

*Rosamond Community Services District
Regular Board Meeting – Agenda
Wednesday, August 14, 2024 @ 5:30PM*

**REGULAR MEETING OF THE
BOARD OF DIRECTORS
ROSAMOND COMMUNITY SERVICES DISTRICT**

5:30PM Closed Session
6:00 PM Regular Board Meeting
Wednesday, August 14, 2024
District Board Room
3179 35th Street West
Rosamond, CA 93560

Teleconference
1-877-411-9748
Access Code: 5150560

Agenda

CALL TO ORDER Time: _____

ROLL CALL

Director Greg Washington
Director Alfred Wallis
Director Rick Webb
Vice President Ben Stewart
President Byron Glennan

General Manager (GM) Kim Domingo
Director of Public Works John Houghton
Director of Administration Sherri Timm
Legal Counsel, John Komar, Esq.

PLEDGE OF ALLEGIANCE

APPROVAL OF THE AGENDA Motion: _____ 2nd: _____

PUBLIC COMMENTS

(At this time, any person may address the Board on any subject within the District’s jurisdiction which is not on the agenda. However, any non-agenda matter will be referred to staff for a report and/or action at a subsequent Board meeting and no action can be taken on any such item discussed unless the action has been authorized under §54954.2(b) of the Government Code. Any person may also address the Board on any agenda matter at the time that matter is discussed, prior to Board consideration and action. Speakers are requested to limit comments to five (5) minutes.)

VOLUNTARY PUBLIC ROLL-CALL VIA TELECONFERENCE

(If any member of the public on the teleconference/video conference wishes to identify themselves as present for this meeting, please do so for the records/minutes)

CLOSED SESSION Time: _____

Motion _____ 2nd _____

CS 1. CONFERENCE WITH LEGAL COUNSEL - Anticipated Litigation, 3 Cases, (Govt. Code, § 54956.9(d)(2)(3)).

PUBLIC REPORT ON ACTION TAKEN IN CLOSED SESSION

Time Out of Closed Session: _____

Motion _____ 2nd _____

_____ No Reportable Action _____ Reportable Action by: _____

6:00 P.M. OPEN SESSION Time: _____

PUBLIC COMMENTS

(At this time, any person may address the Board on any subject within the District’s jurisdiction which is not on the agenda. However, any non-agenda matter will be referred to staff for a report and/or action at a subsequent Board meeting and no action can be taken on any such item discussed unless the action has been authorized under §54954.2(b) of the Government Code. Any person may also address the Board on any agenda matter at the time that matter is discussed, prior to Board consideration and action. Speakers are requested to limit comments to five (5) minutes.)

VOLUNTARY PUBLIC ROLL-CALL VIA TELECONFERENCE

(If any member of the public on the teleconference/video conference wishes to identify themselves as present for this meeting, please do so for the records/minutes)

CONSENT CALENDAR

CC 1 Review of the check/voucher register dated July 16, 2024 through August 5, 2024 | Payroll (Direct Deposit) dated July 17, 2024 | Payroll (Checks) dated July 17, 2024 | Payroll (Direct Deposit) dated July 31, 2024

Motion: _____ 2nd: _____

MINUTES

M1. Approve July 24, 2024 Regular Board Meeting Minutes.

Motion: _____ 2nd: _____

NEW BUSINESS

NB 1. Approval of Agreement with Gallagher Benefit Services, Inc., for a Compensation and Classification Study. (Kim Domingo, presenter)

NB 2. Approval of Master Data Sharing Agreement with Flume, Inc. (Kim Domingo, presenter)

NB 3. Approval of Amendment No. 2 of the Agreement with the California State Water Resources Control Board for the RCSD Arsenic Regional Consolidation Project. (Kim Domingo, presenter)

DIRECTOR REPORTS/COMMENTS/FUTURE AGENDA ITEMS

GENERAL COUNSEL UPDATE

John Komar, Esq

GENERAL MANAGER UPDATE

Kim Domingo

DIRECTOR OF ADMINISTRATION UPDATE

Sherri Timm

PUBLIC WORKS UPDATE

John Houghton

ADJOURNMENT Time: _____ Motion: _____ 2nd: _____

Requirements Regarding Disabled Access: In accordance with Government Code §54954.2(a), requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting, should be made to the RCSD Board Secretary at least 48 hours in advance of the meeting to ensure availability of the requested service or accommodation. Please contact the Board Secretary by telephone at (661) 256-3411, Email: stimm@rosamondcsd.com or in writing at the Rosamond Community Services District, Attn: Board Secretary 3179 35th Street West, Rosamond, CA 93560.

Pursuant to Government Code Section 54957.5, any writing that: (1) is a public record; (2) relates to an agenda item for an open session of a regular meeting of the Board of Directors; and (3) is distributed less than 72 hours prior to that meeting, will be made available for public inspection at the time the writing is distributed to the Board of Directors. Any such writing will be available for public inspection at the District offices located at 3179 35th Street West, Rosamond, CA 93560. A complete agenda packet containing all accompanying reports for this agenda is available by contacting the Board Secretary stimm@rosamondcsd.com or 661-256-3411, or in person or writing to Rosamond Community Services District, Attn: Board Secretary 3179 35th Street West, Rosamond, CA 93560.

Board meetings are subject to audio recording.

REGULAR MEETING OF THE BOARD OF DIRECTORS ROSAMOND COMMUNITY SERVICES DISTRICT

5:30PM Closed Session
6:00 PM Regular Board Meeting
Wednesday, July 24, 2024
District Board Room
3179 35th Street West
Rosamond, CA 93560

Teleconference
1-877-411-9748
Access Code: 5150560

Minutes

CALL TO ORDER

The meeting was called to order at 5:30 PM by President Glennan.

ROLL CALL

Director Greg Washington	Present
Director Alfred Wallis	Present
Director Rick Webb	Present
Vice President Ben Stewart	Present
President Byron Glennan	Present

General Manager (GM) Kim Domingo	Present
Director of Public Works John Houghton	(Arrived at 5:55 PM)
Director of Administration Sherri Timm	Present
Legal Counsel, John Komar, Esq.	Via Teleconference

PLEDGE OF ALLEGIANCE

APPROVAL OF THE AGENDA

A motion to approve the agenda was made by VP Stewart and seconded by Director Webb.
Motion passed 5/0 all ayes.

PUBLIC COMMENTS

(At this time, any person may address the Board on any subject within the District’s jurisdiction which is not on the agenda. However, any non-agenda matter will be referred to staff for a report and/or action at a subsequent Board meeting and no action can be taken on any such item discussed unless the action has been authorized under §54954.2(b) of the Government Code. Any person may also address the Board on any agenda matter at the time that matter is discussed, prior to Board consideration and action. Speakers are requested to limit comments to five (5) minutes.)

None.

VOLUNTARY PUBLIC ROLL-CALL VIA TELECONFERENCE

(If any member of the public on the teleconference/video conference wishes to identify themselves as present for this meeting, please do so for the records/minutes)

None.

CLOSED SESSION

A motion to go into closed session at 5:32 PM was made by VP Stewart and seconded by Director Webb.

Motion passed 5/0 all ayes.

CS 1. PUBLIC EMPLOYEES - Performance Evaluation: General Manager. (Govt. Code, § 54957.)

CS 2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Govt. Code, § 54956.8.)

Description of Property: 275 Acres of vacant land, APNs 3201-003-005, 3201-003-006, 3201-004-007

Agency Negotiator: Kim Domingo

Negotiation Parties: RCSD and Potential Buyers

Under Negotiation: Price and terms

PUBLIC REPORT ON ACTION TAKEN IN CLOSED SESSION

A motion to come out of closed session at 6:03 PM was made by Director Webb and seconded by Director Washington.

Motion passed 5/0 all ayes

No reportable action.

6:00 P.M. OPEN SESSION

PUBLIC COMMENTS

(At this time, any person may address the Board on any subject within the District’s jurisdiction which is not on the agenda. However, any non-agenda matter will be referred to staff for a report and/or action at a subsequent Board meeting and no action can be taken on any such item discussed unless the action has been authorized under §54954.2(b) of the Government Code. Any person may also address the Board on any agenda matter at the time that matter is discussed, prior to Board consideration and action. Speakers are requested to limit comments to five (5) minutes.)

Rick Webb spoke as a member of the public.

VOLUNTARY PUBLIC ROLL-CALL VIA TELECONFERENCE

(If any member of the public on the teleconference/video conference wishes to identify themselves as present for this meeting, please do so for the records/minutes)

Natalie Willis – Hydrostor
Amanda Ortiz – Rosamond News

CONSENT CALENDAR

CC 1 Review of the check/voucher register dated July 2, 2024 through July 15, 2024|
Payroll (Direct Deposit) dated July 3, 2024|Payroll (Checks) dated July 3, 2024.

A motion to approve CC 1 was made by Director Wallis and seconded by VP Stewart.

Motion passed 5/0 all ayes

MINUTES

M1. Approve July 10, 2024 Regular Board Meeting Minutes.

A motion to approve M1 was made by Director Washington and seconded by Director Webb.

Motion passed 5/0 all ayes

NEW BUSINESS

NB 1. Approval of FY24-25 Engagement Letters with Eide Bailly for Accounting Services, Transition Services and Management Analyst Services. (Presenter Kim Domingo)

A motion to approve NB1 was made by VP Stewart and seconded by Director Webb.
Motion passed 5/0 all ayes

NB 2. Authorize the Filing of the Notice of Completion for the Rosamond Boulevard Utility Adjustment Project. (Presenter Kim Domingo)

A motion to approve NB2 was made by Director Wallis and seconded by VP Stewart.
Motion passed 5/0 all ayes

NB 3. Authorize the Refund of the Water Availability Fee for the Sierra Creek Apartment Project. (Presenter Kim Domingo)

A motion to approve NB3 was made by VP Stewart and seconded by Director Webb.
Motion passed 5/0 all ayes

DIRECTOR REPORTS/COMMENTS/FUTURE AGENDA ITEMS

Director Washington discussed how the new water use reduction regulations recently passed by the state will require a proactive approach and routine discussions with Kern County Planning Department and collaboration with other small districts.

Kudos were given to Directors Webb and Wallis for speaking to the Rosamond Chamber of Commerce and RMAC.

Director Wallis spoke about reporting water leaks seen around the community.

VP Stewart apologized for missing the last meeting. He also asked about online capabilities for viewing meetings.

Director Webb attended the recent RMAC meeting. He also reported that SKUSD has many projects planned and will have the Tropico Middle School expansion ribbon cutting on Friday July 26th.

President Glennan attended the recent AVEK meeting where a change order was approved by AVEK and the Metropolitan Water District to correct the design of berms to prevent erosion at the High Desert Water Bank.

GENERAL COUNSEL UPDATE

John Komar, Esq
No report

GENERAL MANAGER UPDATE

Kim Domingo
No Report

DIRECTOR OF ADMINISTRATION UPDATE

Sherri Timm-
807 accounts were charged a total of \$5138.37 in late fees this month.
The District is actively soliciting applications for a Water Reclamation Plant Operator I or II.

PUBLIC WORKS UPDATE

John Houghton provided a Field Operations report to the Board.

ADJOURNMENT

A motion to adjourn the meeting at 6:32 PM was made by VP Stewart and seconded by Director Webb.

Motion passed 5/0 all ayes.

Requirements Regarding Disabled Access: In accordance with Government Code §54954.2(a), requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting, should be made to the RCSD Board Secretary at least 48 hours in advance of the meeting to ensure availability of the requested service or accommodation. Please contact the Board Secretary by telephone at (661) 256-3411, Email: stimm@rosamondcsd.com or in writing at the Rosamond Community Services District, Attn: Board Secretary 3179 35th Street West, Rosamond, CA 93560.

Pursuant to Government Code Section 54957.5, any writing that: (1) is a public record; (2) relates to an agenda item for an open session of a regular meeting of the Board of Directors; and (3) is distributed less than 72 hours prior to that meeting, will be made available for public inspection at the time the writing is distributed to the Board of Directors. Any such writing will be available for public inspection at the District offices located at 3179 35th Street West, Rosamond, CA 93560. A complete agenda packet containing all accompanying reports for this agenda is available by contacting the Board Secretary stimm@rosamondcsd.com or 661-256-3411, or in person or writing to Rosamond Community Services District, Attn: Board Secretary 3179 35th Street West, Rosamond, CA 93560.

Board meetings are subject to audio recording.

*Rosamond Community Services District
Regular Board Meeting – Minutes
Wednesday, July 24, 2024 @ 5:30PM*

Respectfully submitted:

RCSD Board of Directors

RCSD Board Secretary

STAFF REPORT

Rosamond Community Services District

DATE: August 14, 2024
TO: Board of Directors
FROM: Kim Domingo, General Manager
Subject: Approval of Agreement with Gallagher Benefit Services, Inc., for a Compensation and Classification Study

RECOMMENDATION:

Approve the Agreement with Gallagher Benefit Services, Inc. for a Compensation and Classification Study and Authorize the President to Execute

BACKGROUND:

The current Memorandum of Understanding (MOU) with AFSCME Local 1902 expires on March 31, 2025. A Side Letter agreement dated December 13, 2022, commits the District to perform a new Compensation and Classification study by December 31, 2024, to inform the new MOU negotiations.

