

Cabazon Water District

14618 Broadway Street • P.O. Box 297
Cabazon, CA 92230

BOARD MEETING PACKET

March 15, 2022

FAC Meeting at 5:00 pm
Regular Meeting at 6:00 pm



Cabazon Water District
14618 Broadway Street • P.O. Box 297
Cabazon, California 92230

FINANCE & AUDIT COMMITTEE MEETING

AGENDA

Meeting Location:

14618 Broadway St.
Cabazon, CA 92230

Teleconference:

Dial-in #: 978-990-5321
Access Code: 117188

Meeting Date:

Tuesday, March 15, 2022 – 5:00 PM

CALL TO ORDER,
PLEDGE OF ALLEGIANCE,
ROLL CALL
FINANCE & AUDIT COMMITTEE

1. Discussion: Finance & Audit Committee Report
 - Balance Sheet
 - Profit and Loss Budget Comparison
2. Finance & Audit Committee District Payables Review and Approval/Signing

PUBLIC COMMENT

Any person may address the Board of Directors at this time on any matter within the subject matter jurisdiction of the Cabazon Water District; however, any matter that requires action will be referred to staff for investigation and reported at a subsequent Board of Directors meeting. The Board of Directors is prohibited by law from discussing or taking immediate action on items during this public comment period. To comment on specific agenda items, please advise the Board secretary prior to the meeting. **Each public comment will be limited to three (3) minutes. Individuals may not give their time away to another spokesperson. After two (2) minutes, the speaker will be notified that he/she has one (1) minute remaining. AB 1234 ORAL REPORTS (Gov. Code Sec. 53232.3(d))**

ADJOURNMENT

ADA Compliance Issues

In compliance with the Americans with Disabilities Act & Government Code Section 54954.2, if special assistance is needed to participate in a Board meeting, please contact the Clerk of the Board at (951) 849-4442. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide accessibility at the meeting.



Cabazon Water District
14618 Broadway Street • P.O. Box 297
Cabazon, California 92230

REGULAR BOARD MEETING

AGENDA

Meeting Location:

14618 Broadway St.
Cabazon, CA 92230

Teleconference:

Dial-in #: 978-990-5321
Access Code: 117188
Email: info@cabazonwater.org

Meeting Date:

Tuesday, March 15, 2022 – 6:00 PM

CALL TO ORDER

PLEDGE OF ALLEGIANCE

REMEMBRANCE OF OUR SERVICE MEN AND WOMEN

ROLL CALL

NEW BUSINESS

1. Discussion/Action: Reorganization of the CWD Board of Directors (Board Chair, Vice Chair, Ad Hoc Committees, etc.) (by the Board)
[TAB 1]

CONSENT CALENDAR

All matters in this category are considered to be consistent with the Board/District goals, District Policies and Regulations adopted and/or approved by the Board of Directors, and will be enacted in one motion. There will be no separate discussion of these items. If discussion is required, items may be removed from the consent calendar and will be considered separately.

1. Approval of:
 - a. Finance and Audit Committee Meeting Minutes and Warrants of February 15, 2022
 - b. Regular Board Meeting Minutes and Warrants of February 15, 2022
 - c. Reaffirmation of Resolution 04-2021, declaring the continuation of virtual meetings due to COVID-19
2. Warrants – None
3. Awards of Contracts – None

UPDATES

1. Update: San Gorgonio Pass Regional Water Alliance Update
(by Director Morris)
2. Update: Manager's Operations Report (by GM Louie)

NEW BUSINESS

2. Discussion/Action: Water on Bonita
[TAB 2] (by Victor Diaz and others)
3. Discussion/Action: Review and Approve Cal Mutuals/JPRIMA Quote 04/01/22 - 04/01/23
[TAB 3] (by the Board)

OLD BUSINESS

1. Discussion/Action: Gap Funding Draft Agreement – Isolation Valve Project
[TAB 4] (by GM Louie, K&S, and BBK)
2. Discussion/Action: Tesco Controls – SCADA
[TAB 5] (by GM Louie)
3. Discussion/Action: Repair of Broadway 3 cluster gate valve
[TAB 6] (by GM Louie)
4. Discussion/Action: Purchase of a Service Truck (Unit #005)
[TAB 7] (by GM Louie)

CLOSED SESSION

1. Discussion/Action: PUBLIC EMPLOYEE PERFORMANCE EVALUATION: (General Manager)

OPEN SESSION

Discussion/Action: Public report of Action Taken in Closed Session

PUBLIC COMMENTS

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GENERAL MANAGER/BOARD COMMENTS

1. Future Agenda Items

The Board Chair or the majority of the Board may direct staff to investigate and report back to an individual(s) and the Board on matters suggested or direct the General Manager/Board Secretary to place the matter on a future Board meeting.

- Suggested agenda items from the Public.
- Suggested agenda items from Management.
- Suggested agenda items from Board Members.

2. Management Comments

Staff members may speak on items of information not requiring comment or discussion to the Board and public. Topics which may be included on a future meeting agenda may be presented but cannot be discussed. (3 minutes)

3. Board Member Comments

Board members may speak on items of information not requiring comment or discussion to the Board and public. (3 minutes)

MISCELLANEOUS

1. Future Board Items/Next Board Meeting Date(s)

- a. Finance & Audit Workshop – Tuesday – April 19, 2022, 5:00 pm
- b. Regular Board Meeting – Tuesday – April 19, 2022, 6:00 pm
- c. Personnel Committee – None
- d. San Gorgonio Pass Regional Water Alliance–Meeting–Wednesday, March 23, 2022, 5:00 pm

ADJOURNMENT

ADA Compliance Issues

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Cabazon Water District
14618 Broadway Street • P.O. Box 297
Cabazon, California 92230

FINANCE & AUDIT COMMITTEE MEETING

MINUTES

Meeting Location:

Cabazon Water District Office
14618 Broadway Street
Cabazon, California 92230

Teleconference:

Dial-in #: 978-990-5321
Access Code: 117188

Meeting Date:

Tuesday, February 15, 2022 – 5:00 PM

CALL TO ORDER at 5:04 PM

PLEDGE OF ALLEGIANCE

ROLL CALL

Director Wargo - Present

Director Lynk - Absent for roll call. Joined at 5:09 PM

Calvin Louie, General Manager - Present

Evelyn Aguilar, Board Secretary - Present

***Note: This meeting was recorded by the District**

FINANCE & AUDIT COMMITTEE

1. Discussion: Finance & Audit Committee Report
 - Balance Sheet
 - Profit and Loss Budget Comparison
2. Finance & Audit Committee District Payables Review and Approval/Signing

Main Reports:

- Balance Sheet – depicts what the District owns and what the District owes.
- Profit & Loss – shows monthly revenue and expenses.
- Profit & Loss Budget Performance – shows how the District is performing against the budget, and the condition of the District fiscal year to date.

Balance Sheet: The District's combined Cash with Chase and LAIF balance was \$1,172,788 at month end. The District's total liabilities were approximately \$786,927 at month end.

Profit and Loss: - Year to date is 58% of the year

8. Fire Flow Income: This account is for fire flow test fees relating to new development. This account is not budgeted due to unpredictable activity.

13. Basic Facilities Fee: These are fees charged for new service connections, meter installations & upgrades. These revenues are budgeted conservatively due to their unpredictable nature. YTD activity consists of (2) 3/4" meter installations in July, (1) during August, (1) in December, and (1) in January.

20. Interest Income: This account includes interest earnings in the District's LAIF and other investment accounts. YTD is currently at 44% of budget due to timing of quarterly LAIF interest receipts.

23. Total Revenues: Outlines the combined total of Operating and Non-Operating Revenues.

28. Customer Accounts: This account includes the amount of wages attributable to the Customer Service Supervisor. YTD is currently at 73% of budget due to a vacation cash out in November and retroactive pay in January.

36. Pension: This is the amount of pension expense for all district employees. YTD is currently at 47% of budget.

43. Meters: This account includes the costs of meter repairs & meter testing. YTD is currently at 34% of budget.

44. Utilities Wells: This account includes the electricity costs relating to District wells and pumping activity. YTD is currently at 65% of budget due to increased consumption during the first half of the fiscal year.

53. Gas: This account includes the gas costs for the Broadway office. YTD is currently at 37% of budget due to decreased usage during the first half of the fiscal year.

59. Supplies & Equipment: This account includes the supply & equipment purchases for the District office. YTD is currently at 92% of budget due to timing of bulk billing material purchases.

63. Printing & Publications: This account includes the printing & publication costs for any District notices or reports. YTD is currently at 6% of budget due to timing of expenses.

76. Website Support: This account includes monthly web hosting costs. YTD is currently at 15% of budget.

80. Other Fees/SWRCB: This account includes annual LAFCO fees, State Water Resource Control Board fees, and other various county fees. YTD is currently at 88% of budget due to timing of annual payments.

82. Shop Supplies & Small Tools: This account includes various shop supply and small tool purchases. YTD is currently at 4% due to timing of purchases.

86. Tractor Expenses: This account includes tractor repair & maintenance expense. YTD is currently at 94% of budget due to \$1.2K charges for backhoe maintenance performed in July and \$1.6K for hydraulic line repairs in September.

96. Miscellaneous: This account includes other non-operating expenses. YTD includes a withdrawal calculations

98. Total Expenses: Summarizes total District expenses.

110. SGMA / GSA: This account includes expense related to the Sustainable Groundwater Management Act. YTD is currently at 83% of budget.

As of January 31st, the fiscal year-to-date net income is \$225,414.

PUBLIC COMMENT

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ADJOURNMENT

Meeting adjourned at 5:16 PM on Tuesday, February 15, 2022

_____, Board Chair
Board of Directors
Cabazon Water District

Evelyn Aguilar, Secretary
Board of Directors
Cabazon Water District

ADA Compliance Issues

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Cabazon Water District
14618 Broadway Street • P.O. Box 297
Cabazon, California 92230

REGULAR BOARD MEETING

MINUTES

Meeting Location:

14618 Broadway St.
Cabazon, CA 92230

Teleconference:

Dial-in #: 978-990-5321
Access Code: 117188
Email: info@cabazonwater.org

Meeting Date:

Tuesday, February 15, 2022 – 6:00 PM

CALL TO ORDER

PLEDGE OF ALLEGIANCE

REMEMBRANCE OF OUR SERVICE MEN AND WOMEN

ROLL CALL

Director Terry Tincher - Present
Director Diana Morris - Present
Director Sarah Wargo - Present
Director Robert Lynk - Present

Calvin Louie, General Manager - Present
Evelyn Aguilar, Board Secretary - Present

Note: This meeting was recorded by the District

CONSENT CALENDAR

All matters in this category are considered to be consistent with the Board/District goals, District Policies and Regulations adopted and/or approved by the Board of Directors, and will be enacted in one motion. There will be no separate discussion of these items. If discussion is required, items may be removed from the consent calendar and will be considered separately.

1. Approval of:

- a. Finance and Audit Committee Meeting Minutes and Warrants of January 25, 2022
- b. Regular Board Meeting Minutes and Warrants of January 25, 2022
- c. Reaffirmation of Resolution 04-2021, declaring the continuation of virtual meetings due to COVID-19

Motion to approve following consent calendar item(s) (a.) Finance and Audit Committee Meeting Minutes of January 25, 2022, (b.) Regular Board Meeting Minutes of January 25, 2022, and (c.) Reaffirmation of Resolution 04-2021, declaring the continuation of virtual meetings due to COVID-19 made by Director Tincher and 2nd by Director Wargo.

**Director Tincher - Aye
Director Morris - Aye
Director Wargo - Aye
Director Lynk - Aye**

- 2. Warrants – None**
- 3. Awards of Contracts – None**

UPDATES

- 1. Update: San Gorgonio Pass Regional Water Alliance Update
(by Director Morris)**

➤ Nothing to report.

- 2. Update: Manager's Operations Report (by GM Louie)**

➤ GM Louie asked to postpone this item until later in the meeting, so the public could express their concerns.

***Public comments took place now.**

PUBLIC COMMENTS

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- Richard Rogers explained that he heard there were some available Grants that could possibly be used to add water to the east side of Bonita. Director Lynk stated that Rogers should get in touch with management to find out more information on these Grants.

