded indebtedness is to be incurred, including, but not limited to, the estimated costs of construction and acquisition of the public facilities which are proposed to be provided within and for the benefit of the Improvement Area, acquisition of land and rights-of-way, satisfaction of contractual obligations relating to expenses or the advancement of funds for expenses existing at the time the bonds are issued, architectural, engineering, inspection, legal, fiscal and financial consultant fees, bond and other reserve funds and interest on any bonds of the Community Facilities District estimated to be due and payable within two years from the date of the issuance of such bonds, election costs, and all costs of issuance of the bonds, including, but not limited to, underwriter's discount, fees for bond counsel, disclosure counsel, appraisers, financial advisors, market absorption consultants and other consultants, costs of obtaining credit ratings, bond insurance premiums, fees for letters of credit, and other credit enhancement costs, and printing costs.

Section 4. Territory. The territory within the Improvement Area of the Community Facilities District is generally shown and described on the map of the boundaries of Improvement Area, which was recorded in Book 85 of Maps of Assessment and Community Facilities Districts at page 96 and as Instrument No. 2020-0562738 in the office of the County Recorder of the County of Riverside.

Section 5. Levy of Special Taxes. Pursuant to Section 53350 of the Government Code, (a) all parcels of taxable property within the Improvement Area shall be subject to the levy of special taxes to pay the principal of and interest on the aggregate principal amount of the bonds of the Community Facilities District that may be issued and sold to finance or to contribute to the financing of public facilities for the Improvement Area; and (b) all proceedings for purposes of a bond election with respect to the increased bonded

indebtedness to be incurred by the Community Facilities District for the purpose of financing public facilities for the Improvement Area shall apply only to the Improvement Area.

Section 6. Hearing. A public hearing on the proposed increased bonded indebtedness for Improvement Area No. 1B of the Community Facilities shall be held at 4:00 p.m. on January 12, 2023, at the Elsinore Valley Municipal Water District located at 31315 Chaney Street, Lake Elsinore, California 92530, or via teleconference as directed by the District due to COVID-19 social distancing guidelines. Said hearing shall be conducted concurrently with the hearing on the changes proposed by the Resolution of Consideration.

Section 7. Notice. The Secretary of the Board of Directors shall publish a notice of the time and place of said hearing pursuant to Section 53346 of the Government Code and shall also give notice of the time and place of said hearing by first-class mail to each registered voter and to each landowner within the Improvement Area of the Community Facilities District.

Section 8. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED and ADOPTED this 8th day of December, 2022, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

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Darcy M. Burke  
President of the Board of Directors of the Elsinore  
Valley Municipal Water District

ATTEST:

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Terese Quintanar  
Secretary of the Board of Directors of the  
Elsinore Valley Municipal Water District

I, TERESE QUINTANAR, Secretary of the Board of Directors of Elsinore Valley Municipal Water District certify that the foregoing is a full, true and correct copy of Resolution No. \_\_\_\_\_ adopted by said Board at its regular meeting of December 8, 2022 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Terese Quintanar, Secretary

PETITION REGARDING PROCEEDINGS TO MAKE CHANGES WITH RESPECT TO IMPROVEMENT AREA NO. 1B OF COMMUNITY FACILITIES DISTRICT NO. 2020-1 (HORSETHIEF) OF ELSINORE VALLEY MUNICIPAL WATER DISTRICT

1. Temescal Valley Land, LLC (“Owner”) requests that the Board of Directors of Elsinore Valley Municipal Water District initiate and conduct proceedings pursuant to the Mello-Roos Community Facilities Act of 1982 with respect to Improvement Area No. 1B of Community Facilities District No. 2020-1 (Horsethief) of the Elsinore Valley Municipal Water District as follows: (i) to increase the authorized bonded indebtedness thereof from \$1,250,000 to \$4,500,000; (ii) to revise the Rate and Method of Apportionment of Special Tax thereof to increase the rates of special tax to be levied on parcels of property therein; and (iii) increase the term of the special tax for the Improvement Area from 2064-65 to 2069-2070.

2. Owner is the owner of all of the property in Improvement Area No. 1B of the District described in Exhibit “A” attached hereto.

Dated: \_\_\_\_\_, 2022

TEMESCAL VALLEY LAND, LLC, a Delaware limited liability company

By: DIVERSIFIED PACIFIC DEVELOPMENT GROUP, LLC, a California limited liability company

By: \_\_\_\_\_  
Name: Matthew A. Jordan  
Its: Co-Managing Member

EXHIBIT "A"

PROPERTY DESCRIPTION

The property located within Improvement Area No. 1B of Community Facilities District No. 2020-1 (Horsethief), County of Riverside, State of California identified by Riverside County Assessor's Parcel Nos. 393-090-006 and 393-090-007.



*Our Mission...*

The EVMWD team delivers total water management that powers the health and vibrancy of its communities so life can flourish.

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DATE: December 8, 2022

TO: Board of Directors

FROM: General Manager

**SUBJECT: ADOPTION OF RESOLUTION REAFFIRMING AND EXTENDING FINDINGS AND DETERMINATIONS UNDER AB 361 FOR CONTINUED VIRTUAL MEETINGS**

**STRATEGIC GOAL**

Build Recognized Value

**RECOMMENDATION**

The General Manager and staff recommend that the Board of Directors:

1. Adopt a resolution reaffirming and extending findings and determinations under AB 361 for continued virtual meetings through January 7, 2023.

**BACKGROUND**

Assembly Bill 361 (AB 361) allows local agencies to meet fully virtually during a proclaimed state of emergency if state or local officials have imposed or recommended measures to promote social distancing. Governor Newsom issued a proclamation declaring a state of emergency due to the COVID-19 pandemic pursuant to section 8625 of the California Emergency Services Act.

In light of state or local officials' continued recommendations to promote social distancing, the Board of Directors initially adopted Resolution No. 21-11-01 on November 9, 2021 making findings and determinations under AB 361 for virtual meetings. Per AB 361, it is required to reassess and extend findings and determinations for continued virtual meeting every 30 days and adopt subsequent resolutions. In order for its Board Meetings, Study Sessions, Committee Meetings and other Brown Act bodies to continue to be held as virtual meetings pursuant to AB 361 and Government Code section 54953(e), the Board has adopted resolutions re-establishing and reaffirming the need for virtual meetings no less than every 30 days, since November of 2021. The attached



resolution is presented for adoption and would extend the use of virtual meetings through January 7, 2023.

**ENVIRONMENTAL WORK STATUS**

Not applicable.

**FISCAL IMPACT**

Not applicable.

Originated by: Christy Gonzalez – Administration  
Reviewed by: Terese Quintanar – Administration

Attachments:

Draft Resolution

RESOLUTION 22-12-XX

RESOLUTION OF THE BOARD OF DIRECTORS OF  
ELSINORE VALLEY MUNICIPAL WATER DISTRICT RATIFYING AND EXTENDING  
FINDINGS AND DETERMINATIONS  
UNDER AB 361 FOR CONTINUED VIRTUAL MEETINGS

WHEREAS, the Ralph M. Brown Act (Gov. Code § 54950 *et seq.*) generally requires local agencies meeting via teleconference, including through other virtual or electronic means, to provide public access at each location in which members of the legislative body are teleconferencing; and

WHEREAS, the Legislature recently enacted Assembly Bill 361 (AB 361), which amended Government Code section 54953 to allow local agencies to meet fully virtually during a proclaimed state of emergency if state or local officials have imposed or recommended measures to promote social distancing; and

WHEREAS, the Board of Directors finds that the Governor issued a proclamation declaring a state of emergency on March 4, 2020 due to the COVID-19 pandemic, pursuant to section 8625 of the California Emergency Services Act; and

WHEREAS, the Board of Directors of Elsinore Valley Municipal Water District has reconsidered the circumstances of the state of emergency and finds that state or local officials continue to recommend measures to promote social distancing; and

WHEREAS, the Board of Directors previously adopted Resolution No. 22-11-01, on November 10, 2022, finding that the requisite conditions continue to exist for the legislative bodies of the Elsinore Valley Municipal Water District to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; and

WHEREAS, the Board of Directors desires that Elsinore Valley Municipal Water District, including its commissions, committees, and other Brown Act bodies, continue to hold virtual meetings as directed by the Board pursuant to AB 361 and Government Code section 54953(e).

NOW THEREFORE BE IT RESOLVED, by the Board of Directors of Elsinore Valley Municipal Water District as follows:

1. The above recitals and true and correct and shall be the findings of the Board of Directors.
2. The Board of Directors and all other commissions, committees or other Brown Act bodies of the District shall be authorized to continue to meet virtually in accordance with Government Code section 54953(e) and without compliance with section 54953(b)(3).

