



WEST VALLEY WATER DISTRICT
855 W. BASE LINE ROAD, RIALTO, CA 92376
PH: (909) 875-1804 FAX: (909) 875-1849

REVISED AGENDA PACKET
CORRECTED STAFF REPORT AND ATTACHEMENTS FOR ITEMS #13 & #14
REGULAR BOARD MEETING
AGENDA

THURSDAY, AUGUST 3, 2023
CLOSED SESSION - 6:00 P.M. • OPEN SESSION – 6:45 P.M.

BOARD OF DIRECTORS

Gregory Young, President
Daniel Jenkins, Vice President
Angela Garcia, Director
Kelvin Moore, Director
Channing Hawkins, Director

"In order to comply with legal requirements for posting of agendas, only those items filed with the Board Secretary's office by noon, on Wednesday a week prior to the following Thursday meeting, not requiring departmental investigation, will be considered by the Board of Directors."

Members of the public may attend the meeting in person at 855 W. Base Line Road, Rialto, CA 92376, or you may join the meeting using Zoom by clicking this link: <https://us02web.zoom.us/j/8402937790>. Public comment may be submitted via Zoom, by telephone by calling the following number and access code: Dial: (888) 475-4499, Access Code: 840-293-7790, or via email to administration@wvwd.org.

If you require additional assistance, please contact administration@wvwd.org.

CALL RO ORDER

Call to Order
Roll Call of Board Members

CLOSED SESSION

- **CONFERENCE WITH LABOR NEGOTIATORS**

Pursuant to Government Code Section 54957.6

Agency designated representatives: John Thiel, General Manager, Haydee Sainz, Human Resources Manager, Oliver Yee, Special Counsel, William Fox, Chief Financial Officer

Employee Groups: International Union of Operating Engineers, Local 12

OPENING CEREMONIES

Pledge of Allegiance
Opening Prayer

ADOPT AGENDA

PUBLIC PARTICIPATION

Any person wishing to speak to the Board of Directors on matters listed or not listed on the agenda, within its jurisdiction, is asked to complete a Speaker Card and submit it to the Board Secretary, if you are attending in person. For anyone joining on Zoom, please wait for the Board President's instruction to indicate that you would like to speak. Each speaker is limited to three (3) minutes. Under the State of California Brown Act, the Board of Directors is prohibited from discussing or taking action on any item not listed on the posted agenda. Comments related to noticed Public Hearing(s) and Business Matters will be heard during the occurrence of the item.

Public communication is the time for anyone to address the Board on any agenda item or anything under the jurisdiction of the District. Also, please remember that no disruptions from the crowd will be tolerated. If someone disrupts the meeting, they will be removed.

PRESENTATIONS

1. Demand Management Incentive Program Check Presentation by San Bernardino Valley Municipal Water District

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the Board of Directors, Staff Member, or any member of the public request a specific item(s) be removed for separate action.

Consideration of:

1. July 6, 2023 - Regular Board Meeting Minutes.
2. Monthly Revenue & Expenditures Report - June 2023.
3. Cash Disbursements Reports - June 2023.
4. Purchase Order Report - June 2023.
5. Treasurer's Report - June 2023.
6. Approve Professional Services Agreement and Task Order with Albert A. Webb Associates For \$98,327.00 For Professional Engineering Design Services.
7. Rejection of Claim #202300457.
8. Adopt 2023 Local CEQA Guidelines.
9. Reimbursement Agreement with San Bernardino County for Bloomington Ave Water Main Replacement Project.
10. Approve Legal Invoice Payment to Best Best Krieger for June 2023 Invoice #969239 for \$2,170.00; Invoice #969240 for \$2,403.50; Invoice #969241 for \$115.50; Invoice #969242 for \$1,886.50; and Invoice #969243 for \$446.00.
11. Approve legal Invoice Payment to Albright Yee and Schmidt for June 2023, Invoice #28208 for \$7,802.50.
12. Approve legal Invoice Payment to Hunt Ortmann Palffy Nieves Darling Mah for May 2023, Invoice #100887 for \$5,071.75

BUSINESS MATTERS

Consideration of:

13. Purchase Five (5) New 2023 Ford F-150 XL Trucks.
14. Reserve Policy revisions

REPORTS - LIMITED TO 5 MINUTES MAXIMUM (Presentations or handouts must be provided to Board Members in advance of the Board Meeting).

- 1. Meeting Attendance Reports**
- 2. Board Members**
- 3. General Manager**
- 4. Legal Counsel**

UPCOMING MEETINGS

- August 8, 2023 - Safety & Technology Committee Meeting at 6:00 p.m.
- August 8, 2023 - Executive Committee Meeting at 7:00 p.m.
- August 14, 2023 - Human Resources Committee Meeting at 6:00 p.m.
- August 15, 2023 - Engineering, Operations, and Planning Committee Meeting at 6:00 p.m.
- August 17, 2023 - Board of Directors Regular Board Meeting at 6:00 p.m.
- August 22, 2023 - Policy Review & Oversight Committee Meeting at 6:00 p.m.
- August 22, 2023 - Executive Committee Meeting at 7:00 p.m.
- August 23, 2023 - Finance Committee Meeting at 6:00 p.m.
- August 28, 2023 – External Affairs Committee Meeting at 6:00 p.m.
- September 7, 2023 - Board of Directors Regular Board Meeting at 6:00 p.m.

UPCOMING COMMUNITY EVENTS

- July 28, 2023 - Southern California Water Coalition The Crossings at Carlsbad 5800 The Crossings Drive, Carlsbad, CA 92008 12 p.m. - 2 p.m. - No Booth
- August 1, 2023 - National Night Out - Bloomington Ayala Park Community Center - 6 p.m. -8 p.m. - Booth
- August 1, 2023 - National Night Out - Fontana Miller Park Amphitheater - 17002 Arrow Blvd, Fontana, CA 92335 - Booth
- August 1, 2023 - National Night Out - Rialto Rialto City Park 130 E. San Bernardino – Booth
- August 2, 2023 – Bloomington MAC – Socorro
- August 3, 2023 - Supervisor Jesse Armendarez Open House - 8575 Haven Ave., Rancho Cucamonga, CA 91730 5 p.m. – 7 p.m. – Booth

- August 10, 2023 – Fontana Chamber August Membership Luncheon- 11556 Summit Ave, Fontana, CA 92336 11:30 a.m. – 1p.m. – No Booth
- August 11, 2023 – BIA So. Ca. Water Conference- Ontario Doubletree 222 N. Vineyard 7:30 a.m. – 1p.m. – Booth?
- August 12, 2023 – Fontana Walks- Miller Park Amphitheater 7:00 a.m. – Booth?
- September 16, 2023 – Rialto Pet-a-palooza – City Hall, 150 S. Palm Ave. 10 a.m. – 1p.m. Booth?
- September 16, 2023 – P.A.W.S in the Park, City of Colton – Cesar Chavez Park 10 a.m. – 1p.m. Booth
- October 7, 2023 – Madd Walk – Joe Sampson Park 7 a.m. Booth/water
- November 18, 2023 – Park Clean up Days – Rialto – Volunteer

UPCOMING EDUCATIONAL & TRAINING OPPORTUNITIES

- July 28 - Southern California Water Coalition Quarterly Luncheon, Carlsbad, CA
- July - December 2023 WELL - AAPI UnTapped Fellowship 2023 - Various location
- August 28 - August 31, 2023 - CSDA Annual Conference, Monterey
- October 22 - October 25, 2023 - CSDA Special District Leadership Academy, Santa Rosa
- November 28 - November 30, 2023 - ACWA Fall Conference, Indian Wells

ADJOURN

DECLARATION OF POSTING:

I declare under penalty of perjury, that I am employed by the West Valley Water District and posted the foregoing Agenda at the District Offices on July 31, 2023.

Elvia Dominguez

Elvia Dominguez, Board Secretary

Please Note:

Material related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection in the District's office located at 855 W. Baseline, Rialto, during normal business hours. Also, such documents are available on the District's website at www.wvwd.org subject to staff's ability to post the documents before the meeting.

Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in the above-agendized public meeting should be directed to the Board Secretary, Elvia Dominguez, at least 72 hours in advance of the meeting to ensure availability of the requested service or accommodation. Ms. Dominguez may be contacted by telephone at (909) 875-1804 ext. 703, or in writing at the West Valley Water District, P.O. Box 920, Rialto, CA 92377-0920.

MINUTES
REGULAR BOARD MEETING
of the
WEST VALLEY WATER DISTRICT
July 6, 2023

Call to Order –
President Gregory Young called the Regular Board Meeting of the West Valley Water District to order at 6:00 p.m.

Roll Call of Board Members

Attendee Name	Present	Absent	Arrived
Directors			
Channing Hawkins	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Angela Garcia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	6:07 p.m.
Kelvin Moore	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Daniel Jenkins	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Gregory Young	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Staff			
John Thiel	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Jeff Ferre	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
William Fox	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Haydee Sainz	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Joanne Chan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Linda Jadeski	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Jon Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Albert Clinger	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Elvia Dominguez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Jose Velasquez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Socorro Pantaleon	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

CLOSED SESSION

The Board entered into Closed Session at 6:00 p.m. to discuss the following items listed on the agenda:

- CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION - Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (D) of Section 54956.9(B): Number of Cases: Two (2).

- CONFERENCE WITH LABOR NEGOTIATORS
Pursuant to Government Code Section 54957.6

WVWD

Minutes: 7/6/23

Agency designated representatives: John Thiel, General Manager, Haydee Sainz, Human Resources Manager, Oliver Yee, Special Counsel
Employee Groups: International Union of Operating Engineers, Local 12

The Board adjourned the closed session at 6:32 p.m. to conduct the business portion of the meeting which commenced at 6:43 p.m. with all Board members present.

OPENING CEREMONIES

Pledge of Allegiance - The Pledge of Allegiance was led by Director Angela Garcia.
Opening Prayer - The Opening prayer was led by Pastor Reginald Young.

ADOPT AGENDA

Motion to adopt the agenda.

Vice President Dan Jenkins motioned to adopt the agenda and Director Channing Hawkins seconded the motion. The following vote was taken:

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Daniel Jenkins, Vice President
SECONDER:	Channing Hawkins, Director
AYES:	Channing Hawkins, Angela Garcia, Kelvin Moore, Daniel Jenkins, Gregory Young

PUBLIC PARTICIPATION

President Gregory Young inquired if anyone from the public would like to speak. Member of the public Pastor Reginald Young gave public comment. No additional requests were received to speak via email or in-person, or on Zoom, therefore President Young closed the public comment period.

PRESENTATIONS

1. Smart Irrigation Month Marketing Campaign

Acting Government and Legislative Affairs Manager Socorro Pantaleon gave the report and PowerPoint presentation.

The Board collectively thanked Miss Pantaleon and staff for their outreach efforts and for the report.

CONSENT CALENDAR

Motion to approve Consent Calendar items #1 - #16

Director Angela Garcia motioned to adopt consent calendar items #1 - #4 and Director Kelvin Moore seconded the motion. The following vote was taken:

WVWD

Minutes: 7/6/23

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Angela Garcia, Director
SECONDER:	Kelvin Moore, Director
AYES:	Channing Hawkins, Angela Garcia, Kelvin Moore, Daniel Jenkins, Gregory Young

1. May 18, 2023 - Regular Board Meeting Minutes.
2. May 20, 2023 - Special Board Meeting Minutes
3. June 1, 2023 - Regular Board Meeting Minutes
4. Approve the Funds Transfer Report - May 2023
5. Treasurer's Report - May 2023
6. Approve Monthly Revenue & Expenditures Report - May 2023
7. Cash Disbursements Reports - May 2023
8. Purchase Order Report - May 2023
9. Approval of Blanket Purchase Orders for Fiscal Year 2023-2024
10. Adopt Resolution Amending Schedule of Charges for the Hourly Labor and Vehicle/Equipment Hourly rates for Water Service Regulations
11. May - June Social Media Report
12. Amendment No. 4 to Purchase and Sale Agreement for Well Site Property with Fontana 37, LLC
13. Agreement Between West Valley Water District and Riverside Highland Water Company for the Mutual Purchase and Transfer of Water During a Bona Fide Water Emergency
14. Legal Invoice Payment to Albright Yee and Schmidt for May 2023, Invoice #28154 for \$6,302.50
15. Approve Legal Invoice Payment to Liebert Cassidy Whitmore for May 2023, Invoice #244262 for \$2,447.00, Invoice #244263 for \$1,765.00, Invoice #244264 for \$28.50, Invoice #244265 for \$1,190.00, Invoice #244266 for \$823.00, and Invoice #244267 for \$1,122.00
16. Approve Legal Invoice Payment to Alvarez-Glasman & Colvin for January Invoice #20631 for \$6,120.00; February 2023 Invoice #20682 for \$2,680.00; for February 2023 Invoice #20683 for \$6,411.03; for February 2023 Invoice #20691 for \$7,336.22; for March 2023 Invoice #20692 for \$2,252.00

BUSINESS MATTERS

WVWD

Minutes: 7/6/23

17. Resolution and Agreement for Purchase and Sale of APN 0256-13-110 with IDIL West Valley Logistics Center, LP.

Board discussion included details and timeline of the construction; clarification that prevailing wage requirement was met; clarification that there is no information on what businesses will be housed the buildings; access to water reservoir once pipeline is built; clarification on easement for the pipeline access; clarification that during construction of the pipeline there will be no interruption in water service; consideration of project construction and possible traffic.

Director Angela Garcia motioned and Director Kelvin Moore seconded the motion to 1) Approve the Agreement for Purchase and Sale for APN 0256-13-110 with IDIL West Valley Logistics Center, LP.; 2) Adopt a Resolution 2023-13 titled "A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WEST VALLEY WATER DISTRICT: (1) DECLARING A PARCEL OF LAND TO BE EXEMPT SURPLUS LAND UNDER THE SURPLUS LAND ACT; (2) APPROVING THE SALE OF THE PARCEL PURSUANT TO A PURCHASE AND SALE AGREEMENT; AND (3) FINDING THAT THESE ACTIONS ARE EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.; and 3) Authorize the General Manager to execute all necessary documents.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Angela Garcia, Director
SECONDER:	Daniel Jenkins, Vice President
AYES:	Channing Hawkins, Angela Garcia, Kelvin Moore, Daniel Jenkins, Gregory Young

18. Revisions to Article 17 of the District Water Service Rules and Regulations

Director of Operations Joanne Chan gave the report and PowerPoint presentation.

Board discussion included clarification on the monthly service fee charge is for customers who have backflow presenters, mainly multifamily and commercial customers; current fee schedule; whether the recommendation could wait until the fee assessment study was completed.

Chief Financial Officer William Fox stated that he will conduct a cost-of-service study and will return to the board with findings which can include a review of all rates. President Gregory Young clarified that the item was first presented to the Engineering & Operations Committee as well as the Policy Committee and was referred to the Board to review and update old language, then look at all District fees and service charges as part of larger study; General Counsel Jeff Ferre further clarified that part of the adjustment to fees will include not only inflation, but also ensuring federal compliance in case a FEMA application is required in the future.

Vice President Dan Jenkins motioned to approve staff recommendations and Angela Garcia seconded the motion. The following vote was taken:

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Daniel Jenkins, Vice President
SECONDER:	Angela Garcia, Director
AYES:	Channing Hawkins, Angela Garcia, Kelvin Moore, Daniel Jenkins, Gregory Young

19. State Bond Update

Staff was directed to draft letters in support or opposition as staff recommended and return to the Board for final approval without exception.

20. Resolution Approving the Lifting of Temporary Freeze on Hiring District Personnel.

General Manager John Thiel gave the report.

Board discussion included a desire to continue reporting on position status and controls; a recount of historic reasons why the hiring freeze was instituted; preference to have the district look at filling positions based on operational needs and in consultation with the Human Resources Committee.

Director Channing Hawkins motioned to adopt Resolution 2023-14 entitled "A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WEST VALLEY WATER DISTRICT RESCINDING RESOLUTION 2020-1 AND THEREBY LIFTING THE TEMPORARY FREEZE ON HIRING OF DISTRICT PERSONNEL," and Director Angela Garcia seconded the motion. The following vote was taken:

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Channing Hawkins, Director
SECONDER:	Angela Garcia, Director
AYES:	Channing Hawkins, Angela Garcia, Kelvin Moore, Daniel Jenkins, Gregory Young

REPORTS - LIMITED TO 5 MINUTES MAXIMUM (Presentations or handouts must be provided to Board Members in advance of the Board Meeting).

1. Board Members

Vice President Dan Jenkins wished his wife a happy birthday and indicated his desire to participate the Water Education for Latino Leaders Fellowship

Director Kelvin Moore thanked the Government and Legislative Affairs staff for the donation of water to the Rialto Juneteenth celebration.

President Gregory Young wished everyone a happy 4th of July.

2. General Manager

General Manager John Thiel reported on a roundtable he attended with Norma Torres, one-on-one meetings he attended with various groups, status of recruitments, transition of legal services, and gave an update on the status of revisiting the Strategic Plan. After some discussion staff were directed to schedule a Strategic Plan Workshop when the facilitator is available in September. There was no exception.

3. Legal Counsel

General Counsel Jeff Ferre reported on the Closed session items with the following: No action was taken on both items.

WVWD

Minutes: 7/6/23

ADJOURN

President Gregory Young adjourned the meeting at 7:17 p.m.

ATTEST:

Elvia Dominguez, Board Secretary

WVWD

Minutes: 7/6/23



**BOARD OF DIRECTORS
STAFF REPORT**

DATE: August 3, 2023
TO: Board of Directors
FROM: John Thiel, General Manager
SUBJECT: MONTHLY REVENUE & EXPENDITURES REPORT - JUNE 2023

BACKGROUND:

The Board of Directors requested the Monthly Financial Status Report to be presented to the Finance Committee for review and discussion before presenting these reports to the Board of Directors. The reports are being produced from the District's Financial System (System of Records) and will be presented on a monthly basis.

DISCUSSION:

The Monthly Financial Status Report (**Exhibit A**) summarizes the District's revenue categories as well as expenditures for all Departments. The original total budget includes the adopted budget. Current total budget includes the adopted budget plus any budget amendments or adjustments made during the year. Period activity column represents activity for the reporting periods. Fiscal activity column represents the year-to-date activity or transactions that have been recorded in the general ledger from the beginning of the fiscal year July 1 through June 30. The encumbrance column represents funds encumbered with a purchase order that's not spent but committed. The percent column represents the percentage of the current budget that has been received (Revenue) or utilized (Expenditure). Every quarter-end, a quarterly report (**Exhibit B**) is presented to compare the current fiscal year quarter vs the previous year's quarter.

FISCAL IMPACT:

There is no fiscal impact for producing the June 2023 Monthly Revenue & Expenditure Report.

STAFF RECOMMENDATION:

Approve the June 2023 Monthly Revenue & Expenditure Report.
 Respectfully Submitted,

John Thiel

John Thiel, General Manager

JT:jv

ATTACHMENT(S):

1. Exhibit A - 2023 June Monthly Revenue & Expenditure Report
2. Exhibit B - 2023 June Quarter End Report

MEETING HISTORY:

07/26/23 Finance Committee REFERRED TO BOARD

EXHIBIT A



West Valley Water District, CA

Budget Report

Group Summary

For Fiscal: 2022-2023 Period Ending: 06/30/2023

Departmen...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Used
Revenue							
4000 - Water consumption sales	19,701,888.00	19,701,888.00	1,456,686.48	17,303,481.47	0.00	-2,398,406.53	87.83 %
4010 - Water service charges	8,168,023.00	8,168,023.00	551,912.32	8,302,407.92	0.00	134,384.92	101.65 %
4020 - Other operating revenue	3,967,920.00	3,967,920.00	215,100.03	3,378,927.11	0.00	-588,992.89	85.16 %
4030 - Property Taxes	3,069,566.00	3,069,566.00	2,057.59	3,746,577.84	0.00	677,011.84	122.06 %
4040 - Interest & Investment Earnings	350,000.00	350,000.00	203,417.52	3,305,326.05	0.00	2,955,326.05	944.38 %
4050 - Rental Revenue	36,303.00	36,303.00	3,276.20	38,457.45	0.00	2,154.45	105.93 %
4060 - Grants and Reimbursements	127,892.00	127,892.00	0.00	267,953.19	0.00	140,061.19	209.52 %
4070 - Gain on Sale of Capital Assets	0.00	0.00	0.00	735,493.68	0.00	735,493.68	0.00 %
4080 - Other Non-Operating Revenue	15,783.00	15,783.00	0.00	10,420,618.71	0.00	10,404,835.71	156,024.32 %
Revenue Total:	35,437,375.00	35,437,375.00	2,432,450.14	47,499,243.42	0.00	12,061,868.42	134.04 %

Budget Report

For Fiscal: 2022-2023 Period Ending: 06/30/2023

Departmen...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Used
Expense							
5110 - Source Of Supply	2,530,789.00	2,475,485.00	-24,834.85	1,597,128.01	0.00	878,356.99	64.52 %
5210 - Production	4,403,550.00	4,990,550.00	692,783.14	4,363,925.77	60,567.41	566,056.82	88.66 %
5310 - Water Quality	772,375.00	702,375.00	83,227.65	575,691.37	12,455.00	114,228.63	83.74 %
5320 - Water Treatment - Perchlorate	550,000.00	305,000.00	24,823.67	223,298.93	15,251.26	66,449.81	78.21 %
5350 - Water Treatment - FBR/FXB	2,204,600.00	2,091,600.00	177,986.02	1,869,513.60	163,060.41	59,025.99	97.18 %
5390 - Water Treatment - Roemer/Arsenic	1,944,210.00	1,993,210.00	222,683.28	1,755,410.15	138,349.27	99,450.58	95.01 %
5410 - Maintenance - T & D	2,545,250.00	2,695,250.00	330,475.63	2,546,386.53	104,232.15	44,631.32	98.34 %
5510 - Customer Service	1,323,600.00	1,371,600.00	159,971.25	1,208,623.80	0.00	162,976.20	88.12 %
5520 - Meter Reading	1,154,500.00	1,154,500.00	64,114.99	921,682.38	17,546.10	215,271.52	81.35 %
5530 - Billing	537,700.00	551,200.00	64,950.14	529,775.74	0.00	21,424.26	96.11 %
5610 - Administration	2,512,301.00	2,375,291.00	312,220.19	1,651,697.46	92,029.26	631,564.28	73.41 %
5615 - General Operations	3,378,372.00	3,375,372.00	268,649.28	2,843,531.41	67,906.42	463,934.17	86.26 %
5620 - Accounting	974,443.00	960,943.00	130,345.63	906,528.65	3,500.00	50,914.35	94.70 %
5630 - Engineering	1,793,120.00	1,785,120.00	175,098.23	1,614,044.94	12,110.24	158,964.82	91.10 %
5640 - Business Systems	1,369,630.00	1,396,630.00	203,673.92	1,244,418.15	12,160.63	140,051.22	89.97 %
5645 - GIS	285,830.00	259,050.00	41,128.05	227,577.04	6,500.00	24,972.96	90.36 %
5650 - Board Of Directors	304,900.00	304,900.00	45,889.77	274,671.66	299.99	29,928.35	90.18 %
5660 - Human Resources/Risk Management	964,580.00	937,950.00	113,711.61	691,619.08	101,967.00	144,363.92	84.61 %
5680 - Purchasing	667,300.00	667,300.00	81,993.56	572,470.26	0.00	94,829.74	85.79 %
5710 - Public Affairs	1,362,912.00	1,236,636.00	128,011.01	867,064.64	70,445.96	299,125.40	75.81 %
5720 - Grants & Rebates	80,000.00	30,000.00	0.00	32,369.46	0.00	-2,369.46	107.90 %
6200 - Interest Expense	888,300.00	888,300.00	0.00	640,577.04	0.00	247,722.96	72.11 %
6300 - Debt Administration Service	6,615.00	6,615.00	0.00	0.00	0.00	6,615.00	0.00 %
6800 - Other Non-Operating Expense	0.00	0.00	0.00	712,500.00	0.00	-712,500.00	0.00 %
Expense Total:	32,554,877.00	32,554,877.00	3,296,902.17	27,870,506.07	878,381.10	3,805,989.83	88.31 %
Report Surplus (Deficit):	2,882,498.00	2,882,498.00	-864,452.03	19,628,737.35	-878,381.10	15,867,858.25	650.49 %

Budget Report

For Fiscal: 2022-2023 Period Ending: 06/30/2023

Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)
100 - Water Operations Fund	2,882,498.00	2,882,498.00	-864,452.03	19,628,737.35	-878,381.10	15,867,858.25
Report Surplus (Deficit):	2,882,498.00	2,882,498.00	-864,452.03	19,628,737.35	-878,381.10	15,867,858.25

Exhibit B

**FOURTH QUARTER FINANCIAL REPORT
THREE MONTHS ENDED JUNE 30, 2023
(Unaudited Numbers, Not Final For FY23)**

	4th Quarter Actuals				Notes
	FY21-22 6/30/2022	FY22-23 6/30/2023	Amount Change	% Change	
Operating revenues:					
Water consumption sales	\$ 4,833,989	\$ 3,968,219	\$ (865,770)	-17.91%	A
Water service charges	1,834,629	2,118,409	\$ 283,779	15.47%	
Other operating income	624,039	848,580	\$ 224,541	35.98%	
Total operating revenues	<u>7,292,657</u>	<u>6,935,208</u>	<u>(357,449)</u>	<u>-4.90%</u>	
Non-operating revenues:					
Property taxes	1,158,490	1,431,838	\$ 273,348	23.60%	
Grants and reimbursements	-	2,380	\$ 2,380	*	
Interest and investment earnings	(55,612)	1,274,752	\$ 1,330,364	*	B
Rental income- cellular antennas	9,560	6,552	\$ (3,007)	-31.46%	C
Gain/(loss) on sale/disposition of capital assets	-	-	\$ -	0.00%	
Other non-operating revenues	8,600	10,324	\$ 1,724	20.05%	
Total non-operating revenues	<u>1,121,037</u>	<u>2,725,846</u>	<u>1,604,809</u>	<u>143.15%</u>	
Operating expenses:					
Public affairs	368,569	313,251	\$ (55,317)	-15.01%	
Grants	5,874	10,553	\$ 4,679	79.66%	D
Source of supply	850,422	403,196	\$ (447,226)	-52.59%	E
Pumping	1,403,709	1,168,326	\$ (235,383)	-16.77%	
Water treatment	1,245,518	1,212,608	\$ (32,910)	-2.64%	
Transmission and distribution	569,322	784,019	\$ 214,697	37.71%	F
Customer accounts	622,256	695,673	\$ 73,417	11.80%	
General and administrative	2,504,639	2,718,349	\$ 213,711	8.53%	
Total operating expenses	<u>7,570,309</u>	<u>7,305,975</u>	<u>(264,333)</u>	<u>-3.49%</u>	
Capital contributions:					
Developer contributions	25,819	-	\$ (25,819)	*	
Capacity charges	17,858,929	902,692	\$ (16,956,237)	-94.95%	G
Total capital contributions	<u>17,884,748</u>	<u>902,692</u>	<u>(16,982,056)</u>	<u>-94.95%</u>	
Total revenues	26,298,443	10,563,746	\$ (15,734,697)	-59.83%	
Total expenditures	7,570,309	7,305,975	\$ (264,333)	-3.49%	
Net Change	<u>18,728,134</u>	<u>3,257,771</u>	<u>(15,470,364)</u>	<u>-82.60%</u>	

Note	Comment
A	The quarter continues to see a decrease in water consumption due to excessive rain during the quarter.
B	Major increase was due to change in investment strategy and increase in interest rates.
C	Decrease was due to timing, some of the payments for April were posted in March 2023.
D	Increase was due to more activity in rebates.
E	Decrease due to less purchased water from I.E.U.A during the quarter.
F	Due to increase in repair and maintenance for domestic mains.
G	The quarter had less capacity charges receipts, due to a downturn in housing starts.



**BOARD OF DIRECTORS
STAFF REPORT**

DATE: August 3, 2023
TO: Board of Directors
FROM: John Thiel, General Manager
SUBJECT: CASH DISBURSEMENTS REPORTS - JUNE 2023

BACKGROUND:

The Board of Directors requested the Monthly Cash Disbursements Report to be presented to the Finance Committee for review and discussion before presenting these reports to the Board of Directors. The reports are being produced from the District's Financial System (System of Records) and will be presented to the Finance Committee on a monthly basis.

DISCUSSION:

Each month, the Accounting Department provides a complete listing of all previous month's disbursements to promote fiscal responsibility and accountability over the expenditure of public funds. This process includes providing the Finance Committee, Board of Directors, and ratepayers the opportunity to review expenses for supplies, materials, services, (**Exhibit A**) and payroll Disbursements (**Exhibit B**). Payroll is processed bi-weekly and accounts payable are processed weekly. Information to justify each payment is available through the Accounting Department. For reference, Customer Refunds are credits due as a result of closing a water account.

FISCAL IMPACT:

There is no fiscal impact for producing the June 2023 Cash Disbursement Reports.

STAFF RECOMMENDATION:

Approve the June 2023 Cash Disbursement Reports.
Respectfully Submitted,

John Thiel

John Thiel, General Manager

JT:jv

ATTACHMENT(S):

1. Exhibit A - 2023 June Cash Disbursements Board Report
2. Exhibit B - 2023 June Cash Disbursements Payroll Board Report

MEETING HISTORY:

07/26/23 Finance Committee REFERRED TO BOARD

EXHIBIT A

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7019	AIR & HOSE SOURCE INC	ROEMER SUPPLIES	\$ 929.41	
7019	AIR & HOSE SOURCE INC	ROEMER SUPPLIES	\$ 960.66	
7019	AIR & HOSE SOURCE INC	ROEMER SUPPLIES	\$ 68.96	
7020	BERTOLINE, GINA E	TYLER CONNECT 2023	\$ 34.12	
7021	CED CREDIT OFFICE	Cable Pulling Grips for Copper	\$ 2,746.21	
7021	CED CREDIT OFFICE	MAINTENANCE SUPPLIES	\$ 56.25	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-BLF	\$ 36.75	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-BLF	\$ 13.50	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 45.75	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 45.75	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 182.25	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 128.25	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 56.25	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 22.50	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 25.75	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 15.75	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-PERCHLORATE	\$ 211.50	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 1,648.00	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 113.25	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 80.00	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7022	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7023	COMPUTERIZED EMBROIDERY COMPANY IN	SHIRTS-BILLING DEPT	\$ 645.78	
7023	COMPUTERIZED EMBROIDERY COMPANY IN	SHIRTS-ACCOUNTING DEPT	\$ 964.04	
7024	ENGINEERING RESOURCES INC	CMIS Santa Ana Transmission Main Phase II		\$ 25,525.00
7025	HAZZARD BACKFLOW INC	ANNUAL BACKFLOW TEST	\$ 110.00	
7025	HAZZARD BACKFLOW INC	HYDRANT TEST	\$ 55.00	
7025	HAZZARD BACKFLOW INC	Hazard Assessments	\$ 2,210.00	
7026	HILLTOP GEOTECHNICAL, INC.	MAINTENANCE SUPPLIES	\$ 577.50	
7027	INLAND ROAD SERVICE & TIRE	Tires for Backhoe	\$ 1,094.32	
7028	LIEBERT CASSIDY WHITMORE	LEGAL FEES	\$ 2,675.00	
7029	MCMASTER-CARR SUPPLY COMPANY	WATER QUALITY SUPPLIES	\$ 450.52	
7029	MCMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 359.90	
7029	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 451.74	
7029	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 464.90	
7029	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 42.51	
7029	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 129.41	
7030	MOORE, KELVIN	ACWA SPRING CONFERENCE-MONTEREY 5/8/23-5/10/23	\$ 1,003.51	
7031	RED WING BUSINESS ADVANTAGE ACCOUN	SAFETY BOOTS-ALBERT HERRERA	\$ 223.03	
7031	RED WING BUSINESS ADVANTAGE ACCOUN	SAFETY BOOTS-RYAN SMITH	\$ 225.00	
7032	SAFETY COMPLIANCE COMPANY	FIELD SAFETY MTG 5/09/23	\$ 225.00	
7032	SAFETY COMPLIANCE COMPANY	OFFICE SAFETY MTG 5/09/23	\$ 200.00	
7033	SB VALLEY MUNICIPAL	BASELINE FEEDER-APR 2023		\$ 2,200.00
7033	SB VALLEY MUNICIPAL	BASELINE FEEDER-APR 2023	\$ 26,794.07	
7033	SB VALLEY MUNICIPAL	ROEMER HYDROELECTRIC		\$ 352,682.22
7033	SB VALLEY MUNICIPAL	BASELINE FEEDER-APR 2023	\$ 36,666.41	
7033	SB VALLEY MUNICIPAL	BASELINE FEEDER-APR 2023	\$ 6,979.68	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 6.61	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 6.49	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 8.46	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 7.86	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 7.70	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 6.93	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 9.75	
7034	UNIFIRST CORPORATION	UNIFORMS-PRODUCTIONS	\$ 5.83	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7034	UNIFIRST CORPORATION	UNIFORMS-WATER QLTY	\$ 5.93	
7034	UNIFIRST CORPORATION	UNIFORMS-WATER QLTY	\$ 5.95	
7034	UNIFIRST CORPORATION	UNIFORMS-WATER QLTY	\$ 9.75	
7034	UNIFIRST CORPORATION	UNIFORMS-WATER QLTY	\$ 6.86	
7034	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 6.82	
7034	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 6.71	
7034	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 9.75	
7034	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 7.04	
7034	UNIFIRST CORPORATION	JANITORIAL SERVICES-ROEMER	\$ 157.42	
7034	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 7.04	
7034	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.94	
7034	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.55	
7034	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.05	
7034	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 9.75	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 9.75	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 7.30	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 7.04	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 7.04	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 6.49	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 7.02	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 6.98	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 12.56	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 6.94	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 6.84	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 6.59	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 6.47	
7034	UNIFIRST CORPORATION	UNIFORMS-MAINTENANCE	\$ 5.95	
7034	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.94	
7034	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 9.75	
7034	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 7.32	
7034	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.96	
7034	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.56	
7034	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.59	
7034	UNIFIRST CORPORATION	JANITORIAL SERVICES-HQ	\$ 246.46	
7034	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 9.75	
7034	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 6.05	
7034	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 5.87	
7034	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 8.38	
7034	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 6.61	
7034	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 6.09	
7034	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 9.75	
7036	HASA INC.	CHEMICALS-BLF	\$ 1,157.59	
7036	HASA INC.	CHEMICALS-BLF	\$ 46.15	
7036	HASA INC.	CHEMICALS-WELLS	\$ 192.60	
7036	HASA INC.	CHEMICALS-WELLS	\$ 120.37	
7036	HASA INC.	CHEMICALS-WELLS	\$ 145.90	
7036	HASA INC.	CHEMICALS-WELLS	\$ 361.12	
7036	HASA INC.	CHEMICALS-WELLS	\$ 409.27	
7036	HASA INC.	CHEMICALS-WELLS	\$ 240.75	
7036	HASA INC.	CHEMICALS-WELLS	\$ 240.75	
7036	HASA INC.	CHEMICALS-WELLS	\$ 240.75	
7036	HASA INC.	CHEMICALS-WELLS	\$ 288.90	
7036	HASA INC.	CHEMICALS-WELLS	\$ 180.57	
7036	HASA INC.	CHEMICALS-WELLS	\$ 216.67	
7036	HASA INC.	CHEMICALS-WELLS	\$ 144.45	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7036	HASA INC.	CHEMICALS-WELLS	\$ 168.52	
7036	HASA INC.	CHEMICALS-WELLS	\$ 144.45	
7036	HASA INC.	CHEMICALS-WELLS	\$ 312.97	
7036	HASA INC.	CHEMICALS-WELLS	\$ 98.04	
7036	HASA INC.	CHEMICALS-WELLS	\$ 190.86	
7036	HASA INC.	CHEMICALS-BLF	\$ 1,203.74	
7036	HASA INC.	CHEMICALS-WELLS	\$ 361.12	
7036	HASA INC.	CHEMICALS-WELLS	\$ 216.67	
7036	HASA INC.	CHEMICALS-WELLS	\$ 192.60	
7036	HASA INC.	CHEMICALS-WELLS	\$ 240.75	
7036	HASA INC.	CHEMICALS-WELLS	\$ 144.45	
7036	HASA INC.	CHEMICALS-WELLS	\$ 272.05	
7036	HASA INC.	CHEMICALS-WELLS	\$ 120.37	
7036	HASA INC.	CHEMICALS-WELLS	\$ 144.45	
7036	HASA INC.	CHEMICALS-WELLS	\$ 96.30	
7036	HASA INC.	CHEMICALS-WELLS	\$ 120.37	
7036	HASA INC.	CHEMICALS-WELLS	\$ 397.24	
7036	HASA INC.	CHEMICALS-WELLS	\$ 144.45	
7036	HASA INC.	CHEMICALS-WELLS	\$ 361.12	
7036	HASA INC.	CHEMICALS-BLF	\$ 1,444.49	
7036	HASA INC.	CHEMICALS-WELLS	\$ 156.49	
7036	HASA INC.	CHEMICALS-WELLS	\$ 180.57	
7036	HASA INC.	CHEMICALS-WELLS	\$ 288.90	
7036	HASA INC.	CHEMICALS-WELLS	\$ 240.75	
7036	HASA INC.	CHEMICALS-WELLS	\$ 337.05	
7036	HASA INC.	CHEMICALS-WELLS	\$ 288.90	
7036	HASA INC.	CHEMICALS-WELLS	\$ 433.35	
7036	HASA INC.	CHEMICALS-WELLS	\$ 456.92	
7036	HASA INC.	CHEMICALS-PERCHLORATE	\$ 385.20	
7036	HASA INC.	CHEMICALS-ROEMER	\$ 4,320.81	
7038	AIR & HOSE SOURCE INC	MAINTENANCE SUPPLIES	\$ 200.58	
7039	BECERRA, JESSE	SAFETY GLASSES	\$ 76.40	
7040	CALIFORNIA LANDSCAPE & DESIGN INC.	Landscape Maintenance Services-MAY 2023	\$ 5,833.00	
7040	CALIFORNIA LANDSCAPE & DESIGN INC.	Landscape Maintenance Services-MAY 2023	\$ 1,667.00	
7041	CHANDLER ASSET MANAGEMENT	SERVICES MAY 2023	\$ 6,186.95	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-BLF	\$ 13.50	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 42.50	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 182.25	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 128.25	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 56.25	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 22.50	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-PERCHLORATE	\$ 211.50	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 169.25	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 80.00	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 113.25	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7042	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7043	FASTENAL COMPANY	CREDIT MEMO RETURNS-ROEMER	\$ (15.80)	
7043	FASTENAL COMPANY	CREDIT MEMO RETURNS-ROEMER	\$ (61.68)	
7043	FASTENAL COMPANY	MAINTENANCE SUPPLIES	\$ 384.70	
7043	FASTENAL COMPANY	MAINTENANCE SUPPLIES	\$ 321.85	
7043	FASTENAL COMPANY	MAINTENANCE SUPPLIES	\$ 482.77	
7043	FASTENAL COMPANY	MAINTENANCE SUPPLIES	\$ 482.77	
7043	FASTENAL COMPANY	MAINTENANCE SUPPLIES	\$ 321.85	
7044	GENERAL PUMP COMPANY INC	Baseline Feeder South Well Rehabilitation		\$ 20,845.00

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7044	GENERAL PUMP COMPANY INC	Baseline Feeder South Well Rehabilitation		\$ 6,670.00
7045	HASA INC.	CHEMICALS-WELLS	\$ 361.12	
7045	HASA INC.	CHEMICALS-ROEMER	\$ 5,401.02	
7046	LIEBERT CASSIDY WHITMORE	LEGAL FEES	\$ 726.00	
7046	LIEBERT CASSIDY WHITMORE	LEGAL FEES	\$ 897.00	
7046	LIEBERT CASSIDY WHITMORE	LEGAL FEES	\$ 3,575.70	
7047	MCMMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 323.73	
7047	MCMMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 352.37	
7047	MCMMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 79.12	
7047	MCMMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 388.81	
7048	PANTALEON, SOCORRO	CSDA LEGISLATIVE DAYS	\$ 450.88	
7048	PANTALEON, SOCORRO	SOLAR CHALLENGE REFRESHMENTS	\$ 87.51	
7049	RECYCLED AGGREGATE MATERIALS CO INC	MAINTENANCE SUPPLIES	\$ 130.00	
7050	CAROLLO ENGINEERS INC	WIFIA and SRF Loan Application - Roemer Expansion		\$ 2,353.00
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-BLF	\$ 13.50	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 182.25	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 128.25	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 26.25	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 22.50	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 56.25	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-PERCHLORATE	\$ 218.25	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-PERCHLORATE	\$ 211.50	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 249.50	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 249.50	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 290.00	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 249.50	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 80.00	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 113.25	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 575.00	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 80.00	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 113.25	
7051	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7052	CRB SECURITY SOLUTIONS	CRB Security Repair	\$ 34.48	
7052	CRB SECURITY SOLUTIONS	CRB Security Repair	\$ 36.30	
7052	CRB SECURITY SOLUTIONS	CRB Security Repair	\$ 505.46	
7052	CRB SECURITY SOLUTIONS	CRB Security Repair	\$ 288.77	
7052	CRB SECURITY SOLUTIONS	CRB Security Repair	\$ 475.00	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 135.00	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 69.00	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 34.50	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 172.50	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 69.00	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 34.50	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 827.50	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 204.50	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 209.00	
7052	CRB SECURITY SOLUTIONS	Blanket PO for Security Alarms Monitoring & Repair	\$ 448.50	
7053	GENERAL PUMP COMPANY INC	North Well equipment rentals per invoice # 29829	\$ 7,450.00	
7053	GENERAL PUMP COMPANY INC	Well 54 Booster Pump motor repair at Delta	\$ 6,908.78	
7053	GENERAL PUMP COMPANY INC	Well 54 Booster motor emergency service	\$ 8,486.18	
7054	HARRINGTON INDUSTRIAL PLASTICS	PRODUCTION SUPPLIES	\$ 908.54	
7055	HAWKINS, CHANNING	WATER ED FOR LATINO LEADERS-CHANNING HAWKINS	\$ 108.45	
7056	HAZZARD BACKFLOW INC	Hazard Assessments	\$ 2,890.00	
7056	HAZZARD BACKFLOW INC	Hazard Assessments	\$ 1,105.00	
7057	INFOSEND INC	December Newsletter	\$ 1,697.06	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT

June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7057	INFOSEND INC	December Newsletter	\$ 175.00	
7058	MCMASTER-CARR SUPPLY COMPANY	WATER QUALITY SUPPLIES	\$ 713.98	
7058	MCMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 227.82	
7058	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 290.20	
7058	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 99.18	
7058	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 55.57	
7058	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 476.95	
7058	MCMASTER-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 136.65	
7059	SB VALLEY MUNICIPAL	BASELINE FEEDER ELECTRIC BILL-03/30/23-04/27/23	\$ 42,554.69	
7060	YOUNG, GREGORY A	ACWA/JPIA SPRING CONF-GREGORY YOUNG	\$ 1,202.45	
7061	AIR & HOSE SOURCE INC	350 ft of 6" flush hose	\$ 1,925.26	
7061	AIR & HOSE SOURCE INC	350 ft of 6" flush hose	\$ 462.38	
7062	CALIFORNIA LANDSCAPE & DESIGN INC.	LANDSCAPE MAINTENANCE RESERVOIR 6	\$ 832.38	
7063	CDW GOVERNMENT INC	Computers CDWG June 2023	\$ 831.36	
7063	CDW GOVERNMENT INC	Computers CDWG June 2023	\$ 2,293.46	
7063	CDW GOVERNMENT INC	Cisco Umbrella Security Subscription 2023	\$ 407.46	
7063	CDW GOVERNMENT INC	Cisco Umbrella Security Subscription 2023	\$ 3,995.00	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-BLF	\$ 36.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-BLF	\$ 31.50	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 13.50	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 33.25	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 33.25	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 15.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 575.25	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 706.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 13.50	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 6.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 22.50	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 6.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-PERCHLORATE	\$ 15.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 167.50	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELL# 6	\$ 165.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 113.25	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 80.00	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 65.00	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 197.50	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 497.75	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7064	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 11.75	
7065	COMPUTERIZED EMBROIDERY COMPANY IN	HR RECRUITMENT-CLARIVEL	\$ 69.56	
7065	COMPUTERIZED EMBROIDERY COMPANY IN	HR SHIRTS	\$ 86.28	
7066	DIAMOND ENVIRONMENTAL SERVICES LLC	PORTABLE RESTROOM-10272 S CEDAR	\$ 129.95	
7066	DIAMOND ENVIRONMENTAL SERVICES LLC	PORTABLE RESTROOM-18451 VINEYARD	\$ 129.95	
7067	FASTENAL COMPANY	MAINTENANCE SUPPLIES	\$ 312.86	
7067	FASTENAL COMPANY	SHOP SUPPLIES	\$ 248.23	
7067	FASTENAL COMPANY	SHOP SUPPLIES	\$ 359.92	
7068	HARTLEY, MARY JO	CAPIO 2023-LODGING/TRANSPORTATION	\$ 266.68	
7069	HASA INC.	CHEMICALS-BLF	\$ 1,203.74	
7069	HASA INC.	CHEMICALS-WELLS	\$ 276.87	
7069	HASA INC.	CHEMICALS-WELLS	\$ 192.60	
7069	HASA INC.	CHEMICALS-WELLS	\$ 541.69	
7069	HASA INC.	CHEMICALS-WELLS	\$ 433.35	
7069	HASA INC.	CHEMICALS-ARSENIC	\$ 216.67	
7069	HASA INC.	CHEMICALS-WELLS	\$ 144.45	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
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EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7069	HASA INC.	CHEMICALS-WELLS	\$ 58.36	
7069	HASA INC.	CHEMICALS-PERCHLORATE	\$ 264.82	
7069	HASA INC.	CHEMICALS-ROEMER	\$ 5,249.79	
7070	HAZZARD BACKFLOW INC	Hazard Assessments	\$ 1,020.00	
7071	INFOSEND INC	Postage/Printing for Customer Bills-MAY 2023	\$ 4,114.91	
7071	INFOSEND INC	Postage/Printing for Customer Bills-MAY 2023	\$ 14,055.72	
7072	MCMMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 81.85	
7072	MCMMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 31.08	
7072	MCMMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 689.26	
7072	MCMMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 506.92	
7072	MCMMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 33.65	
7072	MCMMASTER-CARR SUPPLY COMPANY	FBR SUPPLIES	\$ 65.08	
7073	PALENCIA CONSULTING ENGINEERS	2023 Watershed Lytle Creek Sanitary Survey	\$ 6,825.00	
7074	PANTALEON, SOCORRO	CAPIO 2023-LODGING/MEALS	\$ 274.16	
7074	PANTALEON, SOCORRO	CAPIO 2023-LODGING/MEALS	\$ 43.85	
7075	PCL CONSTRUCTION INC	Design and Construction of Roemer Upgrade		\$ 645,000.00
7075	PCL CONSTRUCTION INC	RETENTION PMT 4-0		\$ (32,250.00)
7076	PICAZO'S FLOWER DESIGNS INC	OFFICE PLANTS MAINTENANCE-MARCH 2023	\$ 424.00	
7076	PICAZO'S FLOWER DESIGNS INC	OFFICE PLANTS MAINTENANCE-APRIL 2023	\$ 424.00	
7077	RAMIREZ, YOLANDA	OFFICE SUPPLIES-EMPLOYEE FOLDERS	\$ 103.85	
7078	RECYCLED AGGREGATE MATERIALS CO INC	MAINTENANCE SUPPLIES	\$ 205.06	
7078	RECYCLED AGGREGATE MATERIALS CO INC	DISPOSAL FEES	\$ 85.00	
7079	SAFETY COMPLIANCE COMPANY	FIELD SAFETY MTG-5/23/23	\$ 225.00	
7079	SAFETY COMPLIANCE COMPANY	FIELD MEWP CERTIFICATION-5/23/23	\$ 455.00	
7080	SAMBA HOLDINGS INC	HR SERVICES MAY 2023	\$ 134.65	
7081	SHARP EXTERMINATOR INC	DISTRICT MAINT-MAY 2023	\$ 185.00	
7082	VULCAN MATERIALS COMPANY	Temporary Asphalt	\$ 1,306.36	
7082	VULCAN MATERIALS COMPANY	Temporary Asphalt	\$ 1,270.70	
7083	ABF PRINTS INC	OFFICE SUPPLIES	\$ 436.39	
7084	ACWA /JPIA	COBRA - Mesa (May)	\$ 673.19	
7084	ACWA /JPIA	EE Adjustments	\$ (4,147.48)	
7084	ACWA /JPIA	DELTACARE DENTAL PPO	\$ 725.06	
7084	ACWA /JPIA	HEALTH INSURANCE	\$ 8,668.41	
7084	ACWA /JPIA	VISION	\$ 105.90	
7084	ACWA /JPIA	DELTACARE DENTAL HMO	\$ 705.88	
7084	ACWA /JPIA	DELTACARE DENTAL PPO	\$ 8,255.44	
7084	ACWA /JPIA	EMPLOYEE ASSISTANCE PROGRAM	\$ 193.44	
7084	ACWA /JPIA	HEALTH INSURANCE	\$ 126,375.02	
7084	ACWA /JPIA	VISION	\$ 1,652.04	
7084	ACWA /JPIA	DELTACARE DENTAL PPO	\$ 695.68	
7084	ACWA /JPIA	HEALTH INSURANCE	\$ 1,128.22	
7084	ACWA /JPIA	Retiree - Health Benefits for May, 2023	\$ 17,959.55	
7084	ACWA /JPIA	Krueger April Correction	\$ 1,346.38	
7084	ACWA /JPIA	Retiree - Health Benefits for May, 2023	\$ 2,072.84	
7084	ACWA /JPIA	Krueger April Correction	\$ 94.96	
7084	ACWA /JPIA	Retiree - Health Benefits for May, 2023	\$ 635.40	
7084	ACWA /JPIA	Krueger April Correction	\$ 21.18	
7085	BERTOLINE, GINA E	DECORATIONS FOR FINANCE / WELLBEING TEAM SUPPLIES	\$ 30.71	
7085	BERTOLINE, GINA E	DECORATIONS FOR FINANCE / WELLBEING TEAM SUPPLIES	\$ 65.56	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-BLF	\$ 13.50	
7086	CLINICAL LAB OF SAN BERNARDINO INC	CHEMICALS-BLF	\$ 13.50	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 37.50	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 182.25	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 20.25	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 128.25	

WEST VALLEY WATER DISTRICT

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EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 20.25	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 22.50	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 56.25	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 182.25	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES	\$ 128.25	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 15.75	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-WELLS	\$ 15.75	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-PERCHLORATE	\$ 211.50	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-PERCHLORATE	\$ 211.50	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 249.50	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 35.00	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-FBR	\$ 35.00	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 80.00	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 80.00	
7086	CLINICAL LAB OF SAN BERNARDINO INC	LAB FEES-ROEMER	\$ 15.00	
7087	COMPUTERIZED EMBROIDERY COMPANY IN	SHIRTS-PR DEPT	\$ 213.88	
7088	CP CONSTRUCTION CO INC	Construction Services -Change Order #1		\$ 149,320.50
7088	CP CONSTRUCTION CO INC	RETENTION		\$ (7,466.03)
7089	DAVID N M TURCH	Federal Lobbyist Services-4/9/23-5/8/23	\$ 12,500.00	
7089	DAVID N M TURCH	Federal Lobbyist Services-05/09/23-06/08/23	\$ 12,500.00	
7090	FAST SIGNS	DISTRICT MAINTENANCE	\$ 124.85	
7091	HARTLEY, MARY JO	STUDIO 19 PHOTO BOOTH-ANNUAL WINTER RETREAT	\$ 100.00	
7092	HASA INC.	CHEMICALS-PERCHLORATE	\$ 166.38	
7093	INFOSEND INC	May Newsletter	\$ 1,744.69	
7094	LEASE PLAN USA INC	Mechanic Repairs for Fleet	\$ 9,054.80	
7095	MCMaster-CARR SUPPLY COMPANY	PRODUCTION SUPPLIES	\$ 57.93	
7095	MCMaster-CARR SUPPLY COMPANY	WATER QUALITY SUPPLIES	\$ 84.61	
7095	MCMaster-CARR SUPPLY COMPANY	WATER QUALITY SUPPLIES	\$ 458.46	
7095	MCMaster-CARR SUPPLY COMPANY	WATER QUALITY SUPPLIES	\$ 53.49	
7095	MCMaster-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 358.55	
7095	MCMaster-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 456.51	
7095	MCMaster-CARR SUPPLY COMPANY	ROEMER SUPPLIES	\$ 414.60	
7096	SAFETY COMPLIANCE COMPANY	FIELD SAFETY MTG 6/13/23	\$ 225.00	
7096	SAFETY COMPLIANCE COMPANY	OFFICE SAFETY MTG 6/13/23	\$ 200.00	
7097	SAMBA HOLDINGS INC	HR SERVICES	\$ 129.33	
7098	SB VALLEY MUNICIPAL	BLF MAY 2023		\$ 2,200.00
7098	SB VALLEY MUNICIPAL	BLF MAY 2023	\$ 26,794.07	
7098	SB VALLEY MUNICIPAL	BLF MAY 2023	\$ 46,902.83	
7098	SB VALLEY MUNICIPAL	BLF MAY 2023	\$ 6,979.68	
7098	SB VALLEY MUNICIPAL	BLF ELECTRIC BILL -04/28/23-05/29/23	\$ 43,373.72	
7099	SHARP EXTERMINATOR INC	DISTRICT MAINTENANCE-APRIL 2023	\$ 185.00	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 7.86	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 8.46	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 6.93	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 6.61	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 6.49	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 5.83	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 7.70	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 6.61	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 7.86	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 7.70	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 8.46	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
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EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 5.83	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 6.49	
7100	UNIFIRST CORPORATION	UNIFORMS-PRODUCTION	\$ 6.93	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 259.90	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 7.04	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 6.82	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 6.71	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 7.04	
7100	UNIFIRST CORPORATION	UNIFORMS-FBR	\$ 6.82	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.94	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 7.04	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.55	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.05	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 7.04	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.94	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.55	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-ROEMER	\$ 6.05	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.96	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.94	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.59	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.56	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 7.32	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.59	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.56	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.94	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 7.32	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 6.96	
7100	UNIFIRST CORPORATION	UNIFORMS-METERS	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 6.05	
7100	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 5.87	
7100	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 5.87	
7100	UNIFIRST CORPORATION	UNIFORMS-ENGINEERING	\$ 6.05	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 6.61	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 8.38	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 9.03	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 9.03	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 8.38	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 6.61	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 205.14	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 8.38	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 6.61	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 9.75	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 8.38	
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 6.61	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
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EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
7100	UNIFIRST CORPORATION	UNIFORMS-PURCHASING	\$ 6.09	
84269	ADAN G SOLIS	TURF REBATE	\$ 2,093.00	
84270	AMAZON.COM SALES INC	WATER QUALITY SUPPLIES	\$ 658.74	
84270	AMAZON.COM SALES INC	SUPPLIES FOR ADMIN STAFF	\$ 75.41	
84270	AMAZON.COM SALES INC	OFFICE SUPPLIES	\$ 164.41	
84271	AUTOMATED GATE SERVICES INC	DISTRICT MAINTENANCE	\$ 250.00	
84272	CHANDI ENTERPRISES LLC	DEPOSITS REFUNDS-CONTINGENCY/METER/VALVE BOX	\$ 4,400.00	
84272	CHANDI ENTERPRISES LLC	DEPOSITS REFUNDS-CONTINGENCY/METER/VALVE BOX	\$ 720.00	
84272	CHANDI ENTERPRISES LLC	DEPOSITS REFUNDS-CONTINGENCY/METER/VALVE BOX	\$ 17,629.10	
84273	CINTAS CORPORATION	JANITORIAL SERVICES	\$ 183.67	
84273	CINTAS CORPORATION	JANITORIAL SERVICES	\$ 183.67	
84273	CINTAS CORPORATION	JANITORIAL SERVICES	\$ 143.92	
84273	CINTAS CORPORATION	JANITORIAL SERVICES	\$ 183.67	
84274	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 1,573.16	
84274	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 721.25	
84274	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 40.46	
84274	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 88.93	
84274	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 1,539.34	
84274	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 747.04	
84274	COLONIAL SUPPLEMENTAL INSURANCE	EE Adjustments	\$ 49.76	
84275	CRAMER PAINTING INC	Painting of Electrical cabinet and 3 ext doors	\$ 2,440.00	
84276	DIGITAL IMAGE SOLUTIONS, LLC	COPIER MAINTENANCE	\$ 297.67	
84276	DIGITAL IMAGE SOLUTIONS, LLC	COPIER MAINTENANCE	\$ 595.51	
84276	DIGITAL IMAGE SOLUTIONS, LLC	COPIER MAINTENANCE	\$ 11.76	
84277	FERGUSON ENTERPRISES INC # 677	LBIW Spools 02/28/23		\$ 1,314.55
84277	FERGUSON ENTERPRISES INC # 677	LBIW Spools 02/28/23		\$ 339.41
84277	FERGUSON ENTERPRISES INC # 677	FC Clamps 04/05/23		\$ 253.20
84278	GARDA CL WEST INC	ARMORED TRANSPORT-MAY 2023	\$ 330.96	
84278	GARDA CL WEST INC	ARMORED TRANSPORT-APRIL 2023	\$ 2.99	
84279	GRAINGER INC	Brass Parts 05/30/23		\$ 63.58
84279	GRAINGER INC	Brass Parts 05/30/23		\$ 174.38
84279	GRAINGER INC	Brass Parts 05/30/23		\$ 85.29
84279	GRAINGER INC	Brass Parts 05/30/23		\$ 154.04
84279	GRAINGER INC	Brass Parts 05/30/23		\$ 196.45
84279	GRAINGER INC	Brass Parts 05/30/23		\$ 293.69
84279	GRAINGER INC	PRODUCTION SUPPLIES	\$ 142.71	
84279	GRAINGER INC	PRODUCTION SUPPLIES	\$ 352.80	
84279	GRAINGER INC	FBR SUPPLIES	\$ 904.78	
84280	GREG LARSON	Executive Coaching & Strategic Planning Consultant	\$ 9,600.00	
84281	INLAND DESERT SECURITY	ANSWERING SERVICE-APRIL 2023	\$ 654.70	
84282	INLAND EMPIRE UTILITIES AGENCY	SERVICES APRIL 2023	\$ 6,085.51	
84283	JOHNSON'S HARDWARE INC	FBR SUPPLIES	\$ 363.71	
84283	JOHNSON'S HARDWARE INC	FBR SUPPLIES	\$ 158.47	
84283	JOHNSON'S HARDWARE INC	FBR SUPPLIES	\$ 18.09	
84284	LENNAR HOMES	DEP REFUNDS-CONTINGENCY/METER/VALVE BOX	\$ 44,800.00	
84284	LENNAR HOMES	DEP REFUNDS-CONTINGENCY/METER/VALVE BOX	\$ 5,040.00	
84284	LENNAR HOMES	DEP REFUNDS-CONTINGENCY/METER/VALVE BOX	\$ 55,460.30	
84285	O'REILLY AUTO PARTS	VEHICLE MAINTENANCE	\$ 89.72	
84286	PR PRINTING	RECEIPT BOOKS-CUST SVC	\$ 523.34	
84287	ROSLAND D MIDDLETON	TURF REBATE	\$ 1,171.00	
84288	SOUTH COAST AQMD	HOT SPOTS PROGRAM FEE	\$ 153.23	
84289	STATE WATER RESOURCES CONTROL BOARI	SITE CLEAN UP PROGRAM	\$ 294.19	
84289	STATE WATER RESOURCES CONTROL BOARI	SITE CLEAN UP PROGRAM	\$ 294.19	
84290	YO FIRE	MAINTENANCE SUPPLIES	\$ 560.30	
84304	AMAZON.COM SALES INC	OFFICE SUPPLIES	\$ 35.80	