- Victor Diaz explained that he and several property owners on the east side of Bonita are trying to find out how to get water in that area, and would be willing to work something out to benefit these property owners and the District. Mr. Diaz requested to have this item placed on the March Board Meeting Agenda.
- Elizabeth Bracho, Josue Bracho, and Yusmin Romero were also present for public comments, but they stated that Mr. Diaz spoke for the rest of them.

OLD BUSINESS

1. **Discussion/Action:** **Krieger & Stewarts new rates – Board to approve or direct Management to research other engineering consultant rates. (by GM Louie, Chuck Krieger, and Travis Romeyn)**
 - K&S rates increased 3% from 2020-2021 and 2021-2022. The rates are comparable to other local engineering firms. Mr. Krieger was present to answer any questions, but the Board stated that their questions had been answered.

Motion to approve Krieger & Stewart's new rate contract made by Director Tincher and 2nd by Director Wargo.

**Director Tincher - Aye
Director Morris - Aye
Director Wargo - Aye
Director Lynk - Aye**

2. **Discussion:** **Bridge Loan – Isolation Valve Project – Update the Board (by GM Louie, Chuck Krieger, and Travis Romeyn)**
 - GM Louie explained that there was a SGPWA meeting discussing this loan on 02/14/2022. Their Board agreed to continue looking into an agreement between their Agency and the District.
 - Mr. Romeyn shared that everything looks very positive so far.
3. **Discussion/Action:** **Tesco Controls – SCADA (by GM Louie)**
 - GM Louie informed the Board that the SCADA system has been presenting issues, and the current SCADA company has gone out of business. Tesco Controls has been helping resolve some issues, and has sent a proposed contract to the GM, who forwarded it to Legal for review. GM Louie recommended that the Board accept the contract sooner than later, so the lower contract rates can be applied.

***The Board decided to table this item until any questions from Legal about the contract are addressed.**

4. **Discussion/Action:** **Repair of Broadway 3 cluster gate valve (by GM Louie)**
 - The quote from Genesis Construction of \$64,200 included one valve, but the GM stated that it would be more beneficial to have all 3 valves replaced, so a new quote is being generated. He told the Board that this project can be included in the next FY budget.

***The Board decided to table this item until there is a new quote, including the 3 valves.**

NEW BUSINESS

**1. Discussion/Action: Service Truck Unit #001 – Repair or Purchase
(By GM Louie)**

- GM Louie stated that Unit #001 broke down, and could cost \$9,000 - \$20,000 to repair. He recommended that the Board authorize the purchase of a service truck, and asked for a range of costs, so he could start looking.
- Director Lynk suggested asking the District's accounting consultants if leasing a vehicle would be a better option than financing.

***The Board decided to table this item, but directed GM Louie to look at some service trucks for sale, and bring the options to the Board at the March, 2022 meeting.**

**2. Discussion/Action: Discontinuation of water policy – Translation Requirements per
SB 998 – Board to choose a professional translation company.
(By BAA Aguilar and the Board)**

- BAA Aguilar explained that the District is required to have Articles 10 and 11 translated into 5 specific languages and asked which company the Board would like to use for the translations.
- STC Interpreting was significantly cheaper than the other options, but offers a Certificate of Accuracy with their translations.

Motion to use STC Interpreting & Translations, if Legal reviews the Certificate of Accuracy and approves its authenticity made by Director Wargo and 2nd by Director Tincher.

**Director Tincher - Aye
Director Morris - Aye
Director Wargo - Aye
Director Lynk - Aye**

GENERAL MANAGER/BOARD COMMENTS

1. Future Agenda Items

The Board Chair or the majority of the Board may direct staff to investigate and report back to an individual(s) and the Board on matters suggested or direct the General Manager/Board Secretary to place the matter on a future Board meeting.

- **Suggested agenda items from the Public.**
- Water line to east Bonita.
 - **Suggested agenda items from Management.**
 - **Suggested agenda items from Board Members.**
- Closed session – GM contract.

***The Manager's Report was held now.**

2. Update: Manager's Operations Report (by GM Louie)

- The agreement with Crown Castle regarding the rent of a portion of property shared with Well #1 is in the process of being amended to include a larger area.
- A section of the fence around Well #3 was stolen.
- The daisy chain lock to Well #1 was left unlocked.

2. Management Comments

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3. Board Member Comments

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- Director Wargo thanked the public for their attendance.
- Director Morris shared that \$8 million was approved for the design and environmental stage of a bypass going from Cabazon to Banning.

MISCELLANEOUS

1. Future Board Items/Next Board Meeting Date(s)

- a. Finance & Audit Workshop – Tuesday – March 15, 2022, 5:00 pm
- b. Regular Board Meeting – Tuesday – March 15, 2022, 6:00 pm
- c. Personnel Committee – None
- d. San Gorgonio Pass Regional Water Alliance–Meeting–Wednesday, March 23, 2022, 5:00 pm

ADJOURNMENT

Motion to adjourn at 7:11 PM made by Director Tincher and 2nd by Director Wargo.

**Director Tincher - Aye
Director Morris - Aye
Director Wargo - Aye
Director Lynk - Aye**

Meeting adjourned at 7:11 PM on Tuesday, February 15, 2022

**_____, Board Chair
Board of Directors
Cabazon Water District**

**Evelyn Aguilar, Secretary
Board of Directors
Cabazon Water District**

ADA Compliance Issues

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RESOLUTION NO. 04-2021

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CABAZON WATER DISTRICT AUTHORIZING VIRTUAL BOARD AND COMMITTEE MEETINGS PURSUANT TO AB 361

WHEREAS, the Cabazon Water District (“District”) is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the District’s legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend and participate in the District’s meetings; and

WHEREAS, starting in March 2020, in response to the spread of COVID-19 in the State of California, the Governor issued a number of executive orders aimed at containing the COVID-19 virus; and

WHEREAS, among other things, these orders waived certain requirements of the Brown Act to allow legislative bodies to meet virtually; and

WHEREAS, pursuant to the Governor’s executive orders, the District has been holding virtual meetings during the pandemic in the interest of protecting the health and safety of the public, District staff and Directors; and

WHEREAS, the Governor’s executive order related to the suspension of certain provisions of the Brown Act expires on September 30, 2021; and

WHEREAS, on September 16, 2021 the Governor signed AB 361 (in effect as of October 1, 2021 – Government Code Section 54953(e)), which allows legislative bodies to meet virtually provided there is a state of emergency, and either (1) state or local officials have imposed or recommended measures to promote social distancing; or (2) the legislative body determines by majority vote that meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the District, specifically, a state of emergency has been proclaimed related to COVID-19, state or local officials are recommending measures to promote social distancing, and because of the ongoing threat of COVID-19, meeting in person would present imminent risks to the health and safety of attendees;

NOW, THEREFORE, BE IT RESOLVED THE BOARD OF DIRECTORS OF THE CABAZON WATER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.


Section 2. Remote Teleconference Meetings: Consistent with the provisions of Government Code Section 54953(e), the Board of Directors finds and determines that (1) a state of emergency related to COVID-19 is currently in effect; (2) state or local officials have recommended measures to promote social distancing in connection with COVID-19; and (3) due to the COVID-19 emergency, meeting in person would present imminent risks to the health and safety of attendees. Based on such facts, findings and determinations, the Board authorizes staff to conduct remote teleconference meetings of the Board of Directors, including Committee meetings, under the provisions of Government Code Section 54953(e).


Section 3. Effective Date of Resolution. This Resolution shall take effect upon adoption and shall be effective for 30 days unless earlier extended by a majority vote of the Board of Directors in accordance with Section 4 of this Resolution.

Section 4. Extension by Motion. The Board of Directors may extend the application of this Resolution by motion and majority vote by up to 30 days at a time, provided that it makes all necessary findings consistent with and pursuant to the requirements of Section 54953(e)(3).

PASSED AND ADOPTED by the Board of Directors of the Cabazon Water District this 16th day of November 2021, by the following vote:

AYES: DIRECTOR SANDERSON, DIRECTOR MORRIS, DIRECTOR TINCHER, DIRECTOR WARGO, DIRECTOR LYNK
NOES: NONE.
ABSENT: NONE.
ABSTAIN: NONE.

BY: 
Sarah Wargo
Vice Board Chair
Cabazon Water District
Board of Directors

ATTEST: 
Evelyn Aguilar
Board Secretary
Cabazon Water District



Cabazon Water District

Balance Sheet

As of February 28, 2022

		Feb 28, 22	
1	ASSETS		
2	Current Assets		
3	Checking/Savings	\$ 341,796	341,796 Chase
4	Accounts Receivable	198,130	824,174 LAIF
5	LAIF	824,174	\$ 1,165,969 Cash & LAIF
6	Bank of NY Trustee Accounts	73,101	
7	Prepaid Expenses	9,579	
8	Inventory	110,471	
9	Total Current Assets	1,577,746	
10	Fixed Assets		
11	Total Fixed Assets	13,890,449	
12	Accumulated Depreciation	(6,316,059)	
13	Net Fixed Assets	7,574,390	
14	TOTAL ASSETS	\$ 9,152,136	
15	LIABILITIES & EQUITY		
16	Liabilities		
17	Current Liabilities		
18	Accounts Payable	\$ 16,836	
19	Other Current Liabilities		
20	Customer Deposits	18,668	
21	Current Portion DWR-H Loan	41,959	
22	Current Portion Zion's Bank Loan	84,949	
23	Accrued Expenses	28,557	
24	Employee Deductions	102	
25	Total Current Liabilities	191,071	
26	Long Term Liabilities		
27	DWR-H Loan Payable (2026)	196,228	
28	Zion's Bank Long Term (2023)	87,077	
29	RCEDA Loan Payable	300,000	
30	Total Long Term Liabilities	583,305	
31	Total Liabilities	774,376	
32	Total Equity	8,377,760	
33	TOTAL LIABILITIES & EQUITY	\$ 9,152,136	



Cabazon Water District
Profit & Loss
For the Period Ending February 28, 2022

	Feb-22	Current YTD	FY 21/22 Budget	YTD (67%)
1 REVENUES				
2 OPERATING INCOME				
3 Base Rate - Water Bills	\$ 43,299	\$ 354,736	\$ 522,400	68%
4 Commodity Sales	42,007	533,576	800,900	67%
5 DHPO Contract	13,934	119,948	180,800	66%
6 DHPO Capacity Credit	(1,750)	(14,000)	(21,000)	67%
7 Fire Sales - Water Bills	73	4,741	5,600	85%
8 Fire Flow Income	630	2,625	-	0%
9 Penalty Fees - Water Bills	6,193	7,042	-	0%
10 New Account Fees - Water Bills	105	1,060	2,400	44%
11 Incident Fees	-	250	-	0%
12 Returned Check Fees	-	120	200	60%
13 Basic Facilities Fee	-	68,209	10,000	682%
14 Stand By Fees - Tax Revenue	2,400	66,212	126,800	52%
15 TOTAL OPERATING INCOME	106,892	1,144,520	1,628,100	70%
16 NON-OPERATING INCOME				
17 Property Taxes	2,228	41,630	74,000	56%
18 Cell Tower Lease Income	2,172	17,372	26,100	67%
19 Miscellaneous Non-Operating Income	-	7,522	-	0%
20 Interest Income	919	1,897	2,200	86%
21 Grant Revenue	-	42,475	-	0%
22 TOTAL NON-OPERATING INCOME	5,319	110,896	102,300	108%
23 TOTAL REVENUES	112,211	1,255,416	1,730,400	73%
24 EXPENSES				
25 PAYROLL & BENEFITS				
26 Directors Fees	600	7,700	15,000	51%
27 Management & Customer Service				
28 Customer Accounts	4,703	45,423	55,900	81%
29 Business Admin Assistant	2,804	25,011	36,200	69%
30 General Manager	7,068	69,222	97,800	71%
31 Total Management & Customer Service	14,574	139,657	189,900	74%
32 Field Workers	10,733	100,121	161,400	62%
33 Employee Benefits Expense				
34 Workers Compensation	113	5,413	6,200	87%
35 Employee Health Care	5,376	42,671	66,200	64%
36 Pension	7,758	43,225	75,200	57%
37 Total Employee Benefits Expense	13,247	91,309	147,600	62%
38 Payroll Taxes	2,077	20,521	29,000	71%
39 TOTAL PAYROLL & BENEFITS	\$ 41,231	\$ 359,307	\$ 542,900	66%