The study will confirm the duties performed by each classified employee through a questionnaire and interview process. These will be used to review and update the job descriptions to adequately describe and capture the work currently done by staff. A compensation survey will be correlated to the job classifications to determine the market ranges for similarly sized and located districts. These will inform the economic impact of proposed increases to the compensation ranges for each classification.

Staff contacted Gallagher Benefit Services (GBS) for a proposal to perform the study. The District recently entered into an agreement with GBS to perform a limited Classification Study and they also performed the previous Compensation Study which informed the current MOU. The last agreement was used as a template for the general terms of this Agreement for consideration.

ANALYSIS

The District is obligated to the terms of the MOU and associated Side Letter Agreements. Approval of the Agreement formalizes the authorization to perform the required study.

FISCAL REVIEW:

The cost for the study is \$55,000. This is budgeted under general ledger codes 01/02 – 65000.

LEGAL REVIEW:

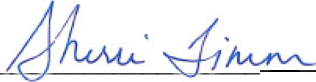
None

CONCLUSION:

Approval is recommended.



Kim Domingo, General Manager



Sherri Timm, Director of Administration

ATTACHMENTS:

Agreement

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (“Agreement”), with an effective date of August ____, 2024, is by and between Rosamond Community Services District (“District”) 3179 35th St W, Rosamond, CA 93560 and Gallagher Benefit Services, Inc. (“Consultant”), 2850 Golf Road, Rolling Meadows, IL 60008.

In consideration of the mutual covenants and promises contained herein, District hereby engages Consultant to provide certain services (the “Services”) on the following terms and conditions:

1. SCOPE OF SERVICES

1.1 The Services to be performed by Consultant under this Agreement shall be set forth in the Scope of Work described in Attachment A, attached hereto and incorporated herein by reference.

2. INVOICING AND PAYMENT

2.1 Consultant shall submit its standard monthly invoice describing the Services performed and expenses incurred during the preceding month. District shall make payment of all undisputed portions of such invoice and provide written justification for the withholding of any disputed portions to Consultant within thirty (30) calendar days from the date of Consultant's monthly invoice.

3. PERIOD OF PERFORMANCE

3.1 This Agreement shall have an effective date as set forth above and shall remain in effective until August ____, 2025 unless terminated earlier pursuant to this Agreement. The period of performance for the Services shall be as set forth in the Scope of Work.

4. DISTRICT'S RESPONSIBILITIES

4.1 District shall designate a person to act as District's representative under this Agreement. Such person will have complete authority to transmit instructions, receive information and interpret and define District's policies and decisions.

4.2 District shall furnish to Consultant applicable information and technical data in District's possession or control reasonably required for the proper performance of the Services. Consultant shall be entitled to reasonably rely upon the information and data provided by District or obtained from generally accepted sources within the industry without independent verification except to the extent such verification is expressly included in the scope of Services.

4.3 District shall examine all studies, reports, sketches, drawings, specifications, and other documents presented by Consultant, seek legal advice, the advice of an insurance counselor, or other Consultant(s), as District deems appropriate for such examination. If any document requires District to approve, comment, or to provide any decision or direction, such approval, comment, decision or direction shall be provided within a reasonable time within the context of the project schedule.

5. CONSULTANT'S RESPONSIBILITIES

5.1 Consultant shall designate a Project manager for the performance of the Services described in the Scope of Work.

5.2 Consultant shall perform the Services as an independent Consultant and not as District's agent or employee. Consultant shall be solely responsible for the compensation, benefits, contributions and taxes, if any, of its employees and agents.

5.3 The standard of care applicable to Consultant's Services will be the degree of skill and diligence normally employed by professional Consultants performing the same or similar services at the time and location said Services are performed.

5.4 Consultant may, during the course of its Services and in accordance with the Scope of Work, prepare opinions of the probable cost of construction. District acknowledges, however, that Consultant has no control over costs of labor, materials, competitive bidding environments and procedures, unknown field conditions, financial and/or market conditions or other factors affecting the cost of the construction and the operation of the facilities, all of which are beyond Consultant's control and are unavoidably in a state of change. District therefore acknowledges that Consultant cannot and does not make any warranty, promise, or representation, either express or implied, that proposal, bids, opinions of probable construction costs, or cost of operation or maintenance will not vary substantially from its probable cost estimates.

5.5 When Consultant provides on-site monitoring personnel during construction as part of its Services in accordance with the Scope of Work, the on-site monitoring personnel will notify District of any observed defects in the work being performed; will otherwise make reasonable efforts to guard District against defects and deficiencies in the work of the Consultant(s) and will help to determine if the provisions of the contract documents are being fulfilled. Providing on-site monitoring personnel will not, however, cause Consultant's to be responsible for those duties and responsibilities which belong to the construction Consultant, and which include, but are not limited to, full responsibility for the means, methods, techniques, sequences and progress of construction, and the health and safety precautions incidental thereto, and for performing the construction in accordance with the contract documents.

5.6 In addition to or in lieu of on-site personnel, Consultant's off-site staff may periodically visit the Project site as part of its Services. Such periodic visits and any observations made by Consultant during such periodic visits shall not make Consultant responsible for, nor relieve the construction Consultant of the sole responsibility for all construction means, methods, techniques, sequences, and progress of construction, and the health and safety precautions incidental thereto, and for performing the construction in accordance with the contract documents.

6. CHANGE ORDERS

7.1 District or Consultant may, from time to time, request modifications or changes in the Services described in Scope of Work. To the extent that the Services to be performed by Consultant have been affected by such change, Consultant's Compensation and Project Schedule shall be equitably adjusted. All changes shall be set forth in a written Change Order and executed by both parties.

7. FORCE MAJEURE

7.1 Neither party shall be responsible for a delay in its performance under this Agreement, other than a delay in payment for Services already performed, if such delay is caused by extraordinary weather conditions or other natural catastrophes war, terrorism, riots, strikes, lockouts or other industrial disturbances, acts of any governmental agencies or other events beyond the reasonable control of the claiming party. Consultant shall be entitled to an equitable adjustment to the Compensation and the Project Schedule as a result of any such delay.

8. CONFIDENTIALITY

8.1 Consultant shall treat as confidential and proprietary all information and data delivered to it by District ("Confidential Information"). Confidential Information shall not be disclosed to any third party, other than Consultant's sub-consultants, during or subsequent to the term of this Agreement. Consultant's duties under this Agreement are in addition to those provided under any separate NON-DISCLOSURE AGREEMENT between the District and Consultant. Nothing contained herein shall preclude Consultant from disclosing information or data: (i) in the public domain without breach of this Agreement; (ii) developed independently by Consultant; or (iii) where disclosure or submission to any governmental authority is required by applicable statutes, ordinances, codes, regulations, consent decrees, orders, judgements, rules, and all other requirements of any and all governmental or judicial entities that have jurisdiction over the Services, but only after written notice has been received by District.

8.2 California Public Records Act. Consultant acknowledges that, as a public agency of the State of California, District is subject to the California Public Records Act (the "Act"). District is therefore required to disclose any information deemed to be a public record upon request as provided in the Act. Therefore, notwithstanding any other provision of this Agreement, District shall not be in breach of this Agreement because it discloses any Confidential Information in response to a request made under the Act.

9. RIGHTS IN DATA

9.1 All right, title and interest in and to the work products provided by Consultant to District shall be the property of District ("Work Product"). All written information shall be provided in original and editable format. Methodologies, process know-how and other instruments of service used to prepare the Work Product shall remain the property of Consultant. Notwithstanding the foregoing, District shall own all final deliverables provided to District by Consultant as part of the services provided under this Agreement, provided however, Consultant shall retain sole and exclusive ownership of all right, title, and interest in, and to, its intellectual property and derivatives thereof which no data or Confidential Information of the District was used to create and which was developed entirely using Consultant's own resources, including any and all pre-existing or independently developed know-how, methods, processes and other materials prepared by Consultant. To the extent Consultant's intellectual property is necessary for the District to use the deliverables provided under this Agreement, Consultant grants to District a non-exclusive, royalty-free license to Consultant's intellectual property solely for District's use of such deliverables.

10. INSURANCE, INDEMNITY, AND LIMITATION OF LIABILITY

In connection with work to be performed and/or materials to be furnished under this Agreement, the undersigned Consultant agrees that:

10.1 To the fullest extent permitted by law, Consultant will defend, indemnify and hold harmless District, its directors, officers, employees or authorized volunteers from all claims and demands of all third parties arising out of the performance of the work or the furnishing of materials; including but not limited to, claims by the Consultant or Consultant's employees for damages to persons or property except for the sole negligence or willful misconduct or active negligence of Districts, its directors, officers, employees, or authorized volunteers. Consultant's liability to the District and any other party for any losses, injury or damages to persons or properties or work performed arising out of in connection with this Agreement and for any other claim, whether the claim arises in contract, tort, statute or otherwise, shall be limited to the amount of the total fees due to Consultant from District for the particular Services giving rise to the claim. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, CONSULTANT SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, LOST PROFITS, OR PUNITIVE DAMAGES SUSTAINED OR INCURRED IN CONNECTION WITH THIS AGREEMENT, WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE.

10.2 Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and it will comply with such provisions before commencing the performance of the work of this Agreement. Consultant will keep workers compensation insurance for its employees in effect during all work covered by this agreement and shall provide District upon request the certificate required by Labor Code Section 3700.

10.3 Prior to beginning work, Consultant shall file, and have on file with District, certificates of insurance and policy endorsements satisfactory to District evidencing the following.

- (a) General liability coverage, of not less than \$1,000,000 per occurrence and \$2,000,000 general and products-completed operations aggregate covering bodily injury, personal injury and property damage. The general liability coverage shall give District, its directors, officers, employees, or authorized volunteers additional insured status (including completed operations) using ISO endorsements CG2010 and CG2037 or equivalent.
- (b) Auto liability coverage of at least \$1,000,000 for bodily injury and property damage each accident limit.
- (c) Workers' compensation (statutory limits) and employer's liability of not less than \$1,000,000 per accident or disease (if applicable). This policy shall waive any right of subrogation with respect to the District, its employees or agents. Any cancelled or non-renewed policy will be replaced with no coverage gap and a current Certificate of Insurance will be provided to the District. The General liability coverage shall include a provision that coverage will be primary and any insurance, self-insurance or other coverage maintained by the District, its directors, officers, employees, or authorized volunteers shall not contribute to it.

Coverage is to be placed with a carrier with an A.M. Best rating of no less than A-:VI, or equivalent, or as otherwise approved by the District. In the event that the Consultant employs other consultants (sub-consultants) as part of the work covered by this agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.

11. SUSPENSION

11.1 District may, at any time and without cause, suspend the Services of Consultant for a period of not more than 90 days by notice in writing to Consultant. Consultant shall resume the Services on receipt from District of a written notice of resumption of the Services. If such suspension causes an increase in Consultant's cost or a delay in the performance of the Services, then an equitable adjustment shall be made to the Compensation and Project Schedule, as appropriate. In the event that the period of suspension exceeds 90 days, the contract time and compensation are subject to renegotiation.

12. TERMINATION

12.1 District may terminate all or part of this Agreement for District's convenience by providing 30 days written notice to Consultant. In such event, Consultant will be entitled to Compensation for the Services performed up to the effective date of termination plus compensation for reasonable termination expenses. Consultant will not be entitled to compensation for profit on Services not performed.

13. NOTICE

13.1 Notices shall be provided to the addresses below. Notices must be provided by facsimile, electronic email, or hand delivery and will be deemed received on the business day it was transmitted or delivered (unless transmitted or delivered after the close of business in which case it will be deemed received on the next business day), and notice by overnight mail or courier will be deemed received two business days after it was sent:

Either Party may change their address for the purpose of this PSA by giving written notice of such change to the other Party in the manner provided in this paragraph.

DISTRICT	CONSULTANT
ROSAMOND COMMUNITY SERVICES DISTRICT 3179 35th St W Rosamond, CA 93560 Attn: Kim Domingo, General Manager Email: kdomingo@rosamondcsd.com	GALLAGHER BENEFIT SERVICES, INC. 2121 N. California Boulevard, Suite 350 Walnut Creek, CA 94596 Attn: Georg S. Krammer, Managing Director Email: Georg_Krammer@ajg.com

14. SURVIVAL OF CONTRACT TERMINATION

14.1 The Articles relating to Confidentiality and Governing Law and Venue shall survive completion of the Services, payment in full of the Compensation and termination of this Agreement.

15. MISCELLANEOUS

15.1 Assignment. Neither this Agreement nor any rights under this Agreement may be assigned by any party, other than to a party's affiliate, parent or subsidiary, without the prior written consent of the other party, which may withheld in such party's sole and absolute discretion.