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84305	AT&T INTERNET	INTERNET SVC-05/26/23-06/25/23	\$ 144.45	
84306	AT&T LONG DISTANCE	ROMER TOLL FREE#-MAY 2023	\$ 24.25	
84307	ATKINSON ANDELSON LOYA RUUD & ROMC	LEGAL FEES-APRIL 2023	\$ 2,133.13	
84308	BURRTEC WASTE INDUSTRIES INC	ROEMER DISPOSAL FEES MAY 2023	\$ 235.82	
84308	BURRTEC WASTE INDUSTRIES INC	HQ DISPOSAL FEES MAY 2023	\$ 803.78	
84309	CA-NV AWWA	CROSS CONNECTION CERT-JOANNE CHAN	\$ 100.00	
84310	CHARTER COMMUNICATIONS	TELEPHONE/INTERNET	\$ 690.00	
84310	CHARTER COMMUNICATIONS	CABLE/TELEPHONE-05/25/23-06/24/23	\$ 239.94	
84310	CHARTER COMMUNICATIONS	TELEPHONE/INTERNET	\$ 1,385.12	
84310	CHARTER COMMUNICATIONS	CABLE/TELEPHONE-05/25/23-06/24/23	\$ 160.38	
84311	CINTAS CORPORATION	JANITORIAL SERVICES	\$ 183.67	
84312	CITY OF RIALTO	UTILITY USER TAX	\$ 38,070.63	
84312	CITY OF RIALTO	UTILITY USER TAX	\$ (179.81)	
84313	CITY OF RIALTO-ALARM PROGRAM	ALARM FEES FALSE ALARM	\$ 271.10	
84313	CITY OF RIALTO-ALARM PROGRAM	ALARM FEES	\$ 542.20	
84314	GRAINGER INC	PRODUCTION SUPPLIES	\$ 159.27	
84314	GRAINGER INC	ROEMER SUPPLIES	\$ 499.01	
84315	HAAKER EQUIPMENT COMPANY	MAINTENANCE SUPPLIES	\$ 999.84	
84316	JOHNSON'S HARDWARE INC	PRODUCTION SUPPLIES	\$ 47.99	
84316	JOHNSON'S HARDWARE INC	MAINTENANCE SUPPLIES	\$ 56.60	
84317	MINUTEMAN PRESS OF RANCHO CUCAMON	Water Saver Stickers	\$ 1,348.58	
84317	MINUTEMAN PRESS OF RANCHO CUCAMON	Earth Day signs	\$ 523.88	
84317	MINUTEMAN PRESS OF RANCHO CUCAMON	Earth Day signs	\$ 211.19	
84317	MINUTEMAN PRESS OF RANCHO CUCAMON	Earth Day signs	\$ 523.88	
84317	MINUTEMAN PRESS OF RANCHO CUCAMON	Earth Day signs	\$ 792.44	
84317	MINUTEMAN PRESS OF RANCHO CUCAMON	Earth Day signs	\$ 1,125.32	
84318	PACK N MAIL	CUSTOMER SERVICES-MAY 2023	\$ 195.00	
84319	RIALTO WATER SERVICES	FBR SERVICE-04/18/23-05/16/23	\$ 1,696.29	
84319	RIALTO WATER SERVICES	HQ WATER SERVICE	\$ 122.27	
84320	SO CALIFORNIA EDISON	ROEMER-04/28/23-05/29/23	\$ 46,673.32	
84321	STATE WATER RESOURCES CONTROL BOARI	T4 CERTIFICATION-VAN JEW	\$ 105.00	
84322	STETSON ENGINEERS INC	Stetson -Rialto Basin Groundwater Mngmt Plan		\$ 440.13
84322	STETSON ENGINEERS INC	Stetson -Rialto Basin Groundwater Mngmt Plan		\$ 440.13
84322	STETSON ENGINEERS INC	Stetson -Rialto Basin Groundwater Mngmt Plan		\$ 440.12
84322	STETSON ENGINEERS INC	Stetson -Rialto Basin Groundwater Mngmt Plan	\$ 440.12	
84323	UNDERGROUND SERVICE ALERT	MAINTENANCE SUPPLIES	\$ 169.42	
84323	UNDERGROUND SERVICE ALERT	MAINTENANCE SUPPLIES	\$ 610.25	
84324	VERIZON WIRELESS PHONES	CELL PHONES/IPADS- 4/23/23-5/22/23	\$ 5,815.33	
84324	VERIZON WIRELESS PHONES	CELL PHONES/IPADS- 4/23/23-5/22/23	\$ 65.64	
84324	VERIZON WIRELESS PHONES	CELL PHONES/IPADS- 4/23/23-5/22/23	\$ 1,458.93	
84325	WHITE CAP CONSTRUCTION SUPPLY	MAINTENANCE SUPPLIES	\$ 462.83	
84326	YO FIRE	MAINTENANCE SUPPLIES	\$ 121.76	
84326	YO FIRE	Urgent 1 1/2" Parts for Repair	\$ 96.98	
84326	YO FIRE	Urgent 1 1/2" Parts for Repair	\$ 374.97	
84326	YO FIRE	Urgent 1 1/2" Parts for Repair	\$ 830.11	
84326	YO FIRE	Urgent 1 1/2" Parts for Repair	\$ 247.83	
84326	YO FIRE	Urgent 1 1/2" Parts for Repair	\$ 25.84	
84326	YO FIRE	Urgent 1 1/2" Parts for Repair	\$ 200.42	
84326	YO FIRE	MAINTENANCE SUPPLIES	\$ 253.21	
84326	YO FIRE	MAINTENANCE SUPPLIES	\$ 144.39	
84326	YO FIRE	MAINTENANCE SUPPLIES	\$ 976.22	
84326	YO FIRE	MAINTENANCE SUPPLIES	\$ 371.74	
84326	YO FIRE	Emergency Valve Replacement Spool	\$ 1,454.63	
84326	YO FIRE	MAINTENANCE SUPPLIES	\$ 232.74	
84358	AIRGAS USA LLC	PRODUCTION SUPPLIES	\$ 56.93	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
84359	AMAZON.COM SALES INC	PRODUCTION SUPPLIES	\$ 23.74	
84359	AMAZON.COM SALES INC	OFFICE SUPPLIES	\$ (75.72)	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 528.07	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 226.24	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 18.31	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 77.56	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 55.99	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 53.82	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 17.23	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 71.60	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 193.94	
84359	AMAZON.COM SALES INC	may 2023 Network upgrade parts	\$ 42.01	
84360	AT&T	ROEMER FIRE SVC 05/22/23-06/21/23	\$ 621.03	
84360	AT&T	TELEMETRY LINE	\$ 63.82	
84361	BAVCO	WATER QUALITY SUPPLIES	\$ 243.16	
84362	CANYON INDUSTRIES INC	Capacitor for Roemer	\$ 2,358.00	
84362	CANYON INDUSTRIES INC	Capacitor for Roemer	\$ 1,920.00	
84363	CITY ELECTRIC SUPPLY	PRODUCTION SUPPLIES	\$ 113.28	
84364	COLTON PUBLIC UTILITIES	WELL 18A ELECTRICITY 04/24/23-05/24/23	\$ 510.59	
84365	CRAMER PAINTING INC	Paint Romer irrigation service	\$ 2,500.00	
84366	EL ROD FENCE CO, INC	gate install for well 18a	\$ 1,389.00	
84367	FEDEX	MAILING FEES	\$ 35.80	
84367	FEDEX	MAILING FEES	\$ 90.33	
84367	FEDEX	MAILING FEES	\$ 46.80	
84367	FEDEX	MAILING FEES	\$ 44.92	
84368	GHD INC	Professional Engineering Services Roemer Expansion		\$ 74,229.69
84369	GRAINGER INC	PRODUCTION SUPPLIES	\$ 38.20	
84369	GRAINGER INC	FBR SUPPLIES	\$ 422.28	
84369	GRAINGER INC	ROEMER SUPPLIES	\$ 12.53	
84369	GRAINGER INC	ROEMER SUPPLIES	\$ 40.52	
84369	GRAINGER INC	ROEMER SUPPLIES	\$ 108.18	
84370	JOHNSON'S HARDWARE INC	ROEMER SUPPLIES	\$ 67.29	
84370	JOHNSON'S HARDWARE INC	ROEMER SUPPLIES	\$ 5.38	
84371	KAREEM OIL INC	DEPOSIT REFUNDS-CONT/METER/VALVE	\$ 350.00	
84371	KAREEM OIL INC	DEPOSIT REFUNDS-CONT/METER/VALVE	\$ 360.00	
84371	KAREEM OIL INC	DEPOSIT REFUNDS-CONT/METER/VALVE	\$ 8,600.00	
84372	LOWES	PRODUCTION SUPPLIES	\$ 225.20	
84372	LOWES	ROEMER SUPPLIES	\$ 48.29	
84372	LOWES	ROEMER SUPPLIES	\$ 4.10	
84372	LOWES	MAINTENANCE SUPPLIES	\$ 184.16	
84373	MCCROMETER INC	Well 18 Replacement Meter	\$ 4,089.89	
84374	MINUTEMAN PRESS OF RANCHO CUCAMON	WATER QUALITY 2022 POSTCARDS POSTAGE	\$ 3,871.59	
84374	MINUTEMAN PRESS OF RANCHO CUCAMON	WATER QUALITY 2022 MAILER	\$ 4,719.51	
84374	MINUTEMAN PRESS OF RANCHO CUCAMON	INLAND SOLAR CHALLENGE SHIRTS	\$ 892.78	
84375	NEW RESOURCES GROUP INC	DYE TABS FULL COLOR CARDS	\$ 666.00	
84376	RIALTO WATER SERVICES	WELL#16 WATER SERVICE-04/26/23-05/23/23	\$ 30.42	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 62,718.88	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 7,364.75	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 92,379.87	
84377	SO CALIFORNIA EDISON	WELL#17/19950 CCLUB 05/10/23-06/08/23 ELECTRICITY	\$ 6,036.05	
84377	SO CALIFORNIA EDISON	S END SHOP 05/08/23-06/06/23 ELECTRICITY	\$ 97.83	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 21,593.99	
84377	SO CALIFORNIA EDISON	WELL#17/19950 CCLUB 05/10/23-06/08/23 ELECTRICITY	\$ 447.68	
84377	SO CALIFORNIA EDISON	WELL#6 05/10/23-06/08/23 ELECTRICITY	\$ 23,534.90	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 21,367.23	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 2,286.56	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 485.76	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 280.90	
84377	SO CALIFORNIA EDISON	VARIOUS ELECTRICITY-04/28/23-05/29/23	\$ 3,920.13	
84378	THE GAS COMPANY	ROEMER GAS BILL-05/03/23-06/02/23	\$ 24.32	
84378	THE GAS COMPANY	H.Q GAS SERVICES 05/09/23-06/08/23	\$ 21.16	
84379	TYLER TECHNOLOGIES INC	Meter-Reader Interface Incode-Sensus Analytics		\$ 65.00
84380	USA BLUEBOOK	WATER QUALITY SUPPLIES	\$ 72.85	
84381	VERIZON CONNECT NWF INC	CONTRACTS/LICENSING	\$ 679.98	
84382	WESTBROOK FENCE INC	PRODUCTION SUPPLIES	\$ 520.00	
84383	CITY OF RIALTO	ENCROACHMENT PERMIT	\$ 969.50	
84383	CITY OF RIALTO	ENCROACHMENT PERMIT	\$ 969.50	
84383	CITY OF RIALTO	ENCROACHMENT PERMIT	\$ 969.50	
84384	CITY OF RIALTO	UTILITY USER TAX-MAY 2023	\$ 36,404.31	
84384	CITY OF RIALTO	UTILITY USER TAX-MAY 2023	\$ (179.81)	
84402	AIRGAS USA LLC	SHOP SUPPLIES-PROPANE	\$ 191.94	
84403	ALVAREZ-GLASMAN & COLVIN	LEGAL FEES NOV 2022	\$ 2,437.50	
84403	ALVAREZ-GLASMAN & COLVIN	LEGAL FEES-JAN 2023	\$ 12,836.60	
84403	ALVAREZ-GLASMAN & COLVIN	LEGAL FEES-FEB 2023	\$ 14,815.00	
84403	ALVAREZ-GLASMAN & COLVIN	LEGAL FEES-MARCH 2023	\$ 11,120.86	
84404	AMAZON.COM SALES INC	WATER QLTY SUPPLIES	\$ 219.68	
84404	AMAZON.COM SALES INC	Computer and Printer Supplies may 2023	\$ 16.15	
84404	AMAZON.COM SALES INC	Computer and Printer Supplies may 2023	\$ 269.40	
84404	AMAZON.COM SALES INC	Computer and Printer Supplies may 2023	\$ 53.85	
84404	AMAZON.COM SALES INC	Computer and Printer Supplies may 2023	\$ 47.39	
84404	AMAZON.COM SALES INC	Computer and Printer Supplies may 2023	\$ 53.33	
84404	AMAZON.COM SALES INC	Computer and Printer Supplies may 2023	\$ 269.38	
84404	AMAZON.COM SALES INC	Computer and Printer Supplies may 2023	\$ 204.90	
84404	AMAZON.COM SALES INC	COMPUTER SUPPLIES	\$ 402.45	
84404	AMAZON.COM SALES INC	HR SUPPLIES	\$ (54.34)	
84404	AMAZON.COM SALES INC	SAFETY SUPPLIES	\$ 60.33	
84405	AQUA-METRIC SALES CO	1" Meter Order 04/06/23		\$ 7,404.37
84405	AQUA-METRIC SALES CO	1" Meter Order 04/06/23		\$ 17,276.85
84405	AQUA-METRIC SALES CO	Sensus handheld readers	\$ 2,223.96	
84406	CITY OF SAN BERNARDINO	BLF WATER-05/09/23-06/09/23	\$ 46.13	
84407	CORE & MAIN LP	MAINTENANCE SUPPLIES	\$ 132.07	
84407	CORE & MAIN LP	MAINTENANCE SUPPLIES	\$ 200.23	
84408	CPS HR CONSULTING	Classification and Compensation Study 2021-2022	\$ 17,363.00	
84409	DAN'S LAWNMOVER CENTER	FBR SUPPLIES	\$ 72.97	
84410	DCSE INC	ArcGIS Enterprise Portal Installation Configuratio	\$ 9,800.00	
84410	DCSE INC	Fire Flow Test and Water Sampling Applications Con	\$ 8,960.00	
84411	FISH WINDOW CLEANING	JANITORIAL SVCS-WINDOWS	\$ 275.00	
84412	FONTANA UNION WATER CO	STOCK SHARES-5321	\$ 8,645.00	
84412	FONTANA UNION WATER CO	STOCK SHARES-5624	\$ 532.00	
84412	FONTANA UNION WATER CO	STOCK SHARES-5663	\$ 2,660.00	
84412	FONTANA UNION WATER CO	STOCK SHARES-5682	\$ 1,995.00	
84412	FONTANA UNION WATER CO	STOCK SHARES-5745	\$ 266.00	
84413	GRAINGER INC	FBR SUPPLIES	\$ 237.87	
84413	GRAINGER INC	SHOP SUPPLIES	\$ 10.41	
84414	JOHNSON'S HARDWARE INC	PRODUCTION SUPPLIES	\$ 32.31	
84414	JOHNSON'S HARDWARE INC	PRODUCTION SUPPLIES	\$ 44.15	
84414	JOHNSON'S HARDWARE INC	FBR SUPPLIES	\$ 69.99	
84414	JOHNSON'S HARDWARE INC	FBR SUPPLIES	\$ 51.68	
84414	JOHNSON'S HARDWARE INC	DISTRICT MAINTENANCE	\$ 84.00	
84415	LOPEZ, BILGA	SAFETY LUNCHEON-DESERTS	\$ 51.96	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
84416	MIKE ROQUET CONSTRUCTION, INC.	Street Paving Service	\$ 12,246.30	
84417	MILLER ARCHITECTURAL CORPORATION	Design Concepts for Building C Improvements		\$ 3,788.75
84417	MILLER ARCHITECTURAL CORPORATION	Design Concepts for Building C Improvements		\$ 3,788.75
84417	MILLER ARCHITECTURAL CORPORATION	Design Concepts for Building C Improvements		\$ 17,197.50
84418	MISCOWATER	AUMA Actuator Replacement	\$ 7,634.09	
84419	OCCUPATIONAL HEALTH CENTERS OF CALIF	SAFETY SUPPLIES	\$ 526.00	
84420	O'REILLY AUTO PARTS	VEHICLE MAINTENANCE	\$ 153.46	
84421	RIALTO WATER SERVICES	ROEMER SEWER SVC-04/30/23-05/31/23	\$ 67.17	
84422	SHAW HR CONSULTING, INC.	HR SERVICES	\$ 375.00	
84423	SO CALIFORNIA EDISON	WELL# 11X-05/11/23-06/11/23	\$ 35.22	
84424	SOURCE GRAPHICS	ENGINEERING SUPPLIES	\$ 83.81	
84425	STATE WATER RESOURCES CONTROL BOARI	T2 CERTIFICATION-NICHOLAS J CARLO	\$ 60.00	
84426	TESS ELECTRIC INC	VFD for South Well at East Complex	\$ 36,164.00	
84427	THERMO ELECTRON NORTH AMERICA LLC	Dionex Parts	\$ 2,521.35	
84427	THERMO ELECTRON NORTH AMERICA LLC	Dionex Parts	\$ 3,104.75	
84427	THERMO ELECTRON NORTH AMERICA LLC	Dionex Parts	\$ 1,044.06	
84428	UNIVAR USA INC	FBR Acetic Acid	\$ 11,811.56	
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 6,040.25
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 283.17
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 1,600.43
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 471.33
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 541.62
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 601.89
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 1,131.38
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 12,774.84
84429	WESTERN WATER WORKS SUPPLY CO INC	Stock Order 04/18/23		\$ 432.57
84430	YO FIRE	Ball Valves 06/12/23		\$ 3,814.35
84430	YO FIRE	MAINTENANCE SUPPLIES	\$ 167.01	
84430	YO FIRE	MAINTENANCE SUPPLIES	\$ 59.26	
84430	YO FIRE	SHOP SUPPLIES	\$ 155.16	
84431	ALL PRO ENTERPRISES INC.	Janitorial Services for District	\$ 280.00	
84431	ALL PRO ENTERPRISES INC.	Janitorial Services for District	\$ 3,591.92	
84432	AMAZON.COM SALES INC	WATER QUALITY SUPPLIES	\$ 362.77	
84432	AMAZON.COM SALES INC	COMPUTER SUPPLIES	\$ 182.66	
84433	AQUA-METRIC SALES CO	MXU Order 07/19/22		\$ 48,088.45
84433	AQUA-METRIC SALES CO	1" meter order 06/08/23		\$ 24,917.19
84434	BAVCO	WATER QUALITY SUPPLIES	\$ 119.80	
84435	BLUE - WHITE INDUSTRIES LTD	PRODUCTION SUPPLIES	\$ 695.53	
84436	CARPENTER ROTHANS & DUMONT LLP	LEGAL FEES	\$ 330.00	
84436	CARPENTER ROTHANS & DUMONT LLP	LEGAL FEES	\$ 177.50	
84437	CINTAS CORPORATION	JANITORIAL SERVICES	\$ 183.67	
84438	CITY OF SAN BERNARDINO	LYTLE CREEK STREAMFLOW-MAY 2023	\$ 6,998.25	
84439	CLIFTON LARSON ALLEN	Treasurer Services-MAY 2023	\$ 2,625.00	
84440	COLONIAL SUPPLEMENTAL INSURANCE	EE Adjustments	\$ (47.95)	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 57.65	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 88.95	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 1,547.28	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 747.09	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 1,547.21	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 747.04	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 5.84	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 88.97	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 1,504.43	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 797.76	
84440	COLONIAL SUPPLEMENTAL INSURANCE	EE Adjustments	\$ 24.72	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 1,543.27	
84440	COLONIAL SUPPLEMENTAL INSURANCE	COLONIAL	\$ 705.74	
84441	CORE & MAIN LP	1' Ball Valves 06/08/23		\$ 22,406.07
84442	COUNTY OF SAN BERNARDINO	HEALTH PERMIT SERVICES	\$ 490.00	
84443	DIGITAL IMAGE SOLUTIONS, LLC	COPIER MAINTENANCE	\$ 136.79	
84443	DIGITAL IMAGE SOLUTIONS, LLC	COPIER MAINTENANCE	\$ 5.62	
84443	DIGITAL IMAGE SOLUTIONS, LLC	COPIER MAINTENANCE	\$ 712.97	
84443	DIGITAL IMAGE SOLUTIONS, LLC	COPIER MAINTENANCE	\$ 498.72	
84444	FEDEX	MAILING FEES	\$ 43.75	
84445	FONTANA CHAMBER OF COMMERCE	2023 Fontana Chamber	\$ 3,000.00	
84446	GERALD FABIO	New Office for Board Secretary		\$ 2,284.88
84447	GEYSER	Pressure Washer for District	\$ 10,731.38	
84448	GRAINGER INC	ROEMER SUPPLIES	\$ 166.52	
84448	GRAINGER INC	SHOP SUPPLIES	\$ 31.22	
84449	HOME DEPOT	FBR SUPPLIES	\$ 762.39	
84449	HOME DEPOT	EQUIPMENT MAINTENANCE	\$ 969.00	
84449	HOME DEPOT	DISTRICT MAINTENANCE	\$ 66.22	
84449	HOME DEPOT	DISTRICT MAINTENANCE	\$ 44.39	
84449	HOME DEPOT	DISTRICT MAINTENANCE	\$ 83.85	
84449	HOME DEPOT	DISTRICT MAINTENANCE	\$ 8.29	
84449	HOME DEPOT	DISTRICT MAINTENANCE	\$ 77.54	
84450	HONEYCOTT INC	HONEYCOMB REMOVER	\$ 195.00	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-JANUARY 2023	\$ 4,909.50	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-JANUARY 2022	\$ 2,400.00	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-JANUARY 2023	\$ 1,237.50	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-JANUARY 2023	\$ 326.00	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-FEBRUARY 2023	\$ 100.00	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-FEBRUARY 2023	\$ 5,912.00	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-MARCH 2023	\$ 8,854.00	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-FEBRUARY 2023	\$ 16,683.50	
84451	IVIE MCNEILL & WYATT A PROFESSIONAL C	LEGAL FEES-MARCH 2023	\$ 18,134.84	
84452	JCL TRAFFIC SERVICES	MESSAGE BOARD RENTAL-EARTH DAY	\$ 650.00	
84453	JOHNSON'S HARDWARE INC	PRODUCTION SUPPLIES	\$ 72.15	
84453	JOHNSON'S HARDWARE INC	PRODUCTION SUPPLIES	\$ 19.37	
84453	JOHNSON'S HARDWARE INC	PRODUCTION SUPPLIES	\$ 34.43	
84453	JOHNSON'S HARDWARE INC	DISTRICT MAINTENANCE	\$ 24.77	
84454	LEGAL SHIELD	LEGALSHIELD	\$ 214.29	
84454	LEGAL SHIELD	LEGALSHIELD	\$ 214.26	
84455	MINUTEMAN PRESS OF RANCHO CUCAMON	2022 WATER QUALITY REPORT	\$ 641.68	
84455	MINUTEMAN PRESS OF RANCHO CUCAMON	2022 WATER QUALITY REPORT	\$ 290.89	
84455	MINUTEMAN PRESS OF RANCHO CUCAMON	Utility Assistance Mailer Postcard	\$ 3,771.15	
84455	MINUTEMAN PRESS OF RANCHO CUCAMON	Graphic Design, Printing & Postage	\$ 4,536.52	
84456	NED'S OIL SALES INC	PRODUCTION SUPPLIES	\$ 6.64	
84456	NED'S OIL SALES INC	PRODUCTION SUPPLIES	\$ 9.21	
84456	NED'S OIL SALES INC	PRODUCTION SUPPLIES	\$ 3.21	
84456	NED'S OIL SALES INC	PRODUCTION SUPPLIES	\$ 6.44	
84457	OCCUPATIONAL HEALTH CENTERS OF CALIF	HR SERVICES	\$ 505.00	
84458	OLDCASTLE INFRASTRUCTURE INC	Meter Box Order 06/08/23		\$ 21,985.46
84459	ORANGE COAST PETROLEUM EQUIPMENT I	Annual AQMD Test Gasoline Tank	\$ 359.89	
84459	ORANGE COAST PETROLEUM EQUIPMENT I	Annual AQMD Test Gasoline Tank	\$ 534.44	
84459	ORANGE COAST PETROLEUM EQUIPMENT I	Annual AQMD Test Gasoline Tank	\$ 600.00	
84459	ORANGE COAST PETROLEUM EQUIPMENT I	Annual AQMD Test Gasoline Tank	\$ 75.00	
84460	RIALTO PRINT COMPANY	SHOP SUPPLIES	\$ 387.90	
84461	RIALTO WATER SERVICES	FBR SEWER-05/16/23-06/16/23	\$ 1,798.65	
84462	ROBERT D NIEHAUS INC	Construction Water Fee Adequacy	\$ 695.00	

WEST VALLEY WATER DISTRICT

CASH DISBURSEMENT REPORT
June 2023

EFT/Check #	Vendor Name	Description	O & M Amount	CIP Amount
84463	SB & RIVERSIDE COUNTIES FIRE EQUIP	SAFETY SUPPLIES	\$ 2,389.61	
84463	SB & RIVERSIDE COUNTIES FIRE EQUIP	SAFETY SUPPLIES	\$ 273.52	
84464	SO CALIFORNIA EDISON	ELECTRICITY-BLF 05/19/23-06/19/23	\$ 144.57	
84465	TESCO CONTROLS INC	PRODUCTION SUPPLIES	\$ 592.63	
84465	TESCO CONTROLS INC	PRODUCTION SUPPLIES	\$ 510.00	
84465	TESCO CONTROLS INC	PRODUCTION SUPPLIES	\$ 592.63	
84466	THE STANDARD	AD&D	\$ 31.50	
84466	THE STANDARD	DEPENDENT LIFE	\$ 6.15	
84466	THE STANDARD	LIFE INSURANCE	\$ 232.50	
84466	THE STANDARD	LONG TERM DISABILITY	\$ 22.73	
84466	THE STANDARD	AD&D	\$ 317.35	
84466	THE STANDARD	DEPENDENT LIFE	\$ 95.94	
84466	THE STANDARD	LIFE INSURANCE	\$ 2,340.08	
84466	THE STANDARD	LONG TERM DISABILITY	\$ 2,143.56	
84466	THE STANDARD	AD&D	\$ 0.04	
84466	THE STANDARD	LONG TERM DISABILITY	\$ 7.62	
84466	THE STANDARD	EE Adjustments	\$ (17.68)	
84466	THE STANDARD	EMPLOYEE AFTER-TAX	\$ 571.84	
84466	THE STANDARD	EMPLOYEE AFTER-TAX	\$ 1,293.97	
84467	TRES ES INC	State Lobbyist Services-FEB-MAY 2023	\$ 30,000.00	
84468	USA BLUEBOOK	WATER QUALITY SUPPLIES	\$ 698.07	
84469	YO FIRE	FBR SUPPLIES	\$ 955.74	
DFT0003008	PETTY CASH	MISCELLANEOUS OFFICE SUPPLIES	\$ 54.91	
DFT0003008	PETTY CASH	MEALS-BILLING	\$ 36.36	
DFT0003008	PETTY CASH	MEALS-ADMIN	\$ 43.06	
DFT0003008	PETTY CASH	HR WELLNESS PROGRAM	\$ 96.99	
DFT0003008	PETTY CASH	MISCELLANEOUS OFFICE SUPPLIES	\$ 14.33	
DFT0003008	PETTY CASH	GASOLINE	\$ 40.80	
DFT0003008	PETTY CASH	OFFICE SUPPLIES	\$ 96.88	
DFT0003008	PETTY CASH	POSTAGE	\$ 17.61	
DFT0003008	PETTY CASH	PERMIT & FEES	\$ 10.90	
DFT0003008	PETTY CASH	VEHICLE MAINTENANCE	\$ 26.16	
DFT0003008	PETTY CASH	ENG SUPPLIES	\$ 7.00	
DFT0003008	PETTY CASH	HR TRAINING	\$ 100.00	
			SUBTOTALS	\$ 1,538,246.24
			GRAND TOTAL	\$ 1,442,399.45
				\$ 2,980,645.69

Exhibit B

**WEST VALLEY WATER DISTRICT
PAYROLL GROSS WAGES
FISCAL YEAR 2022 - 2023**

Report Month	Description	From	To	Gross Wages Paid
July 2022	Monthly Pay Period #7	06/01/22	06/30/22	7,113.22
July 2022	Pay Period #14	06/24/22	07/08/22	322,603.34
July 2022	Pay Period #15	07/08/22	07/22/22	295,540.63
Total for July 2022				625,257.19
August 2022	Monthly Pay Period #8	07/01/22	07/31/22	7,113.22
August 2022	Pay Period #16	07/22/22	08/05/22	302,888.25
August 2022	Pay Period #17	08/05/22	08/19/22	291,827.03
Total for August 2022				601,828.50
September 2022	Monthly Pay Period #9	08/01/22	08/30/22	7,487.60
September 2022	Pay Period #18	08/19/22	09/02/22	295,994.15
September 2022	Pay Period #19	09/02/22	09/16/22	281,560.23
Total for September 2022				585,041.98
October 2022	Monthly Pay Period #10	09/01/22	09/30/22	8,236.36
October 2022	Pay Period #20	09/16/22	09/30/22	290,932.18
October 2022	Pay Period #21	09/30/22	10/14/22	283,102.95
Total for October 2022				582,271.49
November 2022	Monthly Pay Period #11	10/01/22	10/31/22	9,621.58
November 2022	Pay Period #22	10/14/22	10/28/22	274,535.56
November 2022	Manual Checks			
November 2022	Pay Period #23	10/28/22	11/11/22	359,504.87
Total for November 2022				643,662.01
December 2022	Monthly Pay Period #12	11/01/22	11/30/22	9,630.95
December 2022	Pay Period #24	11/11/22	11/25/22	297,401.31
December 2022	Pay Period #25	11/25/22	12/09/22	316,141.81
December 2022	Pay Period #26	12/09/22	12/23/22	292,536.16
Total for December 2022				915,710.23

**WEST VALLEY WATER DISTRICT
PAYROLL GROSS WAGES
FISCAL YEAR 2022 - 2023**

Report Month	Description	From	To	Gross Wages Paid
January 2023	Pay Period #1	12/23/22	01/06/23	324,181.41
January 2023	Monthly Pay Period #1	12/01/22	12/31/22	7,075.80
January 2023	Manual Check (Settlement)			75,000.00
January 2023	Pay Period #2	01/06/23	01/20/23	313,404.24
Total for January 2023				719,661.45
February 2023	Monthly Pay Period #2	01/01/23	01/31/23	7,665.45
February 2023	Pay Period #3	01/20/23	02/03/23	323,462.81
February 2023	Pay Period #4	02/03/23	02/17/23	303,763.96
Total for February 2023				634,892.22
March 2023	Monthly Pay Period #3	02/01/23	02/28/23	9,827.50
March 2023	Pay Period #5	02/17/23	03/03/23	314,055.41
March 2023	Pay Period #6	03/03/23	03/17/23	343,837.94
Total for March 2023				667,720.85
April 2023	Monthly Pay Period #4	03/01/23	03/31/23	9,630.95
April 2023	Pay Period #7	03/17/23	03/31/23	301,225.32
April 2023	Pay Period #8	03/31/23	04/14/23	296,744.45
Total for April 2023				607,600.72
May 2023	Monthly Pay Period #5	04/01/23	04/30/23	8,844.75
May 2023	Pay Period #9	04/14/23	04/28/23	308,719.67
May 2023	Pay Period #10	04/28/23	05/12/23	300,645.31
Total for May 2023				618,209.73
June 2023	Pay Period #11	05/12/23	05/26/23	299,273.17
June 2023	Monthly Pay Period #6	05/01/20	05/31/20	8,255.10
June 2023	Pay Period #12	05/26/23	06/09/23	364,976.20
June 2023	Pay Period #13	06/09/23	06/23/23	324,292.77
Total for June 2023				996,797.24

**WEST VALLEY WATER DISTRICT
EFT AND PAYROLL ITEMS
JUNE 2023**

Date	Item	Check No. or EFT	Amount
06/01/23	Pay Period #11	8906	141.14
06/01/23	Monthly Pay Period #6	none	
06/15/23	Pay Period #12	8907	159.46
06/29/23	Pay Period #13	8908-8910	4,678.84
Total Checks			<u>4,979.44</u>
06/01/23	Pay Period #11 Direct Deposits	EFT	196,886.85
06/01/23	Federal Tax Withheld Social Security & Medicare	EFT	77,467.72
06/01/23	State Tax Withheld and State Disability Insurance	EFT	15,266.70
06/01/23	Lincoln Deferred Compensation Withheld	EFT	14,739.46
06/01/23	Lincoln - Employer Match Benefit	EFT	3,550.00
06/01/23	Nationwide Deferred Compensation Withheld	EFT	4,052.30
06/01/23	Nationwide - Employer Match Benefit	EFT	700.00
06/01/23	CalPERS Retirement - Classic (EPMC and ER contribution)	EFT	27,508.95
06/01/23	CalPERS Retirement - 2nd Tier (EE and ER contribution)	EFT	17,860.04
06/01/23	California State Disbursement	EFT	984.46
06/01/23	Sterling Administration	EFT	657.66
06/01/23	Monthly Pay Period #6 Direct Deposits	EFT	6,893.08
06/01/23	Federal Tax Withheld Social Security & Medicare	EFT	1,574.39
06/01/23	State Tax Withheld and State Disability Insurance	EFT	73.73
06/15/23	Pay Period #12 Direct Deposits	EFT	232,879.76
06/15/23	Federal Tax Withheld Social Security & Medicare	EFT	106,601.60
06/15/23	State Tax Withheld and State Disability Insurance	EFT	22,300.75
06/15/23	Lincoln Deferred Compensation Withheld	EFT	13,267.61
06/15/23	Lincoln - Employer Match Benefit	EFT	3,475.00
06/15/23	Nationwide Deferred Compensation Withheld	EFT	4,077.30
06/15/23	Nationwide - Employer Match Benefit	EFT	700.00
06/15/23	CalPERS Retirement - Classic (EPMC and ER contribution)	EFT	27,448.94
06/15/23	CalPERS Retirement - 2nd Tier (EE and ER contribution)	EFT	17,950.12
06/15/23	California State Disbursement	EFT	984.46
06/15/23	Sterling Administration	EFT	657.65
06/29/23	Pay Period #13 Direct Deposits	EFT	209,428.17
06/29/23	Federal Tax Withheld Social Security & Medicare	EFT	89,419.52
06/29/23	State Tax Withheld and State Disability Insurance	EFT	18,176.63
06/29/23	Lincoln Deferred Compensation Withheld	EFT	13,472.66
06/29/23	Lincoln - Employer Match Benefit	EFT	3,400.00
06/29/23	Nationwide Deferred Compensation Withheld	EFT	4,077.30
06/29/23	Nationwide - Employer Match Benefit	EFT	700.00
06/29/23	CalPERS Retirement - Classic (EPMC and ER contribution)	EFT	28,014.77
06/29/23	CalPERS Retirement - 2nd Tier (EE and ER contribution)	EFT	17,658.35
06/29/23	California State Disbursement	EFT	984.46
Total EFT			<u>1,183,890.39</u>
Grand Total Payroll Cash			<u>1,188,869.83</u>



**BOARD OF DIRECTORS
STAFF REPORT**

DATE: August 3, 2023
TO: Board of Directors
FROM: John Thiel, General Manager
SUBJECT: PURCHASE ORDER REPORT - JUNE 2023

BACKGROUND:

The West Valley Water District (“District”) generated twenty-nine (29) Purchase Orders (“PO”) in the month of June 2023 to various vendors that provide supplies and services to the District. The total amount issued to PO’s for the month of June 2023 was **\$695,799.41**. A table listing all PO’s for June 2023 is shown in **Exhibit A**.

There were no Change Orders (“CO”) approved at the General Manager’s approval level during the month of June 2023.

FISCAL IMPACT:

There is no fiscal impact for producing the June 2023 Purchase Order Report.

STAFF RECOMMENDATION:

Approve the June 2023 Purchase Order Report.
 Respectfully Submitted,

John Thiel

John Thiel, General Manager

JT;ar

ATTACHMENT(S):

1. Exhibit A - June 2023 Purchase Order Report

MEETING HISTORY:

07/26/23 Finance Committee REFERRED TO BOARD

Exhibit A



West Valley Water District, CA

Purchase Order Summary Report

Purchase Order Detail

Issued Date Range 06/01/2023 - 06/30/2023

PO Number	Description Vendor	Status Ship To	Issue Date Delivery Date	Trade Discount	Total
23-0426	FortiGate-101F with FortiGuard and FortiEDR 02585 - AIRGAP LABS LLC	Completed West Valley Water District	6/1/2023 6/15/2023	0.00	95,043.04
23-0427	Computers CDWG June 2023 00326 - CDW GOVERNMENT INC	Completed West Valley Water District	6/1/2023 6/15/2023	0.00	2,886.14
23-0428	Baseline Feeder South Well Rehabilitation 01124 - GENERAL PUMP COMPANY INC	Partially Received West Valley Water District	6/1/2023 6/15/2023	0.00	181,721.00
23-0429	Hydrogeological Services 02613 - KYLE GROUNDWATER INC	Outstanding West Valley Water District	6/1/2023 6/15/2023	0.00	157,315.00
23-0430	Emergency Valve Replacement Spool 00748 - YO FIRE	Completed West Valley Water District	6/6/2023 6/20/2023	0.00	1,454.63
23-0431	North Well equipment rentals per invoice # 29829 01124 - GENERAL PUMP COMPANY INC	Completed West Valley Water District	6/6/2023 6/20/2023	0.00	7,450.00
23-0432	Well 54 Booster motor emergency service 01124 - GENERAL PUMP COMPANY INC	Completed West Valley Water District	6/6/2023 6/20/2023	0.00	8,486.18
23-0433	Pull Effluent booster pump # 3 for inspection 01124 - GENERAL PUMP COMPANY INC	Outstanding West Valley Water District	6/6/2023 6/20/2023	0.00	5,170.71
23-0434	Dionex IC Pure water filter 02334 - THERMO FISHER SCIENTIFIC (ASHVILLE) LLC	Outstanding West Valley Water District	6/6/2023 6/20/2023	0.00	3,620.33
23-0435	Well 54 Booster Pump motor repair at Delta 01124 - GENERAL PUMP COMPANY INC	Completed West Valley Water District	6/6/2023 6/20/2023	0.00	6,908.78
23-0436	gate install for well 18a 02377 - EL ROD FENCE CO, INC	Completed West Valley Water District	6/6/2023 6/20/2023	0.00	1,389.00
23-0437	1' Ball Valves 06/08/23 01657 - CORE & MAIN LP	Completed West Valley Water District	6/8/2023 6/8/2023	0.00	20,794.50
23-0438	New Lockers for Bldg C 00411 - ULINE	Outstanding West Valley Water District	6/8/2023 6/22/2023	0.00	5,980.90
23-0439	1" meter order 06/08/23 00255 - AQUA-METRIC SALES CO	Completed West Valley Water District	6/8/2023 6/8/2023	0.00	23,125.00
23-0440	Meter Box Order 06/08/23 00941 - OLDCASTLE INFRASTRUCTURE INC	Completed West Valley Water District	6/8/2023 6/8/2023	0.00	20,653.50
23-0441	Ball Valves 06/12/23 00748 - YO FIRE	Completed West Valley Water District	6/12/2023 6/12/2023	0.00	3,540.00
23-0442	Pressure Washer for District 01547 - GEYSER	Completed West Valley Water District	6/14/2023 6/28/2023	0.00	11,668.20
23-0444	EC Spare Motor Rewinding at Delta 01124 - GENERAL PUMP COMPANY INC	Outstanding West Valley Water District	6/15/2023 6/29/2023	0.00	21,109.95

Purchase Order Summary Report

Issued Date Range 06/01/2023 - 06/30/2023

PO Number	Description Vendor	Status Ship To	Issue Date Delivery Date	Trade Discount	Total
23-0445	Acetic Acid 01269 - UNIVAR USA INC	Outstanding West Valley Water District	6/19/2023 7/3/2023	0.00	11,757.25
23-0446	Emergency motor change, North Well at East Complex 01124 - GENERAL PUMP COMPANY INC	Outstanding West Valley Water District	6/19/2023 7/3/2023	0.00	10,384.73
23-0447	M5310 TOC ANALYZER 02626 - VEOLIA WTS ANALYTICAL INSTRUMENTS INC	Outstanding West Valley Water District	6/20/2023 7/4/2023	0.00	35,604.90
23-0448	Utility Assistance Mailer Postcard 01311 - MINUTEMAN PRESS OF RANCHO CUCAMONGA	Completed West Valley Water District	6/22/2023 7/6/2023	0.00	3,771.15
23-0449	May Newsletter 01052 - INFOSEND INC	Completed West Valley Water District	6/22/2023 7/6/2023	0.00	1,744.69
23-0451	2023 Fontana Chamber Installation Dinner 01479 - FONTANA CHAMBER OF COMMERCE	Completed West Valley Water District	6/27/2023 7/11/2023	0.00	3,000.00
23-0452	Annual AQMD Test Gasoline Tank 02336 - ORANGE COAST PETROLEUM EQUIPMENT INC	Completed West Valley Water District	6/28/2023 7/12/2023	0.00	1,569.33
23-0453	Cartridge filters for IX Facilities 01034 - HARMSCO INC	Outstanding West Valley Water District	6/29/2023 7/13/2023	0.00	41,550.50
23-0454	20-year external integrity test fuel tanks 02336 - ORANGE COAST PETROLEUM EQUIPMENT INC	Outstanding West Valley Water District	6/29/2023 7/13/2023	0.00	2,600.00
23-0455	Actuarial Report OPEB 02348 - DFA, LLC	Completed West Valley Water District	6/29/2023 7/13/2023	0.00	3,000.00
23-0456	SCWC Annual Membership 02628 - Southern California Water Coalition	Outstanding West Valley Water District	6/30/2023 7/14/2023	0.00	2,500.00

Purchase Order Count: (29)

Total Trade Discount: 0.00

Total: 695,799.41



**BOARD OF DIRECTORS
STAFF REPORT**

DATE: August 3, 2023
TO: Board of Directors
FROM: John Thiel, General Manager
SUBJECT: TREASURER'S REPORT - JUNE 2023

DISCUSSION:

West Valley Water District (“District”) contracts with the Clifton Larson Allen LLP to prepare West Valley Water District’s (WVWD) Investment report on a monthly basis. The District’s investment policy is in uniformity with the State of California’s Local Agency Investment Guidelines (Government Code Section 53601(b)). The Treasurer Report for the Month of June 2023 (**Exhibit A**) is presented to the Finance Committee for discussion.

FISCAL IMPACT:

Monthly Cost of \$2,625 was included in the FY 2022-23 annual budget.

STAFF RECOMMENDATION:

Approve the June 2023 Treasurer’s Report.
 Respectfully Submitted,

John Thiel

John Thiel, General Manager

JT:jv

ATTACHMENT(S):

1. Exhibit A - 2023 June Treasurer's Report

MEETING HISTORY:

07/26/23 Finance Committee REFERRED TO BOARD

EXHIBIT A

**West Valley Water District
Cash, Investment & Reserve Balances - June 30, 2023**

Institution/Investment Type	May 2023 Balance	June 2023 Balance	OPERATING CASH	Minimum Balance	Target Balance	Maximum Balance
Funds Under Control of the District:			Balance Available for Daily Operations	\$ 40,150,659.24	\$ 31,058,900.49	\$ 16,044,641.74
District Cash Drawers	\$ 4,300.00	\$ 4,300.00	Total Operating Cash	\$ 40,150,659.24	\$ 31,058,900.49	\$ 16,044,641.74
	\$ 4,300.00	\$ 4,300.00	UNRESTRICTED RESERVES			
Checking and Savings:			CAPITAL RESERVES			
Chase - General Government Checking	\$ 2,515,820.66	\$ 1,031,911.28	Capital Project Account - 100% FY 22-23	\$ 7,334,500.00	\$ 7,334,500.00	\$ 10,000,000.00
Chase - Special Rebate Checking	\$ -	\$ -	Capital Project Account-80% FY 23-24	\$ 4,868,000.00	\$ 4,868,000.00	\$ 8,000,000.00
Chase - UTC Routine Checking	\$ 5,000.56	\$ 5,000.56	Administrative & General Account	\$ 1,582,998.10	\$ 1,582,998.10	\$ 1,582,998.10
Chase - UTC Non-Routine Checking	\$ 48,636.50	\$ 48,636.50		\$ 13,785,498.10	\$ 13,785,498.10	\$ 19,582,998.10
	\$ 2,569,457.72	\$ 1,085,548.34	LIQUIDITY FUNDS			
State of California, Local Agency Investment Fund*	\$ 11,697,493.01	\$ 11,697,493.01	Rate Stabilization Account	\$ 985,094.40	\$ 2,955,283.20	\$ 4,925,472.00
US Bank - Chandler Asset Mgmt	\$ 31,142,480.34	\$ 31,007,847.10	Operating Reserve Account	\$ 5,276,660.33	\$ 10,553,320.67	\$ 15,829,981.00
US Bank - Chandler Liquidity Fund	\$ 60,515,455.39	\$ 60,789,714.58	Emergency Account	\$ 1,344,909.62	\$ 2,689,819.23	\$ 4,034,728.85
CalTrust Pooled Investment Fund - Short Term	\$ 17,151,129.21	\$ 17,214,295.84	Water Banking Account	\$ 125,000.00	\$ 625,000.00	\$ 1,250,000.00
CalTrust Pooled Investment Fund - Medium Term	\$ -	\$ -		\$ 7,731,664.35	\$ 16,823,423.10	\$ 26,040,181.85
U. S. Treasury Bills			OTHER OPERATING RESERVES			
Government Agencies (Federal Home Loan Bank)	\$ -	\$ -	Self-Insurance Reserve	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00
				\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00
Total	\$ 123,080,315.67	\$ 121,799,198.87	Total Unrestricted Reserves	\$ 26,517,162.45	\$ 35,608,921.20	\$ 50,623,179.95
Funds Under Control of Fiscal Agents:			Total OP Cash & UR Reserves	\$ 66,667,821.69	\$ 66,667,821.69	\$ 66,667,821.69
US BANK			RESTRICTED RESERVES			
2016A Bond - Principal & Payment Funds	\$ 154.21	\$ 154.81	2016A Bond	\$ 154.81	\$ 154.81	\$ 154.81
2016A Bond - Interest Fund	\$ -	\$ -	Customer Deposit Accounts	\$ 5,167,954.60	\$ 5,167,954.60	\$ 5,167,954.60
Total	\$ 154.21	\$ 154.81	Capacity Charge Acct Balance	\$ 46,963,422.58	\$ 46,963,422.58	\$ 46,963,422.58
Grand Total	\$ 123,080,469.88	\$ 121,799,353.68	CIP account in LAIF for capital purposes	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00
			Total Restricted Reserves	\$ 55,131,531.99	\$ 55,131,531.99	\$ 55,131,531.99
			Total Cash & Investments	\$ 121,799,353.68	\$ 121,799,353.68	\$ 121,799,353.68

I hereby certify that the investment activity for this reporting period conforms with the investment policy adopted by the West Valley Water District Board of Directors and the California Government Code Section 53601

I also certify that there are adequate funds available to meet the District's Budget.

William Fox

 Chief Financial Officer

*Quarterly interest posted the month following the quarter end.

West Valley Water District Investment Memo – June 2023

Note:

All significant assumptions, methodologies and analyzed amounts were discussed with and agreed to by the District's accounting staff. From this conversation, we believe the District's accounting staff has the requisite knowledge and understanding of the processes/analyses prepared by CLA as not to impair our independence.

Total Fund Balance

When comparing the District's total fund balances month-over-month between June (\$121,799,353.68) and May (\$123,080,469.88), CLA found the fund balance decreased by \$1,281,116.20 between June and May 2023.

U.S. Bank Chandler Custodial Account

Cash/Money Market - Per Section 9.11 of the District's investment policy, "The company shall have met either one of the following criteria: 1) attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs "Nationally Recognized Statistical Rating Organization" or 2) retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years of experience managing money market mutual funds with assets under management in excess of five hundred million dollars." Based on Chandler Asset Management's reconciliation summary for the period ending June 30, 2023, CLA was able to confirm the District's cash and money-market securities were in accordance with the investment policy. CLA also conducted a review of the District's cash and money-market securities and found that all the District's holdings were in alignment with the requirements set forth in the investment policy.

In addition to ensuring that the District's money market funds attained the highest ranking provided by more than one NRSRO, the District also met the requirements outlined in Section 9.11 of the investment policy through its established relationship with Chandler Asset Management. With total assets under management of over \$25 billion with over thirty years of experience in managing money market mutual funds, Chandler Asset Management exceeds the requirements of the District's policy.

Per the investment policy, the maximum percentage of District investments in money market funds is capped at 20%. Similarly, the allowable mutual fund and money market account instruments per California government code (Sections 53601(I) and 53601.6(b)) for local government entities are also capped at 20%. The District's money market balance percentage as of June 30, 2023 is 0.11%. Therefore, the District is following both the investment policy and California governmental code.

United States Treasury Issues – Per Section 9.1 of the investment policy, "there's no limitation as to the percentage of the portfolio that may be invested in this category."

The District's investment policy is in uniformity with the State of California's Local Agency Investment Guidelines (Government Code Section 53601(b)). These guidelines establish that maximum investment maturities for United States Treasury Obligations are limited to five years. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five-year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the

West Valley Water District Investment Memo – June 2023

five-year maturity limit. These guidelines do not establish a maximum specified percentage of the District's investment portfolio for United States Treasury Obligations.

As of June 30, 2023, 59.74% of the District's total portfolio is invested in United States Treasury Issues. With no maximum percentage established for United States Treasury Issues, the District is in conformity with the investment policy and the State of California's Local Agency Investment Guidelines.

Negotiable Certificates of Deposit – Section 9.4 of the District's investment policy states "purchases are limited to securities that have a long-term debt rating of at least the "A" category, or its equivalent, by a NRSRO." All instruments categorized as negotiable certificates of deposit in the District's portfolio follow Section 9.4 of the investment policy, as each security has a satisfactory long-term debt rating, and the investment matures within the five-year time frame as dictated in the policy. Based on CLA's analysis, the purchase dates for all medium-term notes fall within the five-year framework established in the investment policy.

Per Section 9.4 of the investment policy, the maximum percentage of investments in negotiable certificates of deposit is 30% of the portfolio.

The District's investment policy is also in accordance with the State of California's Local Agency Investment Guidelines (Government Code Section 53601(i)) regarding negotiable certificates of deposit. These guidelines establish a maximum specified percentage of the District's investment portfolio for certificates of deposit at 30%. The State of California's guidelines also establish that maximum investment maturities for medium-term notes are limited to five years.

Negotiable certificates of deposit constitute 0.0% of the District's total investment balance as of June 30, 2023. Therefore, the District is following both the investment policy and the State of California's standards.

Medium-Term Notes – Section 9.10 of the District's investment policy states "purchases are limited to securities that have a long-term debt rating of at least the "A" category, or its equivalent, by a NRSRO." The investment policy also states that medium-term notes should have a "maximum remaining maturity of five years or less." All instruments categorized as medium-term notes in the District's portfolio follow Section 9.10 of the investment policy, as each security has a satisfactory long-term debt rating, and the investment matures within the five-year time frame as dictated in the policy. Based on CLA's analysis, the purchase dates for all medium-term notes fall within the five-year framework established in the investment policy.

Per Section 9.10 of the investment policy, the maximum percentage of investments in medium short-term notes is 30% of the portfolio.

The District's investment policy is also in accordance with the State of California's Local Agency Investment Guidelines (Government Code Section 53601(k)) regarding medium-term notes. These guidelines establish a maximum specified percentage of the District's investment portfolio for medium-term notes at 30%. The State of California's guidelines also establish that maximum investment maturities for medium-term notes are limited to five years.

Medium-term notes constitute 7.31% of the District's total investment balance as of June 30, 2023. Therefore, the District is following both the investment policy and the State of California's standards.

West Valley Water District Investment Memo – June 2023

Federal Agency Obligations – Per Section 9.5 of the District’s investment policy, “there is no limitation as to the percentage of the portfolio that may be invested in this category, however, purchases of callable Federal Agency obligations are limited to a maximum of 30 percent of the portfolio.” Although the policy does not explicitly list the bond rating requirements for federal agency obligations, all the District’s current federal agency holdings are rated AAA by multiple NRSRO’s as of June 30, 2023.

While the State of California’s Local Agency Investment Guidelines have not established a maximum specified percentage for investments in federal agency obligations, these guidelines establish that maximum investment maturities for Federal Agency Obligations are limited to five years (Government Code Section 53601(f)). However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.

Federal agency obligations represent 7.50% of the District’s total investment balance as of June 30, 2023. Therefore, the District is in accordance with both its investment policy as well as the guidelines set-forth by the State of California.

Local Agency Investment Fund (LAIF)

The State of California, Local Agency Investment Fund (LAIF) processes a same-day transaction if notified by 10:00 am. This ability satisfies the investment requirement of 24-hour liquidity as stipulated in the investment policy for the District.

Per Section 9.2 of the District’s investment policy, the maximum percentage of investments in the State of California, Local Agency Investment Fund is unlimited.

The District’s investment policy is also in accordance with the State of California’s Local Agency Investment Guidelines (Government Code Section 16429.1) concerning the Local Agency Investment Fund. These guidelines establish no maximum specified percentage of the District’s investment portfolio while also dictating no maximum maturity date for LAIF investments.

Per the Standard and Poor’s rating system, California’s Current Credit Rating is AA-, identifying the credit quality of the fund’s portfolio performance as strong.

As of the period ending June 30, 2023, the District’s Local Agency Investment Fund balance represents 9.60% of the District’s entire portfolio. Therefore, the District is following the investment policy as well as the standards of the Local Agency Investment Guidelines.

Based on the LAIF performance report dated July 17, 2023, LAIF investments had a net-yield of 3.167%. Regarding portfolio composition, LAIF fund investments were split into the following categories (percentages may not total 100% due to rounding):

- Treasuries- 63.08%
- Agencies- 21.77%
- Certificates of Deposit/Bank Notes- 7.51%
- Commercial Paper- 4.33%
- Time Deposits- 2.85%
- Loans- 0.20%

West Valley Water District Investment Memo – June 2023

- Corporate Bonds- 0.26%

On March 20, 2019, the District received a \$3 million dollar settlement as part of a larger association of local water districts and municipalities, from the San Gabriel Valley Water Company, Fontana Union Water Company, and the San Gabriel California Corporation. Per the settlement agreement, “West Valley and the non-settling plaintiffs separately asserted six claims alleging breach of contract and other claims arising from the 1961 Decree.” The 1961 Decree governs groundwater pumping from a portion of the Rialto-Colton Basin. The claims also concern the defendants (Fontana Parties) pumping from a portion of the Rialto-Colton Basin that is outside the Rialto Basin as defined by the 1961 Decree. The San Bernardino Basin Area and most but not all the Rialto-Colton Basin are located within the service area of the Valley District and this violation served as the basis of the settlement.

The settlement check was received and deposited into the District’s General Government Checking bank account and the District’s board approved the transfer of the \$3 million in settlement funds to the District’s LAIF account on April 4, 2019. While these funds have been earmarked for Capital Improvement Projects, the District has yet to allocate these funds to any specific project and the District will house all settlement funding in the LAIF account until board approval is received for the allocation of these funds.

The Investment Trust of California (Cal TRUST)

The District maintains investments in the CalTRUST Short-Term Fund. For the month ending June 30, 2023 the Net Asset Value per share was \$10.00 (\$17,214,295.84 book value) for CalTRUST Short-Term Fund investments. Per the CalTRUST Month End Portfolio Statistics dated June 30, 2023, the credit rating for the Short-Term Fund is AAF, identifying the credit quality of the fund’s portfolio performance as very strong.

Section 9.3 of the District’s investment policy states “no limit will be placed on the percentage total in this category.” The State of California also fails to establish a maximum percentage total for investment trusts per Government Code Section 16340. As of the period ending June 30, 2023, the District’s CalTRUST investment balance represents 14.13% of the District’s entire portfolio. Therefore, the District is following the investment policy and the standards set-forth by the State of California as it relates to CalTRUST securities.

Bank Deposits

Based on the District’s investment policy, “Securities placed in a collateral pool must provide coverage for at least 100 percent of all deposits that are placed in that institution.” As of June 30, 2023, the District maintained balances within the FDIC limit of \$250,000 for each of its bank accounts, except for the Chase General Governmental Checking account. The Chase General Governmental Checking account maintains funds for operational purposes and normally carries a balance of at least \$1.5 million dollars which represents funding for one payroll, and one accounts payable check run. In CLA’s comparison between the District’s general checking account balances for June 2023 (\$1,031,911.28) and May 2023 (\$2,515,820.66), CLA observed a decrease of \$1,483,909.38. The following are contributors to the decrease. Three deposit refund checks issued for projects totaling (\$389,573.60). The remaining difference is due to normal activities.

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During our review of the June 2023 Chase General Governmental Checking account bank statement, it was noted that there were 7 fraudulent activities totaling \$15,688.98. West Valley Water District (“WVWD”) has a procedure where the bank issues a check/ACH exception report for WVWD to review and reject fraudulent checks/ACHs as needed. Currently, WVWD has implemented check number and amount positive pay.

While the District reconciles its deposit accounts monthly, CLA found that the District has historically reported the month-ending bank statement balance on the Treasurer’s Report. Because the monthly bank statement does not take any outstanding checks or other withdrawals into account, the District may be overstating the General Government Checking balances on the Treasurer’s Report, which ultimately impacts its liquidity.

In June, the UTC Routine Checking account was \$5,000.56 and the UTC Non-Routine Checking account balance was \$48,636.50. The balances in both accounts went remained unchanged between June 2023 and May 2023. The relatively low balances in both accounts (in comparison with the historical balances) is due to the CFO’s emphasis on transferring more of its unrestricted cash balances to the District’s investments accounts to take advantage of the increased rate of return.

In analyzing the accounting for the District’s cash drawers (\$3,600) and petty cash (\$700), per the District’s accounting staff, the District’s cash drawers are normally reconciled daily. Each drawer is counted by the customer service representative responsible for the drawer and a secondary count is performed by the customer service lead or supervisor prior to the funds being relinquished to the District’s armored security provider, Gaurda, for deposit daily. Cash deposits are reconciled daily by the District’s accounting department. Petty cash is normally reconciled by the accounting department monthly. The District’s accounting department provided CLA with a formalized reconciliation for the petty cash account and the cash drawers for June 2023, therefore CLA was able to agree the cash drawers and petty cash balance to the District Cash Drawers summary schedule.

Section 9.12 of the investment policy asserts that “there is no limit on the percentage of the portfolio that may be invested in bank deposits.” Similarly, the State of California’s Government Code for Allowable Investment Instruments fails to dictate any portfolio standards for general bank deposit accounts. Although no maximum has been established for amounts invested in bank deposits by the investment policy or the State of California, CLA can verify that as of June 30, 2023 the District had 0.89% of its portfolio invested in bank deposit accounts.

Commercial Paper

Commercial paper is an unsecured, short-term debt instrument issued by a corporation, typically for the financing of accounts payable and inventories and meeting short-term liabilities. Commercial paper is usually issued at a discount from face value and typically reflects prevailing market interest rates. Per section 9.8 of the investment policy, the entity that issues the commercial paper should meet all the following conditions “(i) is organized and operating in the United States as a general corporation, (ii) has total assets in excess of five hundred million dollars (\$500,000,000), and (iii) has debt other than commercial paper, if any, that is rated at least the “A” category by a NRSRO. For a commercial paper investment to be eligible for the District, the commercial paper shall not have a maximum maturity of 270 days or less and no more than 25% of the District’s portfolio may be invested in this category.

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The District's investment policy is also in accordance with the State of California's Local Agency Investment Guidelines (Government Code Section 53601 (h)) regarding Commercial Paper. These guidelines establish a maximum specified percentage of the District's investment portfolio for commercial paper at 25%. The State of California's guidelines also establish that maximum investment maturities for commercial paper should be 270 days or less.

As of June 30, 2023, the District had 0.00% invested in commercial paper investment. Therefore, the District is following both the investment policy and the State of California's standards.

Supranational

Supranationals are explicitly defined in Section 9.14 of the investment policy as "US dollar-denominated senior unsecured unsubordinated obligations or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank". Securities listed as supranationals must be rated in the AA category or higher by a NRSRO and no more than 30% of the District's portfolio may be invested in these securities with a maximum maturity of five years.

The District's investment policy is also in accordance with the State of California's Local Agency Investment Guidelines (Government Code Section 53601(q)) regarding supranationals. These guidelines establish a maximum specified percentage of the District's investment portfolio for supranationals at 30%. The State of California's guidelines also establish that maximum investment maturities for supranationals should be five years or less.

As of June 30, 2023, the District's investments in five securities categorized as supranationals was 0.71% of the total portfolio and securities maintained a maturity date of less than five years from the original purchase date. CLA can confirm that the District's supranational investments meet the standards of both the investment policy and the State of California.

West Valley Water District Reserve Memo – June 2023

Note:

All significant assumptions, methodologies and analyzed amounts were discussed with and agreed to by the District's accounting staff. From this conversation, we believe the District's accounting staff has the requisite knowledge and understanding of the processes/analyses prepared by CLA as not to impair our independence.

Restricted Funds

Bond Proceeds Fund(s) – Balances in the bond proceeds fund accounts represent monies derived from the proceeds of a bond issue. Per the requirements of the District's reserve policy, the target level for the debt service reserve requirement is established at the time of the bond issue. Based on documentation provided to CLA, "no reserve fund has been established in connection with the issuance of the 2016A bonds." Therefore, the June 30, 2023 ending balance of \$154.81 satisfies the minimum balance requirements per the District's reserve policy.

Customer Deposit Accounts – Due to fluctuations in the number of utility customer deposits required and the number of development projects in process, no minimum or maximum levels have been established for customer deposit accounts. The customer deposit account balances presented on the treasurer's report are based on the ending balance on the general ledger for the month. The customer deposit accounts are reconciled monthly. CLA was able to confirm that the customer deposit accounts balance presented on the June 2023 Treasurer's Report reconciles with the District's general ledger. The June 30, 2023 balance of \$5,167,954.60 in customer deposit accounts satisfies the balance requirements of the District's reserve policy.

Capacity Charge Account – The District's reserve policy does not explicitly address or specify any minimum or maximum funding levels for capacity charge accounts. However, based on the reconciliation schedule provided by the District, CLA can confirm that the balance of \$46,963,422.58 presented on the June 2023 Treasurer's Report for the Capacity Charge Account reconciles with the documentation provided to CLA with no variance.

CIP Account in LAIF for Capital Purposes – On March 20, 2019, the District received a \$3 million dollar settlement as part of a larger association of local water districts and municipalities, from the San Gabriel Valley Water Company, Fontana Union Water Company and the San Gabriel California Corporation. The check was received and deposited into the District's General Government Checking bank account and the District's board approved the transfer of the \$3 million dollars in settlement funds to the District's LAIF account on April 4, 2019. While these settlement funds have been restricted for Capital Improvement Projects, currently there are no designations or allocations for District funding towards any Capital Improvement Projects.

Capital Reserve Funds

Capital Project Account – The capital project account is used for the funding of new capital assets or the rehabilitation, enhancement, or replacement of capital assets when they reach the end of their useful lives. Per the requirements of the District's reserve policy, "the minimum target level WVWD will strive for is 100% of its then-current year fiscal year from the Capital Improvement Budgets plus 80% of the amount estimated to be needed the following fiscal year." The District currently maintains a balance of \$12,202,500.00 (\$7,334,500.00 for fiscal year 2022-23 and \$4,868,000.00 for fiscal year 2023-24) in its

West Valley Water District Reserve Memo – June 2023

capital project account, meeting the minimum target level required for both fiscal years. CLA was able to confirm that the District is in adherence with the minimum target level requirement as of June 30, 2023 by comparing the board-approved Fiscal Year 2022-23 Mid-Year Capital Improvement Budget adjustments which indicates a total CIP (Operating Revenue + Capital Project Fund) for fiscal year 2022-23 of \$7,334,500.00. The reserve policy only requires the district to maintain 80% of the amount estimated to be needed the following fiscal year (2023-24) which amounts to \$4,868,000.00, therefore, the District meets the requirement indicated in its reserve policy.

Administrative & General Account – The administrative and general account is utilized to fund certain general, administration and overhead projects. While no specific target level has been earmarked for either project, the District hopes to maintain a minimum balance in the administrative and general account equal to 5% of its annual operating expenses. Per the FY 2022-23 board-approved budget, CLA can confirm the District has an operating expenses budget of \$31,659,962.37. As of June 30, 2023, the administrative and general account contains \$1,582,998.10 which satisfies the 5% minimum requirement of the District’s reserve policy.

Liquidity Funds

Rate Stabilization Fund – This fund is established to provide flexibility to the Board when settling rates to allow for absorbing fluctuations in water demand and smoothing out rate increases over time, temporarily defraying any unforeseen decreases in the sale of water. To remain in conjunction with the reserve policy, the District should aim to maintain a minimum level equal to 5% of water sales. Per the FY 2022-23 board-approved budget, the District anticipates water revenues of \$19,701,887.62 for the current fiscal year. The District’s current balance of \$985,094.40 in its rate stabilization account achieves the minimum target level for this account as indicated in the reserve policy.

Operating Reserve Account – This fund may be routinely utilized by staff to cover temporary cash flow deficiencies caused by timing differences between revenue and expenses or decreases in revenues and unanticipated increases in expenses. Given the significance of this account, the District strives to maintain a minimum amount equal to 60 days of the District’s budgeted total operating expenses in this account. Per the FY 2022-23 board-approved budget, CLA can confirm the District has an operating expenses budget of \$31,659,962.37. As of June 30, 2023, the operating reserve account maintains a balance of \$5,276,660.33, which satisfies the requirements of the District’s reserve policy.

Emergency Account – The emergency account may be utilized to purchase water at any time or to begin repair of the water system after a catastrophic event. Therefore, a minimum target level equal to 1% of net capital assets of the District’s water system has been established to enable the district to manage emergency situations. Per June 30, 2023 general ledger detail reporting provided by the District’s accounting staff, CLA was able to confirm that the District’s net assets total \$134,490,961.90. As of June 30, 2023, the emergency account represents a balance of \$1,344,909.62 or 1% of total net assets, allowing the District to meet its requirements for the reserve policy.

Water Banking Account – The District’s reserve policy states “The District will strive to maintain a minimum level equal to the cost of 1,000 acre-feet of water and a maximum amount equal to the cost of 10,000 acre-feet of water.” Per an invoice from the San Bernardino Valley Municipal Water District, CLA can confirm that the District currently pays \$125 per acre-feet of water. By maintaining a balance of \$125,000 in its Water Banking Account, the District is in adherence with its reserve policy.

West Valley Water District Reserve Memo – June 2023

Self-Insurance Reserve – As indicated in the minutes from the April 5, 2018 board meeting, the District’s board of directors approved \$5,000,000 in funds for employee liability claims and this amount is considered adequate based on conversations with the District’s CFO.

Balance Available for Daily Operations – This balance represents the District’s total cash balance less any fund requirements. For the month ending June 30, 2023, the District had a total of \$121,799,353.68 in various institutional accounts. The required reserve balances by type total \$81,648,694.44 and are categorized as follows:

- Restricted Funds- \$55,131,531.99
- Capital Reserve Funds- \$13,785,498.10
- Liquidity Funds- \$7,731,664.35
- Other Reserves- \$5,000,000.00

Based on the District’s Treasurer’s Report, which indicates a total cash balance of \$123,080,469.88 and fund requirements of \$81,648,694.44, the fund balance available for daily operations reconciles to the June 2023 Treasurer’s report.

CLA reviewed the Treasurer’s report for clerical accuracy and recalculated the total Unrestricted Reserves balance and agreed the totals to the June 2023 Treasurer’s Report. The Treasurer’s Report indicates that West Valley Water District’s total cash, investment, and reserve balances as of June 30, 2023 total \$121,799,353.68. In its assessment of the District’s accounts, the balances on the Treasurer’s Report appear to agree with the supporting documentation provided by the West Valley Water District.

West Valley Water District
Investment Policy Analysis
June 30, 2023

U.S. Bank - Chandler Asset Management		
Money Market	136,552.38	A
Commercial Paper	-	A
Federal Agency Obligations	9,131,018.05	A
U.S. Government	72,757,949.65	A
Corporate Bonds	8,901,653.60	A
Supranational	870,388.00	A
Negotiable CD	-	A
Total U.S. Bank - Chandler Asset Management Funds	91,797,561.68	

Checking and Savings		
Bank of Hope	-	B
Chase-1653 (Operating Account)	1,031,911.28	B
Chase-1368	5,000.56	B
Chase-1392	48,636.50	B
Chase-5993 (Rebate Account)	-	B
2016A Bond - Principal & Payment Funds	154.81	B
2016A Bond - Interest Fund	-	B
District Cash Drawers	4,300.00	C
Total Checking and Savings	1,090,003.15	

CalTRUST Short Term Fund	17,214,295.84	A
CalTRUST Medium Term Fund	-	A
LAIF	11,697,493.01	A
Total June 30, 2023 District Funds	121,799,353.68	

The balances indicated above are as of June 30, 2023

- Balances verified with monthly investment statements provided by client **A**
- Balances verified with monthly bank statements provided by client **B**
- Balances verified with monthly reconciliations provided by client **C**

The purpose of this report is to calculate the asset class percentage in comparison with the maximum portfolio percentage allowed by the district's investment policy

Based on our review of the asset classes as of 06/30/23, West Valley Water District is in compliance with its investment policy

Security Type	Maximum per Investment Policy	Balance
Commercial Paper	25%	-
Federal Agency Obligations	30%	9,131,018.05
U.S. Government	No Limit	72,757,949.65
LAIF	No Limit	11,697,493.01
CalTRUST	No Limit	17,214,295.84
Negotiable CD	30%	-
Medium Term Notes (Corporate Bonds)	30%	8,901,653.60
Money Market	20%	136,552.38
Bank Deposits	No Limit	1,090,003.15
Supranational	30%	870,388.00
		121,799,353.68
Funds Excluded from Policy	2016A	-
Total June 30, 2023 District Funds		121,799,353.68

Asset Class	June 2023	
	(% of Total Investments)	Maximum Portfolio (%)
Commercial Paper	0.00%	25%
Federal Agency Obligations	7.50%	30%
U.S. Government	59.74%	No Limit
LAIF	9.60%	No Limit
CalTRUST	14.13%	No Limit
Negotiable CD	0.00%	30%
Medium Term Notes (Corporate Bonds)	7.31%	30%
Money Market	0.11%	20%
Bank Deposits	0.89%	No Limit
Supranational	0.71%	30%

West Valley Water District
 Bond Analysis
 June 30, 2023

Liquidity Fund						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Purchase Date	Maturity	Investment Maturity (Years)
U S Treasury Bill - 912797FX0	14,983,500.00	P-1	Yes	3/21/2023	7/11/2023	0.3
U S Treasury Bill - 912797GU5	15,559,110.00	P-1	Yes	5/26/2023	9/26/2023	0.3
U S Treasury Bill - 912797FB8	10,090,100.00	P-1	Yes	4/21/2023	10/19/2023	0.5
U S Treasury Bill - 912797FJ1	10,304,805.00	P-1	Yes	6/22/2023	11/9/2023	0.4
U S Treasury Bill - 912797FV4	9,751,100.00	P-1	Yes	6/22/2023	12/21/2023	0.3
First American Govt Obligation Fund Class Y - 31846V203	101,099.58	Aaa	Yes	various		
Total Liquidity Fund	60,789,714.58					

Money Market Fund						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Purchase Date	Maturity	Investment Maturity (Years)
First American Govt Obligation Fund Class Y - 31846V203	35,452.80	Aaa	Yes	various		
Total Money Market	35,452.80					

Federal Agency Obligations						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Purchase Date	Maturity	Investment Maturity (Years)
FFCB Note 3133EKZK5	248,867.50	Aaa	Yes	8/19/2019	8/14/2023	3.9
F N M A - 3135G0U43	233,794.45	Aaa	Yes	9/12/2018	9/12/2023	4.9
FHLMC MTN- 3137EAEZ8	491,355.00	Aaa	Yes	10/7/2020	11/6/2023	3.0
F N M A - 3135G06H1	426,099.90	Aaa	Yes	11/23/2020	11/27/2023	3.0
FHLMC MTN- 3137EAF A2	342,440.00	Aaa	Yes	12/2/2020	12/4/2023	3.0
Federal Home Loan Bks - 3130A0F70	238,017.60	Aaa	Yes	12/13/2018	12/8/2023	4.9
Federal Home Loan Bks - 3130AB3H7	186,135.40	Aaa	Yes	4/8/2019	3/8/2024	4.8
Federal Home Loan Bks - 3130A0XE5	246,320.00	Aaa	Yes	3/19/2019	3/8/2024	4.9
FFCB Note 3133EKNX0	242,905.00	Aaa	Yes	6/25/2019	6/3/2024	4.9
Federal Home Loan Bks - 3130A1XJ2	243,925.00	Aaa	Yes	6/12/2019	6/14/2024	4.9
F N M A - 3135G0V75	241,080.00	Aaa	Yes	7/8/2019	7/2/2024	4.9
FFCB- 3133EKP75	239,107.50	Aaa	Yes	10/15/2019	9/17/2024	4.9
F N M A - 3135G0W66	238,527.50	Aaa	Yes	10/17/2019	10/15/2024	4.9
Federal Farm Credit Bks - 3133ENS43	492,105.00	Aaa	Yes	10/20/2022	10/17/2024	2.0
Federal Farm Credit Bks - 3133ENZ94	495,115.00	Aaa	Yes	11/16/2022	11/18/2027	4.9
Federal Home Loan Bks - 3130ATUR6	594,678.00	Aaa	Yes	2/1/2023	12/13/2024	1.8
F N M A - 3135G0X24	90,076.15	Aaa	Yes	1/8/2020	1/7/2025	4.9
Federal Farm Credit Bks - 3133ENZ37	497,450.00	Aaa	Yes	11/3/2022	1/10/2025	2.2
Federal Home Loan Mortgage Company - 3137EAEPO	269,031.45	Aaa	Yes	2/13/2020	2/12/2025	4.9
F N M A Deb - 3135G03U5	157,219.40	Aaa	Yes	4/22/2020	4/22/2025	4.9
F N M A - 3135G04Z3	261,652.80	Aaa	Yes	6/17/2020	6/17/2025	4.9
F H L M C - 3137EAEU9	319,336.50	Aaa	Yes	7/21/2020	7/21/2025	4.9
F N M A - 3135G05X7	464,074.50	Aaa	Yes	10/6/2020	8/25/2025	4.8
Federal Home Loan Bks - 3130AJXA2	271,848.00	Aaa	Yes	10/7/2020	9/12/2025	4.9
FHLMC MTN - 3137EAEX3	199,621.40	Aaa	Yes	9/23/2020	9/23/2025	4.9
F N M A - 3135G06G3	453,160.00	Aaa	Yes	11/1/2020	11/7/2025	4.9
Federal Home Loan Bks - 3130AKFA9	448,790.00	Aaa	Yes	12/16/2020	12/12/2025	4.9
Federal Home Loan Bks - 3130ATUS4	498,285.00	Aaa	Yes	1/31/2023	12/10/2027	4.8
Total Federal Agency Obligations	9,131,018.05					

Negotiable Certificate of Deposit						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Purchase Date	Maturity	Investment Maturity (Years)
Total Negotiable Certificates of Deposit						

Commercial Paper						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Purchase Date	Maturity	Investment Maturity (Years)
Total Commercial Paper						

Supranational						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Inception Date	Maturity	Investment Maturity (Years)
International Finance Corp - 45950KCR9	237,805.00	Aaa	Yes	7/12/2021	10/16/2024	3.2
International Bank M T N - 459058JL8	181,528.00	Aaa	Yes	10/22/2020	10/28/2025	4.9
Inter American Devel Bk - 4581X0DV7	451,055.00	Aaa	Yes	4/13/2021	4/20/2026	5.0
Total Supranational	870,388.00					

U.S. Corporate						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Inception Date	Maturity	Investment Maturity (Years)
Bank of NY Mellon Corp - 06406FAD5	298,776.00	A1	Yes	3/15/2021	8/16/2023	2.4
John Deere Capital Corp - 24422EVN6	325,938.25	A2	Yes	3/1/2021	1/17/2024	2.8
National Rural Util Coop - 637432NL5	196,722.00	A1	Yes	4/6/2022	2/7/2024	1.8
Charles Schwab Corp. - 808513BN4	101,298.75	A2	Yes	3/16/2021	3/18/2024	3.0
Amazon Com Inc. - 023135BW5	287,619.00	A1	Yes	5/10/2021	5/12/2024	3.0
Jpmorgan Chase Co - 46625HJX9	294,696.00	A1	Yes	12/5/2019	5/13/2024	4.4
Caterpillar Fini Service - 14913R2L0	296,732.00	A2	Yes	5/10/2021	5/17/2024	3.0
Salesforce Com Inc - 79466LAG9	47,595.00	A2	Yes	6/29/2021	7/15/2024	3.0
US Bancorp - 91159HHX1	144,682.50	A3	Yes	2/5/2021	7/30/2024	3.4
Paccar Financial Corp - 69371RR40	113,602.80	A1	Yes	8/3/2021	8/9/2024	3.0
Paccar Financial Corp - 69371RR73	224,918.50	A1	Yes	3/31/2022	4/7/2025	3.0
Pepsico Inc - 713448CT3	287,358.00	A1	Yes	10/31/2022	4/30/2025	2.5
Pfizer Inc Sr Gbl Nto - 717081EX7	115,406.25	A1	Yes	6/3/2020	5/28/2025	4.9
Microsoft Corp - 594918BJ2	385,036.00	Aaa	Yes	1/20/2023	11/3/2025	2.7
State Str Corp - 857477BR3	74,954.40	A1	Yes	2/27/2022	2/6/2026	3.9
Apple Inc. - 037833EB2	157,757.25	Aaa	Yes	2/5/2021	2/8/2026	4.9
Unitedhealth Group Inc. - 91324PEC2	54,258.60	A3	Yes	6/16/2021	5/15/2026	4.8
Walmart Inc - 931142ER0	53,569.80	Aa2	Yes	9/8/2021	9/17/2026	5.0
Honeywell International - 438516BL9	280,095.00	A2	Yes	12/13/2022	11/1/2026	3.8
Duke Energy Carolinas - 26442CAS3	281,883.00	Aa3	Yes	10/28/2022	12/1/2026	4.0
Target Corp - 87612EBM7	128,158.80	A2	Yes	1/19/2022	1/15/2027	4.9
Procter Gamble Co The - 742718FV6	274,440.00	Aa3	Yes	2/1/2022	2/1/2027	4.9
Charles Schwab Corp - 808513BY0	85,098.15	A2	Yes	3/1/2022	3/3/2027	4.9
Berkshire Hathaway Fin - 084664CZ2	261,828.00	Aa2	Yes	3/7/2022	3/15/2027	5.0
Blackrock Inc - 09247XAN1	236,627.50	Aa3	Yes	4/27/2022	3/15/2027	4.8
Northern Tr Corp Sr Nt - 665859AW4	289,011.00	A2	Yes	5/5/2022	5/10/2027	4.9
Unitedhealth Group Inc - 91324PEG3	294,016.95	A3	Yes	5/17/2022	5/15/2027	4.9
Walmart Inc - 931142EX7	245,220.00	Aa2	Yes	9/12/2022	9/9/2027	4.9
Apple Inc - 037833DK3	235,540.00	Aaa	Yes	2/1/2023	11/13/2027	4.7
Toyota Mtr Cr Corp - 89236TKQ7	351,883.10	A1	Yes	1/9/2023	1/12/2028	4.9
Mastercard Incorporated - 57636QAW4	404,524.00	Aa3	Yes	3/9/2023	3/9/2028	4.9
Public Service Electric - 74456QBU9	332,951.50	A1	Yes	6/22/2023	5/1/2028	4.8
Florida Pwr Lt Co - 341081GN1	343,423.50	Aa2	Yes	6/22/2023	5/15/2028	4.9
Merck Co Inc - 58933YBH7	393,048.00	A1	Yes	5/17/2023	5/17/2028	5.0
Prologis L P - 74340XCG4	247,735.00	A3	Yes	6/27/2023	6/15/2028	5.0
Toronto Dominion Bank - 89114QCA4	290,934.00	A1	Yes	4/23/2021	6/12/2024	3.1
Bank of Montreal - 06367WB85	233,540.00	A2	Yes	8/6/2021	5/1/2025	3.7
Royal Bank of Canada - 78015K7H1	230,775.00	A1	Yes	5/20/2021	6/10/2025	4.0
Total U.S. Corporate	8,901,653.60					

U.S. Government						
Security Description	Market Value	Moody's (NRSRO) Long-Term Rating as of 06/30/23	Rated A or Equivalent?	Inception Date	Maturity	Investment Maturity (Years)
U.S. Treasury Note - 912828V80	245,410.00	Aaa	Yes	4/29/2019	1/31/2024	4.7
U.S. Treasury Note - 912828X70	243,057.50	Aaa	Yes	9/5/2019	4/30/2024	4.6
U.S. Treasury Note - 9128282U3	168,136.50	Aaa	Yes	12/30/2019	8/31/2024	4.6
U.S. Treasury Note - 912828YM6	475,740.00	Aaa	Yes	12/9/2020	10/31/2024	3.8
U.S. Treasury Note - 912828YV6	237,362.50	Aaa	Yes	12/11/2019	11/30/2024	4.9
U.S. Treasury Note - 912828Z52	471,545.00	Aaa	Yes	5/9/2021	1/31/2025	3.7
U.S. Treasury Note- 912828ZF0	462,500.00	Aaa	Yes	2/24/2021	3/31/2025	4.0
U.S. Treasury Note - 912828ZL7	460,040.00	Aaa	Yes	1/13/2021	4/30/2025	4.2
U.S. Treasury Note - 912828ZT0	457,560.00	Aaa	Yes	12/16/2020	5/31/2025	4.4
U.S. Treasury Note - 91282CAB7	454,980.00	Aaa	Yes	12/16/2020	7/31/2025	4.6
U.S. Treasury Note - 91282CAJ0	453,635.00	Aaa	Yes	12/1/2020	8/31/2025	4.7
U.S. Treasury Note - 91282CAT8	451,250.00	Aaa	Yes	12/1/2020	10/31/2025	4.8
U.S. Treasury Note - 91282CBC4	450,685.00	Aaa	Yes	1/8/2021	12/31/2025	4.9
U.S. Treasury Note - 91282CBH3	448,905.00	Aaa	Yes	2/16/2021	1/31/2026	4.9
U.S. Treasury Note - 91282CBQ3	449,140.00	Aaa	Yes	3/4/2021	2/28/2026	4.9
U.S. Treasury Note - 91282CCF6	224,560.00	Aaa	Yes	6/28/2021	5/31/2026	4.9
U.S. Treasury Note- 91282CCP4	445,450.00	Aaa	Yes	9/17/2021	7/31/2026	4.8
U.S. Treasury Note - 91282CCW9	445,940.00	Aaa	Yes	11/29/2021	8/31/2026	4.7
U.S. Treasury Note- 91282CCZ2	447,345.00	Aaa	Yes	12/15/2021	9/30/2026	4.7
U S Treasury Note - 91282CDK4	450,490.00	Aaa	Yes	10/20/2022	11/30/2026	4.1
U S Treasury Note - 91282CEF4	468,575.00	Aaa	Yes	11/2/2022	3/31/2027	4.4
U.S. Treasury Note - 91282CEN7	472,325.00	Aaa	Yes	6/6/2022	4/30/2027	4.8
U S Treasury Note - 91282CET4	422,824.50	Aaa	Yes	7/8/2022	5/31/2027	4.8
U S Treasury Note - 91282CEW7	480,860.00	Aaa	Yes	10/20/2022	6/30/2027	4.6
U S Treasury Note - 91282CFH9	234,310.65	Aaa	Yes	10/6/2022	8/31/2027	4.8
U S Treasury Note - 91282CFM8	497,205.00	Aaa	Yes	10/24/2022	9/30/2027	4.9
U S Treasury Note - 91282CFU0	497,385.00	Aaa	Yes	11/18/2022	10/31/2027	4.9
U S Treasury Note - 9128283F5	460,530.00	Aaa	Yes	11/28/2022	11/15/2027	4.9
U S Treasury Note - 91282CGC9	591,588.00	Aaa	Yes	1/26/2023	12/31/2027	4.9
Total U.S. Government	12,069,334.65					

US Bank - Chandler Asset Mgmt

June 2023 Bond Total per Treasurer's Report	31,007,847.10
Total Per June 2023 Chandler Statement	31,007,847.10
Variance	-

US Bank - Chandler Liquidity Fund

June 2023 Bond Total per Treasurer's Report	60,789,714.58
Total Per June 2023 Chandler Statement	60,789,714.58
Variance	-



**BOARD OF DIRECTORS
STAFF REPORT**

DATE: August 3, 2023
TO: Board of Directors
FROM: John Thiel, General Manager
SUBJECT: APPROVE PROFESSIONAL SERVICES AGREEMENT AND TASK ORDER WITH ALBERT A. WEBB ASSOCIATES FOR \$98,327.00 FOR PROFESSIONAL ENGINEERING DESIGN SERVICES

BACKGROUND:

The West Valley Water District (“District”) requested proposals from professional engineering firms (“Consultants”) to provide professional engineering services related to the design for Alder Avenue Erosion Mitigation and Improvements, located in the City of Fontana, California. The project site location map is shown in Exhibit A.