Cabazon Water District
Profit & Loss
For the Period Ending February 28, 2022

				FY 21/22	
	Feb-22	Current YTD	Budget	YTD (67%)	
40	OPERATIONAL EXPENSES				
41	Facilities, Wells, T&D				
42	Lab Fees	\$ 269	\$ 4,297	\$ 9,100	47%
43	Meters	-	1,650	4,900	34%
44	Median Landscape & Maintenance	-	3,850	-	0%
45	Utilities - Wells	9,624	76,287	103,300	74%
46	Line R&M Materials	231	23,797	52,000	46%
47	Well Maintenance	360	24,708	38,600	64%
48	Security	1,595	16,180	25,300	64%
49	Engineering Services	-	60,244	113,000	53%
50	Facilities, Wells, T&D - Other	1,175	7,773	11,500	68%
51	Total Facilities, Wells, T&D	13,255	218,787	357,700	61%
52	Utilities - Office				
53	Electricity	1,116	10,704	15,000	71%
54	Gas	114	521	1,100	47%
55	Telephone	154	7,219	10,400	69%
56	Trash Pickup & Office Cleaning	183	2,889	4,700	61%
57	Total Utilities - Office	1,567	21,333	31,200	68%
58	Office Expenses				
59	Water Billing System	196	1,565	2,100	75%
60	Supplies & Equipment	851	10,280	10,300	100%
61	Copier Lease & Printing Supplies	521	3,541	5,000	71%
62	Dues & Subscriptions	95	1,135	2,500	45%
63	Postage	803	5,657	8,300	68%
64	Printing & Publications	-	396	6,400	6%
65	Computer Services	3,414	24,847	42,100	59%
66	Office Storage	-	3,500	6,300	56%
67	Air Conditioning Servicing	431	3,448	5,100	68%
68	CA Water Systems Alliance	250	750	3,000	25%
69	Office Expenses - Other	312	1,360	2,100	65%
70	Total Office Expenses	6,873	56,479	93,200	61%
71	Support Services				
72	Financial Audit	-	13,840	23,500	59%
73	Accounting	3,333	28,306	40,000	71%
74	Legal Services	5,115	40,226	71,000	57%
75	Temporary Labor	725	1,929	-	0%
76	Bank/Payroll Service	373	3,533	5,500	64%
77	Website Support	-	75	500	15%
78	General Liability Insurance	2,459	19,859	26,100	76%
79	Total Support Services	\$ 12,005	\$ 107,767	\$ 166,600	65%

*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.



Cabazon Water District
Profit & Loss
For the Period Ending February 28, 2022

				FY 21/22	
		Feb-22	Current YTD	Budget	YTD (67%)
80	Training/Travel	\$ 1,041	\$ 5,196	\$ 10,500	49%
81	Other Fees/SWRCB	18	7,808	8,900	88%
82	Service Tools & Equipment				
83	Shop Supplies and Small Tools	-	491	11,900	4%
84	Vehicle Fuel	1,828	9,815	16,600	59%
85	Employee Uniforms	111	430	2,000	22%
86	Safety	-	1,014	1,900	53%
87	Tractor Expenses	-	3,464	3,700	94%
88	Equipment Rental	-	6,274	6,900	91%
89	Service Trucks - R&M	828	9,680	14,500	67%
90	Water Ops Phone & Internet	300	2,406	4,800	50%
91	Total Service Tools & Equipment	3,067	33,574	62,300	54%
92	NON-OPERATING EXPENSES				
93	Grant & Loan Processing Fee	-	1,325	1,400	95%
94	DWR Interest Expense	-	3,529	6,700	53%
95	DHPO Interest Expense	-	2,136	3,800	56%
96	Bad Debt Expense	-	-	1,200	0%
97	Miscellaneous	-	750	3,300	23%
98	TOTAL NON-OPERATING EXPENSES	-	7,739	16,400	47%
99	TOTAL EXPENSES	79,057	817,990	1,289,700	63%
100	TOTAL INCOME BEFORE CAPITAL & GSA	33,154	437,426	440,700	99%
101	CAPITAL PROJECTS				
102	Main Street Improvements (Icehouse Imp.)	(17)	(10,228)	(50,000)	20%
103	Meter Replacements & Other Capital	-	-	(20,000)	0%
104	Well & Tank Repairs	-	(77,776)	(270,000)	29%
105	Fire Hydrants	-	-	(72,500)	0%
106	TOTAL CAPITAL PROJECTS	(17)	(88,004)	(412,500)	21%
107	DEBT - PRINCIPAL				
108	Debt Service Principal - DWR	-	(20,817)	(42,000)	50%
109	Debt Service Principal - DHPO (Zion)	-	(42,474)	(84,900)	50%
110	TOTAL DEBT - PRINCIPAL	-	(63,291)	(126,900)	50%
111	SGMA / GSA	-	(29,087)	(35,000)	83%
112	NET INCOME / (LOSS)	\$ 33,136	\$ 257,044	\$ (133,700)	

*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.



UPDATES

1. **Update:** **San Gorgonio Pass Regional Water Alliance Update (by Director Morris)**
2. **Update:** **Manager's Operations Report (by GM Louie)**
 - a. **Report writing format, Work Order Coding, Consumer Confidence Report, Outlook Calendar** training classes and discussions is earmarked for the month of April 2022.
 - b. **The CCR training class** scheduled for Wednesday, 02/16/22 has been completed. Instructor Mike Creighton, the water district's contract compliance officer, who had been the Director of Water Technology at Mt. San Jacinto College, with backgrounds with the Soboba Indian tribal water, and also was employed with Eastern Municipal Water District is now desirous of being completely retired and conducted the initial class with Ms. Aguilar, Ms. Kaitlynn, Morgan, Wolny, and myself in attendance.

Morgan has been assigned as the Coordinator and will be working together with Kaitlynn to complete the annual CCR. Mr. Creighton will be monitoring and be available for any questions Morgan and Kaitlynn may have.

- c. **On 02/22/22, Paul Oshideri's** tenant, Heidi Hallas, residing at 15150 Peach St., Cabazon spoke with the General Manager (GM) regarding her Landlord's water service (Account #15150J). Hallas advised the GM that Oshideri has refused to pay an outstanding water bill where the usage was accumulated prior to her moving in.

The GM advised Hallas it was this water district's ordinance to have all water accounts under the property owner's name and that for all water services terminated for non-payment, the outstanding balance and related fees must be must be paid in full by cash or money order prior to the service being restored.

Beyond the above, the GM told Hallas water district personnel are restricted from giving any advice or opinions.

- d. **Oshieri has a set of income properties at 15256 and 15244 Peach St.** that for unknown reasons, as the water connections were from the previous water company (Jensen), have a joint water meter connection.

On 02/22/22, one of Oshideri's tenant's, residing at 15268 Peach St. contacted Mrs. Koumparis and alleged Oshideri gave her some money, told her it was an emergency, and connected her laundry room spigot to the water line of the dual houses.

The Riverside Sheriff's Dept. was called. After the sheriff met with the reporting parties and telephoned Oshideri, he (Oshideri) arrived at the water district office and paid the full amount of \$2,395.62. The handling Deputy Sheriff was familiar with Oshideri as he indicated he had previous contacts for similar issues.

- e. On 03/01/22, this water district's water technician (Morgan) discovered suspicious circumstances of a possible unlawful water connection. Wolny and Louie also responded to Morgan's location of 50440 Pamela Way and observed a make-shift PVC pipeline was connected in front of the water meter, diverting the cubic feet of water used from being accounted for in the water meter. This coupled with the fact, since the California Governor had lifted the order preventing water service termination due to hardship and this water district's customer accounts department has made numerous attempts to notify the account holder with no success, a criminal complaint was filed with the Riverside County Sheriff's Dept. for section **Penal Code 498**, a misdemeanor, if convicted for diverting, tampering, or reconnection with the intent of obtaining for himself or herself utility services (water) without paying the full lawful charges.



- f. **Apache Trails Pressure Reduction Valve (PRV)** is leaking through the air vent. This generally is an indication that one or more of the PRV are failing. Management will oversee the checking of the date this PRV station was rebuilt and recommendations from CLA-Val technicians. Wolny is assigned as the Coordinator and he will be arranging for the date and time to meet their technicians.



- g. Since **COVID-19 water termination** restrictions was lifted, this water district has collected a total of \$9,608.33 in interest, penalties, tag, and lien fees. There are 22 water customers on a six (6) month payment plan, whereas they must maintain their current water account bills, plus submit the payments as stipulated or have their water services terminated.
- h. **Cabazon's community bulletin board** at the post office has been restored by the very hard work of Ms. Aguilar and Morgan.



NEW BUSINESS

2. ~~Discussion/Action:~~ ~~Water on Bonita (by Victor Diaz and others)~~

3. Discussion/Action: **Review and Approve Cal Mutuals/JPRIMA Quote 04/01/22 - 04/01/23 (by the Board)**

On 03/08/2022, the quote for the District's insurance renewal package for the period of 04/01/2022 – 04/01/2023 was received from Inland Counties Insurance Services Inc. DBA Roberge & Fries Insurance Agency. The invoice and proposal are included in the board packet.

The previous year's renewal package was \$27,750.00. The reason for the increase is due to additional items being insured and the fact that the District is located in a high brush area, making it at a higher risk for wildfire.

OLD BUSINESS

1. Discussion/Action: **Bridge Loan – Isolation Valve Project (by GM Louie, Chuck Krieger, and Travis Romeyn)**

On 03/14/22, at 1330 hr. (1:30 PM), Ms. Aguilar and the GM will attend the San Geronio Pass Water Agency (SGPWA) regular water board meeting via Zoom. Attached is the proposed Gap Funding to the Cabazon Water District. It is Management's recommendation, with both this water district's engineering and legal consensus in accepting this Gap Funding agreement.

The GM would like to acknowledge and thank the Board of Directors of the SGPWA, their General Manager Lance Eckhart, City of Banning Director of Public Works, Art Vela, Chuck Krieger, President of K&S Consulting, Travis Romeyn, Engineer of K&S, Steve Anderson from Best, Best, & Krieger, the Cabazon Water District Board of Directors, and this water district's staff for their hard work in forging the success of this project.

2. Discussion/Action: **Tesco Controls – SCADA (by GM Louie)**

The GM was in contact with Tesco and they advised executing the contract prior to the original proposed date of July 2022 would not qualify this water district to enjoy the reduced rates. The reason is because the failure occurred prior to signing the contract. Management is recommending that this Board provide the GM with authority to execute the service agreement to take effect on July 1, 2022.

Any concerns about the contract that were brought up by legal have been addressed.

**3. Discussion/Action: Repair of Broadway 3 cluster gate valve (Pending new Quote)
(by GM Louie)**

Management is recommending this be tabled till the April 19, 2022 regular board meeting.

Labor & Equipment	-	\$58,360.00
Materials	-	\$ 9,500.00 – See Attached Quote
AC, Base & Concrete	-	\$ 3,500.00
Traffic Control Plans	-	\$ 2,500.00
Permits	-	\$ 2,500.00 – This is an estimated cost
Traffic Loops (7ea.)	-	\$ 4,000.00 – See Attached Quote
Striping	-	\$ 1,500.00 - This is an estimated cost
Total Cost:	-	\$81,360.00
Revised Time frame:		
Traffic Control & Permits	+/- 4.0	weeks
Excavate & Prep for Replacement	2.0	days
R&R Valve	1.0	days
Backfill & Compact	1.0	days
Base, Pave & Concrete	1.0	days
Traffic Loops	1.0	days
Striping	1.0	days

**4. Discussion/Action: Purchase of a Service Truck (Unit #005)
(By GM Louie)**

This water district has viewed several trucks with service beds. However, without having the authority to even place a down payment to hold the sales, these service trucks were sold.

As a polite reminder, Management recalls legal chiming in that the Board of Directors is limited to authorizing the range of the amount to purchase a vehicle. In this case, it would be a $\frac{3}{4}$ to 1 ton truck with a service bed.

During the GM's tenure, this is the third occasion of the purchase of a water district vehicle. (The Toyota pickups and Ford Fiesta.)