15.2 Binding Effect. The provisions of this Agreement shall bind and inure to the benefit of the parties and their respective successors and permitted assigns.

15.3 Parties in Interest. Nothing in this Agreement, expressed or implied, is intended to confer on any person or entity other than the parties any right or remedy under or by reason of this Agreement.

15.4 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 a single agreement. Facsimile and electronic signatures shall be binding.

15.5 Amendment and Waiver. This Agreement may be amended, modified or supplemented only by a writing executed by each of the parties. Any party may in writing waive any provisions of this Agreement to the extent such provision is for the benefit of the waiving party. No action taken pursuant to this Agreement shall be deemed to constitute a waiver by that party of any other party's compliance with provisions of this Agreement. No waiver by any party of a breach of any provision of this Agreement shall be construed as a waiver of any subsequent or different breach, and no forbearance by a party to seek a remedy for noncompliance or breach by another party shall be construed as a waiver of any right or remedy with respect to such noncompliance or breach.

15.6 Governing Law and Venue. This Agreement shall be construed and interpreted in accordance with the laws of the State of California, excluding any choice of law rules which may direct the application of the laws of another jurisdiction. Any controversy, dispute, issue, or claim arising out of or in any way relating to this Agreement which cannot be amicably settled without court action shall be litigated (or upon agreement of the parties, arbitrated) in a California State Court in Kern County, California, and the parties consent to venue therein; or if jurisdiction over the action cannot be obtained in a California State Court, in a Federal Court with competent jurisdiction over Kern County and the dispute.

15.7 Severability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions, and this Agreement shall be construed in all respects as if any invalid or unenforceable provision were omitted.

15.8 Preparation of Agreement. All provisions of this Agreement have been subject to full and careful review by and negotiation between Consultant and District. Each such party has availed itself of such legal advice and counsel as it, respectively, has deemed appropriate. The parties hereto agree that neither one of them shall be deemed to be the drafter or author of this Agreement, and in the event this Agreement is subject to interpretation or construction by a court of law or panel of arbitration, such court or panel shall not construe this Agreement or any portion hereof against either party as the drafter of this Agreement.

15.9 Entire Agreement. This Agreement embodies the entire agreement and understanding between the parties pertaining to the subject matter of this Agreement, and supersedes all prior agreements, understandings, negotiations, representations and discussions, whether verbal or written, of the parties pertaining to that subject matter.

DISTRICT

CONSULTANT

Byron Glennan, President, Board of Directors

Georg S. Krammer, Managing Director

Date

Date

Attachment A

Scope of Work

1. The Services to be performed by Consultant under this Scope of Work are as follows:

In accordance with the attached proposal dated July 16, 2024.

2. The Project Schedule is as follows:

Twenty-Four (24) weeks from the date of execution in accordance with the attached proposal.

3. The Compensation to be paid to Consultant for the performance of the Services under this Scope of Work is set forth as follows (appropriate rate sheet attached herein):

Fifty-five thousand dollars (\$55,000), payable in accordance with the attached proposal.

4. Deliverables to be provided under this Task Order are as follows:

The study results and data described in the attached proposal.

Rosamond Community Services District

CLASSIFICATION AND TOTAL COMPENSATION STUDY PROPOSAL

July 16, 2024

Gallagher, formerly known as Koff & Associates

GEORG S. KRAMMER

Managing Director, Compensation and Rewards Consulting

2835 Seventh Street
Berkeley, CA 94710

georg_krammer@ajg.com

Tel: 510.658.5633

Fax: 510.652.5633



Gallagher

Insurance | Risk Management | Consulting



Insurance | Risk Management | Consulting

July 16, 2024

Ms. Sherri Timm
 Director of Administration
 3179 35th Street West
 Rosamond, CA 93560

Dear Ms. Timm:

Thank you for the opportunity to provide a cost proposal for a Classification Study for 11 positions and a Total Compensation Study for 23 positions for the Rosamond Community Services District (“District”) utilizing 12 comparator agencies that may be slightly different from the agencies surveyed in 2022. The positions included in the study are as follows:

Positions	Compensation Study	Classification Study
Chief Water Reclamation Plant Operator	Yes	No
Chief Distribution Operator	Yes	Yes
Water Reclamation Plant Operator II	Yes	Yes
Public Works Supervisor	Yes	Yes
Public Works Crew Leader	Yes	Yes
Sr. Accounting Clerk	Yes	No
Public Works Operator II	Yes	No
Public Works Assistant	Yes	No
Finance Assistant	Yes	No
Customer Service Supervisor	Yes	Yes
Public Works Operator I	Yes	Yes
Customer Service Rep II	Yes	Yes
Customer Service Rep I	Yes	Yes
General Manager	Yes	Yes
Director of Administration	Yes	Yes
Director of Public Works	Yes	Yes

Positions Pending (Compensation Study Only)
Management Analyst
Procurement/ Contract Specialists
Water Reclamation Operator I
Water Reclamation Operator OIT
Engineering/GIS-CAD Technician
Construction Project Technician
Records and Information Technician

We are most interested in assisting the District with this important study and feel that we are uniquely qualified to provide value to your organization based on our experience working with other special districts, cities, counties, joint-powers associations, and other public agencies.

Gallagher, formerly known as Koff & Associates, (“Gallagher/K&A”) is an experienced Human Resources and Recruitment Services firm providing human resources services to cities, counties, special districts, courts, educational institutions, and other public agencies for over



Insurance | Risk Management | Consulting

40 years. Our team has achieved a reputation for working successfully with management, employees, employee representation, and governing bodies. We believe in a high level of dialogue and input from study stakeholders and our proposal speaks to that level of effort. Our team's extra effort has resulted in close to *100% implementation* of all our classification and compensation studies.

Gallagher/K&A ensures that each of our projects is given the appropriate resources and attention, resulting in a high level of quality control, excellent communication between clients and our office, commitment to meeting timelines and budgets, and a consistently high-caliber work product.

As a Managing Director of Gallagher/K&A, I would assume the role of Project Director and be responsible for the successful completion of project. I can be reached at our Berkeley address and the phone number listed on the cover page. My email is georg_krammer@ajg.com.

This proposal will remain valid for at least 90 days from the date of submittal. Please call if you have any questions or wish additional information. We look forward to the opportunity to provide professional services to the Rosamond Community Services District.

Sincerely,

Georg S. Krammer
Managing Director, Compensation and Rewards Consulting



Firm Qualifications

Gallagher, formerly known as Koff & Associates, (“Gallagher/K&A”) is a full-spectrum, public-sector human resources and recruitment services firm; Gallagher/K&A has been assisting cities, counties, special districts, joint powers associations, courts, educational institutions, and other public agencies with their human resources needs for over 40 years and we have offices all throughout California, the Western Region, as well as across the nation.

We are familiar with the various public sector organizational structures, agency missions, operational and budgetary requirements, and staffing expectations. We have extensive experience working in both union and non-union environments, working with City Councils, County Commissions, Boards of Directors, Boards of Supervisors, Boards of Trustees, Boards of Education, Merit Boards, and Joint Power Authorities.

The firm’s areas of focus are classification and compensation studies (approximately 70% of our workload); executive search and staff recruitments; and organizational development/assessment studies.

Without exception, all our classification and compensation studies have successfully met all our intended commitments; communications were successful with employees, supervisors, management, and union representatives; and we were able to assist each agency in successfully implementing our recommendations. All studies were brought to completion within stipulated time limits and proposed budgets.

Our long list of clients (please see <https://koffassociates.com/our-clients/>) is indicative of our firm’s reputation as being a quality organization that can be relied on for producing comprehensive, sound, and cost-effective recommendations and solutions. Gallagher/K&A has a reputation for being “hands on” with the ability and expertise to implement its ideas and recommendations through completion in both union and non-union environments.

Gallagher/K&A relies on our stellar reputation and the recommendations and referrals of past clients to attract new clients. Our work speaks for itself and our primary goal is to provide professional and technical consulting assistance with integrity, honesty and a commitment to excellence. We are very proud of the fact that in working with hundreds of public agency clients and completing hundreds of classification and/or compensation and other types of studies, we have only had a handful of formal appeals in our entire history.

Especially when it comes to compensation, we know we are dealing with people’s livelihoods and we take that very seriously. We are human resources professionals by trade and at heart and always keep the human aspect at the forefront of our problem solving methodologies. Our guiding principle of assisting public agencies for the greater good of their people and the communities they serve has been the backbone of our culture of integrity and ethics. Our values of being public-spirited, resourceful, curious, and courageous help us succeed in being very client- centric, fully invested in our work and finding the best solutions for our clients, and in applying a synergistic approach to all of our projects.

About the Larger Gallagher

Value Proposition: The ability to deliver comprehensively structured human capital solutions to clients is Gallagher’s signature in the marketplace. At Gallagher, we want to know what makes your organization unique. We listen intently to learn about your culture and priorities and delve deeply into all the details that matter when balancing human capital needs with financial sustainability. This single-minded focus on excellence — characterized by innovation and creativity — is the driving force behind every Gallagher engagement.

Company History: Arthur J. Gallagher & Co. opened its doors for business in 1927 and is still “growing strong” because of a practiced ability to help clients think ahead. Founded by its namesake who was previously the leading producer for Chicago’s largest insurance brokerage, Gallagher is now one of the world’s largest human capital, insurance brokerage and risk management services firms. Headquartered in Rolling Meadows, IL, we have operations in 33 countries, and extend our client-service capabilities to more than 90 countries through a global network of correspondent brokers and consultants.

Since 1961, we’ve been helping clients overcome business barriers and create new opportunities to cost-effectively attract, retain and productively engage the best performers in their field. Gallagher started trading on the NYSE under the symbol AJG in 1984.

Company Culture and Philosophy: The ideals, principles and values embodied by the founder whose name still appears on our door are part of our corporate DNA.

Gallagher’s approach to business, cultivated through three generations of family leadership, has always centered on creating relationship value as true partners to our clients.

Gallagher’s interactions with you will be straightforward and candid. By earning the trust of our clients, we’ve sustained a reputation for ethics and a commitment to transparency that continue to contribute to our growth. In fact, Gallagher was the first insurance broker named to the Ethisphere® Institute’s annual list of the World’s Most Ethical Companies in 2012 — and has earned this recognition for twelve consecutive years, through 2023. This is a tremendous achievement: annually, less than 150 companies based in 24 countries and



- FAMILY RUN**
Founded in 1927
- GLOBAL REACH. LOCAL PRESENCE**
Shared values
Passion of excellence
Promises delivered
- 39,000+**
Employees worldwide
- 850+**
Offices in
68 countries
- 150+**
Countries
served
- 2023 WORLD'S MOST ETHICAL COMPANIES™**
ETHISPHERE
- \$6.9B**
Total Adjusted
Brokerage & Risk
Management Revenues
(2021)



representing 57 industry categories received this honor. Gallagher is the only insurance broker to have ever been recognized (World's Most Ethical Release).

The high standards of conduct we've set for our external professional relationships are the same rules we follow internally. The Gallagher Way, a one-page document that outlines our 25 shared values, was written in 1984 but is just as culturally relevant today. It speaks to the value of relationships and several tenets set guidelines for ethical behavior. Gallagher combines innovative solutions, thoughtful advice, and honest business practices to minimize risk and help fuel your success.

Human Resource and Compensation Consulting Practice

Gallagher's Human Resources & Compensation Consulting practice, of which the former K&A team is now a part, empowers clients to attract talent, manage staff, develop leaders, and reward success—leveraging the power of Gallagher and wisdom of experience to produce an engaged and productive workforce. Tapping into expertise that spans the spectrum of human resources at every level, we can assemble flexible compensation and consulting solutions that improve efficiency and fiscal sustainability.

Our practice is a combination of some of the most respected names in human resources and compensation consulting. Bringing together experts from compensation, performance, search, survey, and leadership fields, Gallagher empowers clients with tools for the entire lifecycle of employment management.

With an experienced team of 205 consultants located in 14 offices across the United States and Canada, our services include:

- Classification and Compensation
- Employee Engagement
- Executive Compensation
- Organizational Development
- HR Management
- Search and Interim Placement
- Custom Salary and Benefit Surveys
- Governance Consulting

Time Requirements

Regarding the project timeline, since we are now in July 2024, we anticipate completing the study within approximately five to six months from the start of the project, i.e., January or February 2025.