Recent rain events have caused erosion on the roadway embankment at several locations on Alder Avenue which is the only daily access road for Reservoirs R2-2, R2-3 and R3-1 and a few residents of City of Fontana. The condition of the roadway embankment of the existing asphalt grinding surface and recently asphalt resurfaced road is eroding and is in need of maintenance repairs. The condition of the roadway embankment continues to deteriorate due to a combination of erosion, potential geological instabilities, and lack of proper storm drainage infrastructure. To ensure that the District permanently fix reoccurring erosion caused by rain on the roadway embankment on Alder Avenue, the District intends to take proper erosion control measures and install storm drainage facilities to capture and transfer runoff to a centralized point of discharge.

DISCUSSION:

District Staff posted the Request for Proposal (“RFP”) on PlanetBids and sent out the RFP to consulting firms. Two (2) consulting firms – Michael Baker International (“MBI”), and Albert A. Webb Associates (“WEBB”) – submitted proposals in response to the RFP. Consultants responding to the RFP agree to enter into the District’s standard Professional Services Agreement and Task Order (“contract”).

The written proposals were reviewed by a committee comprised of District Staff and were evaluated based on the following criteria:

- Past performance and qualifications of the proposal team members on similar projects.
- Familiarity with a company to handle all aspects of the work.
- Ability to complete the project within an expedited time frame.
- The proposed project approach, scope, manner, and thoroughness in which it is presented in

- the proposal.
- Firm's experience, staff availability, and stability.
- Consultant fees.

The Consulting firms written proposals were similar in qualifications and technical expertise. The proposal costs are shown below:

Consultant	Cost
MBI	\$141,260.00
WEBB	\$98,327.00

To determine the best value for the District, Staff first ensured that all proposals received met the minimum requirements in the scope of work by conducting a systematic proposal evaluation. Based on technical qualifications, overall evaluation, and costs, Staff concluded that WEBB provided the best value for the District's needs. The firm's design approach, and overall understanding of the project's goals, aided in the selection process for the RFP. Attached as Exhibit B is a copy of the proposal submitted by WEBB.

FISCAL IMPACT:

The cost to provide the services for the Project as proposed by WEBB is \$98,327.00. This item is included in the Fiscal Year 2023/24 Capital Improvement Budget under Alder Avenue Road Improvements. Sufficient funds are available in the project budget to cover the cost.

STAFF RECOMMENDATION:

1. Authorize entering into our standard Agreement for Professional Services and Task Order with Albert A. Webb Associates in the amount of \$98,327.00 for the professional engineering services for the design for Alder Avenue Erosion Mitigation and Improvements Project.
2. Authorize the General Manager to execute all necessary documents.

Respectfully Submitted,

John Thiel

John Thiel, General Manager

RMG:ls

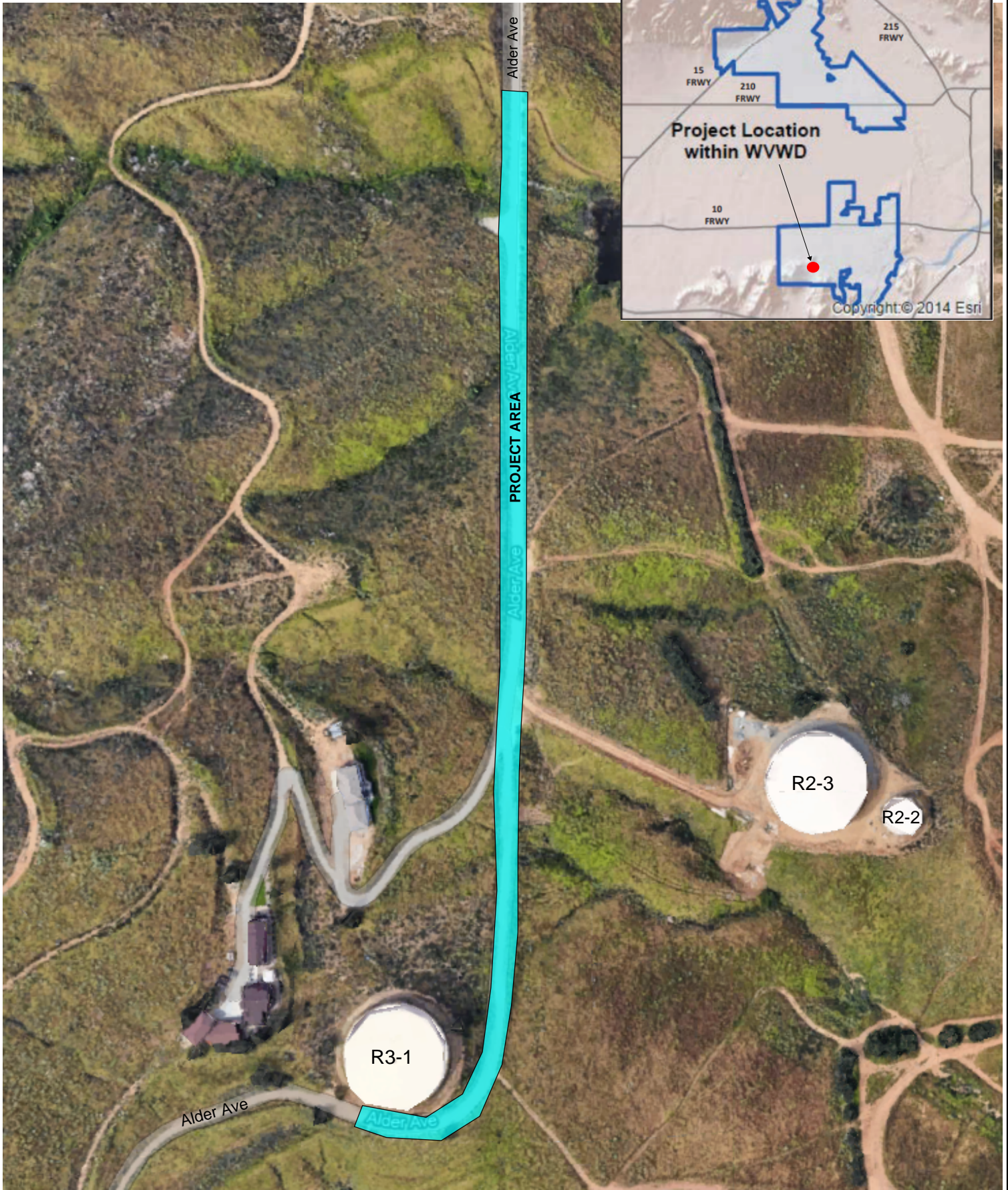
ATTACHMENT(S):

1. Exhibit A - Site Location
2. Exhibit B - Proposal Submitted by WEBB

MEETING HISTORY:

07/18/23 Engineering, Operations and Planning Committee REFERRED TO BOARD

EXHIBIT A



ALDER AVENUE EROSION MITIGATION AND IMPROVEMENTS PROJECT



EXHIBIT B



Proposal to Provide Engineering Design Services

Alder Avenue Erosion Mitigation and Improvements

Prepared for



May 9, 2023





Corporate Headquarters
3788 McCray Street
Riverside, CA 92506
T: 951.686.1070

May 9, 2023

Linda Jadeski
Engineering Services Manager
West Valley Water District
855 West Baseline Road
Rialto, CA, 92376-3103

RE: Request for Proposals for Engineering Design Services for Alder Avenue Erosion Mitigation and Improvements

Dear Ms. Jadeski:

Enclosed is Albert A. Webb Associates' (WEBB) proposal to provide engineering design services for Alder Avenue Erosion Mitigation and Improvements for the West Valley Water District (District). The District needs a trusted and experienced technical team to manage and lead this project.

This WEBB Team fully understands the importance of this project to the District's overall goals in repairing the erosion on Alder Avenue, which is the only access road for several reservoirs and residents of Fontana. The erosion is caused by a combination of factors including erosion, potential geological instabilities, and lack of proper storm drainage infrastructure. The project requires the installation of erosion control measures and storm drainage facilities along approximately 1,000-FT of Alder Avenue, including culverts, headwalls, energy dissipaters, drainage inlets, pavement, and riprap protection.

WEBB's proposal delves into the success factors of the project providing the District a clear path to meeting project objectives, illustrates our approach, and lays out a clear scope of work.

Success Factors

WEBB has identified the following success factors for our WEBB Team that will benefit the District project and should be taken into consideration for successful completion of this project.

1. Experienced team for all aspects of the work
2. Available Resources to meet the requested schedule
3. Experience on similar tank projects throughout California with complex access roads

On behalf of our entire project team, I would like to thank the District for this opportunity to submit our proposal for this very important project. We look forward to discussing our team, our scope, and ideas with you in greater detail.

Our team members will remain available throughout the duration of the project. As a result, you can be confident your water system improvements will be successfully completed in a timely and professional manner. We look forward to the opportunity to continue working together. If you have any questions regarding our proposal, please contact me directly at 951.830.2069, or by email at bruce.davis@webbassociates.com.

Sincerely,

Bruce Davis, PE

Principal-in-Charge

951.830.2069

bruce.davis@webbassociates.com



www.webbassociates.com

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Section 1. Project Understanding and Approach



Access road looking east at Reservoir 2-3

The District operates three reservoirs (R2-2, R2-3 and R3-1) located in the southeast portion of the City of Fontana. Access to the reservoirs sites is along Alder Avenue south of Jurupa Avenue. There is a 24-inch pipeline located in the same access road. Reoccurring erosion caused by rain events hampers access to the reservoirs and could compromise the 24-inch pipeline and other buried utilities located along this alignment. The District desires to permanently fix an approximately 1,000-LF portion of the roadway with appropriate facilities to capture and convey storm water along and across the roadway. The District has developed conceptual drainage improvements including riprap, culverts, channels and other road and bank repairs and improvements to address the on-going issues related to stormwater flows and erosion of the access road along Alder Avenue.

WEBB is well versed in street and storm drain design, hydrology, hydraulic calculations for sizing channels, culverts, inlets, riprap, etc. WWEBB has many years of design experience for tank and reservoir access roads as well as street and storm drains for typical street improvements to support typical development. This application is unique as the access road is used for both the District and residents in the immediate area with steep profile of the road. The adjacent slopes and drainages are steep and show significant signs of erosion and debris flows in large storm events. The ability to maintain and keep the proposed facilities clear of debris will be critical to the long term success of the proposed facilities. Our Water Resources Department can handle all aspects of the planning and design of the proposed facilities, with input from our Traffic Department for the roadway design, Survey and Mapping by our in-house Land Surveying Department and support from Converse Consultants for the geotechnical investigation needed for the project. Our local office in Riverside will handle all aspects of the project with easy access to the site for surveying and field investigations as needed.

“Our approach to the project is to first conduct a kick-off meeting with District Staff to introduce our team, confirm the project scope, identify critical success factors for the project, discuss the anticipated project schedule and outline our informational requests to the District.”

Our approach to the project is to first conduct a kick-off meeting with District Staff to introduce our team, confirm the project scope, identify critical success factors for the project, discuss the anticipated project schedule and outline our informational requests to the District. We would then conduct a thorough field visit to assess the multiple erosion issues in detail and identify the exact extent of the survey and mapping required for design. Our next task would be to survey the site and perform utility research necessary to develop the necessary mapping files suitable for design and development of legal descriptions and plat maps for any easements needed. Our initial research indicates that the project will be within the City of Fontana but that Alder Avenue is not a public right-of-way within the project area. This initial research will be fully determined by our Land Survey Department. At this point, we do not anticipate permits being required for the work as it is an access road for a water facility constructed on behalf of public water district outside any public right-of-way. If our final mapping determines otherwise, permit applications will be prepared on behalf of the District for submittal to the appropriate public agency. We anticipate the District would pay for any plan check and permit fees applicable.

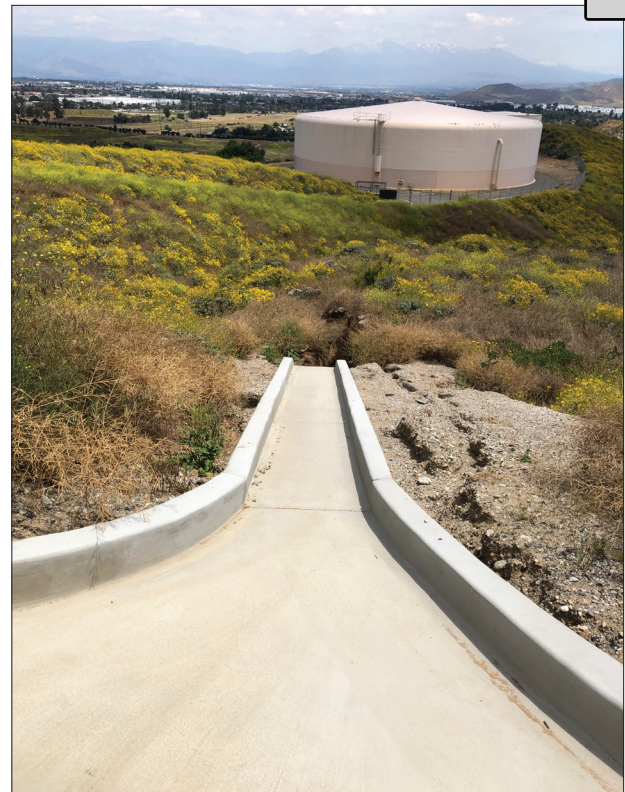
"WEBB is well versed in street and storm drain design, hydrology, hydraulic calculations for sizing channels, culverts, inlets, riprap, etc."

Concurrently, our Water Resources Team will do the necessary hydrology studies with publicly available topographic data to determine the location and quantity of storm water flows to be encountered within the project boundary. A summary of the work is as follows:

- Prepare Rational Method Hydrology Calculations to determine design flow rates based on proposed facilities and grading
- Prepare WSPG Calculations to size proposed Storm drain Facilities
- Other Hydraulic Calculations to size, V-Ditches, Inlets, Rip-Rap
- Prepare Drainage Technical Memorandum

A technical memorandum will be prepared documenting our studies. Once these tasks are completed, WEBB will layout proposed drainage facilities onto the design file, confirm extents of grading, pavement replacement, slopes and drainage improvements necessary, sizes and configurations of the proposed riprap and other facilities necessary to control drainage. The list of anticipated drawings includes:

- Cover Sheet
- Vicinity Map, Index of Drawings and Construction Notes



Looking east from Reservoir 3-1 access road with erosion below concrete



Looking south at Reservoir 3-1 access road with sediment

- Site Layout
- Plan and Profiles of proposed Pipes
- Channel Grading and Cross Sections
- Layout of Energy Dissipators
- Erosion Control Plan
- Roadway Improvements – Centerline grading
- Other Details

A preliminary cost estimate will be prepared for the proposed improvements. We will then determine the extent of easements needed from neighboring properties. Based on the proposed improvements, Converse Consultants will perform the necessary geotechnical investigation to support the construction of the facilities.

“Following detailed review and comments from the District of the proposed plan, WEBB will prepare the final contract documents; plans, specifications suitable for public bidding and an updated cost estimate.”

Another field visit with District Staff will be conducted to review the proposed plans and confirm the impact and constructibility of the proposed facilities.

We have budgeted for the preparation of two legal descriptions and plat maps for easement on two properties. We have included an allowance for obtaining two title reports to confirm ownership of these properties or any other easements or encumbrances that might impact the proposed drainage or slope easements. If the District provides the title reports as part of their easement acquisition process, this allowance will not be used.

Following detailed review and comments from the District of the proposed plan, WEBB will prepare the final contract documents; plans, specifications suitable for public bidding and an updated cost estimate. Once accepted by the District, the documents will be stamped and signed for bidding purposes.

WEBB acknowledges the Scope of Work in the RFP and commits to complete the scope as presented and as we have described in our Project Understanding and Approach.



(Above) Looking north at Alder at failed road area
(Below) Looking east downhill on Alder at failed road area



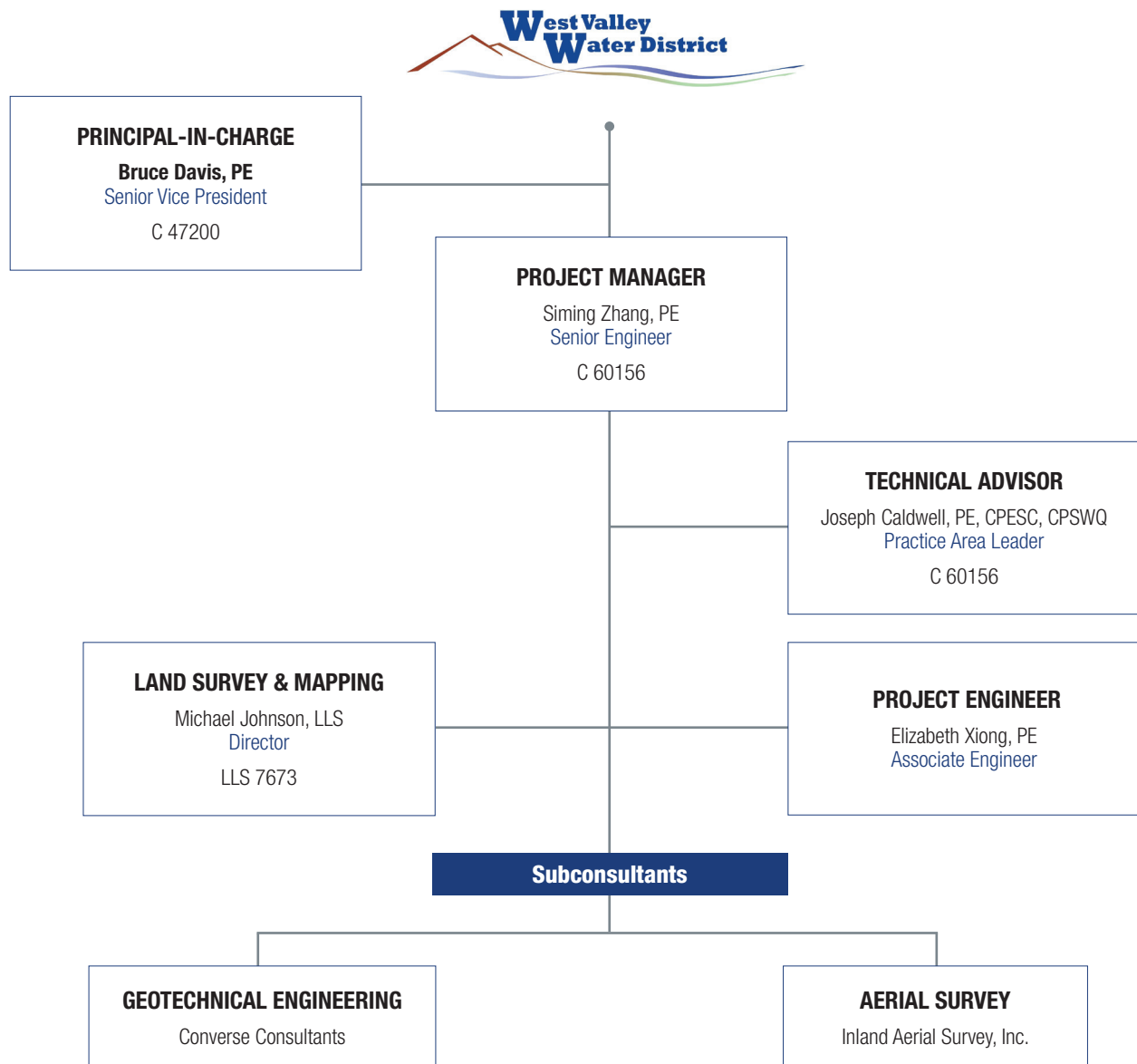
Looking south at Reservoir 3-1 at sediment on Alder

Section 2. Project Schedule

WEST VALLEY WATER DISTRICT ALDER AVENUE EROSION MITIGATION AND IMPROVEMENTS PROPOSED PROJECT SCHEDULE																					
ID	Task Name	Duration	Start	Finish	2024						2025										
					May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	
1	Notice to Proceed	0 days	Thu 6/1/23	Thu 6/1/23	◆ 6/1																
2	Project Kickoff Meeting with WVWD	0 days	Wed 6/7/23	Wed 6/7/23	◆ 6/7																
3	Initial Field Visit	0 days	Wed 6/7/23	Wed 6/7/23	◆ 6/7																
4	Preliminary Design	70 days	Thu 6/8/23	Wed 9/13/23	▬																
5	Data Gathering	2 wks	Thu 6/8/23	Wed 6/21/23	▬																
6	Utility Research and Investigation	9 wks	Thu 6/22/23	Wed 8/23/23	▬																
7	Survey and Mapping	6 wks	Thu 6/22/23	Wed 8/2/23	▬																
8	Hydrology and Hydraulic Studies	3 wks	Thu 6/22/23	Wed 7/12/23	▬																
9	Geotechnical Investigation	6 wks	Thu 8/3/23	Wed 9/13/23	▬																
10	Prepare Conceptual Design	1 wk	Thu 7/13/23	Wed 7/19/23	▬																
11	Field Visit	1 wk	Thu 7/20/23	Wed 7/26/23	▬																
12	WVWD Review	3 wks	Thu 7/27/23	Wed 8/16/23	▬																
13	Finalize Preliminary Design	1 wk	Thu 8/17/23	Wed 8/23/23	▬																
14	Construction Documents	75 days	Thu 9/14/23	Wed 12/27/23	▬																
15	90% PS&E	6 wks	Thu 9/14/23	Wed 10/25/23	▬																
16	WVWD Review	3 wks	Thu 10/26/23	Wed 11/15/23	▬																
17	100% PS&E	2 wks	Thu 11/16/23	Wed 11/29/23	▬																
18	WVWD Review	3 wks	Thu 11/30/23	Wed 12/20/23	▬																
19	Final Bid Set	1 wk	Thu 12/21/23	Wed 12/27/23	▬																
20	Bidding & Award	8 wks	Thu 12/28/23	Wed 2/21/24	▬																
21	Construction	6 mons	Thu 2/22/24	Wed 8/7/24	▬																

Section 3. Key Personnel Overview

The assigned WEBB Team consists of senior level professionals who will perform the required tasks for the District. By taking this hands-on approach, an experienced professional always has in-depth and intimate knowledge of each project task. This improves overall project management, reduces the opportunity for costly mistakes and delays, and allows our staff to provide very effective and efficient service to you. Coordination is critical for your civil engineering project. For this contract, **Bruce Davis, PE**, will serve as **Principal-In-Charge** and will handle all contractual matters and advise the team. Bruce has served as the Principal-in-Charge for many regional infrastructure projects and he has over 34 years of experience working on projects for various cities and public agencies. His in-depth technical and professional experience allows him to continue to be successful on the District's project. WEBB's **Project Manager, Siming Zhang, PE**, will maintain direct and continued responsibility for services provided under the duration of the contract. Siming will serve as the primary contact on matters dealing with the project and managing the day-to-day activities throughout project completion. Our design team **Project Engineer** will be **Elizabeth Xiong**. Elizabeth has experience assisting in project designs ranging from the preliminary stages of a project through the construction phase. In addition, she has worked on public works projects involving wastewater and water systems for various municipalities. The WEBB Team will be solidified by teaming with **Inland Aerial Survey, Inc.**, to provide aerial survey and **Converse Consultants**, to provide geotechnical engineering services. WEBB has worked with all subconsultants on many projects similar to District's transmission main crossing project.





Siming Zhang, PE

Senior Engineer

Siming Zhang, PE, is a Senior Engineer with WEBB's Water Resources Department. Siming assists clients in managing and designing a wide array of public works projects including water storage reservoirs, water transmission pipelines and booster stations, major trunk sewer mains, sewer collection pipelines and sewer lift stations, and water booster stations.

As a Project Manager who leads a team of engineers and designers, Siming has been a key advisor on many important matters that help determine the success of land developments including master drainage plans, hydrology/hydraulic studies, storm drain designs, Conditional Letters of Map Revision (CLOMR), and Letters of Map Revision (LOMR). Clients depend on Siming's ability to fulfill a broad range of project goals including assistance with engineering design, bidding, construction administration, coordination with local agencies, sewer and water master facility plans, feasibility studies, construction drawings and specifications, construction and project cost estimates, and coordination with government agencies to secure approvals and permits.

Siming's responsibilities entail engineering design, assistance during bidding, construction administration, coordination with local agencies, sewer and water master facility plans, feasibility studies, construction drawings and specifications, construction and project cost estimates, and coordination with various government agencies to obtain the applicable approvals and permits. His contract administration responsibilities included review of bid proposals, contractor submittal drawings, inspection reports, and process requests for information, requests for change order, and periodic site visits to monitor construction.

Among his contract administration responsibilities, Siming has reviewed bid proposals, contractor submittal drawings, and inspection reports. He also processes requests for information, coordinates change order requests, partial pay estimates, weekly working statements and notices of completion, and makes periodic site visits to monitor construction

Belle Terre Tank Waterline, Regent Properties - Siming served as Project Manager for the WEBB Team. WEBB provided planning, environmental, engineering, mapping, and entitlement services related to the Belle Terre Specific Plan. WEBB revised the specific plan to bring into compliance with additional park acreage requirements, and to ensure consistency with implementing tentative tract map for development of 372 residential lots while being mindful of the various site constraints. WEBB prepared an Addendum to the EIR with supporting biological resource assessment, preliminary hydrology analysis, preliminary water quality management plan, and traffic impact analysis to analyze the proposed project and provided engineering, mapping, and entitlement services to process the tract map. Constraints to the site included conservation habitat land to be conveyed to the Riverside Conservation Authority, the need for wildlife crossing, and power pole removals within conservation areas. WEBB provided both project management and support services to ensure all issues were resolved in a timely manner keeping project on track.

REGISTRATIONS

Registered Civil Engineer C 60156 (CA)

EDUCATION

BS, Civil Engineering
Tsinghua University, China
MS, Civil Engineering
University of Southern California

AFFILIATIONS

American Society of Civil Engineers (ASCE)
American Water Works Association (AWWA)

Siming Zhang, PE

Senior Engineer

Goetz Road Tank Grading and Site Civil Work - Siming served as Project Manager for the WEBB Team. The WEBB Team is currently providing civil design for the tank project and design engineer for the transmission pipeline project. The project consists of the construction of a 8MG concrete reservoir and a 5,400-LF 30-in diameter transmission pipeline to connect an existing 24-in diameter transmission pipeline to the future Goetz Road Tank site, located in the City of Menifee. The pipeline will be constructed along Thornton Avenue, half of which is improved and the remaining alignment is reserved within a tract development.

Bloomington Area Watermain Replacement, West Valley Water District - Siming served as the Project Manager for the Bloomington Area Alley Water Main Relocations and Zone 2 24-inch Transmission Main Project, Phase 3. This project includes relocation of 20,880-LF of 8-inch, 12-inch, and 24-inch diameter CML/CMC WSP and 418 services from backyard alleyways to the street in front of the property. WEBB is responsible for designing and implementing the relocation of the existing water facilities from the alleyways to the street right-of-way to improve meter reading and valve access and to perform regular and emergency maintenance more readily. In addition, fire hydrants will be added to the street right-of-way for improved and easily accessible fire protection.

Pyrite Creek Trunk Sewer, Jurupa Community Services - Siming serves as the Pyrite Creek Project Manager/Engineer for the Florine Sewer Lift Station, Sewer Main & Force Main for the Jurupa Community Services District Sewer Bond Projects. In February 2010, the District issued Certificate of Participation Bonds to finance the construction of certain capital improvements known as “the Project.” The Project included three major components to improve the District’s sewer system: 1) Trunk Sewer System Improvements, 2) Regional Wastewater Pump Station Expansion and New Force Main to the City of Riverside’s Water Quality Control Plant (WQCP), and 3) Florine Lift Station Replacement. More specifically, the second component is the combination of improvements to convey wastewater from the District’s regional wastewater pump station to the City’s WQCP, to address current deficiencies and meet ultimate conveyance requirements. The proposed preliminary design for these regional sewer facilities advances the project such that final design can be effectively initiated within the time frame specified by the capital improvement program. One challenge of this project is to obtain a permit from UPRR for parallel installing and crossing.

City of Ontario Capital Improvements Program (CIP) 2013-14 and 2014-15, Ontario - Siming served as the Project Manager in the design and construction of the City of Ontario’s capital improvement programs. As the Project Manager, Siming was fully involved in updating Ontario’s local waterline distribution systems throughout the City. The project included the design of 4,232-LF of 12-inch diameter pipelines and the design of 6,400-LF of 8-inch diameter pipelines. Siming managed utility research, local and state agency coordination, and coordination with utility agencies within the project limits. After successful completion of the 2013-14 CIP, Siming served as the Project Manager with similar tasks to the City’s infrastructure updates for the 2014-15 fiscal year.

Banning Water Canyon Pipeline Replacement PDR, City of Banning - Siming served as Project Manager for the PDR. The City of Banning planned to evaluate and replace the transmission pipelines. WEBB completed the Preliminary Design Report (PDR) for the Banning Water Canyon Transmission Pipeline Replacement Project. The waterlines are identified as 18 segments which have been prioritized based on potential environmental impacts and the need of repair and replacement.

Recycled Water Pipeline, City of Banning - Siming served as a Project Manager and assisted in the implementation of the City of Banning’s (City) Recycled Water Master Plan. The City constructed the Phase I Irrigation Water Supply System which ultimately extended east to the City’s treatment plant located south of I-10 Freeway between S. Highland Home Road and City Water Reclaimed Treatment on 2242 E. Charles Street. The project included three major components/segments. The Segment A pipeline consisted of approximately 11,500-LF of 24-inch diameter pipeline. Segments B and C included approximately two miles each. WEBB provided final design engineering services, including preparation of plans and specifications for each major component (Segments): design surveying, coordination with Caltrans on construction within Caltrans right-of-way. WEBB also provided engineering assistance during the construction phase.



Bruce Davis, PE

Senior Vice President

Bruce Davis is a Senior Vice President of Albert A. Webb Associates (WEBB). Bruce has been a full-time employee of WEBB since 1986. Bruce currently serves as Director of Water Resources. As Director, he oversees all water and wastewater projects performed by the firm. Since 2018, Bruce has taken the lead representing WEBB in matters involving engineering standard of care and risk management. Bruce is a registered civil engineer in the State of California.

Bruce has served as Principle-in-charge for well over one hundred regional infrastructure projects. His experience includes planning, design and support during construction of water, wastewater, drainage and transportation projects on behalf of clients including Eastern Municipal Water District, Coachella Valley Water District, Jurupa Community Services District, and cities of Corona, Murrieta, Rancho Mirage, Ontario, Grand Terrace, Rialto and Cathedral City. Project types include pipelines from 8-inch diameter up to 60-inch diameter, pumping ranging in size from one hundred gallons per minute to over 5,000 gallons per minute and storage facilities ranging in capacity from five hundred thousand gallons to over twenty million gallons, roadways, signals, storm drains and basins. Recent water industry projects include O'Ferrell Street Booster Pump Station, Redlands/Hemlock Booster Pump Station, Longview and Watson Roads pipelines, Perris II Desalter pipeline and Markham 7.0-million-gallon storage tank.

Along with experience with regional infrastructure projects, Bruce has extensive knowledge and experience with survey, planning, entitlement, development (residential and commercial) and environmental services. His extensive experience translates to an understanding of all steps required to successfully complete a project efficiently and on schedule. Bruce has served as an expert witness in matters involving land use, entitlements and drainage.

Bruce is a member of and/or involved with American Public Works Association, American Water Works Association, Association of California Water Agencies and League of California Cities. He served several years as a Board member of CalWater PAC which is a political action committee advocating for issues important to California's water supply. Bruce serves as an excellent resource for his clients on current issues and trends in our region.

REGISTRATIONS:

Registered Civil Engineer
C 47200 (CA)

EDUCATION:

BS Civil Engineering, California State
Polytechnic University, Pomona

AFFILIATIONS:

American Public Works Association (APWA)
American Water Works Association (AWWA)
California Water Political Action Committee
(CalWater PAC)
Association of California Water Agencies
(ACWA)
Coachella Valley Economic Partnership
(CVEP)
League of California Cities



Joseph Caldwell, PE, CPESC, CPSWQ, QSD, QSP, CFM

Water Resources Practice Leader

REGISTRATIONS

Registered Civil Engineer C 67239 (CA)
 Registered Civil Engineer C 030017 (NV)
 Registered Civil Engineer C 76114 (AZ)
 Certified Professional in Erosion and
 Sediment Control (CPESC) 5311
 Certified Professional in Stormwater
 Quality (CPSWQ) 544

EDUCATION

MS, Civil Engineering
 Brigham Young University
 BS, Civil Engineering
 Brigham Young University

CERTIFICATIONS

Qualified SWPPP Developer
 (QSD) 00076
 Qualified SWPPP Practitioner
 (QSP) 00076
 Association of State Floodplain Manager,
 Inc. (ASFPM)
 Certified Floodplain Manager (CFM)

AFFILIATIONS

American Society of Civil Engineers (ASCE)
 American Public Works Association (APWA)
 California Storm Water Quality Association
 (CASQA)
 Floodplain Management Association (FMA)

Joseph Caldwell, PE, is an accomplished professional with expertise in the field of water resources. He leads the Water Resources Department at WEBB, where he focuses on developing comprehensive master drainage plans, designing backbone drainage infrastructure, and creating water quality systems for flood control projects across the region. With a keen eye for detail and a passion for his work, Joseph is a specialist in water quality and environmental compliance, and an expert in hydrology and hydraulics.

Joseph has an impressive track record of designing large-scale flood control projects. He has designed regional flood control basins, flood control levees, and several miles of backbone drainage infrastructure. He has also undertaken the challenging task of hydrologically and hydraulically modeling the San Jacinto River from Railroad Canyon to the existing Army Corps levee in the City of San Jacinto. Joseph's expertise in these areas is evident in the high-quality solutions he provides to his clients.

As a Certified Professional in Erosion and Sediment Control and Storm Water Quality, Joseph is committed to environmental compliance and maintaining the highest standards of water quality. He has a deep understanding of the local agencies' design standards and procedures, and his effective working relationships with agency staff allow him to expedite projects through completion.

Joseph's passion for his work and his extensive knowledge of water resources engineering have earned him a reputation as a highly skilled and dependable professional in his field. His dedication to excellence and his ability to deliver innovative solutions to complex challenges make him an invaluable asset to WEBB and the clients he serves.



Elizabeth Xiong, PE

Associate Engineer

As an Associate Engineer in WEBB's Water Resources Department, Elizabeth has successfully assisted in project designs ranging from the preliminary stages of a project through the construction phase. Elizabeth has worked on public works projects involving wastewater and water systems, water reclamation, and water and wastewater treatment. Her experience also includes projects involving water distribution and sewer collection systems for tract development, and flood control and water resources. Her responsibilities have included water and sewer pipeline alignment design, hydraulic analysis, pipe thickness design, sewer lift station design, deep well design, utility coordination, local agency permitting, construction document review, and coordinating with outside consultants.

REGISTRATIONS

Registered Civil Engineer C 94706 (CA)

EDUCATION

BS, Environmental Engineering, University of California, San Diego

MS, Environmental Engineering and Water Resource Engineering, University of California, Los Angeles

Belle Terre Tank Waterline, Regent Properties - Elizabeth served as Design Engineer for the WEBB Team. WEBB provided planning, environmental, engineering, mapping, and entitlement services related to the Belle Terre Specific Plan. WEBB revised the specific plan to bring into compliance with additional park acreage requirements, and to ensure consistency with implementing tentative tract map for development of 372 residential lots while being mindful of the various site constraints. WEBB prepared an Addendum to the EIR with supporting biological resource assessment, preliminary hydrology analysis, preliminary water quality management plan, and traffic impact analysis to analyze the proposed project and provided engineering, mapping, and entitlement services to process the tract map. Constraints to the site included conservation habitat land to be conveyed to the Riverside Conservation Authority, the need for wildlife crossing, and power pole removals within conservation areas. WEBB provided both project management and support services to ensure all issues were resolved in a timely manner keeping project on track.

Goetz Road Tank Grading and Site Civil Work – Elizabeth served as Design Engineer for the WEBB Team. The WEBB Team is currently providing civil design for the tank project and design engineer for the transmission pipeline project. The project consists of the construction of a 8MG concrete reservoir and a 5,400-LF 30-in diameter transmission pipeline to connect an existing 24-in diameter transmission pipeline to the future Goetz Road Tank site, located in the City of Menifee. The pipeline will be constructed along Thornton Avenue, half of which is improved and the remaining alignment is reserved within a tract development. Careful planning and special details are required for the successful implementation of the pipeline with minimal service interruptions, including additional coordination with the City of Menifee and the City of Perris. Challenges for this project include keeping the elevation of the pipeline below the future Goetz Road Tank inlet/outlet due to the higher elevations at the intersection of Goetz Road and Thornton Avenue than the tank pad.

The WEBB Team is coordinating with the District and other consultants on potholing, CEQA compliance, geotechnical investigation and corrosion report/design services.



Michael E. Johnson, LLS

Director

Michael Johnson, LLS, is the Director of Albert A. Webb Associates' Land Survey & Mapping Department. Michael has years of experience in all aspects of surveying from initial project coordination and research, performing survey data adjustments and analysis, to overseeing and providing construction staking through final as-built and ALTA surveys.

Michael trained and supervised several field crews including technical office and support staff. From entitlement to field survey and construction to delivery of a completed product, Michael has the knowledge and experience to provide the entire range of services any municipal, private development, or construction company has come to expect. As part of the private and public sector of development, Michael gained experience with subdivisions, retail centers, commercial distribution centers, pipelines, tank site & reservoir projects, mass grading and hillside slope projects, hospitals, schools, training facilities for fire & police, highways, channels, parking structures, and many others.

Michael is responsible for providing technical support, survey analysis, overseeing field work and management for specific projects, and field data processing and adjustments, among many other duties. He provides his expertise and broad range of skills for solutions to complex and large scale projects.

SCE TRTP Segment 8, Chino Hills - Michael served as the land survey lead of the TRTP SEG 8 Chino Hills Project. WEBB's scope of work for this project was to provide the civil engineering work associated with undergrounding of the TRTP segment 8 transmission lines. The project was very complex and involved grading in hilly terrain, between houses, through parks, golf course and across many public roads. The project included many environmental constraints which WEBB incorporated into project plans and specifications by working closely with SCE environmental team and consultant.

The work included designing construction access roads along the 3.5 mile duct banks between two proposed transition stations generally located from just east of Pipeline Avenue to just west of Canon Lane in the City of Chino Hills. The purpose of the construction access road (width varied between 11.5- to 33.5-FT) was to facilitate excavation of duct banks trenches and installation of conduits. WEBB designed erosion control plans and measures associated with construction access roads to ensure no erosion or sediment flow into the natural drainages and streams. WEBB also designed the restoration and the permanent access road plans to be implemented right after the completion of duct banks construction to restore the ground surface as close to the pre-construction condition as possible.

Archibald Avenue and Schleisman Road Ultimate Intersection Improvements, Eastvale – Michael served as the land survey lead for the Archibald Avenue and Schleisman Road Intersection Improvements to the ultimate design configuration per the General Plan. Archibald Avenue and Schleisman Road are both Urban Arterial roads with 152 FT ultimate right-of-way width typical sections.

REGISTRATIONS

Licensed Land Surveyor 7673 (CA)

EDUCATION

AS, Mathematics,
Riverside Community College

AFFILIATIONS

California Land Surveyors Association (CLSA)

Michael E. Johnson, LLS

Director

The design included expanded intersection widths to allow for right-turn pockets, dual left turn lanes in all directions, and raised medians. A new traffic signal and signing and striping was also designed and installed per Riverside County Standards. Existing SCE Poles along the west side of Archibald Avenue also had to be relocated to allow for the widening of Archibald Avenue. This was done through a Joint Use Agreement (JUA) between the County of Riverside and SCE since SCE had prior rights along this section of Archibald Avenue. Michael was responsible for the coordination of plans between three developers (Lewis, Richland, & Capital Pacific Homes), processing of Plans through the County of Riverside, and obtaining approvals for construction.

Case Road Sewer, Eastern Municipal Water District - Michael served as Land Surveyor on the WEBB Team that prepared the project feasibility study, which analyzed two different options. The first was the Beaumont option which expands and upgrades treatment at the City's WWTP. For this option three different WWTP configurations were evaluated. In addition, options were explored to dispose of waste brine from the advanced treatment system. The second option was to consolidate treatment with YVWD and deliver all wastewater flow there. For each option detailed cost estimates were developed taking into account capital cost and O&M costs. In the end the City Council selected the Beaumont option. The preliminary design includes the preparation of 20%-30% plans for both the WWTP expansion as well as a 23-mile brine disposal pipeline connecting to the IEBL in San Bernardino.

Dillon Road Water Main Replacement, Coachella Valley Water District - Michael provided Land Survey and Mapping Services for the WEBB Team responsible for designing a domestic water transmission main system providing a reliable water supply to District's service area located northeast of Sun City Palm Desert in Riverside County near the community of Indio Hills. Currently, this County service area, Improvement District 18, is an isolated pressure zone located near the end of the Sky Valley Domestic Water System, which has limited supply capacity between BS 04701 and R 4711. The approximately 4.2 mile alignment travels from BS 04701 located near the intersection of Dillon Road and Western Avenue to R 4711 which is 800-FT north of the intersection of 30th Avenue and Sunny Rock Road. Construction of the pipeline occurred on the north shoulder of Dillon Road to match the Phase 1 project.

Enchanted Heights Sewer System, Eastern Municipal Water District - Michael provided Land Survey and Mapping Services for the Enchanted Heights Sewer System Infrastructures Project. In order to provide a sewer collection system for 542 dwelling units located within the 170 acre Enchanted Heights area of Riverside County and City of Perris, WEBB prepared final engineering plans and specifications for a gravity collection system. This system included approximately 23,000-LF of 8-inch gravity pipe, 3,000-LF of 6-inch force main, and a new sanitary sewer lift station (Luckens). As part of this project, WEBB also upgraded the District's existing Diana Lift Station by installing a new emergency generator, upgrade MCC site access improvements, asphalt paving, and security fencing. WEBB completed an evaluation of three potential site locations to provide the District flexibility in handling affected property owners and acquiring the right-of-way for the proposed lift station.

In addition, WEBB successfully handled challenges including the project's proximity to a school, complex rock and groundwater geotechnical conditions, and a tri-party funding source from Riverside County, Perris, and EMWD. The WEBB Team evaluated options for including rock excavation and groundwater dewatering in the specifications and coordinated matters to reduce the possibility of change orders during construction. We helped design the project to alleviate issues involving shallow sewer laterals, existing utilities crossings and rock excavation, and worked to ensure it functioned smoothly for lower residences with pools beneath street grades.

Section 4. Relevant Project Experience



Goetz Road Tank Final Design Eastern Municipal Water District

Client Contact:

Greg Kowalski, PE, Principal Civil Engineer | 951.928.3777 | kowalskig@emwd.org
Eastern Municipal Water District, 2270 Trumble Road, Post Office Box 8300, Perris, CA 92572-8300

As part of the Kleinfelder Team, WEBB is providing civil engineering services for this project. The tank site is a vacant property located between Goetz Road, Sotelo Road, and Our Way. The project involves the construction of a new water tank and accompanying facilities. The tank will be constructed within the site’s footprint, requiring grading, storm drains, electrical service, and road improvements within the public right of way. The tank’s location and design must adhere to several criteria, including setbacks, clear flat space, and slopes.

Improvements for the tank project within the public right of way include storm drains along Our Way, Sotelo Road, and Goetz Road, an entrance driveway on Goetz Road, and electrical service probably crossing Goetz Road from existing power located on the east side of Goetz Road. The developer on the east side of Goetz Road for Tract 36658 is required to construct improvements on the east side of Goetz Road, including a proposed realignment of Goetz Road north of the tank project. Other improvements fronting the tank site include additional lanes, curb & gutter, median, sidewalk, storm drain, and a potable water pipeline.

The tank site development project requires careful planning and coordination to ensure compliance with the project criteria and public safety. The improvements for the tank project within the public right of way, including traffic control, must be carefully coordinated with the adjacent developer and local municipalities. The excess dirt generated from the grading operation could be retained on-site in the form of a berm, providing some visual screening of the proposed tank and accompanying facilities.



18-inch Crossing

West Valley Water District

Client Contact:

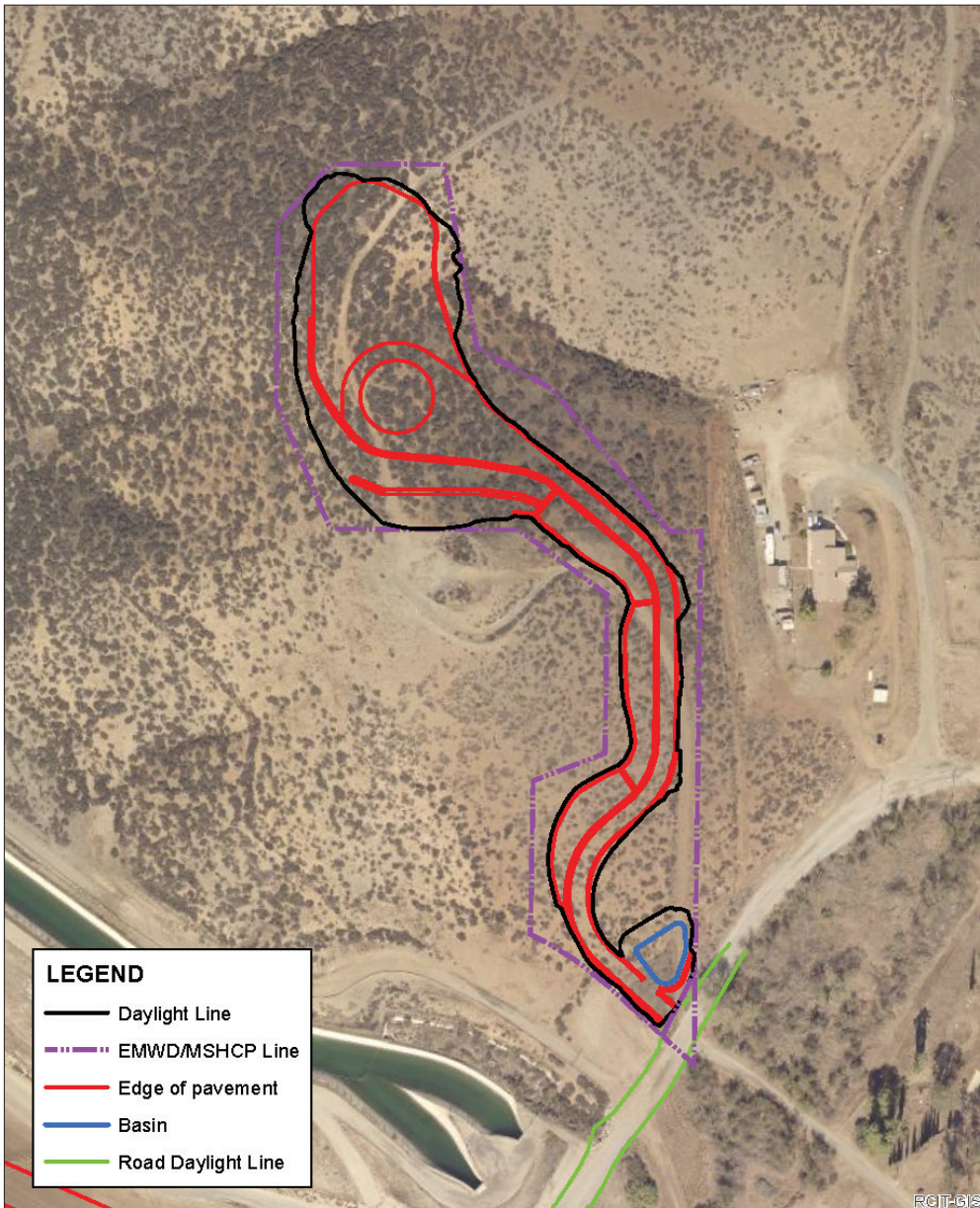
Linda Jadeski, Engineering Services Manager | 909.820.3713 | ljadeski@wvwd.org
 West Valley Water District - 855 West Baseline Road, Rialto, CA, 92376-3103

The project aims to establish a new 18-inch water transmission main to cater to the needs of future development for the West Valley Water District (WVWD). This new water main will be installed within a 32-inch steel casing that will run under the I-15 Freeway north of the Duncan Canyon Interchange. The total length of the project is estimated to be approximately 650-LF, with the steel casing accounting for about 300-LF of the total length.

The new pipeline will be connected to an existing 18-inch steel pipeline on the north side of the project along Lytle Creek Road. To allow for future expansion of the Zone 7 system, the south end of the new pipeline will be blind flanged. This means that a flange will be placed at the end of the pipeline, which can be easily opened up and connected to a future pipeline if and when required.

The proposed project location is within the public right-of-way of the Caltrans, City of Fontana, and potentially the County of San Bernardino. As such, the project's alignment must take into account existing utilities and structures, clearances to them, and the location of the Caltrans crossing. Furthermore, the project will require permits and approvals from the relevant authorities, including Caltrans, which will likely have its set of permitting considerations.

Therefore, the project's success depends on identifying a feasible alignment that takes into account the existing public right-of-way, possible acquisition of private easements, clearance requirements, and permit approvals. The design team will need to work closely with the relevant authorities and stakeholders to ensure that the project is delivered within the required specifications, budget, and timeline.

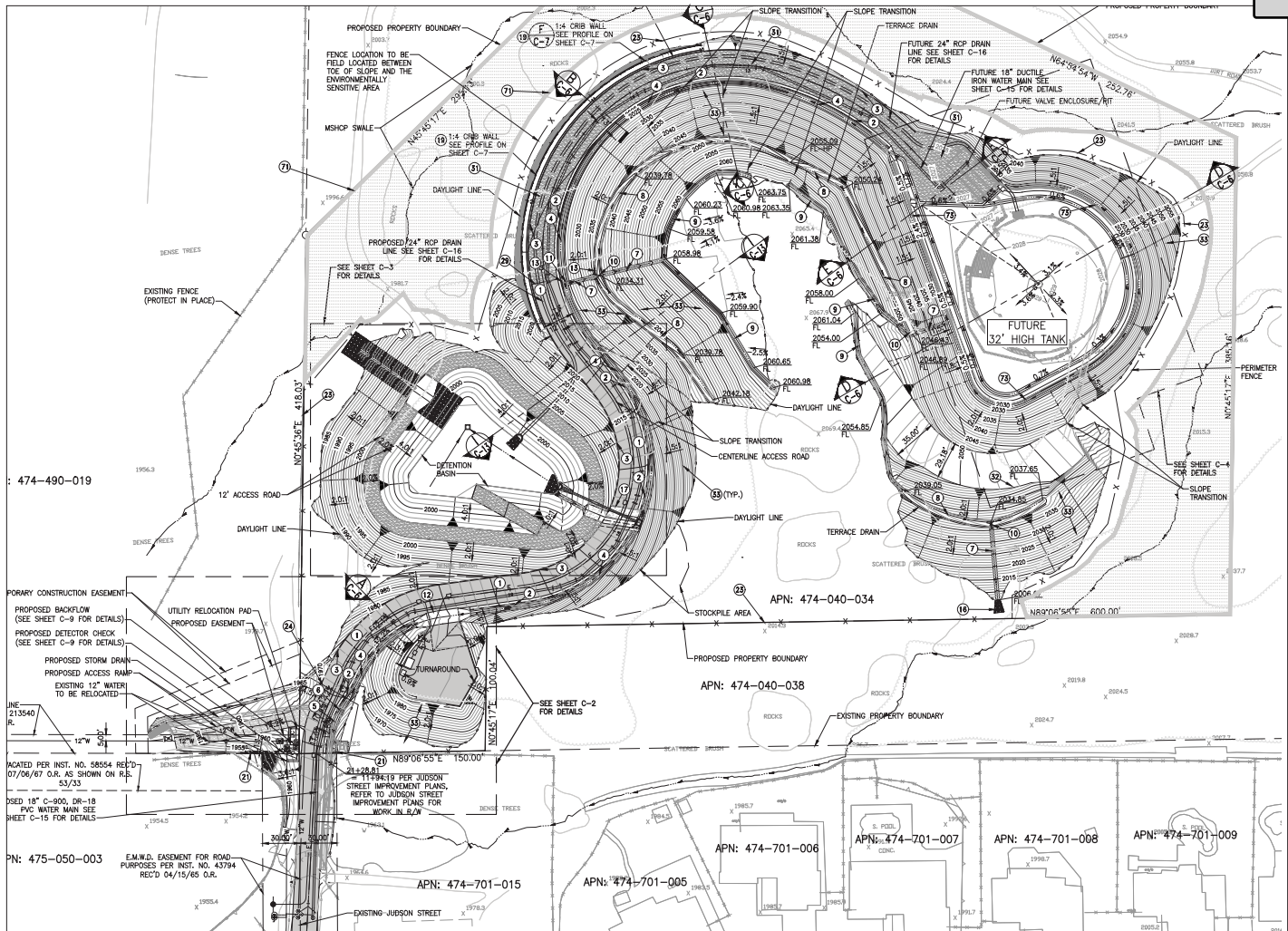


Belle Terre Reservoir Regent Properties

Client Contact:

Marinel Robinson, Director of Land Development | 310.806.9815 | mrobinson@regentproperties.com
Regent Properties - 11990 San Vicente Boulevard, Suite 200, Los Angeles, CA, 90049-6608

WEBB provided planning, environmental, engineering, mapping, and entitlement services related to the Belle Terre Specific Plan. WEBB revised the specific plan to bring into compliance with additional park acreage requirements, and to ensure consistency with implementing tentative tract map for development of 372 residential lots while being mindful of the various site constraints. WEBB prepared an Addendum to the EIR with supporting biological resource assessment, preliminary hydrology analysis, preliminary water quality management plan, and traffic impact analysis to analyze the proposed project and provided engineering, mapping, and entitlement services to process the tract map. Constraints to the site included conservation habitat land to be conveyed to the Riverside Conservation Authority, the need for wildlife crossing, and power pole removals within conservation areas. WEBB provided both project management and support services to ensure all issues were resolved in a timely manner keeping project on track.



Judson Tank Access Road Eastern Municipal Water District

Client Contact:

Greg Kowalski, PE, Principal Civil Engineer | 951.928.3777 | kowalskig@emwd.org
Eastern Municipal Water District, 2270 Trumble Road, Post Office Box 8300, Perris, CA 92572-8300

WEBB recently completed the design for the Judson Tank site grading project in the City of Moreno Valley. The site, located on an 8.31-acre parcel, is adjacent to existing and proposed development and has steep slopes transitioning to rugged terrain on the north side of Moreno Valley. To address these challenges, WEBB developed rough grading plans and bid specifications based on the MV2060 Preliminary Design Report.

The project includes constructing an access road, detention basin, tank pad, and neighboring area for the valve enclosure. One of the design considerations is implementing security measures such as gates and fences to limit unauthorized access. Additionally, temporary drainage facilities and BMP's for stormwater management will be put in place. These BMP's will be both temporary construction-related BMP's and permanent BMP's designed to control erosion and sediment transport off-site until the tank is constructed.

With the completion of the Judson Tank site grading project, the City of Moreno Valley will have an improved water supply system to serve its growing population. The project also ensures the safety and protection of the surrounding community by implementing security measures and BMP's. WEBB is proud to have been a part of this project and to have contributed to the development of the infrastructure necessary for the community's sustained growth and prosperity.

Section 5. Cost Proposal



Alder Avenue Erosion Mitigation and Improvements West Valley Water District

Item	Description	Billout Rate	Bruce Davis	Siming Zhang	Joseph Caldwell	Pineda, Gonzalez	Hayley Franco	Party Chief/2-Person Survey Crew	Michael Johnson	Andres Lopez	Jordan Moretti	Jon Ros	Amy Charron	Total Hours	Subtotal - Labor	Sub-consultant Budget	Expenses	Total/task ¹
Task 1 - Development of Construction Bid Documents																		
1.1	WWWD Coordination		2	4			4							8	\$ 70,131	\$ 21,103	\$ 75	\$ 91,309
1.2	Professional Surveying							14	6	3	7	18	4	52	\$ 13,260	\$ 4,025	\$ 75	\$ 17,360
1.3	Utility Research/Coordination			2			8							10	\$ 1,860	\$ -		\$ 1,860
1.4	Geotechnical Services			2			2							4	\$ 918	\$ 17,078		\$ 17,996
1.5	Hydrology and Hydraulic Studies				4	50	12		7					66	\$ 12,542	\$ -		\$ 12,542
1.6	Easements			2								30	4	43	\$ 10,923	\$ -		\$ 10,923
1.7	Contract Documents			4	6	120	8							138	\$ 26,956	\$ -		\$ 26,956
1.8	Construction Schedule			2			4							6	\$ 1,232	\$ -		\$ 1,232
Task 2 - Project Management																		
2.1	Kick Off Meeting		2	12	3		12							29	\$ 7,018	\$ -	\$ -	\$ 7,018
2.2	Progress Meeting(s)		1	2	1		2							6	\$ 1,522	\$ -	\$ -	\$ 1,522
2.3	Project Management		1	6			6							12	\$ 2,754	\$ -	\$ -	\$ 2,754
2.4				4	2		4							11	\$ 2,742	\$ -	\$ -	\$ 2,742
Total			4	28	13		50	14	13	3	7	48	8	358	\$ 77,149	\$ 21,103	\$ 75	\$ 99,327

1. Rounded to the nearest \$1.



**BOARD OF DIRECTORS
STAFF REPORT**

DATE: August 3, 2023
TO: Board of Directors
FROM: John Thiel, General Manager
SUBJECT: REJECTION OF CLAIM #202300457

BACKGROUND:

Southern California Edison claims that on January 10, 2023, Weka Inc at the direction of the District struck a conduit line. The line was in an area that Weka Inc was excavating. Southern California Edison claims that they sustained property damage amounting to \$7,490.43.

The Association of California Water Agencies Joint Powers Insurance Authority (ACWA JPIA) has recommended the District reject the claim because the claim should be tendered to Lennar whom the District has an agreement with. Once this Claim #202300457 is rejected, a rejection letter will be sent after which time, the claimant has 6 months from the date of the letter to file a claim in court, if they so choose.

FISCAL IMPACT:

No fiscal impact of claim denial.

STAFF RECOMMENDATION:

Reject the claim by Southern California Edison as recommended by ACWA JPIA.
 Respectfully Submitted,

John Thiel

John Thiel, General Manager

JT:ma

ATTACHMENT(S):

1. Request for Rejection-Southern California Edison



REQUEST FOR REJECTION OF CLAIM

Claimant Information		
Claimant Name: Southern California Edison	JPIA Claim #: 202300457	Date of Incident: 1/10/2023
Claimant Address: 2244 Walnut Grove Avenue, Rosemead, CA		Amount of Claim: \$ 7,490.43
Location of Incident: 19523 Country Club Drive, Rialto, CA		
General Description of Claim: Claimants conduit line was struck by Weka Inc whom was working under agreement with Lennar.		

Claim Details:
<p>Claimant alleges that on January 10, 2023 Weka Inc at the direction of the District struck a conduit line.</p>

Reason For Request Of Claim Denial:
<p>Staff has been instructed by ACWA Joint Powers Insurance Authority to reject the claim.</p>



**BOARD OF DIRECTORS
STAFF REPORT**

DATE: August 3, 2023
TO: Board of Directors
FROM: John Thiel, General Manager
SUBJECT: ADOPT 2023 LOCAL CEQA GUIDELINES

BACKGROUND:

The California Environmental Quality Act (“CEQA”), codified at Public Resources Code section 21000, et seq., is California’s most comprehensive environmental law. It generally requires public agencies to evaluate the environmental effects of their actions before they are taken. CEQA also aims to prevent significant environmental effects from occurring as a result of agency actions by requiring agencies to avoid or reduce, when feasible, the significant environmental impacts of their decisions. To this end, CEQA requires public agencies to adopt specific objectives, criteria and procedures for evaluating public and private projects that are undertaken or approved by such agencies.

DISCUSSION:

West Valley Water District (“District”) has prepared a proposed updated set of Local CEQA Guidelines for 2023 in compliance with CEQA’s requirements (Exhibit A). These Guidelines reflect recent changes to CEQA. These Local CEQA Guidelines also provide instructions and forms for preparing all environmental documents required under CEQA.

Environmental Impact: No environmental impact is anticipated from amending the Local CEQA Guidelines. The District’s adoption of the attached Resolution (Exhibit B) is not a project under State CEQA Guidelines section 15378(b)(5) because it involves an administrative activity and would not result in any environmental impacts.

FISCAL IMPACT:

No fiscal impact is anticipated from amending the Local CEQA Guidelines.

STAFF RECOMMENDATION:

Adopt the Resolution regarding the 2023 Local Guidelines for Implementing the California Environmental Quality Act for West Valley Water District.

Respectfully Submitted,

John Thiel

John Thiel, General Manager

LJ:ls

ATTACHMENT(S):

1. Exhibit A - West Valley Water District 2023 CEQA Guidelines
2. Exhibit B - Resolution Adopting CEQA Guidelines West Valley Water District_2023

MEETING HISTORY:

07/18/23 Engineering, Operations and Planning Committee REFERRED TO BOARD

EXHIBIT A



CEQA Guidelines

2023

Prepared For:

West Valley Water District

Local Guidelines for Implementing the California Environmental Quality Act

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Indian Wells | Irvine | Los Angeles | Manhattan Beach | Ontario | Riverside | Sacramento | San Diego | Walnut Creek |
Washington DC | Bend OR

2023

**LOCAL GUIDELINES
FOR IMPLEMENTING THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT**

FOR

WEST VALLEY WATER DISTRICT

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**LOCAL GUIDELINES
FOR IMPLEMENTING THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT**

(2023)

1. GENERAL PROVISIONS, PURPOSE AND POLICY.

1.01 GENERAL PROVISIONS.

These Local Guidelines (“Local Guidelines”) are to assist the West Valley Water District (“District”) in implementing the provisions of the California Environmental Quality Act (“CEQA”). These Local Guidelines are consistent with the Guidelines for the Implementation of CEQA (“State CEQA Guidelines”), which have been promulgated by the California Natural Resources Agency for the guidance of state and local agencies in California. These Local Guidelines have been adopted pursuant to California Public Resources Code section 21082.

1.02 PURPOSE.

The purpose of these Local Guidelines is to help the District accomplish the following basic objectives of CEQA:

- (a) To enhance and provide long-term protection for the environment, while providing a decent home and satisfying living environment for every Californian;
- (b) To provide information to governmental decision-makers and the public regarding the potential significant environmental effects of the proposed project;
- (c) To provide an analysis of the environmental effects of future actions associated with the project to adequately apprise all interested parties of the true scope of the project for intelligent weighing of the environmental consequences of the project;
- (d) To identify ways that environmental damage can be avoided or significantly reduced;
- (e) To prevent significant avoidable environmental damage through utilization of feasible project alternatives or mitigation measures; and
- (f) To disclose and demonstrate to the public the reasons why a governmental agency approved the project in the manner chosen. Public participation is an essential part of the CEQA process. Each public agency should encourage wide public involvement, formal and informal, in order to receive and evaluate public reactions to environmental issues related to a public agency’s activities. Such involvement should include, whenever possible, making environmental information available in electronic format on the Internet, on a web site maintained or utilized by the public agency.

1.03 APPLICABILITY.

These Local Guidelines apply to any activity that constitutes a “project,” as defined in Local Guidelines Section 11.57, for which the District is the Lead Agency or a Responsible Agency. These Local Guidelines are also intended to assist the District in determining whether a

proposed activity constitutes a project that is subject to CEQA review, or whether the activity is exempt from CEQA.

1.04 REDUCING DELAY AND PAPERWORK.

The State CEQA Guidelines encourage local governmental agencies to reduce delay and paperwork by, among other things:

- (a) Integrating the CEQA process into early planning review; to this end, the project approval process and these procedures, to the maximum extent feasible, are to run concurrently, not consecutively;
- (b) Identifying projects which fit within categorical or other exemptions and are therefore exempt from CEQA processing;
- (c) Using initial studies to identify significant environmental issues and to narrow the scope of Environmental Impact Reports (EIRs);
- (d) Using a Negative Declaration when a project, not otherwise exempt, will not have a significant effect on the environment;
- (e) Consulting with state and local responsible agencies before and during the preparation of an EIR so that the document will meet the needs of all the agencies which will use it;
- (f) Allowing applicants to revise projects to eliminate possible significant effects on the environment, thereby enabling the project to qualify for a Negative Declaration rather than an EIR;
- (g) Integrating CEQA requirements with other environmental review and consultation requirements;
- (h) Emphasizing consultation before an EIR is prepared, rather than submitting adverse comments on a completed document;
- (i) Combining environmental documents with other documents, such as general plans;
- (j) Eliminating repetitive discussions of the same issues by using EIRs on programs, policies or plans and tiering from statements of broad scope to those of narrower scope;
- (k) Reducing the length of EIRs by means such as setting appropriate page limits;
- (l) Preparing analytic, rather than encyclopedic, EIRs;
- (m) Mentioning insignificant issues only briefly;
- (n) Writing EIRs in plain language;
- (o) Following a clear format for EIRs;
- (p) Emphasizing the portions of the EIR that are useful to decision-makers and the public and reducing emphasis on background material;
- (q) Incorporating information by reference; and
- (r) Making comments on EIRs as specific as possible.

1.05 COMPLIANCE WITH STATE LAW.

These Local Guidelines are intended to implement the provisions of CEQA and the State CEQA Guidelines, and the provisions of CEQA and the State CEQA Guidelines shall be fully complied with even though they may not be set forth or referred to herein.

1.06 TERMINOLOGY.

The terms “must” or “shall” identify mandatory requirements. The terms “may” and “should” are permissive, with the particular decision being left to the discretion of the District.

1.07 PARTIAL INVALIDITY.

In the event any part or provision of these Local Guidelines shall be determined to be invalid, the remaining portions that can be separated from the invalid unenforceable provisions shall continue in full force and effect.

1.08 ELECTRONIC DELIVERY OF COMMENTS AND NOTICES.

Individuals may file a written request to receive copies of public notices provided for under these Local Guidelines or the State CEQA Guidelines. The requestor may elect to receive these notices via email rather than regular mail. Notices sent by email are deemed delivered when the staff person sending the email sends it to the last email address provided by the requestor to the District. Any request to receive public notices shall be in writing and shall be renewed annually.

Individuals may also submit comments on the CEQA documentation for a project via email. Comments submitted via email shall be treated as written comments for all purposes. Comments sent to the District via email are deemed received when they actually arrive in an email account of a staff person who has been designated or identified as the point of contact for a particular project.

The District must also post certain environmental documents (such as Draft and Final Environmental Impact Reports, Draft Negative Declarations, and Draft Mitigated Negative Declarations) and CEQA notices (such as Notices of Preparation, Notices of Availability, Notices of Intent to Adopt a Negative Declaration, Notices of Exemption, and Notices of Determination) on its website, if any.

(Reference: Pub. Resources Code, §§ 21082.1, 21091(d)(3), 21092.2.)

1.09 THE DISTRICT MAY CHARGE REASONABLE FEES FOR REPRODUCING ENVIRONMENTAL DOCUMENTS.

A public agency may charge and collect a reasonable fee from members of the public that request a copy of an environmental document, so long as the fee does not exceed the cost of reproduction. The kinds of “environmental documents” that CEQA specifically allows public agencies to seek reimbursement for include: initial studies, negative declarations, mitigated negative declarations, draft and final EIRs, and documents prepared as a substitute for an EIR, negative declaration, or mitigated negative declaration.

The District shall make CEQA-related documents (e.g., Negative Declarations, Mitigated Negative Declarations, Draft EIRs, Final EIRs, and notices relating to these documents) available to the public-at-large on its website. Requests for documents made pursuant to the California Public Records Act must comply with the Government Code. (See, for example, Government Code section 7922.570 for information regarding providing documents in electronic format.)

1.10 TIME OF PREPARATION

Before granting any approval of a non-exempt project subject to CEQA, the Lead Agency or Responsible Agency shall consider either (1) a Final EIR, (2) a Negative Declaration, (3) a Mitigated Negative Declaration, or (4) another document authorized by the State CEQA Guidelines to be used in the place of an EIR or Negative Declaration (e.g., an Addendum, a Supplemental EIR, a Subsequent EIR, etc.).

Choosing the precise time for CEQA compliance involves a balancing of competing factors. EIRs, Negative Declarations, and Mitigated Negative Declarations should be prepared as early as feasible in the planning process to enable environmental considerations to influence project program and design and yet late enough to provide meaningful information for environmental assessment.