CLOSED SESSION

1. Discussion/Action: PUBLIC EMPLOYEE PERFORMANCE EVALUATION: (General Manager)

OPEN SESSION

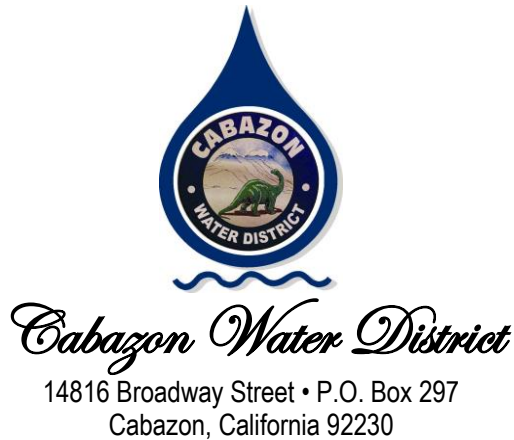
Discussion/Action: Public report of Action Taken in Closed Session

New Business

1. Discussion/Action Item:

[TAB 1]

Reorganization of the CWD Board of Directors
(Board Chair, Vice Chair, Ad Hoc Committees, etc.)
(by the Board)



Reorganization of the Board of Directors

1. The Secretary of the Board shall call the meeting to order.
2. The Secretary of the Board shall lead to the Pledge of Allegiance.
3. The Secretary of the Board shall lead to the “Remembrance of the Men and Women serving in Our Country’s Military and Public Safety.”
4. The Secretary of the Board shall take a Roll Call.
5. The Secretary of the Board shall introduce newly sworn in elected and re-elected Board members.
6. The Secretary of the Board shall introduce Board positions to be elected and appointed by Board members.
 - a. Board Chair
 - b. Board Vice Chair
 - c. Finance and Audit Committee (Ad hoc)
 - Requires two (2) Board members to meet twice per month.
 - Review all District payables.
 - Dual signatures on all District checks issued.
 - Meet with the Business Admin. Assistant and Financial Advisor in reviewing the proposed fiscal year budgets to report to the Board
 - Meet with the General Manager, Business Admin. Assistant, and other experts or consultants regarding the cost purpose of special projects and Capital Improvement Projects (CIP) to report to the Board.
 - Other major financial issues to report to the Board.

d. Personnel Committee (Ad hoc)

- Requires two (2) Board members
- Meet with the General Manager annually (on or before June 1st of each year) to render a recommendation on the General Manager's annual performance evaluation.
- Meet with the General Manager, Business Admin. Assistant, legal counsel, other labor experts or consultants regarding any District employee(s) petitioning the Board to appeal a disciplinary action.
- Meet with the District's legal counsel on all disciplinary issues involving the General Manager or Board Secretary.

e. Community Water System Alliance Committee (CWSA - Ad hoc)

- Requires two (2) Board members.
- Requires at least one (1) member of the CWSA - Ad hoc committee to commit to attend CWSA meetings, special events, and trips approved by the Board.
- Any Board members may attend meetings, special events, and trips. It is recommended that no more than two (2) Board members to participate on trips to represent the District, the community of Cabazon, and the CWSA.
- The General Manager or Business Admin. Assistant may attend meetings, special events, and trips with Board members approved by the Board.
- Board members participating in these meetings, special events, and trips shall report and distribute information to the Board at the next regular Board meeting.

f. San Gorgonio Pass Regional Water Alliance Committee (SGPRWA - Ad hoc)

- Requires two (2) Board members.
- Requires at least one (1) member of the SGPRWA - Ad hoc committee to commit to attend SGPRWA monthly meetings and special events.
- Any Board members may attend meetings, special events, and trips. It is recommended that no more than two (2) Board members to participate on trips to represent the District, the community of Cabazon, and the SGPRWA.
- The General Manager or Business Admin. Assistant may attend meetings, special events, and trips with Board members approved by the Board.
- Board members participating in these meetings, special events, and trips shall report and distribute information to the Board at the next regular Board meeting.

- g. Special Projects Committee (Ad hoc)
- Requires two (2) Board members.
 - Both Board members shall meet with the General Manager, Business Admin. Assistant, general counsel, other experts or consultants regarding Special projects and Southern California Edison – Public Safety Power Shut-off (SCE PSPS) matters.
 - Both Board members will provide input during regular Board meeting discussions regarding Special projects, SCE PSPS issues, and proposed procedures.
7. The Secretary of the Board shall guide Board members in discussion and nominations of a Board Chair. Once a Board Chair has been elected by Board members, the Board Secretary shall relinquish the gavel to the Board Chair to run the Board meeting with additional elections and appointments.

New Business

2. Discussion/Action Item: [TAB 2]

Water on Bonita
(by Victor Diaz and others)

THE CABAZON OF TOMORROW

CONTRIBUTING FOR GROWTH..
BY; VICTOR DIAZ 909 6815812

WHO?

— — —

- INDIVIDUAL PROPERTY OWNERS.
- PROPERTY OWNERS WHO ARE READY FOR RETIREMENT.
- PROPERTY OWNERS WHO WANTS TO BUILD A HOME.
- LAND INVESTORS.

WHAT?

— — —

—A SOLUTION TO PROVIDE AND INSTALL WATER TRANSMISSION LINES THROUGHOUT 792 LOTS. AT BONITA AVE, FROM WILLIAM AVE, TO ERICK AVE, AND ELM AVE.

—PROPERTY OWNERS WILL PURCHASE A WATER METER AT A REASONABLE COST.

WHY?

— — —

- WITH A WATER METER, PROPERTY OWNERS WILL COMPLY WITH LEGALITIES TO PROCESS A BUILDING PERMIT TO BUILD OR INSTALL A MANUFACTURED HOME.
- PROPERTY OWNERS WILL OBTAIN A WILL SERVE LETTER.
- TO PROVIDE CONTROL AND ORDER IN THE AREA.

HOW?

— — —

- PROPERTY OWNERS AND WATER DISTRICT WORKING TOGETHER HAND BY HAND TO ESTABLISH A PLAN THAT IS FEASIBLE AND EFFICIENT TO HELP BRING A SOLUTION FOR WATER ACCESSIBILITY.
- IDENTIFY CITY AND COUNTY RESOURCES, GRANTS,ETC.
- PROPERTY OWNERS, LAND INVESTORS ARE READY TO PAY FOR A WATER METER.

WHEN?

— — —

- AS SOON AS WATER DEPARTMENT FEELS COMFORTABLE TO PROCEED.
- AS SOON AS WE ESTABLISH A GAME PLAN OF ACTION.
- AS SOON AS POSSIBLE, SINCE THERE IS A GROUP OF PROPERTY OWNERS WHO ARE READY TO PURCHASE A WATER METER AS WE SPEAK.

FACTS-

TOTAL RESIDENTIAL LOTS = 792 80X70 5600SQF

ZONING R-A

1% FLOOD ZONE

TRACK MAP AREA ORIGINAL SUBDIVIDED IN THE YEAR OF 1925.

CABAZON IS SURROUNDED WITH NATURE, SHOPPING CENTERS, TRAVEL CENTER, CASINO, DINOSAUR PARK, MAIN FREEWAY, ETC.

(WHICH MAKES IT REALLY ATTRACTIVE FOR DEVELOPMENT AND GROWTH)

REVENUE PROJECTIONS FOR CABAZON WATER DISTRICT;

— — —

-WATER METER COST PER \$14,500 APPROX

-792 LOTS X \$14,500 = 11,484,000 APPROX

-MONTHLY INCOME PER BILL AT \$50.00 X 792 = \$39,600 APPROX

YOUR DECISIONS;

— — —

- WILL BRING HOPE TO 792 PROPERTY OWNERS TO BUILD A HOME.
- WILL BRING POSITIVE RESIDENTIAL GROWTH TO CABAZON.
- WILL ALLOW YOUR WATER DISTRICT TO PURCHASE MORE SERVICE TRUCKS.
- WILL ALLOW TO PURCHASE MORE SERVICE EQUIPMENT, BACKHOE ETC.
- WILL ALLOW TO HIRE CERTIFIED PERSONAL.
- WILL BRING HAPPINESS TO 792 FAMILIES.
- WILL CONTRIBUTE TO PROVIDE 792 HOMES ON OUR HUGE HOUSING CRISIS.

New Business

3. Discussion/Action Item: [TAB 3]

Review and Approve Cal Mutuals/JPRIMA Quote
04/01/22 - 04/01/23
(by the Board)

*See additional notes in Manager Report

INLAND COUNTIES INS SERVICES, INC.

837 Beaumont Ave Ste #101

Beaumont, CA 92223

Phone:(951)849-7449

Fax:(951)849-1816

License #:0721181

INVOICE

Invoice No:

Date: 03/08/22

To:

CABAZON WATER DISTRICT

14618 BROADWAY ST
CABAZON, CA 92230
951 8494442

DESCRIPTION	PRICE	AMOUNT
ALLIED WORLD ASSURANCE / JPRIMA		
INSURANCE RENEWAL PACKAGE		\$37,516.00
04/01/22-04/01/23		
PAYMENT DUE: 04/01/22		
SUBTOTAL		\$37,516.00
SALESTAX		
AMOUNT PAID		
TOTAL DUE		\$37,516.00

NOTES

MAKE CHECK PAYABLE TO:

INLAND COUNTIES INSURANCE SERVICES, INC.
837 BEAUMONT AVE #101
BEAUMONT, CA 92223

THANK YOU FOR YOUR BUSINESS!



**CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY (JPRIMA)**

**COVERAGE PROPOSAL
Cabazon Water District**

**COVERAGE PERIOD
4/1/2022 - 4/1/2023**

**PRESENTED BY:
Inland Counties Insurance Services, Inc. DBA Roberge & Fries Insurance Agency**



**Insurance Administrator
www.alliedpublicrisk.com
Allied Community Insurance Services, LLC
CA License Number: 0L01269
National Producer Number: 17536322**



PREMIUM SUMMARY

NOTE: This proposal is prepared from information supplied to us on the application submitted by you or insurance broker. It may or may not contain all terms requested on the application. Coverage is provided by the JPRIMA Memorandum of Coverage (MOC) and subject to its terms, exclusions, conditions and limitations. A specimen MOC is available for your review, as is the JPRIMA Member Agreement. Enrollment in the JPRIMA requires execution of the JPRIMA Member Agreement as well as membership in the California Association of Mutual Water Companies (Cal Mutuals).

PAGE	COVERAGE SECTION		PREMIUM
3-7	SECTION 1. PROPERTY (Property, Equipment Breakdown & Mobile Equipment, if offered in the section)	\$	13,686.00
8	SECTION 2. COMMERCIAL CRIME	\$	625.00
9-10	SECTION 3. COMMERCIAL GENERAL LIABILITY	\$	7,809.00
11	SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY (Wrongful Acts, Employment Practices & Employee Benefits, Privacy and Network Risk, if offered in the section)	\$	2,812.00
12	SECTION 5. BUSINESS AUTO	\$	4,923.00
13	SECTION 6. COMMERCIAL EXCESS LIABILITY	\$	4,161.00
		MEMBER CONTRIBUTION	\$ 34,016.00
		JPRIMA ADMINISTRATION FEES	\$ 3,500.00
		TOTAL AMOUNT DUE*	\$ 37,516.00
*Payment is due within thirty (30) days of binding.			

NOTES:

The JPRIMA MOC has a common anniversary date of April 1, 2022.

Terrorism coverage is automatically included for Property and General Liability.

Provide a signed and dated Supplemental Application.

COVERAGE PROPOSAL FOR MEMBER: Cabazon Water District

EFFECTIVE DATE: 4/1/2022 - 4/1/2023

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

Page 2 of 13

The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.