3. This Resolution does not prevent or prohibit the District or any commission, committee or other Brown Act body of the District from holding hybrid meetings (containing both virtual and in-person components) or from meeting in-person, provided such meetings comply with AB 361 and with all state and local health orders. Commissions, committees and other Brown Act bodies shall comply with all rules established by the Board of Directors and/or the General Manger for attendance at meetings.
4. The Board of Directors shall take action to renew this Resolution every thirty days for as long as any state or local officials continue to recommend any measures to promote social distancing, but the Board of Directors may terminate the Resolution at any time. In the event that more than 30 days pass between regular Board meetings, the Board of Directors shall take action to renew this Resolution prior to taking any action or engaging in any deliberation or discussion in a virtual meeting; renewal of this Resolution may occur either at the beginning of the next regular meeting or at a special meeting called for such purposes. In the event this Resolution has lapsed, and the Board of Directors has not terminated it, any commission, committee or other Brown Act board of the District shall be authorized to, and shall, make any required findings in order to meet virtually under AB 361.

PASSED AND ADOPTED at the regular meeting of the Board of Directors of Elsinore Valley Municipal Water District held on December 8, 2022.

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Darcy M. Burke, President of the  
Board of Directors of the  
Elsinore Valley Municipal Water District

ATTEST:

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Terese Quintanar, Secretary of the Board  
of Directors of the Elsinore Valley  
Municipal Water District



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The EVMWD team delivers total water management that powers the health and vibrancy of its communities so life can flourish.

---

DATE: November 22, 2022

TO: Board of Directors

FROM: General Manager

**SUBJECT: CONSIDER INITIATING PROCEDURE FOR FILLING BOARD VACANCY IN DIVISION 4 BY APPOINTMENT**

### **STRATEGIC GOAL**

Elevate Communications

### **RECOMMENDATION**

The General Manager and staff recommend that the Board of Directors:

1. Make the determination to fill the Board vacancy in Division 4 by appointment and authorize the posting of a Notice of Vacancy.

### **BACKGROUND**

On November 21, 2022, the District received the very sad and tragic news of the passing of Phil Williams, Director of Division 4. In accordance with law, the District is required to take certain actions by certain deadlines, and options include filling the vacancy by appointment or calling for an election. Calling for an election would be extremely costly, and staff does not recommend this option.

If so desired, the Board may make an appointment by formal action within the 60-day deadline (by Friday, January 20, 2023). Since the vacancy occurred in the first half of the term of office (2020-2024), and there are at least 130 days between November 21, 2022, and the next General Election Date (November 12, 2024), the person appointed to fill the vacancy would hold office for the remainder of the unexpired term of office (December 6, 2024), and interested parties must reside within Division 4.

Once determination is made and approved to fill the vacancy by appointment, the District Secretary will prepare and submit appropriate documents to the Riverside County Registrar of Voters and publish and post a Notice of Vacancy, as required. The Notice of Vacancy will provide general information about the vacancy and direct interested parties

to EVMWD's website for additional information about the submittal process, and roles and expectations of Board Members.

Staff recommends the Board make determination and consider action to approve the filling of the vacancy by appointment at this time.

**ENVIRONMENTAL WORK STATUS**

Not applicable.

**FISCAL IMPACT**

Filling the position by appointment, as opposed to calling for an election will avoid election expenses.

Originated by: Terese Quintanar – Administration

Reviewed by: Christy Gonzalez – Administration

Attachments:

None.



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---

DATE: December 8, 2022

TO: Board of Directors

FROM: General Manager

**SUBJECT: CONSIDER APPROVAL OF A FUNDING AGREEMENT WITH THE COUNTY OF RIVERSIDE FOR ARPA INFRASTRUCTURE PROJECTS**

**STRATEGIC GOAL**

Build Recognized Value  
Maintain Financial Strength and Resiliency  
Maintain and Upgrade Infrastructure

**RECOMMENDATION**

The General Manager and staff recommend that the Board of Directors:

1. Approve a Funding Agreement with the County of Riverside for ARPA Infrastructure Projects; and
2. Authorize the General Manager to execute the appropriate documents on behalf of EVMWD.

**BACKGROUND**

The American Rescue Plan Act of 2021, also called the COVID-19 Stimulus Package or the American Rescue Plan (ARP), is a \$1.9 trillion economic stimulus bill passed by the 117th United States Congress and signed into law by President Biden on March 11, 2021, to accelerate the United States' recovery from the economic and health impacts of the COVID-19 pandemic. The American Rescue Plan includes \$350 billion for eligible state, local, territorial, and Tribal governments. These funds known as the Coronavirus State and Local Fiscal Recovery Funds provide a substantial infusion of resources to help turn the tide of the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery. Through the ARP Fiscal Recovery Funds, Congress provided State, local, and Tribal governments with significant resources to respond to the COVID-19 public health emergency and its economic impacts through four categories of eligible uses:

- a) To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- b) To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
- c) For the provision of government services to the extent of the reduction in revenue due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- d) To make necessary investments in water, sewer, or broadband infrastructure. The County of Riverside is dedicated to allocating and expending funds from the American Recovery Plan Act (ARPA) in an equitable and proper manner, all in compliance with the U.S. Treasury Guidelines.

The County of Riverside received a first allocation of \$239,937,299.50. On April 27, 2021 the Executive Office presented to the Board of Supervisors preliminary ARPA allocations to the following categories: Infrastructure, Housing & Homelessness, Economic Recovery, County Departments Response, Non-Profit Assistance and Revenue Backfill. On October 19, 2021, the Board of Supervisors approved the allocation of \$65,000,000 in County ARPA funds to the Infrastructure category to support economic recovery within Riverside County. The following projects have been recommended for ARPA infrastructure funding by the First District and were determined to be in compliance with ARPA funding objectives and US Treasury eligibility criteria by the Executive Office Unincorporated Communities Initiative team. EVMWD will administer, construct and maintain the following infrastructure projects; which will be completed on or before December of 2026, utilizing a combination of EVMWD and proposed ARPA Infrastructure funding:

1. Highway 74/Ethanac Sewer Extension Project (\$8.0 million ARPA Infrastructure Funds) – This \$10 million project will construct up to 12,500 feet of sewer, extending EVMWD sewer service from Rosetta Hills to Ethanac Road in Good Hope.
2. Grand Avenue Lakeland Village Community Center Sewer Project (\$400,000 ARPA Infrastructure Funds) – This \$660,000 project will extend sewer service to the Lakeland Village Community Center and nearby properties.
3. Lakeland Village 8” Water Line Extensions – Ranspot and Peeler (\$800,000). EVMWD will construct approximately 1,280 linear feet of water main at Lakeland Village, an unincorporated area of Riverside County just outside the Lake Elsinore City limits for this project, estimated at \$1,322,966.

Based on ARPA funding timeline constraints, staff is bringing this item directly to the December 8, 2022 Board of Directors meeting. Staff recommends approving the Funding

Agreement with the County of Riverside for ARPA Infrastructure Projects in the total amount of \$9,200,000.

**ENVIRONMENTAL WORK STATUS**

Any environmental work required will be conducted following all CEQA/NEPA requirements and will be presented to the Board at a different time.

**FISCAL IMPACT**

Within Budget – No. The Highway 74/Ethanac and Grand Ave Lakeland Village Community Center sewer projects are slated to be primarily funded through the ARPA infrastructure funding agreement with the County of Riverside. The District’s estimated portion of the projects are not currently budgeted and will be considered in future budgets.

The Lakeland Village 8” Water Line Extensions is within budget.

The District will be responsible for all costs until the funding agreement is executed, at that time, the District will then request reimbursement for ARPA funding portion of the projects.

Originated by: Serena Johns – Grant Administration  
Reviewed by: Art Landeros/Natalee Dee – Finance

Attachments:

Funding Agreement



**FUNDING AGREEMENT FOR  
ELSINORE VALLEY MUNICIPAL WATER DISTRICT AGENCY INFRASTRUCTURE  
PROJECTS**

This Funding Agreement (“Agreement”) is entered into by and between the County of Riverside, a political subdivision of the State of California, (“County”) and Elsinore Valley Municipal Water District, (“Subrecipient”). County and Subrecipient are sometimes individually referred to as “Party” and collectively as “Parties.”