The following is a suggested timeline (which can be modified based on the District's needs):

MILESTONES	CLASSIFICATION STUDY	COMPLETION BY
A.	Project Kickoff Meetings, Orientations, and Initial Documentation Review	Weeks 1-2
B.	Collection and Review of PDQs and Employee/Supervisor/Manager Interviews	Weeks 5-7
C.	Classification Concept, Preliminary Allocation, and Draft Class Description Development	Weeks 8-11
D.	Facilitation of Draft Class Description Review, Finalization of Classification Plan, and Draft of Interim Report and Final Report	Weeks 12-15

MILESTONES	TOTAL COMPENSATION STUDY	COMPLETION BY
A.	Determination of Survey Elements and Market Survey Delivery	Weeks 10-19
B.	Draft Compensation Findings/Stakeholder Review and Feedback	Weeks 20-21
C.	Development of Recommendations, Final Reports, and Presentations	Weeks 22-24

Cost Proposal

Due to a shift in our industry to conducting studies virtually and our own efforts to be as green a business as possible (which our public agency clients always appreciate), our cost proposal assumes that all meetings and presentations will be conducted virtually/remotely and no onsite travel to District offices will occur. Should the District desire onsite meetings, we will be happy to provide our per diem cost for onsite meetings based on travel time and market rate travel cost at the time.

MILESTONES	CLASSIFICATION STUDY	AMOUNT	BILLING STRUCTURE
Ongoing Project Status Meetings throughout the Study		\$2,400	Invoice #1: 25% of Project Fee upon Contract Execution - \$13,750
A.	Project Kickoff Meetings, Orientations, and Initial Documentation Review	\$3,000	
B.	Collection and Review of PDQs and Employee/Supervisor/Manager Interviews	\$3,600	
C.	Classification Concept, Preliminary Allocation, and Draft Class Description Development	\$8,000	Invoice #2 - \$13,750
D.	Facilitation of Draft Class Description Review, Finalization of Classification Plan, and Draft of Interim Report and Final Report	\$3,000	
Total Fee for Phase I - Classification Study		\$20,000	

MILESTONES	TOTAL COMPENSATION STUDY	AMOUNT	BILLING STRUCTURE
A.	Determination of Survey Elements and Market Survey Delivery (this assumes up to 12 comparators, up to 16 benchmark classifications, and total compensation including benefits)	\$23,000	Invoice #3 - \$13,750
B.	Draft Compensation Findings/Stakeholder Review and Feedback	\$5,000	
C.	Development of Recommendations, Final Reports, and Presentations	\$7,000	Remaining Project Fee: Invoice #4 - \$13,750
Total Fee for Phase II: Compensation Study		\$35,000	
Expenses are included in the project fee		N/A	N/A
<i>Expenses include but are not limited to duplicating documents, binding reports, phone, supplies, postage</i>			
TOTAL PROJECT COST		\$55,000	\$55,000

Our cost proposal does not include time to support the District during any labor negotiations that may follow this study. If we are needed for this work, our composite hourly rate will apply and we will charge on a time-and-materials basis.

Contractual Considerations

We will be pleased to sign the District's professional services agreement for a Compensation Study. We respectfully request that the District will allow for a period of negotiation of certain terms in the professional services contract related to liability, indemnity, insurance, and other terms. We have found that we have always come to an agreement with all our clients in the past and appreciate the District's flexibility in reviewing certain terms in a collaborative fashion between our legal counsels.

It is our practice to provide the coverage below in lieu of the District contract insurance language. We therefore propose to replace the insurance language in the RFP's sample agreement with coverage language provided by Gallagher as follows:

Gallagher shall at all times during the term of this Agreement and for a period of two (2) years thereafter, obtain and maintain in force the following minimum insurance coverages and limits at its own expense:

- Commercial General Liability (CGL) insurance on an ISO form number CG 00 01 (or equivalent) covering claims for bodily injury, death, personal injury, or property damage occurring or arising out of the performance of this Agreement, including coverage for premises, products, and completed operations, on an occurrence basis, with limits no less than \$2,000,000 per occurrence;
- Workers Compensation insurance with statutory limits, as required by the state in which the work takes place, and Employer's Liability insurance with limits no less than \$1,000,000 per accident for bodily injury or disease. Insurer will be licensed to do business in the state in which the work takes place;
- Automobile Liability insurance on an ISO form number CA 00 01 covering all hired and non-owned automobiles with limit of \$1,000,000 per accident for bodily injury and property damage;
- Umbrella Liability insurance providing excess coverage over all limits and coverages with a limits no less than \$10,000,000 per occurrence or in the aggregate;
- Errors & Omissions Liability insurance, including extended reporting conditions of two (2) years with limits of no less than \$5,000,000 per claim, or \$10,000,000 in the aggregate;
- Cyber Liability, Technology Errors & Omissions, and Network Security & Privacy Liability insurance, including extended reporting conditions of two (2) years with limits no less than \$2,000,000 per claim and in the aggregate, inclusive of defense cost; and
- Crime insurance covering third-party crime and employee dishonesty with limits of no less than \$1,000,000 per claim and in the aggregate.
- All commercial insurance policies shall be written with insurers that have a minimum AM Best rating of no less than A-VI, and licensed to do business in the state of operation. Any cancelled or non-renewed policy will be replaced with no coverage gap, and a Certificate of Insurance evidencing the coverages set forth in this section shall be provided to Client upon request.



Insurance | Risk Management | Consulting

Signature Page

Gallagher, formerly known as Koff & Associates, intends to adhere to all of the provisions described above.

This proposal is valid for 90 days.

Respectfully submitted,

By: **GALLAGHER, FORMERLY KNOWN AS KOFF & ASSOCIATES,**
State of California

Georg S. Krammer
Managing Director, Compensation and Rewards Consulting

July 16, 2024



Gallagher

Insurance | Risk Management | Consulting

STAFF REPORT

Rosamond Community Services District

DATE: August 14, 2024
TO: Board of Directors
FROM: Kim Domingo, General Manager
Subject: Approval of Master Data Sharing Agreement with Flume, Inc

RECOMMENDATION:

Approve the Master Data Sharing Agreement with Flume, Inc, and authorize the President to execute the Agreement.

BACKGROUND:

Flume, Inc, a smart water monitoring enterprise located in San Luis Obispo, has been selected by the State Department of Water Resources to study indoor residential water use in support of the state's water conservation initiatives. The study is being conducted to verify water use in compliance with SB 1157, which restricts indoor water use in accordance with the "Conservation as a California Way of Life" initiative. The indoor water use is to be reduced to 55 gallons per capita per day (gpcd) currently, to 47 gpcd by 2025 and to 42 gpcd by 2030.

In an effort to collect data for the study, Flume contacted the District for participation in the study. Flume will conduct outreach to install 100 water use sensors on District customers on a first-come, first-served basis. Flume will collect water use data for a year and, with systemwide use data provided by the District, will prepare a report specific for the District as a implementation tool under the new conservation efforts.

The recommended agreement specifies the data required from the District to perform the study.

ANALYSIS

It is beneficial to participate in this study to verify the current and projected residential water use so that the District can consider policies for compliance with the regulatory goals. While there is no monetary cost for participation, there is an in-kind cost for staff time to collect and provide the water use data from the billing system.

FISCAL REVIEW:

No monetary costs. Staff time to collect and transmit the billing data is expected to be minimal.

LEGAL REVIEW:


None

CONCLUSION:

Approval is recommended.

_____

Kim Domingo, General Manager

_____

Sherri Timm, Director of Administration

ATTACHMENTS:

Master Data Sharing Agreement

This Data Sharing Agreement, together with any exhibits (the “**Agreement**”) is entered into by and between Flume, Inc., with offices located at 75 Higuera Street, Suite 120, San Luis Obispo, CA 93401 (“**Flume**”) and Rosamond Community Services District, 3179 35th Street West, Rosamond, CA 93561 (“**Participant**”) (individually, a “Party” and collectively, the “Parties”) as of August 15, 2024 (“**Effective Date**”). This Agreement governs Flume’s access to, and use of, **Participant Data** (defined below), for the performance of the Services (see below)(the “**Purpose**”).

WHEREAS: Participant requests technical and/or professional services to be performed by Flume, generally described as residential water usage tracking, analyzing water usage, and creating reports therefrom, as further described in Exhibit A, attached hereto and by this reference incorporated herein (the “**Services**”). Flume agrees to perform the Services as described in Exhibit A and any subsequent Exhibit A designated as Exhibit A-2; A-3 (etc.) signed by authorized representatives of both Parties.

WHEREAS: The Parties intend by this Agreement to establish the terms and conditions under which Flume will perform the Services.

NOW THEREFORE: For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Definitions.**

1.1 Flume Data. Flume Data is the property solely of Flume derived from its products and can be used by Flume for anything whatsoever.

1.2 Participant Data. Participant Data is the usage data that Participant delivers to Flume pursuant to this Agreement. Participant will initially provide Flume with billing data for water use but may also provide Flume with property, weather, or other datasets that Flume may use. Participant Data will be stored separately from Flume Data in its own database and will be traced from receipt to load; to use within Flume systems; to output in the form of a final Flume deliverable. Flume may use the Participant Data for any of the following:

- Providing the Services in Exhibit A (attached hereto);
- Providing a report back to the Participant. This information will be in the form of licensed online dashboard or web software to which only the Participant will have access; and/or
- Using Participant Data internally in an anonymized, aggregate form to help improve Flume’s products and services (such as training algorithms, machine learning, and models).

1.3 Aggregated Data. Aggregated Data will be organized into data sets created by Flume by using anonymized Participant Data in combination with other data, in association with machine learning allowing data to be organized in multiple ways that are useful to the recipients. Aggregated Data will never contain Personally Identifiable Information (PII).

Flume may use the Aggregated Data for any of the following:

- Providing the Services in Exhibit A (attached hereto);
- Using Aggregated Data in combination with other datasets.
- Using the Aggregated Data in combination with Flume Data to develop Derivative Works.

1.4 Derivative Works. Derivative Works are products and services created by Flume by using Aggregated Data in combination with Flume Data and anonymized data of third parties, in association with machine learning.

2. **Data Licenses.**

2.1 Flume Use of Participant Data and Use of Aggregated Data.

Subject to the terms of this Agreement, Participant hereby grants to Flume the non-exclusive, worldwide, perpetual, and royalty-free licenses and rights to:

- (a) access, download, use, reproduce, and modify Participant Data and to derive aggregated and anonymized data from Participant Data to create Aggregated Data in connection with the Purpose; and
- (b) use anonymized Aggregated Data in combination with Flume Data in Flume Derivative Works.

3. **Ownership.**

3.1 Participant Property. As between the Parties, Participant owns and retains all right, title, and interest in and to the Participant Data, and the Participant Data is the exclusive property of Participant. Except for the licenses granted hereunder, Participant does not by means of this Agreement or otherwise transfer any rights to Flume. Participant reserves the right to terminate

Flume's future ability to use future Participant Data by providing written notice to Flume pursuant to Section 5 (Term).

3.2 Flume Property. As between the Parties, Flume owns and retains all right, title, and interest in and to all Flume Data, Flume products and services, Flume intellectual property, anonymized Aggregated Data, and Flume Derivative Works. Except for a license to use Aggregated Data and/or Derivative Works, Flume does not by means of this Agreement transfer any rights in Flume Property to Participant.

4. Confidentiality and Nondisclosure. Each party recognizes that its directors, officers, employees and authorized representatives such as attorneys and accountants, may obtain knowledge of trade secrets, customer lists, membership lists and other confidential information of the other party which is valuable, proprietary, special or unique to the continued business of that party ("Confidential Information"). Accordingly, each Party hereto agrees to hold such Confidential Information in confidence, not to disclose any such Confidential Information, and to use its best efforts to ensure that such Confidential Information is held in confidence by its officers, directors, employees, representatives and others over whom it exercises control for five years after the termination of this Agreement or after the Confidential Information is no longer confidential, whichever is longer. Participant's list of customer End Users, if provided to Flume, is the Confidential Information of Participant. Confidential Information shall not include information which (i) becomes a part of the public domain through no act or omission of the receiving party; (ii) was in the receiving party's lawful possession prior to the disclosure; (iii) is independently developed by the receiving party without use of the Confidential Information of the disclosing party; or (iv) is lawfully disclosed hereafter to the receiving party, without restriction. This provision shall survive termination of this Agreement. If a prior Nondisclosure Agreement ("NDA") between the Parties is in effect, it shall be attached hereto as Exhibit B. If no Prior NDA exists, the Parties may enter into a New NDA or choose to accept only this Section 4. In the event of a conflict between this Section 4 and an Ex. B NDA, the terms of the Ex. B NDA shall prevail.

5. Term. The term of this Agreement will commence on the Effective Date and will

continue for a period of one year after which it will renew automatically for additional one-year terms. Either Party may terminate this Agreement by providing written notice to the other Party at least six months prior to any anniversary of the Effective Date of this Agreement. Termination will be six months from delivery of such notice with valid return receipt or proof of delivery by an express mail or delivery service. Upon termination, Flume shall no longer have access to Participant Data. Aggregated Data and Derivative Works shall not be impacted by termination of this Agreement.

6. Disclaimer of Warranties. Flume understands and agrees that it is possible that errors and omissions will occur in data input or programming done by Participant to provide Participant Data in the form desired by Flume. Flume further understands and agrees Participant Data may not meet Flume's standards as to accuracy or completeness. Flume understands and agrees that Participant makes no warranty whatsoever, whether expressed or implied, as to the accuracy, thoroughness, value, quality, validity, merchantability, suitability, condition or fitness for a particular purpose of the Participant Data and that Participant is providing the Participant Data to Flume in an "as is" condition.