SECTION 1. PROPERTY*

*PROPERTY IS INCLUDED IN THE PROPOSAL: Yes

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- American Family Connect Property & Casualty Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated

LIMITS:

Blanket Property: (Real Property & Business Personal Property)	\$6,811,453
Blanket Coverage Extension: A separate blanket limit that applies to the following coverages: Business Income, Extended Business Income, Commandeered Property, Civil Authority, Extra Expense, Tenant Leasehold Interest, Electronic Data, Preservation of Property.	\$2,000,000
Equipment Breakdown / Boiler & Machinery:	Included
Mobile Equipment (scheduled):	\$389,233
Mobile Equipment (unscheduled, maximum \$10,000 any one item):	\$25,000
Mobile Equipment (borrowed, rented & leased):	\$100,000
Flood Zone X: (shaded/unshaded)	N/A

DEDUCTIBLES:

\$1,000	Property
\$1,000	Mobile Equipment
\$1,000	Equipment Breakdown (aboveground & less than 50 feet belowground)
\$2,500	Equipment Breakdown (greater than 50 feet belowground)
N/A	Flood Zone X (per occurrence)
N/A	Unmanned Aircraft (Drone)

COVERAGE HIGHLIGHTS:

- Blanket Property Limits & Blanket Coverage Extension Limits
- No Coinsurance
- Equipment Breakdown

VALUATION:

- Replacement Cost: Real Property & Business Personal Property
- Actual Cash Value: Mobile Equipment
- Actual Loss Sustained: Loss of Income & Expenses
- Market Price: Fine Arts

KEY EXCLUSIONS:

- Earthquake & Earth Movement
- Flood (unless coverage is designated above, such coverage would be limited to locations in Zone X only)

COVERAGE PROPOSAL FOR MEMBER: Cabazon Water District

EFFECTIVE DATE: 4/1/2022 - 4/1/2023

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

Page 3 of 13

The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.

SPECIAL COVERAGES:**■ New Locations or Newly Constructed Property:**

Pays up to \$1,000,000 for your new real property while being built on or off described premises as well as real property you acquire, lease or operate at locations other than the described premises; and business personal property located at new premises.

■ Utility Services – Direct Damage, Business Income & Expense:

Pays up to \$250,000 for covered property damaged by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss and does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. Separate limits apply to Direct Damage and Business Income/Expense.

■ Pollution Remediation Expenses:

Pays up to \$100,000 or \$250,000 for remediation expenses resulting from a Covered Causes of Loss or Specified Cause of Loss occurring during the coverage period and reported within 180 days. Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by the Property Coverage Form. Specified Cause of Loss means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow; ice or sleet; water damage; and equipment breakdown.

■ SCADA Upgrades:

Pays up to \$100,000 to upgrade your scheduled SCADA system after direct physical loss from a Covered Cause of Loss. The upgrade is in addition to its replacement cost. SCADA means the Supervisory Control and Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, waterflow, water analysis, and other measurable items necessary to maintain operations.

■ Contract Penalties:

Pays up to \$100,000 for contract penalties you are required to pay due to your failure to deliver your product according to contract terms solely as a result of direct physical loss or damage by a Covered Cause of Loss to Covered Property.

■ Contamination:

Pays up to \$250,000 for loss or damage to covered property because of contamination as a result of a Covered Cause of Loss. Contamination means direct damage to real property and business personal property caused by contact or mixture with ammonia, chlorine, or any chemical used in the water and / or wastewater treatment process.

■ Property In Transit:

Pays up to \$100,000 for direct physical loss or damage to covered property while in transit more than 1000 feet from the described premises. Shipments by mail must be registered for covered to apply. Electronic data processing property and fine arts are excluded.

■ Unintentional Errors:

Pays up to \$250,000 for any unintentional error or omission you make in determining or reporting values or in describing the covered property or covered locations.

KEY DEFINITIONS

■ **Real Property:**

The buildings, items or structures described in the Declarations that you own or that you have leased or rented from others in which you have an insurable interest. This includes:

- Aboveground piping;
- Aboveground and belowground penstock; but only if such penstock is scheduled in the policy;
- Additions under construction;
- Alterations and repairs to the buildings or structures;
- Buildings;
- Business personal property owned by you that is used to maintain or service the real property or structure or its premises, including fire-extinguishing equipment; outdoor furniture, floor coverings and appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- Completed additions;
- Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;
- Fixtures, including outdoor fixtures;
- Glass which is part of a building or structure;
- Hydrants, but only if scheduled in the policy;
- Light standards;
- Materials, equipment, supplies and temporary structures you own or for which you are responsible, on the premises or in the open (including property inside vehicles) within 100 feet of the premises, used for making additions, alterations or repairs to buildings or structures at the premises;
- Paved surfaces such as sidewalks, patios or parking lots;
- Permanently installed machinery and equipment;
- Permanent storage tanks;
- Solar panels;
- Submersible pumps, pump motors and engines;
- Underground piping located on or within 100 feet of premises described in the Declarations;
- Underground vaults and machinery.

■ **Business Personal Property:**

The property you own that is used in your business including:

- Furniture and fixtures;
- Machinery and equipment;
- Computer equipment;
- Communication equipment;
- Labor materials or services furnished or arranged by you on personal property of others;
- Stock;
- Your use interest as tenant in improvements and betterments.
- Leased personal property for which you have a contractual responsibility to insure.

■ **Pollution Conditions:**

The discharge, dispersal, release, seepage, migration, or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, minerals, chemical elements and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

KEY DEFINITIONS *(continued)*

■ **Remediation Expenses:**

Expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, or neutralization of pollution conditions to the extent required by: (1) Federal, state or local laws, regulations or statutes, or any subsequent amendments thereof enacted to address pollution conditions; and (2) a legally executed state voluntary program governing the cleanup of "pollution conditions."

■ **Outdoor Property:**

Fixed or permanent structures that are outside covered real property including but not limited to:

- Historical markers or flagpoles;
- Sirens, antennas, towers, satellite dishes, or similar structures and their associated equipment or structures;
- Exterior signs not located at a premises;
- Fences or retaining walls;
- Storage sheds, garages, pavilions or other similar buildings or structures not located at a premises; or
- Dumpsters, concrete trash containers, or permanent recycling bins;

■ **Equipment Breakdown:**

Direct damage to mechanical, electrical or pressure systems as follows:

- Mechanical breakdown including rupture or bursting caused by centrifugal force;
- Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;
- Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by you, or operated under your control;
- Loss or damage to steam boilers, steam pipes, steam engines or steam turbines; or
- Loss or damage to hot water boilers or other water heating equipment;
- If covered electrical equipment requires drying out as a result of a flood, we will pay for the direct expenses for such drying out.
- None of the following are covered objects as respects to equipment breakdown:
 - a. Insulating or refractory material;
 - b. Buried vessel or piping;
 - c. Sewer piping, piping forming a part of a fire protection system or water piping other than:
 - (1) Feed water piping between any boiler and its feed pump or injector;
 - (2) Boiler condensate return piping; or
 - (3) Water piping forming a part of refrigerating and air conditioning vessels and piping used for cooling, humidifying or space heating purposes;
 - d. Structure, foundation, cabinet or compartment containing the object;
 - e. Power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, penstock, draft tube or well-casing;
 - f. Conveyor, crane, elevator, escalator or hoist, but not excluding any electrical machine or electrical apparatus mounted on or used with this equipment; and
 - g. Felt, wire, screen, die, extrusion, late, swing hammer, grinding disc, cutting blade, cable chain, belt, rope, clutch late, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.



PROPERTY SUBLIMITS:

Coverage	Limit			
Accounts Receivable	X	\$500,000	\$1,000,000	\$2,000,000
Valuable Papers and Records	X	\$500,000	\$1,000,000	\$2,000,000
Contamination	X	\$250,000	\$500,000	
Tools and Equipment Owned by Your Employees	X	\$5,000	\$10,000	\$25,000
Personal Effects and Property of Others	X	\$5,000	\$10,000	\$25,000
New Locations or Newly Constructed Property		\$1,000,000		
Business Personal Property at New Locations		\$1,000,000		
Backup/Overflow of Water from Sewer, Drain, Sump		\$250,000		
Utility Services - Direct Damage		\$250,000		
Utility Services –		\$250,000		
Business Income and Extra Expense				
Dependent Business Premises		\$250,000		
Property at Other Locations		\$250,000		
Pollution Remediation Expense (specified cause of loss)		\$250,000		
Outdoor Property (unscheduled)		\$300,000		
Contract Penalties		\$100,000		
Pollution Remediation Expense (covered cause of loss)		\$100,000		
Property in Transit		\$100,000		
SCADA Upgrades		\$100,000		
Indoor and Outdoor Signs (unscheduled)		\$50,000		
Limited Coverage for “Fungus”, Wet Rot or Dry Rot		\$50,000		
Fine Arts		\$25,000		
Fire Department Service Charge		\$25,000		
Fire Protection Devices		\$25,000		
Key and Lock Replacement Expenses		\$25,000		
Trees, Shrubs & Plants (maximum \$1,000 any one item)		\$25,000		
Arson Reward		\$10,000		
Rental Reimbursement – Mobile Equipment		\$10,000		
Cost of Inventory or Adjustment		\$5,000		
Non-Owned Detached Trailers		\$5,000		
Water Contamination Notification Expenses		\$5,000		
Patterns, Dies, Molds, Forms		\$2,500		
Debris Removal		25% of scheduled limit plus \$250,000		
Ordinance or Law Provision		100% of scheduled limit plus 25%		

NOTES:

Contribution is calculated from attached property schedule; review property schedule for coverage and limit adequacy.

Flood and Earthquake coverages are excluded.

COVERAGE PROPOSAL FOR MEMBER: Cabazon Water District

EFFECTIVE DATE: 4/1/2022 - 4/1/2023

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

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The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.

SECTION 2. COMMERCIAL CRIME*

***COMMERCIAL CRIME IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- American Family Connect Property & Casualty Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

COVERAGE GROUP SELECTED	EMPLOYEE THEFT	FORGERY OR ALTERATION	INSIDE THE PREMISES Theft of Money and Securities	INSIDE THE PREMISES Robbery or Safe Burglary or Other Property	OUTSIDE THE PREMISES	COMPUTER FRAUD	FUNDS TRANSFER FRAUD	MONEY ORDERS & COUNTERFEIT PAPER CURRENCY
	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
X	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	\$500,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	\$1,000,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	\$2,000,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000

DEDUCTIBLE:

\$1,000 each claim

DESIGNATED EMPLOYEE BENEFIT PLAN(S):

COVERAGE HIGHLIGHTS:

- Separate Limits Apply to Each Coverage
- Coverage Extended to Directors and Authorized Volunteers
- Faithful Performance

NOTES:

COVERAGE PROPOSAL FOR MEMBER: Cabazon Water District

EFFECTIVE DATE: 4/1/2022 - 4/1/2023

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

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The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.



SECTION 3. GENERAL LIABILITY*

***GENERAL LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- American Family Connect Property & Casualty Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Occurrence
- Defense Costs Outside the Limit
- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Per Occurrence	\$1,000,000
General Aggregate	\$10,000,000
Products & Completed Operations Aggregate	\$10,000,000
Personal & Advertising Injury Limit	\$1,000,000
Damage to Premises Rented to You	\$1,000,000
Medical Payments	\$10,000

DEDUCTIBLE:

N/A

COVERAGE HIGHLIGHTS:

- Duty to Defend
- Broad Definition of Enrolled Named Member
- Blanket Additional Enrolled Named Member
- Water & Wastewater Testing Errors & Omissions
- Expanded Pollution Liability
- Failure to Supply (no ISO limitation)
- Lead (potable water)
- Waterborne Asbestos (potable water)
- Product Recall
- Impaired Property
- Fungi & Bacteria

OPTIONAL COVERAGE(S):

Inverse Condemnation

COVERAGE PROPOSAL FOR MEMBER: Cabazon Water District

EFFECTIVE DATE: 4/1/2022 - 4/1/2023

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

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The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.