RECITALS

WHEREAS, on March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law, amending Section 9901 of Title VI of the Social Security Act which establishes the Coronavirus State and Local Fiscal Recovery Funds (Fiscal Recovery Funds) to provide state, local and Tribal governments with the resources needed to respond to the pandemic and its economic effects and to build a stronger, more equitable economy during the recovery; and

WHEREAS, on February 8, 2022, Minute Order 3.3, the Board of Supervisors of the County of Riverside approved allocation of ARPA funds to support eligible infrastructure projects within Riverside County; and

WHEREAS, on January 6, 2022, the U.S. Department of the Treasury (U.S. Treasury) adopted a final rule implementing the Fiscal Recovery Funds which takes effect on April 1, 2022 (Final Rule), however, Subrecipient may generally take actions and use funds in a manner consistent with the terms of the Final Rule prior to April 1, 2022, to the extent they are more restrictive than those in the interim final rule, issued on May 10, 2021; and

WHEREAS, to respond to the negative effects of the pandemic, which in turn affect our community as a whole, the County has dedicated a portion of the allotted ARPA funds to local agencies for the delivery and implementation of vital and eligible infrastructure projects; and

WHEREAS, the County desires to reimburse and the Subrecipient desires to accept ARPA Fiscal Recovery Funds in a total amount not to exceed \$9,200,000, for expenditures identified in Exhibit A related to the Highway 74/Ethanac Sewer Extension Project, Grand Avenue Lakeland Village Community Center Sewer Extension Project, and Lakeland Village 8" Water Line Extension - Ranspot and Peeler Project; and

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

AGREEMENT

1. Incorporation of Recitals. The Recitals set forth above are incorporated herein and made an operative part of this Agreement.
2. Contract Documents. This Agreement consists of this Agreement and the following attachments, attached hereto and by this reference incorporated herein:

- 2.1 Attachment A – Infrastructure Projects Scope
- 2.2 Attachment B – U.S. Treasury ARPA Fiscal Recovery Funds Final Rule
- 2.3 Attachment C – Uniform Administrative Requirements, Cost Principles, Federal Provisions and Audit Requirements for Federal Awards -2 CFR Part 200 et seq
- 2.4 Attachment D – Indemnification and Insurance Requirements
- 2.5 Attachment E – Project Monitoring Requirements
- 2.6 Attachment F – Construction Requirements

3. Infrastructure Projects; Scope of Work. Subrecipient shall be responsible for completion of all of those activities associated with design, implementation, installation and construction for the Infrastructure Projects described in **Attachment A**, with substantial completion in accordance with timelines described in **Attachment A**, by first using funds received from the County in the amount provided in Section 4 of this Agreement. The Subrecipient shall also furnish timely reporting and documentation assuring Subrecipient’s compliance with the U.S. Treasury ARPA Guidelines (as stated in the Final Rule of the U.S. Department of the Treasury published in the Federal Register on January 27, 2022), and within the timelines and specifications provided in **Attachment E**. Should the U.S. Treasury extend the deadline for expenditure of ARPA funding, the County agrees to cooperate with Subrecipient to amend the milestones and deadlines for the Infrastructure Projects by written agreement executed by both parties, if requested by Subrecipient. Extensions to Infrastructure Project(s) milestones or deadlines shall be determined by mutual agreement of the PARTIES, and may commensurate with extensions granted by the U.S. Treasury. Under the provisions of the Agreement, the County shall bear no responsibility for the Infrastructure Projects, including without limitation any activities associated with implementation, installation and construction, or any future operation or maintenance of the Infrastructure Projects.

3.1 Project Signage. Subrecipient shall include appropriate acknowledgement of credit to the County for its support when promoting the Infrastructure Projects or using any data and/or information developed under this Agreement. Signage shall be posted in a prominent location at Infrastructure Project site(s) and shall include the U.S. Department of Treasury’s, and the County’s color logos, along with the following disclosure statement: “Funding for this project has been provided in full or in part from the American Rescue Plan Act, and through an agreement with the County of Riverside.” The Recipient shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

4. Funding.

4.1 County shall provide funding to Subrecipient in a total amount not to exceed \$9,200,000 (“Award”), in quarterly payments in accordance with progress pay estimates submittals, and in compliance with ARPA Guidelines as set forth in **Attachment B**, attached hereto and by this reference incorporated herein, for the completion of the Infrastructure Projects. In the event that there is a conflict in the terms for payment in this Agreement and the terms in Attachments B and C, the terms in Attachments B and C shall take precedence. Subrecipient shall provide other non-federal funding at least equal to the amounts shown in **Attachment A**, attached hereto and by this reference incorporated herein, as a match to the funds provided by the County for the Infrastructure Projects.

4.2 Except as expressly provided in **Attachment A** of this Agreement, Subrecipient shall not be entitled to, nor receive from County any additional funding or other type of remuneration for services rendered under this Agreement. The Award amounts described in this Section are specifically for each Infrastructure Project and make up the entire amount which the County has approved to fund for each Infrastructure Project. Subrecipient shall not be entitled by virtue of this Agreement to consideration in excess of specified per-project Award amounts, plus County agreed upon construction

contingency amounts, as may be specified in **Attachment A**, and Subrecipient shall be responsible for any and all costs incurred above any Award amount for its implementation and completion of the specified Infrastructure Project, provided that Subrecipient shall, upon mutual agreement by both Parties, be entitled to reduce the number of linear feet specified for the applicable Infrastructure Project to fit within the funding amount allocated for the Infrastructure Project, as identified in Attachment A. If mutual agreement cannot be reached, Subrecipient shall not be required to construct the applicable Infrastructure Project, and the Parties shall enter into an amendment to remove said Infrastructure Project from this Agreement. Any subsequent amendments to Infrastructure Project scopes or descriptions are not covered by this Agreement, and the funding for any such amendments or for any Infrastructure Project cost overruns shall be the sole responsibility of Subrecipient, unless otherwise approved in writing by the County.

4.3 Subrecipient shall expend the funds received from the County in the amounts provided under this Agreement, and consistent with construction completion schedules provided in **Attachment A**. Subrecipient shall return to the County any Award funds disbursed to Subrecipient by County, and not expended on the Infrastructure Projects by construction completion dates provided in **Attachment A**.

4.4 In the event the actual cost at completion of any Infrastructure Project is less than the Award amount disbursed to Subrecipient, Subrecipient shall refund the difference to County within thirty (30) days of filing the Notice of Completion for the Infrastructure Project, or by June 30, 2026, whichever occurs first. Subrecipient shall return any reimbursed Award Funds that have not been expended or are not adequately supported by invoices and documentation to the County, within thirty (30) days of completion of construction of the Infrastructure Project, or upon request by the County, whichever occurs first.

## 5. Invoicing and Billing

### 5.1 Invoices.

5.1.1 Invoices shall be submitted via e-mail to [RIVCOARPA@RIVCO.ORG](mailto:RIVCOARPA@RIVCO.ORG). The final invoice from the Subrecipient will be submitted consistent with construction completion schedules provided in **Attachment A** for the County to reimburse the Subrecipient prior to December 31, 2026, per the final rule of ARPA.

5.1.2 Supporting documentation shall accompany each invoice: copies of paid receipts and invoices of all Subrecipient Infrastructure Project costs incurred by Subrecipient.

5.1.3 To ensure compliance with Federal and State regulations, County may require additional supporting documentation or clarification of claimed expenses as follows:

5.1.3.1 County Executive Office staff shall notify Subrecipient to obtain necessary additional documentation or clarification.

5.1.3.2 Subrecipient shall endeavor to respond within three (3) business days, but in no case more than fourteen (14) business days, with required additional documentation or clarification to avoid disallowances/partial payment of invoice.

5.1.3.3 All invoices containing expenses that need additional documentation or clarification not provided to County within the timeframe specified above shall have those expenses disallowed and only the allowed expenses shall be paid.

5.1.3.4 Subrecipient may resubmit disallowed expenses as a supplemental invoice only and must be accompanied by required documentation.

## 5.2 Payments

5.2.1 If the conditions set forth in this Agreement are met, County shall pay, on/or before the thirtieth (30th) day after receipt of a complete and accurate invoice, the sum of money claimed by the approved invoice, (less any credit due County for adjustments of prior invoices). If the conditions are not met, County shall pay the undisputed amounts, as specified, and any remaining sums when the necessary processing is completed and/or proper backup documentation is provided. 5.2.2 County shall not pay for unauthorized costs incurred by Subrecipient or for the claimed work which County monitoring shows have not been provided in accordance with the terms of this Agreement.

5.2.3 County retains the right to withhold payment on disputed claims, provided that payment shall not be unreasonably withheld.

6. Term. The Term of this Agreement shall be from the date of approval of this Agreement until filing of notice of completion for all Infrastructure Projects, or on December 31, 2026, whichever is sooner, unless sooner terminated as provided herein.

7. Subrecipient Compliance Obligations. The Subrecipient agrees to comply with the terms and conditions of this Agreement. The Subrecipient also agrees to apply the terms and conditions of this Agreement to all of its subcontractors (if applicable) and to require their strict compliance therewith. If it is determined that the Subrecipient is noncompliant, County may temporarily withhold or disallow reimbursement of costs, under 2 C.F.R. Part 200, as supplemented by 2 C.F.R. Part 910.

7.1 Federal Provisions. Subrecipient and all of its subcontractors shall comply with the Uniform Administrative Requirements, Cost Principles, Federal Provisions and Audit Requirements for Federal Awards Provisions contained in **Attachment C**.

7.2 Additional terms and conditions for Infrastructure Projects. The Subrecipient and all of its subcontractors shall comply with the Drinking Water and / or the Clean Water State Revolving Fund compliance requirements as reflected in the U.S. Treasury ARPA Fiscal Recovery Funds Final Rule.

## 8. Contract Representatives.

8.1 County Representative. The County Executive Officer, or designee, shall be the designated representative who shall administer this Agreement on behalf of the County.