With public projects, at the earliest feasible time, project sponsors shall incorporate environmental considerations into project conceptualization, design, and planning. CEQA compliance should be completed prior to acquisition of a site for a public project.

To implement the above principles, the District shall not undertake actions concerning the proposed public project that would have a significant adverse effect or limit the choice of alternatives or mitigation measures, before completion of CEQA compliance. For example, the District shall not:

- (A) Formally make a decision to proceed with the use of a site for facilities which would require CEQA review, regardless of whether the District has made any final purchase of the site for these facilities, except that the District may designate a preferred site for CEQA review and may enter into land acquisition agreements when the District has conditioned its future use of the site on CEQA compliance.
- (B) Otherwise take any action that gives impetus to a planned or foreseeable project in a manner that forecloses alternatives or mitigation measures that would ordinarily be part of CEQA review of that public project.

With private projects, the District shall encourage the project proponent to incorporate environmental considerations into project conceptualization, design, and planning at the earliest feasible time.

While mere interest in, or inclination to support, a project does not constitute approval, a public agency entering into preliminary agreements regarding a project prior to approval shall not, as a practical matter, commit the agency to the project. For example, the District shall not grant any vested development entitlements prior to compliance with CEQA. Further, any such pre-approval agreement should, for example:

- (A) Condition the agreement on compliance with CEQA;
- (B) Not bind any party, or commit any party, to a definite course of action prior to CEQA compliance;

- (C) Not restrict the Lead Agency from considering any feasible mitigation measures and alternatives, including the “no project” alternative; and
- (D) Not restrict the Lead Agency from denying the project.

The District’s environmental document preparation and review should be coordinated in a timely fashion with the District’s existing planning, review, and project approval processes. These procedures, to the maximum extent feasible, are to run concurrently, not consecutively.

(See State CEQA Guidelines, § 15004; *Save Tara v. City of West Hollywood* (2008) 45 Cal.4th 116.)

1.11 STATE AGENCY FURLOUGHS.

Due to budget concerns, the State may institute mandatory furlough days for state government agencies. Local agencies may also change their operating hours.

Because state and local agencies may enact furloughs that limit their operating hours, if the District has time-sensitive materials or needs to consult with a state agency, the District should check with the applicable state agency office or with the District’s attorney to ensure compliance with all applicable deadlines.

2. LEAD AND RESPONSIBLE AGENCIES

2.01 LEAD AGENCY PRINCIPLE.

The District will be the Lead Agency if it will have principal responsibility for carrying out or approving a project. Where a project is to be carried out or approved by more than one public agency, only one agency shall be responsible for the preparation of environmental documents. This agency shall be called the Lead Agency.

(Reference: State CEQA Guidelines, §§ 15050, 15367.)

2.02 SELECTION OF LEAD AGENCY.

Where two or more public agencies will be involved with a project, the Lead Agency shall be designated according to the following criteria:

- (a) If the project will be carried out by a public agency, that agency shall be the Lead Agency even if the project will be located within the jurisdiction of another public agency; or
- (b) If the project will be carried out by a nongovernmental person or entity, the Lead Agency shall be the public agency with the greatest responsibility for supervising and approving the project as a whole.

The Lead Agency will normally be the agency with general governmental powers, rather than an agency with a single or limited purpose. (For example, a district that will provide a public service or utility to the project serves a limited purpose.) If two or more agencies meet this criteria equally, the agency that acts first on the project will normally be the Lead Agency.

If two or more public agencies have a substantial claim to be the Lead Agency under either (a) or (b), they may designate one agency as the Lead Agency by agreement. An agreement may also provide for cooperative efforts by contract, joint exercise of powers, or similar devices. If the agencies cannot agree which agency should be the Lead Agency for preparing the environmental document, any of the disputing public agencies or the project applicant may submit the dispute to the Office of Planning and Research. Within 21 days of receiving the request, the Office of Planning and Research will designate the Lead Agency. The Office of Planning and Research shall not designate a Lead Agency in the absence of a dispute. A “dispute” means a contested, active difference of opinion between two or more public agencies as to which of those agencies shall prepare any necessary environmental document. A dispute exists when each of those agencies claims that it either has or does not have the obligation to prepare that environmental document.

(Reference: State CEQA Guidelines, § 15051.)

2.03 DUTIES OF A LEAD AGENCY.

As a Lead Agency, the District shall decide whether a Negative Declaration, Mitigated Negative Declaration or an EIR will be required for a project and shall prepare, or cause to be prepared, and consider the document before making its decision on whether and how to approve

the project. The documents may be prepared by Staff or by private consultants pursuant to a contract with the District. However, the District shall independently review and analyze all draft and final EIRs or Negative Declarations prepared for a project and shall find that the EIR or Negative Declaration reflects the independent judgment of the District prior to approval of the document. If a Draft EIR or Final EIR is prepared under a contract with the District, the contract must be executed within forty-five (45) days from the date on which the District sends a Notice of Preparation. The District, however, may take longer to execute the contract if the project applicant and the District mutually agree to an extension of the 45-day time period. (Pub. Resources Code, § 21151.5; see also Local Guidelines Section 7.02.)

During the process of preparing an EIR, the District, as Lead Agency, shall have the following duties:

- (a) If a California Native American tribe has requested consultation, within 14 days after determining that an application for a project is complete or a decision to undertake a project, the District shall begin consultation with the California Native American tribes (see Local Guidelines Section 7.07);
- (b) Immediately after deciding that an EIR is required for a project, the District shall send to the Office of Planning and Research and each Responsible Agency a Notice of Preparation (Form “G”) stating that an EIR will be prepared (see Local Guidelines Section 7.03);
- (c) Prior to release of an EIR, if the California Native American tribe that is culturally affiliated with the geographic area of a project requests in writing to be informed of any proposed project, the District shall begin consultation with the tribe consistent with California law and Local Guidelines Section 7.07;
- (d) The District shall prepare or cause to be prepared the Draft EIR for the project (see Local Guidelines Sections 7.06 and 7.18);
- (e) Once the Draft EIR is completed, the District shall file a Notice of Completion (Form “H”) with the Office of Planning and Research (see Local Guidelines Section 7.25);
- (f) The District shall consult with state, federal and local agencies that exercise authority over resources that may be affected by the project for their comments on the completed Draft EIR (see, e.g., Local Guidelines Sections 5.02, 5.16, Section 7.26);
- (g) The District shall provide public notice of the availability of a Draft EIR (Form “K”) at the same time that it sends a Notice of Completion to the Office of Planning and Research (see Local Guidelines Section 7.25);
- (h) The District shall evaluate comments on environmental issues received from persons who reviewed the Draft EIR and shall prepare or cause to be prepared a written response to all comments that raise significant environmental issues and that were timely received during the public comment period. A written response must be provided to all public agencies who commented on the project during the public review period at least ten (10) days prior to certifying an EIR (see Local Guidelines Section 7.30);
- (i) The District shall prepare or cause to be prepared a Final EIR before approving the project (see Local Guidelines Section 7.31);
- (j) The District shall certify that the Final EIR has been completed in compliance with CEQA and has been reviewed by the Board of Directors (see Local Guidelines Section 7.33); and
- (k) The District shall include in the Final EIR any comments received from a Responsible Agency on the Notice of Preparation or the Draft EIR (see Local Guidelines Sections 2.08, 7.30 and 7.31).

2.04 CEQA DETERMINATIONS MADE BY NON-ELECTED BODY; PROCEDURE TO APPEAL SUCH DETERMINATIONS.

As Lead Agency, the District may charge a non-elected decisionmaking body with the responsibility of making a finding of exemption or adopting, certifying or authorizing environmental documents. Any such determination, however, shall be subject to the District's procedures allowing for the appeal of the CEQA determination of any non-elected body to the District's Board of Directors. In the absence of a procedure governing such appeal, any CEQA determination made by a non-elected decisionmaker shall be appealable to the District's Board of Directors within ten (10) days of the non-elected decisionmaker's determination. If the non-elected decisionmaker's CEQA determination is not timely appealed as set forth herein, the non-elected decisionmaker's determination shall be final.

In the event the District's Board of Directors has delegated authority to a subsidiary board or official to approve a project, the Board of Directors also hereby delegates to that subsidiary board or official the authority to make all necessary CEQA determinations, including whether an EIR, Negative Declaration, Mitigated Negative Declaration or exemption shall be required for any project. A subsidiary board or official's CEQA determination shall be subject to appeal as set forth above.

(Reference: State CEQA Guidelines, §§ 15061(e), 15074(f), 15090(b).)

2.05 PROJECTS RELATING TO DEVELOPMENT OF HAZARDOUS WASTE AND OTHER SITES.

An applicant for a development project must submit a signed statement to the District, as Lead Agency, stating whether the project and any alternatives are located on a site that is included in any list compiled by the Secretary for Environmental Protection of the California Environmental Protection Agency ("California EPA") listing hazardous waste sites and other specified sites located in the District's boundaries. The applicant's statement must contain the following information:

- (a) The applicant's name, address, and phone number;
- (b) Address of site, and local agency (city/county);
- (c) Assessor's book, page, and parcel number; and
- (d) The list which includes the site, identification number, and date of list.

Before accepting as complete an application for any development project as defined in Local Guidelines Section 11.16, the District, as Lead Agency, shall consult lists compiled by the Secretary for Environmental Protection of the California EPA pursuant to Government Code section 65962.5 listing hazardous waste sites and other specified sites located in the District's boundaries. When acting as Lead Agency, the District shall notify an applicant for a development project if the project site is located on such a list and not already identified. In the Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration (see Local Guidelines Section 6.04) or the Notice of Preparation of Draft EIR (see Local Guidelines Section 7.03), the District shall specify the California EPA list, if any, that includes the project site, and shall provide the information contained in the applicant's statement.

(Reference: Gov. Code, § 65962.5.)

2.06 RESPONSIBLE AGENCY PRINCIPLE.

When a project is to be carried out or approved by more than one public agency, all public agencies other than the Lead Agency that have discretionary approval power over the project shall be identified as Responsible Agencies.

(Reference: State CEQA Guidelines, § 15381.)

2.07 DUTIES OF A RESPONSIBLE AGENCY.

When it is identified as a Responsible Agency, the District shall consider the environmental documents prepared or caused to be prepared by the Lead Agency and reach its own conclusions on whether and how to approve the project involved. The District shall also both respond to consultation and attend meetings as requested by the Lead Agency to assist the Lead Agency in preparing adequate environmental documents. The District should also review and comment on Draft EIRs, Negative Declarations, and Mitigated Negative Declarations. Comments shall be limited to those project activities that are within the District's area of expertise or are required to be carried out or approved by the District or are subject to the District's powers.

As a Responsible Agency, the District may identify significant environmental effects of a project for which mitigation is necessary. As a Responsible Agency, the District may submit to the Lead Agency proposed mitigation measures that would address those significant environmental effects. If mitigation measures are required, the District should submit to the Lead Agency complete and detailed performance objectives for such mitigation measures that would address the significant environmental effects identified, or refer the Lead Agency to appropriate, readily available guidelines or reference documents. Any mitigation measures submitted to the Lead Agency by the District, when acting as a Responsible Agency, shall be limited to measures that mitigate impacts to resources that are within the District's authority. For private projects, the District, as a Responsible Agency, may require the project proponent to provide such information as may be required and to reimburse the District for all costs incurred by it in reporting to the Lead Agency.

(Reference: State CEQA Guidelines, § 15096.)

2.08 RESPONSE TO NOTICE OF PREPARATION BY RESPONSIBLE AGENCIES.

Within thirty (30) days of receipt of a Notice of Preparation of an EIR, the District, as a Responsible Agency, shall specify to the Lead Agency the scope and content of the environmental information related to the District's area of statutory responsibility in connection with the proposed project. At a minimum, the response shall identify the significant environmental issues and possible alternatives and mitigation that the District, as a Responsible Agency, will need to have explored in the Draft EIR. Such information shall be specified in writing, shall be as specific as possible, and shall be communicated to the Lead Agency, by certified mail, email, or any other method of transmittal that provides it with a record that the response was received. The Lead Agency shall incorporate this information into the EIR.

(Reference: Pub. Resources Code, § 21080.4; State CEQA Guidelines, § 15103.)

2.09 USE OF FINAL EIR OR NEGATIVE DECLARATION BY RESPONSIBLE AGENCIES.

The District, as a Responsible Agency, shall consider the Lead Agency's Final EIR or Negative Declaration before acting upon or approving a proposed project. As a Responsible Agency, the District must independently review and consider the adequacy of the Lead Agency's environmental documents prior to approving any portion of the proposed project. In certain instances, the District, in its role as a Responsible Agency, may require that a Subsequent EIR or a Supplemental EIR be prepared to fully address those aspects of the project over which the District has approval authority. Mitigation measures and alternatives deemed feasible and relevant to the District's role in carrying out the project shall be adopted. Findings that are relevant to the District's role as a Responsible Agency shall be made. After the District decides to approve or carry out part of a project for which an EIR or negative declaration has previously been prepared by the Lead Agency, the District, as Responsible Agency, should file a Notice of Determination with the County Clerk within five (5) days of approval, but need not state that the Lead Agency's EIR or Negative Declaration complies with CEQA. The District, as Responsible Agency, should state that it considered the EIR or Negative Declaration as prepared by a Lead Agency.

(Reference: State CEQA Guidelines, § 15096.)

2.10 SHIFT IN LEAD AGENCY RESPONSIBILITIES.

The District, as a Responsible Agency, shall assume the role of the Lead Agency if any one of the following three conditions is met:

- (a) The Lead Agency did not prepare any environmental documents for the project, and the statute of limitations has expired for a challenge to the action of the appropriate Lead Agency;
- (b) The Lead Agency prepared environmental documents for the project, and all of the following conditions apply:
 - (1) A Subsequent or Supplemental EIR is required;
 - (2) The Lead Agency has granted a final approval for the project; and
 - (3) The statute of limitations has expired for a challenge to the action of the appropriate Lead Agency; or
- (c) The Lead Agency prepared inadequate environmental documents without providing public notice of a Negative Declaration or sending Notice of Preparation of an EIR to Responsible Agencies and the statute of limitations has expired for a challenge to the action of the appropriate Lead Agency.

(Reference: State CEQA Guidelines, § 15052.)

3. ACTIVITIES EXEMPT FROM CEQA

3.01 ACTIONS SUBJECT TO CEQA.

CEQA applies to discretionary projects proposed to be carried out or approved by public agencies such as the District. If the proposed activity does not come within the definition of “project” contained in Local Guidelines Section 11.57, it is not subject to environmental review under CEQA.

The term “project,” as defined by CEQA, does not include:

- (a) Proposals for legislation to be enacted by the State Legislature;
- (b) Continuing administrative or maintenance activities, such as purchases for supplies, personnel-related actions, and general policy and procedure making (except as provided in Local Guidelines Section 11.57);
- (c) The submittal of proposals to a vote of the people in response to a petition drive initiated by voters, or the enactment of a qualified voter-sponsored initiative under California Constitution Art. II, Section 11(a) and Election Code section 9214;
- (d) The creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to any specific project that may have a potentially significant physical impact on the environment. Government funding mechanisms may include, but are not limited to, assessment districts and community facilities districts;
- (e) Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment; and
- (f) Activities that do not result in a direct or reasonably foreseeable indirect physical change in the environment.

(Reference: State CEQA Guidelines, §§ 15060(c), 15378.)

3.02 MINISTERIAL ACTIONS.

Ministerial actions are not subject to CEQA review. A ministerial action is one that is approved or denied by a decision that a public official or a public agency makes that involves only the use of fixed standards or objective measurements without personal judgment or discretion.

When a project involves an approval that contains elements of both a ministerial and discretionary nature, the project will be deemed to be discretionary and subject to the requirements of CEQA. The decision whether the approval of a proposed project or activity is ministerial in nature may involve or require, to some extent, interpretation of the language of the legal mandate, and should be made on a case-by-case basis. The following is a non-exclusive list of examples of ministerial activities:

- (a) Issuance of business licenses;
- (b) Approval of final subdivision maps and final parcel maps;
- (c) Approval of individual utility service connections and disconnections;
- (d) Issuance of licenses;
- (e) Issuance of a permit to do street work;

- (f) Issuance of building permits where the Lead Agency does not retain significant discretionary power to modify or shape the project; and
- (g) Until January 1, 2024, approval of an application to install an emergency standby generator to serve a macro cell tower where conditions set forth in Government Code section 65850.75 are met.

(Reference: State CEQA Guidelines, § 15268.)

3.03 EXEMPTIONS IN GENERAL.

CEQA and the State CEQA Guidelines exempt certain activities and provide that local agencies should further identify and describe certain exemptions. The requirements of CEQA and the obligation to prepare an EIR, Negative Declaration, or Mitigated Negative Declaration generally do not apply to the exempt activities that are set forth in CEQA, the State CEQA Guidelines, and Chapter 3 of these Local Guidelines.

(Reference: State CEQA Guidelines, §§ 15260 – 15332.)

3.04 NOTICE OF EXEMPTION.

After approval of an exempt project, a “Notice of Exemption” (Form “A”) may be filed by the District or its representatives with the County Clerk of each county in which the activity will be located. A Notice of Exemption must be filed electronically with the County Clerk if that option is offered by the County Clerk. After filing, the District must additionally post the Notice of Exemption on the District’s website, if any.

If the Lead Agency exempts an agricultural housing, affordable housing, or residential infill project under State CEQA Guidelines sections 15193, 15194, or 15195 and approves or determines to carry out that project, it must also file a notice with the Office of Planning and Research (“OPR”) identifying the exemption.

The County Clerk must post a Notice of Exemption within twenty-four (24) hours of receipt, and the Notice must remain posted for thirty (30) days. The 30-day posting requirement excludes the first day of posting and includes the last day of posting. On the 30th day, the Notice of Exemption must be posted for the entire day. Although no California Department of Fish and Wildlife (“DFW”) filing fee is applicable to exempt projects, most counties customarily charge a documentary handling fee to pay for record keeping on behalf of the DFW. Refer to the Index in the County Clerk Memo to determine if such a fee will be required for the project.

The Notice of Exemption must, among other things, identify the person undertaking the project, including any person undertaking an activity that receives financial assistance from the District as part of the project or the person receiving a lease, permit, license, certificate, or other entitlement for use from the District as part of the project. Certain counties require the name and address of an applicant to be included in the “Project Applicant” box of the Notice of Exemption, even when the only project proponent is the District; in these counties, if the District is the only project proponent, the District’s name and address should be provided in the “Project Applicant” box of the Notice of Exemption. Check the county’s requirements before submitting the Notice of Exemption for filing and posting.

The Notice of Exemption may be filed by the project applicant, rather than the Lead Agency, in certain circumstances. Specifically, the Lead Agency may direct the project applicant to file the Notice of Exemption where the activity that the Lead Agency has determined is exempt from CEQA either:

(a) is undertaken by a *person* (not a public agency) and is supported, in whole or in part, through contracts, grants, subsidies, loans, or other forms of assistance from one or more public agencies; or

(b) involves the issuance to a *person* (not a public agency) of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies.

(See Pub. Resources Code, §§ 21065, (b), (c), 21152). Where the Notice of Exemption is filed by a project applicant rather than the Lead Agency, the applicant must attach a Certificate of Determination to the Notice of Exemption to be filed. The Certificate of Determination may be in the form of a certified copy of an existing document or record of the Lead Agency. Alternatively, the Lead Agency may prepare a Certificate of Determination (see Form “B”) stating that the activity is exempt from CEQA, and the Lead Agency may provide the Certificate of Determination to the applicant. The applicant must attach the Certificate of Determination to the Notice of Exemption to be filed.

The filing of a Notice of Exemption, when appropriate, is recommended for District actions because it starts a 35-day statute of limitations on legal challenges to the District’s determination that the activity is exempt from CEQA. If a Notice of Exemption is not filed, a 180-day statute of limitations will apply. Please see Local Guidelines Section 3.12 for certain circumstances in which the Lead Agency is required to file a Notice of Exemption.

When a request is made for a copy of the Notice prior to the date on which the District determines the project is exempt, the Notice must be mailed, first class postage prepaid, within five (5) days after the District’s determination. If such a request is made following the District’s determination, then the copy should be mailed in the same manner as soon as possible.

(Reference: Pub. Resources Code, § 21152; State CEQA Guidelines, § 15062.)

3.05 DISAPPROVED PROJECTS.

CEQA does not apply to projects that the Lead Agency rejects or disapproves. Even if a project for which an EIR, Negative Declaration, or Mitigated Negative Declaration has been prepared is ultimately disapproved, the project applicant shall not be relieved of its obligation to pay the costs incurred to prepare the EIR, Negative Declaration, or Mitigated Negative Declaration for the project.

(Reference: State CEQA Guidelines, §§ 15061(b)(4), 15270.)

3.06 PROJECTS WITH NO POSSIBILITY OF SIGNIFICANT EFFECT.

Where it can be seen with absolute certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is exempt from CEQA.

(Reference: State CEQA Guidelines, § 15061(b)(3).)

3.07 EMERGENCY PROJECTS.

The following types of emergency projects are exempt from CEQA (the term “emergency” is defined in Local Guidelines Section 11.20):

- (a) Work in a disaster-stricken area in which a state of emergency has been proclaimed by the Governor pursuant to Section 8550 of the Government Code. This includes projects that will remove, destroy, or significantly alter a historical resource when that resource represents an imminent threat to the public of bodily harm or of damage to adjacent property or when the project has received a determination by the State Office of Historic Preservation pursuant to Section 5028(b) of the Public Resources Code.
- (b) Emergency repairs to publicly or privately owned service facilities necessary to maintain service essential to the public health, safety, or welfare. Emergency repairs include those that require a reasonable amount of planning to address an anticipated emergency.
- (c) Projects necessary to prevent or mitigate an emergency. This does not include long-term projects undertaken for the purpose of preventing or mitigating a situation that has a low probability of occurrence in the short-term, but this exclusion does not apply (i) if the anticipated period of time to conduct an environmental review of such a long-term project would create a risk to public health, safety, or welfare, or (ii) if activities (such as fire or catastrophic risk mitigation or modifications to improve facility integrity) are proposed for existing facilities in response to an emergency at a similar existing facility.
- (d) Projects undertaken, carried out, or approved by a public agency to maintain, repair, or restore an existing highway damaged by fire, flood, storm, earthquake, land subsidence, gradual earth movement, or landslide, provided that the project is within the existing right of way of that highway and is initiated within one year of the damage occurring. Highway shall have the same meaning as defined in Section 360 of the Vehicle Code. This exemption does not apply to highways designated as official state scenic highways, nor to any project undertaken, carried out, or approved by a public agency to expand or widen a highway damaged by fire, flood, storm, earthquake, land subsidence, gradual earth movement, or landslide.
- (e) Seismic work on highways and bridges pursuant to Streets and Highways Code section 180.2.

(Reference: State CEQA Guidelines, § 15269.)

3.08 FEASIBILITY AND PLANNING STUDIES.

A project that involves only feasibility or planning studies for possible future actions which the District has not yet approved, adopted, or funded is exempt from CEQA.

(Reference: State CEQA Guidelines, § 15262.)

3.09 RATES, TOLLS, FARES, AND CHARGES.

The establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by the District that the District finds are for one or more of the purposes listed below are exempt from CEQA.

- (a) Meeting operating expenses, including employee wage rates and fringe benefits;
- (b) Purchasing or leasing supplies, equipment or materials;
- (c) Meeting financial reserve needs and requirements; or
- (d) Obtaining funds for capital projects necessary to maintain service within existing service areas.

When the District determines that one of the aforementioned activities pertaining to rates, tolls, fares, or charges is exempt from the requirements of CEQA, it shall incorporate written findings setting forth the specific basis for the claim of exemption in the record of any proceeding in which such an exemption is claimed.

(Reference: State CEQA Guidelines, § 15273.)

3.10 PIPELINES WITHIN A PUBLIC RIGHT-OF-WAY AND LESS THAN ONE MILE IN LENGTH.

Projects that are for the installation of a new pipeline or the maintenance, repair, restoration, reconditioning, relocation, replacement, removal, or demolition of an existing pipeline and that are:

- (a) in a public street or highway or any other public right-of-way; and
- (b) less than one mile in length

shall be exempt from CEQA requirements.

“Pipeline” includes subsurface facilities but does not include any surface facility related to the operation of the underground facility.

(Reference: Public Resources Code, § 21080.21.)

3.11 PIPELINES OF LESS THAN EIGHT MILES IN LENGTH.

Projects that are for the inspection, maintenance, repair, restoration, reconditioning, relocation, replacement, or removal of an existing pipeline, or any valve, flange, meter, or other piece of equipment that is directly attached to the pipeline shall be exempt from CEQA requirements if all of the following conditions are met:

- (a) The project is less than eight miles in length.
- (b) Notwithstanding the project length, actual construction and excavation activities undertaken to achieve the maintenance, repair, restoration, reconditioning, relocation, replacement, or removal of an existing pipeline are not undertaken over a length of more than one-half mile at any one time.

- (c) The project consists of a section of pipeline that is not less than eight miles from any section of pipeline that has been subject to an exemption pursuant to CEQA in the past 12 months.
- (d) The project is not solely for the purpose of excavating soil that is contaminated by hazardous materials, and, to the extent not otherwise expressly required by law, the party undertaking the project immediately informs the lead agency of the discovery of contaminated soil.
- (e) To the extent not otherwise expressly required by law, the person undertaking the project has, in advance of undertaking the project, prepared a plan that will result in notification of the appropriate agencies so that they may take action, if determined to be necessary, to provide for the emergency evacuation of members of the public who may be located in close proximity to the project.
- (f) Project activities are undertaken within an existing right-of-way and the right-of-way is restored to its condition prior to the project.
- (g) The project applicant agrees to comply with all conditions otherwise authorized by law, imposed by the city or county planning department as part of any local agency permit process, that are required to mitigate potential impacts of the proposed project, and to otherwise comply with the Keene-Nejedly California Wetlands Preservation Act (Chapter 7 (commencing with Section 5810) of Division 5), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), and other applicable state laws, and with all applicable federal laws.

If a project meets all of the requirements for this exemption, the person undertaking the project shall do all of the following:

- (a) Notify, in writing, any affected public agency, including, but not limited to, any public agency having permit, land use, environmental, public health protection, or emergency response authority of this exemption.
- (b) Provide notice to the public in the affected area in a manner consistent with paragraph (3) of Public Resources Code section 21092(b).
- (c) In the case of private rights-of-way over private property, receive from the underlying property owner permission for access to the property.
- (d) Comply with all conditions otherwise authorized by law, imposed by the city or county planning department as part of any local agency permit process, that are required to mitigate potential impacts of the proposed project, and otherwise comply with the Keene-Nejedly California Wetlands Preservation Act (Chapter 7 (commencing with Section 5810) of Division 5), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), and other applicable state laws, and with all applicable federal laws.

This exemption does not apply to a project in which the diameter of the pipeline is increased or to a project undertaken within the boundaries of an oil refinery.

For purposes of this exemption, the following definitions apply:

- (a) “Pipeline” includes every intrastate pipeline used for the transportation of hazardous liquid substances or highly volatile liquid substances, including a common carrier pipeline, and all piping containing those substances located within a refined products bulk loading

facility which is owned by a common carrier and is served by a pipeline of that common carrier, and the common carrier owns and serves by pipeline at least five such facilities in the state. “Pipeline” does not include the following:

- (1) An interstate pipeline subject to Part 195 of Title 49 of the Code of Federal Regulations.
- (2) A pipeline for the transportation of a hazardous liquid substance in a gaseous state.
- (3) A pipeline for the transportation of crude oil that operates by gravity or at a stress level of 20 percent or less of the specified minimum yield strength of the pipe.
- (4) Transportation of petroleum in onshore gathering lines located in rural areas.
- (5) A pipeline for the transportation of a hazardous liquid substance offshore located upstream from the outlet flange of each facility on the Outer Continental Shelf where hydrocarbons are produced or where produced hydrocarbons are first separated, dehydrated, or otherwise processed, whichever facility is farther downstream.
- (6) Transportation of a hazardous liquid by a flow line.
- (7) A pipeline for the transportation of a hazardous liquid substance through an onshore production, refining, or manufacturing facility, including a storage or in plant piping system associated with that facility.
- (8) Transportation of a hazardous liquid substance by vessel, aircraft, tank truck, tank car, or other vehicle or terminal facilities used exclusively to transfer hazardous liquids between those modes of transportation.

(Reference: State CEQA Guidelines, § 15284.)

3.12 CERTAIN RESIDENTIAL HOUSING PROJECTS.

CEQA does not apply to the construction, conversion, or use of residential housing if the project meets all of the general requirements described in Section A below and satisfies the specific requirements for any one of the following three categories: (1) agricultural housing (Section B below), (2) affordable housing projects in urbanized areas (Section C below), or (3) affordable housing projects near major transit stops (Section D below).

A. General Requirements. The construction, conversion, or use of residential housing units affordable to low-income households (as defined in Local Guidelines Section 11.36) located on an infill site in an urbanized area is exempt from CEQA if all of the following general requirements are satisfied:

- (1) The project is consistent with:
 - (a) Any applicable general plan, specific plan, or local coastal program, including any mitigation measures required by such plan or program, as that plan or program existed on the date that the application was deemed complete; and

- (b) Any applicable zoning ordinance, as that zoning ordinance existed on the date that the application was deemed complete. However, the project may be inconsistent with zoning if the zoning is inconsistent with the general plan and the project site has not been rezoned to conform to the general plan;
- (2) Community level environmental review has been adopted or certified;
 - (3) The project and other projects approved prior to the approval of the project can be adequately served by existing utilities, and the project applicant has paid, or has committed to pay, all applicable in-lieu or development fees;
 - (4) The project site meets all of the following four criteria relating to biological resources:
 - (a) The project site does not contain wetlands;
 - (b) The project site does not have any value as a wildlife habitat;
 - (c) The project does not harm any species protected by the federal Endangered Species Act of 1973, the Native Plant Protection Act, or the California Endangered Species Act; and
 - (d) The project does not cause the destruction or removal of any species protected by a local ordinance in effect at the time the application for the project was deemed complete;
 - (5) The site is not included on any list of facilities and sites compiled pursuant to Government Code section 65962.5;
 - (6) The project site is subject to a preliminary endangerment assessment prepared by a registered environmental assessor to determine the existence of any release of a hazardous substance on the site and to determine the potential for exposure of future occupants to significant health hazards from any nearby property or activity. In addition, the following steps must have been taken in response to the results of this assessment:
 - (a) If a release of a hazardous substance is found to exist on the site, the release shall be removed or any significant effects of the release shall be mitigated to a level of insignificance in compliance with state and federal requirements; or
 - (b) If a potential for exposure to significant hazards from surrounding properties or activities is found to exist, the effects of the potential exposure shall be mitigated to a level of insignificance in compliance with state and federal requirements;
 - (7) The project does not have a significant effect on historical resources pursuant to Section 21084.1 of the Public Resources Code (see Local Guidelines Section 11.28);

- (8) The project site is not subject to wildland fire hazard, as determined by the Department of Forestry and Fire Protection; unless the applicable general plan or zoning ordinance contains provisions to mitigate the risk of a wildland fire hazard;
- (9) The project site does not have an unusually high risk of fire or explosion from materials stored or used on nearby properties;
- (10) The project site does not present a risk of a public health exposure at a level that would exceed the standards established by any state or federal agency;
- (11) Either the project site is not within a delineated earthquake fault zone, or a seismic hazard zone, as determined pursuant to Section 2622 and 2696 of the Public Resources Code respectively, or the applicable general plan or zoning ordinance contains provisions to mitigate the risk of an earthquake or seismic hazard;
- (12) Either the project site does not present a landslide hazard, flood plain, flood way, or restriction zone, or the applicable general plan or zoning ordinance contains provisions to mitigate the risk of a landslide or flood;
- (13) The project site is not located on developed open space;
- (14) The project site is not located within the boundaries of a state conservancy;
- (15) The project site has not been divided into smaller projects to qualify for one or more of the exemptions for affordable housing, agricultural housing, or residential infill housing projects found in the subsequent sections; and
- (16) The project meets the requirements set forth in either Public Resources Code sections 21159.22, 21159.23 or 21159.24.

(Reference: State CEQA Guidelines, § 15192.)

B. Specific Requirements for Agricultural Housing. CEQA does not apply to the construction, conversion, or use of residential housing for agricultural employees that meets all of the general requirements described above in Section A and meets the following additional criteria:

- (1) The project either:
 - (a) Is affordable to lower income households, lacks public financial assistance, and the developer has provided sufficient legal commitments to ensure the continued availability and use of the housing units for lower income households for a period of at least fifteen (15) years; or

- (b) If public financial assistance exists for the project, then the project must be housing for very low-, low-, or moderate-income households and the developer of the project has provided sufficient legal commitments to the appropriate local agency to ensure the continued availability and use of the housing units for low- and moderate-income households for a period of at least fifteen (15) years;
- (2) The project site is adjacent on at least two sides to land that has been developed and the project consists of not more than forty-five (45) units or provides dormitories, barracks, or other group-living facilities for a total of forty-five (45) or fewer agricultural employees, and either:
 - (a) The project site is within incorporated city limits or within a census-defined place with a minimum population density of at least five thousand (5,000) persons per square mile; or
 - (b) The project site is within incorporated city limits or within a census-defined place and the minimum population density of the census-defined place is at least one thousand (1,000) persons per square mile, unless the Lead Agency determines that there is a reasonable possibility that the project, if completed, would have a significant effect on the environment due to unusual circumstances or that the cumulative effects of successive projects of the same type in the same area would, over time, be significant;
 - (3) If the project is located on a site zoned for general agricultural use, it must consist of twenty (20) or fewer units, or, if the housing consists of dormitories, barracks, or other group-living facilities, the project must not provide housing for more than twenty (20) agricultural employees; and
 - (4) The project is not more than two (2) acres in area if the project site is located in an area with a population density of at least one thousand (1,000) persons per square mile, and is not more than five (5) acres in area for all other project sites.

(Reference: Pub. Resources Code, §§ 21084, 21159.22; State CEQA Guidelines, §§ 15192, 15193.)

- C. Specific Requirements for Affordable Housing Projects in Urbanized Areas.** CEQA does not apply to any development project that consists of the construction, conversion, or use of residential housing consisting of one hundred (100) or fewer units that are affordable to low-income households if all of the general requirements described in Section A above are satisfied and the following additional criteria are also met:

- (1) The developer of the project provides sufficient legal commitments to the local agency to ensure the continued availability and use of the housing units for lower income households for a period of at least thirty (30) years, at monthly housing costs deemed to be “affordable rent” for lower income, very low income, and extremely low income households, as determined pursuant to Section 50053 of the Health and Safety Code;
- (2) The project site meets one of the following conditions:
 - (a) Has been previously developed for qualified urban uses;
 - (b) Is immediately adjacent to parcels that are developed with qualified urban uses; or
 - (c) At least 75% of the perimeter of the site adjoins parcels that are developed with qualified urban uses and the remaining 25% of the perimeter of the site adjoins parcels that have previously been developed for qualified urban uses, the site has not been developed for urban uses and no parcel within the site has been created within ten (10) years prior to the proposed development of the site;
- (3) The project site is not more than five (5) acres in area; and
- (4) The project site meets one of the following requirements regarding population density:
 - (a) The project site is within an urbanized area or within a census-defined place with a population density of at least five thousand (5,000) persons per square mile;
 - (b) If the project consists of fifty (50) or fewer units, the project site is within an incorporated city with a population density of at least twenty-five hundred (2,500) persons per square mile and a total population of at least twenty-five thousand (25,000) persons; or
 - (c) The project site is within either an incorporated city or a census-defined place with a population density of one thousand (1,000) persons per square mile, unless there is a reasonable possibility that the project would have a significant effect on the environment due to unusual circumstances or due to the related or cumulative impacts of reasonably foreseeable projects in the vicinity of the project.

(Reference: Pub. Resources Code, §§ 21083, 21159.23; State CEQA Guidelines, § 15194.)

D. Specific Requirements for Affordable Housing Projects Near Major Transit Stops.

- (a) Except as provided in subdivision (b), CEQA does not apply to a project if all of the following criteria are met:

1. The project is a residential project on an infill site.
2. The project is located within an urbanized area.
3. The project satisfies the criteria of Public Resources Code section 21159.21, described in Section A above.
4. Within five years of the date that the application for the project is deemed complete pursuant to Section 65943 of the Government Code, community-level environmental review was certified or adopted.
5. The site of the project is not more than four acres in total area.
6. The project does not contain more than 100 residential units.
7. Either of the following criteria (subdivision a or subdivision b) are met:
 - a. (1) At least 10 percent of the housing is sold to families of moderate income, or not less than 10 percent of the housing is rented to families of low income, or not less than 5 percent of the housing is rented to families of very low income; and
 - (2) The project developer provides sufficient legal commitments to the appropriate local agency to ensure the continued availability and use of the housing units for very low-, low-, and moderate-income households at monthly housing costs determined pursuant to paragraph (3) of the subdivision (h) of Section 65589.5 of the Government Code.
 - b. The project developer has paid or will pay in-lieu fees pursuant to a local ordinance in an amount sufficient to result in the development of an equivalent number of units that would otherwise be required pursuant to subparagraph 7.a above.
8. The project is within one-half mile of a major transit stop.
9. The project does not include any single level building that exceeds 100,000 square feet.
10. The project promotes higher density infill housing. A project with a density of at least 20 units per acre shall be conclusively presumed to promote higher density infill housing. A project with a density of at least 10 units per acre and a density greater than the average density of the residential properties within 1,500 feet shall be presumed to promote higher density housing unless the preponderance of the evidence demonstrates otherwise.

- (b) Notwithstanding subdivision (a) above, the Exemption for Affordable Housing Projects near Major Transit Stops does not apply if any one of the following criteria is met:
1. There is a reasonable possibility that the project will have a project-specific, significant effect on the environment due to unusual circumstances;
 2. Substantial changes have occurred since community-level environmental review was adopted or certified with respect to the circumstances under which the project is being undertaken, and those changes are related to the project; or
 3. New information regarding the circumstances under which the project is being undertaken has become available, and that new information is related to the project and was not known and could not have been known at the time of the community-level environmental review.
- (c) If a project satisfies the criteria described above in Section 3.12D(a), but is not exempt from CEQA as a result of satisfying the criteria described in Section 3.12D(b), the analysis of the environmental effects of the project in the EIR or the negative declaration for the project shall be limited to an analysis of the project-specific effects of the project and any effects identified pursuant to Paragraph 2 or 3 of Section 3.12D(b), above.

(Reference: Pub. Resources Code, §§ 21083, 21159.24; State CEQA Guidelines, § 15195.)

- E.** Whenever the Lead Agency determines that a project is exempt from environmental review based on Public Resources Code sections 21159.22 [Section 3.12B of these Local Guidelines], 21159.23 [Section 3.12C of these Local Guidelines], or 21159.24 [Section 3.12D of these Local Guidelines], Staff and/or the proponent of the project shall file a Notice of Exemption with the Office of Planning and Research within five (5) working days after the approval of the project.

(Reference: State CEQA Guidelines, § 15196.)

3.13 MINOR ALTERATIONS TO FLUORIDATE WATER UTILITIES.

Minor alterations to water utilities made for the purpose of complying with the fluoridation requirements of Health and Safety Code sections 116410 and 116415 or regulations adopted thereunder are exempt from CEQA.

(Reference: State CEQA Guidelines, § 15282(m).)

3.14 BALLOT MEASURES.

The definition of project in the State CEQA Guidelines specifically excludes the submittal of proposals to a vote of the people of the state or of a particular community. This exemption does

not apply to the public agency that sponsors the initiative. When a governing body makes a decision to put a measure on the ballot, that decision may be discretionary and therefore subject to CEQA. In contrast, the enactment of a qualified voter-sponsored initiative under California Constitution Art. II, Section 11(a) and Election Code section 9214 is not a project and therefore is not subject to CEQA review.

(Reference: Local Guidelines Section 3.01; State CEQA Guidelines, § 15378(b)(3).)

3.15 TRANSIT PRIORITY PROJECT.

Exemption: Transit Priority Projects (see Local Guidelines Section 11.75) that are consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a Sustainable Community Strategy or an alternative planning strategy may be exempt from CEQA. To qualify for the exemption, the decision-making body must hold a hearing and make findings that the project meets all of Public Resources Code section 21155.1's environmental, housing, and public safety conditions and requirements.

Streamlined Review: A Transit Priority Project that has incorporated all feasible mitigation measures, performance standards or criteria set forth in a prior environmental impact report, may be eligible for streamlined environmental review. For a complete description of the requirements for this streamlined review see Public Resources Code section 21155.2. Similarly, the environmental review for a residential or mixed use residential project may limit, or entirely omit, its discussion of growth-inducing impacts or impacts from traffic on global warming under certain limited circumstances. Note, however, that impacts from other sources of greenhouse gas emissions would still need to be analyzed. For complete requirements see Public Resources Code section 21159.28.

Note that neither the exemption nor the streamlined review will apply until: (1) the applicable Metropolitan Planning Organization prepares and adopts a Sustainable Communities Strategy or alternative planning strategy for the region; and (2) the California Air Resources Board has accepted the Metropolitan Planning Organization's determination that the Sustainable Communities Strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets adopted for the region.

(Reference: Pub. Resources Code, §§ 21155.1, 21151.2, 21159.28.)

3.16 CERTAIN INFILL PROJECTS

(a) (1) If an environmental impact report was certified for a planning level decision of the city or county, the application of CEQA to the approval of an infill project shall be limited to the effects on the environment that (A) are specific to the project or to the project site and were not addressed as significant effects in the prior environmental impact report or (B) substantial new information shows the effects will be more significant than described in the prior environmental impact report. The attached Form "S" shall be used for this determination. A lead agency's determination pursuant to this section shall be supported by substantial evidence.

(2) An effect of a project upon the environment shall not be considered a specific effect of the project or a significant effect that was not considered significant in a prior environmental

impact report, or an effect that is more significant than was described in the prior environmental impact report if uniformly applicable development policies or standards adopted by the city, county, or the lead agency, would apply to the project and the lead agency makes a finding, based upon substantial evidence, that the development policies or standards will substantially mitigate that effect.

(b) If an infill project would result in significant effects that are specific to the project or the project site, or if the significant effects of the infill project were not addressed in the prior environmental impact report, or are more significant than the effects addressed in the prior environmental impact report, and if a mitigated negative declaration or a sustainable communities environmental assessment could not be otherwise adopted, an environmental impact report prepared for the project analyzing those effects shall be limited as follows:

(1) Alternative locations, densities, and building intensities to the project need not be considered.

(2) Growth inducing impacts of the project need not be considered.

(c) This section applies to an infill project that satisfies both of the following:

(1) The project satisfies any of the following:

A) Is consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy for which the State Air Resources Board, pursuant to subparagraph (H) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code, has accepted a metropolitan planning organization's determination that the sustainable communities strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets.

(B) Consists of a small walkable community project located in an area designated by a city for that purpose.

(C) Is located within the boundaries of a metropolitan planning organization that has not yet adopted a sustainable communities strategy or alternative planning strategy, and the project has a residential density of at least 20 units per acre or a floor area ratio of at least 0.75.

(2) Satisfies all applicable statewide performance standards contained in the guidelines adopted pursuant to Public Resources Code section 21094.5.5 (Form "R").

(d) This section applies after the Secretary of the Natural Resources Agency adopts and certifies the guidelines establishing statewide standards pursuant to Public Resources Code section 21094.5.5.

(e) For the purposes of this section, the following terms mean the following:

(1) "Infill project" means a project that meets the following conditions:

(A) Consists of any one, or combination, of the following uses:

(i) Residential.

(ii) Retail or commercial, where no more than one-half of the project area is used for parking.

(iii) A transit station.

(iv) A school.

(v) A public office building.

(B) Is located within an urban area on a site that has been previously developed, or on a vacant site where at least 75 percent of the perimeter of the site adjoins, or is separated only by an improved public right-of-way from, parcels that are developed with qualified urban uses.

(2) “Planning level decision” means the enactment or amendment of a general plan, community plan, specific plan, or zoning code.

(3) “Prior environmental impact report” means the environmental impact report certified for a planning level decision, as supplemented by any subsequent or supplemental environmental impact reports, negative declarations, or addenda to those documents.

(4) “Small walkable community project” means a project that is in an incorporated city, which is not within the boundary of a metropolitan planning organization and that satisfies the following requirements:

(A) Has a project area of approximately one-quarter mile diameter of contiguous land completely within the existing incorporated boundaries of the city.

(B) Has a project area that includes a residential area adjacent to a retail downtown area.

(C) The project has a density of at least eight dwelling units per acre or a floor area ratio for retail or commercial use of not less than 0.50.

(5) “Urban area” includes either an incorporated city or an unincorporated area that is completely surrounded by one or more incorporated cities that meets both of the following criteria:

(A) The population of the unincorporated area and the population of the surrounding incorporated cities equal a population of 100,000 or more.

(B) The population density of the unincorporated area is equal to, or greater than, the population density of the surrounding cities.

(Reference: Pub. Resources Code, § 21094.5.)

3.17 EXEMPTION FOR INFILL PROJECTS IN TRANSIT PRIORITY AREAS

A residential or mixed-use project, or a project with a floor area ratio of at least 0.75 on commercially-zoned property, including any required subdivision or zoning approvals, is exempt from CEQA if the project satisfies the following criteria:

- The project is located within a transit priority area as defined in Section 11.74 below;
- The project is consistent with an applicable specific plan for which an environmental impact report was certified; and
- The project is consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy for which the State Air Resources Board has accepted the determination that the sustainable communities strategy or the alternative planning strategy would achieve the applicable greenhouse gas emissions reduction targets.

Further environmental review shall be required for a project meeting the above criteria only if one of the events specified in Section 8.04 below occurs.

(Reference: State CEQA Guidelines, § 15182(b).)

3.18 EXEMPTION FOR RESIDENTIAL PROJECTS UNDERTAKEN PURSUANT TO A SPECIFIC PLAN

Where a public agency has prepared an EIR for a specific plan after January 1, 1980, a residential project undertaken pursuant to and in conformity with that specific plan is generally exempt from CEQA. Residential projects covered by this section include, but are not limited to, land subdivisions, zoning changes, and residential planned unit developments.

Further environmental review shall be required for a project meeting the above criteria only if, after the adoption of the specific plan, one of the events specified in Section 8.04 below occurs. In that circumstance, this exemption shall not apply until the city or county which adopted the specific plan completes a subsequent EIR or a supplement to an EIR on the specific plan. The exemption provided by this section shall again be available to residential projects after the Lead Agency has filed a Notice of Determination on the specific plan as reconsidered by the subsequent EIR or supplement to the EIR.

(Reference: State CEQA Guidelines, § 15182(c).)

3.19 TRANSFER OF LAND FOR THE PRESERVATION OF NATURAL CONDITIONS

CEQA does not apply to the acquisition, sale, or other transfer of interest in land by the District for the purpose of fulfilling any of the following purposes: (1) preservation of natural conditions existing at the time of transfer, including plant and animal habitats, (2) restoration of natural conditions, including plant and animal habitats, (3) continuing agricultural use of the land; (4) prevention of encroachment of development into flood plains; (5) preservation of historical

resources; or (6) preservation of open space or lands for park purposes. CEQA similarly does not apply to the granting or acceptance of funding by the District for the foregoing purposes.

The foregoing applies even if physical changes to the environment or changes in the use of the land are a reasonably foreseeable consequence of the acquisition, sale, or other transfer of the interests in land, or of the granting or acceptance of funding, provided that environmental review otherwise required by CEQA occurs before any project approval that would authorize physical changes being made to that land.

The District must file a Notice of Exemption with the State Clearinghouse and the County Clerk should it find a project exempt under this provision.

(Reference: Pub. Resources Code, § 21080.28.)

3.20 TRANSIT PRIORITIZATION PROJECTS.

CEQA exempts the following projects when (i) the project is carried out by a local agency that is the lead agency for the project; (ii) the project does not induce single-occupancy vehicle trips, add additional highway lanes, widen highways, or add physical infrastructure or striping to highways except for minor modifications needed for efficient and safe movement of transit vehicles, bicycles, or high-occupancy vehicles, such as extended merging lanes, shoulder improvements, or improvements to the roadway within the existing right of way; (iii) the project does not include the addition of any auxiliary lanes; and (iv) the construction of the project shall not require the demolition of affordable housing units:

- (1) Pedestrian and bicycle facilities—including bicycle parking, bicycle sharing facilities, and bikeways as defined in Section 890.4 of the Streets and Highways Code—that improve safety, access, or mobility, including new facilities, within the public right-of-way;
- (2) Projects that improve customer information and wayfinding for transit riders, bicyclists, or pedestrians within the public right-of-way;
- (3) Transit prioritization projects, which are defined to mean any of the following transit project types on highways or in the public right-of-way:
 - (a) Signal and sign changes, such as signal coordination, signal timing modifications, signal modifications, or the installation of traffic signs or new signals;
 - (b) The installation of wayside technology and onboard technology;
 - (c) The installation of ramp meters;
 - (d) The conversion to dedicated transit lanes, including transit queue jump or bypass lanes, shared turning lanes and turn restrictions, the narrowing of lanes to allow for dedicated transit lanes or transit reliability improvements,

or the widening of existing transit travel lanes by removing or restricting street parking; and

- (e) Transit stop access and safety improvements, including, but not limited to, the installation of transit bulbs and the installation of transit boarding islands.
- (4) A project for the designation and conversion of general purpose lanes to high-occupancy vehicle lanes or bus-only lanes, or highway shoulders to part-time transit lanes, for use either during peak congestion hours or all day on highways with existing public transit service or where a public transit agency will be implementing public transit service as identified in a short range transit plan.
- (5) A project for the institution or increase of bus rapid transit, bus, or light rail service, including the construction or rehabilitation of stations, terminals, or existing operations facilities, which will be exclusively used by zero-emission, near-zero emission, low oxide of nitrogen engine, compressed natural gas fuel, fuel cell, or hybrid powertrain buses or light rail vehicles, on existing public rights-of-way or existing highway rights-of-way, whether or not the right-of-way is in use for public mass transit. The project shall be located on a site that is wholly within the boundaries of an urbanized area or urban cluster, as designated by the United State Census Bureau.
- (6) A project to construct or maintain infrastructure to charge or refuel zero-emission transit buses, provided the project is carried out by a public transit agency that is subject to, and in compliance with, the State Air Resources Board's Innovative Clean Transit regulations (Article 4.3 (commencing with Section 2023) of Chapter 1 of Division 3 of Title 13 of the California Code of Regulations) and the project is located on property owned by the transit agency or within an existing public right-of-way.

A lead agency applying an exemption pursuant to this paragraph for hydrogen refueling infrastructure or facilities necessary to refuel or maintain zero-emission public transit buses, trains, or ferries shall hold a noticed public hearing and give notice of the meeting consistent with Public Resources Code section 21080.25(b)(6)(B).

- (7) The maintenance, repair, relocation, replacement, or removal of any utility infrastructure associated with a project identified in paragraphs (1) to (6), inclusive.
- (8) A project that consists exclusively of a combination of any of the components of a project identified in paragraphs (1) to (7), inclusive.
- (9) A planning decision carried out by a local agency to reduce or eliminate minimum parking requirements or institute parking maximums, remove or restrict parking, or implement transportation demand management requirements or programs.

Additional conditions apply to a project otherwise exempt under this section if the project exceeds fifty hundred million dollars (\$50,000,000), as set forth in Public Resources Code section 21080.25(d)-(e).

Moreover, a project exempt under this section may be subject to certain labor requirements, including that the project be completed by a skilled and trained workforce, as set forth in Public Resources Code section 21080.25(f).

If the District determines that a project is not subject to CEQA pursuant to this section and approves that project, the District must file a Notice of Exemption with both the Office of Planning and Research and the County Clerk of the county in which the project is located.

This exemption shall remain in effect only until January 1, 2030, and as of that date it will be repealed.

(Reference: Pub. Resources Code, § 21080.25.)

3.21 TRANSPORTATION PLANS, PEDESTRIAN PLANS, AND BICYCLE TRANSPORTATION PLANS.

CEQA does not apply to an active transportation plan, a pedestrian plan, or a bicycle transportation plan for restriping of streets and highways, bicycle parking and storage, signal timing to improve street and highway intersection operations, and the related signage for bicycles, pedestrians, and vehicles. An active transportation plan or pedestrian plan is encouraged to include the consideration of environmental factors, but that consideration does not inhibit or preclude the application of this section.

An individual project that is part of an active transportation plan or pedestrian plan remains subject to CEQA unless another exemption applies to that project.

Before determining that a project is exempt pursuant to this section, the Lead Agency must hold noticed public hearings in areas affected by the project to hear and respond to public comments. Publication of the notice must comply with Government Code section 6061 and be in a newspaper of general circulation in the area affected by the proposed project.

If the District determines that a project is not subject to CEQA pursuant to this section and approves that project, the District must file a Notice of Exemption with both the Office of Planning and Research and the County Clerk of the county in which the project is located.

For purposes of this section, the following definitions apply:

- (1) “Active transportation plan” means a plan developed by a local jurisdiction that promotes and encourages people to choose walking, bicycling, or rolling through the creation of safe, comfortable, connected, and accessible walking, bicycling, or rolling networks, and encourages alternatives to single-occupancy vehicle trips.

- (2) “Pedestrian plan” means a plan developed by a local jurisdiction that establishes a comprehensive, coordinated approach to improving pedestrian infrastructure and safety.

This exemption shall remain in effect only until January 1, 2030, and as of that date it will be repealed. (Reference: Pub. Resources Code, § 21080.20.)

3.22 WATER SYSTEM WELLS AND DOMESTIC WELL PROJECTS

CEQA does not apply to the construction, maintenance, repair, or replacement of a well or a domestic well that meets all of the following conditions:

- (1) The domestic well or water system to which the well is connected has been designated by the State Water Resources Control Board (“State Board”) as high risk or medium risk in the State Board’s drinking water needs assessment;
- (2) The well project is designed to mitigate or prevent a failure of the well or the domestic well that would leave residents that rely on the well, the water system to which the well is connected, or the domestic well without an adequate supply of safe drinking water;
- (3) The lead agency determines all of the following:
 - (a) The well project is not designed primarily to serve irrigation or future growth.
 - (b) The well project does not affect wetlands or sensitive habitats.
 - (c) Unusual circumstances do not exist that would cause the well project to have a significant effect on the environment.
 - (d) The well project is not located on a site that is included on any list compiled pursuant to Section 65962.5 of the Government Code.
 - (e) The well project does not have the potential to cause a substantial adverse change in the significance of a historical resource.
 - (f) The well project’s construction impacts are fully mitigated consistent with applicable law.
 - (g) The cumulative impact of successive reasonably anticipated projects of the same type as the well project, in the same place, over time, is not significant.

Before determining that a well project is exempt pursuant to this section, a lead agency must contact the State Board to determine whether claiming the exemption under this section will affect the ability of the well project to receive federal financial assistance or federally capitalized financial assistance.

A lead agency that determines that a well project is exempt under this section must file a notice of exemption with both OPR and the County Clerk. The notice of exemption must explain whether the project is additionally exempt from CEQA under Public Resources Code section 21080 (e.g., whether it is a ministerial project, an emergency repair necessary to maintain service, or an action necessary to prevent or mitigate an emergency), Public Resources Code section 21080.47 (see Section 3.23 of these Local Guidelines, below), or under the Class 1 (Existing Facilities) or Class 2 (Replacement or Reconstruction) categorical exemptions (see Section 3.28 of these Local Guidelines, below). If none of the exemptions referenced in this paragraph apply to a project that is otherwise exempt under this section, the notice of exemption must explain why the exemptions referenced in this paragraph do not apply to the project.

For purposes of this section, the following definitions apply:

A “well” is defined as a wellhead that provides drinking water to a “water system.”

A “domestic well” is defined as a groundwater well used to supply water for the domestic needs of an individual residence or a water system that is not a public water system and that has no more than four service connections.

A “water system” is defined to mean a “public water system” as that term is defined in Health and Safety Code section 116275(h) (i.e., a system for the provision of water for human consumption through pipes or other constructed conveyances that has 15 or more service connections or regularly serves at least 25 individuals daily at least 60 days out of the year), a “state small water system” as that term is defined in Health and Safety Code section 116275(n) (i.e., a system for the provision of piped water to the public for human consumption that serves at least five, but not more than 14, service connections and does not regularly serve drinking water to more than an average of 25 individuals daily for more than 60 days out of the year), or a tribal water system.

(Pub. Resources Code, § 21080.31 [in effect until January 1, 2028].)

3.23 SMALL DISADVANTAGED COMMUNITY WATER SYSTEM AND STATE SMALL WATER SYSTEM.

CEQA does not apply to certain water infrastructure projects that primarily benefit a “small disadvantaged community water system” or a “state small water system,” as these terms are defined in Public Resources Code section 21080.47. If certain labor requirements and other conditions are met as set forth in Public Resources Code section 21080.47, the installation, repair, or construction of the following for the benefit of a small disadvantaged community water system or state small water system is exempt from CEQA:

- (1) Drinking water groundwater wells with a maximum flow rate of up to 250 gallons per minute;
- (2) Drinking water treatment facilities with a footprint of less than 2,500 square feet that are not located in an environmentally sensitive area;

- (3) Drinking water storage tanks with a capacity of up to 250,000 gallons;
- (4) Booster pumps and hydropneumatic tanks;
- (5) Pipelines of less than one mile in length in a road right-of-way or up to seven miles in length in a road right-of-way when the project is required to address threatened or current drinking water violations;
- (6) Water services lines; and
- (7) Minor drinking water system appurtenances, including, but not limited to, system and service meters, fire hydrants, water quality sampling stations, valves, air releases and vacuum break valves, emergency generators, backflow prevention devices, and appurtenance enclosures.

(Reference: Pub. Resources Code, § 21080.47.)

3.24 CONSERVATION AND RESTORATION OF CALIFORNIA NATIVE FISH AND WILDLIFE.

(a) CEQA does not apply to a project that is exclusively one of the following (though a project may exclusively be one of the following even if it has incidental public benefits, such as public access or recreation) and meets the criteria set forth in subdivision (b) of this section:

- (1) A project to conserve, restore, protect, or enhance, and assist in the recovery of California native fish and wildlife, and the habitat upon which they depend.
 - (2) A project to restore or provide habitat for California native fish and wildlife.
- (b) This section does not apply to a project unless the project does both of the following:
- (1) Results in long-term net benefits to climate resiliency, biodiversity, and sensitive species recovery; and
 - (2) Includes procedures and ongoing management for the protection of the environment.
- (c) This section does not apply to a project that includes construction activities, except for construction activities solely related to habitat restoration.
- (d) The lead agency shall obtain the concurrence of the Director of Fish and Wildlife for the determinations required pursuant to subdivisions (a) through (c) above.
- (e) Within 48 hours of making a determination that a project is exempt pursuant to this section, the lead agency shall file a Notice of Exemption with the Office of Planning and Research, and the Department of Fish and Wildlife must post the concurrence of the Director of Fish and Wildlife on the department's website.

This exemption is in effect until January 1, 2025. (Pub. Resources Code, § 21080.56.)

3.25 LINEAR BROADBAND DEPLOYMENT IN A RIGHT-OF-WAY.

(a) CEQA does not apply to a project that consists of linear broadband deployment in a right-of-way if the project meets all of the following conditions:

- (1) The project is located in an area identified by the Public Utilities Commission as a component of the statewide open-access middle-mile broadband network pursuant to Section 11549.54 of the Government Code.
- (2) The project is constructed along, or within 30 feet of, the right-of-way of any public road or highway.
- (3) The project is either deployed underground where the surface area is restored to a condition existing before the project or placed aurally along an existing utility pole right-of-way.
- (4) The project incorporates, as a condition of project approval, measures developed by the Public Utilities Commission or the Department of Transportation to address potential environmental impacts. At a minimum, the project shall be required to include monitors during construction activities and measures to avoid or address impacts to cultural and biological resources.
- (5) The project applicant agrees to comply with all conditions otherwise authorized by law, imposed by the planning department of a city or county as part of a local agency permit process, that are required to mitigate potential impacts of the proposed project, and to comply with the Keene-Nejedly California Wetlands Preservation Act (Chapter 7 (commencing with Section 5810) of Division 5), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), as applicable, other applicable state laws, and all applicable federal laws.

(b) If a project meets all of the requirements of subdivision (a), the project applicant shall do all of the following:

- (1) Notify, in writing, any affected public agency, including, but not limited to, any public agency having permit, land use, environmental, public health protection, or emergency response authority, of the exemption of the project pursuant to this section.
- (2) File a Notice of Exemption.

- (3) In the case of private rights-of-way over private property, receive from the underlying property owner permission for access to the property.
- (4) Comply with all conditions authorized by law imposed by the planning department of a city or county as part of any local agency permit process, that are required to mitigate potential impacts of the proposed project, and otherwise comply with the Keene-Nejedly California Wetlands Preservation Act (Chapter 7 (commencing with Section 5810) of Division 5), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), as applicable, other applicable state laws, and all applicable federal laws.

(Pub. Resources Code, § 21080.51.)

3.26 NEEDLE AND SYRINGE EXCHANGE SERVICES.

The Legislature has authorized cities and counties meeting certain requirements to apply to the State Department of Public Health for authorization to provide hypodermic needle and syringe exchange services consistent with state standards in any location where the State Department of Public Health determines that the conditions exist for the rapid spread of human immunodeficiency virus (HIV), viral hepatitis, or any other potentially deadly or disabling infections that are spread through the sharing of used hypodermic needles and syringes. (Health and Safety Code, § 121349.) Needle and syringe exchange services application submissions, authorizations, and operations performed pursuant to Health and Safety Code section 121349 are exempt from review under CEQA. (Health and Safety Code, § 121349(h).)

3.27 OTHER SPECIFIC EXEMPTIONS.

CEQA and the State CEQA Guidelines exempt many other specific activities, including early activities related to thermal power plants, ongoing projects, transportation improvement programs, family day care homes, congestion management programs, railroad grade separation projects, restriping of streets or highways to relieve traffic congestion, hazardous or volatile liquid pipelines, and the installation of solar energy systems, including, but not limited to solar panels. Specific statutory exemptions are listed in the Public Resources Code, including Sections 21080 through 21080.35, and in the State CEQA Guidelines, including Sections 15260 through 15285. In addition, other titles of the California Codes provide statutory exemptions from CEQA, including, for example, Government Code section 12012.70.

3.28 CATEGORICAL EXEMPTIONS.

The State CEQA Guidelines establish certain classes of categorical exemptions. These apply to classes of projects which have been determined not to have a significant effect on the environment and which, therefore, are generally exempt from CEQA. For any project that falls within one of these classes of categorical exemptions, the preparation of environmental documents under CEQA is not required. The classes of projects are briefly summarized below. (Reference to the State CEQA Guidelines for the full description of each exemption is recommended.)

The exemptions for Classes 3, 4, 5, 6, and 11 below are qualified in that such projects must be considered in light of the location of the project. A project that is ordinarily insignificant in its impact on the environment may, in a particularly sensitive environment, be significant. Therefore, these classes are considered to apply in all instances except when the project may impact an environmental resource of hazardous or critical concern that has been designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies.

All classes of categorical exemptions are qualified. None of the categorical exemptions are applicable if any of the following circumstances exist:

- (1) The cumulative impact of successive projects of the same type in the same place over time is significant;
- (2) There is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances;
- (3) The project may result in damage to a scenic resource or may result in a substantial adverse change to a historical resource; or
- (4) The project is located on a site which is included on any hazardous waste site or list compiled pursuant to Government Code section 65962.5.

However, a project's greenhouse gas emissions do not, in and of themselves, cause an exemption to be inapplicable if the project otherwise complies with all applicable regulations or requirements adopted to implement statewide, regional, or local plans consistent with State CEQA Guidelines section 15183.5.

With the foregoing limitations in mind, the following classes of activity are generally exempt from CEQA:

Class 1: Existing Facilities. Activities involving the operation, repair, maintenance, permitting, leasing, licensing, minor alteration of—or legislative activities to regulate—existing public or private structures, facilities, mechanical equipment or other property, or topographical features, provided the activity involves negligible or no expansion of existing or former use. The types of “existing facilities” itemized in State CEQA Guidelines section 15301 are not intended to be all-inclusive of the types of projects which might fall within the Class 1 categorical exemption. The key consideration is whether the project involves negligible or no expansion of use. (State CEQA Guidelines, § 15301.)

Class 2: Replacement or Reconstruction. Replacement or reconstruction of existing facilities, structures, or other property where the new facility or structure will be located on the same site as the replaced or reconstructed facility or structure and will have substantially the same purpose and capacity as the replaced or reconstructed facility or structure. (State CEQA Guidelines, § 15302.)

Class 3: New Construction or Conversion of Small Structures. Construction of limited numbers of small new facilities or structures; installation of small new equipment or facilities in small structures; and the conversion of existing small structures from one use to another, when

only minor modifications are made in the exterior of the structure. This exemption includes structures built for both residential and commercial uses. (State CEQA Guidelines, § 15303 outlines, among other things, the maximum number of structures allowable under this exemption[.])

Class 4: Minor Alterations to Land. Minor alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees, except for forestry or agricultural purposes. (State CEQA Guidelines, § 15304.)

Class 5: Minor Alterations in Land Use Limitations. Minor alterations in land use limitations in areas with an average slope of less than 20% which do not result in any changes in land use or density. (State CEQA Guidelines, § 15305.)

Class 6: Information Collection. Basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. (State CEQA Guidelines, § 15306.)

Class 7: Actions by Regulatory Agencies for Protection of Natural Resources. Actions taken by regulatory agencies as authorized by state law or local ordinance to assure the maintenance, restoration, or enhancement of a natural resource where the regulatory process involves procedures for protection of the environment. (State CEQA Guidelines, § 15307.)

Class 8: Actions By Regulatory Agencies for Protection of the Environment. Actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement or protection of the environment where the regulatory process involves procedures for protection of the environment. (State CEQA Guidelines, § 15308.)

Class 9: Inspection. Inspection activities, including, but not limited to, inquiries into the performance of an operation and examinations of the quality, health or safety of a project. (State CEQA Guidelines, § 15309.)

Class 10: Loans. Loans made by the Department of Veterans Affairs under the Veterans Farm and Home Purchase Act of 1943, mortgages for the purchase of existing structures where the loan will not be used for new construction and the purchase of such mortgages by financial institutions. (State CEQA Guidelines, § 15310.)

Class 11: Accessory Structures. Construction or replacement of minor structures accessory or appurtenant to existing commercial, industrial, or institutional facilities, including, but not limited to, on-premise signs; small parking lots; and placement of seasonal or temporary use items, such as lifeguard towers, mobile food units, portable restrooms or similar items in generally the same locations from time to time in publicly owned parks, stadiums or other facilities designed for public use. (State CEQA Guidelines, § 15311.)

Class 12: Surplus Government Property Sales. Sales of surplus government property, except for certain parcels of land located in an area of statewide, regional or area-wide concern identified in State CEQA Guidelines section 15206(b)(4). However, even if the surplus property to be sold is located in any of those areas, its sale is exempt if:

- (a) The property does not have significant values for wildlife or other environmental purposes; and
- (b) Any one of the following three conditions is met:
 1. The property is of such size, shape, or inaccessibility that it is incapable of independent development or use;
 2. The property to be sold would qualify for an exemption under any other class of categorical exemption in the State CEQA Guidelines; or
 3. The use of the property and adjacent property has not changed since the time of purchase by the public agency.

(State CEQA Guidelines, § 15312.)

Class 13: Acquisition of Lands for Wildlife Conservation Purposes. Acquisition of lands for fish and wildlife conservation purposes, including preservation of fish and wildlife habitat, establishment of ecological preserves under Fish and Game Code section 1580, and preservation of access to public lands and waters where the purpose of the acquisition is to preserve the land in its natural condition. (State CEQA Guidelines, § 15313.)

Class 14: Minor Additions to Schools. Minor additions to existing schools within existing school grounds where the addition does not increase original student capacity by more than 25% or ten (10) classrooms, whichever is less. The addition of portable classrooms is included in this exemption. (State CEQA Guidelines, § 15314.)

Class 15: Minor Land Divisions. Division(s) of property in urbanized areas zoned for residential, commercial or industrial use into four or fewer parcels when the division is in conformance with the General Plan and zoning, no variances or exceptions are required, all services and access to the proposed parcels to local standards are available, the parcel was not involved in a division of a larger parcel within the previous two (2) years, and the parcel does not have an average slope greater than 20%. (State CEQA Guidelines, §15315.)

Class 16: Transfer of Ownership of Land in Order to Create Parks. Acquisition, sale, or other transfer of land in order to establish a park where the land is in a natural condition or contains historical or archaeological resources and either:

- (a) The management plan for the park has not been prepared, or
- (b) The management plan proposes to keep the area in a natural condition or preserve the historic or archaeological resources.

CEQA will apply when a management plan is proposed that will change the area from its natural condition or cause substantial adverse change in the significance of the historic or archaeological resource. (State CEQA Guidelines, § 15316.)

Class 17: Open Space Contracts or Easements. Establishment of agricultural preserves, making and renewing of open space contracts under the Williamson Act, or acceptance of easements or fee interests in order to maintain the open space character of the area. (The cancellation of such preserves, contracts, interests or easements is not included in this exemption.) (State CEQA Guidelines, § 15317.)

Class 18: Designation of Wilderness Areas. Designation of wilderness areas under the California Wilderness System. (State CEQA Guidelines, § 15318.)

Class 19: Annexations of Existing Facilities and Lots for Exempt Facilities.

This exemption applies only to the following annexations:

- (a) Annexations to a city or special district of areas containing existing public or private structures developed to the density allowed by the current zoning or rezoning of either the gaining or losing governmental agency, whichever is more restrictive; provided, however, that the extension of utility services to the existing facilities would have a capacity to serve only the existing facilities; and
- (b) Annexations of individual small parcels of the minimum size for facilities exempted by Class 3, New Construction or Conversion of Small Structures.

(State CEQA Guidelines, § 15319.)

Class 20: Changes in Organization of Local Agencies. Changes in the organization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised. Examples include but are not limited to:

- (a) Establishment of a subsidiary district;
- (b) Consolidation of two or more districts having identical powers; and
- (c) Merger with a city of a district lying entirely within the boundaries of the city.

(State CEQA Guidelines, § 15320.)

Class 21: Enforcement Actions by Regulatory Agencies. Actions by regulatory agencies to enforce or revoke a lease, permit, license, certificate or other entitlement for use issued, adopted or prescribed by the regulatory agency or enforcement of a law, general rule, standard or objective administered or adopted by the regulatory agency; or law enforcement activities by peace officers acting under any law that provides a criminal sanction. The direct referral of a violation of lease, permit, license, certificate, or entitlement to the City Attorney for judicial enforcement is exempt under this Class. (Construction activities undertaken by the public agency taking the enforcement or revocation action are not included in this exemption.) (State CEQA Guidelines, § 15321.)

Class 22: Educational or Training Programs Involving No Physical Changes. The adoption, alteration or termination of educational or training programs which involve no physical alteration in the area affected or which involve physical changes only in the interior of existing school or training structures. Examples include but are not limited to:

- (a) Development of or changes in curriculum or training methods; or
- (b) Changes in the trade structure in a school which do not result in changes in student transportation. (State CEQA Guidelines, § 15322.)