SPECIAL COVERAGES:

- **Water & Wastewater Testing Errors & Omissions:**
Coverage is provided for damages arising out of an act, error or omission which arises from your water or wastewater testing.
- **Failure To Supply:**
Coverage is provided for bodily injury or property damage arising out of the failure of any Enrolled Named Member to adequately supply water.
- **Waterborne Asbestos:**
Coverage is provided for bodily injury or property damage from waterborne asbestos arising out of potable water which is provided by you to others.
- **Contractual Liability - Railroads:**
Coverage is provided for any contract or agreement that indemnifies a railroad for bodily injury or property damage arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing. Available via endorsement only.
- **Pollution:**
Coverage is provided for bodily injury or property damage which occurs or takes place as a result of your operations and arises out of the following:
 - Potable water which you supply to others;
 - Chemicals you use in your water or wastewater treatment process;
 - Natural gas or propane gas you use in your water or wastewater treatment process;
 - Urgent response for the protection of property, human life, health or safety conducted away from premises owned by or rented to or regularly occupied by you;
 - Your application of pesticide or herbicide chemicals if such application meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government;
 - Smoke drift from controlled or prescribed burning that has been authorized and permitted by an appropriate regulatory agency.
 - Fuels, lubricants or other operating fluids needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts
 - Escape or back-up of sewage or waste water from any sewage treatment facility or fixed conduit or piping that you own, operate, lease, control or for which you have the right of way, but only if property damage occurs away from land you own or lease.
 - Sudden and accidental events that are neither expected nor intended by an Enrolled Named Member. However, no coverage is provided under this exception for petroleum underground storage tanks.
- **Damage to Impaired Property or Property Not Physically Injured**
Coverage is provided for bodily injury or property damage arising from your potable water, nonpotable water, or wastewater as well as any loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.
- **Fungi or Bacteria**
Coverage is provided for bodily injury or property damage arising from any "fungi" or bacteria that are, are on, or are contained in a good or product intended for consumption; or to any injury or damage arising out of or caused by your water, irrigation, or wastewater intake, outtake, reclamation, treatment and distribution processes.
- **Recall of Products, Work or Impaired Property**
Coverage applies to any injury or damage arising out of or caused by your potable water, nonpotable water, or wastewater for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of: "Your product"; "Your work"; or "Impaired property"; if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

NOTES:

COVERAGE PROPOSAL FOR MEMBER: Cabazon Water District

EFFECTIVE DATE: 4/1/2022 - 4/1/2023

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

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The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.



SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY*

***PUBLIC OFFICIALS & MANAGEMENT LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- American Family Connect Property & Casualty Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated
- Occurrence
- Defense Costs Outside the Limits

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Wrongful Acts	\$1,000,000 per act
Employment Practices (including third party discrimination)	\$1,000,000 per offense
Employee Benefit Plans	\$1,000,000 per act
Injunctive Relief	\$5,000 per act
	\$10,000,000 aggregate limit

PRIVACY LIABILITY AND NETWORK RISK¹:

Privacy & Network Security Wrongful Acts	\$1,000,000 per act
¹ Coverage provided for Privacy Liability & Network Risk Coverage is issued on a claims made basis with defense inside the limit of liability. Privacy Retroactive Date:8/1/2012. Privacy Deductible: None.	
*\$1,000,000 maximum annual aggregate applies per Enrolled Named Member, with a \$2,000,000 coverage form aggregate applicable to all participating Enrolled Named Members.	

OPTIONAL COVERAGE(S):

Inverse Condemnation

RETROACTIVE DATE:

N/A

DEDUCTIBLE:

\$1,000 Each Wrongful Act or Offense excluding expenses

COVERAGE HIGHLIGHTS:

- Duty To Defend
- Broad Definition of Enrolled Named Member including Past and Future Employees
- Outside Directorship

NOTES:

COVERAGE PROPOSAL FOR MEMBER: Cabazon Water District

EFFECTIVE DATE: 4/1/2022 - 4/1/2023

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

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The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.

SECTION 5. BUSINESS AUTO*

***BUSINESS AUTO IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- American Family Connect Property & Casualty Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated
- Occurrence
- Defense Costs Outside the Limits

PORTFOLIO:

Coverage	Symbol	Limit
Combined Single Limit for Bodily Injury & Property Damage (each accident)	1	\$1,000,000
Hired Auto Liability	8	\$1,000,000
Non-Owned Auto Liability	9	\$1,000,000
Medical Payments	2	\$5,000
Uninsured / Underinsured Motorists	2	\$1,000,000
Hired Physical Damage	8	\$100,000
Owned Physical Damage – Comprehensive	2	ACV
Owned Physical Damage – Collision	2	ACV
Towing & Rental Car Reimbursement (covered accident)		\$75 per Day up to 30 Days
Fleet Automatic		Included

DEDUCTIBLE:

Liability: None
 Comprehensive: \$500
 Collision: \$500

NOTES:

Please refer to auto terms provided for per unit coverage.



SECTION 6. EXCESS LIABILITY*

***EXCESS LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- American Family Connect Property & Casualty Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Following Form
- Occurrence
- Defense Costs Outside the Limits

LIMITS:

\$4,000,000/\$4,000,000

SCHEDULED UNDERLYING POLICIES:

Commercial General Liability -Yes
Hired and Non-Owned Auto Liability - Yes
Owned Auto Liability - Yes
Public Officials & Management Liability - Yes
Wrongful Acts -Yes
Employment Practices - Yes
Employee Benefit Plans - Yes
Employers' Liability: *(minimum underlying limit requirement of \$500,000 / \$500,000 / \$500,000)* - Yes
Other:

NOTABLE EXCLUSION:

- Workers' Compensation
- Uninsured Motorists / Underinsured Motorists
- Underlying Limits < \$1,000,000 except for Employers' Liability

NOTES:

Employers' Liability subject to JPRIMA security requirements.

Please provide current WC declaration page for EL consideration in Excess line.

COVERAGE PROPOSAL FOR MEMBER: Cabazon Water District

EFFECTIVE DATE: 4/1/2022 - 4/1/2023

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

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The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.

CALIFORNIA UNINSURED MOTORISTS COVERAGE SELECTION/REJECTION

Applicant/Named Insured: Cabazon Water District

Company: American Family Connect

California law permits you to make certain decisions regarding Uninsured Motorists Coverage. This document describes this coverage and the options available.

You should read this document carefully and contact us or your agent if you have any questions regarding Uninsured Motorists Coverage and your options with respect to this coverage.

This document includes general descriptions of coverage. However, no coverage is provided by this document. You should read your policy and review your Declarations Page(s) and/or Schedule(s) for complete information on the coverages you are provided.

A. Mandatory Offer Of Bodily Injury Uninsured Motorists Coverage

Please indicate your choices by initialing next to the appropriate item(s) below.

1. Selection Of Bodily Injury Uninsured Motorists Coverage

(Initials)

I select Bodily Injury Uninsured Motorists Coverage at limits equal to the limits of my Bodily Injury Liability Coverage (split limits) or Combined Single Limit for Liability Coverage.

2. Rejection Of Bodily Injury Uninsured Motorists Coverage

The California Insurance Code requires that we provide you with the following information:

"The California Insurance Code requires an insurer to provide uninsured motorists coverage in each bodily injury liability insurance policy it issues covering liability arising out of the ownership, maintenance, or use of a motor vehicle. Those provisions also permit the insurer and the applicant to delete the coverage completely or to delete the coverage when a motor vehicle is operated by a natural person or persons designated by name. Uninsured motorists coverage insures the insured, his or her heirs, or legal representatives for all sums within the limits established by law, which the person or persons are legally entitled to recover as damages for bodily injury, including any resulting sickness, disease, or death, to the insured from the owner or operator of an uninsured motor vehicle not owned or operated by the insured or a resident of the same household. An uninsured motor vehicle includes an underinsured motor vehicle as defined in subdivision (p) of Section 11580.2 of the Insurance Code".

(Initials)	I reject Bodily Injury Uninsured Motorists Coverage entirely.
	I delete Bodily Injury Uninsured Motorists Coverage only with respect to the following individuals:
	(Name of Excluded Driver(s))

3. Lower Limit(s) For Bodily Injury Uninsured Motorists Coverage

The California Insurance Code requires that we provide you with the following information:

"The California Insurance Code requires an insurer to provide uninsured motorists coverage in each bodily injury liability insurance policy it issues covering liability arising out of the ownership, maintenance, or use of a motor vehicle. Those provisions also permit the insurer and the applicant to agree to provide the coverage in an amount less than that required by subdivision (m) of Section 11580.2 of the Insurance Code but not less than the financial responsibility requirements. Uninsured motorists coverage insures the insured, his or her heirs, or legal representatives for all sums within the limits established by law, which the person or persons are legally entitled to recover as damages for bodily injury, including any resulting sickness, disease, or death, to the insured from the owner or operator of an uninsured motor vehicle not owned or operated by the insured or a resident of the same household. An uninsured motor vehicle includes an underinsured motor vehicle as defined in subdivision (p) of Section 11580.2 of the Insurance Code".

(Initials)

I reject Bodily Injury Uninsured Motorists Coverage at limits equal to my Bodily Injury Liability Coverage (split limits) or Combined Single Limit for Liability Coverage and I select the following lower limits.

(Choose one):

(Initials)	Split Limits	OR	(Initials)	Combined Single Limit
_____	\$ 15,000/30,000		_____	\$ 30,000
_____	20,000/40,000		_____	40,000
_____	25,000/50,000		_____	50,000
_____	30,000/60,000		_____	60,000
_____	50,000/100,000		_____	100,000
_____	100,000/300,000		_____	250,000
_____	250,000/500,000		_____	300,000
_____	500,000/1,000,000		_____	500,000
_____	\$ _____		_____	1,000,000
	(Other)		_____	\$ _____
				(Other)

B. Mandatory Offer Of Property Damage Uninsured Motorists Coverage

Uninsured Motorists Coverage may also include Property Damage Uninsured Motorists Coverage. Property Damage Uninsured Motorists Coverage provides insurance protection to an insured for compensatory damages for injury to or destruction of a covered auto caused by an automobile accident which an insured is legally entitled to recover from the owner or operator of certain types of uninsured motor vehicles. However, Property Damage Uninsured Motorists Coverage is available only:

1. If you have not rejected Bodily Injury Uninsured Motorists Coverage; and
2. For autos for which you have not purchased Collision Coverage.

Please indicate your choices by initialing next to the appropriate item(s) below.

(Initials)

_____ **I select Property Damage Uninsured Motorists Coverage at a limit of \$3,500 for each accident for the following vehicle(s):**

(Specify Year/Make/Model)

(Initials)

_____ **I reject Property Damage Uninsured Motorists Coverage entirely.**

_____ **I delete Property Damage Uninsured Motorists Coverage only with respect to the following individuals:**

(Name of Excluded Driver(s))

Applicant's/Named Insured's Signature

Date

Old Business

1. Discussion/Action Item:

[TAB 4]

Gap Funding Draft Agreement – Isolation Valve
Project

(by GM Louie, K&S, and BBK)

*See additional notes in Manager Report

AGREEMENT FOR PROVIDING GAP FUNDING TO CABAZON
RELATED TO APPROVED PROPOSITION 68 AND PROPOSITION 1 GRANTS

This AGREEMENT FOR PROVIDING GAP FUNDING TO CABAZON RELATED TO APPROVED PROPOSITION 68 AND PROPOSITION 1 GRANTS (“**Agreement**”) is made and entered into as of March __, 2022, by and between the SAN GORGONIO PASS WATER AGENCY, a public agency formed under the San Gorgonio Pass Water Agency Law set forth in Act 1100 of the Water Code Uncodified Acts (“**SGPWA**”) and the CABAZON WATER DISTRICT, a public agency organized and operating under the County Water District Law, Water Code section 30000 *et seq.* (“**CABAZON**”). SGPWA and CABAZON are sometimes individually referred to herein as a “**Party**” and collectively as the “**Parties**”.

RECITALS

A. CABAZON and SGPWA are member agencies of the San Gorgonio Pass Groundwater Sustainability Agency (“**GSA**”)—the agency charged with managing groundwater resources in the San Gorgonio Pass Subbasin (“**Basin**”)—and are within the San Gorgonio Pass Integrated Regional Water Management Plan (“**IRWMP**”). The IRWMP provides a pathway for local agencies and stakeholders to collaboratively identify and implement water management solutions that provide multiple integrated benefits to stakeholders and communities within the IRWMP region.

B. SGPWA and CABAZON participated in the preparation of, and have each adopted the Basin Groundwater Sustainability Plan (“**GSP**”), which is administered by the GSA, and have participated in the development of the IRWMP, which is administered by the City of Banning (“**City**”).

C. CABAZON succeeded in securing two separate grants (collectively, the “**Grant(s)**”) fully funding two projects it had submitted pursuant to the IRWMP: (i) a \$499,000 Proposition 68 grant agreement with the State Water Resources Control Board (“**State Board**”)

for groundwater well improvements (referred to in State Board's records as Agreement No. CWRCB0000000000D190203400), a copy of which is attached hereto as **Exhibit "A"**; and (ii) a \$1,228,985 Proposition 1 grant agreement with the California Department of Water Resources ("**DWR**") for the installation of 105 isolation valves (referred to in DWR's records as Agreement No. 4600013806), a copy of which is attached hereto as **Exhibit "B"**. The groundwater well improvement project and isolation valve improvement project (together, the "**Projects**") are ready to bid and must be completed within 12 months and 18 months, respectively, with possible extensions subject to approval by the grant-awarding agency.