8.2 Subrecipient Representative. The General Manager, or designee, shall be the designated representative who shall administer this Agreement on behalf of the Subrecipient.

8.3 The Contract Representatives may be contacted as described in Section 11, below.

## 9. Records and Audit.

9.1 Subrecipient shall store and maintain all writings, documents and records prepared or compiled in connection with the performance of this Agreement for a minimum of five (5) years from the termination or completion of this Agreement. This includes any handwriting, typewriting, printing, photostatic, photographing and every other means of recording upon any tangible thing, any form of communication or representation including letters, words, pictures, sounds or symbols or any combination thereof. Any authorized representative of County shall have access to any writings as

defined above for the purposes of making a report, audit, evaluation, or examination Further, County has the right at all reasonable times to audit, inspect or otherwise evaluate the work performed or being performed under this Agreement.

9.2 If it is determined pursuant to an audit that any funds provided pursuant to this Agreement have been improperly expended, Subrecipient shall, at the direction of the agency performing the audit, reimburse either the County, or U.S. Treasury, if directed by the federal funding entity, within thirty (30) days the full amount of such improperly expended funds. The funds shall be reimbursed in accordance with the recommendations in the audit.

10. Monitoring of Contract Compliance and Infrastructure Progress Reports.

10.1 Contract Compliance. The Subrecipient shall comply with the monitoring arrangements set forth in **Project Monitoring Requirements**, and **Construction Requirements**, attached as **Attachments E** and **F**, respectively.

10.2 Infrastructure Projects Progress Reports and Progress Pay Estimates. Subrecipient shall, as specified herein, provide quarterly reports detailing each Infrastructure Project’s progress, including a financial status report and milestone progress report as described in **Attachment E**.

11. Notices. As used in this Agreement, notice includes but is not limited to the communications of any notice, request, demand, approval, statement, report, acceptance, consent, waiver, and appointment. All notices must be in writing. All such notices from one party to another may be delivered in person, sent via reputable overnight courier, or served by first-class mail, certified or registered, postage prepaid, to each and all of the addresses set forth below.

**If to County:**

Riverside County Executive Office  
Attention: Rania Odenbaugh and  
Scott Bruckner  
4080 Lemon Street, 4<sup>th</sup> Floor,  
Riverside, CA. 92501

**If to Subrecipient:**

Elsinore Valley Municipal Water District  
Attention: Greg Thomas, General Manager  
31315 Chaney Street  
Lake Elsinore, CA 92530

12. Conflicts of Interest. Subrecipient covenants that it presently has no interest, including but not limited to, other projects or independent contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. Subrecipient further covenants that in the performance of this Agreement, no person having any such interest shall be employed or retained by it under this Agreement. In the event federal funds are used, in whole or in part, for this Project, Subrecipient understands and agrees it must maintain a conflict of interest policy consistent with 2. C.F.R. section 200.318(c) and that such conflict of interest policy is applicable to each activity funded under this award. Subrecipient must disclose in writing to the County, as appropriate, any potential conflict of interest affecting the awarded funds in accordance with 2. C.F.R. section 200.12.

13. Nondiscrimination. During any period in which Subrecipient is in receipt of funds from Recipient, Subrecipient and its Board, officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any Federal, State or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religious creed, color, national origin, ancestry, physical or mental disability including perception of disability, medical condition, genetic information, pregnancy related condition, marital status, gender/sex, sexual orientation, gender identity, gender expression, age (over 40), political affiliation or

belief, or military and veteran status. Subrecipient and its officers, employees, agents, representatives or subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the County's non-discrimination policy; Title VI of the Civil Rights Act of 1964 (42 U.S.C. sections 2000d et seq.) and U.S. Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance; The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. sections 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability; Section 504 of the Rehabilitation Act of 1973, as amended (42 U.S.C. sections 6101 et seq.), and the U.S. Treasury's implementing regulations at 31 C.F.R. part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. sections 12101 et seq.) which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto; The Fair Employment and Housing Act (Government Code sections 12900 et seq.); California Labor Code sections 1101, and 1102; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulations or the Code of Federal Regulations, and Riverside County's non-discrimination policy.

13.1 Subrecipient shall include the non-discrimination and compliance provisions of this Section in all subcontracts to perform work under or as a derivative of this Agreement.

14. Indemnification. The Parties shall be bound by the indemnification, hold harmless and defend provisions contained in **Attachment D**.

15. Insurance. Subrecipient shall obtain, and maintain, or caused to be obtained and maintained, at all times during the Term of this Agreement, insurance coverage in the amounts and coverage specified in **Attachment D**.

16. Termination. After proceeding through the Dispute Resolution procedures, below, and allowing Subrecipient thirty (30) days to cure, the County may terminate this agreement upon a determination that Subrecipient is not complying with ARPA terms and conditions. The County may withhold additional planned distributions of funding to Subrecipient pending receipt of requisite reporting requirements by Subrecipient to the County as described herein.

17. Force Majeure. The respective duties and obligations of the Parties hereunder are suspended while and so long as performance is prevented or impeded by strikes, disturbances, riots, fire, severe weather, government action, war acts, acts of God, or any other cause that is beyond the control of the Party from whom the affected performance is due.

18. Compliance with Laws. The Subrecipient is required to comply with all applicable federal, state and local laws and regulations for all work performed or funded by and through this Agreement. The Subrecipient is required to obtain all necessary federal, state and local permits, authorizations and approvals for all work performed under this Agreement.

19. Disputes. The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties. The Subrecipient shall proceed diligently with the Infrastructure Projects described in this Agreement pending the resolution of a dispute. The Parties reserve the right to pursue any remedies at law or in equity should

any dispute relating to this Agreement not by resolved by the Parties. Notwithstanding the foregoing, prior to the filing of any legal action related to this Agreement, the Parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations.

20. Status of Subrecipient. The Subrecipient is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of the County. It is expressly understood and agreed that the Subrecipient (including its employees, agents, and subcontractors) shall in no event be entitled to any benefits to which County employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship between the parties nor is there a joint venture; and Subrecipient shall indemnify and hold County harmless from any and all claims that may be made against County based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement.

20.1 All acts of Subrecipient and its officers, employees, agents, representatives, subcontractors, and all others acting on behalf of Subrecipient relating to the performance of this Agreement, shall be performed as independent contractors and not as agents, officers, or employees of County. Subrecipient, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of County. No agent, officer or employee of the County is to be considered an employee of Subrecipient. At all times during the term of this Agreement, the Subrecipient and its officers, employees, agents, representatives, or subcontractors are, and shall represent and conduct themselves as, independent contractors and not employees of County.

20.2 Subrecipient shall determine the method, details, and means of performing the work and services to be provided by Subrecipient under this Agreement. Subrecipient shall be responsible to County only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to County's control with respect to the physical action or activities of Subrecipient in fulfillment of this Agreement. Subrecipient has control over the manner and means for completion of the Infrastructure Project described in this Agreement. If necessary, Subrecipient has the responsibility for employing or engaging other persons or firms to assist Subrecipient in fulfilling the terms and obligations under this Agreement.

20.3 If in the performance of this Agreement any third persons are employed by Subrecipient, such persons shall be entirely and exclusively under the direction, supervision, and control of Subrecipient. All terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law shall be determined by the Subrecipient. It is further understood and agreed that Subrecipient must issue W-2 forms or other forms as required by law for income and employment tax purposes for all Subrecipient's assigned personnel under the terms and conditions of this Agreement.

21. Entire Agreement. This Agreement is the result of negotiations between the Parties. This Agreement is intended by the Parties as a full and final expression of their understanding with respect to the matters contained in this Agreement and shall not be modified in any manner except by an instrument in writing executed by the Parties or their respective successors in interest.

22. Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

23. Governing Law and Venue. The interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County, California.

24. Construction/Interpretation. Headings or captions to the provisions of this Agreement are solely for the convenience of the Parties, are not part of this Agreement, and shall not be used to interpret or determine the validity of this Agreement. Any ambiguity in this Agreement shall not be construed against the drafter, but rather the terms and provisions hereof shall be given a reasonable interpretation as if both parties had in fact drafted this Agreement.

25. No Waiver. Failure of the Parties to insist upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any rights or powers hereunder at any one time or more times be deemed a waiver or relinquishment of such other right or power at any other time or times.

26. No Third-Party Beneficiaries. There are no intended third-party beneficiaries of any right or obligation assumed by the Parties.

27. Severability. It is intended that each paragraph of this Agreement shall be treated as separate and divisible, and in the event that any paragraphs are deemed unenforceable, the remainder shall continue to be in full force and effect so long as the primary purpose of this Agreement is unaffected.

28. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

29. Use of Electronic (Digital) Signatures. This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each party of this Agreement agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act (“CUETA”) Cal. Civ. Code §§ 1633.1 to 1633.17), for executing this Agreement. The parties further agree that the electronic signatures of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an electronic signature for transactions and contracts among parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature, and shall be reasonably relied upon by the parties. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code.