Class 23: Normal Operations of Facilities for Public Gatherings. Continued or repeated normal operations of existing facilities for public gatherings for which the facilities were designed, where there is past history, of at least three years, of the facility being used for the same or similar purposes. Facilities included within this exemption include, but are not limited to, race tracks,

stadiums, convention centers, auditoriums, amphitheaters, planetariums, swimming pools and amusement parks. (State CEQA Guidelines, § 15323.)

Class 24: Regulation of Working Conditions. Actions taken by the District to regulate employee wages, hours of work or working conditions where there will be no demonstrable physical changes outside the place of work. (State CEQA Guidelines, § 15324.)

Class 25: Transfers of Ownership of Interest in Land to Preserve Existing Natural Conditions and Historical Resources. Transfers of ownership of interest in land in order to preserve open space, habitat, or historical resources. Examples include, but are not limited to, acquisition, sale, or other transfer of areas to: preserve existing natural conditions, including plant or animal habitats; allow continued agricultural use of the areas; allow restoration of natural conditions; preserve open space or lands for natural park purposes; or prevent encroachment of development into floodplains. This exemption does not apply to the development of parks or park uses. (State CEQA Guidelines, § 15325.)

Class 26: Acquisition of Housing for Housing Assistance Programs. Actions by a redevelopment agency, housing authority or other public agency to implement an adopted Housing Assistance Plan by acquiring an interest in housing units, provided the housing units are either in existence or possessing all required permits for construction when the agency makes its final decision to acquire the units. (State CEQA Guidelines, § 15326.)

Class 27: Leasing New Facilities. Leasing of a newly constructed or previously unoccupied privately owned facility by a local or state agency when the District determines that the proposed use of the facility:

- (a) Conforms with existing state plans and policies and with general, community, and specific plans for which an EIR or Negative Declaration has been prepared;
- (b) Is substantially the same as that originally proposed at the time the building permit was issued;
- (c) Does not result in a traffic increase of greater than 10% of front access road capacity; and
- (d) Includes the provision of adequate employee and visitor parking facilities.

(State CEQA Guidelines, § 15327.)

Class 28: Small Hydroelectric Projects as Existing Facilities. Installation of certain small hydroelectric-generating facilities in connection with existing dams, canals and pipelines, subject to the conditions in State CEQA Guidelines section 15328. (State CEQA Guidelines, § 15328.)

Class 29: Cogeneration Projects at Existing Facilities. Installation of cogeneration equipment with a capacity of 50 megawatts or less at existing facilities meeting certain conditions listed in State CEQA Guidelines section 15329. (State CEQA Guidelines, § 15329.)

Class 30: Minor Actions to Prevent, Minimize, Stabilize, Mitigate or Eliminate the Release or Threat of Release of Hazardous Waste or Hazardous Substances. Any minor cleanup actions taken to prevent, minimize, stabilize, mitigate, or eliminate the release or threat of release

of a hazardous waste or substance which are small or medium removal actions costing \$1 million or less.

- (a) No cleanup action shall be subject to this Class 30 exemption if the action requires the onsite use of a hazardous waste incinerator or thermal treatment unit or the relocation of residences or businesses, or the action involves the potential release into the air of volatile organic compounds as defined in Health and Safety Code section 25123.6, except for small scale in situ soil vapor extraction and treatment systems which have been permitted by the local Air Pollution Control District or Air Quality Management District. All actions must be consistent with applicable state and local environmental permitting requirements including, but not limited to, off-site disposal, air quality rules such as those governing volatile organic compounds and water quality standards, and approved by the regulatory body with jurisdiction over the site;
- (b) Examples of such minor cleanup actions include but are not limited to:
 1. Removal of sealed, non-leaking drums of hazardous waste or substances that have been stabilized, containerized and are designated for a lawfully permitted destination;
 2. Maintenance or stabilization of berms, dikes, or surface impoundments;
 3. Construction or maintenance or interim of temporary surface caps;
 4. Onsite treatment of contaminated soils or sludge provided treatment system meets Title 22 requirements and local air district requirements;
 5. Excavation and/or offsite disposal of contaminated soils or sludge in regulated units;
 6. Application of dust suppressants or dust binders to surface soils;
 7. Controls for surface water run-on and run-off that meets seismic safety standards;
 8. Pumping of leaking ponds into an enclosed container;
 9. Construction of interim or emergency ground water treatment systems; or
 10. Posting of warning signs and fencing for a hazardous waste or substance site that meets legal requirements for protection of wildlife.

(State CEQA Guidelines, § 15330.)

Class 31: Historical Resource Restoration/Rehabilitation. Maintenance, repairs, stabilization, rehabilitation, restoration, preservation, conservation, or reconstruction of historical resources in a manner consistent with the Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings (1995), Weeks and Grimmer. (State CEQA Guidelines, § 15331.)

Class 32: Infill Development Projects. Infill development meeting the following conditions:

- (a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations;

- (b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses;
- (c) The project site has no value as habitat for endangered, rare or threatened species;
- (d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality; and
- (e) The site can be adequately served by all required utilities and public services.

(State CEQA Guidelines, § 15332.)

Class 33: Small Habitat Restoration Projects.

This exemption applies to projects to assure the maintenance, restoration, enhancement, or protection of habitat for fish, plants, or wildlife, provided that such projects meet the following criteria:

- (a) The project does not exceed five acres in size;
- (b) There would be no significant adverse impact on endangered, rare or threatened species or their habitat pursuant to Section 15065 of the State CEQA Guidelines;
- (c) There are no hazardous materials at or around the project site that may be disturbed or removed; and
- (d) The project will not result in impacts that are significant when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.

Examples of small habitat restoration projects include, but are not limited to: revegetation of disturbed areas with native plant species; wetland restoration, the primary purpose of which is to improve conditions for waterfowl or other species that rely on wetland habitat; stream or river bank revegetation, the primary purpose of which is to improve habitat for amphibians or native fish; projects to restore or enhance habitat that are carried out principally with hand labor and not mechanized equipment; stream or river bank stabilization with native vegetation or other bioengineering techniques, the primary purpose of which is to reduce or eliminate erosion and sedimentation; and culvert replacement conducted in accordance with published guidelines of DFW or NOAA Fisheries, the primary purpose of which is to improve habitat or reduce sedimentation. (State CEQA Guidelines, § 15333.)

4. TIME LIMITATIONS

4.01 REVIEW OF PRIVATE PROJECT APPLICATIONS.

Staff shall determine whether the application for a private project is complete within thirty (30) days of receipt of the application. No application may be deemed incomplete based on an applicant's refusal to waive the time limitations set forth in Local Guidelines Sections 4.03 and 4.04.

Accepting an application as complete does not limit the authority of the District, acting as Lead Agency or Responsible Agency, to require the applicant to submit additional information needed for environmental evaluation of the project. Requiring such additional information after the application is complete does not change the status of the application.

(Reference: State CEQA Guidelines, § 15101.)

4.02 DETERMINATION OF TYPE OF ENVIRONMENTAL DOCUMENT.

Except as provided in Local Guidelines Sections 4.05 and 4.06, Staff's initial determination as to whether a Negative Declaration, Mitigated Negative Declaration or an EIR should be prepared shall be made within thirty (30) days from the date on which an application for a project is accepted as complete by the District. This period may be extended fifteen (15) days with consent of the applicant and the District.

(Reference: State CEQA Guidelines, § 15102.)

4.03 COMPLETION AND ADOPTION OF NEGATIVE DECLARATION.

For private projects involving the issuance of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies, the Negative Declaration/Mitigated Negative Declaration shall be completed and approved within one hundred eighty (180) days from the date when the District accepted the application as complete. In the event that compelling circumstances justify additional time and the project applicant and Lead Agency consent thereto, Staff may provide that the 180-day time limit may be extended once for a period of not more than 90 days.

(Reference: State CEQA Guidelines, § 15107.)

4.04 COMPLETION AND CERTIFICATION OF FINAL EIR.

For private projects, the Final EIR shall be completed and certified by the District within one (1) year after the date the District accepted the application as complete. In the event that compelling circumstances justify additional time and the project applicant consents thereto, the District may provide a one-time extension up to ninety (90) days for completing and certifying the EIR.

(Reference: State CEQA Guidelines, § 15108.)

4.05 PROJECTS SUBJECT TO THE PERMIT STREAMLINING ACT.

The Permit Streamlining Act requires agencies to make decisions on certain development project approvals within specified time limits. If a project is subject to the Permit Streamlining Act, the District cannot require the project applicant to submit the informational equivalent of an EIR or prove compliance with CEQA as a prerequisite to determining whether the project application is complete. In addition, if requested by the project applicant, the District must begin processing the project application prior to final CEQA action, provided the information necessary to begin the process is available.

(Reference: Gov. Code §§ 65941, 65944.)

Under the Permit Streamlining Act, the Lead Agency must approve or disapprove the development project application within one hundred eighty (180) days from the date on which it certifies the EIR, or within ninety (90) days of certification if an extension for completing and certifying the EIR was granted. If the Lead Agency adopts a Negative Declaration/Mitigated Negative Declaration or determines the development project is exempt from CEQA, it shall approve or disapprove the project application within sixty (60) days from the date on which it adopts the Negative Declaration/Mitigated Negative Declaration or determines that the project is exempt from CEQA.

(Reference: Gov. Code §§ 65950, 65950.1; see also State CEQA Guidelines, § 15107.)

Except for waivers of the time periods for preparing a joint Environmental Impact Report/Environmental Impact Statement (as outlined in Government Code sections 65951 and 65957), the District cannot require a waiver of the time limits specified in the Permit Streamlining Act as a condition of accepting or processing a development project application. In addition, the District cannot disapprove a development project application in order to comply with the time limits specified in the Permit Streamlining Act.

(Reference: Gov. Code §§ 65940.5, 65952.2.)

4.06 PROJECTS, OTHER THAN THOSE SUBJECT TO THE PERMIT STREAMLINING ACT, WITH SHORT TIME PERIODS FOR APPROVAL.

A few statutes require agencies to make decisions on project applications within time limits that are so short that review of the project under CEQA would be difficult. To enable the District as Lead Agency to comply with both the enabling statute and CEQA, the District shall deem a project application as not received for filing under the enabling statute until such time as the environmental documentation required by CEQA is complete. This section applies where all of the following conditions are met:

- (a) The enabling statute for a program, other than development projects under Chapter 4.5 (commencing with Section 65920) of Division 1 of Title 7 of the Government Code, requires the District to take action on an application within a specified period of time of six (6) months or less;
- (b) The enabling statute provides that the project is approved by operation of law if the District fails to take any action within the specified time period; and

- (c) The project application involves the District's issuance of a lease, permit, license, certificate or other entitlement for use.

In any case, the environmental document shall be completed or certified and the decision on the application shall be made within the period established by the Permit Streamlining Act (Government Code sections 65920, et seq.).

(Reference: State CEQA Guidelines, § 15111.)

4.07 WAIVER OR SUSPENSION OF TIME PERIODS.

These deadlines may be waived by the applicant if the project is subject to both CEQA and the National Environmental Policy Act ("NEPA").

An unreasonable delay by an applicant in meeting the District's requests necessary for the preparation of a Negative Declaration, Mitigated Negative Declaration, or an EIR shall suspend the running of the time periods described in Local Guidelines sections 4.03 and 4.04 for the period of the unreasonable delay. Alternatively, the District may disapprove a project application where there is unreasonable delay in meeting requests. The District may also allow a renewed application to start at the same point in the process where the prior application was when it was disapproved.

(Reference: State CEQA Guidelines, §§ 15109, 15110, and 15224; see Section 5.04 of these Local Guidelines for information about projects that are subject to both CEQA and NEPA.)

5. INITIAL STUDY

5.01 PREPARATION OF INITIAL STUDY.

If the District determines that it is the Lead Agency for a project which is not exempt, the District will normally prepare an Initial Study to ascertain whether the project may have a substantial adverse effect on the environment, regardless of whether the overall effect of the project is adverse or beneficial. All phases of project planning, implementation and operation must be considered in the Initial Study. An Initial Study may rely on expert opinion supported by facts, technical studies or other substantial evidence. However, an Initial Study is neither intended nor required to include the level of detail included in an EIR.

The District, as Lead Agency, may use any of the following arrangements or combination of arrangements to prepare an Initial Study:

- (1) Preparing the Initial Study directly with the District's own staff.
- (2) Contracting with another entity, public or private, to prepare the Initial Study.
- (3) Accepting a draft Initial Study prepared by the applicant, a consultant retained by the applicant, or any other third person.
- (4) Executing a third party contract or memorandum of understanding with the applicant to govern the preparation of an Initial Study by an independent contractor.
- (5) Using a previously prepared Initial Study.

The Initial Study sent out for public review, however, must reflect the independent judgment of the Lead Agency.

For private projects, the person or entity proposing to carry out the project shall complete Form "I" of these Local CEQA Guidelines, submit the completed Form "I" to the District, and submit all other data and information as may be required by the District to determine whether the proposed project may have a significant effect on the environment. All costs incurred by the District in reviewing the data and information submitted, or in conducting its own investigation based upon such data and information, or in preparing an Initial Study for the project shall be borne by the person or entity proposing to carry out the project.

(Reference: State CEQA Guidelines, §§ 15063, 15084.)

5.02 INFORMAL CONSULTATION WITH OTHER AGENCIES.

When more than one public agency will be involved in undertaking or approving a project, the Lead Agency shall consult with all Responsible and any Trustee Agencies. Such consultation shall be undertaken in compliance with the notice procedures applicable to the type of CEQA document being prepared. See Section 6.04, Negative Declarations, and Sections 7.03 and 7.25, EIRs.

When the District is acting as Lead Agency, the District may choose to engage in early consultation with Responsible and Trustee Agencies before the District begins to prepare the Initial Study. This early consultation may be done quickly and informally and is intended to ensure that the EIR, Negative Declaration or Mitigated Negative Declaration reflects the concerns of all Responsible Agencies that will issue approvals for the project and all Trustee Agencies responsible for natural resources affected by the project. The District's early consultation process may include consultation with other individuals or organizations with an interest in the project, if the District so desires. The OPR, upon request of the District or a private project applicant, shall assist in identifying the various Responsible Agencies for a proposed project and ensure that the Responsible Agencies are notified regarding any early consultation. In the case of a project undertaken by a public agency, the OPR, upon request of the District, shall ensure that any Responsible Agency or public agency that has jurisdiction by law with respect to the project is notified regarding any early consultation.

If, during the early consultation process it is determined that the project will clearly have a significant effect on the environment, the District, as Lead Agency, may immediately dispense with the Initial Study and determine that an EIR is required.

(Reference: State CEQA Guidelines, § 15063.)

5.03 CONSULTATION WITH PRIVATE PROJECT APPLICANT.

During or immediately after preparation of an Initial Study for a private project, the District may consult with the applicant to determine if the applicant is willing to modify the project to reduce or avoid the significant effects identified in the Initial Study. If the project can be revised to avoid or mitigate effects to a level of insignificance and there is no substantial evidence before the District that the project, as revised, may have a significant effect on the environment, the District may prepare and adopt a Negative Declaration or Mitigated Negative Declaration. If any significant effect may still occur despite alterations of the project, an EIR must be prepared.

(Reference: State CEQA Guidelines, § 15063(g).)

5.04 PROJECTS SUBJECT TO NEPA.

Projects that are carried out, financed, or approved in whole or in part by a federal agency are subject to the provisions of NEPA in addition to CEQA. To the extent possible, the State CEQA Guidelines encourage the District, when it is a Lead Agency under CEQA, to use the federally-prepared Environmental Impact Statement ("EIS") or Finding of No Significant Impact ("FONSI") or to prepare a joint CEQA/NEPA document instead of preparing separate NEPA and CEQA documents for a project that is subject to both NEPA and CEQA. (State CEQA Guidelines, § 15220.)

For example, the District should attempt to work in conjunction with the federal agency involved in the project to prepare a combined EIR-EIS or Negative Declaration-FONSI. (State CEQA Guidelines, § 15222.) To avoid the need for the federal agency to prepare a separate document for the same project, the Lead Agency must involve the federal agency in the preparation of the joint document. The Lead Agency may also enter into a Memorandum of Understanding with the federal agency to ensure that both federal and state requirements are met.

The District is required to cooperate with the federal agency and to utilize joint planning processes, environmental research and studies, public hearings, and environmental documents to the fullest extent possible. (State CEQA Guidelines, § 15226.) However, since NEPA does not require an examination of mitigation measures or growth-inducing impacts, analysis of mitigation measures and growth-inducing impacts will need to be added before NEPA documents may be used to satisfy CEQA. (State CEQA Guidelines, § 15221.)

For projects that are subject to NEPA, a scoping meeting held pursuant to NEPA satisfies the CEQA scoping requirement as long as notice is provided to the agencies and individuals listed in Local Guidelines Section 7.10, and provided in accordance with these Local Guidelines.

If the federal agency refuses to cooperate with the District with regard to the preparation of joint documents, the District should attempt to involve a state agency in the preparation of the EIR, Negative Declaration, or Mitigated Negative Declaration. Since federal agencies are explicitly permitted to utilize environmental documents prepared by agencies of statewide jurisdiction, it is possible that the federal agency will reuse the state-prepared CEQA documents instead of requiring the applicant to fund a redundant set of federal environmental documents. (State CEQA Guidelines, § 15228.)

Where the federal agency has circulated the EIS or FONSI and the circulation satisfied the requirements of CEQA and any other applicable laws, the District, when it is a Lead Agency under CEQA, may use the EIS or FONSI in place of an EIR or Negative Declaration without having to recirculate the federal documents. The District's intention to adopt the previously circulated EIS or FONSI must be publicly noticed in the same way as a Notice of Availability of a Draft EIR. Special rules may apply when the environmental documents are prepared for projects involving the reuse of military bases. (See State CEQA Guidelines, § 15225.)

5.05 AN INITIAL STUDY.

The Initial Study shall be used to determine whether a Negative Declaration, Mitigated Negative Declaration or an EIR shall be prepared for a project. It provides written documentation of whether the District found evidence of significant adverse impacts which might occur. The purposes of an Initial Study are to:

- (a) Identify environmental impacts;
- (b) Enable an applicant or Lead Agency to modify a project, mitigating adverse impacts before an EIR is written;
- (c) Focus an EIR, if one is required, on potentially significant environmental effects;
- (d) Facilitate environmental assessment early in the design of a project;
- (e) Provide documentation of the factual basis for the finding in a Negative Declaration that a project will not have a significant effect on the environment;
- (f) Eliminate unnecessary EIRs; and
- (g) Determine whether a previously prepared EIR could be used for the project.

(Reference: State CEQA Guidelines, § 15063.)

5.06 CONTENTS OF INITIAL STUDY.

An Initial Study shall contain in brief form:

- (a) A description of the project, including the location of the project. The project description must be consistent throughout the environmental review process;
- (b) An identification of the environmental setting. The environmental setting is usually the existing physical environmental conditions in the vicinity of the project, as they exist at the time the Notice of Preparation is published, or if no Notice of Preparation is published, such as in the case of a Negative Declaration or Mitigated Negative Declaration, at the time environmental analysis begins. The environmental setting should describe both the project site and surrounding properties. The description should include, but not necessarily be limited to, a discussion of existing structures, land use, energy supplies, topography, water usage, soil stability, plants and animals, and any cultural, historical, or scenic aspects. This environmental setting will normally constitute the baseline physical conditions against which a Lead Agency may compare the project to determine whether an impact is significant;
- (c) An identification of environmental effects by use of a checklist, matrix, or other method, provided that entries are briefly explained to show the evidence supporting the entries. The brief explanation may be through either a narrative or a reference to other information such as attached maps, photographs, or an earlier EIR or Negative Declaration or Mitigated Negative Declaration. A reference to another document should include a citation to the page or pages where the information is found;
- (d) A discussion of ways to mitigate any significant effects identified;
- (e) An examination of whether the project is consistent with existing zoning and local land use plans and other applicable land use controls;
- (f) The name of the person or persons who prepared or participated in the Initial Study; and
- (g) Identification of prior EIRs or environmental documents that could be used with the project.

(Reference: State CEQA Guidelines, § 15063(d).)

5.07 USE OF A CHECKLIST INITIAL STUDY.

When properly completed, the Environmental Checklist (Form “J”) will meet the requirements of Local Guidelines Section 5.05 for an Initial Study provided that the entries on the checklist are explained. Either the Environmental Checklist (Form “J”) should be expanded or a separate attachment should be prepared to describe the project, including its location, and to identify the environmental setting.

California courts have rejected the use of a bare, unsupported Environmental Checklist as an Initial Study. An Initial Study must contain more than mere conclusions. It must disclose supporting data or evidence upon which the Lead Agency relied in conducting the Initial Study. The Lead Agency must augment checklists with supporting factual data and reference information sources when completing the forms. Explanation of all “potential impact” answers should be provided on attached sheets. For controversial projects, it is advisable to state briefly why “no”

answers were checked. If practicable, attach a list of reference materials, such as prior EIRs, plans, traffic studies, air quality data, or other supporting studies.

5.08 EVALUATING SIGNIFICANT ENVIRONMENTAL EFFECTS.

In evaluating the environmental significance of effects disclosed by the Initial Study, the Lead Agency shall consider:

- (a) Whether the Initial Study and/or any comments received informally during consultations indicate that a fair argument can be made that the project may have a significant adverse environmental impact that cannot be mitigated to a level of insignificance. Even if a fair argument can be made to the contrary, an EIR should be prepared;
- (b) Whether both primary (direct) and reasonably foreseeable secondary (indirect) consequences of the project were evaluated. Primary consequences are immediately related to the project, while secondary consequences are related more to the primary consequences than to the project itself. For example, secondary impacts upon the resources base, including land, air, water and energy use of an area, may result from population growth, a primary impact;
- (c) Whether adverse social and economic changes will result from a physical change caused by the project. Adverse economic and social changes resulting from a project are not, in themselves, significant environmental effects. However, if such adverse changes cause physical changes in the environment, those consequences may be used as the basis for finding that the physical change is significant;
- (d) Whether there is serious public controversy or disagreement among experts over the environmental effects of the project. However, the existence of public controversy or disagreement among experts does not, without more, require preparation of an EIR in the absence of substantial evidence of significant effects;
- (e) Whether the cumulative impact of the project is significant and whether the incremental effects of the project are “cumulatively considerable” (as defined in Local Guidelines Section 11.13) when viewed in connection with the effects of past projects, current projects, and probable future projects. The District may conclude that a project’s incremental contribution to a cumulative effect is not cumulatively considerable if the project will comply with the requirements in a previously approved plan or mitigation program (including, but not limited to, water quality control plan, air quality attainment or maintenance plan, integrated waste management plan, habitat conservation plan, natural community conservation plan, plans or regulations for the reduction of greenhouse gas emissions) that provides specific requirements that will avoid or substantially lessen the cumulative problem. To be used for this purpose, such a plan or program must be specified in law or adopted by the public agency with jurisdiction over the affected resources through a public review process. In relying on such a plan or program, the District should explain which requirements apply to the project and ensure that the project’s incremental contribution is not cumulatively considerable; and
- (f) Whether the project may cause a substantial adverse change in the significance of an archaeological or historical resource.

The District may use a threshold of significance (as that term is defined in State CEQA Guidelines section 15064.7) to determine whether a project may cause a significant environmental

impact. When using a threshold of significance, the District should briefly explain how compliance with the threshold means that the project's impacts are less than significant. Compliance with the threshold, however, does not relieve the District of the obligation to consider substantial evidence indicating that a project's environmental effects may still be significant.

(Reference: State CEQA Guidelines, § 15064(b)(2).)

5.09 DETERMINING THE SIGNIFICANCE OF TRANSPORTATION IMPACTS

On or about December 28, 2018, the California Natural Resources Agency added a new section to the State CEQA Guidelines—Section 15064.3, entitled “Determining the Significance of Transportation Impacts.” Section 15064.3 provides:

(a) Purpose.

This section describes specific considerations for evaluating a project's transportation impacts. Generally, vehicle miles traveled is the most appropriate measure of transportation impacts. For the purposes of this section, “vehicle miles traveled” refers to the amount and distance of automobile travel attributable to a project. Other relevant considerations may include the effects of the project on transit and non-motorized travel. Except as provided in subdivision (b)(2) below (regarding roadway capacity), a project's effect on automobile delay shall not constitute a significant environmental impact.

(b) Criteria for Analyzing Transportation Impacts.

(1) Land Use Projects. Vehicle miles traveled exceeding an applicable threshold of significance may indicate a significant impact. Generally, projects within one-half mile of either an existing major transit stop or a stop along an existing high quality transit corridor should be presumed to cause a less than significant transportation impact. Projects that decrease vehicle miles traveled in the project area compared to existing conditions should be presumed to have a less than significant transportation impact.

(2) Transportation Projects. Transportation projects that reduce, or have no impact on, vehicle miles traveled should be presumed to cause a less than significant transportation impact. For roadway capacity projects, agencies have discretion to determine the appropriate measure of transportation impact consistent with CEQA and other applicable requirements. To the extent that such impacts have already been adequately addressed at a programmatic level, such as in a regional transportation plan EIR, a lead agency may tier from that analysis as provided in Section 15152.

(3) Qualitative Analysis. If existing models or methods are not available to estimate the vehicle miles traveled for the particular project being considered, a lead agency may analyze the project's vehicle miles traveled qualitatively. Such a qualitative analysis would evaluate factors such as the availability of transit, proximity to other

destinations, etc. For many projects, a qualitative analysis of construction traffic may be appropriate.

(4) Methodology. A lead agency has discretion to choose the most appropriate methodology to evaluate a project's vehicle miles traveled, including whether to express the change in absolute terms, per capita, per household or in any other measure. A lead agency may use models to estimate a project's vehicle miles traveled, and may revise those estimates to reflect professional judgment based on substantial evidence. Any assumptions used to estimate vehicle miles traveled and any revisions to model outputs should be documented and explained in the environmental document prepared for the project. The standard of adequacy in Section 15151 shall apply to the analysis described in this section.

(c) Applicability.

The provisions of this section shall apply prospectively as described in section 15007. A lead agency may elect to be governed by the provisions of this section immediately. Beginning on July 1, 2020, the provisions of this section shall apply statewide.

(Reference: State CEQA Guidelines, § 15064.3.)

5.10 MANDATORY FINDINGS OF SIGNIFICANT EFFECT.

Whenever there is substantial evidence, in light of the whole record, that any of the conditions set forth below may occur, the Lead Agency shall find that the project may have a significant effect on the environment and thereby shall require preparation of an EIR:

- (a) The project has the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of major periods of California history or prehistory;
- (b) The project has the potential to achieve short-term environmental goals to the disadvantage of long-term environmental goals;
- (c) The project has possible environmental effects which are individually limited but cumulatively considerable, as defined in Local Guidelines Section 11.13. That is, the District, when acting as Lead Agency, is required to determine whether the incremental impacts of a project are cumulatively considerable by evaluating them against the back-drop of the environmental effects of the other projects; or
- (d) The environmental effects of a project will cause substantial adverse effects on humans either directly or indirectly.

If, before the release of the CEQA document for public review, the potential for triggering one of the mandatory findings of significance is avoided or mitigation measures or project modifications reduce the potentially significant impacts to a point where clearly the mandatory

finding of significance is not triggered, preparation of an EIR is not mandated. If the project's potential for triggering one of the mandatory findings of significance cannot be avoided or mitigated to a point where the criterion is clearly not triggered, an EIR shall be prepared, and the relevant mandatory findings of significance shall be used:

- (1) as thresholds of significance for purposes of preparing the EIR's impact analysis;
- (2) in making findings on the feasibility of alternatives or mitigation measures;
- (3) when found to be feasible, in making changes in the project to lessen or avoid the adverse environmental impacts; and
- (4) when necessary, in adopting a statement of overriding considerations.

Although an EIR prepared for a project that triggers one of the mandatory findings of significance must use the relevant mandatory findings as thresholds of significance, the EIR need not conclude that the impact itself is significant. Rather, the District, as Lead Agency, must exercise its discretion and determine, on a case-by-case basis after evaluating all of the relevant evidence, whether the project's environmental impacts are avoided or mitigated below a level of significance or whether a statement of overriding considerations is required.

With regard to a project that has the potential to substantially reduce the number or restrict the range of a protected species, the District, as Lead Agency, does not have to prepare an EIR solely due to that impact, provided the project meets the following three criteria:

- (a) The project proponent must be bound to implement mitigation requirements relating to such species and habitat pursuant to an approved habitat conservation plan and/or natural communities conservation plan;
- (b) The state or federal agency must have approved the habitat conservation plan and/or natural community conservation plan in reliance on an EIR and/or EIS; and
- (c) The mitigation requirements must either avoid any net loss of habitat and net reduction in number of the affected species, or preserve, restore, or enhance sufficient habitat to mitigate the reduction in habitat and number of the affected species below a level of significance.

(Reference: State CEQA Guidelines, § 15065.)

5.11 MANDATORY PREPARATION OF AN EIR FOR WASTE-BURNING PROJECTS.

Lead Agencies shall prepare or cause to be prepared and certify the completion of an EIR, or, if appropriate, an Addendum, Supplemental EIR, or Subsequent EIR, for any project involving the burning of municipal wastes, hazardous waste or refuse-derived fuel, including, but not limited to, tires, if the project consists of any of the following:

- (a) The construction of a new facility;
- (b) The expansion of an existing hazardous waste burning facility which would increase its permitted capacity by more than 10%;

- (c) The issuance of a hazardous waste facilities permit to a land disposal facility, as defined in Local Guidelines Section 11.32; or
- (d) The issuance of a hazardous waste facilities permit to an offsite large treatment facility, as defined in Local Guidelines Sections 11.33 and 11.53.

This section does not apply to projects listed in subsections (c) and (d), immediately above, if the facility only manages hazardous waste that is identified or listed pursuant to Health and Safety Code section 25140 or 25141 or only conducts activities which are regulated pursuant to Health and Safety Code sections 25100, et seq.

The Lead Agency shall calculate the percentage of expansion for an existing facility by comparing the proposed facility's capacity with either of the following, as applicable:

- (a) The facility capacity authorized in the facility's hazardous waste facilities permit pursuant to Health and Safety Code section 25200, or its grant of interim status pursuant to Health and Safety Code section 25200.5, or the facility capacity authorized in any state or local agency permit allowing the construction or operation of the facility for the burning of hazardous waste granted before January 1, 1990; or
- (b) The facility capacity authorized in the facility's original hazardous facilities permit, grant of interim status, or any state or local agency permit allowing the construction or operation of a facility for the burning of hazardous waste, granted on or after January 1, 1990.

This section does not apply to any project over which the State Energy Resources Conservation and Development Commission has assumed jurisdiction per Health and Safety Code sections 25500 et seq.

The EIR requirement is also subject to a number of exceptions for specific types of waste-burning projects. (Public Resources Code section 21151.1 and State CEQA Guidelines section 15081.5.) Even if preparation of an EIR is not mandatory for a particular type of waste-burning project, those projects are not exempt from the other requirements of CEQA, the State CEQA Guidelines, or these Local Guidelines. In addition, waste-burning projects are subject to special notice requirements under Public Resources Code section 21092. Specifically, in addition to the standard public notices required by CEQA, notice must be provided to all owners and occupants of property located within one-fourth mile of any parcel or parcels on which the waste-burning project will be located. (Public Resources Code section 21092(c); see Local Guidelines Sections 6.12 and 7.27.)

5.12 DEVELOPMENT PURSUANT TO AN EXISTING COMMUNITY PLAN AND EIR.

Before preparing a CEQA document, Staff should determine whether the proposed project involves development consistent with an earlier zoning or community plan to accommodate a particular density for which an EIR has been certified. If an earlier EIR for the zoning or planning action has been certified, and if the proposed project concerns the approval of a subdivision map or development, CEQA applies only to the extent the project raises environmental effects peculiar to the parcel which were not addressed in the earlier EIR. Off-site and cumulative effects not discussed in the general plan EIR must still be considered. Mitigation measures set out in the earlier EIR should be implemented at this stage.

Environmental effects shall not be considered peculiar to the parcel if uniformly applied development policies or standards have been previously adopted by a city or county with a finding based on substantial evidence that the policy or standard will substantially mitigate the environmental effect when applied to future projects. Examples of uniformly applied development policies or standards include, but are not limited to: parking ordinances; public access requirements; grading ordinances; hillside development ordinances; flood plain ordinances; habitat protection or conservation ordinances; view protection ordinances; and requirements for reducing greenhouse gas emissions as set forth in adopted land use plans, policies or regulations. Any rezoning action consistent with the Community Plan shall be subject to exemption from CEQA in accordance with this section. “Community Plan” means part of a city’s general plan which: (1) applies to a defined geographic portion of the total area included in the general plan; (2) complies with Article 5 (commencing with Section 65300) of Chapter 3 of Division 1 of Title 7 of the Government Code by referencing each of the mandatory elements specified in Government Code section 65302; and (3) contains specific development policies adopted for the area in the Community Plan and identifies measures to implement those policies, so that the policies which will apply to each parcel can be determined.

(Reference: State CEQA Guidelines, § 15183.)

5.13 LAND USE POLICIES.

When a project will amend a general plan or another land use policy, the Initial Study must address how the change in policy and its expected direct and indirect effects will affect the environment. When the amendments constitute substantial changes in policies that result in a significant impact on the environment, an EIR may be required.

5.14 EVALUATING IMPACTS ON HISTORICAL RESOURCES.

Projects that may cause a substantial adverse change in the significance of a historical resource, as defined in Local Guidelines Section 11.28 are projects that may have a significant effect on the environment, thus requiring consideration under CEQA. Particular attention and care should be given when considering such projects, especially projects involving the demolition of a historical resource, since such demolitions have been determined to cause a significant effect on the environment.

Substantial adverse change in the significance of a historical resource means physical demolition, destruction, relocation or alteration of the resource or its immediate surroundings, such that the significance of a historical resource would be materially impaired.

The significance of a historical resource is materially impaired when a project:

- (a) Demolishes or materially alters in an adverse manner those physical characteristics of a historical resource that convey its historical significance and that justify its inclusion in, or eligibility for inclusion in, the California Register of Historical Resources;
- (b) Demolishes or materially alters in an adverse manner those physical characteristics that account for its inclusion in a local register of historical resources or its identification in a historical resources survey, unless the Lead Agency establishes by a preponderance of evidence that the resource is not historically or culturally significant; or

- (c) Demolishes or materially alters in an adverse manner those physical characteristics of a historical resource that convey its historical significance and that justify its eligibility for inclusion in the California Register of Historical Resources as determined by the Lead Agency for purposes of CEQA.

Generally, a project that follows either one of the following sets of standards and guidelines will be considered mitigated to a level of less than significant: (a) the Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring and Reconstructing Historic Buildings; or (b) the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings (1995), Weeks and Grimmer.

In the event of an accidental discovery of a possible historical resource during construction of the project, the District may provide for the evaluation of the find by a qualified archaeologist or other professional. If the find is determined to be a historical resource, the District should take appropriate steps to implement appropriate avoidance or mitigation measures. Work on non-affected portions of the project, as determined by the District, may continue during the process. Curation may be an appropriate mitigation measure for an artifact that must be removed during project excavation or testing.

(Reference: State CEQA Guidelines, § 15064.5.)

5.15 EVALUATING IMPACTS ON ARCHAEOLOGICAL SITES.

When a project will impact an archaeological site, the District shall first determine whether the site is a historical resource, as defined in Local Guidelines Section 11.28. If the archaeological site is a historical resource, it shall be treated and evaluated as such, and not as an archaeological resource. If the archaeological site does not meet the definition of a historical resource, but does meet the definition of a unique archaeological resource set forth in Public Resources Code section 21083.2, the site shall be treated in accordance with said provisions of the Public Resources Code. The time and cost limitations described in Section 21083.2(c-f) do not apply to surveys and site evaluation activities intended to determine whether the project site contains unique archaeological resources.

If the archaeological resource is neither a unique archaeological resource nor a historical resource, the effects of the project on those resources shall not be considered a significant effect on the environment. It shall be sufficient that both the resource and the effect on it are noted in the Initial Study or EIR, if one is prepared to address impacts on other resources, but they need not be considered further in the CEQA process.

In the event of an accidental discovery of a possible unique archaeological resource during construction of the project, the District may provide for the evaluation of the find by a qualified archaeologist. If the find is determined to be a unique archaeological resource, the District should take appropriate steps to implement appropriate avoidance or mitigation measures. Work on non-affected portions of the project, as determined by the District, may continue during the process. Curation may be an appropriate mitigation measure for an artifact that must be removed during project excavation or testing.

When an Initial Study identifies the existence of, or the probable likelihood of, Native American human remains within the Project, the District shall comply with the provisions of State CEQA Guidelines section 15064.5(d). In the event of an accidental discovery or recognition of any human remains in any location other than a dedicated cemetery, the District shall comply with the provisions of State CEQA Guidelines section 15064.5(e).

(Reference: State CEQA Guidelines, § 15064.5(c).)

5.16 CONSULTATION WITH WATER AGENCIES REGARDING LARGE DEVELOPMENT PROJECTS.

(a) Projects Subject to Consultation Requirements.

For certain development projects, cities and counties must consult with water agencies. If the District is a municipal water provider, the city or county may request that the District prepare a water supply assessment to be included in the relevant environmental documentation for the project. The District may refer to this section when preparing such an assessment or when reviewing projects in its role as a Responsible Agency. This section applies only to water demand projects as defined by Local Guidelines Section 11.83. Program level environmental review may not need to be as extensive as project level environmental review. (See Local Guidelines Sections 8.03 and 8.08.)

(b) Water Supply Assessment.

When a city or county as Lead Agency determines the type of environmental document that will be prepared for a water demand project or any project that includes a water demand project, the city or county must identify any public water system (as defined in Local Guidelines Sections 11.59 and 11.83) that may supply water for the project. The city or county must also request that the public water system determine whether the projected demand associated with the project was included in the most recently adopted Urban Water Management Plan. The city or county must also request that the public water system prepare a specified water supply assessment for approval at a regular or special meeting of the public water system governing body. A sample request for a water supply assessment is provided as Form “N” of these Local CEQA Guidelines.

If no public water system is identified that may supply water for the water demand project, the city or county shall prepare the water supply assessment. The city or county shall consult with any entity serving domestic water supplies whose service area includes the site of the water demand project, the local agency formation commission, and the governing body of any public water system adjacent to the site of the water demand project. The city council or county board of supervisors must approve the water assessment prepared pursuant to this paragraph at a regular or special meeting.

As per Water Code section 10910, the water assessment must include identification of existing water supply entitlements, water rights, or water service contracts relevant to the water supply for the proposed project and water received in prior years pursuant to those entitlements, rights, and contracts, and further information is required if water supplies include groundwater. The water assessment must determine the ability of the public water system to meet existing and future demands along with the demands of the proposed water demand project in light of existing

and future water supplies. This supply demand analysis is to be conducted via a twenty-year projection, and must assess water supply sufficiency during normal year, single dry year, and multiple dry year hydrology scenarios. If the public water agency concludes that the water supply is, or will be, insufficient, it must submit plans for acquiring additional water supplies.

The city or county may grant the public water agency a thirty (30) day extension of time to prepare the assessment if the public water agency requests an extension within ninety (90) days of being asked to prepare the assessment. If the governing body of the public water system fails to request and receive an extension of time, or fails to submit the water assessment notwithstanding the thirty (30) day extension, the city or county may seek a writ of mandamus to compel the governing body of the public water system to comply.

If a water-demand project has been the subject of a water assessment, no additional water assessment shall be required for subsequent water-demand projects that were included in the larger water-demand project if all of the following criteria are met:

- (1) The entity completing the water assessment concluded that its water supplies are sufficient to meet the projected water demand associated with the larger water-demand project, in addition to the existing and planned future uses, including, but not limited to, agricultural and industrial uses; and
- (2) None of the following changes has occurred since the completion of the water assessment for the larger water-demand project:
 - (A) Changes in the larger water-demand project that result in a substantial increase in water demand for the water-demand project;
 - (B) Changes in the circumstances or conditions substantially affecting the ability of the public water system identified in the water assessment to provide a sufficient supply of water for the water demand project; and
 - (C) Significant new information becomes available which was not known and could not have been known at the time when the entity had reached its assessment conclusions.
- (3) The city or county shall include the water assessment, and any water acquisition plan in the EIR, negative declaration, or mitigated negative declaration, or any supplement thereto, prepared for the project, and may include an evaluation of the water assessment and water acquisition plan information within such environmental document. A discussion of water supply availability should be included in the main text of the environmental document. Normally, this discussion should be based on the data and information included in the water supply assessment. In making its required findings under CEQA, the city or county shall determine, based on the entire record, whether projected water supplies will be sufficient to satisfy the demands of the project, in addition to existing and planned future uses. If a city or county determines that water supplies will not be sufficient, the city or county shall include that determination in its findings for the project.

The degree of certainty regarding the availability of water supplies will vary depending on the stage of project approval. A Lead Agency should have greater confidence in the availability of water supplies for a specific project than might be required for a conceptual plan (i.e. general plan, specific plan). An analysis of water supply in an environmental document may incorporate by reference information in a water supply assessment, urban water management plan, or other publicly available sources. The analysis shall include the following:

- (1) Sufficient information regarding the project's proposed water demand and proposed water supplies to permit the Lead Agency to evaluate the pros and cons of supplying the amount of water that the project will need.
- (2) An analysis of the reasonably foreseeable environmental impacts of supplying water throughout all phases of the project.
- (3) An analysis of circumstances affecting the likelihood of the water's availability, as well as the degree of uncertainty involved. Relevant factors may include but are not limited to, drought, salt-water intrusion, regulatory or contractual curtailments, and other reasonably foreseeable demands on the water supply.
- (4) If the Lead Agency cannot determine that a particular water supply will be available, it shall conduct an analysis of alternative sources, including at least in general terms the environmental consequences of using those alternative sources, or alternatives to the project that could be served with available water.

For complete information on these requirements, consult Water Code sections 10910, et seq. For other CEQA provisions applicable to these types of projects, see Local Guidelines Sections 7.03 and 7.25.

5.17 SUBDIVISIONS WITH MORE THAN 500 DWELLING UNITS.

Cities and counties must obtain written verification (see Form "O" for a sample) from the applicable public water system(s) that a sufficient water supply is available before approving certain residential development projects. If the District is a municipal water provider for a project, the city or county may request such a verification from the District. The District should also be aware of these requirements when reviewing projects in its role as a Responsible Agency.

Cities and counties are prohibited from approving a tentative map, parcel map for which a tentative map was not required, or a development agreement for a subdivision of property of more than 500 dwellings units, unless:

- (1) The City Council, Board of Supervisors, or the advisory agency receives written verification from the applicable public water system that a sufficient water supply is available; or
- (2) Under certain circumstances, the City Council, Board of Supervisors or the advisory agency makes a specified finding that sufficient water supplies are, or will be, available prior to completion of the project.

For complete information on these requirements, consult Government Code section 66473.7.

5.18 IMPACTS TO OAK WOODLANDS.

When a county prepares an Initial Study to determine what type of environmental document will be prepared for a project within its jurisdiction, the county must determine whether the project may result in a conversion of oak woodlands that will have a significant effect on the environment. Normally, this rule will not apply to projects undertaken by the District. However, if the District is a Responsible Agency on such a project, the District should endeavor to ensure that the county, as Lead Agency, analyzes these impacts in accordance with CEQA.

(Reference: Pub. Resources Code, § 21083.4.)

5.19 CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS.

A. Estimating or Calculating the Magnitude of the Project's Greenhouse Gas Emissions.

The District shall analyze the greenhouse gas emissions of its projects as required by State CEQA Guidelines section 15064.4. For projects subject to CEQA, the District shall make a good-faith effort, based to the extent possible on scientific and factual data, to describe, calculate or estimate the amount of greenhouse gas emissions resulting from a project.

In performing analysis of greenhouse gas emissions, the District, as Lead Agency, shall have discretion to determine, in the context of a particular project, whether to:

- (1) Quantify greenhouse gas emissions resulting from a project; and/ or
- (2) Rely on a qualitative analysis or performance-based standards.

B. Factors in Determining Significance.

In determining the significance of a project's greenhouse gas emissions, the District, when acting as Lead Agency, should focus its analysis on the reasonably foreseeable incremental contribution of the project's emissions to the effects of climate change. A project's incremental contribution may be cumulatively considerable even if it appears relatively small compared to statewide, national, or global emissions. The District's analysis should consider a timeframe that is appropriate for the project. The District's analysis also must reasonably reflect evolving scientific knowledge and state regulatory schemes.

Once the amount of a project's greenhouse gas emissions have been described, estimated, or calculated, the District should consider the following factors, among others, to determine whether those emissions are significant:

- (1) The extent to which the project may increase or reduce greenhouse gas emissions as compared to the existing environmental setting. Physical environmental conditions in the vicinity of the project, as they exist at the

time the Notice of Preparation is published or the time when the environmental analysis is commenced, will normally constitute the baseline. All project phases, including construction and operation, should be considered in determining whether a project will cause emissions to increase or decrease as compared to the baseline;

- (2) Whether the project emissions exceed a threshold of significance that the Lead Agency determines applies to the project. The Lead Agency may rely on thresholds of significance developed by experts or other agencies, provided that application of the threshold and the significance conclusion is supported with substantial evidence. When relying on thresholds developed by other agencies, the Lead Agency should ensure that the threshold is appropriate for the project and the project's location; and
- (3) The extent to which the project complies with regulations or requirements adopted to implement a statewide, regional, or local plan for the reduction or mitigation of greenhouse gas emissions (see, e.g., State CEQA Guidelines section 15183.5(b)). Such requirements must be adopted by the relevant public agency through a public review process and must reduce or mitigate the project's incremental contribution of greenhouse gas emissions. If there is substantial evidence that the possible effects of a particular project are still cumulatively considerable notwithstanding compliance with the adopted regulations or requirements, an EIR must be prepared for the project. In determining the significance of impacts, the Lead Agency may consider a project's consistency with the State's long-term climate goals or strategies, provided that substantial evidence supports the agency's analysis of how those goals or strategies address the project's incremental contribution to climate change and its conclusion that the project's incremental contribution is not cumulatively considerable.

The Lead Agency may use a model or methodology to estimate greenhouse gas emissions resulting from a project. The Lead Agency has discretion to select the model or methodology it considers most appropriate to enable decision makers to intelligently take into account the project's incremental contribution to climate change. The Lead Agency must support its selection of a model or methodology with substantial evidence. The Lead Agency should explain the limitations of the particular model or methodology selected for use.

C. Consistency with Applicable Plans.

When an EIR is prepared, it must discuss any inconsistencies between the proposed project and any applicable general plan, specific plans, and regional plans. This includes, but is not limited

to, any applicable air quality attainment plans, regional blueprint plans, or plans for the reduction of greenhouse gas emissions.

D. Mitigation Measures Related to Greenhouse Gas Emissions.

Lead Agencies must consider feasible means of mitigating the significant effects of greenhouse gas emissions. Any such mitigation measure must be supported by substantial evidence and be subject to monitoring or reporting. Potential mitigation will depend on the particular circumstances of the project, but may include the following, among others:

- (1) Measures in an existing plan or mitigation program for the reduction of emissions that are required as part of the Lead Agency's decision;
- (2) Reductions in emissions resulting from a project through implementation of project features, project design, or other measures, such as those described in State CEQA Guidelines Appendix F;
- (3) Off-site measures, including offsets that are not otherwise required, to mitigate a project's emissions;
- (4) Measures that sequester greenhouse gases; and
- (5) In the case of the adoption of a plan, such as a general plan, long range development plan, or plan for the reduction of greenhouse gas emissions, mitigation may include the identification of specific measures that may be implemented on a project-by-project basis. Mitigation may also include the incorporation of specific measures or policies found in an adopted ordinance or regulation that reduces the cumulative effect of emissions.

E. Streamlined Analysis of Greenhouse Gas Emissions.

Under certain limited circumstances, the legislature has specifically declared that the analysis of greenhouse gas emissions or climate change impacts may be limited. Public Resources Code sections 21155, 21155.2, and 21159.28 provide that if certain residential, mixed use and transit priority projects meet specified ratios and densities, then the lead agencies for those projects may conduct a limited review of greenhouse gas emissions or may be exempted from analyzing global warming impacts that result from cars and light duty trucks, if a detailed list of requirements is met. However, unless the project is exempt from CEQA, the Lead Agency must consider whether such projects will result in greenhouse gas emissions from other sources, including, but not limited to, energy use, water use, and solid waste disposal.

F. Tiering.

The District may analyze and mitigate the significant effects of greenhouse gas emissions at a programmatic level. Later project-specific environmental documents may then tier from and/or incorporate by reference that existing programmatic review.

G. Plans for the Reduction of Greenhouse Gas Emissions.

Public agencies may choose to analyze and mitigate greenhouse gas emissions in a plan for the reduction of greenhouse gas emissions or in a similar document. A plan for the reduction of greenhouse gas emissions should:

- (1) Quantify greenhouse gas emissions, both existing and projected over a specified time period, resulting from activities within a defined geographic area;
- (2) Establish a level, based on substantial evidence, below which the contribution to greenhouse gas emissions from activities covered by the plan would not be cumulatively considerable;
- (3) Identify and analyze the greenhouse gas emissions resulting from specific actions or categories of actions anticipated within the geographic area;
- (4) Specify measures or a group of measures, including performance standards, that substantial evidence demonstrates, if implemented on a project-by-project basis, would collectively achieve the specified emissions level;
- (5) Establish a mechanism to monitor the plan's progress toward achieving the level and to require amendment if the plan is not achieving specified levels; and
- (6) Be adopted in a public process following environmental review.

A plan for the reduction of greenhouse gas emissions, once adopted following certification of an EIR, or adoption of another environmental document, may be used in the cumulative impacts analysis of later projects. An environmental document that relies on a plan for the reduction of greenhouse gas emissions for a cumulative impacts analysis must identify those requirements specified in the plan that apply to the project, and, if those requirements are not otherwise binding and enforceable, incorporate those requirements as mitigation measures applicable to the project. If there is substantial evidence that the effects of a particular project may be cumulatively considerable notwithstanding the project's compliance with the specified requirements in the plan for reduction of greenhouse gas emissions, an EIR must be prepared for the project.

H. Analyzing the Effects of Climate Change on the Project.

Where an EIR is prepared for a project, the EIR shall analyze any significant environmental effects the project might cause by bringing development and people into the project area that may be affected by climate change. In particular, the EIR should evaluate any potentially significant impacts of locating development in areas susceptible to hazardous conditions (e.g., floodplains, coastlines, wildfire risk areas) as identified in authoritative hazard maps, risk assessments or in land use plans addressing such hazards areas. The analysis may be limited to the potentially significant effects of locating the project in a potentially hazardous location. Further, this analysis may be limited by the project's life in relation to the potential of such effects to occur and the availability of existing information related to potential future effects of climate change. Further, the EIR need not include speculation regarding such future effects.

5.20 ENERGY CONSERVATION.

Potentially significant energy implications of a project must be considered in an EIR to the extent relevant and applicable to the project. Therefore, the project description should identify the following as applicable or relevant to the particular project:

- (1) Energy consuming equipment and processes which will be used during construction, operation and/or removal of the project. If appropriate, this discussion should consider the energy intensiveness of materials and equipment required for the project;
- (2) Total energy requirements of the project by fuel type and end use;
- (3) Energy conservation equipment and design features;
- (4) Identification of energy supplies that would serve the project; and
- (5) Total estimated daily vehicle trips to be generated by the project and the additional energy consumed per trip by mode.

As described in Local Guidelines Section 5.06, above, an initial study must include a description of the environmental setting. The discussion of the environmental setting may include existing energy supplies and energy use patterns in the region and locality. The District may also consider the extent to which energy supplies have been adequately considered in other environmental documents. Environmental impacts may include:

- (1) The project's energy requirements and its energy use efficiencies by amount and fuel type for each stage of the project including construction, operation, maintenance and/or removal. If appropriate, the energy intensiveness of materials may be discussed;
- (2) The effects of the project on local and regional energy supplies and on requirements for additional capacity;
- (3) The effects of the project on peak and base period demands for electricity and other forms of energy;
- (4) The degree to which the project complies with existing energy standards;
- (5) The effects of the project on energy resources; and/or
- (6) The project's projected transportation energy use requirements and its overall use of efficient transportation alternatives.

As discussed above in Section 5.06, the Initial Study must identify the potential environmental effects of the proposed activity. That discussion must include the unavoidable adverse effects. Unavoidable adverse effects may include wasteful, inefficient and unnecessary

consumption of energy during the project construction, operation, maintenance and/or removal that cannot be feasibly mitigated.

When discussing energy conservation, alternatives should be compared in terms of overall energy consumption and in terms of reducing wasteful, inefficient and unnecessary consumption of energy.

5.21 ENVIRONMENTAL IMPACT ASSESSMENT.

The Initial Study identifies which environmental impacts may be significant. Based upon the Initial Study, Staff shall determine whether a proposed project may or will have a significant effect on the environment. Such determination shall be made in writing on the Environmental Impact Assessment Form (Form "C"). If Staff finds that a project will not have a significant effect on the environment, it shall recommend that a Negative Declaration be prepared and adopted by the decision-making body. If Staff finds that a project may have a significant effect on the environment, but the effects can be mitigated to a level of insignificance, it shall recommend that a Mitigated Negative Declaration be prepared and adopted by the decision-making body. If Staff finds that a project may have a significant effect on the environment, it shall recommend that an EIR be prepared and certified by the decision-making body.

5.22 FINAL DETERMINATION.

The Board of Directors shall have the final responsibility for determining whether an EIR, Negative Declaration or Mitigated Negative Declaration shall be required for any project. The Board of Directors' determination shall be final and conclusive on all persons, including Responsible Agencies and Trustee Agencies, except as provided in Section 15050(c) of the State CEQA Guidelines. Additionally, in the event the Board of Directors has delegated authority to a subsidiary board or official to approve a project, the Board of Directors also hereby delegates to that subsidiary board or official the authority to make all necessary CEQA determinations, including whether an EIR, Negative Declaration, Mitigated Negative Declaration or exemption shall be required for any project. A subsidiary board or official's CEQA determination shall be subject to appeal consistent with the District's established procedures for appeals.

(Reference: Pub. Resources Code, § 21151.)

6. NEGATIVE DECLARATION

6.01 DECISION TO PREPARE A NEGATIVE DECLARATION.

A Negative Declaration (Form “E”) shall be prepared for a project subject to CEQA when the Initial Study shows that there is no substantial evidence in light of the whole record that the project may have a significant or potentially significant adverse effect on the environment. (See Local Guidelines Sections 11.65 and 11.71.)

(Reference: State CEQA Guidelines, § 15070(a).)

6.02 DECISION TO PREPARE A MITIGATED NEGATIVE DECLARATION.

A Mitigated Negative Declaration (Form “E”) shall be prepared for a project subject to CEQA when the Initial Study identifies potentially significant effects on the environment, but:

- (a) The project applicant has agreed to revise the project or the District can revise the project to avoid these significant effects or to mitigate the effects to a point where it is clear that no significant effects would occur; or
- (b) There is no substantial evidence in light of the whole record before the District that the revised project may have a significant effect.

It is insufficient to require an applicant to adopt mitigation measures after final adoption of the Mitigated Negative Declaration or to state that mitigation measures will be recommended on the basis of a future study. The District must know the measures at the time the Mitigated Negative Declaration is adopted in order for them to be evaluated and accepted as adequate mitigation. Evidence of agreement by the applicant to such mitigation should be in the record prior to public review. Except where noted, the procedural requirements for the preparation and approval of a Negative Declaration and Mitigated Negative Declaration are the same.

(Reference: State CEQA Guidelines, § 15070(b).)

6.03 CONTRACTING FOR PREPARATION OF NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

The District, when acting as Lead Agency, is responsible for preparing all documents required pursuant to CEQA. The documents may be prepared by Staff or by private consultants pursuant to a contract with the District, but they must be the District’s product and reflect the independent judgment of the District.

6.04 NOTICE OF INTENT TO ADOPT A NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

When, based upon the Initial Study, it is recommended to the decision-making body that a Negative Declaration or Mitigated Negative Declaration be adopted, a Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration (Form “D”) shall be prepared. In addition to being provided to the public through the means set forth in Local Guidelines Section 6.07, this Notice shall also be provided to:

- (a) Each Responsible and Trustee Agency;
- (b) Any other federal, state, or local agency that has jurisdiction by law or exercises authority over resources affected by the project, including:
 - (1) Any water supply agency consulted under Local Guidelines Section 5.16;
 - (2) Any city or county bordering on the project area;
 - (3) For a project of statewide, regional, or area-wide significance, to any transportation agencies or public agencies which have major local arterials or public transit facilities within five (5) miles of the project site or freeways, highways, or rail transit service within ten (10) miles of the project site which could be affected by the project; and
 - (4) For a subdivision project located within one mile of a facility of the State Water Resources Development System, to the California Department of Water Resources;
- (c) The last known name and address of all organizations and individuals who have previously filed a written request with the District to receive these Notices;
- (d) For certain projects that may impact a low-level flight path, military impact zone, or special use airspace and that meet the other criteria of Local Guidelines Section 6.05, to the specified military services contact;
- (e) For certain projects that involve the construction or alteration of a facility anticipated to include hazardous air emissions or handle hazardous substances within one-quarter mile of a school and that meet the other requirements of Local Guidelines Section 6.06, to any potentially affected school district;
- (f) For certain waste-burning projects that meet the requirements of Local Guidelines Section 5.11 (regarding mandatory preparation of EIR) (see also Local Guidelines Section 7.27), to the owners and occupants of property within one-fourth mile of any parcel on which the project will be located; and
- (g) For a project that establishes or amends a redevelopment plan that contains land in agricultural use, notice shall be provided to the agricultural and farm agencies and organizations specified in Health and Safety Code section 33333.3.

The Notice of Intent must also be posted to the Lead Agency's website, if any. (Pub. Resources Code, § 21092.2(d).) Additionally, for a project of statewide, regional, or area-wide significance, the Lead Agency should also consult with public transit agencies with facilities within one-half mile of the proposed project.

A copy of the proposed Negative Declaration or Mitigated Negative Declaration and the Initial Study shall be attached to the Notice of Intent to Adopt that is sent to every Responsible Agency and Trustee Agency concerned with the project and every other public agency with jurisdiction by law over resources affected by the project.

The public review period for a Negative Declaration or Mitigated Negative Declaration shall not be less than twenty (20) days; the public review period shall be at least thirty (30) days where the Negative Declaration or Mitigated Negative Declaration is for a proposed project where

(1) a state agency is the lead agency, a responsible agency, or a trustee agency; (2) a state agency otherwise has jurisdiction by law with respect to the project; or (3) the proposed project is of sufficient statewide, regional, or area-wide significance as determined pursuant to State CEQA Guidelines section 15206. The Lead Agency shall give notice of the public review period by filing and posting a Notice of Intent to Adopt a Negative Declaration (Form “D”) with the County Clerk before commencement of the public review period; where a public review period of at least 30 days is required, the Lead Agency shall also electronically submit the Notice of Intent to the State Clearinghouse. (Pub. Resources Code, § 21091.)

For purposes of calculating the length of the public review period, the last day of the public review period cannot fall on a weekend, a legal holiday, or other day on which the lead agency’s offices are closed.¹ (Reference: *Rominger v. County of Colusa* (2014) 229 Cal.App.4th 690, 708.)

The District requires requests for notices to be in writing and to be renewed annually. If the District is not otherwise required by CEQA or another regulation to provide notice, the District may charge a fee for providing notices to individuals or organizations that have submitted written requests to receive such notices, unless the request is made by another public agency.

If the Negative Declaration or Mitigated Negative Declaration has been submitted to the State Clearinghouse for review by state agencies, the public review period shall be at least as long as the period of review and comment by state agencies. (See Local Guidelines Section 6.10.) Day one of the state agency review period shall be the date that the State Clearinghouse distributes the Negative Declaration or Mitigated Negative Declaration to state agencies.

The Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration shall contain the following information:

- (a) The period during which comments shall be received;
- (b) The date, time and place of any public meetings or hearings on the proposed project;
- (c) A brief description of the proposed project and its location;
- (d) The address where copies of the proposed Negative Declaration or Mitigated Negative Declaration and all documents incorporated by reference in the proposed Negative Declaration or Mitigated Negative Declaration are available for review;
- (e) A description of how the proposed Negative Declaration or Mitigated Negative Declaration can be obtained in electronic format;
- (f) The Environmental Protection Agency (“EPA”) list on which the proposed project site is located, if applicable, and the corresponding information from the applicant’s statement (see Local Guidelines Section 2.05); and
- (g) The significant effects on the environment, if any, anticipated as a result of the proposed project.

¹ A public agency’s “offices are closed” for purposes of this section on days in which the agency is formally closed for business (for example, due to a weekend, a legal holiday, or a formal furlough affecting the entire office). A public agency’s office is not considered closed for purposes of this section where the agency’s office may be physically closed, but the agency is nonetheless open for business and is operating remotely or virtually (for example, in response to the Covid-19 pandemic).

(Reference: Pub. Resources Code, §§ 21082.1, 21091, 21161; State CEQA Guidelines, §§ 15072, 15105, 15205.)

6.05 PROJECTS AFFECTING MILITARY SERVICES; DEPARTMENT OF DEFENSE NOTIFICATION.

CEQA imposes additional requirements to provide notice to potentially affected military agencies when:

- (a) The project meets one of the following three criteria:
 - (1) The project includes a general plan amendment;
 - (2) The project is of statewide, regional, or area-wide significance; or
 - (3) The project relates to a public use airport or certain lands surrounding a public use airport; and
- (b) A “military service” (defined in Section 11.42 of these Local Guidelines) has provided its contact office and address and notified the Lead Agency of the specific boundaries of a “low-level flight path” (defined in Section 11.37 of these Local Guidelines), “military impact zone” (defined in Section 11.41 of these Local Guidelines), or “special use airspace” (defined in Section 11.67 of these Local Guidelines).

When a project meets these requirements, the District must provide the military service’s designated contact with a copy of the Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration that has been prepared for the project, unless the project involves the remediation of lands contaminated with hazardous wastes and meets certain other requirements. (Reference: Pub. Resources Code, §§21080.4 and 21092; Health & Safety Code, §§ 25300, et seq., 25396, and 25187.)

The District must provide the military service with sufficient notice of its intent to adopt a Negative Declaration or Mitigated Negative Declaration to ensure that the military service has no fewer than twenty (20) days to review the documents before they are approved, provided that the military service shall have a minimum of thirty (30) days to review the environmental documents if the documents have been submitted to the State Clearinghouse.

(Reference: State CEQA Guidelines, §§ 15105(b), 15190.5(c).)

6.06 SPECIAL FINDINGS REQUIRED FOR FACILITIES THAT MAY EMIT HAZARDOUS AIR EMISSIONS NEAR SCHOOLS.

Special procedural rules apply to projects involving the construction or alteration of a facility within one-quarter mile of a school/schools when: (1) the facility might reasonably be anticipated to emit hazardous air emissions or to handle an extremely hazardous substance or a mixture containing extremely hazardous substances in a quantity equal to or greater than the threshold specified in Health and Safety Code section 25532(j), and (2) the emissions or substances may pose a health or safety hazard to persons who would attend or would be employed at the

school. If the project meets both of those criteria, a Lead Agency may not approve a Negative Declaration or a Mitigated Negative Declaration unless both of the following have occurred:

- (a) The Lead Agency consulted with the affected school district or districts having jurisdiction over the school regarding the potential impact of the project on the school; and
- (b) The school district(s) was given written notification of the project not less than thirty (30) days prior to the proposed approval of the Negative Declaration.

When the District is considering the adoption of a Negative Declaration or Mitigated Negative Declaration for a project that meets these criteria, it can satisfy this requirement by providing the Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration, the proposed Negative Declaration or Mitigated Negative Declaration, and the Initial Study to the potentially affected school district at least thirty (30) days before the decision-making body will consider the adoption of the Negative Declaration or Mitigated Negative Declaration. See also Local Guidelines Section 6.04.

Implementation of this Guideline shall be consistent with the definitions and terms utilized in State CEQA Guidelines section 15186.

6.07 CONSULTATION WITH CALIFORNIA NATIVE AMERICAN TRIBES.

Prior to the release of a Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration for a project, the Lead Agency shall begin consultation with a California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed project if:

- (a) The California Native American tribe requested to the Lead Agency, in writing, to be informed by the Lead Agency through formal notification of proposed projects in the geographic area that is traditionally and culturally affiliated with the tribe; and
- (b) The California Native American tribe responds, in writing, within 30 days of receipt of the formal notification, and requests the consultation. The California Native American tribe shall designate a lead contact person when responding to the Lead Agency. If a lead contact is not designated by the California Native American tribe, or it designates multiple lead contact people, the Lead Agency shall defer to the individuals listed on the contact list maintained by the Native American Heritage Commission. Consultation is defined in Local Guidelines Section 11.11.

To expedite the requirements of this section, the Native American Heritage Commission shall assist the Lead Agency in identifying the California American Native tribes that are traditionally and culturally affiliated with the project area.

Within 14 days of determining that an application for a project is complete or a decision by a public agency to undertake a project, the Lead Agency shall provide formal notification to the designated contact of, or a trial representative of, traditionally and culturally affiliated California Native America tribes that have requested notice, which shall be accomplished by at least one written notification that includes a brief description of the proposed project and its

location, the Lead Agency contact information, and a notification that the California Native American tribe has 30 days to request consultation. Where the application for a housing development project is deemed to be complete on or after March 4, 2020 and before December 31, 2021, the California Native American tribe shall have 60 days to respond to the Lead Agency and request consultation. (Reference: Gov. Code, § 65583(i).)

The Lead Agency shall begin the consultation process within 30 days of receiving a California Native American tribe's request for consultation.

If consultation is requested, the parties may propose mitigation measures, including those set forth in Public Resources Code section 21084.3, capable of avoiding or substantially lessening potential significant impacts to a tribal cultural resource or alternatives that would avoid significant impacts to a tribal cultural resource. The consultation may include discussion concerning the type of environmental review necessary, the significance of tribal cultural resources, the significance of the project's impacts on the tribal cultural resources, and, if necessary, project alternatives or the appropriate measures for preservation or mitigation that the California Native American tribe may recommend to the Lead Agency.

The consultation shall be considered concluded when either of the following occurs:

- (1) The parties agree to measures to mitigate or avoid a significant effect, if a significant effect exists, on a tribal cultural resource.
- (2) A party, acting in good faith and after reasonable effort, concludes that mutual agreement cannot be reached.

The California Native American tribe is not limited in its ability to submit information to the lead agency regarding the significance of the tribal cultural resources, the significance of the project's impact on tribal cultural resources, or any appropriate measures to mitigate the impacts. Additionally, the lead agency or project proponent is not limited in its ability to incorporate changes and additions to the project as a result of the consultation, even if not legally required.

(Reference: Pub. Resources Code, §§ 21080.3.1, 21080.3.2.)

6.08 IDENTIFICATION OF TRIBAL CULTURAL RESOURCES AND PROCESSING OF INFORMATION AFTER CONSULTATION WITH THE CALIFORNIA NATIVE AMERICAN TRIBE

After consultation with the California Native American tribe listed above in Local Guidelines Section 6.07, any mitigation measures agreed upon in the consultation conducted pursuant to Public Resources Code section 21080.3.2 shall be recommended for inclusion in the Mitigated Negative Declaration and in an adopted mitigation monitoring and reporting program, if the mitigation measures are determined to avoid or lessen the proposed project's impacts on tribal cultural resources, and if the mitigation measures are enforceable.

If a project may have a significant impact on a tribal cultural resource, the Lead Agency's Mitigated Negative Declaration shall discuss both of the following:

- (a) Whether the proposed project has a significant impact on an identified tribal cultural resource;
- (b) Whether feasible alternatives or mitigation measures, including those measures that may be agreed to during the consultation, avoid or substantially lessen the impact on the identified tribal cultural resource.

Any information provided regarding the location, description and use of the tribal cultural resource that is submitted by a California Native American tribe during the environmental review process shall not be included in the Negative Declaration or Mitigated Negative Declaration or otherwise disclosed by the Lead Agency or any other public agency to the public, consistent with Government Code section 7927.005, and State CEQA Guidelines section 15120(d), without the prior consent of the tribe that provided the information. If the Lead Agency publishes any information submitted by a California Native American tribe during the consultation or environmental review process, that information shall be published in a confidential appendix to the Negative Declaration or Mitigated Negative Declaration unless the tribe provides consent, in writing, to the disclosure of some or all of the information to the public. This does not prohibit the confidential exchange of the submitted information between public agencies that have lawful jurisdiction over the preparation of the Negative Declaration or the Mitigated Negative Declaration.

The exchange of confidential information regarding tribal cultural resources submitted by a California Native American tribe during the consultation or environmental review process among the Lead Agency, the California Native American tribe, the project applicant, or the project applicant's agent is not prohibited by Public Resources Code section 21082.3. The project applicant and the project applicant's legal advisers must use a reasonable degree of care and maintain the confidentiality of the information exchanged for the purposes of preventing looting, vandalism, or damage to tribal cultural resources and shall not disclose to a third party confidential information regarding the cultural resource unless the California Native American tribe providing the information consents in writing to the public disclosure of such information.

Public Resources Code section 21082.3 does not prevent a Lead Agency or other public agency from describing the information in general terms in the Negative Declaration or Mitigated Negative Declaration so as to inform the public of the basis of the Lead Agency's or other public agency's decision without breaching the confidentiality required. In addition, a Lead Agency may adopt a Mitigated Negative Declaration for a project with a significant impact on an identified tribal cultural resource only if one of the following occurs:

- (a) The consultation process between the California Native American tribe and the Lead Agency has occurred as provided in Public Resources Code sections 21080.3.1 and 21080.3.2 and concluded pursuant to subdivision (b) of Section 21080.3.2.
- (b) The California Native American tribe has requested consultation pursuant to Public Resources Code section 21080.3.1 and has failed to provide comments to the Lead agency, or otherwise failed to engage, in the consultation process.

- (c) The Lead Agency has complied with subdivision (d) of Section 21080.3.1 of the Public Resources Code and the California Native American tribe has failed to request consultation within 30 days.

If substantial evidence demonstrates that a project will cause a significant effect to a tribal cultural resource but the decision-makers do not include the mitigation measures recommended by the staff in the Mitigated Negative Declaration, or if there are no agreed upon mitigation measures at the conclusion of the consultation; or if no consultation has occurred, the Lead Agency must still consider the adoption of feasible mitigation.

(Reference: Pub. Resources Code, § 21082.3.)

6.09 SIGNIFICANT ADVERSE IMPACTS TO TRIBAL CULTURAL RESOURCES

Public agencies shall, when feasible, avoid damaging effects to any tribal cultural resource. If the Lead Agency determines that a project may cause a substantial adverse change to a tribal cultural resource, and measures are not otherwise identified in the consultation process provided in Public Resources Code section 21080.3.2 and as set forth in Local Guidelines Section 6.07, the following examples of mitigation measures, if feasible, may be considered to avoid or minimize the significant adverse impacts:

- (a) Avoidance and preservation of the resources in place, including, but not limited to, planning and construction to avoid the resources and protect the cultural and natural context, or planning greenspace, parks, or other open space, to incorporate the resources with culturally appropriate protection and management criteria.
- (b) Treating the resource with culturally appropriate dignity taking into account the tribal cultural values and meaning of the resource, including, but not limited to, the following:
- (1) Protecting the cultural character and integrity of the resource.
 - (2) Protecting the traditional use of the resource.
 - (3) Protecting the confidentiality of the resource.
- (c) Permanent conservation easements or other interests in real property, with culturally appropriate management criteria for the purposes of preserving or utilizing the resources or places.
- (d) Protecting the resource.