D. The implementation of the Projects will help reduce water losses, which help meet the regional water management and Basin recharge objectives of the GSP and IRWMP, and benefit the public by improving water supply in the Basin.

E. The DWR grant is distributed quarterly through the City as the disbursement administrator, and the State Board grant is disbursed quarterly to CABAZON, each in the form of reimbursement for eligible Projects costs. Disbursements under the Grant agreements involve lengthy warrant procedures, ranging from 90 to 180 days ("**Reimbursement Cycle**"), which necessitate that CABAZON advances its own funds to pay its contractors while awaiting reimbursement. As a small water system servicing disadvantaged communities, CABAZON would likely have difficulty advancing the necessary sums and may risk losing the Grants as contractors require a much shorter invoice payment turnaround time in order to undertake the Projects.

F. CABAZON estimates the need to advance up to \$800,000 per Reimbursement Cycle to cover Projects costs, and desires to enter into a gap funding agreement with SGPWA to avoid loss of the Grants and potential abandonment of the Projects.

G. SGPWA agrees to enter into a gap funding agreement with CABAZON because the Projects provide a benefit to the public by improving the Basin's water supplies and help meet the objectives of the GSP and IRWMP in which SGPWA participates.

NOW THEREFORE, in consideration of the foregoing recitals and the promises and covenants contained herein, the Parties agree as follows:

1. **Incorporation of Recitals.** The above Recitals are hereby incorporated into the Agreement and made a part thereof by this reference.

2. **Purpose.** The Purpose of this Agreement is to establish: (i) the manner, terms and conditions pursuant to which SGPWA will advance certain funds to CABAZON; and (ii) the purposes for which CABAZON may use the funds so advanced.

3. **Effective Date.** The Effective Date of this Agreement shall be _____, 2022.

4. **Term of Agreement.** Unless otherwise extended or earlier terminated, the term of this Agreement shall commence on the Effective Date and shall end on the date that is the earlier to occur of: (i) the date that CABAZON repays the Advanced Funds (defined below) to SGPWA in full as required under this Agreement; and (ii) _____, 202__ (“**Term**”). This Agreement may be terminated by either Party upon a 90-days’ notice to the other Party, at which time all Advanced Funds received by CABAZON and not yet repaid to SGPWA shall become due and payable to SGPWA in accordance with Section 8 below.

5. **Maximum Advanced Funds.** The maximum amount that may be requested by CABAZON and advanced by SGPWA (“**Advanced Funds**”) during the Term of this Agreement shall not exceed **Eight Hundred Thousand Dollars (\$800,000.00)**. Once the maximum amount of Advanced Funds is reached, SGPWA shall have no obligation to advance any further funds to CABAZON.

6. **Payment Procedures to CABAZON.** CABAZON will submit to SGPWA a copy of the invoice or invoices, and accompanying backup documentation, that CABAZON has submitted or intends to submit to DWR or State Board, as the case may be, and for which CABAZON is requesting Advanced Funds from SGPWA (“**Invoices**”). Subject to availability of funds as determined in SGPWA’s reasonable discretion and the limitations set forth in Section 5 above, and provided CABAZON is not otherwise in breach of any term of this Agreement,

SGPWA will issue payment to CABAZON in the amounts so requested within ____ days of receiving the Invoices.

7. **Use of Advanced Funds.** CABAZON may use the Advanced Funds solely to pay Projects costs that are eligible for reimbursement under the terms of the Grant agreements referenced in Recital C, and for no other purpose.

8. **Repayment of Advanced Funds to SGPWA.** The Parties agree as follows:

a. CABAZON shall repay to SGPWA the Advanced Funds, in increments, within 15 days of CABAZON's receipt of Grant amounts from a Reimbursement Cycle or as other general funds become available, whichever occurs first, until the Advanced Funds are repaid to SGPWA in full; provided, however, that Advanced Funds not spent by CABAZON at the time the Projects are complete shall become immediately due and payable to SGPWA.

b. CABAZON's obligation to repay the Advanced Funds in full to SGPWA is not limited or extinguished by reason of the failure of DWR or State Board to distribute the Grants to CABAZON. If necessary, the Parties shall negotiate in good faith a reasonable repayment schedule pursuant to which CABAZON will repay to SGPWA the Advanced Funds for which CABAZON expected but did not receive Grant disbursements from DWR or State Board.

c. CABAZON's obligation to repay the Advanced Funds to SGPWA under this Agreement shall survive the expiration or earlier termination of this Agreement.

9. **Indemnification.** CABAZON shall indemnify and hold and save SGPWA, its officers, agents and employees free and harmless from any and all liabilities for any liens, claims and damages that may arise out of or in any way related to this Agreement and the Projects, including without limitation any liens, claims and damages (including attorneys' fees) arising from or in any way related to planning, design, construction, maintenance and operation of the Projects and any breach of this Agreement. The indemnification obligation under this Section 9 shall survive the expiration or earlier termination of this Agreement.

10. No Partnership, Joint Venture or Agency Relation. Nothing in this Agreement shall be construed to render SGPWA in any way or for any purpose a partner or joint venturer of CABAZON, nor shall this Agreement be construed to authorize either Party to act as agent for the other.

11. Insurance. CABAZON shall name SGPWA, SGPWA's officers, employees and agents as additional insureds on all insurance policies procured for the Projects.

12. Entire Agreement; Amendment. This Agreement contains the entire understanding between the Parties with respect to its subject matter, and supersedes all prior agreements, oral or written, and all prior or contemporaneous discussions or negotiations between the Parties. This Agreement cannot be modified or amended except in a writing signed by both Parties.

13. No Waiver. Any failure or delay on the part of either Party to exercise any right under this Agreement shall not constitute a waiver of the right, and shall not preclude such Party from exercising or enforcing the right, or any other provision of this Agreement, on any subsequent occasion.

14. Notices. All notices or other communications required or desired to be given pursuant to this Agreement shall be in writing and shall be hand-delivered or sent by a reputable overnight courier service providing delivery confirmation. Each such notice or communication shall be deemed to be duly given when hand-delivered or one (1) day after being deposited for next day delivery with an overnight courier. Each such notice or communication shall be addressed to the Parties at the address noted on the signature page, or such other address as a Party notifies the other in writing.

15. Headings; Section References. Captions and headings appearing in this Agreement are inserted solely as reference aids for ease and convenience; they shall not be deemed to define or limit the scope or substance of the provisions they introduce, nor shall they be used in construing the intent or effect of such provisions.

16. Severability. If any provision of this Agreement is finally determined by a court to be invalid or unenforceable as written, the provision shall, if possible, be enforced to the extent reasonable under the circumstances and otherwise shall be deemed deleted from this Agreement. The other provisions of this Agreement shall remain in full force and effect so long as the material purposes of the Agreement and understandings of the Parties are not impaired.

17. Binding Effect Assignment. This Agreement shall be binding on and inure to the benefit of the Parties, and their respective successors and permitted assigns. CABAZON shall not have the right to assign its rights under this Agreement except with the prior written consent of SGPWA, which consent may be withheld at SGPWA's sole discretion.

18. Attorneys' Fees. In the event that any action or proceeding is brought to enforce one or more of the terms of this Agreement, to restrain an alleged violation of this Agreement, or to determine the validity of this Agreement or any part, the prevailing Party in any such action or proceeding shall be entitled to recover from the other its reasonable costs and attorneys' fees, in addition to any other remedies available to it in law or equity. If both Parties are successful in one or more causes of action during any such proceeding, the costs and fees shall be apportioned as determined by the court.

19. Governing Law and Venue. This Agreement is a contract governed in accordance with the laws of the State of California. The Parties hereby agree that venue for any action brought to enforce the terms of this Agreement shall be in a court of competent jurisdiction in the county of Riverside, California, and consent to the jurisdiction thereof.

20. Counterparts. Counterpart execution of this Agreement is hereby authorized, including electronic transmission of pdf or similar format, and each counterpart of this Agreement so executed shall, irrespective of the date of its execution and delivery, be deemed an original, and all such counterparts together shall constitute one and the same instrument.

21. Time of Essence. Time is of the essence of each and every term, condition, obligation and provision hereof.

22. No Obligations to Third Parties. Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights or benefit upon, nor obligate any Party to any person or entity other than the Parties.

[Signatures follow on the next page]

DRAFT

IN WITNESS WHEREOF, the Parties have executed this agreement as of the date first written above.

CABAZON:

SGPWA:

CABAZON WATER DISTRICT

SAN GORGONIO PASS WATER
AGENCY

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Address: _____

Address: _____

Fax: _____

Fax: _____

Phone: _____

Phone: _____

EXHIBIT “A”
STATE BOARD GRANT AGREEMENT

DRAFT

EXHIBIT “B”
DWR GRANT AGREEMENT

DRAFT

Old Business

2. Discussion/Action Item:

[TAB 5]

Tesco Controls contract – SCADA
(by GM Louie)

*See additional notes in Manager Report

To: Cabazon Water District
Attn: Calvin Louie
Re: Annual Extended Maintenance and System Services (EMASS) Proposal

Quote Date: 2/16/2022
Quote No.: 22A256Q01

ANNUAL SERVICE CONTRACT PACKAGE

(Service Period: July 1, 2022 to June 30, 2023)

This proposal is offering an Extended Maintenance and System Service (EMASS) contract package to provide support services for the Cabazon Water District's water distribution sites' Motor Control Centers (MCC), Remote Telemetry Units (RTU) and Control Panels (CP) Systems. The service contract shall provide a maximum of one (1) prescheduled sites service visit for two (2) TESCO's service representatives, including instruments calibrations. EMASS services will be scheduled approximately 5-6 weeks prior to required work. Additional work provided above and beyond the contract allowance will be provided at the contract's reduced rates on a time-and-material basis.

With this agreement, **when paid in full at the beginning of the service term**, the signee is entitled to reduced rates, priority response, and emergency service available 24 hours a day, 7 days a week, 365 days a year. These rates and terms are identified under the "Standard Professional Services Rates for Time and Material Services" section as included herein.

Scope of Coverage

The following identifies the scope of coverage related to support, service, and covered equipment/systems as part of this Service Contract Package.