[Signature Provisions on Following Page]



28. Authority to Enter Agreement. Each Party to this Agreement warrants to the other that it is duly organized and existing and that it and the respective signatories have full right and authority to enter into and consummate this Agreement and all related documents and bind the parties thereto.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date as indicated beside each Party's signature.

COUNTY OF RIVERSIDE, a political subdivision  
of the State of California

EL SINORE VALLEY MUNICIPAL  
WATER DISTRICT

By: \_\_\_\_\_  
Chair, Board of Supervisors

By: \_\_\_\_\_  
General Manager

ATTEST:  
Clerk of the Board  
Kecia Harper

By: \_\_\_\_\_  
Deputy

(Seal)

APPROVED AS TO FORM  
County Counsel

By: \_\_\_\_\_

## Attachment A – Infrastructure Project Scope

### Highway 74/Ethanac Sewer Extension

**Subrecipient Funded Work** - The Subrecipient will complete all planning, design, and procurement necessary for construction of the Infrastructure Project, the associated costs of the foregoing activities will not be included in this funding agreement.

### **Project Scope of Work**

The Subrecipient will construct not to exceed 12,500 linear feet of sewer main, based on funding availability, at the Rosetta Hills community to Ethanac Road, in the County of Riverside. If the Parties determine that funding is insufficient to complete 12,500 linear feet, Subrecipient shall, upon mutual agreement by both PARTIES, reduce the number of linear feet to fit within the funding amount allocated for the Infrastructure Project, as shown below.

The County shall be responsible for timely providing any County required permits, authorizations and approvals, and for expediting accessibility to the construction site throughout the Infrastructure Project. This shall include, but not be limited to, expediting traffic control, lane closures, detours, traffic signage, and any other Infrastructure Project access needs, to the extent within the County’s control. Under the provisions of the Agreement, the County shall bear no other responsibility for this Infrastructure Project, including without limitation any activities associated with implementation, installation and construction, or any future operation or maintenance of the Infrastructure Project. County shall complete reviews within ten (10) business days.

County further acknowledges that Subrecipient may be requesting special accommodations related to traffic control during construction such as, full lane closure with barricades and extended work hours. County agrees to not unreasonably withhold approval of any special requests made by the Subrecipient.

### Project Budget

County and Subrecipient agree that, in the event that construction bids for this Infrastructure Project are higher than estimates provided herein, and additional funding becomes available, both Parties may meet and confer to discuss potential amendment of the following funding amounts:

ITEM	DESCRIPTION	COUNTY OF RIVERSIDE ARPA PROJECT FUNDING AMOUNT (Not to Exceed)	SUBRECIPIENT NON-FEDERAL FUNDING AMOUNT	ESTIMATED PROJECT COST
1	Contracted Construction Services	\$1,043,008	\$0	\$1,043,008
2	Construction	\$6,956,992*	\$0	\$6,956,992
TOTAL:		\$8,000,000	\$0	\$8,000,000

\* If the bids for construction are up to 15% higher than the line item for construction, the County agrees to fund eighty percent (80%) of the additional costs, not to exceed \$834,839.04. If the construction costs exceed 15% of the line item for construction, the County and District agree to meet and confer to discuss Project feasibility.

**Schedule**

ITEM	DESCRIPTION OF SUBMITTAL	ESTIMATED DUE DATE
1	Feasibility Report	N/A
2	Preliminary Design Report	April 31, 2023
3	Final Design	January 31, 2024
4	Spec Review, Bid/Award	July 30, 2024
5	Construction and Implementation	July 30, 2026
6	Project Closeout	December 31, 2026

**Grand Avenue Lakeland Village Community Center Sewer Extension**

**Scope of Work**

The Subrecipient will complete all planning, design, and procurement necessary to construct the Infrastructure Project. The Subrecipient will construct approximately 400 linear feet of sewer main on Grand Avenue at Lakeland Village, an unincorporated area of Riverside County just outside the Lake Elsinore City limits.

**Project Budget**

County and Subrecipient agree that, in the event that construction bids for this Infrastructure Project are higher than estimates provided herein, and additional funding becomes available, both Parties may meet and confer to discuss potential amendment of the following funding amounts:

ITEM	DESCRIPTION	COUNTY OF RIVERSIDE ARPA PROJECT FUNDING AMOUNT (Not to Exceed)	SUBRECIPIENT NON-FEDERAL FUNDING AMOUNT	ESTIMATED PROJECT COST
1	Engineering Design	\$0	\$60,000	\$60,000
2	Environmental Compliance	\$0	\$0	\$0
3	Engineering Support During Construction	\$0	\$0	\$0
4	Contracted Construction Services	\$194,500	\$0	\$194,500
5	Construction	\$205,500	\$0	\$205,500
6	Project Administration	\$0	\$35,363	\$35,363
7	Indirect Costs (36.83%)	\$0	\$164,637	\$164,637
TOTAL:		\$400,000	\$260,000	\$660,000

**Schedule**

ITEM	DESCRIPTION OF SUBMITTAL	ESTIMATED DUE DATE
1	Feasibility Report	N/A
2	Preliminary Design Report	August 31, 2023
3	Final Design	December 31, 2023
4	Spec Review, Bid/Award	May 30, 2024
5	Construction and Implementation	November 30, 2024
6	Project Closeout	March 31, 2025

**Lakeland Village 8" Water Line Extension - Ranspot and Peeler**

**Scope of Work**

The Subrecipient will complete all planning, design, and procurement necessary to construct the Infrastructure Project. The Subrecipient will construct approximately 1,280 linear feet of water main at Lakeland Village, an unincorporated area of Riverside County just outside the Lake Elsinore City limits.

**Project Budget**

County and Subrecipient agree that, in the event that construction bids for this Infrastructure Project are higher than estimates provided herein, and additional funding becomes available, both Parties may meet and confer to discuss potential amendment of the following funding amounts:

ITEM	DESCRIPTION	COUNTY OF RIVERSIDE ARPA PROJECT FUNDING AMOUNT (Not to Exceed)	SUBRECIPIENT NON-FEDERAL FUNDING AMOUNT	ESTIMATED PROJECT COST
1	Engineering Design (June 2021- Current)	\$0	\$106,250	\$106,250
2	Engineering Support During Construction	\$0	\$0	\$0
3	Contracted Construction Services	\$350,000	\$50,000	\$400,000
4	Construction	\$450,000	\$300,673	\$750,673
5	Project Administration	\$0	\$66,043	\$66,043
6	Indirect Costs (36.83%)	\$0	\$0	\$0
TOTAL:		\$800,000	\$522,966	\$1,322,966

**Schedule**

ITEM	DESCRIPTION OF SUBMITTAL	ESTIMATED DUE DATE
1	Feasibility Report	N/A
2	Preliminary Design Report	Complete
3	Final Design	March 31, 2023
4	Spec Review, Bid/Award	July 1, 2023
5	Construction and Implementation	July 1, 2024
6	Project Closeout	December 31, 2024

**Attachment B – U.S. Treasury ARPA Fiscal Recovery Funds Final Rule**

**Attachment C – Uniform Administrative Requirements, Cost Principles, Federal Provisions and Audit Requirements for Federal Awards -2 CFR Part 200 et seq**

**2 CFR Part 200 attached hereto**

## ATTACHMENT C CONTINUED

### FEDERAL PROVISIONS

Should funding be allocated through American Rescue Plan Act (ARPA; (Title VI of the Social Security Act Section 602 et seq.), the COUNTY will administer and distribute those funds in accordance with ARPA. ARPA requires that payments from the Coronavirus Fiscal Recovery Fund be used to respond to the public health emergency or its negative economic impacts, to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay, provide government services to the extent the reduction of revenue due to COVID-19 public health emergency, and to make necessary investments in water, sewer or broadband infrastructure. It is effective beginning May 17, 2021 and ends on December 31, 2026. 2 C.F.R. pt. 200, above, applies to this Agreement and should be reviewed coinciding with the Assistance Listing which can be found at: <https://sam.gov/fal/7cecfdef62dc42729a3fdcd449bd62b8/view>.

Subrecipient acknowledges and agrees that this Agreement is subject to the federal requirements, including but not limited to the federal provisions provided below:

1. **NON-DISCRIMINATION.** Subrecipient shall not discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. S1210 et seq.) and all other applicable laws or regulations.

2. **EQUAL EMPLOYMENT OPPORTUNITY/ FAIR EMPLOYMENT PRACTICES/ FEDERAL PROVISIONS.** During the performance of this Agreement, the Subrecipient shall not deny benefits to any person on the basis of religion, color, ethnic group identification, sex, age, physical or mental disability, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, marital status, age, or sex. Subrecipient shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.

- A. Subrecipient shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.), the regulations promulgated thereunder (California Code of Regulations, Title 2, Section 11000 et seq.), the provisions of Executive Order 11246 of Sept. 23, 1965 and of the rules, regulations, and relevant orders of the Secretary of Labor, the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Government Code, Sections 11135-11139.8), and of the rules, regulations or standards adopted by the County to implement such article.
- B. The Subrecipient shall comply with the provisions of the Copeland “Anti-Kickback” Act, 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this Agreement.