7. Indemnity and Limitation of Liability. Notwithstanding the disclaimer of warranties above, Participant shall indemnify, hold harmless, release and defend Flume, its officers, agents and employees from and against any and all actions, claims, damages, liabilities and expenses, including attorney's and expert fees and witness costs that may be asserted by any person or entity, including Participant, arising out of or in connection with: (i) Participant's provision of Participant Data to Flume; (ii) Participant's breach of this Agreement; (iii) Participant's breach of a third party's rights, including intellectual property rights; (iv) Participant's violation of applicable law, including data privacy laws; and (v) Participant's use of any deliverables provided to Participant by Flume based on Participant Data, in connection with the Purpose. FLUME WILL NOT BE LIABLE TO PARTICIPANT FOR ANY INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES THAT MAY ARISE OUT OF, OR IN CONNECTION WITH THIS AGREEMENT, EVEN IF FLUME HAS BEEN NOTIFIED OF THE POSSIBILITY OF SUCH

DAMAGES AND WHETHER SUCH LIABILITY IS BASED ON CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, PRODUCT LIABILITY OR OTHERWISE. IN NO EVENT WILL FLUME'S COLLECTIVE LIABILITY TO PARTICIPANT FOR ANY AND ALL DAMAGES, INJURIES AND LOSSES ARISING FROM ANY AND ALL CLAIMS AND CAUSES OF ACTION ARISING OUT OF, BASED ON, RESULTING FROM, OR IN ANY WAY RELATED TO THIS AGREEMENT, EXCEED \$10,000.

8. Miscellaneous. This Agreement constitutes the entire agreement between Flume and Participant with respect to the subject matter hereof. This Agreement will be governed by the laws of the State of California without regard to the conflict of laws principles. This Agreement may not be assigned, except in connection with a merger, acquisition, or sale of all or substantially all of the assigning Party's assets. This Agreement may not be amended, nor any obligation waived, except by a writing signed by both Parties. This Agreement may be executed in multiple counterparts. Exhibits A (Services) and B (Nondisclosure Agreement)(if attached) by this reference are hereby incorporated herein.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives set forth below:

Rosamond Community Services District ("Participant")

Flume, Inc.

By: _____

By: _____

Name: Byron Glennan

Name: _____

Title: President, Board of Directors

Title: _____

Date: August 14, 2024

Date: _____

EXHIBIT A

DESCRIPTION OF SERVICES AND RESPONSIBILITIES

Participant Responsibilities:

Participant will provide Flume with at least the following data sets (“Data”):

- 3-5 years of billed consumption data for active single-family residential properties
- 3-5 years of billed consumption data for active multi-family residential properties
- Other household data that may be available (such as individual property data, number of residents per home, etc.)

Participant confirms that it has the right and authority to make the in-kind contribution of assistance and data further described in this Agreement, and Participant authorizes Flume and **California Department of Water Resources** (“DWR” or “Study Sponsor”) to use and publish the data, and the survey outreach to Participant’s customers (if applicable). Participant further confirms that these authorizations do not and will not violate any rights of Participant’s customers or rights of third parties. Participants understand that the data collected by Flume will be anonymized and aggregated with data from other utilities and third parties and that the final Aggregated database is intended to be a searchable tool and resource for DWR’s constituents.

Flume Responsibilities:

Flume will analyze, anonymize and aggregate the Data at a regional and/or state level for the final study report for the Study Sponsor to be provided as Aggregated Data. The Aggregated Data will then be included in a report that will be delivered to the California Department of Water Resources (DWR) in a report. No personally identifiable information will be included in this final deliverable to DWR.

IN WITNESS WHEREOF, the Parties have caused this Exhibit A to be executed by their duly authorized representatives set forth below:

Rosamond Community Services District (“Participant”)

Flume, Inc.

By: _____

By: _____

Name: Byron Glennan

Name: _____

Title: President, Board of Directors

Title: _____

Date: August 14, 2024

Date: _____

EXHIBIT B
FLUME NONDISCLOSURE AGREEMENT
(OR ATTACHED NDA)

If no NDA is attached as part of this Exhibit B, the following language shall be an addendum to Section 4 of this Agreement. If a NDA is attached as part of this Exhibit B, the Parties hereby agree to amend the attached NDA by adding the following section:

Participant Review of Flume’s Proposed Research Results for Publication

The Study Sponsor identified in any Exhibit A may have its own review process prior to publication of a final report. If there is no review process, the Participant may request the following process:

Participant acknowledges and agrees that Flume's fundamental interest in collaborating with Participant and performing the research under this Agreement shall be Flume's right to first publish the research results for scientific purposes. Flume shall submit any final research report it proposes for publication to Participant at least 30 days prior to the submission of such report for publication (the "Review Period").

Flume shall make every attempt to collaborate with the Participant to ensure findings from research are represented accurately and include enough relevant detail to provide context in which the reader can easily understand the research results. If the Participant determines that modifications are necessary in the research report, it shall notify Flume of its determination no later than 15 days after submission of the report to the Participant. If Flume disputes the Participant's determination, the Parties shall meet and confer in good faith in an attempt to resolve the dispute no later than 15 days after Flume's receipt of the notice described in the previous sentence. If the dispute is not resolved at or after the meeting between the Parties, Flume may publish the research results report, but the publication must include a statement prepared by the Participant outlining the Participant's points of disagreement with the research results.

If the Participant identifies any Confidential Information (as defined in Section 4 of this Agreement) in the proposed research results publication, Participant shall notify Flume during the applicable Review Period and shall specifically identify the Confidential Information within the proposed research results publication. Flume shall delete any such Confidential Information identified by the Participant from the proposed publication.

In the event of a conflict between the NDA, which is attached hereto as Exhibit B, and incorporated herein by this reference, and the terms of this amending language, the terms in this amending language shall control and all terms not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Exhibit b to be executed by their duly authorized representatives set forth below:

Rosamond Community Services District (“Participant”)

Flume, Inc.

By: _____

By: _____

Name: Byron Glennan

Name: _____

Title: President, Board of Directors

Title: _____

Date: August 14, 2024

Date: _____

STAFF REPORT

Rosamond Community Services District

DATE: August 14, 2024
TO: Board of Directors
FROM: Kim Domingo, General Manager
Subject: Approval of Amendment No. 2 of the Agreement with the California State Water Resources Control Board for the RCSD Arsenic Regional Consolidation Project

RECOMMENDATION:

Approve Amendment No. 2 to the Agreement with the California State Water Resources Control Board for the RCSD Arsenic Regional Consolidation Project

BACKGROUND:

The RCSD Arsenic Regional Consolidation Project began in January 2009 when the California Department of Public Health, now organized under the California State Water Resources Control Board (CSWRCB), approached RCSD to consolidate several independent water systems with the RCSD water system to mitigate high arsenic levels in the systems' source groundwater. A grant application was prepared to fund the project documents. A Preliminary Engineering Report and Preliminary Design Report for the project was conducted by GEI on behalf of the District.

The affected systems are:

- System 1: First Mutual Water Company
- System 2: 60th Street Water Association
- System 3: Lucky 18 on Rosamond LLC (Kern Mobile Estates)
- System 4: Rosamond High School
- System 5: Desert Breeze Mobile Home Park
- System 6: Rosamond Mobile Home Park
- System 7: Rose Villa Apartments
- System 8: Antelope Valley Mobile Estates

On March 11, 2020, the Board authorized the General Manager to negotiate and sign Consolidation Agreements with each of the authorized entities governing each of the affected systems.

On August 5, 2020, the District entered into a Drinking Water Construction Grant Agreement (No. SWRCB000000000D1902051) to design and construct the facilities necessary to consolidate the systems. The original Agreement completion date was March 31, 2022.

Because some of the systems are not contiguous with the District boundary, new pipelines within dedicated easements are required to be constructed. The process of obtaining easements proved to be challenging.

On May 11, 2022, the District signed Amendment No. 1 to the Agreement, extending the completion date to September 30, 2023.

Due to updated alignments and additional facilities required for service to some of the systems, it has taken more time to develop the construction contract documents. Consequently, there is a need to amend the Agreement to extend the completion date and to identify the current General Manager as an authorized representative.

ANALYSIS

The Agreement needs to be amended to keep the funding and time expectations intact. Amendment No. 2 extends the completion date to December 31, 2025.

FISCAL REVIEW:

The grant fully funds the project costs, including assigned staff time. No out-of-pocket expenses to the District.

LEGAL REVIEW:

None

CONCLUSION:

Approval is recommended.



Kim Domingo, General Manager



Sherri Timm, Director of Administration

ATTACHMENTS:

Amendment 2 to FISCAL Agreement No.: SWRCB0000000000D1902051



State Water Resources Control Board

July 23, 2024

Rosamond Community Services District
Attn: Kim Domingo, General Manager
3179 35th Street West
Rosamond, CA 93560

Agreement Number: D1902051
Project Number: 1510018-016C

Please review, and if appropriate, electronically sign the signature page of the Agreement via Adobe Sign no later than thirty (30) calendar days from the date of this letter. Once electronically signed, the Agreement will be routed automatically to the next signer. You will automatically receive a copy of the fully executed Agreement via Adobe Sign once the final signer has signed. This Agreement cannot be considered binding by either party until executed by the State Water Resources Control Board (State Water Board).

We strive to provide superior service to our recipients and would appreciate your feedback on the application process. Please assist us in completing a 5-minute Customer Satisfaction Survey at <https://www.surveymonkey.com/s/DWSRFSatisfaction> so we can continue to improve on our service and process. Your comments are valuable to the success of the DWSRF Program. Thank you for your time and we look forward to continuing to work with you.

Ms. Koreenia Harmon may be contacted at 916-319-0807 or Koreenia.harmon@waterboards.ca.gov

Enclosures

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR



DRINKING WATER CONSTRUCTION GRANT

AGREEMENT NO. SWRCB000000000D1902051
by and between
ROSAMOND COMMUNITY SERVICES DISTRICT ("Recipient")
and
CALIFORNIA STATE WATER RESOURCES CONTROL BOARD ("State Water Board")
for the purpose of the

RCSD ARSENIC REGIONAL CONSOLIDATION PROJECT

- Health and Safety Code section 116686, Section 80140 of the Public Resources Code & State Water Board Resolution No. 2019-0042.
- Section 79724 of the Water Code, and Resolution No. 2019-0032.

PROJECT NO. 1510018-016C

CALSTARS AGREEMENT NO. D1902051
FISCAL AGREEMENT NO. SWRCB000000000D1902051

PROJECT FUNDING AMOUNT: \$9,713,700
GRANT COMPONENT: \$9,713,700
ESTIMATED REASONABLE PROJECT COST: \$9,713,700

AMENDMENT NO. 2

ELIGIBLE WORK START DATE: JANUARY 1, 2017
ELIGIBLE CONSTRUCTION START DATE: MARCH 23, 2020
CONSTRUCTION COMPLETION DATE: ~~SEPTEMBER 30, 2023~~ **DECEMBER 31, 2025**
FINAL REIMBURSEMENT REQUEST DATE: ~~MARCH 31, 2024~~ **MARCH 1, 2026**
RECORDS RETENTION END DATE: ~~SEPTEMBER 30, 2059~~ **DECEMBER 31, 2061**

This Agreement executed by the State Water Board on August 5, 2020, and subsequently amended on May 11, 2022 is hereby amended and restated to revise the cover page, the Agreement, and Exhibits A and D (deletions shown as stricken and revisions in bold and underlined). Except as noted herein all other terms and conditions shall remain the same. Please note, page numbers may have changed.

1. The State Water Board and the Recipient mutually promise, covenant, and agree to the terms, provisions, and conditions of this Agreement, including the following Exhibits, which are attached hereto or are incorporated by reference:
 - Exhibit A – Scope of Work and Schedule
 - Exhibit B – Specific Funding Provisions
 - Exhibit C – GENERAL TERMS AND CONDITIONS 2019-NOV
 - Exhibit D – Special Conditions

2. The following documents are also incorporated by reference:
 - Reserved;
 - the Drinking Water System Permit No. 03-19-02P-006;

3. Party Contacts during the term of this Agreement are:

State Water Board		Rosamond Community Services District	
Section:	Division of Financial Assistance		
Name:	Pete Stamas, Project Manager	Name:	Kim Domingo, General Manager
Address:	1001 I Street, 16 th Floor	Address:	3179 35 th Street West
City, State, Zip:	Sacramento, CA 95814	City, State, Zip:	Rosamond, CA 93560
Phone:	(916) 552-9983	Phone:	(661) 256-5807
Fax:		Fax:	
Email:	Pete.Stamas@waterboards.ca.gov	Email:	sperezkdomingo@rosamondcsd.com

Each party may change its contact upon written notice to the other party. While Party Contacts are contacts for day-to-day communications regarding Project work, the Recipient must provide official communications and notices to the Division's Deputy Director.