Item	Description
1	<p>MCC / VFD / RVSS / Pump Controls Specialized Preventative Maintenance & Support Services: TESCO shall provide site visits to perform specialized preventative maintenance, including system inspection, verification, and equipment cleaning. These services will be prescheduled and performed annually onsite, and include:</p> <ul style="list-style-type: none"> Exterior and Interior checks of the cabinet paint condition, door operations, seals and gaskets, checks of door mounted controls and switches, and exterior mounted generator receptacle check if applicable. Vacuum of dust and debris inside the cabinet Visually inspect connections Check for moisture intrusion Check for rodent/insect intrusion Check ventilation fans for proper operation and clean filters as needed Check for loose connections and signs of overheating Check current and voltage output Confirm motor Drive ventilation clearances have not been obstructed Confirm motor Drive paneling and covers are in place and properly closed <p>Sites/Equipment Covered: The above-listed support service applies to the following sites/equipment:</p> <ul style="list-style-type: none"> One (1) Motor starter panel (Well 1/Tank 1 site) One (1) Toshiba motor starter panel (Well 2 site) One (1) Motor starter panel (Well 5 site)

Item	Description
2	<p>PLC / RTU / Control Panel Specialized Preventative Maintenance & Support Services: TESCO shall provide site visits to perform specialized preventative maintenance, including system inspection, verification, and equipment cleaning. These services will be prescheduled and performed annually onsite, and include:</p> <ul style="list-style-type: none"> Exterior and Interior checks of the cabinet paint condition, door operations, seals and gaskets, and checks of door mounted controls and switches. Vacuum of dust and debris inside the cabinet Check for moisture intrusion Check for rodent/insect intrusion Check fan and heater functional performance Visually inspect battery backup and UPS Verify Controller's power supply voltage Check and verify PLC processor and I/O Modules connections Check for excessive heat and loose connections Check telemetry equipment cabling and connections Seat terminal blocks and all relays <p>Sites/Equipment Covered: The above-listed support service applies to the following sites/equipment:</p> <ul style="list-style-type: none"> One (1) PLC/RTU control panel (Almond PRV vault) One (1) PLC/RTU control panel (Office SCADA room) Four (4) PLC/RTU control panels (Tanks 1,2,3,4) Two (2) PLC/RTU control panels (Wells 2 and 5)
3	<p>Instrumentation Management Services:</p> <ul style="list-style-type: none"> Provide EMASS service representative(s) to perform annual instruments functional performance verification services for field instruments. Annual instruments onsite verification. Functional verification services include test solutions necessary to verify performance of instruments. (Please note that instruments must be identified prior to scheduling service for proper preparation of service, such as procurement of calibration solutions, etc.). Performance diagnostics, battery checks and loop checks. Verify instruments output at the SCADA computer when applicable. Provide performance verification certification stickers for instruments verified. Note: <i>Responsibility of the Owner is to provide safe access to instruments located in designated as "Confined Space Entry" areas and instruments located at higher reach.</i> <p>Field instruments to be performance verified; flow meter range verification of inputs and outputs: Five (5) Instruments Covered to be performance verified:</p> <ul style="list-style-type: none"> Two (2) Hach CL17 Chlorine analyzers (Tank 3 site) One (1) McCrometer paddle wheel flowmeter (Well 2 site) One (1) McCrometer paddle wheel flowmeter (Well 4 site) One (1) Octave magnetic flowmeter (Well 5 site)
<p>TOTAL ANNUAL COST: \$5,500.00</p>	

Additional Services

Additional services which are not included within the Service Contract coverages (as defined above) are available and can be administered through this contract. Such services are offered at TESCO's "standard rates" per the rate scheduled included herein, which will accrue against the included Allowance or billed separately on a Time-&-material (T&M) basis. These services will be subject to the service provisions defined herein and scheduled

accordingly. Service and support may include any of the following disciplines/items as needed to fulfill the additional service requests.

- **Field Service Technician** – to provide field support and services, including, but not limited to: instrumentation troubleshooting, calibration, and loop testing; electrical control modifications; Infrared Thermal Image Scan(s) for verifying/identifying poor connections, resistive “hot spots”, and potentially failing equipment, control system troubleshooting; motor control support services (e.g. VFD’s, RVSS’s, Pump Control Panels, etc.) and communication system service.
- **PLC Programmer** – to provide PLC programming support and services as needed, including, but not limited to: troubleshooting, program modifications, OIT programming services, and training.
- **SCADA Programmer** – to provide SCADA support and services as needed, including, but not limited to: software troubleshooting; support services for system tags, database, telemetry/communications, alarming systems, reporting, and graphics support; networking support; programming modifications; and training.
(Note: Latest SCADA system software updates should be available while under terms of the contract)
- **Engineer** – to provide engineering and consulting support and services related to electrical control and system engineering, including, but not limited to: electrical control system assessment, tracing, engineering, and as-built drawings; control system operations engineering; system documentation; and training.
- Materials, travel, expenses, and/or third-party services will be billed separately. Any material required shall be approved by owner/customer prior to procurement.

Rate Schedule

The following rate schedule identifies the Professional Services offered by Tesco Controls, Inc for Technical Support Services only. Please note that this rate schedule is not intended for use with Task Orders or project scopes of work, which shall be administered separately from this Service and Support Contract (TESCO can negotiate and quote these separate work efforts, as needed). This rate schedule applies to the services and support covered by this Service Contract per the applicable rate category, as well as, the additional services that are rendered for ancillary support effort (which is performed per the standard rates and provisions defined below).

The following are Tesco’s current professional service rates for year **2022** including the escalation rate schedule for service type and category. The rates shown below include the direct hourly rate only and do not include expenses related to business travel, ME&I costs, per diem, or other miscellaneous fees. If needed, please consult with Tesco representative for travel-loaded rates which are evaluated case-by-case upon request.

Professional Services	Standard Rate	Premium Services	Emergency Services	EMASS Contracts
Factory Repairs	\$110	\$120	\$150	\$95
Administrative Support	\$105	\$115	\$145	\$90
Engineering Support	\$105	\$115	\$145	\$90
Drafter/Designer	\$125	\$135	\$185	\$110
Engineer/Designer (Electrical, Controls)	\$145	\$155	\$215	\$125
Project Engineer	\$155	\$165	\$235	\$145
Senior Project Engineer	\$170	\$185	\$245	\$145
Project Manager	\$165	\$175	\$235	\$145
Senior Project Manager	\$185	\$195	\$245	\$155
PLC Applications Programmer	\$155	\$165	\$235	\$145
Senior PLC Applications Programmer	\$170	\$185	\$245	\$145
SCADA Applications Programmer	\$155	\$165	\$235	\$145
Senior SCADA Applications Programmer	\$170	\$185	\$245	\$145

Professional Services	Standard Rate	Premium Services	Emergency Services	EMASS Contracts
Field Service Engineer/Specialist	\$155	\$165	\$235	\$145
Senior Field Service Engineer	\$170	\$185	\$245	\$145
Network/Communications Engineer	\$165	\$185	\$250	\$150
Senior System Architect	\$200	\$215	\$265	\$185

Service Rate Categories

The following define the service types identified in the above listed rate categories:

Standard Service Rate – These rates apply to standard scope and task order activities that are under Tesco’s scheduling and resource planning control. Standard rates are reserved for negotiated, planned, and well-defined/specified scopes of work where standard approach methodologies for executing work activities apply. These rates may also apply to specialized preventative maintenance services. These rates do not apply to open-ended tasks or time-&-material (T&M) work orders requiring premium technical/engineering services (please refer to Premium Service Rates); the Standard Service Rate category apply to standard ‘project/product delivery’ work. Please consult with Tesco representative for applicable service rate.

Premium Service Rate – These rates apply to open-ended tasks and time-&-material (T&M) work activities where the scope of work is not well-defined requiring a non-standard approach to scope management and resource planning. Such activities require higher-level disciplines for engineering task discovery in defining scope of work requirements on an as-needed basis. These rates may also apply to scope and task order activities that require premium technical services, such as engineering assessments, engineering surveys/studies, integration activities, troubleshooting, and T&M support services. These rates do not apply to urgent, expedited, or emergency service where the rendering of services are subject to deadlines or schedules that compress or interrupt other prescheduled activities or project work (please refer to Emergency Service Rates). Please consult with Tesco representative for applicable service rate.

Emergency Service Rate – These rates apply to tasks, work activities, and/or services that are rendered where personnel and resources need to be expedited and do not follow Tesco’s standard methodology for scheduling work. Such services may impact other work activities or other project work, and may require rescheduling of resources to accommodate an expedited schedule. These rates may also apply to services that need to be rendered after normal business hours, whether provided as technical phone support or onsite technical support. Please note that any onsite technical support or activity rendered as an Emergency Service Rate may be subject to additional surcharges as follows:

Emergency Onsite Service Surcharges

Mobilization surcharges are applied to each emergency call/request that results in onsite activities being rendered under the Emergency Service Rate classification as defined above. These surcharges do not apply to phone support or remote VPN access support services. The following surcharges are applied to the mobilization of onsite services based on operating business hours.

After-Normal Business Hours, On-Call Onsite Support..... \$950 per incident
During Normal Business Hours, On-Call Onsite Support..... \$650 per incident

After-hours service requests are managed through Tesco’s 24/7 On-Call Support Program and facilitated through Tesco’s call center and dispatched to on-call personnel. Please note that the utilization of Emergency Service Rates do not constitute an Emergency On-Call & Technical Support Service Contract or guarantee a level-of-service/response-time stipulated by those contracts. Please contact Tesco for a customized EMASS, Support, and/or On-Call Emergency Service Contract which is structured and quoted on support needs and on a system-by-system basis. Although Emergency Services are expedited and scheduled promptly, mobilization is subject to

availability and resource rescheduling lead-times. Please consult with Tesco representative for applicable service rate.

Service Contract Rate – These rates apply to work, tasks, and scopes identified by a Tesco Service Contract. Service Contracts can include bundled packages for Extended Maintenance And System Services (EMASS) contracts, Technical Support Service contracts, and On-Call Emergency Service contracts. Eligibility of these rates are only available through an active and pre-paid Tesco Service Contract which are subject to the terms and conditions stipulated by the respective Service Contract language. These rates do not apply to Open Purchase Orders, Time-&-Material (T&M) service requests, or premium Professional Services / Consulting Agreements. Please consult with Tesco representative for additional information and details related to Service Contracts.

Please consult with a Tesco representative for applicable service rates.

Rendering Services

Upon contracting into an agreement with Tesco Controls, Inc. (i.e. Retainer Agreement, Service Contract, or Professional Services/Consulting Agreement), these indicated rates shall be valid for the agreed contract period. Services rendered will be provided on a Time-and-Material accrual basis; which may be estimated in advance with a specified Task Order and/or defined scope of activity(ies). The hours accrued for rendered services will be recorded and only those incurred hours will be billed against the service/contract agreement in addition to the cost of expenses, travel, per diem, ME&I costs, fees, expenditures, and any preauthorized hardware/material provided. Please refer to the Time-and-Material service provisions and the terms and conditions noted herein.

Service Provisions

Please note the following service provisions:

- Normal working hours are Monday through Friday, 8:00 a.m. to 5:00 p.m. Overtime at one and one-half the standard rate is billed for services outside the normal working hours, excluding weekends and holidays.
- Saturday working hours are billed at two times the standard rates.
- Sunday working hours are billed at three times the standard rates.
- Holiday working hours are billed at three times the standard rates.
- The above rates are billed two-hour minimum and in half-hour increments per activity/mobilization.
- Portal-to-portal travel time is billed at the indicated hourly rate, plus \$0.69 per mile.
- Hardware components are billed at cost plus 20% overhead/procurement expenditures and 15% margin (delivery is subject to manufacturer availability). Sales tax will be applied as appropriate.
- Actual travel expenses (airfare, ground transportation, lodging, meals, etc.) are billed at cost plus 20% overhead/administration.
- Authorized third party services will be billed separately at cost plus 20% overhead/subcontract administration and 15% margin (delivery is subject to service provider availability).
- Please note: The above listed rates and referenced disciplines are for technical and professional services only, which do not include any trade installation, trade work, or trade labor.

Clarifications

The liability of Tesco Controls, Inc. under this Extended Maintenance and System Services agreement shall be limited to the reasonable value of the labor and services to be performed hereunder. Tesco Controls, Inc. agrees to provide the services referenced herein, but does not assume any liability or responsibility for damages caused by a failure of the parts or components referenced herein or the loss of any data. Tesco Controls, Inc. shall not be obligated under this agreement to provide an extension of the manufacturer's warranty for any component referenced herein.

Tesco Controls, Inc. shall not be obligated under this agreement to provide services or repair damage caused by fire, explosion, vandalism, theft, act of God, misuse or abuse of equipment/components; such equipment may not

be serviceable and may need to be replaced. Nor will Tesco Controls, Inc. be liable for damage caused by unsupervised relocation, repair, or modifications to the equipment/components not performed by Tesco Controls, Inc. (or previously authorized by Tesco Controls, Inc. if such equipment is covered by the “covered components of this agreement”). Please note the following service provisions:

Terms and Conditions

- Contract will be covered 1 year from date of acceptance.
- TESCO carries liability insurance, with full workman's compensation coverage.
- Terms are net 30 days on approved credit accounts.

Contract Acknowledgement

The undersigned acknowledges that they have read and understand the above Service Contract offering:

Cabazon Water District
Company/Agency

Tesco Controls, Inc.
Company/Agency

Name, Title

Name, Title

Signature

Signature

Date _____

Date _____

Proposal prepared by:

TESCO CONTROLS, INC.

Tony Vaynshteyn
EMASS Coordinator
tvaynshteyn@tescocontrols.com

Old Business

3. Discussion/Action Item: [TAB 6]

Repair of Broadway 3 cluster gate valve
(New Quote)
(by GM Louie)

*No attachments – See notes in Manager Report

Old Business

4. Discussion/Action Item: [TAB 7]

Purchase of a Service Truck (Unit #005)
(By GM Louie)

*No attachments – See notes in Manager Report