3. **CLEAN AIR ACT.** The Subrecipient agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. Section 7401 et seq.



The Subrecipient agrees to report each violation to the County and understands and agrees that the County will, in turn, report each violation as required to assure notification to the California Governor's Office of Emergency Services, Federal Emergency Management Agency (FEMA), and the appropriate Environmental Protection Agency Regional Office. The Subrecipient agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

4. FEDERAL WATER POLLUTION CONTROL ACT

The Subrecipient agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. Sections 1251 et seq.

The Subrecipient agrees to report each violation to the County and understands and agrees that the County will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency (FEMA), and the appropriate Environmental Protection Agency Regional Office. The Subrecipient agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

5. DEBARMENT AND SUSPENSION CLAUSE

This Agreement is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the Subrecipient is required to verify that none of the Subrecipient, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

The Subrecipient must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

This certification is a material representation of fact relied upon by the County. If it is later determined that the Subrecipient did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the County, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

6. BYRD ANTI- LOBBYING AMENDMENT, 31 U.S.C. § 1352 (AS AMENDED)

Subrecipients who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the County.

APPENDIX A, 44 C.F.R. PART 18- CERTIFICATION REGARDING LOBBYING

The undersigned [Subrecipient] certifies, to the best of his or her knowledge, that:

A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned,

to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

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

C. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Subrecipient certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Subrecipient understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

SUBRECIPIENT

By \_\_\_\_\_  
Date \_\_\_\_\_

## 7. PROCUREMENT OF RECOVERED MATERIALS

In the performance of this Agreement, the Subrecipient shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired

- A. Competitively within a timeframe providing for compliance with the contract performance schedule;
- B. Meeting contract performance requirements; or
- C. At a reasonable price.

Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>

The Subrecipient also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

## 8. ACCESS TO RECORDS

The following access to records requirements apply to this Agreement:

- A. The Subrecipient agrees to provide the County, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Subrecipient which are directly pertinent to this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions

- B. The Subrecipient agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- C. The Subrecipient agrees to provide the FEMA Administrator or his or her authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.
- D. In compliance with the Disaster Recovery Act of 2018, the County and the Subrecipient acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

9. DEPARTMENT OF HOMELAND SECURITY SEAL, LOGO, FLAGS

The Subrecipient shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

10. COMPLIANCE WITH FEDERAL LAW, REGULATIONS, AND EXECUTIVE ORDERS

This is an acknowledgement that FEMA financial assistance will be used to fund all or a portion of the contract. The Subrecipient will comply with all applicable Federal law, regulations, executive orders, FEMA policies, procedures, and directives.

11. NO OBLIGATION BY FEDERAL GOVERNMENT

The Federal Government is not a party to this Agreement and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.

12. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS

The Subrecipient acknowledges that 31 U.S.C. Chapter 38 (Administrative Remedies for False Claims and Statements) applies to the Subrecipient's actions pertaining to this Agreement.

13. FEDERAL PREVAILING WAGE

DAVIS-BACON ACT COMPLIANCE does not apply to projects funded solely with award funds from the Fiscal Recovery Fund. Davis-Bacon Act applies when Fiscal Recovery funds are used on a project in conjunction with funds from another federal program that requires enforcement of the Davis-Bacon Act. State prevailing-wage-in-construction laws may apply. Department of Treasury encourages strong labor standards when pursuing a project with Fiscal Recovery Funds. Subrecipient shall comply with all applicable provisions of 2 CFR 200.

14. CONTRACT WORK HOURS AND SAFETY STANDARDS (applicable to all contracts in excess of \$100,000 that involve the employment of mechanics or laborers, but not to purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence)

A. Compliance: Subrecipient agrees that it shall comply with Sections 3702 and 3704 of the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701–3708) as supplemented by Department of Labor regulations (29 CFR Part 5), which are incorporated herein.

B. Overtime: No contractor or subcontractor contracting for any part of the work under this Agreement which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

C. Violation; liability for unpaid wages; liquidated damages: In the event of any violation of the provisions of paragraph B of this section, the Subrecipient and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such Subrecipient and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic employed in violation of the provisions of paragraph B, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by paragraph B.

D. Withholding for unpaid wages and liquidated damages: Subrecipient shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set for in paragraph C of this section.

E. Subcontracts: The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs A through D of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs A through D of this section.

15. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT— Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by HUD.

16. RIGHTS TO DATA AND COPYRIGHTS – Subrecipients and consultants agree to comply with all applicable provisions pertaining to the use of data and copyrights pursuant to 48 CFR Part 27.4, Federal Acquisition Regulations (FAR).

#### 17. PROHIBITION ON CONTRACTING FOR COVERED TELECOMMUNICATIONS EQUIPMENT OR SERVICES

A. Definitions. As used in this clause, the terms backhaul; covered foreign country; covered telecommunications equipment or services; interconnection arrangements; roaming; substantial or essential component; and telecommunications equipment or services have the meaning as defined in FEMA Policy, #405-143-1 Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services As used in this clause—

B. Prohibitions.

(1) Section 889(b) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232, and 2 C.F.R. § 200.216 prohibit the head of an executive agency on

or after Aug.13, 2020, from obligating or expending grant, cooperative agreement, loan, or loan guarantee funds on certain telecommunications products or from certain entities for national security reasons.

(2) Unless an exception in paragraph (c) of this clause applies, the contractor and its subcontractors may not use grant, cooperative agreement, loan, or loan guarantee funds from the Federal Emergency Management Agency to:

(i) Procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;

(ii) Enter into, extend, or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;

(iii) Enter into, extend, or renew contracts with entities that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system; or (iv) Provide, as part of its performance of this contract, subcontract, or other contractual instrument, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

C. Exceptions.

(1) This clause does not prohibit contractors from providing—

a. A service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

b. Telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(2) By necessary implication and regulation, the prohibitions also do not apply to:

a. Covered telecommunications equipment or services that:

i. Are not used as a substantial or essential component of any system; and

ii. Are not used as critical technology of any system.

b. Other telecommunications equipment or services that are not considered covered telecommunications equipment or services.

D. Reporting requirement.

(1) In the event the contractor identifies covered telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system, during contract performance, or the contractor is notified of such by a subcontractor at any tier or by any other source, the contractor shall report the information in paragraph (d)(2) of this clause to the recipient or subrecipient, unless elsewhere in this contract are established procedures for reporting the information.

(2) The Subrecipient shall report the following information pursuant to paragraph (d)(1) of this clause:

(i) Within one business day from the date of such identification or notification: The contract number; the order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier Commercial and Government Entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.

ii) Within 10 business days of submitting the information in paragraph (d)(2)(i) of this clause: Any further available information about mitigation actions undertaken or recommended. In addition, the contractor shall describe the efforts it undertook to prevent use or submission of covered telecommunications equipment or services, and any additional efforts that will be incorporated to prevent future use or submission of covered telecommunications equipment or services. Page 10

E. Subcontracts. The Subrecipient shall insert the substance of this clause, including this paragraph (e), in all subcontracts and other contractual instruments.

## 18. REPORTING OF MATTERS RELATED TO RECIPIENT INTEGRITY AND PERFORMANCE

### A. General Reporting Requirement

If the total value of your currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then you as the recipient during that period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)) about civil, criminal, or administrative proceedings described in paragraph 2 of this award term and condition. This is a statutory requirement under section 872 of [Public Law 110-417](#), as amended ([41 U.S.C. 2313](#)). As required by section 3010 of [Public Law 111-212](#), all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.

### B. Proceedings About Which You Must Report

Submit the information required about each proceeding that:

a. Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government;

b. Reached its final disposition during the most recent five-year period; and

c. Is one of the following:

(1) A criminal proceeding that resulted in a conviction, as defined in paragraph 5 of this award term and condition;

(2) A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more;

(3) An administrative proceeding, as defined in paragraph 5. of this award term and condition, that resulted in a finding of fault and liability and your payment of either a monetary fine or penalty of \$5,000 or more or reimbursement, restitution, or damages in excess of \$100,000; or

(4) Any other criminal, civil, or administrative proceeding if:

(i) It could have led to an outcome described in paragraph 2.c.(1), (2), or (3) of this award term and condition;

(ii) It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on your part; and

(iii) The requirement in this award term and condition to disclose information about the proceeding does not conflict with applicable laws and regulations.

### C. Reporting Procedures

Enter in the SAM Entity Management area the information that SAM requires about each proceeding described in paragraph 2 of this award term and condition. You do not need to submit the information a second time under assistance awards that you received if you already provided the information through SAM because you were required to do so under Federal procurement contracts that you were awarded.