(Reference: Pub. Resources Code, § 21084.3.)

6.10 POSTING AND PUBLICATION OF NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

The District shall have a copy of the Notice of Intent to Adopt, the Negative Declaration or Mitigated Negative Declaration, and the Initial Study posted at the District's offices and on the District's website, if any, and shall make these documents available for public inspection. The Notice must be provided either twenty (20) or thirty (30) days prior to final adoption of the Negative Declaration or Mitigated Negative Declaration. The public review period for a Negative Declaration or Mitigated Negative Declaration prepared for a project subject to state agency review, as set forth in Local Guidelines Section 6.11, must be circulated for at least as long as the review period established by the State Clearinghouse, usually no less than thirty (30) days. Under certain circumstances, a shortened review period of at least twenty (20) days may be approved by the State Clearinghouse as provided for in State CEQA Guidelines section 15105. See the Shortened Review Request Form "P." The state review period will commence on the date the State Clearinghouse distributes the document to state agencies. The State Clearinghouse will distribute the document within three (3) days of receipt if the Negative Declaration or Mitigated Negative Declaration is deemed complete.

The Notice must also be posted in the office of the Clerk in each county in which the project is located and must remain posted throughout the public review period. The County Clerk is required to post the Notice within twenty-four (24) hours of receiving it.

Notice shall be provided as stated in Local Guidelines Section 6.04. In addition, Notice of the Intent to Adopt shall be given to the last known name and address of all organizations and individuals who have previously requested notice; by posting the notice on the website of the lead agency; and by at least one of the following procedures:

- (a) Publication at least once in a newspaper of general circulation in the area affected by the proposed project. If more than one area will be affected, the notice shall be published in the newspaper of largest circulation from among the newspapers of general circulation in those areas;
- (b) Posting of notice on and off site in the area where the project is to be located; or
- (c) Direct mailing to owners and occupants of property contiguous to the project, as shown on the latest equalized assessment roll.

The District, when acting as Lead Agency, shall consider all comments received during the public review period for the Negative Declaration or Mitigated Negative Declaration. For a Negative Declaration or Mitigated Negative Declaration, the District is not required to respond in writing to comments it receives either during or after the public review period. However, the District may provide a written response to all comments if it will not delay action on the Negative Declaration or Mitigated Negative Declaration, since any comment received prior to final action on the Negative Declaration or Mitigated Negative Declaration can form the basis of a legal challenge. A written response that refutes the comment or adequately explains the District's action in light of the comment will assist the District in defending against a legal challenge. The District shall notify any public agency that comments on a Negative Declaration or Mitigated Negative Declaration of the public hearing or hearings, if any, on the project for which the Negative Declaration or Mitigated Negative Declaration was prepared.

(Reference: Pub. Resources Code, § 21092; State CEQA Guidelines, §§ 15072-15073.)

6.11 SUBMISSION OF NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION TO STATE CLEARINGHOUSE.

A Negative Declaration or Mitigated Negative Declaration must be submitted to the State Clearinghouse, in an electronic form as required by the Office of Planning and Research, regardless of whether the document must be circulated for review and comment by state agencies under State CEQA Guidelines section 15205 and 15206. The Negative Declaration or Mitigated Negative Declaration must be submitted via the Office of Planning and Research’s CEQA Submit website (<https://ceqasubmit.opr.ca.gov/Security/LogOn?ReturnUrl=%2f>). The CEQA Submit website differentiates between environmental documents that do require review and comment by state agencies and those that do not. In particular, the website provides a “Local Review Period” tab for submitting documents that do not require review and comment by state agencies, and a “State Review Period” tab for submitting documents that do require review and comment by state agencies.

A Negative Declaration or Mitigated Negative Declaration must be submitted to the State Clearinghouse for review and comment by state agencies (i.e., a Negative Declaration or Mitigated Negative Declaration must be submitted through the CEQA Submit website under the “State Review Period” tab) in the following situations:

- (a) The Negative Declaration or Mitigated Negative Declaration is prepared by a Lead Agency that is a state agency;
- (b) The Negative Declaration or Mitigated Negative Declaration is prepared by a public agency where a state agency is a Responsible Agency, Trustee Agency, or otherwise has jurisdiction by law with respect to the project; or
- (c) The Negative Declaration or Mitigated Negative Declaration is for a project identified in State CEQA Guidelines section 15206 as being of statewide, regional, or area-wide significance.

State CEQA Guidelines section 15206 identifies the following types of projects as being examples of projects of statewide, regional, or area-wide significance that require submission to the State Clearinghouse for circulation:

- (1) Projects that have the potential to cause significant environmental effects beyond the city or county where the project would be located, such as:
 - (a) Residential development of more than 500 units;
 - (b) Commercial projects employing more than 1,000 persons or covering more than 500,000 square feet of floor space;
 - (c) Office building projects employing more than 1,000 persons or covering more than 250,000 square feet of floor space;
 - (d) Hotel or motel development of more than 500 rooms; or
 - (e) Industrial projects housing more than 1,000 persons, occupying more than 40 acres of land, or covering more than 650,000 square feet of floor area;

- (2) Projects for the cancellation of a Williamson Act contract covering 100 or more acres;
- (3) Projects in one of the following Environmentally Sensitive Areas:
 - (a) Lake Tahoe Basin;
 - (b) Santa Monica Mountains Zone;
 - (c) Sacramento-San Joaquin River Delta;
 - (d) Suisun Marsh;
 - (e) Coastal Zone, as defined by the California Coastal Act;
 - (f) Areas within one-quarter mile of a river designated as wild and scenic; or
 - (g) Areas within the jurisdiction of the San Francisco Bay Conservation and Development Commission;
- (4) Projects that would affect sensitive wildlife habitats or the habitats of any rare, threatened, or endangered species;
- (5) Projects that would interfere with water quality standards; and
- (6) Projects that would provide housing, jobs, or occupancy for 500 or more people within 10 miles of a nuclear power plant.

A Negative Declaration or Mitigated Negative Declaration may also be submitted to the State Clearinghouse for circulation if a state agency has special expertise with regard to the environmental impacts involved.

The public review period for a Negative Declaration or a Mitigated Negative Declaration shall not be less than twenty (20) days. The review period, however, shall be at least thirty (30) days if the Negative Declaration or Mitigated Negative Declaration is for a proposed project where a state agency is the lead agency, a responsible agency, or a trustee agency; a state agency otherwise has jurisdiction by law with respect to the project; or the proposed project is of sufficient statewide, regional, or areawide significance as determined pursuant to the guidelines certified and adopted pursuant to State CEQA Guidelines section 15206. When the Negative Declaration or Mitigated Negative Declaration is submitted to the State Clearinghouse for state agency review, the review period begins (day one) on the date that the State Clearinghouse distributes the Negative Declaration or Mitigated Negative Declaration to state agencies. The State Clearinghouse is required to distribute the Negative Declaration or Mitigated Negative Declaration to state agencies within three (3) working days from the date the State Clearinghouse receives the document, as long as the Negative Declaration or Mitigated Negative Declaration is complete when submitted to the State Clearinghouse. If the document submitted to the State Clearinghouse is not complete, the State Clearinghouse must notify the Lead Agency. The review period for the public and all other agencies may run concurrently with the state agency review period established by the State Clearinghouse, but the public review period cannot conclude before the state agency review period does. The review period for the public shall be at least as long as the review period established by the State Clearinghouse.

A shorter review period by the State Clearinghouse for a Negative Declaration or Mitigated Negative Declaration can be requested by the decision-making body. The shortened review period

shall not be less than twenty (20) days. Such a request must be made in writing by the Lead Agency to the Office of Planning and Research. The decision-making body may designate by resolution or ordinance an individual authorized to request a shorter review period. (See Form “P”). Any approval of a shortened review period must be given prior to, and reflected in, the public notice. However, a shortened review period shall not be approved by the Office of Planning and Research for any proposed project of statewide, regional or areawide environmental significance, as defined by State CEQA Guidelines section 15206.

When the Lead Agency completes its Negative Declaration or Mitigated Negative Declaration for a proposed project, the Lead Agency must also cause a Notice of Completion (Form “H”) to be filed with the Office of Planning and Research via the Office of Planning and Research’s CEQA Submit website. The Notice of Completion should briefly identify the project, indicate that an environmental document has been prepared for the project, and identify the project location by latitude and longitude.

The Lead Agency must post the Notice of Intent, Notice of Completion, and Negative Declaration or Mitigated Negative Declaration on its website, if any.

(Reference: Pub. Resources Code, §§ 21082.1, 21161; State CEQA Guidelines, §§ 15205, 15206.)

6.12 SPECIAL NOTICE REQUIREMENTS FOR WASTE- AND FUEL-BURNING PROJECTS.

For any project that involves the burning of municipal waste, hazardous waste, or refuse-derived fuel (such as tires) and that does not require an EIR, as defined in Local Guidelines Section 5.11, a Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration shall be given to all organizations and individuals who have previously requested it and shall also be given by all three of the procedures listed in Local Guidelines Section 6.07. In addition, Notice shall be given by direct mailing to the owners and occupants of property within one-quarter mile of any parcel or parcels on which such a project is located.

These notice requirements apply only to those projects described in Local Guidelines Section 5.11. These notice requirements do not preclude the District from providing additional notice by other means if desired.

(Reference: Pub. Resources Code, § 21092(c).)

6.13 CONSULTATION WITH WATER AGENCIES REGARDING LARGE DEVELOPMENT PROJECTS.

Under specific circumstances a city or county acting as Lead Agency must consult with the public water system that will supply the project to determine whether the public water system can adequately supply the water needed for the project. As a Responsible Agency, the District should be aware of these requirements. See Local Guidelines Section 5.16 for more information on these requirements.

(Reference: State CEQA Guidelines, § 15155.)

6.14 CONTENT OF NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

A Negative Declaration must be prepared directly by or under contract to the District and should generally resemble Form “E.” It shall contain the following information:

- (a) A brief description of the project proposed, including any commonly used name for the project;
- (b) The location of the project and the name of the project proponent;
- (c) A finding that the project as proposed will not have a significant effect on the environment; and
- (d) An attached copy of the Initial Study documenting reasons to support the finding.

For a Mitigated Negative Declaration, feasible mitigation measures included in the project to substantially lessen or avoid potentially significant effects must be fully enforceable through permit conditions, agreements, or other measures. Such permit conditions, agreements, and measures must be consistent with applicable constitutional requirements such as the “nexus” and “rough proportionality” standards established by case law.

The proposed Negative Declaration or Mitigated Negative Declaration must reflect the independent judgment of the District.

(Reference: State CEQA Guidelines, § 15071.)

6.15 TYPES OF MITIGATION.

The following is a non-exhaustive list of potential types of mitigation the District may consider:

- (a) Avoidance;
- (b) Preservation;
- (c) Rehabilitation or replacement. Replacement may be on-site or off-site depending on the particular circumstances; and/or
- (d) Participation in a fee program.

(Reference: State CEQA Guidelines, § 15370.)

6.16 ADOPTION OF NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

Following the publication, posting or mailing of the Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration, but not before the expiration of the applicable twenty (20) or thirty (30) day public review period, the Negative Declaration or Mitigated Negative Declaration may be presented to the decision-making body at a regular or special meeting. Prior to adoption, the District shall independently review and analyze the Negative Declaration or Mitigated Negative Declaration and find that the Negative Declaration or Mitigated Negative Declaration reflects the independent judgment of the District.

If new information is added to the Negative Declaration or Mitigated Negative Declaration after public review, the District should determine whether recirculation is warranted. (See Local

Guidelines Section 6.19). If the decision-making body finds that the project will not have a significant effect on the environment, it shall adopt the Negative Declaration or Mitigated Negative Declaration. If the decision-making body finds that the proposed project may have a significant effect on the environment that cannot be mitigated or avoided, it shall order the preparation of a Draft EIR and the filing of a Notice of Preparation of a Draft EIR.

When adopting a Negative Declaration or Mitigated Negative Declaration, the District shall specify the location and custodian of the documents or other material that constitute the record of proceedings upon which it based its decision. If adopting a Negative Declaration for a project that may emit hazardous air emissions within one-quarter mile of a school and that meets the other requirements of Local Guidelines Section 6.06, the decision-making body must also make the findings required by Local Guidelines Section 6.06.

As Lead Agency, the District may charge a non-elected official or body with the responsibility of independently reviewing the adequacy of and adopting a Negative Declaration or a Mitigated Negative Declaration. Any final CEQA determination made by a non-elected decisionmaker, however, is appealable to the District's Board of Directors within either (a) the time period set forth in the District's established process to appeal the non-elected decisionmaker's CEQA determination; or, if no such process exists, (2) ten (10) days of the non-elected decisionmaker's determination. If the non-elected decisionmaker's CEQA determination is not timely appealed as set forth herein, the non-elected decisionmaker's determination shall be final.

(Reference: State CEQA Guidelines, § 15074.)

6.17 MITIGATION REPORTING OR MONITORING PROGRAM FOR MITIGATED NEGATIVE DECLARATION.

When adopting a Mitigated Negative Declaration pursuant to Local Guidelines Section 6.13, the District shall adopt a reporting or monitoring program to assure that mitigation measures, which are required to mitigate or avoid significant effects on the environment, will be fully enforceable through permit conditions, agreements, or other measures and implemented by the project proponent or other responsible party in a timely manner, in accordance with conditions of project approval. The District shall also specify the location and the custodian of the documents that constitute the record of proceedings upon which it based its decision. There is no requirement that the reporting or monitoring program be circulated for public review; however, the District may choose to circulate it for public comments along with the Mitigated Negative Declaration. The mitigation measures required to mitigate or avoid significant effects on the environment must be adopted as conditions of project approval.

This reporting or monitoring program shall be designed to assure compliance during the implementation or construction of a project and shall otherwise comply with the requirements described in Local Guidelines Section 7.38. If a Responsible Agency or Trustee Agency has required that certain conditions be incorporated into the project, the District may request that agency to prepare and submit a proposed reporting or monitoring program. The District shall also require that, prior to the close of the public review period for a Mitigated Negative Declaration (see Local Guidelines Section 6.04), the Responsible or Trustee Agency submit detailed performance objectives for mitigation measures, or refer the District to appropriate, readily

available guidelines or reference documents. Any mitigation measures submitted to the District by a Responsible or Trustee Agency shall be limited to measures that mitigate impacts to resources that are within the Responsible or Trustee Agency's authority.

Local agencies have the authority to levy fees sufficient to pay for this program. Therefore, the District can charge the project proponent a fee to cover actual costs of program processing and implementation.

Transportation information resulting from the reporting or monitoring program required to be adopted by the District shall be submitted to the regional transportation planning agency where the project is located and to the Department of Transportation for a project of statewide, regional or area-wide significance according to State CEQA Guidelines section 15206. The transportation planning agency and the Department of Transportation are required by law to adopt guidelines for the submittal of these reporting or monitoring programs, so the District may wish to tailor its submittal to such guidelines.

(Reference: State CEQA Guidelines, §§ 15074, 15097.)

6.18 APPROVAL OR DISAPPROVAL OF PROJECT.

At the time of adoption of a Negative Declaration or Mitigated Negative Declaration, the decision-making body may consider the project for purposes of approval or disapproval. Prior to approving the project, the decision-making body shall consider the Negative Declaration or Mitigated Negative Declaration, together with any written comments received and considered during the public review period, and shall approve or disapprove the Negative Declaration or Mitigated Negative Declaration. In making a finding as to whether there is any substantial evidence that the project will have a significant effect on the environment, the factors listed in Local Guidelines Section 5.08 should be considered. (See Local Guidelines Section 6.06 for approval requirements for facilities that may emit hazardous pollutants or that may handle extremely hazardous substances within one-quarter mile of a school site.)

(Reference: State CEQA Guidelines, § 15092.)

6.19 RECIRCULATION OF A NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

A Negative Declaration or Mitigated Negative Declaration must be recirculated when the document must be substantially revised after the public review period but prior to its adoption. A "substantial revision" occurs when the District has identified a new and avoidable significant effect for which mitigation measures or project revisions must be added in order to reduce the effect to a level of insignificance, or when the District determines that the proposed mitigation measures or project revisions will not reduce the potential effects to less than significant and new measures or revisions must be required.

Recirculation is not required under the following circumstances:

- (a) Mitigation measures are replaced with equal or more effective measures, and the District makes a finding to that effect;

- (b) New project revisions are added after circulation of the Negative Declaration or Mitigated Negative Declaration or in response to written or oral comments on the project's effects, but the revisions do not create new significant environmental effects and are not necessary to mitigate an avoidable significant effect;
- (c) Measures or conditions of project approval are added after circulation of the Negative Declaration or Mitigated Negative Declaration, but the measures or conditions are not required by CEQA, do not create new significant environmental effects, and are not necessary to mitigate an avoidable significant effect; or
- (d) New information is added to the Negative Declaration or Mitigated Declaration which merely clarifies, amplifies, or makes insignificant modifications to the Negative Declaration or Mitigated Negative Declaration.

If, after preparation of a Negative Declaration or Mitigated Negative Declaration, the District determines that the project requires an EIR, it shall prepare and circulate the Draft EIR for consultation and review and advise reviewers in writing that a proposed Negative Declaration or Mitigated Declaration had previously been circulated for the project.

(Reference: State CEQA Guidelines, § 15073.5.)

6.20 NOTICE OF DETERMINATION ON A PROJECT FOR WHICH A PROPOSED NEGATIVE OR MITIGATED NEGATIVE DECLARATION HAS BEEN APPROVED.

After final approval of a project for which a Negative Declaration or Mitigated Negative Declaration has been prepared, Staff shall cause to be prepared, filed, and posted a Notice of Determination (Form "F"). The Notice of Determination shall contain the following information:

- (a) An identification of the project, including the project title as identified on the proposed Negative Declaration or Mitigated Negative Declaration, location, and the State Clearinghouse identification number for the proposed Negative Declaration or Mitigated Negative Declaration if the Notice of Determination is filed with the State Clearinghouse;
- (b) For private projects, identification of the person undertaking a project that is supported, in whole or in part, through contracts, grants, subsidies, loans, or other forms of assistance from one or more public agencies or the identity of the person receiving a lease, permit, license, certificate, or other entitlement for use from one or more public agencies;
- (c) A brief description of the project;
- (d) The name of the District and the date on which the District approved the project;
- (e) The determination of the District that the project will not have a significant effect on the environment;
- (f) A statement that a Negative Declaration or Mitigated Negative Declaration was adopted pursuant to the provisions of CEQA;
- (g) A statement indicating whether mitigation measures were made a condition of the approval of the project, and whether a mitigation monitoring plan/program was adopted; and
- (h) The address where a copy of the Negative Declaration or Mitigated Negative Declaration may be examined.

The Notice of Determination shall be filed with the Clerk of each county in which the project will be located within five (5) working days of project approval.

The District must also post the Notice of Determination on its website. Such electronic notice is in addition to the posting requirements of the State CEQA Guidelines and the Public Resources Code. The Clerk must post the Notice of Determination within twenty-four (24) hours of receipt. The Notice must be posted in the office of the Clerk for a minimum of thirty (30) days. Thereafter, the Clerk shall return the notice to the District with a notation of the period it was posted. The District shall retain the notice for not less than twelve (12) months. If the project requires discretionary approval from any State agency, the Notice of Determination shall also be filed with OPR within five (5) working days of project approval along with proof of payment of the DFW fee or a no effect determination form from the DFW (see Local Guidelines Section 6.24). Simultaneously with the filing of the Notice of Determination with the Clerk, Staff shall cause a copy of the Notice of Determination to be posted at District Offices.

If a written request has been made for a copy of the Notice of Determination prior to the date on which the District adopts the Negative Declaration or Mitigated Negative Declaration, the copy must be mailed, first class postage prepaid, within five (5) days of the District's determination. If such a request is made following the District's determination, then the copy should be mailed in the same manner as soon as possible. The recipients of such documents may be charged a fee reasonably related to the cost of providing the service.

For projects with more than one phase, Staff shall file a Notice of Determination for each phase requiring a discretionary approval.

The filing and posting of the Notice of Determination with the County Clerk, and, if necessary, with OPR, usually starts a thirty (30) day statute of limitations on court challenges to the approval under CEQA. When separate notices are filed for successive phases of the same overall project, the thirty (30) day statute of limitations to challenge the subsequent phase begins to run when the second notice is filed. Failure to file the Notice may result in a one hundred eighty (180) day statute of limitations.

(Reference: State CEQA Guidelines, § 15075.)

6.21 ADDENDUM TO NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

The District may prepare an addendum to an adopted Negative Declaration or Mitigated Negative Declaration if only minor technical changes or additions are necessary. The District may also prepare an addendum to an adopted Negative Declaration or Mitigated Negative Declaration when none of the conditions calling for a subsequent Negative Declaration or Mitigated Negative Declaration have occurred. (See Local Guidelines Section 6.22 below.) An addendum need not be circulated for public review but can be attached to the adopted Negative Declaration or Mitigated Negative Declaration. The District shall consider the addendum with the adopted Negative Declaration or Mitigated Negative Declaration prior to project approval.

(Reference: State CEQA Guidelines, § 15164.)

6.22 SUBSEQUENT NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

When a Negative Declaration or Mitigated Negative Declaration has been adopted for a project, or when an EIR has been certified, no subsequent Negative Declaration, Mitigated

Negative Declaration, or EIR shall be prepared for that project unless the Lead Agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

- (a) Substantial changes are proposed in the project which will require major revisions of the previous EIR, Negative Declaration, or Mitigated Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- (b) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR, Negative Declaration, or Mitigated Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- (c) New information of substantial importance which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified or the Negative Declaration was adopted which shows any of the following:
 - (1) The project will have one or more significant effects not discussed in the previous EIR or Negative Declaration;
 - (2) Significant effects previously examined will be substantially more severe than shown in the previous EIR;
 - (3) Mitigation measure(s) or alternative(s) previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents declined to adopt the mitigation measure(s) or alternative(s); or
 - (4) Mitigation measure(s) or alternative(s) which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure(s) or alternative(s).

The District, as Lead Agency, would then determine whether a Subsequent EIR, Supplemental EIR, Subsequent Negative Declaration, Subsequent Mitigated Negative Declaration, or Addendum would be applicable. Subsequent Negative Declarations and Mitigated Negative Declarations must be given the same notice and public review period as other Negative Declarations. The Subsequent Negative Declaration shall state where the previous document is available and can be reviewed.

(Reference: State CEQA Guidelines, § 15162.)

6.23 PRIVATE PROJECT COSTS.

For private projects, the person or entity proposing to carry out the project shall bear all costs incurred by the District in preparing the Initial Study and in preparing and filing the Negative Declaration or Mitigated Negative Declaration and Notice of Determination.

6.24 FILING FEES FOR PROJECTS THAT AFFECT WILDLIFE RESOURCES.

At the time a Notice of Determination for a Negative Declaration or Mitigated Negative Declaration is filed with the County or Counties in which the project is located, a fee of \$2,764.00, or the then applicable fee, shall be paid to the Clerk for projects that will adversely affect fish or wildlife resources. These fees are collected by the Clerk on behalf of DFW pursuant to Fish and Game Code section 711.4.

Only one filing fee is required for each project unless the project is tiered or phased and separate environmental documents are prepared. (Fish & Game Code section 711.4(g).) For projects where Responsible Agencies file separate Notices of Determination, only the Lead Agency is required to pay the fee.

Note: County Clerks are authorized to charge a documentary handling fee for each project in addition to the Fish and Game Code fees specified above. Refer to the Index in the Staff Summary to help determine the correct total amount of fees applicable to the project.

For private projects, the District may pass these costs on to the project applicant.

Fish and Game Code fees may be waived for projects with “no effect” on fish or wildlife resources or for certain projects undertaken by the DFW and implemented through a contract with a non-profit entity or local government agency; however, the Lead Agency must obtain a form showing that the DFW has determined that the project will have “no effect” on fish and wildlife. (Fish and Game Code section 711.4(c)(2)(A)). Projects that are statutorily or categorically exempt from CEQA are also not subject to the filing fee, and do not require a no effect determination. (State CEQA Guidelines sections 15260 through 15333; Fish and Game Code section 711.4(d)(1)). The applicable DFW Regional Office’s environmental review and permitting staff are responsible for determining whether a project within their region will qualify for a no effect determination and if the CEQA filing fee will be waived.

The request should be submitted when the CEQA document is released for public review, or as early as possible in the public comment period. Documents submitted in digital format are preferred (e.g. compact disk). If insufficient documentation is submitted to DFW for the proposed project, a no effect determination will not be issued.

If the District believes that a project for which it is Lead Agency will have “no effect” on fish or wildlife resources, it should contact the appropriate DFW Regional Office. The project’s CEQA document may need to be provided to the appropriate DFW Regional Office along with a written request. Documentation submitted to the appropriate DFW Regional Office should set forth facts in support of the fee exemption. Previous examples of projects that have qualified for a fee exemption include: minor zoning changes that did not lead to or allow new construction, grading, or other physical alterations to the environment; and minor modifications to existing structures, including addition of a second story to single or multi-family residences.

The fee exemption requirement that the project have “no” impact on fish or wildlife resources is more stringent than the former requirement that a project have only “de minimis” effects on fish or wildlife resources. DFW may determine that a project would have no effect on fish and wildlife if all of the following conditions apply:

- The project would not result in or have the potential to result in harm, harassment, or take of any fish and/or wildlife species.
- The project would not result in or have the potential to result in direct or indirect destruction, ground disturbance, or other modification of any habitat that may support fish and/or wildlife species.
- The project would not result in or have the potential to result in the removal of vegetation with potential to support wildlife.
- The project would not result in or have the potential to result in noise, vibration, dust, light, pollution, or an alteration in water quality that may affect fish and/or wildlife directly or from a distance.
- The project would not result in or have the potential to result in any interference with the movement of any fish and/or wildlife species.

Any request for a fee exemption should include the following information:

- (1) the name and address of the project proponent and applicant contact information;
- (2) a brief description of the project and its location;
- (3) site description and aerial and/or topographic map of the project site;
- (4) State Clearinghouse number or county filing number;
- (5) a statement that an Initial Study has been prepared by the District to evaluate the project's effects on fish and wildlife resources, if any; and
- (6) a declaration that, based on the District's evaluation of potential adverse effects on fish and wildlife resources, the District believes the project will have no effect on fish or wildlife.

If insufficient documentation is submitted to DFW for the proposed project, a no effect determination will not be issued. (A sample Request for Fee Exemption is attached as Form "L".) DFW will review the District's finding, and if DFW agrees with the District's conclusions, DFW will provide the District with written confirmation. Retain DFW's determination as part of the administrative record; the District is required to file a copy of this determination with the County after project approval and at the time of filing of the Notice of Determination.

The Lead Agency must have written confirmation of DFW's finding of "no impact" at the time the Lead Agency files its Notice of Determination with the County. The County cannot accept the Notice of Determination unless it is accompanied by the appropriate fee or a written no effect determination from DFW.

7. ENVIRONMENTAL IMPACT REPORT

7.01 DECISION TO PREPARE AN EIR.

An EIR shall be prepared whenever there is substantial evidence in light of the whole record which supports a fair argument that the project may have a significant effect on the environment. (See Local Guidelines Sections 11.65 and 11.71.) The record may include the Initial Study or other documents or studies prepared to assess the project's environmental impacts.

(Reference: Pub. Resources Code, § 21151.)

7.02 CONTRACTING FOR PREPARATION OF EIRS.

If an EIR is prepared under a contract with the District, the contract must be executed within forty-five (45) days from the date on which the District sends a Notice of Preparation. The District may take longer to execute the contract if the project applicant and the District mutually agree to an extension of the 45-day time limit. (Reference: Pub. Resources Code, § 21151.5.)

The EIR prepared under contract must be the District's product. Staff, together with such consultant help as may be required, shall independently review and analyze the EIR to verify its accuracy, objectivity and completeness prior to presenting it to the decision-making body. The EIR made available for public review must reflect the independent judgment of the District. Staff may require such information and data from the person or entity proposing to carry out the project as Staff deems necessary for completion of the EIR. (Reference: State CEQA Guidelines, §§ 15084, 15090.)

7.03 NOTICE OF PREPARATION OF DRAFT EIR.

After determining that an EIR will be required for a proposed project, the Lead Agency shall prepare and submit a Notice of Preparation (Form "G") to the Office of Planning and Research through its CEQA Submit website and to each of the following:

- (a) Each Responsible Agency and Trustee Agency involved with the project;
- (b) Any other federal, state, or local agency which has jurisdiction by law or exercises authority over resources affected by the project, including:
 - (1) Any water supply agency consulted under Local Guidelines Section 5.16;
 - (2) Any city or county bordering on the project area;
 - (3) For a project of statewide, regional, or area-wide significance, to any transportation agencies or public agencies which have major local arterials or public transit facilities within five (5) miles of the project site or freeways, highways, or rail transit service within ten (10) miles of the project site which could be affected by the project; and
 - (4) For a subdivision project located within one mile of a facility of the State Water Resources Development System, the California Department of Water Resources;

- (c) The last known name and address of all organizations and individuals who have previously filed a written request with the District to receive these Notices;
- (d) For certain projects that may impact a low-level flight path, military impact zone, or special use airspace and that meet the other criteria in Local Guidelines Section 7.04, the specified military services contact;
- (e) For certain projects that involve the construction or alteration of a facility anticipated to emit hazardous air emissions or handle hazardous substances within one-quarter mile of a school and that meet the other requirements of Local Guidelines Section 7.36, any potentially affected school district;
- (f) For certain waste-burning projects that meet the requirements of Local Guidelines Section 5.11 (See also Local Guidelines Section 7.27), the owners and occupants of property within one-fourth mile of any parcel on which the project will be located; and
- (g) For a project that establishes or amends a redevelopment plan that contains land in agricultural use, the agricultural and farm agencies and organizations specified in Health and Safety Code section 33333.3.

Additionally, for a project of statewide, regional, or area-wide significance, the Lead Agency should also consult with public transit agencies with facilities within one-half mile of the proposed project.

The Notice of Preparation must also be filed and posted in the office of the Clerk in each county in which the project is located for thirty (30) days. The County Clerk must post the Notice within twenty-four (24) hours of receipt.

When submitting the Notice of Preparation to OPR, a Notice of Completion (Form “H”) should be used as a cover sheet. Responsible and Trustee Agencies, the State Clearinghouse, and the state agencies contacted by the State Clearinghouse have thirty (30) days to respond to the Notice of Preparation in writing via certified mail, email, or an equivalent procedure. Agencies that do not respond within thirty (30) days shall be deemed not to have any comments on the Notice of Preparation.

At a minimum, the Notice of Preparation shall include:

- (a) A description of the project;
- (b) The location of the project indicated either on an attached map (preferably a copy of the USGS 15’ or 7½’ topographical map identified by quadrangle name) or by a street address and cross street in an urbanized area;
- (c) The probable environmental effects of the project;
- (d) The name and address of the consulting firm retained to prepare the Draft EIR, if applicable; and
- (e) The Environmental Protection Agency (“EPA”) list on which the proposed site is located, if applicable, and the corresponding information from the applicant’s statement. (See Local Guidelines Section 2.05.)

(Reference: Pub. Resources Code, § 21080.4; State CEQA Guidelines, § 15082.)

7.04 SPECIAL NOTICE REQUIREMENTS FOR AFFECTED MILITARY AGENCIES

CEQA imposes additional requirements to provide notice to potentially affected military agencies when:

- (a) A “military service” (defined in Section 11.42 of these Local Guidelines) has provided the District with its contact office and address and notified the District of the specific boundaries of a “low-level flight path” (defined in Section 11.37 of these Local Guidelines), “military impact zone” (defined in Section 11.41 of these Local Guidelines), or “special use airspace” (defined in Section 11.67 of these Local Guidelines); and
- (b) The project meets one of the following criteria:
 - (1) The project is within the boundaries specified pursuant to subsection (a) of this guideline;
 - (2) The project includes a general plan amendment;
 - (3) The project is of statewide, regional, or area-wide significance; or
 - (4) The project relates to a public use airport or certain lands surrounding a public use airport.

When a project meets these requirements, the District must provide the military service’s designated contact with any Notice of Preparation, and/or Notice of Availability of Draft EIRs that have been prepared for a project, unless the project involves the remediation of lands contaminated with hazardous wastes and meets certain other requirements.

The District must provide the military service with sufficient notice of its intent to certify an EIR to ensure that the military service has no fewer than thirty (30) days to review the document; or forty-five (45) days to review the environmental documents before they are approved if the documents have been submitted to the State Clearinghouse.

It should be noted that the effect, or potential effect, a project may have on military activities does not itself constitute an adverse effect on the environment pursuant to CEQA.

(Reference: Pub. Resources Code, §§ 21080.4, 21092; Health & Safety Code, §§ 25300, et seq., 25396, 25187; State CEQA Guidelines, § 15082(a).)

7.05 ENVIRONMENTAL LEADERSHIP DEVELOPMENT PROJECT.

Under certain circumstances, a project applicant may choose to apply to the Governor of the State of California to have the project certified as an Environmental Leadership Development Project. A project may qualify as an Environmental Leadership Development Project if it is one of the following:

- (1) A residential, retail, commercial, sports, cultural, entertainment, or recreational use project that meets the following standards:

- The project is certified as Leadership in Energy and Environmental Design (LEED) gold or better by the United States Green Building Council; and
 - The project, where applicable, achieves a 15 percent greater standard for transportation efficiency than comparable projects; and
 - The project is located on an infill site; and
 - For a project that is within a metropolitan planning organization for which a sustainable communities strategy or alternative planning strategy is in effect, the infill project shall be consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy, for which the State Air Resources Board has accepted a metropolitan planning organization's determination, under subparagraph (H) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code, that the sustainable communities strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets.
- (2) A clean renewable energy project that generates electricity exclusively through wind or solar, but not including waste incineration or conversion.
- (3) A clean energy manufacturing project that manufactures products, equipment, or components used for renewable energy generation, energy efficiency, or for the production of clean alternative fuel vehicles.
- (4) A housing development project—i.e., a project that entails either residential units only; mixed-use developments consisting of residential and nonresidential uses with at least two-thirds of the square footage designated for residential use; or transitional housing or supportive housing—that meets all of the following conditions:
- The housing development project is located on an infill site.
 - For a housing development project that is located within a metropolitan planning organization for which a sustainable communities strategy or alternative planning strategy is in effect, the project is consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy, for which the State Air Resources Board has accepted a metropolitan planning organization's determination, under subparagraph (H) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code, that the sustainable communities strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets.
 - Notwithstanding paragraph (1) of subdivision (a) of Section 21183, the housing development project will result in a minimum investment of fifteen million

dollars (\$15,000,000), but less than one hundred million dollars (\$100,000,000), in California upon completion of construction.

- At least 15 percent of the housing development project is dedicated as housing that is affordable to lower income households, as defined in Section 50079.5 of the Health and Safety Code. Upon completion of a housing development project that is qualified under this paragraph and is certified by the Governor, the lead agency or applicant of the project shall notify the Office of Planning and Research of the number of housing units and affordable housing units established by the project. Notwithstanding the foregoing, if a local agency has adopted an inclusionary zoning ordinance that establishes a minimum percentage for affordable housing within the jurisdiction in which the housing development project is located that is higher than 15 percent, the percentage specified in the inclusionary zoning ordinance shall be the threshold for affordable housing.
- Except for use as a residential hotel, as defined in Section 50519 of the Health and Safety Code, no part of the housing development project shall be used for a rental unit for a term shorter than 30 days, or designated for hotel, motel, bed and breakfast inn, or other transient lodging use. Moreover, no part of the housing development project shall be used for manufacturing or industrial uses.

The Governor may certify a leadership project for streamlining before the lead agency certifies an EIR for the project if various conditions set forth in Public Resources Code section 21182 are met. The conditions include but are not limited to the following: (1) except as set forth above, the project will result in a minimum investment of one hundred million dollars (\$100,000,000) in California upon completion of construction; (2) the project creates high-wage, highly skilled jobs that pay prevailing wages and living wages, provide construction jobs and permanent jobs for Californians, helps reduce unemployment, and promotes apprenticeship training; and (3) the project will not result in any net additional emission of greenhouse gases, including greenhouse gas emissions from employee transportation.

If the Governor certifies a project as an Environmental Leadership Development Project, any lawsuit challenging the project—including any potential appeals to the court of appeal or the California Supreme Court—must be resolved, to the extent feasible, within 270 days of the filing of the certified record of proceedings with the trial court.

This section shall remain in effect until January 1, 2026. This section does not comprehensively set forth the rules governing Environmental Leadership Development projects. For more information, please see Chapter 6.5 of the Public Resources Code, starting with Public Resources Code section 21178.

7.06 PREPARATION OF DRAFT EIR.

The Lead Agency is responsible for preparing a Draft EIR. The Lead Agency may begin preparation of the Draft EIR without awaiting responses to the Notice of Preparation. However,

information communicated to the Lead Agency not later than thirty (30) days after receipt of the Notice of Preparation shall be included in the Draft EIR.

(Reference: State CEQA Guidelines, § 15084.)

7.07 CONSULTATION WITH CALIFORNIA NATIVE AMERICAN TRIBES.

Prior to the release of a Draft EIR for a project, the Lead Agency shall begin consultation with a California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed project if:

- (a) The California Native American tribe requested to the Lead Agency, in writing, to be informed by the Lead Agency through formal notification of proposed projects in the geographic area that is traditionally and culturally affiliated with the tribe; and
- (b) The California Native American tribe responds, in writing, within 30 days of receipt of the formal notification, and requests the consultation. The California Native American tribe shall designate a lead contact person when responding to the Lead Agency. If a lead contact is not designated by the California Native American tribe, or if it designates multiple lead contact people, the Lead Agency shall defer to the individuals listed on the contact list maintained by the Native American Heritage Commission. Consultation is defined in Local Guidelines Section 11.11.

To expedite the requirements of this section, the Native American Heritage Commission shall assist the Lead Agency in identifying the California American Native tribes that are traditionally and culturally affiliated with the project area.

Within 14 days of determining that an application for a project is complete or a decision by a public agency to undertake a project, the Lead Agency shall provide formal notification to the designated contact of, or a tribal representative of, traditionally and culturally affiliated California Native American tribes that have requested notice, which shall be accomplished by at least one written notification that includes a brief description of the proposed project and its location, the Lead Agency contact information, and a notification that the California Native American tribe has 30 days to request consultation.

The Lead Agency shall begin the consultation process within 30 days of receiving a California Native American tribe's request for consultation.

If consultation is requested, the parties may propose mitigation measures, including those set forth in Public Resources Code section 21084.3, capable of avoiding or substantially lessening potential significant impacts to a tribal cultural resource or alternatives that would avoid significant impacts to a tribal cultural resource. The consultation may include discussion concerning the type of environmental review necessary, the significance of tribal cultural resources, the significance of the project's impacts on the tribal cultural resources, and, if necessary, project alternatives or the appropriate measures for preservation or mitigation that the California Native American tribe may recommend to the lead agency.

The consultation shall be considered concluded when either of the following occurs:

- (1) The parties agree to measures to mitigate or avoid a significant effect, if a significant effect exists, on a tribal cultural resource.
- (2) A party, acting in good faith and after reasonable effort, concludes that mutual agreement cannot be reached.

The California Native American tribe is not limited in its ability to submit information to the Lead Agency regarding the significance of the tribal cultural resources, the significance of the project's impact on tribal cultural resources, or any appropriate measures to mitigate the impacts. Additionally, the Lead Agency or project proponent is not limited in its ability to incorporate changes and additions to the project as a result of the consultation, even if not legally required.

(Reference: Pub. Resources Code, §§ 21080.3.1, 21080.3.2.)

7.08 IDENTIFICATION OF TRIBAL CULTURAL RESOURCES AND PROCESSING OF INFORMATION AFTER CONSULTATION WITH THE CALIFORNIA NATIVE AMERICAN TRIBE

After consultation with the California Native American tribe listed above in Local Guidelines Section 7.07, any mitigation measures agreed upon in the consultation conducted pursuant to Public Resources Code section 21080.3.2 shall be recommended for inclusion in the EIR and in an adopted mitigation monitoring and reporting program, if the mitigation measures are determined to avoid or lessen the proposed project's impacts on tribal cultural resources, and if the mitigation measures are enforceable.

If a project may have a significant impact on a tribal cultural resource, the Lead Agency's EIR shall discuss both of the following:

- (a) Whether the proposed project has a significant impact on an identified tribal cultural resource;
- (b) Whether feasible alternatives or mitigation measures, including those measures that may be agreed to during the consultation, avoid or substantially lessen the impact on the identified tribal cultural resource.

Any information provided regarding the location, description and use of the tribal cultural resource that is submitted by a California Native American tribe during the environmental review process shall not be included in the EIR or otherwise disclosed by the lead agency or any other public agency to the public, consistent with Government Code section 7927.005, and State CEQA Guidelines section 15120(d), without the prior consent of the tribe that provided the information. If the Lead Agency publishes any information submitted by a California Native American tribe during the consultation or environmental review process, that information shall be published in a confidential appendix to the EIR unless the tribe provides consent, in writing, to the disclosure of some or all of the information to the public. This does not prohibit the confidential exchange of the submitted information between public agencies that have lawful jurisdiction over the preparation of the EIR.

The exchange of confidential information regarding tribal cultural resources submitted by a California Native American tribe during the consultation or environmental review process among the Lead Agency, the California Native American tribe, the project applicant, or the project applicant's agent is not prohibited by Public Resources Code section 21082.3. The project applicant and the project applicant's legal advisers must use a reasonable degree of care and maintain the confidentiality of the information exchanged for the purposes of preventing looting, vandalism, or damage to tribal cultural resources and shall not disclose to a third party confidential information regarding the cultural resource unless the California Native American tribe providing the information consents in writing to the public disclosure of such information.

Public Resources Code section 21082.3 does not prevent a Lead Agency or other public agency from describing the information in general terms in the EIR so as to inform the public of the basis of the Lead Agency's or other public agency's decision without breaching the confidentiality required. In addition, a Lead Agency may certify an EIR for a project with a significant impact on an identified tribal cultural resource only if one of the following occurs:

- (a) The consultation process between the California Native American tribe and the Lead Agency has occurred as provided in Public Resources Code sections 21080.3.1 and 21080.3.2 and concluded pursuant to subdivision (b) of Section 21080.3.2.
- (b) The California Native American tribe has requested consultation pursuant to Public Resources Code section 21080.3.1 and has failed to provide comments to the Lead Agency, or otherwise failed to engage, in the consultation process.
- (c) The Lead Agency has complied with subdivision (d) of Section 21080.3.1 of the Public Resources Code and the California Native American tribe has failed to request consultation within 30 days.

If substantial evidence demonstrates that a project will cause a significant effect to a tribal cultural resource but the decision-makers do not include the mitigation measures recommended by the staff in the Draft EIR, or if there are no agreed upon mitigation measures at the conclusion of the consultation, or if no consultation has occurred, the Lead Agency must still consider the adoption of feasible mitigation.

(Reference: Pub. Resources Code, § 21082.3.)

7.09 SIGNIFICANT ADVERSE IMPACTS TO TRIBAL CULTURAL RESOURCES

Public agencies shall, when feasible, avoid damaging effects to any tribal cultural resource. If the Lead Agency determines that a project may cause a substantial adverse change to a tribal cultural resource, and measures are not otherwise identified in the consultation process provided in Public Resources Code section 21080.3.2 as set forth in Local Guidelines Section 7.07, the following examples of mitigation measures, if feasible, may be considered to avoid or minimize the significant adverse impacts:

- (a) Avoidance and preservation of the resources in place, including, but not limited to, planning and construction to avoid the resources and protect the cultural and natural

context, or planning greenspace, parks, or other open space, to incorporate the resources with culturally appropriate protection and management criteria.

- (b) Treating the resource with culturally appropriate dignity taking into account the tribal cultural values and meaning of the resource, including, but not limited to the following:
 - (1) Protecting the cultural character and integrity of the resource.
 - (2) Protecting the traditional use of the resource.
 - (3) Protecting the confidentiality of the resource.
- (c) Permanent conservation easements or other interests in real property, with culturally appropriate management criteria for the purposes of preserving or utilizing the resources or places.
- (d) Protecting the resource.

(Reference: Pub. Resources Code, § 21084.3.)

7.10 CONSULTATION WITH OTHER AGENCIES AND PERSONS.

To expedite consultation in response to the Notice of Preparation, the Lead Agency, a Responsible Agency, or a project applicant may request a meeting among the agencies involved to assist in determining the scope and content of the environmental information that the involved agencies may require. For any project that may affect highways or other facilities under the jurisdiction of the State Department of Transportation, the Department of Transportation can request a scoping meeting. When acting as Lead Agency, the District must convene the meeting as soon as possible but no later than thirty (30) days after a request is made. When acting as a Responsible Agency, the District should make any requests for consultation as soon as possible after receiving a Notice of Preparation.

Prior to completion of the Draft EIR, the Lead Agency shall consult with each Responsible Agency and any public agency that has jurisdiction by law over the project.

When acting as a Lead Agency, the District may fulfill this obligation by distributing the Notice of Preparation in compliance with Local Guidelines Section 7.03 and soliciting the comments of Responsible Agencies, Trustee Agencies, and other affected agencies. The District may also consult with any individual who has special expertise with respect to any environmental impacts involved with a project. The District may also consult directly with any person or organization it believes will be concerned with the environmental effects of the project, including any interested individuals and organizations of which the District is reasonably aware. The purpose of this consultation is to “scope” the EIR’s range of analysis. When a Negative Declaration or Mitigated Negative Declaration will be prepared for a project, no scoping meeting need be held, although the District may hold one if it so chooses. For private projects, the District as Lead Agency may charge and collect from the applicant a fee not to exceed the actual cost of the consultations.

In addition to soliciting comments on the Notice of Preparation, the Lead Agency may be required to conduct a scoping meeting to gather additional input regarding the impacts to be analyzed in the EIR. The Lead Agency is required to conduct a scoping meeting when:

- (a) The meeting is requested by a Responsible Agency, a Trustee Agency, OPR, or a project applicant;
- (b) The project is one of “statewide, regional or area wide significance” as defined in State CEQA Guidelines section 15206; or
- (c) The project may affect highways or other facilities under the jurisdiction of the State Department of Transportation, and the Department of Transportation has requested a scoping meeting.

When acting as Lead Agency, the District shall provide notice of the scoping meeting to all of the following:

- (a) Any county or city that borders on a county or city within which the project is located, unless the District has a specific agreement to the contrary with that county or city;
- (b) Any Responsible Agency;
- (c) Any public agency that has jurisdiction by law over the project;
- (d) A transportation planning agency, or any public agency that has transportation facilities within its jurisdiction, that could be affected by the project; and
- (e) Any organization or individual who has filed a written request for the notice.

The requirement for providing notice of a scoping meeting may be met by including the notice of the public scoping meeting in the public meeting notice.

Government Code section 65352 requires that before a legislative body may adopt or substantially amend a general plan, the planning agency must refer the proposed action to any city or county, within or abutting the area covered by the proposal, and any special district that may be significantly affected by the proposed action. CEQA allows that referral procedure to be conducted concurrently with the scoping meeting required pursuant to this section of the Local CEQA Guidelines.

For projects that are also subject to NEPA, a scoping meeting held pursuant to NEPA satisfies the CEQA scoping requirement as long as notice is provided to the agencies and individuals listed above, and in accordance with these Local Guidelines. (See Local Guideline 5.04 for a discussion of NEPA.)

The District shall call the scoping meeting as soon as possible but not later than 30 days after the meeting was requested. If the scoping meeting is being conducted concurrently with the procedure in Government Code section 65352 for the consideration of adoption or amendment of general plans, each entity receiving a proposed general plan or amendment of a general plan should have 45 days from the date the referring agency mails it or delivers it in which to comment unless a longer period is specified. The commenting entity may submit its comments at the scoping meeting.

A Responsible Agency or other public agency shall only make comments regarding those activities that are within its area of expertise or that are required to be carried out or approved by

the Responsible Agency. These comments must be supported by specific documentation. Any mitigation measures submitted to the District by a Responsible or Trustee Agency shall be limited to measures that mitigate impacts to resources that are within the Responsible or Trustee Agency's authority.

For projects of statewide, area-wide, or regional significance, consultation with transportation planning agencies or with public agencies that have transportation facilities within their jurisdictions shall be for the purpose of obtaining information concerning the project's effect on major local arterials, public transit, freeways, highways, overpasses, on-ramps, off-ramps, and rail transit services. Moreover, the Lead Agency should also consult with public transit agencies with facilities within one-half mile of the proposed project. Any transportation planning agency or public agency that provides information to the Lead Agency must be notified of, and provided with, copies of any environmental documents relating to the project.

(Reference: State CEQA Guidelines, §§ 15082, 15083.)

7.11 EARLY CONSULTATION ON PROJECTS INVOLVING PERMIT ISSUANCE.

When the project involves the issuance of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies, the District, upon request of the applicant, shall meet with the applicant regarding the range of actions, potential alternatives, mitigation measures and significant effects to be analyzed in depth in the EIR. The District may also consult with concerned persons identified by the applicant and persons who have made written requests to be consulted. Such requests for early consultation must be made not later than thirty (30) days after the District's decision to prepare an EIR.

7.12 CONSULTATION WITH WATER AGENCIES REGARDING LARGE DEVELOPMENT PROJECTS.

For certain development projects, cities and counties must consult with water agencies. If the District is a water provider for the project, the city or county may request consultation with the District. (See Local Guidelines Sections 5.16 and 5.17 for more information on these requirements.)

(Reference: State CEQA Guidelines, § 15155.)

7.13 AIRPORT LAND USE PLAN.

When the District prepares an EIR for a project within the boundaries of a comprehensive airport land use plan, or, if such a plan has not been adopted, for a project within two (2) nautical miles of a public airport or public use airport, the District shall utilize the Airport Land Use Planning Handbook published by Caltrans' Division of Aeronautics to assist in the preparation of the EIR relative to potential airport or related safety hazards and noise problems.

(Reference: State CEQA Guidelines, § 15154.)

7.14 GENERAL ASPECTS OF AN EIR.

Both a Draft and Final EIR must contain the information outlined in Local Guidelines Sections 7.17 and 7.18. Each element must be covered, and when elements are not separated into distinct sections, the document must state where in the document each element is covered.

The body of the EIR shall include summarized technical data, maps, diagrams and similar relevant information. Highly technical and specialized analyses and data should be included in appendices. Appendices may be prepared in separate volumes, but must be equally available to the public for examination. All documents used in preparation of the EIR must be referenced. An EIR shall not include “trade secrets,” locations of archaeological sites and sacred lands, or any other information subject to the disclosure restrictions of the Public Records Act (Government Code section 7920.000, et seq.).

The EIR should discuss environmental effects in proportion to their severity and probability of occurrence. Effects dismissed in the Initial Study as clearly insignificant and unlikely to occur need not be discussed.

The Initial Study should be used to focus the EIR so that the EIR identifies and discusses only the specific environmental problems or aspects of the project that have been identified as potentially significant or important. A copy of the Initial Study should be attached to the EIR or included in the administrative record to provide a basis for limiting the impacts discussed.

The EIR shall contain a statement briefly indicating the reason for determining that various effects of a project that could possibly be considered significant were not found to be significant and consequently were not discussed in detail in the EIR. The District should also note any conclusion by it that a particular impact is too speculative for evaluation.

The EIR should omit unnecessary descriptions of projects and emphasize feasible mitigation measures and alternatives to projects.

7.15 USE OF REGISTERED CONSULTANTS IN PREPARING EIRS.

An EIR is not a technical document that can be prepared only by a registered consultant or professional. However, state statutes may provide that only registered professionals can prepare certain technical studies that will be used in an EIR, or that will control the detailed design, construction, or operation of the proposed project and that will be prepared in support of an EIR.

(Reference: State CEQA Guidelines, § 15149.)

7.16 INCORPORATION BY REFERENCE.

An EIR, Negative Declaration, or Mitigated Negative Declaration may incorporate by reference all or portions of another document that is a matter of public record or is generally available to the public. Any incorporated document shall be considered to be set forth in full as part of the text of the environmental document. When all or part of another document is incorporated by reference, that document shall be made available to the public for inspection at

the District's offices. The environmental document shall state where incorporated documents will be available for inspection.

When incorporation by reference is used, the incorporated part of the referenced document shall be briefly summarized, if possible, or briefly described if the data or information cannot be summarized. The relationship between the incorporated document and the EIR, Negative Declaration, or Mitigated Negative Declaration shall be described. When information from an environmental document that has previously been reviewed through the state review system ("State Clearinghouse") is incorporated by the District, the state identification number of the incorporated document should be included in the summary or text of the EIR.

(Reference: State CEQA Guidelines, § 15150.)

7.17 STANDARDS FOR ADEQUACY OF AN EIR.

An EIR should be prepared with a sufficient degree of analysis to provide decision-makers with information that enables them to make a decision that takes into account the environmental consequences of the project. The evaluation of environmental effects need not be exhaustive, but must be within the scope of what is reasonably feasible. The EIR should be written and presented in such a way that it can be understood by governmental decision-makers and members of the public. A good faith effort at completeness is necessary. The adequacy of an EIR is assessed in terms of what is reasonable in light of factors such as the magnitude of the project at issue, the severity of its likely environmental impacts, and the geographic scope of the project. CEQA does not require a Lead Agency to conduct every test or perform all research, study, and experimentation recommended or demanded by commenters, but CEQA does require the Lead Agency to make a good faith, reasoned response to timely comments raising significant environmental issues.

There is no need to unreasonably delay adoption of an EIR in order to include results of studies in progress, even if those studies will shed some additional light on subjects related to the project.

(Reference: State CEQA Guidelines, § 15151.)

7.18 FORM AND CONTENT OF EIR.

The text of the EIR should normally be less than 150 pages. For proposals of unusual scope or complexity, the EIR may be longer than 150 pages but should normally be less than 300 pages. The required contents of an EIR are set forth in Sections 15122 through 15132 of the State CEQA Guidelines. In brief, the EIR must contain:

- (a) A table of contents or an index;
- (b) A brief summary of the proposed project, including each significant effect with proposed mitigation measures and alternatives, areas of known controversy and issues to be resolved including the choice among alternatives, how to mitigate the significant effects and whether there are any significant and unavoidable impacts (generally, the summary should be less than fifteen (15) pages);

- (c) A description of the proposed project, including its underlying purpose and a list of permit and other approvals required to implement the project (see Local Guidelines Section 7.24 regarding analysis of future project expansion);
- (d) A description of the environmental setting, which includes the project's physical environmental conditions from both a local and regional perspective at the time the Notice of Preparation is published, or if no Notice of Preparation is published, at the time environmental analysis begins. (State CEQA Guidelines section 15125.) This environmental setting will normally constitute the baseline physical conditions by which the Lead Agency determines whether an impact is significant. However, the District, when acting as Lead Agency, may choose any baseline that is appropriate as long as the District's choice of baseline is supported by substantial evidence;
- (e) A discussion of any inconsistencies between the proposed project and applicable general, specific and regional plans. Such plans include, but are not limited to, the applicable air quality attainment or maintenance plan or State Implementation Plan, area-wide waste treatment and water quality control plans, regional transportation plans, regional housing allocation, regional blueprint plans, plans for the reduction of greenhouse gas emissions, habitat conservation plans, natural community conservation plans and regional land use plans;
- (f) A description of the direct and indirect significant environmental impacts of the proposed project explaining which, if any, can be avoided or mitigated to a level of insignificance, indicating reasons that various possible significant effects were determined not to be significant and denoting any significant effects that are unavoidable or could not be mitigated to a level of insignificance. Direct and indirect significant effects shall be clearly identified and described, giving due consideration to both short-term and long-term effects;
- (g) Potentially significant energy implications of a project must be considered to the extent relevant and applicable to the project (see Local Guidelines Section 5.20);
- (h) An analysis of a range of alternatives to the proposed project that could feasibly attain the project's objectives as discussed in Local Guidelines Section 7.23;
- (i) A description of any significant irreversible environmental changes that would be involved in the proposed action should it be implemented if, and only if, the EIR is being prepared in connection with:
 - (1) The adoption, amendment, or enactment of a plan, policy, or ordinance of a public agency;
 - (2) The adoption by a Local Agency Formation Commission of a resolution making determinations; or
 - (3) A project that will be subject to the requirement for preparing an Environmental Impact Statement pursuant to NEPA;
- (j) An analysis of the growth-inducing impacts of the proposed action. The discussion should include ways in which the project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment. Growth-inducing impacts may include the estimated energy consumption of growth induced by the project;

- (k) A discussion of any significant, reasonably anticipated future developments and the cumulative effects of all proposed and anticipated action as discussed in Local Guidelines Section 7.24;
- (l) In certain situations, a regional analysis should be completed for certain impacts, such as air quality;
- (m) A discussion of any economic or social effects, to the extent that they cause, or may be used to determine, significant environmental impacts;
- (n) A statement briefly indicating the reasons that various possible significant effects of a project were determined not to be significant and, therefore, were not discussed in the EIR;
- (o) The identity of all federal, state or local agencies or other organizations and private individuals consulted in preparing the EIR, and the identity of the persons, firm or agency preparing the EIR, by contract or other authorization. To the fullest extent possible, the District should integrate CEQA review with these related environmental review and consultation requirements;
- (p) A discussion of those potential effects of the proposed project on the environment that the District has determined are or may be significant. The discussion on other effects may be limited to a brief explanation as to why those effects are not potentially significant; and
- (q) A description of feasible measures, as set forth in Local Guidelines Section 7.22, which could minimize significant adverse impacts.

(Reference: State CEQA Guidelines, §§ 15120-15148.)

7.19 CONSIDERATION AND DISCUSSION OF SIGNIFICANT ENVIRONMENTAL IMPACTS.

An EIR must identify and focus on the significant effects of the proposed project on the environment. In assessing the proposed project's potential impacts on the environment, the District should normally limit its examination to comparing changes that would result from the project as compared to the existing physical conditions in the affected area as they exist when the Notice of Preparation is published. If a Notice of Preparation is not published for the project, the District should compare the proposed project's potential impacts to the physical conditions that exist at the time environmental review begins. Direct and indirect significant effects of the project on the environment must be clearly identified and described, considering both the short-term and long-term effects. The discussion should include relevant specifics of the area, the resources involved, physical changes, alterations to ecological systems, and changes induced in population distribution, population concentration, the human use of the land (including commercial and residential development), health and safety problems caused by the physical changes, and other aspects of the project that may impact resources in the project area, such as water, historical resources, scenic quality, and public services. The EIR must also analyze any significant environmental effects the project might cause or risk exacerbating by bringing development and people into the area. If applicable, an EIR should also evaluate any potentially significant direct, indirect, or cumulative environmental impacts of locating development in areas susceptible to hazardous conditions (e.g., floodplains, coastlines, wildfire risk areas), including both short-term and long-term conditions, as identified on authoritative hazard maps, risk assessments or in land use plans addressing such hazards areas.

If analysis of the project's energy use reveals that the project may result in significant environmental effects due to wasteful, inefficient, or unnecessary use of energy, or wasteful use

of energy resources, the EIR shall mitigate that energy use. This analysis should include the project's energy use for all project phases and components, including transportation-related energy, during construction and operation. In addition to building code compliance, other relevant considerations may include, among others, the project's size, location, orientation, equipment use and any renewable energy features that could be incorporated into the project. This analysis is subject to the rule of reason and shall focus on energy use that is caused by the project. This analysis may be included in related analyses of air quality, greenhouse gas emissions, transportation or utilities in the discretion of the Lead Agency.

The EIR must describe all significant impacts, including those that can be mitigated but not reduced to a level of insignificance. Where there are impacts that cannot be alleviated without imposing an alternative design, their implications and the reasons why the project is being proposed, notwithstanding their effect, should be described.

The EIR must also discuss any significant irreversible environmental changes that would be caused by the project. For example, use of nonrenewable resources during the initial and continued phases of a project may be irreversible if a large commitment of such resources makes removal or nonuse thereafter unlikely. Additionally, irreversible commitment of resources may include a discussion of how the project preempts future energy development or future energy conservation. Irrecoverable commitments of resources to the proposed project should be evaluated to assure that such current consumption is justified.

(Reference: Pub. Resources Code, § 21100.)

7.20 ENVIRONMENTAL SETTING

An EIR must include a description of the physical environmental conditions in the vicinity of the project. This environmental setting will normally constitute the baseline physical conditions by which the Lead Agency determines whether an impact is significant. The description of the environmental setting shall be no longer than is necessary to provide an understanding of the significant effects of the proposed project and its alternatives. The purpose of this requirement is to give the public and decision makers the most accurate and understandable picture practically possible of the project's likely near-term and long-term impacts.

(1) Generally, the Lead Agency should describe physical environmental conditions as they exist at the time the Notice of Preparation is published, or if no Notice of Preparation is published, at the time environmental analysis is commenced, from both a local and regional perspective. Where existing conditions change or fluctuate over time, and where necessary to provide the most accurate picture practically possible of the project's impacts, the Lead Agency may define existing conditions by referencing historic conditions, or conditions expected when the project becomes operational, or both, that are supported with substantial evidence. In addition, the Lead Agency may also use baselines consisting of both existing conditions and projected future conditions that are supported by reliable projections based on substantial evidence in the record.

(2) The Lead Agency may use projected future conditions (beyond the date of project operations) as the sole baseline for analysis only if it demonstrates with substantial evidence that use of existing conditions would be either misleading or without informative value to decision-

makers and the public. Use of projected future conditions as the only baseline must be supported by reliable projections based on substantial evidence in the record.

(3) An existing conditions baseline shall not include hypothetical conditions—such as those that might be allowed, but have never actually occurred, under existing permits or plans—as the baseline.

(State CEQA Guidelines, § 15125.)

7.21 ANALYSIS OF CUMULATIVE IMPACTS.

An EIR must discuss cumulative impacts when the project’s incremental effect is “cumulatively considerable” as defined in Local Guidelines Section 11.13. When the District is examining a project with an incremental effect that is not “cumulatively considerable,” it need not consider that effect significant, but must briefly describe the basis for this conclusion. A project’s contribution may be less than cumulatively considerable if the project is required to implement or fund its fair share of a mitigation measure designed to alleviate the cumulative impact. When relying on a fee program or mitigation measure(s), the District must identify facts and analysis supporting its conclusion that the cumulative impact is less than significant.

The District may determine that a project’s incremental contribution to a cumulative effect is not cumulatively considerable if the project will comply with the requirements in a previously approved plan or mitigation program that provides specific requirements that will avoid or substantially lessen the cumulative problem in the geographic area in which the project is located. Such plans and programs may include, but are not limited to:

- (1) Water quality control plans;
- (2) Air quality attainment or maintenance plans;
- (3) Integrated waste management plans;
- (4) Habitat conservation plans;
- (5) Natural community conservation plans; and/or
- (6) Plans or regulations for the reduction of greenhouse gas emissions.

When relying on such a regulation, plan, or program, the District should explain how implementing the particular requirements of the plan, regulation or program will ensure that the project’s incremental contribution to the cumulative effect is not cumulatively considerable.

A cumulative impact consists of an impact that is created as a result of the combination of the project evaluated in the EIR together with other projects causing related impacts. An EIR should not discuss impacts that do not result in part from the project evaluated in the EIR.

The discussion of cumulative impacts in an EIR must focus on the cumulative impacts to which the identified other projects contribute, rather than on the attributes of other projects that do

not contribute to the cumulative impact. The discussion of significant cumulative impacts must include either of the following:

- (1) A list of past, present, and probable future projects causing related or cumulative impacts including, if necessary, those projects outside the control of the District; or
- (2) A summary of projections contained in an adopted local, regional or statewide plan, or related planning document, that describes or evaluates conditions contributing to the cumulative effect. Such plans may include: a general plan, regional transportation plan, or a plan for the reduction of greenhouse gas emissions. A summary of projections may also be contained in an adopted or certified prior environmental document for such a plan. Such projections may be supplemented with additional information such as a regional modeling program. Documents used in creating a summary of projections must be referenced and made available to the public.

When utilizing a list, as suggested above, factors to consider when determining whether to include a related project should include the nature of each environmental resource being examined and the location and type of project. Location may be important, for example, when water quality impacts are involved since projects outside the watershed would probably not contribute to a cumulative effect. Project type may be important, for example, when the impact is specialized, such as a particular air pollutant or mode of traffic.

Public Resources Code section 21094 also states that if a Lead Agency determines that a cumulative effect has been adequately addressed in an earlier EIR, it need not be examined in a later EIR if the later project's incremental contribution to the cumulative effect is not cumulatively considerable. A cumulative effect has been adequately addressed in the prior EIR if:

- (1) it has been mitigated or avoided as a result of the prior EIR; or
- (2) the cumulative effect has been examined in a sufficient level of detail to enable the effect to be mitigated or avoided by site-specific revisions, the imposition of conditions, or other means in connection with the approval of the later project.

Public Resources Code section 21094 only applies to earlier projects that (1) are consistent with the program, plan, policy, or ordinance for which an environmental impact report has been prepared and certified, (2) are consistent with applicable local land use plans and zoning of the city, county, or city and county in which the later project would be located and (3) are not subject to Public Resources Code section 21166.

If the Lead Agency determines that the cumulative effect has been adequately addressed in a prior EIR, the Lead Agency should clearly explain the basis for its determination in the current environmental documentation for the project.

The District should define the geographic scope of the area affected by the cumulative effect and provide a reasonable explanation for the geographic limitation used.

(Reference: State CEQA Guidelines, § 15130.)

7.22 ANALYSIS OF MITIGATION MEASURES.

The discussion of mitigation measures in an EIR must distinguish between measures proposed by project proponents and other measures proposed by Lead, Responsible or Trustee Agencies. This discussion shall identify mitigation measures for each significant environmental effect identified in the EIR.

Where several measures are available to mitigate an impact, each should be disclosed and the basis for selecting a particular measure should be identified. Formulation of mitigation measures shall not be deferred until some future time. The specific details of a mitigation measure, however, may be developed after project approval when it is impractical or infeasible to include those details during the project's environmental review provided that the Lead Agency (1) commits itself to the mitigation, (2) adopts specific performance standards the mitigation will achieve, and (3) identifies the type(s) of potential action(s) that can feasibly achieve that performance standard and that will be considered, analyzed, and potentially incorporated in the mitigation measure. Compliance with a regulatory permit or other similar process may be identified as mitigation if compliance would result in implementation of measures that would be reasonably expected, based on substantial evidence in the record, to reduce the significant impact to the specified performance standards.

If a mitigation measure would cause one or more significant effects in addition to those that would be caused by the project as proposed, the effects of the mitigation measure shall be disclosed but in less detail than the significant effects of the project itself.

If a project includes a housing development, the District may not reduce the project's proposed number of housing units as a mitigation measure or project alternative if the District determines that there is another feasible specific mitigation measure or project alternative that would provide a comparable level of mitigation without reducing the number of housing units.

Mitigation measures must be fully enforceable through permit conditions, agreements, or other legally binding instruments. In the case of the adoption of a plan, policy, regulation, or other public project, mitigation measures can be incorporated into the plan, policy, regulation, or project design. Mitigation measures must also be consistent with all applicable constitutional requirements such as the "nexus" and "rough proportionality" standards—i.e., there must be an essential nexus between the mitigation measure and a legitimate governmental interest, and the mitigation measure must be "roughly proportional" to the impacts of the project.

Where maintenance, repair, stabilization, rehabilitation, restoration, preservation, conservation or reconstruction of a historical resource will be conducted in a manner consistent with the Secretary of the Interior's "Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring and Reconstructing Historic Buildings" (1995), Weeks and Grimmer, the project's impact on the historical resource shall generally be considered mitigated below a level of significance and thus not significant.

The District should, whenever feasible, seek to avoid damaging effects on any historical resource of an archaeological nature. The following must be considered and discussed in an EIR for a project involving an archaeological site:

- (a) Preservation in place is the preferred manner of mitigating impacts to archaeological sites; and
- (b) Preservation in place may be accomplished by, but is not limited to, the following:
 - (1) Planning construction to avoid archaeological sites;
 - (2) Incorporation of sites within parks, green space, or other open spaces;
 - (3) Covering the archaeological sites with a layer of chemically stable soil before building tennis courts, parking lots, or similar facilities on the site; and/or
 - (4) Deeding the site into a permanent conservation easement.

When data recovery through excavation is the only feasible mitigation, a data recovery plan, which makes provision for adequately recovering the scientifically consequential information from and about the historical resource, shall be prepared and adopted prior to excavation. Such studies must be deposited with the California Historical Resources Regional Information Center.

Data recovery shall not be required for a historical resource if the District determines that existing testing or studies have adequately recovered the scientifically consequential information from and about the archaeological or historical resource, provided that the determination is documented in the EIR and that the studies are deposited with the California Historical Resources Regional Information Center.

(Reference: State CEQA Guidelines, § 15126.4.)

7.23 ANALYSIS OF ALTERNATIVES IN AN EIR.

The alternatives analysis must describe and evaluate the comparative merits of a range of reasonable alternatives to the project or to the location of the project which would feasibly attain most of the basic objectives of the project, but which would avoid or substantially lessen any of the significant effects of the project. An EIR need not consider every conceivable alternative to a project, and it need not consider alternatives that are infeasible. Rather, an EIR must consider a reasonable range of potentially feasible alternatives that will foster informed decision-making and public participation.

Purpose of the Alternatives Analysis: An EIR must identify ways to mitigate or avoid the significant effects that a project may have on the environment. For this reason, a discussion of alternatives must focus on alternatives to the project or its location that are capable of avoiding or substantially lessening any significant effect of the project, even if these alternatives would impede to some degree the attainment of the project objectives or would be more costly.

Selection of a Range of Reasonable Alternatives: The range of potential alternatives to the proposed project shall include those that could feasibly accomplish most of the basic purposes of the project and could avoid or substantially lessen one or more of the significant effects, even if those alternatives would be more costly or would impede to some degree the attainment of the project's objectives. The EIR should briefly describe the rationale for selecting the alternatives to

be discussed. The EIR should also identify any alternatives that were considered by the Lead Agency and rejected as infeasible during the scoping process, and it should briefly explain the reasons for rejecting those alternatives. Additional information explaining the choice of alternatives should be included in the administrative record. Among the factors that may be used to eliminate alternatives from detailed consideration in an EIR are: (a) failure to meet most of the basic project objectives; (b) infeasibility; or (c) inability to avoid significant environmental impacts.

Evaluation of Alternatives: The EIR shall include sufficient information about each alternative to allow meaningful evaluation, analysis and comparison with the proposed project. A matrix displaying the major characteristics and significant environmental effects of each alternative may be used to summarize the comparison. The matrix may also identify and compare the extent to which each alternative meets project objectives. If an alternative would cause one or more significant effects in addition to those that would be caused by the project as proposed, the significant effects of the alternative shall be discussed but in less detail than the significant effects of the project as proposed.

The Rule of Reason: The range of alternatives required in an EIR is governed by a “rule of reason” which courts have held means that an alternatives discussion must be reasonable in scope and content. Therefore, the EIR must set forth only those alternatives necessary to permit public participation, informed decision-making, and a reasoned choice. The alternatives shall be limited to ones that would avoid or substantially lessen any of the significant effects of the project. Of those alternatives, the EIR need examine in detail only the ones the District determines could feasibly attain most of the basic objectives of the project. An EIR need not consider an alternative whose effect cannot be reasonably ascertained and whose implementation is remote and speculative.