4. Conditions precedent to this Agreement are set forth as follows:
 - (a) The Recipient must deliver an opinion of general counsel satisfactory to the State Water Board's counsel dated on or after the date that the Recipient signs this Agreement.

5. The Recipient represents, warrants, and commits to the following as of the Eligible Work Start Date and continuing thereafter for the term of this Agreement, which shall be at least until the Records Retention End Date:
 - (a) The Recipient agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents.

 - (b) The execution and delivery of this Agreement, including all incorporated documents, has been duly authorized by the Recipient. Upon execution by both parties, this Agreement constitutes a valid and binding obligation of the Recipient, enforceable in accordance with its terms, except as such enforcement may be limited by law.

 - (c) None of the transactions contemplated by this Agreement will be or have been made with an actual intent to hinder, delay, or defraud any present or future creditors of Recipient. The Recipient is solvent and will not be rendered insolvent by the transactions contemplated by this Agreement. The Recipient is able to pay its debts as they become due. The Recipient maintains sufficient insurance coverage considering the scope of this Agreement, including, for example but not necessarily limited to, general liability, automobile liability, workers compensation and employer liability, professional liability.

- (d) The Recipient is in compliance with all State Water Board funding agreements to which it is a party.
6. This Agreement, and any amendments hereto, may be executed and delivered in any number of counterparts, each of which when delivered shall be deemed to be an original, but such counterparts shall together constitute one document. The parties may sign this Agreement, and any amendments hereto, either by an electronic signature using a method approved by the State Water Board or by a physical, handwritten signature. The parties mutually agree that an electronic signature using a method approved by with the State Water Board is the same as a physical, handwritten signature for the purposes of validity, enforceability, and admissibility.

IN WITNESS WHEREOF, this Amendment has been executed by the parties hereto.

ROSAMOND COMMUNITY SERVICES DISTRICT:

STATE WATER RESOURCES CONTROL BOARD:

By: _____

Name: Kim Domingo
Title: General Manager

Date: _____

By: _____

Name: Joe Karkoski
Title: Deputy Director
Division of Financial Assistance

Date: _____

EXHIBIT A – SCOPE OF WORK AND SCHEDULE

A.1. PROJECT PURPOSE AND DESCRIPTION.

The Project is for the benefit of the Recipient and has a Useful Life of thirty (30) years. The funding under this Agreement shall be used to provide the residents eight small disadvantaged water systems with a sustainable source of safe drinking water. All eight water systems are currently served by domestic wells that produce water with concentrations of arsenic or uranium over the respective maximum contaminant level.

A.2. SCOPE OF WORK.

A.2.1 Consolidate with the following small water systems:

- (a) Rose Villa Apartments;
- (b) Antelope Valley Mobile Estates;
- (c) Kern Mobile Estates;
- (d) Rosamond High School;
- (e) Rosamond Mobile Home Park;
- (f) Desert Breeze Mobile Home Park;
- (g) First Mutual Water Company;
- (h) 60th Street Water Association.

In order to provide service to the small water systems with which the Recipient will consolidate, the Recipient will acquire additional water rights, either by accepting a transfer of such rights from each small water system or by purchasing additional groundwater rights outright.

Upon Completion of Construction, the Recipient must expeditiously initiate Project operations.

A.3 SIGNAGE

The Recipient must place a professionally prepared sign at least four feet tall by eight feet wide made of ¾ inch thick exterior grade plywood or other approved material in a prominent location on the Project site and must maintain the sign in good condition for the duration of Project implementation. The sign may include another agency's required information and must include, prominently displayed, the following disclosure statement and color logos (available from the Division):



"Funding for this project has been provided in full or in part under the Safe and Affordable Funding for Equity and Resiliency (SAFER) Drinking Water Program **Proposition 68 - the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018**, and Proposition 1 – the Water Quality, Supply, and Infrastructure Improvement Act of 2014 through an agreement with the State Water Resources Control Board."

A.4 SCHEDULE.

Failure to provide items by the due dates indicated in the table below may constitute a material violation of this Agreement. The Project Manager may adjust the dates in the "Estimated Due Date" column of this table, but Critical Due Date adjustments will require an amendment to this Agreement. The Recipient must complete and submit all work in time to be approved by the Division prior to the Project Completion Date. As applicable for specific submittals, the Recipient must plan adequate time to solicit, receive, and address comments prior to submitting the final submittal. The Recipient must submit the final Reimbursement Request prior to the Final Reimbursement Request Date set forth on the Cover Page.

ITEM	DESCRIPTION OF SUBMITTAL	CRITICAL DUE DATE	ESTIMATED DUE DATE
EXHIBIT A – SCOPE OF WORK			
A.	ADDITIONAL SUBMITTAL(S) TO DIVISION		
1.	Final Plans and Specifications		May 30, 2022 <u>May 30, 2024</u>
2.	Final Budget Approval Package		September 30, 2022 <u>September 30, 2024</u>
3.	Completion of Construction	September 30, 2023 <u>December 31, 2025</u>	
B.	REPORTS		
1.	Progress Reports		Quarterly
2.	Final Inspection and Certification		September 30, 2023 <u>December 31, 2025</u>
3.	Project Completion Report		December 31, 2023 <u>December 31, 2025</u>
4.	As Needed Reports		TBD
EXHIBIT B – REIMBURSEMENTS, BUDGET DETAIL, AND REPORTING PROVISIONS			
A.	REIMBURSEMENTS		
1.	Reimbursement Requests		Quarterly
2.	Final Reimbursement Request	March 31, 2024 <u>March 1, 2026</u>	

The Recipient must award the prime construction contract and begin construction timely. The Recipient must deliver any request for extension of the Completion of Construction Date no less than 90 days prior to the Completion of Construction Date.

A.5 PROGRESS REPORTS.

The Recipient must provide a progress report to the Division each quarter, beginning no later than 90 days after execution of this Agreement. The Recipient must provide a progress report with each reimbursement request. Failure to provide a complete and accurate progress report may result in the withholding of Project Funds, as set forth in Exhibit B. A progress report must contain the following information:

- 1) A summary of progress to date including a description of progress since the last report, percent construction complete, percent contractor invoiced, and percent schedule elapsed;
- 2) A description of compliance with environmental requirements;
- 3) A listing of change orders including amount, description of work, and change in contract amount and schedule; and
- 4) Any problems encountered, proposed resolution, schedule for resolution, and status of previous problem resolutions.

A.6 SPECIAL REPORTS.

(a) The Recipient must submit a Project Completion Report to the Division with a copy to the appropriate District Office on or before the due date established by the Division and the Recipient at the time of final project inspection. The Project Completion Report must include the following:

- i. Description of the Project,
- ii. Description of the water quality problem the Project sought to address,
- iii. Discussion of the Project's likelihood of successfully addressing that water quality problem in the future, and
- iv. Summary of compliance with applicable environmental conditions.

(b) If the Recipient fails to submit a timely Project Completion Report, the State Water Board may stop processing pending or future applications for new financial assistance, withhold reimbursements under this Agreement or other agreements, and begin administrative proceedings.

(c) The Recipient must submit information required for compliance with GGRF requirements, as required by the Division.

A.7 FINAL PROJECT INSPECTION AND CERTIFICATION.

Upon completion of the Project, the Recipient must provide for a final inspection and must certify that the Project has been completed in accordance with this Agreement, any final plans and specifications submitted to the State Water Board, and any amendments or modifications thereto. If the Project involves the planning, investigation, evaluation, design, or other work requiring interpretation and proper application of engineering, or other professionals, the final inspection and certification must be conducted by a California Registered Civil Engineer or other appropriate California registered professional. The results of the final inspection and certification must be submitted to the Project Manager.

EXHIBIT B – FUNDING AMOUNTS

B.1 ESTIMATED REASONABLE COST AND PROJECT FUNDS.

The estimated reasonable cost of the total Project is set forth on the Cover Page of this Agreement and is greater than or equal to the funding anticipated to be provided by the State Water Board under this Agreement. Subject to the terms of this Agreement, the State Water Board agrees to provide Project Funds not to exceed the amount of the Project Funding Amount set forth on the Cover Page of this Agreement.

B.2 RECIPIENT CONTRIBUTIONS.

(a) The estimated amount of principal that will be due to the State Water Board from the Recipient under this Agreement is Zero dollars and no cents (\$0.00).

(b) The Recipient must pay any and all costs connected with the Project including, without limitation, any and all Project Costs. If the Project Funds are not sufficient to pay the Project Costs in full, the Recipient must nonetheless complete the Project and pay that portion of the Project Costs in excess of available Project Funds, and shall not be entitled to any reimbursement therefor from the State Water Board.

(c) If the Recipient recovers funds from any responsible parties, the Recipient shall immediately notify the Division. The amount of this Agreement may be reduced to reflect the recovered funds.

B.3 VERIFIABLE DATA.

Upon request by the Division, the Recipient must submit verifiable data to support deliverables specified in the Scope of Work. The Recipient's failure to comply with this requirement may be construed as a material breach of this Agreement.

B.4 BUDGET COSTS

Budget costs are contained in the Summary Project Cost Table below:

LINE ITEM	TOTAL ESTIMATED COST	PROJECT FUNDING AMOUNT
Construction	\$2,931,500	\$2,931,500
Pre-Purchased Material/Equipment	\$0	\$0
Purchase of Land	\$713,000	\$713,000
Contingency	\$586,300	\$586,300
Allowances (Soft Costs)	\$1,320,500	\$1,320,500
Legal Fees	\$100,000	\$100,000
Connection/Annexation Fees	\$2,798,200	\$2,798,200
Water Rights Acquisition	\$476,800	\$476,800
Antelope Valley-East Kern Water Agency (AVEK) Fees	\$787,400	\$787,400
TOTAL	\$9,713,700	\$9,713,700

The Division's Final Budget Approval and related Form 259 and Form 260 will document a more detailed budget of eligible Project Costs and Project funding amounts. **Construction of the Project may be completed in phases with written approval of the Division. If construction proceeds under separate phases, the Recipient must submit a Final Budget Approval package and receive Final Budget Approval from the Division for each phase.**

Reasonable indirect costs may be allowable upon approval by the Division.

Project Costs incurred prior to June 5, 2018 are not eligible for the Proposition 68 Grant Component under this Agreement, and Project Costs incurred prior to July 24, 2019 are not eligible for the Safe and Affordable Drinking Water Grant Component under this Agreement. The Recipient must not request reimbursement of Project Costs incurred prior to June 5, 2018 in excess of \$1,313,700.

The Recipient is prohibited from requesting disbursement amounts that represent Recipient's mark-ups to costs invoiced or otherwise requested by consultants or contractors.

B.5 LINE ITEM ADJUSTMENTS.

Upon written request by the Recipient, the Division may adjust the summary budget line items at time of Division's Final Budget Approval(s). Upon written request by the Recipient, the Division may also adjust the line items of the summary budget as well as the detailed budget at the time of Recipient's submittal of its final claim. Any summary budget line item adjustments that are due to a change in scope of work will require an Agreement amendment. The sum of adjusted line items in both the Summary budget and the detailed budget must not exceed the total budget amount. The Division may also propose budget adjustments.

B.6 REIMBURSEMENT PROCEDURE.

(a) Except as may be otherwise provided in this Agreement, reimbursements will be made as follows:

1. Upon execution and delivery of this Agreement by both parties, the Recipient may request immediate reimbursement of any eligible incurred costs as specified below through submission to the State Water Board of the Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed.
2. The Recipient must submit a Reimbursement Request for costs incurred prior to the date this Agreement is executed by the State Water Board no later than ninety (90) days after this Agreement is executed by the State Water Board. Late Reimbursement Requests may not be honored.
3. Additional Project Funds will be promptly disbursed to the Recipient upon receipt of Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed by the Recipient for incurred costs consistent with this Agreement, along with receipt of progress reports due under Exhibit A.
4. The Recipient must not request reimbursement for any Project Cost until such cost has been incurred and is currently due and payable by the Recipient, although the actual payment of such cost by the Recipient is not required as a condition of reimbursement request. Supporting documentation (e.g., receipts) must be submitted with each Reimbursement Request. The amount requested for Recipient's administration costs must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = total amount claimed). Reimbursement of Project Funds will be made only after receipt of a complete, adequately supported, properly documented, and accurately addressed Reimbursement Request. Upon request by the Division, supporting documents for professional and administrative services must include the employees' names, classifications, labor rates, hours worked, and descriptions of the tasks performed. Reimbursement Requests submitted without supporting documents may be wholly or partially withheld at the discretion of the Division.
5. The Recipient must spend Project Funds within 30 days of receipt. If the Recipient earns interest earned on Project Funds, it must report that interest immediately to the State Water Board. The State Water Board may deduct earned interest from future reimbursements.
6. The Recipient shall not request a reimbursement unless that Project Cost is allowable, reasonable, and allocable.
7. Notwithstanding any other provision of this Agreement, no reimbursement shall be required at any time or in any manner which is in violation of or in conflict with federal or state laws, policies, or regulations.