### D. Reporting Frequency

During any period of time when you are subject to the requirement in paragraph 1 of this award term and condition, you must report proceedings information through SAM for the most recent five year period, either to report new information about any proceeding(s) that you have not reported previously or affirm that there is no new information to report. Recipients that have Federal contract, grant, and cooperative agreement awards with a cumulative total value greater than \$10,000,000 must disclose semiannually any information about the criminal, civil, and administrative proceedings.

#### E. Definitions

For purposes of this award term and condition:

- a. Administrative proceeding means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (*e.g.*, Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.
- b. Conviction, for purposes of this award term and condition, means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of *nolo contendere*.
- c. Total value of currently active grants, cooperative agreements, and procurement contracts includes -
  - (1) Only the Federal share of the funding under any Federal award with a recipient cost share or match; and
  - (2) The value of all expected funding increments under a Federal award and options, even if not yet exercised.

## **Attachment D – Indemnification and Insurance Requirements**

### **INDEMNIFICATION**

#### **A. Basic Indemnity**

1. To the fullest extent permitted by applicable law, Subrecipient agrees to indemnify, hold harmless and defend the County of Riverside, its Agencies, Districts, Departments and Special Districts, Board of Supervisors, elected and appointed officials, and each of their respective directors, members officers, employees, agents, volunteers and representatives ("Indemnitees") and each of them from any and all Losses that arise out of or relate to any act or omission constituting ordinary and not professional negligence (including, without limitation, negligent breach of contract), recklessness, or willful misconduct on the part of Subrecipient or its subconsultants or their respective employees, agents, representatives, or independent contractors.

2. To the fullest extent permitted by applicable law, County agrees to indemnify, hold harmless and defend the District, its elected and appointed officials, and its directors, members officers, employees, agents, volunteers and representatives and each of them from any and all Losses that arise out of or relate to any act or omission constituting ordinary and not professional negligence (including, without limitation, negligent breach of contract), recklessness, or willful misconduct on the part of County or its subconsultants or their respective employees, agents, representatives, or independent contractors.

3. "Losses" shall mean any and all economic and non-economic losses, costs, liabilities, claims, damages, actions, judgements, settlements and expenses, including, without limitation, full and actual attorney's fees (including, without limitation, attorney's fees for trial and on appeal), expert and non-expert witness fees, arbitrator and arbitration fees and mediator and mediation fees.

4. Subrecipient further agrees to and shall indemnify and hold harmless the Indemnitees from all liability arising from suits, claims, demands, actions, or proceedings made by agents, employees or subcontractors of Subrecipient for salary, wages, compensation, health benefits, insurance, retirement or any other benefit not explicitly set forth in this Agreement and arising out of work performed for County pursuant to this Agreement. The Indemnitees shall be entitled to the defense and indemnification provided for hereunder regardless of whether the Loss is in part caused or contributed to by the acts or omissions of an Indemnitee or any other person or entity; provided however, that nothing contained herein shall be construed as obligating Subrecipient to indemnify and hold harmless any Indemnitee to the extent not required under the provisions of Paragraph B below.

#### **B. Indemnity for Design Professionals**

1. To the fullest extent permitted by Applicable Law, Subrecipient agrees to defend (through legal counsel reasonably acceptable to County), indemnify and hold harmless the Indemnitees, and each of them, against any and all Losses that arise out of, pertain to, or relate to, any negligence, recklessness or willful misconduct constituting professional negligence on the part of Subrecipient or its Subconsultants, or their respective employees, agents, representatives, or independent contractors. The Indemnitees shall be entitled to the defense, and indemnification provided for hereunder regardless of whether the Loss is, in part, caused or contributed to by the acts or omissions of an Indemnitee or any other person or entity; provided, however, that nothing contained herein shall be construed as obligating Subrecipient to indemnify and hold harmless any Indemnitee to the extent not required under the provisions of this section. Subrecipient shall defend and pay, all costs and fees, including but not limited to attorney fees, cost of investigation, and defense, in any loss, suits, claims, demands, actions, or proceedings to the extent and in



proportion to the percentage, such costs and fees arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of Subrecipient arising out of or from the performance of professional design services under this Agreement. The duty to defend applies to any alleged or actual negligence, recklessness, willful misconduct of Subrecipient. The cost for defense shall apply whether or not Subrecipient is a party to the lawsuit and shall apply whether or not Subrecipient is directly liable to the plaintiffs in the lawsuit. The duty to defend applies even if Indemnitees are alleged or found to be actively negligent, but only in proportion to the percentage of fault or negligence of Subrecipient.

2. Without affecting the rights of County under any other provision of this Agreement, Subrecipient shall not be required to indemnify or hold harmless or provide defense or defense costs to an Indemnitee for a loss due to that Indemnitee's negligence, recklessness or willful misconduct; provided, however, that such negligence, recklessness or willful misconduct has been determined by agreement of Subrecipient and Indemnitee or has been adjudged by the findings of a court of competent jurisdiction.

C. Subrecipient agrees to obtain or cause to be obtained executed defense and indemnity agreements with provisions identical to those set forth in this section from each and every Subconsultant, of every Tier.

D. Subrecipient's indemnification obligations under this Agreement shall not be limited by the amount or type of damages, compensation or benefits payable under any policy of insurance, workers' compensation acts, disability benefit acts or other employee benefit acts.

E. The indemnified parties shall be entitled to recover their attorneys' fees, costs and expert and consultant costs in pursuing or enforcing their right to defense and/or indemnification under this Agreement.

## INSURANCE REQUIREMENTS

Without limiting or diminishing the Subrecipient's obligation to indemnify or hold the County harmless, Subrecipient shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages during the term of this Agreement. As respects to the insurance section only, the County herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

A. Workers' Compensation: If the Subrecipient has employees as defined by the State of California, the Subrecipient shall maintain statutory Workers Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

B. Commercial General Liability: Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of Subrecipient's performance of its obligations hereunder. Policy shall name the County as Additional Insured. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a

general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the County as Additional Insureds.

C. Vehicle Liability: If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then Subrecipient shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the County as Additional Insureds.

D. Professional Liability (ONLY TO BE INCLUDED IN CONTRACTS WITH SERVICE PROVIDERS INCLUDING BUT NOT LIMITED TO ENGINEERS, DESIGN PROFESSIONALS, DOCTORS, AND LAWYERS) Contractor shall maintain Professional Liability Insurance providing coverage for the Contractor's performance of work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Contractor's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and Subrecipient shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also, known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that Subrecipient has Maintained continuous coverage with the same or original insurer. Coverage provided under items 1), 2), or 3) will continue as long as the law allows. Policy shall name the County as Additional Insureds.

E. General Insurance Provisions - All lines:

1. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2. The Subrecipient must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceed \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the County, and at the election of the County's Risk Manager, Subrecipient's carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the County, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3. Subrecipient shall cause Subrecipient's insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original

Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that a minimum of thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. If Subrecipient insurance carrier(s) policies does not meet the minimum notice requirement found herein, Subrecipient shall cause Subrecipient's insurance carrier(s) to furnish a 30 day Notice of Cancellation Endorsement.

4. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. Subrecipient shall not commence operations until the County has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

5. It is understood and agreed to by the parties hereto that the Subrecipient's insurance shall be construed as primary insurance, and the County's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.

6. If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the County reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Management's reasonable judgment, the amount or type of insurance carried by the Subrecipient has become inadequate.

7. Subrecipient shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

8. The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the County.

9. Subrecipient agrees to notify County of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement

## **Attachment E - Project Monitoring Requirements**

Quarterly Progress Reports shall be submitted on the 21<sup>st</sup> of the month following the previous quarter. Quarterly reports shall be sent via e-mail to [RIVCOARPA@RIVCO.ORG](mailto:RIVCOARPA@RIVCO.ORG). The quarterly report shall include a brief description of the work performed during the reporting period, including construction status, milestones achieved, financial status report including cost incurred to date, cash flow projections, schedule updates, and any problems encountered in the performance of the work under this Agreement. The progress pay estimate for the reporting period shall be included as part of the quarterly progress report submittal.

In addition to the above, project schedule and cashflow projection updates shall be emailed to the County on a monthly basis.

## Attachment F - Construction Requirements

Subrecipient shall:

1. Pursuant to the California Environmental Quality Act ("CEQA"), act as Lead Agency and assume responsibility for preparation, circulation and adoption of all necessary and appropriate CEQA documents pertaining to the construction, operation and maintenance of Infrastructure Projects.

2. To the extent that it has not already done so, the Subrecipient shall prepare or cause plans and specifications ("Plans") to be prepared for the Infrastructure Projects prior to advertising Infrastructure Projects for construction bids.

3. Provide County a copy of the engineering design cost proposal and associated design schedule for each Infrastructure Project.

4. Advertise and award a public works construction contract for the Infrastructure Projects and begin construction per the schedules included in **Attachment A** of this Agreement.

5. Prior to advertising Infrastructure Projects for public works construction contract, obtain all necessary permits, approvals, or agreements as may be required by any federal, state and local resource or regulatory agencies pertaining to the construction, operation and maintenance of Infrastructure Projects. Assume sole responsibility for compliance with the requirements of all regulatory permits, including any amendments thereto, pertaining to the construction, operation and maintenance of Infrastructure Projects.