Feasibility of Alternatives: The factors that may be taken into account when addressing the feasibility of alternatives include: site suitability; economic viability; availability of infrastructure; general plan consistency; other plans or regulatory limitations; jurisdictional boundaries (projects with a regionally significant impact should consider the regional context); and whether the proponent already owns the alternative site or can reasonably acquire, control or otherwise have access to the site. No one factor establishes a fixed limit on the scope of reasonable alternatives.

Alternative Locations: The first step in the alternative location analysis is to determine whether any of the significant effects of the project could be avoided or substantially lessened by putting the project in another location. This is the key question in this analysis. Only locations that would avoid or substantially lessen any of the significant effects of the project need be considered for inclusion in the EIR.

The second step in this analysis is to determine whether any of the alternative locations are feasible. If the District concludes that no feasible alternative locations exist, it must disclose its reasons, and it should include them in the EIR. When a previous document has sufficiently analyzed a range of reasonable alternative locations and environmental impacts for a project with the same basic purpose, the District should review the previous document and incorporate the previous document by reference. To the extent the circumstances have remained substantially the

same with respect to an alternative, the EIR may rely on the previous document to help it assess the feasibility of the potential project alternative.

The “No Project” Alternative: The specific alternative of “no project” must be evaluated along with its impacts. The purpose of describing and analyzing the no project alternative is to allow decision-makers to compare the impacts of approving the proposed project with the impacts of not approving the proposed project. The no project alternative may be different from the baseline environmental conditions. The no project alternative will be the same as the baseline only if it is identical to the existing environmental setting and the Lead Agency has chosen the existing environmental setting as the baseline.

A discussion of the “no project” alternative should proceed along one of two lines:

- (a) When the project is the revision of an existing land use or regulatory plan, policy or ongoing operation, the “no project” alternative will be the continuation of the existing plan, policy or operation into the future. Typically, this is a situation where other projects initiated under the existing plan will continue while the new plan is developed. Thus, the projected impacts of the proposed plan or alternative plans would be compared to the impacts that would occur under the existing plan; or
- (b) If the project is other than a land use or regulatory plan, for example a development project on identifiable property, the “no project” alternative is the circumstance under which the project does not proceed. This discussion would compare the environmental effects of the property remaining in its existing state against environmental effects that would occur if the project is approved. If disapproval of the project would result in predictable actions by others, such as the proposal of some other project, this “no project” consequence should be discussed.

After defining the “no project” alternative, the District should proceed to analyze the impacts of the “no project” alternative by projecting what would reasonably be expected to occur in the foreseeable future if the project were not approved, based on current plans and consistent with available infrastructure and community services. If the “no project” alternative is the environmentally superior alternative, the EIR must also identify another environmentally superior alternative among the remaining alternatives.

Remote or Speculative Alternatives: An EIR need not consider an alternative whose effect cannot be reasonably ascertained and whose implementation is remote and speculative.

(Reference: State CEQA Guidelines, § 15126.6.)

7.24 ANALYSIS OF FUTURE EXPANSION.

An EIR must include an analysis of the environmental effects of future expansion (or other similar future modifications) if there is credible and substantial evidence that:

- (a) The future expansion or action is a reasonably foreseeable consequence of the initial project; and
- (b) The future expansion or action is likely to change the scope or nature of the initial project or its environmental effects.

Absent these two circumstances, future expansion of a project need not be discussed. CEQA does not require speculative discussion of future development that is unspecific or uncertain. However, if future action is not considered now, it must be considered and environmentally evaluated before it is actually implemented.

(Reference: *Laurel Heights Improvement Ass'n v. Regents of University of California* (1988) 47 Cal.3d 376, 396.)

7.25 NOTICE OF COMPLETION OF DRAFT EIR; NOTICE OF AVAILABILITY OF DRAFT EIR.

Notice of Completion. When the Draft EIR is completed, a Notice of Completion (Form “H”) must be filed with the Office of Planning and Research in an electronic form via the Office of Planning and Research’s CEQA Submit website, which is located at the following web address: <https://ceqasubmit.opr.ca.gov/Security/LogOn?ReturnUrl=%2f>. The Notice of Completion shall contain:

- (a) A brief description of the proposed project;
- (b) The location of the proposed project including the proposed project’s latitude and longitude;
- (c) An address where copies of the Draft EIR are available and a description of how the Draft EIR can be provided in an electronic format; and
- (d) The review period during which comments will be received on the Draft EIR.

The Office of Planning and Research has developed a model form Notice of Completion. Form H follows OPR’s model. To ensure that the documents are accepted by OPR staff, this form should be used when documents are transmitted to OPR.

Notice of Availability. At the same time it sends a Notice of Completion to the Office of Planning and Research, the District shall provide public notice of the availability of the Draft EIR by distributing a Notice of Availability of Draft EIR (Form “K”). The Notice of Availability shall include at least the following information:

- (a) A brief description of the proposed project and its location;
- (b) The starting and ending dates for the review period during which the District will receive comments, the manner in which the District will receive those comments, and whether the review period has been shortened;
- (c) The date, time, and place of any scheduled public meetings or hearings to be held by the District on the proposed project, if the District knows this information when it prepares the Notice;
- (d) A list of the significant environmental effects anticipated as a result of the project;
- (e) The address where copies of the EIR and all documents incorporated by reference in the EIR will be available for public review, and a description of how the Draft EIR can be obtained in electronic format. This location shall be readily accessible to the public during the District’s normal working hours; and
- (f) A statement indicating whether the project site is included on any list of hazardous waste facilities, land designated as hazardous waste property, or hazardous waste disposal site,

and, if so, the information required in the Hazardous Waste and Substances Statement pursuant to Government Code section 65962.5.

The Notice of Availability shall be provided to:

- (a) Each Responsible and Trustee Agency;
- (b) Any other federal, state, or local agency that has jurisdiction by law or exercises authority over resources affected by the project, including:
 - (1) Any water supply agency consulted under Local Guidelines Section 5.16;
 - (2) Any city or county bordering on the project area;
 - (3) For a project of statewide, regional, or area-wide significance, any transportation agencies or public agencies that have major local arterials or public transit facilities within five (5) miles of the project site; or freeways, highways, or rail transit service within ten (10) miles of the project site that could be affected by the project;
 - (4) For a subdivision project located within one mile of a facility of the State Water Resources Development System, the California Department of Water Resources; and
 - (5) For a general plan amendment, a project of statewide, regional, or area-wide significance, or a project that relates to a public use airport, to any “military service” (defined in Section 11.42 of these Local Guidelines) that has provided the District with its contact office and address and notified the District of the specific boundaries of a “low-level flight path” (defined in Section 11.37 of these Local Guidelines), “military impact zone” (defined in Section 11.41 of these Local Guidelines), or “special use airspace” (defined in Section 11.67 of these Local Guidelines);
- (c) The last known name and address of all organizations and individuals who have previously filed a written request with the District to receive these Notices;
- (d) For certain projects that may impact a low-level flight path, military impact zone, or special use airspace and that meet the other criteria of Local Guidelines Section 7.04, the specified military services contact;
- (e) For certain projects that involve the construction or alteration of a facility anticipated to emit hazardous air emissions or handle hazardous substances within one-quarter mile of a school and that meet the other requirements of Local Guidelines Section 7.36, any potentially affected school district;
- (f) For certain waste-burning projects that meet the requirements of Local Guidelines Section 5.11 (see also Local Guidelines Section 7.27), the owners and occupants of property within one-fourth mile of any parcel on which the project will be located; and
- (g) For a project that establishes or amends a redevelopment plan that contains land in agricultural use, notice and a copy of the Draft EIR shall be provided to the agricultural and farm agencies and organizations specified in Health and Safety Code section 33333.3.

The District requires requests for copies of these Notices to be in writing and to be renewed annually; moreover, the District may charge a fee for the reasonable cost of providing these Notices. A project will not be invalidated due to a failure to send a requested Notice provided there has been substantial compliance with these notice provisions.

Staff may also consult with and obtain comments from any person known to have special expertise or any other person or organization whose comments relative to the Draft EIR would be desirable.

Notice shall be given to the last known name and address of all organizations and individuals who have previously requested notice; by posting the notice on the website of the lead agency; and by at least one of the following procedures:

- (a) Publication of the Notice of Completion and/or the Notice of Availability at least once in a newspaper of general circulation in the area affected by the proposed project. If more than one area will be affected, the notice shall be published in the newspaper of largest circulation from among the newspapers of general circulation in those areas;
- (b) Posting of the Notice of Completion and/or the Notice of Availability on and off site in the area where the project is to be located; or
- (c) Direct mailing of the Notice of Completion and/or the Notice of Availability to owners and occupants of property contiguous to the project, as identified on the latest equalized assessment roll.

The Notice of Completion and Notice of Availability shall be posted in the office of the Clerk in each county in which the project is located for at least thirty (30) days. If the public review period for the Draft EIR is longer than thirty (30) days, the District may wish to leave the Notice posted until the public review period for the Draft EIR has expired.

Copies of the Draft EIR shall also be made available at the District office for review by members of the general public. The District may require any person obtaining a copy of the Draft EIR to reimburse the District for the actual cost of its reproduction. Copies of the Draft EIR should also be furnished to appropriate public library systems.

The District shall also post an electronic copy of the Notice of Completion, Notice of Availability, and Draft EIR on its website, if any.

(Reference: Pub. Resources Code, § 21082.1; State CEQA Guidelines, §§ 15085, 15087.)

7.26 SUBMISSION OF DRAFT EIR TO STATE CLEARINGHOUSE.

A Draft EIR must be submitted to the State Clearinghouse, at the same time as the Notice of Completion, in an electronic form as required by the Office of Planning and Research, regardless of whether the document must be circulated for review and comment by state agencies under State CEQA Guidelines section 15205 and 15206. The Draft EIR must be submitted via the Office of Planning and Research's CEQA Submit website (<https://ceqasubmit.opr.ca.gov/Security/LogOn?ReturnUrl=%2f>). The CEQA Submit website differentiates between environmental documents that do require review and comment by state agencies and those that do not. In particular, the website provides a "Local Review Period" tab for

submitting documents that do not require review and comment by state agencies, and a “State Review Period” tab for submitting documents that do require review and comment by state agencies.

A Draft EIR must be submitted to the State Clearinghouse for review and comment by state agencies (i.e., the Draft EIR must be submitted through the CEQA Submit website under the “State Review Period” tab) in the following situations:

- (a) A state agency is the Lead Agency for the Draft EIR;
- (b) A state agency is a Responsible Agency, Trustee Agency, or otherwise has jurisdiction by law over resources potentially affected by the project; or
- (c) The Draft EIR is for a project identified in State CEQA Guidelines section 15206 as being a project of statewide, regional, or area-wide significance.

State CEQA Guidelines section 15206 identifies the following types of projects as being examples of projects of statewide, regional, or area-wide significance that require submission to the State Clearinghouse for circulation:

- (1) General plans, elements, or amendments for which an EIR was prepared;
- (2) Projects that have the potential for causing significant environmental effects beyond the city or county where the project would be located, such as:
 - (a) Residential development of more than 500 units;
 - (b) Commercial projects employing more than 1,000 persons or covering more than 500,000 square feet of floor space;
 - (c) Office building projects employing more than 1,000 persons or covering more than 250,000 square feet of floor space;
 - (d) Hotel or motel development of more than 500 rooms; and
 - (e) Industrial projects housing more than 1,000 persons, occupying more than 40 acres of land, or covering more than 650,000 square feet of floor area;
- (3) Projects for the cancellation of a Williamson Act contract covering more than 100 acres;
- (4) Projects in one of the following Environmentally Sensitive Areas:
 - (a) Lake Tahoe Basin;
 - (b) Santa Monica Mountains Zone;
 - (c) Sacramento-San Joaquin River Delta;
 - (d) Suisun Marsh;
 - (e) Coastal Zone, as defined by the California Coastal Act;
 - (f) Areas within one-quarter mile of a river designated as wild and scenic; or
 - (g) Areas within the jurisdiction of the San Francisco Bay Conservation and Development Commission;
- (5) Projects that would affect sensitive wildlife habitats or the habitats of any rare, threatened, or endangered species;

- (6) Projects that would interfere with water quality standards; and
- (7) Projects that would provide housing, jobs, or occupancy for 500 or more people within 10 miles of a nuclear power plant.

A Draft EIR may also be submitted to the State Clearinghouse for review and comment by state agencies when a state agency has special expertise with regard to the environmental impacts involved.

Submission of the Draft EIR to the State Clearinghouse affects the timing of the public review period as set forth in Local Guidelines Section 7.28.

(Reference: Pub. Resources Code, § 21091; State CEQA Guidelines, §§ 15205, 15206.)

7.27 SPECIAL NOTICE REQUIREMENTS FOR WASTE- AND FUEL-BURNING PROJECTS.

For any waste-burning project, as defined in Local Guidelines Section 5.11, in addition to the notice requirements specified in Local Guidelines Sections 7.25 and 7.26, Notice of Availability of the Draft EIR shall be given by direct mailing or any other method calculated to provide delivery of the notice to the owners and occupants of property within one-fourth mile of any parcel or parcels on which the project is located.

(Reference: Pub. Resources Code, § 21092(c).)

7.28 TIME FOR REVIEW OF DRAFT EIR; FAILURE TO COMMENT.

A period of between thirty (30) and sixty (60) days from the filing of the Notice of Completion of the Draft EIR shall be allowed for review of and comment on the Draft EIR, except in unusual situations.

If the Draft EIR is for a proposed project where a state agency is the lead agency, a responsible agency, or a trustee agency; a state agency otherwise has jurisdiction by law with respect to the project; or the proposed project is of sufficient statewide, regional, or area-wide significance as determined pursuant to State CEQA Guidelines section 15206, the review period shall be at least forty-five (45) days (unless a shorter period is approved as set forth below), and the lead agency shall provide the document in an electronic form, as required by the Office of Planning and Research, to the State Clearinghouse for review and comment by state agencies.

For purposes of calculating the length of the public review period, the last day of the public review period cannot fall on a weekend, a legal holiday, or other day on which the lead agency's offices are closed.² (Reference: *Rominger v. County of Colusa* (2014) 229 Cal.App.4th 690, 708.)

² A public agency's "offices are closed" for purposes of this section on days in which the agency is formally closed for business (for example, due to a weekend, a legal holiday, or a formal furlough affecting the entire office). A public agency's office is not considered closed for purposes of this section where the agency's office may be physically closed, but the agency is nonetheless open for business and is operating remotely or virtually (for example, in response to the Covid-19 pandemic).

If a state agency is a Responsible Agency, or if the Draft EIR is submitted to the State Clearinghouse for review and comment by state agencies, the public review period shall be at least as long as the review period established by the State Clearinghouse. The public review period and the state agency review period may, but are not required to, begin and end at the same time. The state agency review period begins (day one) on the date that the State Clearinghouse distributes the Draft EIR to state agencies. The State Clearinghouse is required to distribute the Draft EIR to state agencies within three (3) working days from the date the State Clearinghouse receives the document, as long as the Draft EIR is complete when submitted to the State Clearinghouse. If the document submitted to the State Clearinghouse is not complete, the State Clearinghouse must notify the Lead Agency. The review period for the public and all other agencies may run concurrently with the state agency review period established by the State Clearinghouse.

Under certain circumstances, a shorter review period of the Draft EIR by the State Clearinghouse can be requested by the District; however, a shortened review period shall not be less than thirty (30) days for a Draft EIR. Any request for a shortened review period must be made in writing by the District to OPR. The District may designate a person to make these requests. The District must contact all Responsible and Trustee agencies and obtain their agreement prior to obtaining a shortened review period. (See the Shortened Review Request Form "P.") A shortened review period is not available for any proposed project of statewide, regional or area-wide environmental significance as determined pursuant to State CEQA Guidelines section 15206. Any approval of a shortened review period shall be given prior to, and reflected in, the public notices.

In the event a public agency, group, or person whose comments on a Draft EIR are solicited fails to comment within the required time period, it shall be presumed that such agency, group, or person has no comment to make, unless the Lead Agency has received a written request for a specific extension of time for review and comment and a statement of reasons for the request.

Continued planning activities concerning the proposed project, short of formal approval, may continue during the period set aside for review and comment on the Draft EIR.

(Reference: Pub. Resources Code, § 21091; State CEQA Guidelines, §§ 15203, 15205(d).)

7.29 PUBLIC HEARING ON DRAFT EIR.

CEQA does not require formal public hearings for certification of an EIR; public comments may be restricted to written communications. (However, a hearing is required to utilize the limited exemption for Transit Priority Projects as explained in Local Guidelines Section 3.15; to adopt a bicycle transportation plan as explained in Local Guidelines Section 3.18; and for certain other actions involving the replacement or deletion of mitigation measures under State CEQA Guidelines section 15074.1.) However, if the District provides a public hearing on its consideration of a project, the District should include the project's environmental review documents as one of the subjects of the hearing. Notice of the time and place of the hearing shall be given in a timely manner in accordance with any legal requirements applicable to the proposed project. Generally, the requirements of the Ralph M. Brown Act will provide the minimum requirements for the inclusion of CEQA matters on agendas and at hearings. (Gov. Code, § 54950 et seq.) At a minimum, agendas for meetings and hearings before commissions, boards, councils, and other agencies must be posted in a location that is freely accessible to members of the public

at least seventy-two (72) hours prior to a regular meeting. The agenda must contain a brief general description of each item to be discussed and the time and location of the meeting. (Gov. Code, § 54954.2.) Additionally, any legislative body or its presiding officer must post an agenda for each regular or special meeting on the local agency's Internet Web site, if the local agency has one.

(Reference: State CEQA Guidelines, § 15202.)

7.30 RESPONSE TO COMMENTS ON DRAFT EIR.

The Lead Agency shall evaluate any comments on environmental issues received during the public review period for the Draft EIR and shall prepare a written response to those comments that raise significant environmental issues.

As stated below, the District, as Lead Agency, should also consider evaluating and responding to any comments received after the public review period. The written responses shall describe the disposition of any significant environmental issues that are raised in the comments. The responses may take the form of a revision of the Draft EIR, an attachment to the Draft EIR, or some other oral or written response that is adequate under the circumstances. If the District's position is at variance with specific recommendations or suggestions raised in the comment, the District's response must detail the reasons why such recommendations or suggestions were not accepted. The level of detail contained in the response, however, may correspond to the level of detail provided in the comment (i.e., responses to general comments may be general). A general response may be appropriate when a comment does not contain or specifically refer to readily available information, or does not explain the relevance of evidence submitted with the comment.

Moreover, the District shall respond to any specific suggestions for project alternatives or mitigation measures for significant impacts, unless such alternatives or mitigation measures are facially infeasible. The response shall contain recommendations, when appropriate, to alter the project as described in the Draft EIR as a result of an analysis of the comments received.

At least ten (10) days prior to certifying a Final EIR, the Lead Agency shall provide its proposed written response, either in printed copy or in an electronic format, to any public agency that has made comments on the Draft EIR during the public review period. The District, as Lead Agency, is not required to respond to comments received after the public review period. However, the District, as Lead Agency, should consider responding to all comments if it will not delay action on the Final EIR, since any comment received before final action on the EIR can form the basis of a legal challenge. A written response that addresses the comment or adequately explains the District's action in light of the comment may assist in defending against a legal challenge.

(Reference: State CEQA Guidelines, § 15088.)

7.31 PREPARATION AND CONTENTS OF FINAL EIR.

Following the receipt of any comments on the Draft EIR as required herein, such comments shall be evaluated by Staff and a Final EIR shall be prepared.

The Final EIR shall meet all requirements of Local Guidelines Section 7.18 and shall consist of the Draft EIR or a revision of the Draft, a section containing either verbatim or in summary the comments and recommendations received through the review and consultation process, a list of persons, organizations and public agencies commenting on the Draft, and a section containing the responses of the District to the significant environmental points raised in the review and consultation process.

(Reference: State CEQA Guidelines, §§ 15089, 15132.)

7.32 RECIRCULATION WHEN NEW INFORMATION IS ADDED TO EIR.

When significant new information is added to the EIR after notice and consultation but before certification, the Lead Agency must recirculate the Draft EIR for another public review period. The term “information” can include changes in the project or environmental setting as well as additional data or other information.

New information is significant only when the EIR is changed in a way that would deprive the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of a project or a feasible way to mitigate or avoid such an effect, including a feasible project alternative, that the project proponents decline to implement. Recirculation is required, for example, when:

- (1) New information added to an EIR discloses:
 - (a) A new significant environmental impact resulting from the project or from a new mitigation measure proposed to be implemented; or
 - (b) A significant increase in the severity of an environmental impact (unless mitigation measures are also adopted that reduce the impact to a level of insignificance); or
 - (c) A feasible project alternative or mitigation measure that clearly would lessen the significant environmental impacts of the project, but which the project proponents decline to adopt; or
- (2) The Draft EIR is so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded.

Recirculation is not required when the new information added to the EIR merely clarifies or amplifies or makes insignificant modifications in an adequate EIR. If the revision is limited to a few chapters or portions of the EIR, the District as Lead Agency need only recirculate the chapters or portions that have been modified. A decision to not recirculate an EIR must be supported by substantial evidence in the record.

When the District determines to recirculate a Draft EIR, it shall give Notice of Recirculation (Form “M”) to every agency, person, or organization that commented on the prior Draft EIR. The Notice of Recirculation must indicate whether new comments must be submitted and whether the District has exercised its discretion to require reviewers to limit their comments to the revised chapters or portions of the recirculated EIR. The District shall also consult again with those persons contacted pursuant to Local Guidelines Section 7.25 before certifying the EIR.

When the EIR is substantially revised and the entire EIR is recirculated, the District may require that reviewers submit new comments and need not respond to those comments received during the earlier circulation period. In those cases, the District should advise reviewers that, although their previous comments remain part of the administrative record, the final EIR will not provide a written response to those comments, and new comments on the revised EIR must be submitted. The District need only respond to those comments submitted in response to the revised EIR.

When the EIR is revised only in part and the District is recirculating only the revised chapters or portions of the EIR, the District may request that reviewers limit their comments to the revised chapters or portions. The District need only respond to: (1) comments received during the initial circulation period that relate to chapters or portions of the document that were not revised and recirculated, and (2) comments received during the recirculation period that relate to the chapters or portions of the earlier EIR that were revised and recirculated.

When recirculating a revised EIR, either in whole or in part, the District must, in the revised EIR or by an attachment to the revised EIR, summarize the revisions made to the previously circulated draft EIR.

(Reference: State CEQA Guidelines, § 15088.5.)

7.33 CERTIFICATION OF FINAL EIR.

Following the preparation of the Final EIR, Staff shall review the Final EIR and make a recommendation to the decision-making body regarding whether the Final EIR has been completed in compliance with CEQA, the State CEQA Guidelines and the District's Local Guidelines. The Final EIR and Staff recommendation shall then be presented to the decision-making body. The decision-making body shall independently review and consider the information contained in the Final EIR and determine whether the Final EIR reflects its independent judgment. Before it approves the project, the decision-making body must certify and find that: (1) the Final EIR has been completed in compliance with CEQA, the State CEQA Guidelines and the District's Local Guidelines; (2) the Final EIR was presented to the decision-making body and the decision-making body reviewed and considered the information contained in the Final EIR before approving the project; and (3) the Final EIR reflects the District's independent judgment and analysis.

Except in those cases in which the Board of Directors is the final decision-making body for the project, any interested person may appeal the certification or denial of certification of a Final EIR to the Board of Directors. Appeals must follow the procedures prescribed by the District.

(Reference: State CEQA Guidelines, § 15090.)

7.34 CONSIDERATION OF EIR BEFORE APPROVAL OR DISAPPROVAL OF PROJECT.

Once the decision-making body has certified the EIR, it may then proceed to consider the proposed project for purposes of approval or disapproval.

(Reference: State CEQA Guidelines, § 15092.)

7.35 FINDINGS.

The decision-making body shall not approve or carry out a project if a completed EIR identifies one or more significant environmental effects of the project unless it makes one or more of the following written findings for each such significant effect, accompanied by a brief explanation of the rationale supporting each finding. For impacts that have been identified as potentially significant, the possible findings are:

- (a) Changes or alterations have been required in, or incorporated into, the project which mitigate or avoid the significant effects on the environment as identified in the Final EIR, such that the impact has been reduced to a less-than-significant level;
- (b) Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the District. Such changes have been, or can and should be, adopted by that other agency; or
- (c) Specific economic, legal, social, technological or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or alternatives identified in the Final EIR. The decision-making body must make specific written findings stating why it has rejected an alternative to the project as infeasible.

The findings required by this Section shall be supported by substantial evidence in the record. Measures identified and relied on to mitigate environmental impacts identified in the EIR to below a level of significance should be expressly adopted or rejected in the findings. The findings should include a description of the specific reasons for rejecting any mitigation measures or project alternatives identified in the EIR that would reduce the significant impacts of the project. Any mitigation measures that are adopted must be fully enforceable through permit conditions, agreements, or other measures.

If any of the proposed alternatives could avoid or lessen an adverse impact for which no mitigation measures are proposed, the District shall analyze the feasibility of such alternative(s). If the project is to be approved without including such alternative(s), the District shall find that specific economic, legal, social, technological or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the alternatives identified in the Final EIR and shall list such considerations before such approval.

The decision-making body shall not approve or carry out a project as proposed unless: (1) the project as approved will not have a significant effect on the environment; or (2) the project's significant environmental effects have been eliminated or substantially lessened (as determined through one or more of the findings indicated above), and any remaining unavoidable significant effects have been found acceptable because of facts and circumstances described in a Statement of Overriding Considerations (see Local Guidelines Section 7.37). Statements in the Draft EIR or comments on the Draft EIR are not determinative of whether the project will have significant effects.

When making the findings required by this Section, the District as Lead Agency shall specify the location and custodian of the documents or other material which constitute the record of proceedings upon which it based its decision.

(Reference: State CEQA Guidelines, § 15091.)

7.36 SPECIAL FINDINGS REQUIRED FOR FACILITIES THAT MAY EMIT HAZARDOUS AIR EMISSIONS NEAR SCHOOLS.

Special procedural rules apply to projects involving the construction or alteration of a facility within one-quarter mile of a school when: (1) the facility might reasonably be anticipated to emit hazardous air emissions or to handle an extremely hazardous substance or a mixture containing extremely hazardous substances in a quantity equal to or greater than the threshold specified in Health and Safety Code section 25532(j); and (2) the emissions or substances may pose a health or safety hazard to persons who would attend or would be employed at the school. If the project meets both of those criteria, the Lead Agency may not certify an EIR or approve a Negative Declaration or Mitigated Negative Declaration unless it makes a finding that:

- (a) The Lead Agency consulted with the affected school district or districts having jurisdiction over the school regarding the potential impact of the project on the school; and
- (b) The school district was given written notification of the project not less than thirty (30) days prior to the proposed certification of the EIR or approval of the Negative Declaration or Mitigated Negative Declaration.

Implementation of this Local Guideline shall be consistent with the definitions and terms utilized in State CEQA Guidelines section 15186.

Additionally, in its role as a Responsible Agency, the District should be aware that for projects involving the acquisition of a school site or the construction of a secondary or elementary school by a school district, the Negative Declaration, Mitigated Negative Declaration, or EIR prepared for the project may not be adopted or certified unless there is sufficient information in the entire record to determine whether any boundary of the school site is within 500 feet of the edge of the closest traffic lane of a freeway or other busy traffic corridor.

If it is determined that the project involves the acquisition of a school site that is within 500 feet of the edge of the closest traffic lane of a freeway, or other busy traffic corridor, the Negative Declaration, Mitigated Negative Declaration, or EIR may not be adopted or certified unless the school board determines, through a health risk assessment pursuant to Section 44360(b)(2) of the Health and Safety Code and after considering any potential mitigation measures, that the air quality at the proposed project site does not present a significant health risk to pupils.

(Reference: State CEQA Guidelines, § 15186.)

7.37 STATEMENT OF OVERRIDING CONSIDERATIONS.

Before a project that has unmitigated significant adverse environmental effects can be approved, the decision-making body must adopt a Statement of Overriding Considerations. If the decision-making body finds in the Statement of Overriding Considerations that specific benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered “acceptable.”

Accordingly, the Statement of Overriding Considerations allows the decision-making body to approve a project despite one or more unmitigated significant environmental impacts identified in the Final EIR. A Statement of Overriding Considerations can be made only if feasible project alternatives or mitigation measures do not exist to reduce the environmental impact(s) to a level of insignificance and the benefits of the project outweigh the adverse environmental effect(s). The feasibility of project alternatives or mitigation measures is determined by whether the project alternative or mitigation measure can be accomplished within a reasonable period of time, taking into account economic, environmental, social, legal and technological factors.

Project benefits that are appropriate to consider in the Statement of Overriding Considerations include the economic, legal, environmental, technological and social value of the project. The District may also consider region-wide or statewide environmental benefits.

Substantial evidence in the entire record must justify the decision-making body's findings and its use of the Statement of Overriding Considerations. If the decision-making body makes a Statement of Overriding Considerations, the Statement must be included in the record of the project approval and it should be referenced in the Notice of Determination.

(Reference: State CEQA Guidelines, § 15093.)

7.38 MITIGATION MONITORING OR REPORTING PROGRAM FOR EIR.

When making findings regarding an EIR, the District must do all of the following:

- (a) Adopt a reporting or monitoring program to assure that mitigation measures that are required to mitigate or avoid significant effects on the environment will be implemented by the project proponent or other responsible party in a timely manner, in accordance with conditions of project approval;
- (b) Make sure all conditions and mitigation measures are feasible and fully enforceable through permit conditions, agreements, or other measures. Such permit conditions, agreements, and measures must be consistent with applicable constitutional requirements such as the “nexus” and “rough proportionality” standards established by case law; and
- (c) Specify the location and the custodian of the documents which constitute the record of proceedings upon which the District based its decision in the resolution certifying the EIR.

There is no requirement that the reporting or monitoring program be circulated for public review; however, the District may choose to circulate it for public comments along with the Draft EIR. Any mitigation measures required to mitigate or avoid significant effects on the environment shall be adopted and made fully enforceable, such as by being imposed as conditions of project approval.

The adequacy of a mitigation monitoring program is determined by the “rule of reason.” This means that a mitigation monitoring program does not need to provide every imaginable measure. It needs only to provide measures that are reasonably feasible and that are necessary to avoid significant impacts or to reduce the severity of impacts to a less-than-significant level.

The mitigation monitoring or reporting program shall be designed to assure compliance with the mitigation measures during the implementation and construction of the project. If a

Responsible Agency or Trustee Agency has required that certain conditions be incorporated into the project, the District may request that agency to prepare and submit a proposed reporting or monitoring program. The District shall also require that, prior to the close of the public review period for a Draft EIR, the Responsible or Trustee Agency submit detailed performance objectives for mitigation measures, or refer the District to appropriate, readily available guidelines or reference documents. Any mitigation measures submitted to the District by a Responsible or Trustee Agency shall be limited to measures that mitigate impacts to resources that are within the Responsible or Trustee Agency's authority.

When a project is of statewide, regional, or area-wide significance, any transportation information resulting from the reporting or monitoring program required to be adopted by the District shall be submitted to the regional transportation planning agency where the project is located and to the Department of Transportation. The transportation planning agency and the Department of Transportation are required by law to adopt guidelines for the submittal of these reporting or monitoring programs, so the District may wish to tailor its submittal to such guidelines.

Local agencies have the authority to levy fees sufficient to pay for this program. Therefore, the District may impose a program to charge project proponents fees to cover actual costs of program processing and implementation.

The District may delegate reporting or monitoring responsibilities to an agency or to a private entity that accepts the delegation; however, until mitigation measures have been completed, the District remains responsible for ensuring that implementation of the mitigation measures occurs in accordance with the program.

The District may choose whether its program will monitor mitigation, report on mitigation, or both. "Reporting" is defined as a written compliance review that is presented to the Board or an authorized staff person. A report may be required at various stages during project implementation or upon completion of the mitigation measure. Reporting is suited to projects that have readily measurable or quantitative mitigation measures or that already involve regular review. "Monitoring" is generally an ongoing or periodic process of project oversight. Monitoring is suited to projects with complex mitigation measures that may exceed the expertise of the District to oversee, are expected to be implemented over a period of time, or require careful implementation to assure compliance.

At its discretion, the District may adopt standardized policies and requirements to guide individually adopted programs.

Standardized policies or requirements for monitoring and reporting may describe, but are not limited to:

- (a) The relative responsibilities of various departments within the District for various aspects of the program;
- (b) The responsibilities of the project proponent;
- (c) Guidelines adopted by the District to govern preparation of programs;

- (d) General standards for determining project compliance with the mitigation measures and related conditions of approval;
- (e) Enforcement procedures for noncompliance, including provisions for administrative appeal; and/or
- (f) A process for informing the Board and staff of the relative success of mitigation measures and using those results to improve future mitigation measures.

When a project is of statewide, regional, or area-wide importance, any transportation information generated by a mitigation monitoring or reporting program must be submitted to the transportation planning agency in the region where the project is located, as well as to the Department of Transportation.

(Reference: State CEQA Guidelines, § 15097.)

7.39 NOTICE OF DETERMINATION.

After approval of a project for which the District is the Lead Agency, Staff shall cause a Notice of Determination (Form “F”) to be prepared, filed, and posted. The Notice of Determination shall include the following information:

- (a) An identification of the project, including its common name, where possible, and its location. If the notice of determination is filed with the State Clearinghouse, the State Clearinghouse identification number for the draft EIR shall be provided.
- (b) A brief description of the project;
- (c) The District’s name and the applicant’s name (if any). If different from the applicant, the Notice of Determination shall further provide, if applicable, the identity of the person undertaking the project that is supported, in whole or in part, through contracts, grants, subsidies, loans, or other forms of assistance from one or more public agencies, or the identity of the person receiving a lease, permit, license, certificate, or other entitlement for use from one or more public agencies.
- (d) The date when the District approved the project;
- (e) Whether the project in its approved form with mitigation will have a significant effect on the environment;
- (f) A statement that an EIR was prepared and certified pursuant to the provisions of CEQA;
- (g) Whether mitigation measures were made a condition of the approval of the project, and whether a mitigation monitoring plan/program was adopted;
- (h) Whether findings were made and/or whether a Statement of Overriding Considerations was adopted for the project; and
- (i) The address where a copy of the EIR (with comments and responses) and the record of project approval may be examined by the general public.

The Notice of Determination shall be filed with the Clerk of each county in which the project will be located within five (5) working days of project approval. (To determine the fees that must be paid with the filing of the Notice of Determination, see Local Guidelines Section 7.42 and the Staff Summary of the CEQA Process.) The County Clerk is required to post the Notice of Determination within twenty-four (24) hours of receipt. The Notice must be posted in the office of the Clerk for a minimum of thirty (30) days. Thereafter, the Clerk shall return the notice to the

District with a notation of the period it was posted. The District shall retain the notice for not less than twelve (12) months.

Simultaneously with the filing of the Notice of Determination with the Clerk, Staff shall cause a copy of such Notice to be posted at District Offices. If the project requires discretionary approval from a state agency, the Notice of Determination shall also be filed electronically with the Office of Planning and Research within five (5) working days of project approval, along with proof that the District has paid the County Clerk the DFW fee or a completed form from DFW documenting DFW's determination that the project will have no effect on fish and wildlife. (If the District submits the Notice of Determination in person, the District may bring an extra copy to be date stamped by OPR.)

When a request is made for a copy of the Notice of Determination prior to the date on which the District approves the project, the copy must be mailed, first class postage prepaid, within five (5) days of the District's approval. If such a request is made following the District's approval of the project, then the copy should be mailed in the same manner as soon as possible. The recipients of such documents may be charged a fee reasonably related to the cost of providing the service.

The District, when acting as lead agency, must post its Notice of Determination for a project on its website, if any.

For projects with more than one phase, Staff shall file a Notice of Determination for each phase requiring a discretionary approval. The filing and posting of a Notice of Determination with the Clerk, and, if necessary, with OPR, usually starts a thirty (30) day statute of limitations on court challenges to the approval under CEQA. When separate notices are filed for successive phases of the same overall project, the thirty (30) day statute of limitation to challenge the subsequent phase begins to run when the second notice is filed. Failure to file the Notice may result in a one hundred eighty (180) day statute of limitations.

(Reference: Pub. Resources Code, §§ 21092.2, 21108; State CEQA Guidelines, § 15094.)

7.40 DISPOSITION OF A FINAL EIR.

The District shall file a copy of the Final EIR with the appropriate planning agency of any city or county where significant effects on the environment may occur. The District shall also retain one or more copies of the Final EIR as a public record for a reasonable period of time. Finally, for private projects, the District may require that the project applicant provide a copy of the certified Final EIR to each Responsible Agency.

(Reference: State CEQA Guidelines, § 15095.)

7.41 PRIVATE PROJECT COSTS.

For private projects, the person or entity proposing to carry out the project shall be charged a reasonable fee to recover the estimated costs incurred by the District in preparing, circulating, and filing the Draft and Final EIRs, as well as all publication costs incident thereto.

7.42 FILING FEES FOR PROJECTS THAT AFFECT WILDLIFE RESOURCES.

At the time a Notice of Determination for an EIR is filed with the County or Counties in which the project is located, a fee of \$3,839.25, or the then applicable fee, shall be paid to the Clerk for projects that will adversely affect fish or wildlife resources. These fees are collected by the Clerk on behalf of DFW.

Only one filing fee is required for each project unless the project is tiered or phased and separate environmental documents are prepared. For projects where Responsible Agencies file separate Notices of Determination, only the Lead Agency is required to pay the fee.

Note: County Clerks are authorized to charge a documentary handling fee for each project in addition to the Fish and Wildlife fees specified above. Refer to the Index in the Staff Summary to help determine the correct total amount of fees applicable to the project.

For private projects, the District should pass these costs on to the project applicant.

No fees are required for projects with “no effect” on fish or wildlife resources or for certain projects undertaken by the DFW and implemented through a contract with a non-profit entity or local government agency. (See Local Guidelines Section 6.24 for more information regarding a “no effect” determination.)

8. TYPES OF EIRS

8.01 EIRS GENERALLY.

This chapter describes a number of examples of various EIRs tailored to different situations. All of these types of EIRs must meet the applicable requirements of Chapter 7 of these Local Guidelines.

8.02 TIERING.

(a) Tiering Generally.

“Tiering” refers to using the analysis of general matters contained in a previously certified broader EIR in later EIRs, Negative Declarations, or Mitigated Negative Declarations prepared for narrower projects. The later EIR, Negative Declaration, or Mitigated Negative Declaration may incorporate by reference the general discussions from the broader EIR and may concentrate solely on the issues specific to the later project.

An Initial Study shall be prepared for the later project and used to determine whether a previously certified EIR may be used and whether new significant effects should be examined. Tiering does not excuse the District from adequately analyzing reasonably foreseeable significant environmental effects of a project, nor does it justify deferring analysis to a later tier EIR, Negative Declaration, or Mitigated Negative Declaration. However, the level of detail contained in a first-tier EIR need not be greater than that of the program, plan, policy, or ordinance being analyzed. When the District is using the tiering process in connection with an EIR for a large-scale planning approval, such as a general plan or component thereof (e.g., an area plan, specific plan or community plan), the development of detailed, site-specific information may not be feasible. Such site-specific information can be deferred, in many instances, until such time as the Lead Agency prepares a future environmental document in connection with a project of a more limited geographical scale, as long as deferral does not prevent adequate identification of significant effects of the planning approval at hand.

(b) Identifying New Significant Impacts.

When assessing whether there is a new significant cumulative effect for purposes of a subsequent tier environmental document, the Lead Agency shall consider whether the incremental effects of the project would be considerable when viewed in the context of past, present, and probable future projects.

A Lead Agency may use only a valid CEQA document as a first-tier document. Accordingly, the District, in its role as Lead Agency, should carefully review the first-tier environmental document to determine whether or not the statute of limitations for challenging the document has run. If the statute of limitations has not expired, the District should use the first-tier document with caution and pay careful attention to the legal status of the document. If the first-tier document is subsequently invalidated, any later environmental document may also be defective.

(c) Infill Projects and Tiering.

Certain “infill” projects may tier off of a previously certified EIR. An “infill” project is defined as a project with residential, retail, and/or commercial uses, a transit station, a school, or a public office building. It must be located in an urban area on a previously developed site or on an undeveloped site that is surrounded by developed uses. The project must be either consistent with land use planning strategies that achieve greenhouse gas (“GHG”) emission reduction targets, feature a small walkable community project, or where a sustainable communities or alternative planning strategy has not yet been adopted for the area, include a residential density of at least 20 units per acre or a floor area ratio of at least 0.75. The project must also meet a number of standards related to energy efficiency that are not yet defined but which SB 226 directs the Office of Planning and Research to prepare.

If an EIR was certified for a planning level decision by a city or county (such as a General Plan or Specific Plan), the scope of the CEQA review for a later “infill” project can be limited to those effects on the environment that: 1) are specific to the project or to the project site and were not addressed as significant effects in the prior EIR; or 2) substantial new information shows will be more significant than described in the prior EIR.

When a project meets the definition of “infill” and either of the above conditions exist but a Mitigated Negative Declaration cannot be adopted, then the subsequent EIR for such a project need not consider alternative locations, densities, and building intensities or growth-inducing impacts.

(d) Statement of Overriding Considerations.

A Lead Agency may also tier off of a previously prepared Statement of Overriding Considerations if certain conditions are met. (See Local Guidelines Section 7.37.)

(Reference: State CEQA Guidelines, § 15152.)

8.03 PROJECT EIR.

The most common type of EIR examines the environmental impacts of a specific development project and focuses primarily on the changes in the environment that would result from the development project. This type of EIR must examine all phases of the project, including planning, construction, and operation.

If the EIR for a redevelopment plan is a Project EIR, all public and private activities or undertakings pursuant to or in furtherance of the Redevelopment Plan shall constitute a single project, which shall be deemed approved at the time of the adoption of the Redevelopment Plan. Although the District will probably not act as a Lead Agency for a Redevelopment Plan, the District may act as a Responsible Agency.

(Reference: State CEQA Guidelines, §§ 15161, 15180.)

8.04 SUBSEQUENT EIR.

A Subsequent EIR is required when a previous EIR has been prepared and certified, or a Negative Declaration or Mitigated Negative Declaration has been adopted, for a project and at least one of the three following situations occur:

- (a) Substantial changes are proposed in the project which will require major revisions of a previous EIR due to the identification of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
- (b) Substantial changes occur with respect to the circumstances under which the project is to be undertaken which will require major revisions of a previous EIR due to the identification of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- (c) New information, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration/Mitigated Negative Declaration was adopted, becomes available and shows any of the following:
 - (1) the project will have one or more significant effects not discussed in a previous EIR, Negative Declaration, or Mitigated Negative Declaration;
 - (2) significant effects previously examined will be substantially more severe than shown in a previous EIR;
 - (3) mitigation measures or alternatives previously found not to be feasible are in fact feasible and would substantially reduce one or more significant effects, but the project proponent declines to adopt the mitigation measures or alternatives; or
 - (4) mitigation measures or alternatives which were not considered in a previous EIR would substantially lessen one or more significant effects on the environment, but the project proponent declines to adopt the mitigation measures or alternatives.

A Subsequent EIR must receive the same circulation and review as the previous EIR received. As a potential tool to determine whether a Subsequent EIR is required, see Form J-1 of these Local Guidelines.

In instances where the District is evaluating a modification or revision to an existing use permit, the District may consider only those environmental impacts related to the changes between what was allowed under the old permit and what is requested under the new permit. Only if these differential impacts fall within the categories described above may the District require additional environmental review.

When the District is considering approval of a development project that is consistent with a general plan for which an EIR was completed, another EIR is required only if the project causes environmental effects peculiar to the parcel which were not addressed in the prior EIR or substantial new information shows the effects peculiar to the parcel will be more significant than described in the prior EIR. (Reference: State CEQA Guidelines, § 15162.)

8.05 SUPPLEMENTAL EIR.

The District may choose to prepare a Supplemental EIR, rather than a Subsequent EIR, if any of the conditions described in Local Guidelines Section 8.04 have occurred but only minor additions or changes would be necessary to make the previous EIR adequately apply to the project in the changed situation. To assist the District in making this determination, the decision-making body should request an Initial Study and/or a recommendation by Staff. The Supplemental EIR need contain only the information necessary to make the previous EIR adequate for the project as revised.

A Supplemental EIR shall be given the same kind of notice and public review as is given to a Draft EIR but may be circulated by itself without recirculating the previous EIR.

When the decision-making body decides whether to approve the project, it shall consider the previous EIR as revised by the Supplemental EIR. Findings shall be made for each significant effect identified in the Supplemental EIR.

(Reference: State CEQA Guidelines, § 15163.)

8.06 ADDENDUM TO AN EIR.

The District shall prepare an Addendum to a previously certified EIR, rather than a Subsequent or Supplemental EIR, only if changes or additions to the EIR are necessary, but none of the conditions described in Local Guidelines Section 8.04 or 8.05 calling for preparation of a Subsequent or Supplemental EIR have occurred. Since significant effects on the environment were addressed by findings in the original EIR, no new findings are required in the Addendum.

An Addendum to an EIR need not be circulated for public review but should be included in or attached to the Final EIR. The decision-making body shall consider the Addendum with the Final EIR prior to making a decision on a project. A brief explanation of the decision not to prepare a Subsequent EIR or a Supplemental EIR should be included in the Addendum, the Lead Agency's findings on the project, or elsewhere in the record. This explanation must be supported by substantial evidence.

(Reference: State CEQA Guidelines, § 15164.)

8.07 STAGED EIR.

When a large capital project will require a number of discretionary approvals from governmental agencies and one of the approvals will occur more than two years before construction will begin, a Staged EIR may be prepared. The Staged EIR covers the entire project in a general form or manner. A Staged EIR should evaluate a proposal in light of current and contemplated plans and produce an informed estimate of the environmental consequences of an entire project. The particular aspect of the project before the District for approval shall be discussed with a greater degree of specificity.

When a Staged EIR has been prepared, a Supplemental EIR shall be prepared when a later approval is required for the project and the information available at the time of the later approval

would permit consideration of additional environmental impacts, mitigation measures, or reasonable alternatives to the project.

(Reference: State CEQA Guidelines, § 15167.)

8.08 PROGRAM EIR.

A Program EIR is an EIR that may be prepared on an integrated series of actions that are related either:

- (a) Geographically;
- (b) As logical parts in a chain of contemplated actions;
- (c) In connection with the issuance of rules, regulations, plans or other general criteria to govern the conduct of a continuing program; or
- (d) As individual projects carried out under the same authorizing statutory or regulatory authority and having generally similar environmental effects that can be mitigated in similar ways.

An advantage of using a Program EIR is that it can “[a]llow the Lead Agency to consider broad policy alternatives and program wide mitigation measures at an early time when the agency has greater flexibility to deal with basic problems or cumulative impacts.” (State CEQA Guidelines section 15168(b)(4).) A Program EIR is distinct from a Project EIR, as a Project EIR is prepared for a specific project and must examine in detail site-specific considerations. Program EIRs are commonly used in conjunction with the process of tiering.

Tiering is the coverage of general matters in broader EIRs (such as on general plans or policy statements) with subsequent narrower EIRs. (State CEQA Guidelines section 15385; see also Local Guidelines Sections 8.02 and 11.73.) Tiering is proper “when it helps a public agency to focus upon the issues ripe for decision at each level of environmental review and in order to exclude duplicative analysis of environmental effects examined in previous environmental impact reports.” (Pub. Res. Code, § 21093(a).) For example, the California Supreme Court has ruled that “CEQA does not mandate that a first-tier program EIR identify with certainty particular sources of water for second-tier projects that will be further analyzed before implementation during later stages of the program. Rather, identification of specific sources is required only at the second-tier stage when specific projects are considered.” (*In re Bay-Delta etc.* (2008) 43 Cal. 4th 1143.)

Subsequent activities in the program must be examined in light of the Program EIR to determine whether additional environmental documents must be prepared. Additional environmental review documents must be prepared if the proposed later project may arguably cause significant adverse effects on the environment.

(Reference: State CEQA Guidelines, § 15168.)

8.09 USE OF A PROGRAM EIR WITH SUBSEQUENT EIRS AND NEGATIVE DECLARATIONS.

A Program EIR can be used to simplify the task of preparing environmental documents on later activities in the program. The Program EIR can:

- (a) Provide the basis for an Initial Study to determine whether the later activity may have any significant effects;
- (b) Be incorporated by reference to deal with regional influences, secondary effects, cumulative impacts, broad alternatives and other factors that apply to the program as a whole; or
- (c) Focus an EIR on a later activity to permit discussion solely of new effects which had not been considered before.

If a Program EIR is prepared for a redevelopment plan, subsequent activities in the redevelopment program will be subject to review if they would have effects that were not examined in the Program EIR. Where the later activities involve site-specific operations, the District should use a written checklist or similar device to document the evaluation of the site and the proposed activity to determine whether the environmental effects of the operation were within the scope of the Program EIR. If a later activity would have effects that were not examined in the Program EIR, a new Initial Study would need to be prepared leading to an EIR, Negative Declaration, or Mitigated Negative Declaration. That later analysis may tier from the Program EIR as provided in State CEQA Guidelines section 15152.

If the District finds that no Subsequent EIR would be required, the District can approve the activity as being within the scope of the project covered by the Program EIR, and no new environmental document is required. (See Local Guidelines Section 8.04.) Whether a later activity is within the scope of a Program EIR is a factual question that the Lead Agency determines based on substantial evidence in the record. Factors that the Lead Agency may consider in making that determination include, but are not limited to, consistency of the later activity with the type of allowable land use, overall planned density and building intensity, geographic area analyzed for environmental impacts, and covered infrastructure, as described in the Program EIR.

(Reference: State CEQA Guidelines, § 15168.)

8.10 USE OF AN EIR FROM AN EARLIER PROJECT.

A single EIR may be used to describe more than one project when the projects involve substantially identical environmental impacts. Any environmental impacts peculiar to one of the projects must be separately set forth and explained.

(Reference: State CEQA Guidelines, § 15165.)

8.11 MASTER EIR.

A Master EIR is an EIR which may be prepared for:

- (a) A general plan (including elements and amendments);
- (b) A specific plan;
- (c) A project consisting of smaller individual projects to be phased;
- (d) A regulation to be implemented by subsequent projects;
- (e) A project to be carried out pursuant to a development agreement;
- (f) A project pursuant to or furthering a redevelopment plan;
- (g) A state highway or mass transit project subject to multiple reviews or approvals; or

(h) A regional transportation plan or congestion management plan.

A Master EIR must do both of the following:

- (a) Describe and present sufficient information about anticipated subsequent projects within its scope, including their size, location, intensity, and scheduling; and
- (b) Preliminarily describe potential impacts of anticipated subsequent projects for which insufficient information is available to support a full impact assessment.

The District and Responsible Agencies identified in the Master EIR may use the Master EIR to limit environmental review of subsequent projects. However, the Lead Agency for the subsequent project must prepare an Initial Study to determine whether the subsequent project and its significant environmental effects were included in the Master EIR. If the Lead Agency for the subsequent project finds that the subsequent project will have no additional significant environmental effect and that no new mitigation measures or alternatives may be required, it may prepare written findings to that effect without preparing a new environmental document. When the Lead Agency makes this finding, it must provide public notice of the availability of its proposed finding for public review and comment in the same manner as if it were providing public notice of the availability of a draft EIR. (See Sections 15177(d) and 15087 of the State CEQA Guidelines and Section 7.25 of these Local Guidelines.)

A previously certified Master EIR cannot be relied upon to limit review of a subsequent project if:

- (a) A project not identified in the certified Master EIR has been approved and that project may affect the adequacy of the Master EIR for the subsequent project now under consideration; or
- (b) The Master EIR was certified more than five (5) years before the filing of an application for the subsequent project, unless the District reviews the adequacy of the Master EIR and:
 - (1) Finds that, since the Master EIR was certified, no substantial changes have occurred that would cause the subsequent project to have significant environmental impacts, and there is no new information that the subsequent project would have significant environmental impacts; or
 - (2) Prepares an Initial Study and either certifies a Subsequent or Supplemental EIR or adopts a Mitigated Negative Declaration that addresses any substantial changes or new information that would cause the subsequent project to have potentially significant environmental impacts. The certified subsequent or supplemental EIR must either be incorporated into the previously certified Master EIR or the District must identify any deletions, additions or other modifications to the previously certified Master EIR in the new document. The District may include a section in the subsequent or supplemental EIR that identifies these changes to the previously certified Master EIR.

When the Lead Agency cannot find that the subsequent project will have no additional significant environmental effect and no new mitigation measures or alternatives will be required, it must prepare either a Mitigated Negative Declaration or an EIR for the subsequent project.

(Reference: State CEQA Guidelines, § 15175.)

8.12 FOCUSED EIR.

A Focused EIR is an EIR for a subsequent project identified in a Master EIR. It may be used only if the District finds that the Master EIR's analysis of cumulative, growth-inducing, and irreversible significant environmental effects is adequate for the subsequent project. The Focused EIR must incorporate by reference the Master EIR.

The Focused EIR must analyze additional significant environmental effects not addressed in the Master EIR and any new mitigation measures or alternatives not included in the Master EIR. "Additional significant effects on the environment" means those project-specific effects on the environment that were not addressed as significant effects on the environment in the Master EIR.

The Focused EIR must also examine the following:

- (a) Significant effects discussed in the Master EIR for which substantial new information exists that shows those effects may be more significant than described in the Master EIR;
- (b) Those mitigation measures found to be infeasible in the Master EIR for which substantial new information exists that shows the effects may be more significant than described in the Master EIR; and
- (c) Those mitigation measures found to be infeasible in the Master EIR for which substantial new information exists that shows those measures may now be feasible.

The Focused EIR need not examine the following effects:

- (a) Those that were mitigated through Master EIR mitigation measures; or
- (b) Those that were examined in the Master EIR in sufficient detail to allow project-specific mitigation or for which mitigation was found to be the responsibility of another agency.

A Focused EIR may be prepared for a multifamily residential project not exceeding 100 units or a mixed use residential project not exceeding 100,000 square feet even though the project was not identified in a Master EIR, if the following conditions are met:

- (a) The project is consistent with a general plan, specific plan, community plan, or zoning ordinance for which an EIR was prepared within five (5) years of the Focused EIR's certification;
- (b) The project does not require the preparation of a Subsequent or Supplemental EIR; and
- (c) The parcel is surrounded by immediately contiguous urban development, was previously developed with urban uses, or is within one-half mile of a rail transit station.

A Focused EIR for these projects should be limited to potentially significant effects that are project-specific and/or which substantial new information shows will be more significant than

described in the Master EIR. No discussion shall be required of alternatives to the project, cumulative impacts of the project, or the growth-inducing impacts of the project.

(Reference: State CEQA Guidelines, § 15179.5.)

8.13 SPECIAL REQUIREMENTS FOR REDEVELOPMENT PROJECTS.

An EIR for a redevelopment plan may be a Master EIR, Program EIR or Project EIR. An EIR for a redevelopment plan must specify whether it is a Master EIR, a Program EIR or a Project EIR. Normally, the District will not be a Lead Agency for a redevelopment plan. However, if the District is a Responsible Agency on such a project, the District should endeavor to ensure that the county and/or applicable city as the case may be, as Lead Agency, analyzes these impacts in accordance with CEQA.

If a Program EIR is prepared for a redevelopment plan, subsequent activities in the redevelopment program will be subject to review if they would have effects that were not examined in the Program EIR. The Lead Agency should use a written checklist or similar device to document the evaluation of the site and the proposed activity to determine whether the environmental effects of the operation were indeed covered in the Program EIR. If the Lead Agency finds that no new effects could occur, no new mitigation measures would be required or that State CEQA Guidelines sections 15162 and 15163 do not otherwise apply, the Lead Agency can approve the activity as being within the scope of the project covered by the Program EIR, and no new environmental document is required.

If the EIR for a redevelopment plan is a Project EIR, all public and private activities or undertakings pursuant to or in furtherance of the Redevelopment Plan shall constitute a single project, which shall be deemed approved at the time of the adoption of the Redevelopment Plan. Once certified, no subsequent EIRs will be needed unless required by State CEQA Guidelines sections 15162 or 15163. If a Master EIR is prepared for a redevelopment plan, subsequent projects will be subject to review if they would have effects that were not examined in the Master EIR. If no new effects could occur or no new mitigation measures would be required, the Lead Agency can approve the activity as being within the scope of the project covered by the Master EIR, and no new environmental document is required.

(Reference: State CEQA Guidelines, § 15180.)

9. AFFORDABLE HOUSING

9.01 STREAMLINED, MINISTERIAL APPROVAL PROCESS FOR AFFORDABLE HOUSING PROJECTS

The legislature has provided reforms and incentives to facilitate and expedite the approval and construction of affordable housing.

(a) An applicant may submit an application for a development that is subject to the streamlined, ministerial approval process and is not subject to a conditional use permit or any other non-legislative discretionary approval if the development satisfies all of the following objective planning standards:

(i) The development is a multifamily housing development that contains two or more residential units.

(ii) The development is located on a site that satisfies the following:

(A) A site that is a legal parcel or parcels located in a city if, and only if, the city boundaries include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau, or, for unincorporated areas, a legal parcel or parcels wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

(B) A site in which at least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses. For the purposes of this section, parcels that are only separated by a street or highway shall be considered to be adjoined.

(C)(1) A site that meets the requirements of clause (2) and satisfies any of the following:

(I) The site is zoned for residential use or residential mixed-use development.

(II) The site has a general plan designation that allows residential use or a mix of residential and nonresidential uses.

(III) The site is zoned for office or retail commercial use and meets the requirements of Gov. Code section 65852.24.

(2) At least two-thirds of the square footage of the development designated for residential use. Additional density, floor area, and units, and any other concession, incentive, or waiver of development standards granted pursuant to the Density Bonus Law in Government Code section 65915 shall be included in the square footage calculation. The square footage of the development shall not include underground space, such as basements or underground parking garages.

(iii) If the development contains units that are subsidized, the development proponent already has recorded, or is required by law to record, a land use restriction or covenant providing that any lower or moderate income housing units required pursuant to subparagraph B of Paragraph (iv) of this Subsection shall remain available at affordable housing costs or rent to persons and families of lower or moderate income for the following applicable minimum durations:

- (A) Fifty-five years for units that are rented.
- (B) Forty-five years for units that are owned.

(iv) The development satisfies subparagraphs (A) and (B) below:

(A) The development is located in a locality that the department has determined is subject to this subparagraph on the basis that the number of units that have been issued building permits, as shown on the most recent production report received by the department, is less than the locality's share of the regional housing needs, by income category, for that reporting period. A locality shall remain eligible under this subparagraph until the department's determination for the next reporting period. A locality shall be subject to this subparagraph if it has not submitted an annual housing element report to the department pursuant to paragraph (2) of subdivision (a) of Section 65400 for at least two consecutive years before the development submitted an application for approval under this section.

(B) The development is subject to a requirement mandating a minimum percentage of below market rate housing based on one of the following:

(1) The locality did not submit its latest production report to the department by the time period required by Government Code section 65400, or that production report reflects that there were fewer units of above moderate-income housing approved than were required for the regional housing needs assessment cycle for that reporting period. In addition, if the project contains more than 10 units of housing, the project does either of the following:

- A. The project dedicates a minimum of 10 percent of the total number of units, before calculating any density bonus, to housing affordable to households making at or below 80 percent of the area median income. However, if the locality has adopted a local ordinance that requires that greater than 10 percent of the units be dedicated to housing affordable to households making below 80 percent of the area median income, that local ordinance applies.
- B. If the project is located within the San Francisco Bay area, the project, in lieu of complying with subclause (A),

dedicates 20 percent of the total number of units, before calculating any density bonus, to housing affordable to households making below 120 percent of the area median income with the average income of the units at or below 100 percent of the area median income. However, a local ordinance adopted by the locality applies if it requires greater than 20 percent of the units be dedicated to housing affordable to households making at or below 120 percent of the area median income, or requires that any of the units be dedicated at a level deeper than 120 percent. In order to comply with this subclause, the rent or sale price charged for units that are dedicated to housing affordable to households between 80 percent and 120 percent of the area median income shall not exceed 30 percent of the gross income of the household. For purposes of this subclause, “San Francisco Bay area” means the entire area within the territorial boundaries of the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma, and the City and County of San Francisco.

(2) The locality did not submit its latest production report to the department by the time period required by Government Code section 65400, or that production report reflects that there were fewer units of housing affordable to households making at or below 80 percent of the area median income that were issued building permits than were required for the regional housing needs assessment cycle for that reporting period, and the project seeking approval dedicates 50 percent of the total number of units, before calculating any density bonus, to housing affordable to households making at or below 80 percent of the area median income. However, if the locality has adopted a local ordinance that requires that greater than 50 percent of the units be dedicated to housing affordable to households making at or below 80 percent of the area median income, that ordinance applies.

(3) The locality did not submit its latest production report to the department by the time period required by Government Code section 65400, or if the production report reflects that there were fewer units of housing affordable to any income level described in clause (i) or (ii) that were issued building permits than were required for the regional housing needs assessment cycle for that reporting period, the project seeking approval may choose between utilizing clause (i) or (ii).

(C)(i) A development proponent that uses a unit of affordable housing to satisfy the requirements of subparagraph (B) may also satisfy any other local or state requirement for affordable housing, including local ordinances or the Density Bonus Law in Government Code section 65915, provided that the development proponent complies with the applicable requirements in the state or local law.

(C)(ii) A development proponent that uses a unit of affordable housing to satisfy any other state or local affordability requirement may also satisfy the requirements of subparagraph (B), provided that the development proponent complies with applicable requirements of subparagraph (B).

(C)(iii) A development proponent may satisfy the affordability requirements of subparagraph (B) with a unit that is restricted to households with incomes lower than the applicable income limits required in subparagraph (B).

(v) The development, excluding any additional density or any other concessions, incentives, or waivers of development standards granted pursuant to the Density Bonus Law in Government Code section 65915, is consistent with objective zoning standards and objective design review standards in effect at the time that the development is submitted to the local government pursuant to this section. For purposes of this paragraph, “objective zoning standards” and “objective design review standards” mean standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal. These standards may be embodied in alternative objective land use specifications adopted by a city or county, and may include, but are not limited to, housing overlay zones, specific plans, inclusionary zoning ordinances, and density bonus ordinances, subject to the following:

(A) A development shall be deemed consistent with the objective zoning standards related to housing density, as applicable, if the density proposed is compliant with the maximum density allowed within that land use designation, notwithstanding any specified maximum unit allocation that may result in fewer units of housing being permitted.

(B) In the event that objective zoning, general plan, or design review standards are mutually inconsistent, a development shall be deemed consistent with the objective zoning standards pursuant to this section if the development is consistent with the standards set forth in the general plan.

(C) A project that satisfies the requirements of Government Code section 65852.24 shall be deemed consistent with objective zoning standards, objective design standards, and objective subdivision standards if the project is consistent with the provisions of subdivision (b) of Government Code section 65852.24 and if none of the square footage in the project is designated for hotel, motel, bed and breakfast inn, or other transient lodging use, except for a residential hotel. For purposes of this subdivision, “residential hotel” shall have the same meaning as defined in Section 50519 of the Health and Safety Code.

(vi) The development is not located on a site that is any of the following:

(A) A coastal zone, as defined in Division 20 (commencing with Section 30000) of the Public Resources Code.

(B) Either prime farmland or farmland of statewide importance, as defined pursuant to United States Department of Agriculture land inventory and monitoring criteria, as modified for California, and designated on the maps prepared by the Farmland Mapping and Monitoring Program of the Department of Conservation, or land zoned or designated for agricultural protection or preservation by a local ballot measure that was approved by the voters of that jurisdiction.

(C) Wetlands, as defined in the United States Fish and Wildlife Service Manual.

(D) Within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection pursuant to Section 51178, or within a high or very high fire hazard severity zone as indicated on maps adopted by the Department of Forestry and Fire Protection pursuant to Section 4202 of the Public Resources Code. This subparagraph does not apply to sites excluded from the specified hazard zones by a local agency, pursuant to subdivision (b) of Government Code section 51179, or sites that have adopted fire hazard mitigation measures pursuant to existing building standards or state fire mitigation measures applicable to the development.

(E) A hazardous waste site that is listed pursuant to Government Code section 65962.5 or a hazardous waste site designated by the Department of Toxic Substances Control pursuant to Section 25356 of the Health and Safety Code, unless either of the following apply:

- (i) The site is an underground storage tank site that received a uniform closure letter issued pursuant to subdivision (g) of Section 25296.10 of the Health and Safety Code based on closure criteria established by the State Water Resources Control Board for residential use or residential mixed uses. This section does not alter or change the conditions to remove a site from the list of hazardous waste sites listed pursuant to Government Code section 65962.5; or
- (ii) The State Department of Public Health, State Water Resources Control Board, Department of Toxic Substances Control, or a local agency making a determination pursuant to subdivision (c) of Section 25296.10 of the Health and Safety Code, has otherwise determined that the site is suitable for residential use or residential mixed uses.

(F) Within a delineated earthquake fault zone as determined by the State Geologist in any official maps published by the State Geologist, unless the

development complies with applicable seismic protection building code standards adopted by the California Building Standards Commission under the California Building Standards Law, Health and Safety Code section 18901, and by any local building department under Chapter 12.2 (commencing with Section 8875) of Division 1 of Title 2 of the Government Code.

(G) Within a flood plain as determined by maps promulgated by the Federal Emergency Management Agency, unless the development has been issued a flood plain development permit pursuant to Code of Federal Regulations section 59.1.

(H) Within a floodway as determined by maps promulgated by the Federal Emergency Management Agency, unless the development has received a no-rise certification in accordance with Code of Federal Regulations section 60.3(d)(3).

(I) Lands identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation Planning Act, Fish and Game Code section 2800, habitat conservation plan pursuant to the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), or other adopted natural resource protection plan.

(J) Habitat for protected species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protected species, or species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), the California Endangered Species Act, Fish and Game Code section 2050, or the Native Plant Protection Act, Fish and Game Code section 1900.

(K) Lands under conservation easement.

(vii) The development is not located on a site where any of the following apply:

(A) The development would require the demolition of the following types of housing:

(1) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.

(2) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power.

(3) Housing that has been occupied by tenants within the past 10 years.

(B) The site was previously used for housing that was occupied by tenants that was demolished within 10 years before the development proponent submits an application under this section.

(C) The development would require the demolition of a historic structure that was placed on a national, state, or local historic register.

(D) The property contains housing units that are occupied by tenants, and units at the property are, or were, subsequently offered for sale to the general public by the subdivider or subsequent owner of the property.

(viii) The applicant has done both of the following, as applicable:

(A) Certified to the locality that either of the following is true, as applicable:

(1) The entirety of the development is a public work for purposes of Labor Code section 1720.

(2) If the development is not in its entirety a public work, that all construction workers employed in the execution of the development will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Labor Code sections 1773 and 1773.9, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the development is subject to this subparagraph, then for those portions of the development that are not a public work all of the following shall apply:

(I) The development proponent shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(II) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(III) Except as provided in subsection (V), all contractors and subcontractors shall maintain and verify payroll records pursuant to Labor Code section 1776 and make those records available for inspection and copying as provided in therein.

(IV) Except as provided in subsection (V), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Labor Code section 1741, which may be reviewed pursuant to Labor Code section 1742, within 18 months after the completion of the development, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Labor Code section 1771.2. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Labor Code section 1742.1.

(V) Subsections (III) and (IV) shall not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this clause, “project labor agreement” has the same meaning as set forth in Public Contract Code section 2500(b)(1).

(VI) Notwithstanding Labor Code section 1773.1, subdivision (c), the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Labor Code section 511 or 514.

(B)(1) For developments for which any of the following conditions apply, certified that a skilled and trained workforce shall be used to complete the development if the application is approved:

(I) On and after January 1, 2018, until December 31, 2021, the development consists of 75 or more units that are not 100 percent subsidized affordable housing and will be located within a jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(II) On and after January 1, 2023, until December 31, 2025, the development consists of 50 or more units that are not 100 percent subsidized affordable housing and will be located within a

jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(III) On and after January 1, 2018, until December 31, 2019, the development consists of 75 or more units that are not 100 percent subsidized affordable housing and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(IV) On and after January 1, 2020, until December 31, 2021, the development consists of more than 50 units and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(V) On and after January 1, 2023, until December 31, 2025, the development consists of more than 25 units and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal bay county.

(2) For purposes of this section, “skilled and trained workforce” has the same meaning as provided in the Public Contract Code section 2600.

(3) If the development proponent has certified that a skilled and trained workforce will be used to complete the development and the application is approved, the following shall apply:

(I) The applicant shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to complete the development.

(II) Every contractor and subcontractor shall use a skilled and trained workforce to complete the development.

(III) Except as provided in subdivision (IV), the applicant shall provide to the locality, on a monthly basis while the development or contract is being performed, a report demonstrating compliance with Public Contract Code section 2600. A monthly report provided to the locality pursuant to this subclause shall be a public record under the California Public Records Act (Government Code section 7920.000, et seq.) and shall be open to public inspection. An applicant that fails to provide a monthly report demonstrating compliance with Public Contract Code section 2600 shall be subject to a civil penalty of ten thousand dollars (\$10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled

and trained workforce shall be subject to a civil penalty of two hundred dollars (\$200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the development using the same procedures for issuance of civil wage and penalty assessments pursuant to Labor Code section 1741, and may be reviewed pursuant to the same procedures in Labor Code section 1742. Penalties shall be paid to the State Public Works Enforcement Fund.

(IV) Subdivision (III) shall not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, “project labor agreement” has the same meaning as set forth in Public Contract Code section 2500(b)(1).

(C) Notwithstanding subparagraphs (A) and (B) above, a development that is subject to approval pursuant to this section is exempt from any requirement to pay prevailing wages or use a skilled and trained workforce if it meets both of the following:

(1) The project includes 10 or fewer units.

(2) The project is not a public work for purposes of Labor Code section 1720.

(ix) The development did not or does not involve a subdivision of a parcel that is, or, notwithstanding this section, would otherwise be, subject to the Subdivision Map Act (Government Code section 66410, et seq.) or any other applicable law authorizing the subdivision of land, unless either of the following apply:

(A) The development has received or will receive financing or funding by means of a low-income housing tax credit and is subject to the requirement that prevailing wages be paid pursuant to subparagraph (A) of paragraph (viii).

(B) The development is subject to the requirement that prevailing wages be paid, and a skilled and trained workforce used, pursuant to paragraph (h).

(x) The development shall not be upon an existing parcel of land or site that is governed under the Mobilehome Residency Law, Civil Code section 798, the Recreational Vehicle Park Occupancy Law, Civil Code section 799.20, the

Mobilehome Parks Act, Health and Safety Code section 18200, or the Special Occupancy Parks Act, Health and Safety Code section 18860.

- (b)(i)(A)(1) Before submitting an application for a development subject to the streamlined, ministerial approval process described in this section, the development proponent shall submit to the local government a notice of its intent to submit an application. The notice of intent shall be in the form of a preliminary application that includes all of the information described in Section 65941.1 of the Government Code, as that section read on January 1, 2020.
- (2) Upon receipt of a notice of intent to submit an application, the local government shall engage in a scoping consultation regarding the proposed development with any California Native American tribe that is traditionally and culturally affiliated with the geographic area, as described in Section 21080.3.1 of the Public Resources Code, of the proposed development. In order to expedite compliance with this subdivision, the local government shall contact the Native American Heritage Commission for assistance in identifying any California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed development.
- (3) The timeline for noticing and commencing a scoping consultation in accordance with this subdivision shall be as follows:
- A. The local government shall provide a formal notice of a development proponent's notice of intent to submit an application to each California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed development within 30 days of receiving that notice of intent. The formal notice provided pursuant to this subclause shall include all of the following:
1. A description of the proposed development.
 2. The location of the proposed development.
 3. An invitation to engage in a scoping consultation in accordance with this subdivision.
- B. Each California Native American tribe that receives a formal notice pursuant to this clause shall have 30 days from the receipt of that notice to accept the invitation to engage in a scoping consultation.
- C. If the local government receives a response accepting an invitation to engage in a scoping consultation pursuant to this subdivision, the local government shall commence the scoping consultation within 30 days of receiving that response.