(b) Notwithstanding any other provision of this Agreement, the Recipient agrees that the State Water Board may retain an amount equal to ten percent (10%) of the Project Funding Amount until Project Completion. Any retained amounts due to the Recipient will be promptly disbursed to the Recipient, without interest, upon Project Completion.

(c) Except as follows, construction costs and disbursements are not available until after the Division has approved the **corresponding** final budget form submitted by the Recipient. The Deputy Director of the Division may authorize the disbursement of up to ten percent (10%) of Project Funds for the reimbursement of eligible construction costs and pre-purchased materials prior to Division approval of the final budget form submitted by the Recipient. All other construction costs are not eligible for reimbursement until after this the Division has approved the **corresponding** final budget form submitted by the Recipient. Construction costs incurred prior to the Eligible Construction Start Date are not eligible for reimbursement.

B.7 REVERTING FUNDS AND DISENCUMBRANCE.

In the event the Recipient does not submit Reimbursement Requests for all funds encumbered under this Agreement by the Final Reimbursement Request Date, any remaining funds revert to the State. The State Water Board may notify the Recipient that the project file is closed, and any remaining balance will be disencumbered and unavailable for further use under the Agreement.

EXHIBIT C – GENERAL TERMS AND CONDITIONS 2019-NOV

GENERAL TERMS AND CONDITIONS 2019-NOV is incorporated by reference and is posted at
https://www.waterboards.ca.gov/water_issues/programs/grants_loans/general_terms.html

EXHIBIT D – SPECIAL CONDITIONS

1. Notwithstanding Exhibit C, the following terms have no meaning for the purposes of this Agreement:
 - Work Completion
 - Work Completion Date

2. Each capitalized term used in this Agreement has the following meaning:
 - "Allowance" means an amount based on a percentage of the accepted bid for an eligible project to help defray the planning, design, and construction engineering and administration costs of the Project.
 - "Authorized Representative" means the duly appointed representative of the Recipient as set forth in the certified original of the Recipient's authorizing resolution that designates the authorized representative by title.
 - "Completion of Construction" means the date, as determined by the Division after consultation with the Recipient, that the work of building and erection of the Project is substantially complete, and is established on the Cover Page of this Agreement.
 - "District Office" means District Office of the Division of Drinking Water of the State Water Board.
 - "Division of Drinking Water" means the Division of Drinking Water of the State Water Board.
 - "Eligible Construction Start Date" means the date set forth on the Cover Page of this Agreement, establishing the date on or after which construction costs may be incurred and eligible for reimbursement hereunder.
 - "Eligible Work Start Date" means the date set forth on the Cover Page of this Agreement, establishing the date on or after which any non-construction costs may be incurred and eligible for reimbursement hereunder.
 - "Enterprise Fund" means the enterprise fund of the Recipient in which Revenues are deposited.
 - "Event of Default" means, in addition to the meanings set forth in Exhibit C, the occurrence of any of the following events:
 - a) A material adverse change in the condition of the Recipient, the Revenues, or the System, which the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement.
 - b) Failure to operate the System or the Project without the Division's approval;
 - "Final Budget Approval" means the Division-approved final budget for the Project, as set forth in Exhibit B.
 - "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the Project (i.e., costs that are not directly related to the Project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Recipient; non-project-specific accounting and personnel services performed within the Recipient organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; generic overhead or markup; and taxes.
 - "Initiation of Construction" means the date that notice to proceed with work is issued for the Project, or, if notice to proceed is not required, the date of commencement of building and erection of the Project.
 - "Net Revenues" means, for any Fiscal Year, all Revenues received by the Recipient less the Operations and Maintenance Costs for such Fiscal Year.

- "Operations and Maintenance Costs" means the reasonable and necessary costs paid or incurred by the Recipient for maintaining and operating the System, determined in accordance with GAAP, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the System in good repair and working order, and including all reasonable and necessary administrative costs of the Recipient that are charged directly or apportioned to the operation of the System, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses, and charges to operate the System and insurance premiums; but excluding, in all cases depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles.
 - "Reimbursement Request" means the Recipient's request for Project Funds from the State Water Board as set forth in Exhibit B.
 - "Revenues" means, for each Fiscal Year, all gross income and revenue received or receivable by the Recipient from the ownership or operation of the System, determined in accordance with GAAP, including all rates, fees, and charges (including connection fees and charges) as received by the Recipient for the services of the System, and all other income and revenue howsoever derived by the Recipient from the ownership or operation of the System or arising from the System, including all income from the deposit or investment of any money in the Enterprise Fund or any rate stabilization fund of the Recipient or held on the Recipient's behalf, and any refundable deposits made to establish credit, and advances or contributions in aid of construction.
 - "System" means all drinking water collection, transport, treatment, storage, and delivery facilities, including land and easements thereof, owned by the Rosamond Community Services District, or its successor agency, and all other properties, structures, or works hereafter acquired and constructed by the Recipient and determined to be a part of the System, together with all additions, betterments, extensions, or improvements to such facilities, properties, structures, or works, or any part thereof hereafter acquired and constructed.
 - "Useful Life" means the economically useful life of the Project beginning at Project Completion and is set forth in Exhibit A.
3. Rates and Charges. The Recipient must, to the extent permitted by law, fix, prescribe and collect rates, fees and charges for the System during each Fiscal Year which are reasonable, fair, and nondiscriminatory and which will be sufficient to generate Revenues in the amounts necessary to cover Operations and Maintenance Costs, and must ensure that Net Revenues are in an amount necessary to meet its obligations under this Agreement. The Recipient may make adjustments from time to time in such fees and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates, fees and charges then in effect unless the Net Revenues from such reduced rates, fees, and charges will at all times be sufficient to meet the requirements of this section.
4. [Reserved]
5. No Project Funds shall be disbursed for construction costs incurred for the consolidation of a small water system until the Recipient has certified that it has sufficient property rights for consolidation with that small water system for the purposes contemplated in this Agreement, and has delivered an opinion of counsel satisfactory to the Division's counsel of all the forgoing.
6. Special Conditions

Technical:

1. The Recipient shall not solicit bids, award a contract, or commence construction activities until final plans and specifications are approved by the Project Manager.

2. Upon completion of the Project, the Recipient shall submit to DDW, a water supply permit amendment request for review and approval.
3. The Recipient must submit a final consolidation agreement with a small water system, in a form satisfactory to the Division, and receive written approval from the Project Manager to proceed before Project Funds may be disbursed for any Project Costs associated with the consolidation of that small water system under any line item in the Summary Project Cost Table at Exhibit B.4.
4. By the Construction Completion Date the Recipient must submit documentation of the water rights necessary to provide service to the small water systems consolidated under this Project, to the satisfaction of the Division. The Division may retain an amount equal to ten percent (10%) of the Project Funding Amount until the Recipient satisfies this condition. The Recipient must update the Division on the status of its efforts to acquire water rights under Exhibit A.2.1 in its Progress Reports submitted pursuant to Exhibit A.5.
5. **GREENHOUSE GAS REDUCTION FUND REPORTING:** The Recipient must submit information required for compliance with SAFER/Greenhouse Gas Reduction Fund requirements, as required by the Division.
 - a. Submit Jobs Training and Workforce Development report annually covering reporting period from December 1st to November 30th by December 15th. The report includes information on the quantity and quality of jobs, including wages and credentials. The reporting template is available at CCI Quantification, Benefits, and Reporting Materials | California Air Resources Board (<https://ww2.arb.ca.gov/resources/documents/cci-quantification-benefits-and-reporting-materials>).

Environmental:

1. The documents identified below are incorporated by reference and the Recipient shall comply with the conditions and recommendations therein:
 - a. The Mitigation Monitoring and Reporting Program adopted by the Recipient on February 6, 2018 for the Project. The Recipient shall implement all mitigation measures therein.
 - b. The letter dated October 10, 2018, from Julianne Polanco of the Office of Historic Preservation (OHP), to Wendy Pierce of the State Water Board, including, but not limited to, the following:
 - i. The Recipient shall notify the San Manuel Band of Mission Indians in the event of any inadvertent discoveries.
 2. In the Recipient's Quarterly Reports submitted pursuant to this Agreement, the Recipient shall include a discussion of the status of its compliance with environmental measures identified in this Exhibit D, with separate sections clearly labeled and titled, discussing the status of the Recipient's compliance.
 3. In the Recipient's Project Completion Report submitted pursuant to this Agreement, the Recipient shall include a discussion of its compliance with environmental measures identified in this Exhibit D, with separate sections clearly labeled and titled, discussing the status of the Recipient's compliance.
7. **Appointment of Receiver/Custodian.** Upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the State Water Board under this Agreement, the State Water Board may make application for the appointment of a receiver or custodian of the Revenues, pending such proceeding, with such power as the court making such appointment may confer.

8. Damages for Breach of Tax-Exempt Status. In the event that any breach of any of the provisions of this Agreement by the Recipient results in the loss of tax-exempt status for any bonds of the State or any subdivision or agency thereof, or if such breach results in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government by reason of any arbitrage profits, the Recipient must immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.
9. [Reserved].
10. Operation and Maintenance. The Recipient shall ensure the facilities and structures constructed or improved as part of the Project are sufficiently and properly staffed, operated, and maintained throughout the term of this Agreement, consistent with the purposes of this Agreement. Except as otherwise established in a consolidation agreement executed between a small water system and the Recipient pursuant to Exhibit D.6(3), the Recipient assumes all operations and maintenance costs of the facilities and structures. The State Water Board shall not be liable for any cost of such maintenance, management or operation.
11. Insurance. The Recipient will procure and maintain or cause to be maintained insurance on the System and Project with responsible insurers, or as part of a reasonable system of self-insurance, in such amounts and against such risks (including damage to or destruction of the System or Project) as are usually covered in connection with systems similar to the System or Project. Such insurance may be maintained by a self-insurance plan so long as such plan provides for (i) the establishment by the Recipient of a separate segregated self-insurance fund in an amount determined (initially and on at least an annual basis) by an independent insurance consultant experienced in the field of risk management employing accepted actuarial techniques and (ii) the establishment and maintenance of a claims processing and risk management program. In the event of any damage to or destruction of the System or Project caused by the perils covered by such insurance, the net proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the System or Project. The Recipient must begin such reconstruction, repair or replacement as expeditiously as possible, and must pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same must be completed and the System and Project must be free and clear of all claims and liens. Recipient agrees that for any policy of insurance concerning or covering the construction of the Project, it will cause, and will require its contractors and subcontractors to cause, a certificate of insurance to be issued showing the State Water Board, its officers, agents, employees, and servants as additional insured; and must provide the Division with a copy of all such certificates prior to the commencement of construction of the Project.
12. Notice Events. Upon the occurrence of any of the following events, the Recipient must notify the Division's Deputy Director and Party Contacts by phone and email within the time specified below:
 - a. The Recipient must notify the Division within 24 hours by phone at (916) 327-9978 and by email to DrinkingWaterSRF@waterboards.ca.gov of any discovery of any potential tribal cultural resource and/or archaeological or historical resource. Should a potential tribal cultural resource and/or archaeological or historical resource be discovered during construction or Project implementation, the Recipient must ensure that all work in the area of the find will cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the Division has determined what actions should be taken to protect and preserve the resource. The Recipient must implement appropriate actions as directed by the Division.
 - b. The Recipient must notify the Division promptly of the occurrence of any of the following events:

- i. Bankruptcy, insolvency, receivership or similar event of the Recipient, or actions taken in anticipation of any of the foregoing;
- ii. Change of ownership of the Project (no change of ownership may occur without written consent of the Division);
- iii. Loss, theft, damage, or impairment to Project;
- iv. Events of Default, except as otherwise set forth in this section;
- v. A proceeding or action by a public entity to acquire the Project by power of eminent domain.
- vi. Any litigation pending or threatened with respect to the Project or the Recipient's technical, managerial or financial capacity or the Recipient's continued existence;
- vii. Consideration of dissolution, or disincorporation;
- viii. Enforcement actions by or brought on behalf of the State Water Board or Regional Water Board.
- ix. The discovery of a false statement of fact or representation made in this Agreement or in the application to the Division for this funding, or in any certification, report, or request for reimbursement made pursuant to this Agreement, by the Recipient, its employees, agents, or contractors;
- x. Any substantial change in scope of the Project. The Recipient must undertake no substantial change in the scope of the Project until prompt written notice of the proposed change has been provided to the Division and the Division has given written approval for the change;
- xi. Any circumstance, combination of circumstances, or condition, which is expected to or does delay Completion of Construction for a period of ninety (90) days or more;
- xii. Any Project monitoring, demonstration, or other implementation activities required in this Agreement;
- xiii. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by state representatives with at least ten (10) working days' notice to the Division;
- xiv. Any event requiring notice to the Division pursuant to any other provision of this Agreement.
- xv. Completion of work on the Project.
- xvi. The Recipient must promptly notify the Division and Party Contacts of cessation of all major construction work on the Project where such cessation of work is expected to or does extend for a period of thirty (30) days or more;
- xvii. The Recipient must promptly notify the Division and Party Contacts of the discovery of any unexpected endangered or threatened species, as defined in the federal Endangered