6. Implement or cause to be implemented, all environmental mitigation required in association with the construction, operation and maintenance of Infrastructure Projects.

7. Prior to advertising Infrastructure Projects for public works construction contract, obtain all necessary permits, licenses, agreements, approvals, rights of way, rights of entry, encroachment permits, and temporary construction easements as may be needed to construct, operate and maintain the Infrastructure Projects.

8. Advertise, award and administer a public works construction contract for the Infrastructure Projects pursuant to the provisions of applicable laws for public works of improvements, including but not limited to the California Public Contract Code, Government Code and Labor Code.

9. Shall certify and cause its contractor to certify, that it is not a target of economic sanctions imposed in response to Russia's actions in Ukraine imposed by the United States government or the State of California. The Recipient and its Contractor is required to comply with the economic sanctions imposed in response to Russia's actions in Ukraine, including with respect to, but not limited to, the federal executive orders identified in California Executive Order N-6-22, located at <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf> and the sanctions identified on the United States Department of the Treasury website (<https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions>). The Subrecipient and its Contractor is required to comply with all applicable reporting requirements regarding compliance with the economic sanctions, including, but not limited to, those reporting requirements set forth in California Executive Order N-6-22 for all parties with one or more agreements with the State of California, the County of Riverside, or any other local agency, with a value of Five Million Dollars (\$5,000,000) or more. Notwithstanding any other provision in

these documents, failure to comply with the economic sanctions and all applicable reporting requirements may result in disqualification or termination of the Construction Agreement, if awarded.

For parties and contractors with an agreement value of Five Million Dollars (\$5,000,000) or more with the State of California, the County of Riverside, or any other local agency, reporting requirements include, but are not limited to, information related to steps taken in response to Russia's actions in Ukraine, including but not limited to:

- a. Desisting from making any new investments or engaging in financial transactions with Russian institutions or companies that are headquartered or have their principal place of business in Russia;
- b. Not transferring technology to Russia or companies that are headquartered or have their principal place of business in Russia; and
- c. Direct support to the government and people of Ukraine.

To comply with this requirement, please insert your name and Federal ID Number (if available) on the Certification Form attached hereto, execute by a duly authorized representative for the contractor and return to the County.

10. The Subrecipient shall require, and the specifications, bid and contract documents shall require all contractors, subcontractors, vendors, equipment operators and owner operators, in each such case to the extent such individuals or entities are engaged to perform work on the Infrastructure Projects, to pay at least general prevailing wage rates to all workers employed in the execution of the contract, to post a copy of the general prevailing wage rates at the job-site in a conspicuous place available to all employees and applicants for employment, and to otherwise comply with applicable provisions of the California Labor Code and applicable laws relating to general prevailing wage rates.

11. Each contractor engaged to perform work on the Infrastructure Projects shall be required to furnish (i) labor and material payment bonds, and (ii) contract performance bonds, each in an amount equal to 100% of the contract price naming the Subrecipient as obligee and issued by a California admitted surety which complies with the provisions of Section 995.660 of the California Code of Civil Procedure.

12. Provide County with written notice that Subrecipient has awarded a public works construction contract for Infrastructure Projects. The written notice shall include the Contractor's actual bid amounts for Infrastructure Projects, setting forth herein the lowest responsible bid contract amount.

13. Prior to commencing Infrastructure Projects construction, provide to County:

- a. A construction schedule which shall show the order and dates in which Subrecipient or Subrecipient's contractor proposes to carry on the various parts of work, including estimated start and completion dates, and
- b. A confined space procedure specific to Infrastructure Projects. The procedure shall comply with requirements contained in California Code of Regulations, Title 8, Section 5156 et seq. and County's Confined Space Procedures, SOM-18.

14. Require its construction contractor(s) to comply with all Cal/OSHA safety

regulations including regulations concerning confined space and maintain a safe working environment for all working on the site.

15. Order the relocation of all utilities within Subrecipient rights of way which conflict with the construction of Infrastructure Projects and which must be relocated at the expense of who may have superior property rights.

16. Procure or caused to be procured insurance coverages during the term of this Agreement. Subrecipient shall require its Infrastructure Projects construction contractor(s) to furnish original certificate(s) of insurance and original certified copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments. Prior to Subrecipient issuing a Notice to Proceed to its construction contractor(s) to begin construction of Infrastructure Projects, an original certificate of insurance evidencing the required insurance coverage shall be provided to County. At minimum, the procured insurance coverages should adhere to the County's required insurance provided in **Attachment D** to this Agreement.

17. Construct, or cause to be constructed, Infrastructure Projects pursuant to a Subrecipient administered public works construction contract, in accordance with the Plans, and pay all costs associated therewith.

18. Inspect each Infrastructure Projects construction or cause each Infrastructure Project's construction to be inspected by its construction manager and pay all costs associated therewith.

19. Provide County with a copy of the Subrecipient's recorded Notice of Completion.

20. Keep an accurate accounting of all Infrastructure Projects cost and provide this accounting to County with Subrecipient's Notice of Completion. The final accounting of construction cost shall include a detailed breakdown of all costs, including, but not limited to, payment vouchers, Subrecipient approved change orders and other such construction contract documents as may be necessary to establish the actual cost of construction for the PLANS. Subrecipient shall be responsible to pay any amounts in excess of Award amount provided in this Agreement.

21. Refund to County, at the time of providing a Notice of Completion, any unexpended portions of Award amount within thirty (30) days of the Notice of Completion is filed for recordation.

**COMPLIANCE WITH ECONOMIC SANCTIONS IN RESPONSE TO RUSSIA’S ACTIONS  
IN UKRAINE**

Prior to bidding on, submitting a proposal, or executing a contract, a party/contractor must certify: 1) it is not a target of economic sanctions and 2) in compliance with economic sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any requirements related to the Russian sanctions imposed by the California Governor’s Executive Order N-6-22 issued on March 4, 2022 and under state law, if any.

To comply with this requirement, please insert the party/contractor name and Federal ID Number (if available), complete the information described below and execute by an authorized representative of the contractor.

**CERTIFICATION**

I, the authorized representative for contractor named below, certify I am duly authorized to execute this certification on behalf of the contractor below, and the contractor identified below has conducted a good faith review of existing contracts. I attest that the contractor is not a target of economic sanctions, and that contractor is in compliance with the economic sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any requirements related to the Russian sanctions imposed by the California Governor’s Executive Order N-6-22 issued on March 4, 2022 and under state law, if any.

<i>Party/Contractor Name (Printed)</i>		<i>Federal ID Number (or n/a)</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date</i>		



**EVMWD Board of Director  
Travel Reimbursement Authorization Request**

Control No: 23-073-90018

Director Name: Darcy Burke Employee No.: 90018  
 Event Description: Metropolitan Water District Board Meeting  
 Purpose/Benefit: Attend MWD Board Meeting.  
 Location: Los Angeles, CA  
 Dates: December 13, 2022 Department: Director

**A) REGISTRATION COST**

Event Registration: N/A No. of Days: 1  
**Registration Cost:** \$0.00

**B) TRAVEL COST**

**I) ACCOMMODATION** Hotel: Omni Hotel Los Angeles No. of Nights: 1 Cost/night: \$325.00  
**Accommodation Cost:** \$325.00

**II) TRANSPORTATION**  
 Air Travel Cost: \$0.00 Total Mileage: 148.2 Vehicle: personal  
 Baggage Cost: \$0.00  
 Ground Transport: \$50.00 (x 0.625): \$92.63  
**Transportation Cost:** \$142.63

**III) MEALS** IRS Per Diem: Mon \$39, Tue \$74 **Meal Cost:** \$113.00

**IV) MISCELLANEOUS** (including parking, internet charges, training materials, etc.) **Misc. Cost:** \$100.00

**C) TOTAL COST**

G/L Account No.: 15-110-110 / 51105 Budget Available (Y/N): Y  
**TOTAL EVENT COST:** \$680.63

**D) BOARD MEMBER ACKNOWLEDGEMENT**

I, **Darcy Burke**, acknowledge that I understand that submitting a Travel Request form for approval with total costs falling at or below \$500.00 and subsequently submitting actual costs totaling more than \$500.00 will require Board approval before any unauthorized costs are reimbursed or I may choose to receive only the previously approved amount.


Board Member Signature:  Date: Nov 29, 2022

**E) ADVANCES**

Payee: \_\_\_\_\_ Amount Requested: \_\_\_\_\_  
 Date Needed: \_\_\_\_\_ Account No.: \_\_\_\_\_

**F) APPROVALS**

**REQUIRES BOARD APPROVAL: YES  NO**

Approved	Signature	Date	
YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	<u></u>	<u>Nov 30, 2022</u>	<b>GM/AGM APPROVAL</b>
YES <input type="checkbox"/> NO <input type="checkbox"/>	_____	_____	<b>BOARD APPROVAL</b>

Single Review

Jul-22