Species Act. Should a federally protected species be unexpectedly encountered during implementation of the Project, the Recipient agrees to promptly notify the Division. This notification is in addition to the Recipient's obligations under the federal Endangered Species Act;

- xviii. The Recipient must promptly notify the Division and Party Contacts of Completion of Construction, and Project Completion;
 - xix. The Recipient must promptly notify the Division and Party Contacts of the award of the prime construction contract for the Project; and the Recipient must promptly notify the Division and Party Contacts of Initiation of construction of the Project.
 - xx. The occurrence of a material breach or event of default under any Recipient obligation that results in the acceleration of principal or interest or otherwise requires immediate prepayment, repurchase or redemption.
13. Continuous Use of Project; No Lease, Sale, Transfer of Ownership, or Disposal of Project. The Recipient agrees that, except as provided in this Agreement, it will not abandon, substantially discontinue use of, lease, sell, transfer ownership of, or dispose of all or a significant part or portion of the Project during the Useful Life of the Project without prior written approval of the Division. Such approval may be conditioned as determined to be appropriate by the Division, including a condition requiring repayment of all disbursed Project Funds or all or any portion of all remaining funds covered by this Agreement together with accrued interest and any penalty assessments that may be due.
14. State Cross-Cutters. Recipient represents that, as applicable, it complies and covenants to maintain compliance with the following for the term of the Agreement:
- a) The California Environmental Quality Act (CEQA), as set forth in Public Resources Code 21000 et seq. and in the CEQA Guidelines at Title 14, Division 6, Chapter 3, Section 15000 et seq.
 - b) Water Conservation requirements, including regulations in Division 3 of Title 23 of the California Code of Regulations.
 - c) Monthly Water Diversion Reporting requirements, including requirements set forth in Water Code section 5103.
 - d) Public Works Contractor Registration with Department of Industrial Relations requirements, including requirements set forth in Sections 1725.5 and 1771.1 of the Labor Code.
 - e) Volumetric Pricing & Water Meters requirements, including the requirements of Water Code sections 526 and 527.
 - f) Urban Water Management Plan requirements, including the Urban Water Management Planning Act (Water Code, § 10610 et seq.).
 - g) Urban Water Demand Management requirements, including the requirements of Section 10608.56 of the Water Code.
 - h) Delta Plan Consistency Findings requirements, including the requirements of Water Code section 85225 and California Code of Regulations, title 23, section 5002.
 - i) Agricultural Water Management Plan Consistency requirements, including the requirements of Water Code section 10852.

- j) Charter City Project Labor Requirements, including the requirements of Labor Code section 1782 and Public Contract Code section 2503.
 - k) The Recipient agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with directives or orders issued pursuant to Division 7 of the Water Code.
15. [Reserved].
16. **Fraud, Waste, and Abuse.** The Recipient shall prevent fraud, waste, and the abuse of Project Funds, and shall cooperate in any investigation of such activities that are suspected in connection with this Agreement. The Recipient understands that discovery of any evidence of misrepresentation or fraud related to reimbursement request, invoices, proof of payment of invoices, or other supporting information, including but not limited to double or multiple billing for time, services, or any other eligible cost, may result in referral to the Attorney General's Office or the applicable District Attorney's Office for appropriate action. The Recipient further understands that any suspected occurrences of false claims, misrepresentation, fraud, forgery, theft or any other misuse of Project Funds may result in withholding of reimbursements and/or the termination of this Agreement requiring the immediate repayment of all funds disbursed hereunder.
17. **DISPUTES.** The Recipient must continue with the responsibilities under this Agreement during any dispute. The Recipient may, in writing, appeal a staff decision within 30 days to the Deputy Director of the Division or designee, for a final Division decision. The Recipient may appeal a final Division decision to the State Water Board within 30 days. The Office of the Chief Counsel of the State Water Board will prepare a summary of the dispute and make recommendations relative to its final resolution, which will be provided to the State Water Board's Executive Director and each State Water Board Member. Upon the motion of any State Water Board Member, the State Water Board will review and resolve the dispute in the manner determined by the State Water Board. Should the State Water Board determine not to review the final Division decision, this decision will represent a final agency action on the dispute. This provision does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final the decision of the State Water Board, or any official or representative thereof, on any question of law. This section relating to disputes does not establish an exclusive procedure for resolving claims within the meaning of Government Code sections 930 and 930.4.
18. **Additional Representations and Warranties.** The Recipient makes the following representations and warranties:
- a. The Recipient has not made any untrue statement of a material fact in its application for this financial assistance, or omitted to state in its application, a material fact that makes the statements in its application not misleading.
 - b. The Recipient agrees to fulfill all assurances, declarations, representations, and commitments in its application, accompanying documents, and communications filed in support of its request for funding under this Agreement.
 - c. The execution, delivery, and performance by Recipient of this Agreement, including all incorporated documents, do not violate any provision of any law or regulation in effect as of the date set forth on the first page hereof, or result in any breach or default under any contract, obligation, indenture, or other instrument to which Recipient is a party or by which Recipient is bound as of the date set forth on the Cover Page.
 - d. Except as set forth in this paragraph, there are, as of the date of execution of this Agreement by the Recipient, no pending or, to Recipient's knowledge, threatened actions, claims, investigations,

suits, or proceedings before any governmental authority, court, or administrative agency which materially affect the financial condition or operations of the Recipient, the Revenues, and/or the Project.

- e. There are no proceedings, actions, or offers by a public entity to acquire by purchase or the power of eminent domain any of the real or personal property related to or necessary for the Project.
- f. The Recipient is duly organized and existing and in good standing under the laws of the State of California. Recipient must at all times maintain its current legal existence and preserve and keep in full force and effect its legal rights and authority. Within the preceding ten years, the Recipient has not failed to demonstrate compliance with state or federal audit disallowances.
- g. Any financial statements or other financial documentation of Recipient previously delivered to the State Water Board as of the date(s) set forth in such financial statements or other financial documentation: (a) are materially complete and correct; (b) present fairly the financial condition of the Recipient; and (c) have been prepared in accordance with GAAP. Since the date(s) of such financial statements or other financial documentation, there has been no material adverse change in the financial condition of the Recipient, nor have any assets or properties reflected on such financial statements or other financial documentation been sold, transferred, assigned, mortgaged, pledged or encumbered, except as previously disclosed in writing by Recipient and approved in writing by the State Water Board.
- h. The Recipient is current in its continuing disclosure obligations associated with its material debt, if any.
- i. The Recipient has no conflicting or material obligations, except as set forth in this paragraph.
- j. The Recipient legally possesses all real property rights necessary for the purposes of this Agreement, not subject to third party revocation, which rights extend at least to the Records Retention End Date of this Agreement, except as set forth in Exhibit D.5..
- k. The Recipient and its principals, to the best of the Recipient's knowledge and belief, are not presently debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in any work overseen, directed, funded, or administered by the State Water Board program for which this grant funding is authorized; nor have they engaged or permitted the performance of services covered by this Agreement from parties that are debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this grant funding is authorized.
- l. The Recipient possesses all water rights necessary for this Project except as set forth in Exhibit D.6.

19. RUSSIAN SANCTIONS

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State Water Board determine Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State Water Board shall provide Recipient advance written notice of such termination, allowing Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State Water Board.

The Recipient represents that the Recipient 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 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 Recipient 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 Recipients with one or more agreements with the State of California with an aggregated value of Five Million Dollars (\$5,000,000) or more. Notwithstanding any other provision in this Agreement, failure to comply with the economic sanctions and all applicable reporting requirements may result in termination of this Agreement.

For Recipients with an aggregated agreement value of Five Million Dollars (\$5,000,000) or more with the State of California, 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:

1. 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;
2. Not transferring technology to Russia or companies that are headquartered or have their principal place of business in Russia; and
3. Direct support to the government and people of Ukraine.

Field Operations Report Sewer – August 7, 2024

FID	MH From	MH To	LENGTH	Date_clean	CLEAN_NOTE
1038	502	507	386.65	7/30/2024	Clear
1039	507	508	257.97	7/30/2024	Clear
1040	506	644	276.30	7/30/2024	Clear
1041	644	507	276.40	7/30/2024	Clear
1042	503	645	300.41	7/30/2024	Clear
1043	645	507	290.77	7/30/2024	Clear
1044	646	508	295.76	7/30/2024	Clear
1045	504	508	360.96	7/30/2024	Clear
1047	509	646	294.63	7/30/2024	Clear
1048	505	504	207.57	7/30/2024	Clear

Sewer Report: 2,945 feet cleaned Period 7/17 – 8/6

1. Calls from customers – None this period
2. Sewer Camera footage – 405 ft
3. Illicit discharges - None this period
4. FOG inspections – None this period
5. Pest Control measures – Boric acid
6. SSO 's – None this period
7. Manhole inspections - 13
8. We are communicating with Edison to have power moved closer to our lift station on Apple blossom Ave. A service request has been initiated.

Field Operations Report Water – August 7, 2024

ADDRESS	Date
3095 Emerald	7/17/2024
2910 Trakell	7/17/2024
3567 Sunflower	7/17/2024
3317 Eagle Way	7/17/2024
2887 B St.	7/18/2024
1830 Locust	7/18/2024
1048 Oakwood	7/18/2024
3441 Granite Ct	7/18/2024
3024 Richland	7/22/2024
3432 Granite Ct	7/22/2024
3132 Perdot	7/22/2024
2349 Travertine	7/22/2024
1424 Burlington Ct	7/23/2024
3657 Fernwood	7/23/2024
1816 Orange	7/23/2024
2016 Windcurrent	7/23/2024
2104 Westerly	7/24/2024
2825 28th St	7/24/2024
3742 Treehaven	7/24/2024

3449 Firebush	7/24/2024
3057 Patti Rose	7/25/2024
3318 Kelley	7/27/2024
3641 Kingsley Ct	7/29/2024
3926 Paloma Ct	7/29/2024
3400 35th St	7/29/2024
2100 Buckwheat Ave	7/30/2024
2112 Windharp Dr.	7/30/2024
2026 Westwind	7/30/2024
3618 San Jacinto	8/5/2024
1225 Brookhaven	8/5/2024
2009 Windcurrent	8/5/2024
2828 Campbell st	8/6/2024
3118 Myrtle st	8/6/2024

Number of Leaks Repaired: 33

1. Work Orders- 58
2. Meter Reading - 8/12
3. Lock Offs - 8/6
4. Door Tags - 8/21
5. USA Dig Alert - 35
6. Main Breaks - None this period
7. System Flushing - None this period
8. Graffiti - 2 Locations
9. Asphalt Patching - None this period
10. The district has collected lead and copper bottles.
11. Public Works has been working on cleaning, repairing and disinfecting Tank 5 to bring online.

Development and Construction

1. Hill View Homes is continuing tract 6306 next to our public works bldg. They have started the next phase of construction with 6 more homes that just had meters installed and passed sewer lateral inspection. They have paved over manholes that they will be adjusting.
2. K. Hovanian is continuing development as planned on tract 7391. They have completed their Monte Rosa model homes. They have BCI construction running pipeline on the next tract which will connect to Poplar st in the Trakell tract. They have passed 4 final inspections on new homes.
3. Legacy Homes is continuing tract 6455 development as planned. They have passed 10 new sewer laterals on new lots. They are currently raising manholes that they paved over and are cleaning out debris from construction.
4. Tropic Middle School is continuing development to the school addition. New portable buildings are being built. They have run a new sewer lateral and manhole to the southwest building and poured a new manhole to tie into our sewer and eliminate the septic system.
5. The Crossings condominium park is currently expanding on Sedona and Rosamond Blvd. They are adding 18 units. Gall bros construction has potholed our water main and has hot tapped and tied in on Sedona st. They have another tie in to do on Rosamond blvd.
6. Rosamond school district is planning to tie into our water system at the High School as part of the Arsenic consolidation program. The Public Works staff has potholed our water main in multiple areas to determine size in preparation.
7. Bowman Asphalt has been completed Rosamond Blvd.
8. The Trakell street tract will begin construction to install new service lines soon
9. Spohn Ranch is building a skatepark for the public at Glendower Park.



Public works staff happy the tank cleaning is completed



Tank 5 being cleaned by public works dept



Concrete ramps being installed by crane.



Construction of new concrete skatepark coming together



Public Works dept repairing water service line leak



Staff replacing 4" master meter at Rosamond blvd Apts



Public Works dept repairing water service line leak



Public Works dept cleaning sewers and washing manhole



Debris and rag build up removed from sewer flow line