(B) The scoping consultation shall recognize that California Native American tribes traditionally and culturally affiliated with a geographic area have knowledge and expertise concerning the resources at issue and shall take into account the cultural significance of the resource to the culturally affiliated California Native American tribe.

(C) The parties to a scoping consultation conducted pursuant to this subdivision shall be the local government and any California Native American tribe traditionally and culturally affiliated with the geographic area of the proposed development. More than one California Native American tribe traditionally and culturally affiliated with the geographic area of the proposed development may participate in the scoping consultation. However, the local government, upon the request of any California Native American tribe traditionally and culturally affiliated with the geographic area of the proposed development, shall engage in a separate scoping consultation with that California Native American tribe. The development proponent and its consultants may participate in a scoping consultation process conducted pursuant to this subdivision if all of the following conditions are met:

- (1) The development proponent and its consultants agree to respect the principles set forth in this subdivision.
- (2) The development proponent and its consultants engage in the scoping consultation in good faith.
- (3) The California Native American tribe participating in the scoping consultation approves the participation of the development proponent and its consultants. The California Native American tribe may rescind its approval at any time during the scoping consultation, either for the duration of the scoping consultation or with respect to any particular meeting or discussion held as part of the scoping consultation.

(D) The participants to a scoping consultation pursuant to this subdivision shall comply with all of the following confidentiality requirements: (1) Government Code section 7927.000; Government Code section 7927.005; Public Resources Code section 21083.3, subdivision (c); (4) State CEQA Guidelines section 15120, subdivision (d); and any additional confidentiality standards adopted by the California Native American tribe participating in the scoping consultation.

(E) CEQA does not apply to the scoping consultation conducted pursuant to this subdivision.

- (b)(ii)(A) If, after concluding the scoping consultation, the parties find that no potential tribal cultural resource would be affected by the proposed development, the development proponent may submit an application for the proposed development

that is subject to the streamlined, ministerial approval process described in this section

(B) If, after concluding the scoping consultation, the parties find that a potential tribal cultural resource could be affected by the proposed development and an enforceable agreement is documented between the California Native American tribe and the local government on methods, measures, and conditions for tribal cultural resource treatment, the development proponent may submit the application for a development subject to the streamlined, ministerial approval process described in this section. The local government shall ensure that the enforceable agreement is included in the requirements and conditions for the proposed development.

(C) If, after concluding the scoping consultation, the parties find that a potential tribal cultural resource could be affected by the proposed development and an enforceable agreement is not documented between the California Native American tribe and the local government regarding methods, measures, and conditions for tribal cultural resource treatment, the development shall not be eligible for the streamlined, ministerial approval process described in this section.

(D) For purposes of this paragraph, a scoping consultation shall be deemed to be concluded if either of the following occur:

- (1) The parties to the scoping consultation document an enforceable agreement concerning methods, measures, and conditions to avoid or address potential impacts to tribal cultural resources that are or may be present.
- (2) One or more parties to the scoping consultation, acting in good faith and after reasonable effort, conclude that a mutual agreement on methods, measures, and conditions to avoid or address impacts to tribal cultural resources that are or may be present cannot be reached.

(E) If the development or environmental setting substantially changes after the completion of the scoping consultation, the local government shall notify the California Native American tribe of the changes and engage in a subsequent scoping consultation if requested by the California Native American tribe.

(b)(iii) A local government may only accept an application for streamlined, ministerial approval pursuant to this section if one of the following applies:

(A) A California Native American tribe that received a formal notice of the development proponent's notice of intent to submit an application pursuant to this section did not accept the invitation to engage in a scoping consultation.

- (B) The California Native American tribe accepted an invitation to engage in a scoping consultation pursuant to this section but substantially failed to engage in the scoping consultation after repeated documented attempts by the local government to engage the California Native American tribe.
- (C) The parties to a scoping consultation pursuant to this subdivision find that no potential tribal cultural resource will be affected by the proposed development.
- (D) A scoping consultation between a California Native American tribe and the local government has occurred and resulted in an agreement.
- (b)(iv) A project shall not be eligible for the streamlined, ministerial process described in this section if any of the following apply:
- (A) There is a tribal cultural resource that is on a national, state, tribal, or local historic register list located on the site of the project.
- (B) There is a potential tribal cultural resource that could be affected by the proposed development and the parties to a scoping consultation conducted pursuant to this subdivision do not document an enforceable agreement on methods, measures, and conditions for tribal cultural resource treatment, as described in this section.
- (C) The parties to a scoping consultation conducted pursuant to this subdivision do not agree as to whether a potential tribal cultural resource will be affected by the proposed development.
- (b)(v) (A) If, after a scoping consultation conducted pursuant to this subdivision, a project is not eligible for the streamlined, ministerial process described in this section for any or all of the following reasons, the local government shall provide written documentation of that fact, and an explanation of the reason for which the project is not eligible, to the development proponent and to any California Native American tribe that is a party to that scoping consultation:
- (1) There is a tribal cultural resource that is on a national, state, tribal, or local historic register list located on the site of the project.
 - (2) The parties to the scoping consultation have not documented an enforceable agreement on methods, measures, and conditions for tribal cultural resource treatment.
 - (3) The parties to the scoping consultation do not agree as to whether a potential tribal cultural resource will be affected by the proposed development.
- (b)(v) (B) The written documentation provided to a development proponent pursuant to this paragraph shall include information on how the development proponent may

seek a conditional use permit or other discretionary approval of the development from the local government.

- (b)(vi) This section is not intended, and shall not be construed, to limit consultation and discussion between a local government and a California Native American tribe pursuant to other applicable law, confidentiality provisions under other applicable law, the protection of religious exercise to the fullest extent permitted under state and federal law, or the ability of a California Native American tribe to submit information to the local government or participate in any process of the local government.
- (b)(vii) For purposes of this subdivision:
- (A) “Consultation” means the meaningful and timely process of seeking, discussing, and considering carefully the views of others, in a manner that is cognizant of all parties' cultural values and, where feasible, seeking agreement. Consultation between local governments and Native American tribes shall be conducted in a way that is mutually respectful of each party's sovereignty. Consultation shall also recognize the tribes' potential needs for confidentiality with respect to places that have traditional tribal cultural importance. A lead agency shall consult the tribal consultation best practices described in the “State of California Tribal Consultation Guidelines: Supplement to the General Plan Guidelines” prepared by the Office of Planning and Research.
- (B) “Scoping” means the act of participating in early discussions or investigations between the local government and California Native American tribe, and the development proponent if authorized by the California Native American tribe, regarding the potential effects a proposed development could have on a potential tribal cultural resource, as defined in Section 21074 of the Public Resources Code, or California Native American tribe, as defined in Section 21073 of the Public Resources Code.
- (b)(viii) This subdivision (b) shall not apply to any project that has been approved under the streamlined, ministerial approval process provided under this section before September 25, 2020.
- (c) (i) If a local government determines that a development submitted pursuant to this section is consistent with the objective planning standards specified in subdivision (a) and pursuant to paragraph (iii) of this subdivision, it shall approve the development. If a local government determines that a development submitted pursuant to this section is in conflict with any of the objective planning standards specified in subdivision (a), it shall provide the development proponent written documentation of which standard or standards the development conflicts with, and an explanation for the reason or reasons the development conflicts with that standard or standards, as follows:

(A) Within 60 days of submittal of the development to the local government pursuant to this section if the development contains 150 or fewer housing units.

(B) Within 90 days of submittal of the development to the local government pursuant to this section if the development contains more than 150 housing units.

(ii) If the local government fails to provide the required documentation pursuant to paragraph (1), the development shall be deemed to satisfy the objective planning standards specified in subdivision (a).

(iii) For purposes of this section, a development is consistent with the objective planning standards specified in subdivision (a) if there is substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards. The local government shall not determine that a development, including an application for a modification under subdivision (g), is in conflict with the objective planning standards on the basis that application materials are not included, if the application contains substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards.

(d) (i) Any design review or public oversight of the development may be conducted by the local government's planning commission or any equivalent board or commission responsible for review and approval of development projects, or the city council or board of supervisors, as appropriate. That design review or public oversight shall be objective and be strictly focused on assessing compliance with criteria required for streamlined projects, as well as any reasonable objective design standards published and adopted by ordinance or resolution by a local jurisdiction before submission of a development application, and shall be broadly applicable to development within the jurisdiction. That design review or public oversight shall be completed, and if the development is consistent with all objective standards, the local government shall approve the development as follows and shall not in any way inhibit, chill, or preclude the ministerial approval provided by this section or its effect, as applicable:

(A) Within 90 days of submittal of the development to the local government pursuant to this section if the development contains 150 or fewer housing units.

(B) Within 180 days of submittal of the development to the local government pursuant to this section if the development contains more than 150 housing units.

(ii) If the development is consistent with the requirements of subparagraph (A) or (B) of paragraph (ix) of subdivision (a) and is consistent with all objective subdivision standards in the local subdivision ordinance, an application for a subdivision pursuant to the Subdivision Map Act (Division 2 (commencing with Government Code section 66410)) shall be

exempt from the requirements of CEQA and shall be subject to the public oversight timelines set forth in paragraph (i).

(iii) If a local government determines that a development submitted pursuant to this section is in conflict with any of the standards imposed pursuant to paragraph (i), it shall provide the development proponent written documentation of which objective standard or standards the development conflicts with, and an explanation for the reason or reasons the development conflicts with that objective standard or standards consistent with the timelines described in paragraph (i) of subdivision (c).

(e) (i) Notwithstanding any other law, a local government, whether or not it has adopted an ordinance governing parking requirements in multifamily developments, shall not impose parking standards for a streamlined development that was approved pursuant to this section in any of the following instances:

(A) The development is located within one-half mile of public transit.

(B) The development is located within an architecturally and historically significant historic district.

(C) When on-street parking permits are required but not offered to the occupants of the development.

(D) When there is a car share vehicle located within one block of the development.

(ii) If the development does not fall within any of the categories described in paragraph (1), the local government shall not impose parking requirements for streamlined developments approved pursuant to this section that exceed one parking space per unit.

(f) (i) If a local government approves a development pursuant to this section, then, notwithstanding any other law, that approval shall not expire if the project satisfies both of the following requirements:

(A) The project includes public investment in housing affordability, beyond tax credits.

(B) At least 50 percent of the units are affordable to households making at or below 80 percent of the area median income.

(ii) If a local government approves a development pursuant to this section, and the project does not satisfy the requirements of subparagraphs (A) and (B) of paragraph (f)(i), that approval shall remain valid for three years from the date of the final action establishing that approval, or if litigation is filed challenging that approval, from the date of the final judgment upholding that approval. Approval shall remain valid for a project provided construction activity, including demolition and grading activity, on the

development site has begun pursuant to a permit issued by the local jurisdiction and is in progress. For purposes of this subdivision, “in progress” means one of the following:

- (A) The construction has begun and has not ceased for more than 180 days.
- (B) If the development requires multiple building permits, an initial phase has been completed, and the project proponent has applied for and is diligently pursuing a building permit for a subsequent phase, provided that once it has been issued, the building permit for the subsequent phase does not lapse.
- (C) Notwithstanding subparagraph (ii), a local government may grant a project a one-time, one-year extension if the project proponent can provide documentation that there has been significant progress toward getting the development construction ready, such as filing a building permit application.

(iii) If the development proponent requests a modification pursuant to subdivision (g), then the time during which the approval shall remain valid shall be extended for the number of days between the submittal of a modification request and the date of its final approval, plus an additional 180 days to allow time to obtain a building permit. If litigation is filed relating to the modification request, the time shall be further extended during the pendency of the litigation. The extension required by this paragraph shall only apply to the first request for a modification submitted by the development proponent.

(g) (i)(A) A development proponent may request a modification to a development that has been approved under the streamlined, ministerial approval process provided in subdivision (b) if that request is submitted to the local government before the issuance of the final building permit required for construction of the development.

(i)(B) Except as provided in paragraph (g)(iii), the local government shall approve a modification if it determines that the modification is consistent with the objective planning standards specified in subdivision (a) that were in effect when the original development application was first submitted.

(i)(C) The local government shall evaluate any modifications requested pursuant to this subdivision for consistency with the objective planning standards using the same assumptions and analytical methodology that the local government originally used to assess consistency for the development that was approved for streamlined, ministerial approval pursuant to subdivision (b).

(i)(D) A guideline that is adopted or amended by the Department of Housing and Community Development after a development is approved through the streamlined, ministerial

approval process described in subdivision (b) shall not be used as a basis to deny proposed modifications.

(ii) Upon receipt of the development proponent's application requesting a modification, the local government shall determine if the requested modification is consistent with the objective planning standard and either approve or deny the modification request within 60 days after submission of the modification, or within 90 days if design review is required.

(iii) Notwithstanding paragraph (g)(i), the local government may apply objective planning standards adopted after the development application was first submitted to the requested modification in any of the following instances:

- (A) The development is revised such that the total number of residential units or total square footage of construction changes by 15 percent or more. The calculation of the square footage of construction changes shall not include underground space.
- (B) The development is revised such that the total number of residential units or total square footage of construction changes by 5 percent or more and it is necessary to subject the development to an objective standard beyond those in effect when the development application was submitted in order to mitigate or avoid a specific, adverse impact as that term is defined in subparagraph (A) of paragraph (1) of subdivision (j) of Government Code section 65589.5, upon the public health or safety and there is no feasible alternative method to satisfactorily mitigate or avoid the adverse impact. The calculation of the square footage of construction changes shall not include underground space.
- (C) Objective building standards contained in the California Building Standards Code (Title 24 of the California Code of Regulations), including, but not limited to, building plumbing, electrical fire, and grading codes, may be applied to all modification applications that are submitted prior to the first building permit application. Those standards may be applied to modification applications submitted after first building permit application if agreed to by the development proponent.
- (iv) The local government's review of a modification request pursuant to this subdivision shall be strictly limited to determining whether the modification, including any modification to previously approved density bonus concessions or waivers, modify the development's consistency with the objective planning standards and shall not reconsider prior determinations that are not affected by the modification.

(h) (i) A local government shall not adopt or impose any requirement, including, but not limited to, increased fees or inclusionary housing requirements, that applies to a project

solely or partially on the basis that the project is eligible to receive ministerial or streamlined approval pursuant to this section.

(ii) A local government shall issue a subsequent permit required for a development approved under this section if the application substantially complies with the development as it was approved pursuant to subdivision (b). Upon receipt of an application for a subsequent permit, the local government shall process the permit without unreasonable delay and shall not impose any procedure or requirement that is not imposed on projects that are not approved pursuant to this section. The local government shall consider the application for subsequent permits based upon the objective standards specified in any state or local laws that were in effect when the original development application was submitted, unless the development proponent agrees to a change in objective standards. Issuance of subsequent permits shall implement the approved development, and review of the permit application shall not inhibit, chill, or preclude the development. For purposes of this paragraph, a “subsequent permit” means a permit required subsequent to receiving approval under subdivision (b), and includes, but is not limited to, demolition, grading, and building permits and final maps, if necessary.

(i) (i) This section shall not affect a development proponent’s ability to use any alternative streamlined by right permit processing adopted by a local government, including the provisions of Government Code section 65583.2(i).

(ii) This section shall not prevent a development from also qualifying as a housing development project entitled to the protections of Government Code section 65589.5. This paragraph does not constitute a change in, but is declaratory of, existing law.

(j) CEQA does not apply to actions taken by a state agency, local government, or the San Francisco Bay Area Rapid Transit District to:

(i) Lease, convey, or encumber land owned by the local government or the San Francisco Bay Area Rapid Transit District or to facilitate the lease, conveyance, or encumbrance of land owned by the local government, or for the lease of land owned by the San Francisco Bay Area Rapid Transit District in association with an eligible TOD project, as defined pursuant to Section 29010.1 of the Public Utilities Code, nor to any decisions associated with that lease, or to provide financial assistance to a development that receives streamlined approval pursuant to this section that is to be used for housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code.

(ii) Approve improvements located on land owned by the local government or the San Francisco Bay Area Rapid Transit District that are necessary to implement a development that receives streamlined approval pursuant to this section that is to be used for housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code.

- (k) For purposes of this section the following definitions shall apply:
- (1) “Affordable housing cost” has the same meaning as set forth in section 50052.5 of the Health and Safety Code.
 - (2) (A) Subject to the qualification provided by subparagraph (B), “affordable rent” has the same meaning as set forth in Section 50063 of the Health and Safety Code.
 - (B) For a development for which an application pursuant to this section was submitted prior to January 1, 2019, that includes 500 units or more of housing, and that dedicates 50 percent of the total number of units, before calculating any density bonus, to housing affordable to households making at, or below, 80 percent of the area median income, affordable rent for at least 30 percent of these units shall be set at an affordable rent as defined in subparagraph (k)(1), and “affordable rent” for the remainder of these units shall mean a rent that is consistent with the maximum rent levels for a housing development that receives an allocation of state or federal low-income housing tax credits from the California Tax Credit Allocation Committee.
 - (3) “Department” means the Department of Housing and Community Development.
 - (4) “Development proponent” means the developer who submits an application for streamlined approval pursuant to this section.
 - (5) “Completed entitlements” means a housing development that has received all the required land use approvals or entitlements necessary for the issuance of a building permit.
 - (6) “Locality” or “local government” means a city, including a charter city, a county, including a charter county, or a city and county, including a charter city and county.
 - (7) “Moderate income housing units” means housing units with an affordable housing cost or affordable rent for persons and families of moderate income, as that term is defined in Section 50093 of the Health and Safety Code.
 - (8) “Production report” means the information reported pursuant to subparagraph (D) of paragraph (2) of subdivision (a) of Government Code section 65400.

(9) “State agency” includes every state office, officer, department, division, bureau, board, and commission, but does not include the California State University or the University of California.

(10) “Subsidized” means units that are price or rent restricted such that the units are affordable to households meeting the definitions of very low and lower income, as defined in Sections 50079.5 and 50105 of the Health and Safety Code.

(11) “Reporting period” means either of the following:

(A) The first half of the regional housing needs assessment cycle.

(B) The last half of the regional housing needs assessment cycle.

(12) “Urban uses” means any current or former residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses.

(l) The determination of whether an application for a development is subject to the streamlined ministerial approval process provided by subdivision (b) is not a “project” under CEQA.

(m) This section shall remain in effect until January 1, 2026.

(Reference: Gov. Code, § 65913.4.)

9.02 MINISTERIAL APPROVAL PROCESS FOR URBAN LOT SPLITS AND HOUSING DEVELOPMENTS WITH NO MORE THAN TWO RESIDENTIAL UNITS WITHIN A SINGLE-FAMILY RESIDENTIAL ZONE (SB 9)

(a) A proposed housing development containing no more than two residential units within a single-family residential zone shall be considered ministerially, without discretionary review or a hearing, and shall therefore not be subject to CEQA, if the proposed housing development meets all of the following requirements:

(1) The parcel subject to the proposed housing development is located within a city, the boundaries of which include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau, or for unincorporated areas, a legal parcel wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

(2) The parcel is not located on a site that is any of the following:

(A) Either prime farmland or farmland of statewide importance, as defined pursuant to United States Department of Agriculture land inventory and monitoring criteria, as modified for California, and

designated on the maps prepared by the Farmland Mapping and Monitoring Program of the Department of Conservation, or land zoned or designated for agricultural protection or preservation by a local ballot measure that was approved by the voters of that jurisdiction;

- (B) Wetlands, as defined in the United States Fish and Wildlife Service Manual, Part 660 FW 2 (June 21, 1993);
- (C) Within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection pursuant to Government Code section 51178, or within a high or very high fire hazard severity zone as indicated on maps adopted by the Department of Forestry and Fire Protection pursuant to Section 4202 of the Public Resources Code—unless the parcel is a site excluded from the specified hazard zone by a local agency, or is a site that has adopted fire hazard mitigation measures pursuant to existing building standards or state fire mitigation measures applicable to the development;
- (D) A hazardous waste site that is listed pursuant to Government Code section 65962.5 or a hazardous waste site designated by the Department of Toxic Substances Control pursuant to Section 25356 of the Health and Safety Code, unless the State Department of Public Health, State Water Resources Control Board, or Department of Toxic Substances Control has cleared the site for residential use or residential mixed uses;
- (E) Within a delineated earthquake fault zone as determined by the State Geologist in any official maps published by the State Geologist, unless the development complies with applicable seismic protection building code standards adopted by the California Building Standards Commission under the California Building Standards Law, and by any local building department;
- (F) Within a special flood hazard area subject to inundation by the 1 percent annual chance flood (100-year flood) as determined by the Federal Emergency Management Agency in any official maps published by the Federal Emergency Management Agency;
- (G) Within a regulatory floodway as determined by the Federal Emergency Management Agency in any official maps published by the Federal Emergency Management Agency, unless the development has received a no-rise certification;
- (H) Lands identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation

- Planning Act, habitat conservation plan pursuant to the federal Endangered Species Act of 1973, or other adopted natural resources protection plan;
- (I) Habitat for protected species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protected species, or species protected by the federal Endangered Species Act of 1973, the California Endangered Species Act, or the Native Plant Protection Act; or lands under conservation easement; or
 - (J) Lands under conservation easement.
- (3) Notwithstanding any provision of this section or any local law, the proposed housing development would not require demolition or alteration of any of the following types of housing:
- (A) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income;
 - (B) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power;
 - (C) Housing that has been occupied by a tenant in the last three years.
- (4) The parcel subject to the proposed housing development is not a parcel on which an owner of residential real property has exercised the owner's rights to withdraw accommodations from rent or lease within 15 years before the date that the development proponent submits an application.
- (5) The proposed housing development does not allow the demolition of more than 25 percent of the existing exterior structural walls, unless the housing development meets at least one of the following conditions:
- (A) If a local ordinance so allows; or
 - (B) The site has not been occupied by a tenant in the last three years
- (6) The development is not located within a historic district or property included on the State Historic Resources Inventory, as defined in Section 5020.1 of the Public Resources Code, or within a site that is designated or listed as a city or county landmark or historic property or district pursuant to a city or county ordinance.

Other regulations governing the approval of a housing development under this section are set forth in Government Code section 65852.21(a).

(b) Notwithstanding any other provision of local law, a local agency shall ministerially approve, as set forth in this section, a parcel map for an urban lot split—and such urban lot split shall therefore not be subject to CEQA—only if the local agency determines that the parcel map for the urban lot split meets all of the following requirements:

- (1) The parcel map subdivides an existing parcel to create no more than two new parcels of approximately equal lot area provided that one parcel shall not be smaller than 40 percent of the lot area of the original parcel proposed for subdivision.
- (2) Both newly created parcels are no smaller than 1,200 square feet, except that a local agency may by ordinance adopt a smaller minimum lot size subject to ministerial approval.
- (3) The parcel being subdivided meets all of the following requirements:
 - (A) The parcel is located within a single-family residential zone.
 - (B) The parcel subject to the proposed urban lot split is located within a city, the boundaries of which include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau, or, for unincorporated areas, a legal parcel wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.
 - (C) The parcel is not located on a site enumerated in Paragraph (a)(2) above.
 - (D) The proposed urban lot split would not require demolition or alteration of any of the following types of housing:
 - (i) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.
 - (ii) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power.
 - (iii) A parcel or parcels on which an owner of residential real property has exercised the owner's rights to withdraw accommodations from rent or lease within 15 years before the date that the development proponent submits an application.
 - (iv) Housing that has been occupied by a tenant in the last three years.

- (E) The parcel is not located within a historic district or property included on the State Historic Resources Inventory, as defined in Section 5020.1 of the Public Resources Code, or within a site that is designated or listed as a city or county landmark or historic property or district pursuant to a city or county ordinance.
- (F) The parcel has not been established through prior exercise of an urban lot split as provided for in this section.
- (G) Neither the owner of the parcel being subdivided nor any person acting in concert with the owner has previously subdivided an adjacent parcel using an urban lot split as provided for in this section.

Other regulations governing the approval of an urban lot split under this section are set forth in Government Code section 65852.21(b).

9.03 APPROVAL OF ORDINANCE TO ZONE ANY PARCEL FOR UP TO 10 UNITS OF RESIDENTIAL DENSITY PER PARCEL IN CERTAIN CIRCUMSTANCES (SB 10)

(a) A local government may adopt an ordinance to zone a parcel for up to 10 units of residential density per parcel, at a height specified by the local government in the ordinance, if the parcel is located in a transit-rich area or an urban infill site. This subsection shall not apply to either of the following:

- (1) Parcels located within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection pursuant to Government Code section 51178, or within a high or very high fire hazard severity zone as indicated on maps adopted by the Department of Forestry and Fire Protection pursuant to Section 4202 of the Public Resources Code. This paragraph does not apply to sites that have adopted fire hazard mitigation measures pursuant to existing building standards or state fire mitigation measures applicable to the development.
- (2) Any local restriction enacted or approved by a local initiative that designates publicly owned land as open-space land, as defined in subdivision (h) of Section 65560, or for park or recreational purposes.

(b) An ordinance adopted in accordance with this section, and any resolution to amend the jurisdiction's General Plan, ordinance, or other local regulation adopted to be consistent with that zoning ordinance, shall not constitute a "project" under CEQA.

(c) Notwithstanding any other law that allows ministerial or by right approval of a development project or that grants an exemption from CEQA, a residential or mixed-use residential project consisting of more than 10 new residential units on one or more parcels that are zoned pursuant to an ordinance adopted under this section shall not be approved ministerially or by right and shall not be exempt from CEQA. This subdivision, however, shall not apply to a project located on a parcel or parcels that are zoned pursuant to an ordinance adopted under this

section, but subsequently rezoned without regard to this section. A subsequent ordinance adopted to rezone the parcel or parcels shall not be exempt from CEQA. Any environmental review conducted to adopt the subsequent ordinance shall consider the change in the zoning applicable to the parcel or parcels before they were zoned or rezoned pursuant to the ordinance adopted under this section.

Other regulations governing the approval of an ordinance under this section are set forth in Government Code section 65913.5.

9.04 HOUSING SUSTAINABILITY DISTRICTS.

The Planning and Zoning Law requires a city or county to adopt a general plan for land use development within its boundaries. The general plan must contain seven mandatory elements, including a housing element. Existing law provides for various reforms and incentives intended to facilitate and expedite the construction of affordable housing. Senate Bill 73 authorizes a city, county, or city and county, including a charter agency, to establish by ordinance a housing sustainability district that meets specified requirements, including authorizing residential use within the district through the ministerial issuance of a permit. The agency is authorized to apply to the Department of Housing and Community Development for approval of a zoning incentive payment and requires the agency to provide specified information about the proposed housing sustainability district ordinance. The department is required to approve a zoning incentive payment if the ordinance meets the above-described requirements and the agency's housing element is in compliance with specified law.

A city, county, or city and county with a housing sustainability district would be entitled to a zoning incentive payment, subject to appropriation of funds for that purpose, and require that one-half of the amount be paid when the department approves the zone and one-half of the amount be paid when the department verifies that permits for the construction of the units have issued within the zone, provided that the city, county, or city and county has received a certificate of compliance for the applicable year. If the agency reduces the density of sites within the district from specified levels set forth in the Senate Bill 73, the agency would be required to return the full amount of zoning incentive payments it has received to the department. The bill also authorizes a developer to develop a project in a housing sustainability district in accordance with the already existing land use approval procedures that would otherwise apply to the parcel in the absence of the establishment of the housing sustainability district pursuant to its provisions, as provided.

As it relates specifically to CEQA, a Lead Agency designating a housing sustainability district is required to prepare an EIR pursuant to Government Code section 66201 to identify and mitigate, to the extent feasible, environmental impacts resulting from the designation. The EIR shall identify mitigation measures that may be undertaken by housing projects in the housing sustainability district to mitigate the environmental impacts identified in the EIR. Housing projects undertaken in the housing sustainability districts that meet specified requirements, including if the project satisfies certain design review standards applicable to development projects within the district provided the project is "complementary to adjacent buildings and structures and is consistent with the [agency's] general plan," are exempt under CEQA. (Reference: Pub. Resources Code, § 21155.10, 21155.11.)

9.05 INTERIM MOTEL HOUSING PROJECTS.

“Interim motel housing projects” are statutorily exempt from CEQA. A project is exempt from CEQA as an “interim motel housing project” where the project consists of the conversion of a structure with a certificate of occupancy as a motel, hotel, residential hotel, or hostel to supportive or transitional housing and the conversion meets at least one of the following conditions: (1) the conversion does not result in the expansion of more than 10 percent of the floor area of any individual living unit in the structure; and (2) the conversion does not result in any significant effects relating to traffic, noise, air quality, or water quality.

If the District determines that a project is exempt from CEQA as an interim motel housing project, it must file a Notice of Exemption with the State Clearinghouse.

(Reference: Pub. Resources Code, § 21080.50 [in effect until January 1, 2025].)

9.06 SUPPORTIVE HOUSING AND “NO PLACE LIKE HOME” PROJECTS.

A decision by the District to seek funding from, or the Department of Housing and Community Development’s awarding of funds pursuant to, the “No Place Like Home Program” (set forth in Part 3.9 of Division 5 of the Welfare and Institutions Code, commencing with Section 5849.1) does not constitute a “project” under CEQA.

“Supportive housing” in areas where multifamily and mixed uses are permitted may be a “use by right” and thus exempt from CEQA if the supportive housing project meets certain criteria set forth in Government Code section 65651. A “supportive housing” project is a project that provides housing with no limit on length of stay, that is occupied by persons within the target population—i.e., persons with disabilities, families who are homeless, or homeless youth—and that is linked to onsite or offsite services that assist the supportive housing resident to retain housing, improve their health status, and maximize their ability to live and, when possible, work in the community. A policy by a city or county to approve as a use by right proposed housing developments with a limit higher than 50 units does not constitute a “project” under CEQA. To see the requirements of the exemptions relating to supportive housing, please see Government Code section 65651.

If a No Place Like Home project is not exempt from CEQA under Government Code section 65651, the development applicant may request, within 10 days after the District determines the type of environmental documentation required for the project under CEQA, that the District prepare and certify the record of proceeding for the environmental review of the No Place Like Home project in accordance with Public Resources Code section 21186.

If the District approves or determines to carry out a No Place Like Home project that is subject to CEQA, the District shall file a notice of that approval or determination in accordance with the requirements of Public Resources Code section 21151, subdivision (a), except that the Notice of Determination shall be filed within two working days after the approval or determination becomes final. Likewise, if the District approves or determines to carry out a No Place Like Home project that is not subject to CEQA, the District shall file a Notice of Exemption in accordance with the requirements of Public Resources Code section 21152, subdivision (b), except that the

Notice of Exemption shall be filed within two working days after the approval or determination becomes final.

(Reference: Pub. Resources Code, § 21163, *et seq.*; Gov. Code, § 65651; Health & Safety Code, § 50675.14.)

9.07 SHELTER CRISIS AND EMERGENCY HOUSING.

An action taken by certain cities, counties, or state agencies to lease, convey, or encumber land owned by a city or county—or an action to facilitate the lease, conveyance, or encumbrance of land owned by the local government—for, or to provide financial assistance to, a homeless shelter constructed pursuant to the provisions of Government Code section 8698.4 is statutorily exempt from CEQA. This narrow exception applies to specified efforts to assist specified cities or counties that have declared a shelter crisis and seek to build a homeless shelter. To see all the requirements of this exemption, please see Government Code section 8698.4.

(Reference: Gov. Code, § 8698.4 [in effect until January 1, 2026].)

9.08 AFFORDABLE HOUSING DEVELOPMENTS IN COMMERCIAL ZONES.

A proposed affordable multifamily housing development project is subject to streamlined, ministerial review and is not subject to CEQA if it meets the following requirements:

1. One hundred percent of the units within the development project, excluding managers' units, must be dedicated to lower income households at an affordable cost, as defined by Section 50052.5 of the Health and Safety Code, or an affordable rent set in an amount consistent with the rent limits established by the California Tax Credit Allocation Committee. The units must be subject to a recorded deed restriction for a period of 55 years for rental units and 45 years for owner-occupied units.
2. The proposed development must meet applicable objective zoning standards, objective subdivision standards, and objective design review standards as further defined in Government Code section 65912.113(f) & (g).
3. The proposed housing development must meet certain density requirements set forth in Government Code section 65583.2(c)(3).
4. The project must be located in a zone where office, retail, or parking are a principally permitted use.
5. At least 75 percent of the perimeter of the project site must adjoin parcels that are developed with urban uses. Parcels that are only separated by a street or highway shall be considered adjoined.
6. The project may not be located on a site or adjoined to any site where more than one-third of the square footage on the site is dedicated to industrial use.

7. The project site must be located on a legal parcel or parcels that are either (a) in a city where the city boundaries include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau; or (b) in an unincorporated area, and the legal parcel or parcels are wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.
8. None of the proposed housing may be located within 500 feet of a freeway.
9. None of the proposed housing may be located within 3,200 feet of a facility that actively extracts or refines oil or natural gas.
10. The project may not be located on a site that qualifies as either prime farmland or farmland of statewide importance.
11. The project site may not be located in wetlands.
12. The project site may not be located in a very high fire hazard severity zone.
13. The project site may not be located on a hazardous waste site, with limited exceptions as set forth in Government Code section 65913.4(a)(6)(E).
14. The project site may not be located within a delineated earthquake fault zone, unless the development complies with applicable seismic protection building code standards as set forth in Government Code section 65913.4(a)(6)(F).
15. The project may not be located within a special flood hazard area subject to inundation by the 1 percent annual chance flood (100-year flood) as determined by the Federal Emergency Management Agency (“FEMA”).
16. The project site may not be located within a regulatory floodway as determined by FEMA, with limited exceptions as set forth in Government Code section 65913.4(a)(6)(H).
17. The project site may not be located on lands identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation Planning Act, habitat conservation plan pursuant to the federal Endangered Species Act, or other adopted natural resource protection plan.
18. The project site may not be located on habitat for protected species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protected species, or species protected by the federal Endangered Species Act, the California Endangered Species Act, or the Native Plant Protection Act.
19. The project site may not be located on lands under conservation easement.

20. The project site may not be located on an existing parcel of land or site that is governed under the Mobilehome Residency Law, the Recreational Vehicle Park Occupancy Law, the Mobilehome Parks Act, or the Special Occupancy Parks Act.
21. For a project proposed on a site within a neighborhood plan area, the applicable neighborhood plan must permit multifamily housing development on the site. Additional requirements apply to projects within a neighborhood plan area as of January 1, 2024, as set forth in Government Code section 65912.113(i).
22. For a project proposed on a vacant site, the project may not result in significant and unavoidable impacts to tribal cultural resources on the site.
23. The development proponent must complete a Phase I Environmental Site Assessment, and the proponent must undertake additional measures if a recognized environmental condition is found as set forth in Government Code section 65912.113(c).

A project approved under this section must meet certain labor standards, as set forth in Government Code section 65912.130, et seq. For example, a private housing development project under this section is subject to a requirement that all construction workers employed in the execution of the development be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations.

(Reference: Gov. Code, § 65912.110, et seq.)

9.09 MIXED-INCOME HOUSING DEVELOPMENTS ALONG COMMERCIAL CORRIDORS.

A proposed multifamily housing development project is subject to streamlined, ministerial review and is not subject to CEQA if it meets the following requirements:

1. The proposed development project must meet all of the following affordability criteria, as set forth in greater detail in Government Code section 65912.122:
 - (a)(1) A rental housing development shall include either of the following:
 - (A) Eight percent of the units for very low income households and 5 percent of the units for extremely low income households; or
 - (B) Fifteen percent of the units for lower income households.
 - (2) The development proponent must agree to, and the local government must ensure, the continued affordability of all affordable rental units included pursuant to this section for 55 years.
 - (b)(1) An owner-occupied housing development shall include either of the following:

- (A) Thirty percent of the units must be offered at an affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code, to moderate-income households; or
 - (B) Fifteen percent of the units must be offered at an affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code, to lower income households.
- (2) The development proponent must agree to, and the local government must ensure, the continued affordability of all affordable rental units included pursuant to this section for 45 years.
- (c) If the local government has a local affordable housing requirement, the housing development project shall comply with all of the following:
- (1) The development project shall include the percentage of affordable units required by this section or the local requirement, whichever is higher.
 - (2) The development project shall meet the lowest income targeting in either policy.
 - (3) If the local affordable housing requirement requires greater than 15 percent of the units to be dedicated for lower income households and does not require the inclusion of units affordable to very low and extremely low income households, then the rental housing development shall do both of the following:
 - (A) Include 8 percent of the units for very low income households and 5 percent of the units for extremely low income households; and
 - (B) Fifteen percent of units affordable to lower income households shall be subtracted from the percentage of units required by the local policy at the highest required affordability level.
- (d) Affordable units in the development project shall have the same bedroom and bathroom count ratio as the market rate units, be equitably distributed within the project, and have the same type or quality of appliances, fixtures, and finishes.
2. The project site must abut a commercial corridor and have frontage along the commercial corridor of at least 50 feet.
3. The project site may not be greater than 20 acres.

4. The project must be located in a zone where office, retail, or parking are a principally permitted use.
5. At least 75 percent of the perimeter of the project site must adjoin parcels that are developed with urban uses. Parcels that are only separated by a street or highway shall be considered adjoined.
6. The project may not be located on a site or adjoined to any site where more than one-third of the square footage on the site is dedicated to industrial use.
7. The project site must be located on a legal parcel or parcels that are either (a) in a city where the city boundaries include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau; or (b) in an unincorporated area, and the legal parcel or parcels are wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.
8. The proposed development must meet applicable objective zoning standards, objective subdivision standards, and objective design review standards as further explained in Government Code section 65912.123(j).
9. The proposed housing development must meet certain density requirements set forth in Government Code section 65912.123(b).
10. The proposed housing development must meet certain height and setback requirements set forth in Government Code section 65912.123(c)-(d).
11. The project may not be located on a site where any of the following would apply:
 - (a) The development would require the demolition of the following types of housing: (i) housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income; (ii) housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power; (iii) or housing that has been occupied by tenants within the past 10 years, excluding any manager's units.
 - (b) The site was previously used for permanent housing that was occupied by tenants, excluding any manager's units, that was demolished within 10 years before the development proponent submitted its application for the development.
 - (c) The site would require the demolition of a historic structure that was placed on a national, state, or local historic register.
 - (d) The property contains one to four dwelling units.

- (e) The property is vacant and zoned for housing but not for multifamily residential use.
 - (f) The existing parcel of land or site is governed under the Mobilehome Residency Law, the Recreational Vehicle Park Occupancy Law, the Mobilehome Parks Act, or the Special Occupancy Parks Act
12. None of the proposed housing may be located within 500 feet of a freeway.
 13. None of the proposed housing may be located within 3,200 feet of a facility that actively extracts or refines oil or natural gas.
 14. The project may not be located on a site that qualifies as either prime farmland or farmland of statewide importance.
 15. The project site may not be located in wetlands.
 16. The project site may not be located in a very high fire hazard severity zone.
 17. The project site may not be located on a hazardous waste site, with limited exceptions as set forth in Government Code section 65913.4(a)(6)(E).
 18. The project site may not be located within a delineated earthquake fault zone, unless the development complies with applicable seismic protection building code standards as set forth in Government Code section 65913.4(a)(6)(F).
 19. The project may not be located within a special flood hazard area subject to inundation by the 1 percent annual chance flood (100-year flood) as determined by the Federal Emergency Management Agency (“FEMA”).
 20. The project site may not be located within a regulatory floodway as determined by FEMA, with limited exceptions as set forth in Government Code section 65913.4(a)(6)(H).
 21. The project site may not be located on lands identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation Planning Act, habitat conservation plan pursuant to the federal Endangered Species Act, or other adopted natural resource protection plan.
 22. The project site may not be located on habitat for protected species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protected species, or species protected by the federal Endangered Species Act, the California Endangered Species Act, or the Native Plant Protection Act.
 23. The project site may not be located on lands under conservation easement.
 24. For a project proposed on a site within a neighborhood plan area, the applicable neighborhood plan must permit multifamily housing development on the site.

Additional requirements apply to projects within a neighborhood plan area as of January 1, 2024, as set forth in Government Code section 65912.121(i).

25. For a project proposed on a vacant site, the project may not result in significant and unavoidable impacts to tribal cultural resources on the site.
26. The development proponent must complete a Phase I Environmental Site Assessment, and the proponent must undertake additional measures if a recognized environmental condition is found as set forth in Government Code section 65912.123(f).

A project approved under this section must meet certain labor standards, as set forth in Government Code section 65912.130, et seq. For example, a private housing development project under this section is subject to a requirement that all construction workers employed in the execution of the development be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations.

(Reference: Gov. Code, § 65912.120, et seq.)

10. CEQA LITIGATION

10.01 TIMELINES.

When a CEQA lawsuit is filed, there are numerous and complex time requirements that must be met. Pressing deadlines begin to run in the days immediately after a CEQA lawsuit has been filed with the Court. For example, within ten (10) business days of the public agency being served with a petition or complaint alleging a violation of CEQA, the District, if it was the Lead Agency, must provide the petitioner with a list of Responsible Agencies and public agencies with jurisdiction by law over any natural resource affected by the project at issue. There are a variety of other deadlines that apply in CEQA litigation.

If a CEQA lawsuit is filed, CEQA counsel should be contacted immediately in order to ensure that all the applicable deadlines are met.

10.02 MEDIATION AND SETTLEMENT.

After Litigation Has Been Filed. The parties in a CEQA lawsuit are required to meet and discuss settlement. Within twenty (20) days of being served with a CEQA legal challenge, the public agency named in the lawsuit must file a notice with the court setting forth the time and place for a settlement meeting. The meeting must be scheduled and held not later than forty-five (45) days from the date of service of the petition or complaint upon the public agency. Usually the main parties to the litigation (such as the Lead Agency, the developer of the project if there is one, and those challenging the project and their respective attorneys) meet to discuss settlement; there is no requirement to hire a professional mediator. The settlement meeting is usually subject to a confidentiality agreement.

If the parties in a CEQA lawsuit are in settlement or mediation, that attempt is intended to occur concurrently with the litigation. This means that the respondent public agency will be required to comply with all existing litigation timelines and requirements (for example, preparing and lodging the administrative record discussed below) while simultaneously conducting settlement or mediation, unless the parties enter into an alternate agreement to stay the litigation and that agreement is approved by the court.

10.03 ADMINISTRATIVE RECORD.

A. Contents of Administrative Record.

When the Lead Agency's CEQA finding(s) and/or action is challenged in a lawsuit, the Lead Agency must certify the administrative record that formed the basis of the Lead Agency's decision. To the extent the documents listed below exist and are not subject to a privilege that exempts them from disclosure, the following items should be included in the administrative record:

- (1) All project application materials;
- (2) All staff reports and related documents prepared by the public agency with respect to its compliance with the substantive and procedural requirements of CEQA and with respect to the action on the project;

- (3) All staff reports and related documents prepared by the public agency and written testimony or documents submitted by any person relevant to any findings or statement of overriding considerations adopted by the public agency pursuant to CEQA or these Local Guidelines;
- (4) Any transcript or minutes of the proceedings at which the decision-making body of the public agency heard testimony on or considered any environmental document on the project, and any transcript or minutes of proceedings before any advisory body to the respondent public agency that were presented to the decision-making body prior to action on the environmental documents or on the project;
- (5) All notices issued by the public agency to comply with CEQA or with any other law governing the processing and approval of the project;
- (6) All written comments received in response to, or in connection with, environmental documents prepared for the project, including responses to the notice of preparation;
- (7) All written evidence or correspondence submitted to, or transferred from, the public agency with respect to compliance with CEQA or with respect to the project;
- (8) Any proposed decisions or findings submitted to the decision-making body of the public agency by its staff or the project proponent, project opponents, or other persons, to the extent such documents are subject to public disclosure;
- (9) The documentation of the final public agency decision, including the final environmental impact report, mitigated negative declaration, or negative declaration, and all documents, in addition to those referenced in paragraph (3) above, cited or relied on in the findings or in a statement of overriding considerations adopted pursuant to CEQA;
- (10) Any other written materials relevant to the respondent public agency's compliance with CEQA or to its decision on the merits of the project, including the initial study; any drafts of any environmental document, or portions thereof, that were released for public review; copies of studies or other documents relied upon in any environmental document prepared for the project and either made available to the public during the public review period or included in the public agency's files on the project; and internal agency communications related to the project or to compliance with CEQA, to the extent such documents are subject to public disclosure; and
- (11) The full written record before any inferior administrative decision-making body whose decision was appealed prior to the filing of the lawsuit.

B. Organization of Administrative Record.

The administrative record should be organized as follows:

- (1) Index. A detailed index must be included at the beginning of the administrative record listing each document in the order presented. Each entry must include the document's title, date, brief description, and the volume and page where the document begins;
- (2) The Notice of Determination;
- (3) The resolutions or ordinances adopted by the Lead Agency approving the project;
- (4) The findings required by Public Resources Code section 21081, including any statement of overriding considerations;
- (5) The Final EIR, including the Draft EIR or a revision of the draft, all other matters included in the Final EIR (such as traffic studies and air quality studies), or other types of environmental documents prepared under CEQA, such as a negative declaration, mitigated negative declaration, or addenda;
- (6) The initial study;
- (7) Staff reports prepared for the administrative bodies providing subordinate approvals or recommendations to the Lead Agency, in chronological order;
- (8) Transcripts and minutes of hearings, in chronological order; and
- (9) All other documents appropriate for inclusion in the administrative record, in chronological order.

Each section listed above must be separated by tabs or marked with electronic bookmarks. Oversized documents (such as building plans and maps) must be presented in a manner that allows them to be easily unfolded and viewed.

The court may issue an order allowing the documents to be organized in a different manner.

C. Preparation of Administrative Record.

The administrative record can be prepared: (1) by the petitioner, if the petitioner elects to do so, or (2) by the Lead Agency. The petitioner and the Lead Agency can also agree on any alternative method of preparing the record. However, when a third party such as the project applicant prepares or assists with the preparation of the administrative record, the Lead Agency may not be able to recover fees incurred by the third party unless petitioner has agreed to this method of preparation.

Notwithstanding the above, upon the written request of a project applicant received no later than 30 days after the date that the Lead Agency makes a determination pursuant to Public Resources Code section 21080.1, 21094.5, or Chapter 4.2 (commencing with Public Resources Code section 21155) and with the written consent of the Lead Agency sent within 10 business days from receipt of the written request, the Lead Agency may prepare the administrative record concurrently with the administrative process. Should the Lead Agency and the project applicant

so desire to pursue concurrent record preparation, the parties must comply with the provisions of Public Resources Code section 21167.6.2.

D. Special Circumstances For Environmental Leadership Projects.

Special timing considerations and requirements apply if the Project is certified by the Governor as an Environmental Leadership Project pursuant to the “Jobs and Economic Improvement Through Environmental Leadership Act of 2021.” For example, the administrative record must be finished and certified within five (5) days of project approval. See Public Resources Code section 21186 for a complete discussion of the special requirements related to the preparation of an administrative record for an Environmental Leadership Project.

11. DEFINITIONS

Whenever the following terms are used in these Local Guidelines, they shall have the following meaning unless otherwise expressly defined:

11.01 “Agricultural Employee” means a person engaged in agriculture, which includes farming in all its branches, and, among other things, includes: (1) the cultivation and tillage of the soil, (2) dairying, (3) the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities, (4) the raising of livestock, bees, furbearing animals, or poultry, and (5) any practices (including any forestry or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, including preparation for market and delivery to storage or to market or to carriers for transportation to market.

This definition does not include any person covered by the National Labor Relations Act as agricultural employees pursuant to Section 2(3) of the Labor Management Relations Act (Section 152(3), Title 29, United States Code) and Section 3(f) of the Fair Labor Standards Act (Section 203(f), Title 29, United States Code). This definition does not apply to employees who perform work to be done at the site of the construction, alteration, painting, or repair of a building, structure, or other work (as these terms have been construed under Section 8(e) of the Labor Management Relations Act, 29 United States Code section 158(e)) or logging or timber-clearing operations in initial preparation of land for farming, or who does land leveling or only land surveying for any of the above. As used in this definition, “land leveling” shall include only major land moving operations changing the contour of the land, but shall not include annual or seasonal tillage or preparation of land for cultivation. (State CEQA Guidelines section 15191(a).)

11.02 “Applicant” means a person who proposes to carry out a project that requires a lease, permit, license, certificate, or other entitlement for use, or requires financial aid from one or more public agencies when applying for governmental approval or assistance.

11.03 “Approval” means a decision by the decision-making body or other authorized body or officer of the District which commits the District to a definite course of action with regard to a particular project. With regard to any project to be undertaken directly by the District, approval shall be deemed to occur on the date when the decision-making body adopts a motion or resolution determining to proceed with the project, which in no event shall be later than the date of adoption of plans and specifications. As to private projects, approval shall be deemed to have occurred upon the earliest commitment to provide service or the issuance by the District of a discretionary contract, subsidy, or other form of financial assistance, lease, permit, license, certificate, or other entitlement for use of the project. The mere acquisition of land by the District shall not, in and of itself, be deemed to constitute approval of a project.

For purposes of these Local Guidelines, all environmental documents must be completed as of the time of project approval.

- 11.04** “Baseline” refers to the pre-project environmental conditions. By comparing the project’s potential impacts to the baseline, the Lead Agency determines whether the project’s impacts are substantial enough to be significant under the relevant thresholds of significance. Generally, the baseline is the environmental conditions existing on the date the environmental analysis begins, such as the date the Notice of Preparation is published for an EIR or the date the Notice of Intent to Adopt a Negative Declaration is published. However, in certain circumstances, an earlier or later date may provide a more accurate environmental analysis. The District may establish any baseline that is appropriate, including an earlier or later date, as long as the choice of baseline can be supported by substantial evidence.
- 11.05** “California Native American Tribe” means a Native American tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purposes of Chapter 905 of the Statutes of 2004.
- 11.06** “Categorical Exemption” means an exemption from CEQA for a class of projects based on a finding by the Secretary of the Resources Agency that the class of projects does not have a significant effect on the environment.
- 11.07** “Census-Defined Place” means a specific unincorporated land area within boundaries determined by the United States Census Bureau in the most recent decennial census.
- 11.08** “CEQA” means the California Environmental Quality Act, codified at California Public Resources Code sections 21000, et seq.
- 11.09** “Clerk” means either the “Clerk of the Board” or the “County Clerk” depending upon the county. Please refer to the “Index to Environmental Filing by County” in the Staff Summary to determine which applies.
- 11.10** “Community-Level Environmental Review” means either (1) or (2) below:
- (1) An EIR certified for any of the following:
 - (a) A general plan;
 - (b) A revision or update to the general plan that includes at least the land use and circulation elements;
 - (c) An applicable community plan;
 - (d) An applicable specific plan; or
 - (e) A housing element of the general plan, if the Environmental Impact Report analyzed the environmental effects of the density of the proposed project;
 - (2) A Negative Declaration or Mitigated Negative Declaration adopted as a subsequent environmental review document, following and based upon an EIR on a general plan, an applicable community plan or specific plan, provided that the subsequent environmental review document is allowed by CEQA following a Master EIR or a Program EIR or is required pursuant to Public Resource section 21166.

- 11.11** “Consultation” means the meaningful and timely process of seeking, discussing, and considering carefully the views of others, in a manner that is cognizant of all parties' cultural values and, where feasible, seeking agreement. Consultation between government agencies and Native American tribes shall be conducted in a way that is mutually respectful of each party's sovereignty. Consultation shall also recognize the tribes' potential needs for confidentiality with respect to places that have traditional tribal cultural significance.
- 11.12** “Cumulative Impacts” means two or more individual effects which, when considered together, are considerable or which compound or increase other environmental impacts. The individual effects may be changes resulting from a single project or a number of separate projects, whether past, present or future.
- The cumulative impact from several projects is the change in the environment which results from the incremental impact of the project when added to other closely related past, present and reasonably foreseeable future projects. Cumulative impacts can result from individually minor but collectively significant projects taking place over a period of time.
- 11.13** “Cumulatively Considerable” means that the incremental effects of an individual project are significant when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.
- 11.14** “Decision-Making Body” means the body within the District, e.g. the Board of Directors, which has final approval authority over the particular project.
- 11.15** “Developed Open Space” means land that meets each of the following three criteria:
- (1) Is publicly owned, or financed in whole or in part by public funds;
 - (2) Is generally open to, and available for use by, the public; and
 - (3) Is predominantly lacking in structural development other than structures associated with open spaces, including, but not limited to, playgrounds, swimming pools, ball fields, enclosed child play areas, and picnic facilities.
- Developed Open Space may include land that has been designated for acquisition by a public agency for developed open space purposes, but does not include lands acquired by public funds dedicated to the acquisition of land for housing purposes.
- 11.16** “Development Project” means any project undertaken for the purpose of development, including any project involving the issuance of a permit for construction or reconstruction but not a permit to operate. It does not include any ministerial projects proposed to be carried out or approved by public agencies. (Government Code section 65928.)
- 11.17** “Discretionary Project” means a project for which approval requires the exercise of independent judgment, deliberation, or decision-making on the part of the District. To

determine whether a project is discretionary, the key question is whether the public agency can use its subjective judgment to decide whether and how to carry out or approve a project.

- 11.18** “District” means the West Valley Water District.
- 11.19** “EIR” means Environmental Impact Report, a detailed written statement setting forth the environmental effects and considerations pertaining to a project. EIR may mean a Draft or a Final version of an EIR, a Project EIR, a Subsequent EIR, a Supplemental EIR, a Tiered EIR, a Staged EIR, a Program EIR, a Redevelopment EIR, a Master EIR, or a Focused EIR.
- 11.20** “Emergency” means a sudden, unexpected occurrence, involving a clear and imminent danger, demanding immediate action to prevent or mitigate loss of, or damage to, life, health, property, or essential public services. Emergency includes such occurrences as fire, flood, earthquake, landslide or other natural disaster, as well as such occurrences as riot, war, terrorist incident, accident or sabotage.
- 11.21** “Endangered, Rare or Threatened Species” means certain species or subspecies of animals or plants. A species or subspecies of animal or plant is “Endangered” when its survival and reproduction in the wild are in immediate jeopardy from one or more causes, including loss of habitat, change in habitat, overexploitation, predation, competition, disease, or other factors. A species or subspecies of animal or plant is “Threatened” when it is listed as a threatened species pursuant to the California Endangered Species Act or the Federal Endangered Species Act. A species or subspecies of animal or plant is “Rare” when either:
- (1) Although not presently threatened with extinction, the species is existing in such small numbers throughout all or a significant portion of its range that it may become endangered if its environment worsens; or
 - (2) The species is likely to become endangered within the foreseeable future throughout all or a significant portion of its range and may be considered “threatened” as that term is used in the Federal Endangered Species Act.
- For purposes of analyzing impacts to biological resources, a species of animal or plant shall be presumed to be endangered, rare or threatened if it is listed under the California Endangered Species Act or the Federal Endangered Species Act.
- This definition shall not include any species of the Class Insecta which is a pest whose protection under the provisions of CEQA would present an overwhelming and overriding risk to man as determined by the Director of Food and Agriculture (with regard to economic pests) or the Director of Health Services (with regard to health risks).
- 11.22** “Environment” means the physical conditions which exist in the area which will be affected by a proposed project, including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. The area involved shall

be the area in which significant effects would occur either directly or indirectly as a result of the project. The “environment” includes both natural and man-made conditions.

- 11.23** “Feasible” means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social and technological factors.
- 11.24** “Final EIR” means an EIR containing the information contained in the Draft EIR, comments either verbatim or in summary received in the review process, a list of persons commenting, and the response of the District to the comments received.
- 11.25** “Greenhouse Gases” include, but are not limited to, carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.
- 11.26** “Guidelines” or “Local Guidelines” means the District’s Local Guidelines for implementing the California Environmental Quality Act.
- 11.27** “Highway” shall have the same meaning as defined in Section 360 of the Vehicle Code.
- 11.28** “Historical Resources” include:

Resources listed in, or eligible for listing in, the California Register of Historical Resources shall be considered historical resources.

A resource may be listed in the California Register if it meets any of the following National Register of Historic Places criteria:

- (a) Is associated with events that have made a significant contribution to the broad patterns of California’s history and cultural heritage;
- (b) Is associated with the lives of persons important in our past;
- (c) Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values; or
- (d) Has yielded, or may be likely to yield, information important in prehistory or history.

A resource may also be listed in the California Register if it is identified as significant in an historical resource survey that meets all of the following criteria:

- (a) The survey has been or will be included in the State Historic Resources Inventory;
- (b) The survey and the survey documentation were prepared in accordance with office procedures and requirements; and
- (c) The resource is evaluated and determined by the office to have a significance rating of Category 1 to 5 on DPR Form 523.

Resources included on a list of properties officially designated or recognized as historically significant by a local government pursuant to a local ordinance or resolution, or identified as significant in a historical resource survey (as described above) are presumed to be historically or culturally significant, unless a preponderance of evidence demonstrates that they are not historically or culturally significant.

Any of the following may be considered historically significant: any object, building, structure, site, area, place, record or manuscript which a Lead Agency determines, based upon substantial evidence in light of the whole record, to be historically significant or significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military or cultural annals of California.

The Lead Agency is not precluded from determining that a resource is a historical resource, as defined in Public Resources Code sections 5020.1(j) or 5024.1, even if it is: (a) not listed in, or is not determined to be eligible for listing in, the California Register of Historical Resources; (b) not included in a local register of historical resources; or (c) not identified in a historical resources survey.

11.29 “Infill Site” means a site in an urbanized area that meets either of the following criteria:

- (1) The site has been previously developed for qualified urban uses; or
- (2) The site has not been previously developed for qualified urban uses and both (a) and (b) are met:
 - (a) the site is immediately adjacent to parcels that are developed with qualified urban uses, or
 1. at least 75 percent of the perimeter of the site adjoins, or is separated only by an improved public right-of-way from, parcels that are developed with existing qualified urban uses at the time the Lead Agency receives an application for an approval; and
 2. the remaining 25 percent of the perimeter of the site adjoins parcels that had been previously developed for qualified urban uses;
 - (b) No parcel within the site has been created within the past 10 years unless the parcel was created as a result of the plan of a redevelopment agency.

(Public Resources Code section 21061.3.)

11.30 “Initial Study” means a preliminary analysis conducted by the District to determine whether an EIR, a Negative Declaration, or a Mitigated Negative Declaration must be prepared or to identify the significant environmental effects to be analyzed in an EIR.

11.31 “Jurisdiction by Law” means the authority of any public agency to grant a permit or other entitlement for use, to provide funding for the project in question or to exercise authority over resources which may be affected by the project.

- The District will have jurisdiction by law over a project when the District has primary and exclusive jurisdiction over the site of the project, the area in which the major environmental effects will occur, or the area in which reside those citizens most directly concerned by any such environmental effects.
- 11.32** “Land Disposal Facility” means a hazardous waste facility where hazardous waste is disposed in, on, or under land. (Health and Safety Code section 25199.1(d).)
- 11.33** “Large Treatment Facility” means a treatment facility which treats or recycles one thousand (1,000) or more tons of hazardous waste during any one month of the current reporting period commencing on or after July 1, 1991. (Health and Safety Code section 25205.1(d).)
- 11.34** “Lead Agency” means the public agency which has the principal responsibility for preparing environmental documents and for carrying out or approving a project when more than one public agency is involved with the same underlying activity.
- 11.35** “Low- and Moderate-Income Households” means persons and families of low or moderate income as defined in Section 50093 of the Health and Safety Code—i.e., persons and families whose income does not exceed 120% of area median income, adjusted for family size by the Department of Housing and Community Development, in accordance with adjustment factors adopted and amended from time to time by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937. (Public Resources Code section 21159.20(d); State CEQA Guidelines section 15191(f).)
- 11.36** “Low-Income Households” means households of persons and families of very low and low income. Low-income persons or families are those eligible for financial assistance from governmental agencies for occupants of state-funded housing. Very low income persons are those whose incomes do not exceed the qualifying limits for very low income families as established and amended pursuant to Section 8 of the United States Housing Act of 1937. Such limits are published and updated in the California Code of Regulations. (Public Resources Code section 21159.20(c); Health and Safety Code sections 50105 and 50106; State CEQA Guidelines section 15191(g).)
- 11.37** “Low-Level Flight Path” means any flight path for any aircraft owned, maintained, or under the jurisdiction of the United States Department of Defense that flies lower than 1,500 feet above ground level, as indicated in the United States Department of Defense Flight Information Publication, “Area Planning Military Training Routes: North and South America (AP/1B)” published by the United States National Imagery and Mapping Agency or its successor.
- 11.38** “Lower Income Households” is defined in Health and Safety Code section 50079.5 to mean any of the following:
- (1) “Lower income households” means persons and families whose income does not exceed the qualifying limits for lower income families as established and

amended from time to time pursuant to Section 8 of the United States Housing Act of 1937;

- (2) “Very low income households” means persons and families whose incomes do not exceed the qualifying limits for very low income families as defined in Health and Safety Code section 50105; or
 - (3) “Extremely low income households” means persons and families whose incomes do not exceed the qualifying limits for extremely low income families as defined in Health and Safety Code section 50106.
- 11.39** “Major Transit Stop” means a site containing an existing rail or bus rapid transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of fifteen (15) minutes or less during the morning and afternoon peak commute periods. (Pub. Resources Code, § 21064.3; see also Pub. Resources Code, § 21060.2; State CEQA Guidelines section 15191(i).)
- 11.40** “Metropolitan Planning Organization” or “MPO” means a federally-designated agency that provides transportation planning and programming in metropolitan areas. A MPO is designated for each urban area that has been defined in the most recent federal census as having a population of more than 50,000 people. There are 18 federally-designated MPOs in California. Non-urbanized (rural) areas do not have a designated MPO.
- 11.41** “Military Impact Zone” means any area, including airspace, that meets both of the following criteria:
- (1) Is located within two miles of a military installation, including, but not limited to, any base, military airport, camp, post, station, yard, center, homeport facility for a ship, or any other military activity center that is under the jurisdiction of the United States Department of Defense; and
 - (2) Covers greater than 500 acres of unincorporated land, or greater than 100 acres of city incorporated land.
- 11.42** “Military Service” means the United States Department of Defense or any branch of the United States Armed Forces.
- 11.43** “Ministerial” describes a governmental decision involving little or no personal judgment by the public official as to the wisdom or manner of carrying out the project. The public official merely applies the law to the facts as presented but uses no special discretion or standards or objective measurements, and the public official cannot use personal, subjective judgment in deciding whether or how the project should be carried out. Common examples of ministerial permits include automobile registrations, dog licenses, and marriage licenses. A building permit is ministerial if the ordinance requiring the permit limits the public official to determining whether the zoning allows the structure to be built in the requested location, the structure would meet the strength

- requirements in the Uniform Building Code, and the applicant has paid his fee. (Public Resources Code section 21080(b)(1).)
- 11.44** “Mitigated Negative Declaration” or “MND” means a Negative Declaration prepared for a Project when the Initial Study has identified potentially significant effects on the environment, but: (1) revisions in the project plans or proposals made, or agreed to, by the applicant before the proposed Negative Declaration and Initial Study are released for public review would avoid the effects or mitigate the effects to a point where clearly no significant effect on the environment would occur, and (2) there is no substantial evidence in light of the whole record before the public agency that the project, as revised, may have a significant effect on the environment.
- 11.45** “Mitigation” includes avoiding the environmental impact altogether by not taking a certain action or parts of an action, minimizing impacts by limiting the degree or magnitude of the action and its implementation, rectifying the impact by repairing, rehabilitating or restoring the impacted environment, reducing or eliminating the impact over time by preservation and maintenance operations during the life of the action, or compensating for the impact by replacing or providing substitute resources or environments, including through permanent protection of such resources in the form of conservation easements.
- 11.46** “Negative Declaration” or “ND” means a written statement by the District briefly describing the reasons that a proposed project, not exempt from CEQA, will not have a significant effect on the environment and, therefore, does not require the preparation of an EIR.
- 11.47** “Notice of Completion” means a brief report filed with the Office of Planning and Research by the District when it is the Lead Agency as soon as it has completed a Draft EIR and is prepared to send out copies for review.
- 11.48** “Notice of Determination” means a brief notice to be filed by the District when it approves or determines to carry out a project which is subject to the requirements of CEQA.
- 11.49** “Notice of Exemption” means a brief notice which may be filed by the District when it has approved or determined to carry out a project, and it has determined that the project is exempt from the requirements of CEQA. Such a notice may also be filed by an applicant where such a determination has been made by a public agency which must approve the project.
- 11.50** “Notice of Preparation” means a brief notice sent by a Lead Agency to notify the Responsible Agencies, Trustee Agencies, the Office of Planning and Research, and involved federal agencies that the Lead Agency plans to prepare an EIR for a project. The purpose of this notice is to solicit guidance from those agencies as to the scope and content of the environmental information to be included in the EIR. Public agencies are free to develop their own formats for this notice.

- 11.51** “Oak” means a native tree species in the genus *Quercus*, not designated as Group A or Group B commercial species pursuant to regulations adopted by the State Board of Forestry and Fire Protection pursuant to Public Resources Code section 4526, and that is five (5) inches or more in diameter at breast height. (Public Resources Code section 21083.4(a).)
- 11.52** “Oak Woodlands” means an oak stand with a greater than 10 percent canopy cover or that may have historically supported greater than 10 percent canopy cover. (Fish & Game Code section 1361(h).)
- 11.53** “Offsite Facility” means a facility that serves more than one generator of hazardous waste. (Public Resources Code section 21151.1(h).)
- 11.54** “Person” includes any person, firm, association, organization, partnership, business, trust, corporation, company, city, county, city and county, town, the state, and any of the agencies which may be political subdivisions of such entities, and, to the extent permitted by federal law, the United States, or any of its agencies or political subdivisions.
- 11.55** “Pipeline” as defined in these Local Guidelines depends on the context. Please see Local Guidelines Sections 3.10 and 3.11 for specific definitions.
- 11.56** “Private Project” means a project which will be carried out by a person other than a governmental agency, but which will need a discretionary approval from the District. Private projects will normally be those listed in subsections (2) and (3) of Local Guidelines Section 11.57.
- 11.57** “Project” means the whole of an action or activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect change in the environment, and is any of the following:
- (1) A discretionary activity directly undertaken by the District including but not limited to public works construction and related activities, clearing or grading of land, or improvements to existing public structures;
 - (2) A discretionary activity which involves a public agency’s issuance to a person of a lease, permit, license, certificate, or other entitlement for use, or which is supported, in whole or in part, through contracts, grants, subsidies, loans or other forms of assistance by the District; or
 - (3) A discretionary project proposed to be carried out or approved by public agencies, including but not limited to the enactment and amendment of local General Plans or elements thereof, the enactment of zoning ordinances, the issuance of zoning variances, the issuance of conditional use permits and the approval of tentative subdivision maps.

The presence of any real degree of control over the manner in which a project is completed makes it a discretionary project.

- The term “project” refers to the activity which is being approved and which may be subject to several discretionary approvals by governmental agencies. The term “project” does not mean each separate governmental approval.
- 11.58** “Project-Specific Effects” means all the direct or indirect environmental effects of a project other than cumulative effects and growth-inducing effects. (Public Resources Code section 21065.3; State CEQA Guidelines section 15191(j).)
- 11.59** “Public Water System” means a system for the provision of piped water to the public for human consumption that has 3,000 or more service connections. A public water system includes all of the following: (A) Any collection, treatment, storage, and distribution facility under control of the operator of the system which is used primarily in connection with the system; (B) Any collection or pretreatment storage facility not under the control of the operator that is used primarily in connection with the system; (C) Any person who treats water on behalf of one or more public water systems for the purpose of rendering it safe for human consumption. (State CEQA Guidelines section 15155.)
- 11.60** “Qualified Urban Use” means any residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses. (Public Resources Code section 21072; State CEQA Guidelines section 15191(k).)
- 11.61** “Residential” means a use consisting of either residential units only or residential units and primarily neighborhood-serving goods, services, or retail uses that do not exceed 15% of the total floor area of the project. (State CEQA Guidelines section 15191(l).) Residential, pursuant to Public Resources Code section 21159.24, shall mean a use consisting of either of the following:
- (1) Residential units only.
 - (2) Residential units and primarily neighborhood-serving goods, services, or retail uses that do not exceed 25 percent of the total building square footage of the project.
- 11.62** “Responsible Agency” means a public agency which proposes to carry out or approve a project for which a Lead Agency has prepared the environmental documents. For the purposes of CEQA, the term “Responsible Agency” includes all federal, state, regional and local public agencies other than the Lead Agency which have discretionary approval power over the project.
- 11.63** “Riparian areas” mean those areas transitional between terrestrial and aquatic ecosystems and that are distinguished by gradients in biophysical conditions, ecological processes, and biota. A riparian area is an area through which surface and subsurface hydrology connect waterbodies with their adjacent uplands. A riparian area includes those portions of terrestrial ecosystems that significantly influence exchanges of energy and matter with aquatic ecosystems. A riparian area is adjacent to perennial, intermittent, and ephemeral streams, lakes, and estuarine-marine shorelines.

- 11.64** “Roadway” means a roadway as defined pursuant to Section 530 of the Vehicle Code and the previously graded and maintained shoulder that is within a roadway right-of-way of no more than five feet from the edge of the roadway.
- 11.65** “Significant Effect” means a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the activity including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. A social or economic change related to a physical change may be considered in determining whether the physical change is significant.
- 11.66** “Significant Value as a Wildlife Habitat” includes wildlife habitat of national, statewide, regional, or local importance; habitat for species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531, et seq.), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), or the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code); habitat identified as candidate, fully protected, sensitive, or species of special status by local, state, or federal agencies; or habitat essential to the movement of resident or migratory wildlife.
- 11.67** “Special Use Airspace” means the land area underlying the airspace that is designated for training, research, development, or evaluation for a military service, as that land area is established by the United States Department of Defense Flight Information Publication, “Area Planning: Special Use Airspace: North and South America (AP/1A)” published by the United States National Imagery and Mapping Agency or its successor.
- 11.68** “Staff” means the General Manager or his or her designee.
- 11.69** “Standard” means a standard of general application that is all of the following:
- (1) A quantitative, qualitative or performance requirement found in a statute, ordinance, resolution, rule, regulation, order, or other standard of general application;
 - (2) Adopted for the purpose of environmental protection;
 - (3) Adopted by a public agency through a public review process;
 - (4) Governs the same environmental effect which the change in the environment is impacting; and
 - (5) Governs the jurisdiction where the project is located.

The definition of “standard” includes any thresholds of significance adopted by the District which meet the requirements of this Section.

- If there is a conflict between standards, the District shall determine which standard is appropriate based upon substantial evidence in light of the whole record.
- 11.70** “State CEQA Guidelines” means the Guidelines for Implementation of the California Environmental Quality Act as adopted by the Secretary of the California Natural Resources Agency as they now exist or hereafter may be amended. (California Administrative Code, Title 14, sections 15000, et seq.)
- 11.71** “Substantial Evidence” means reliable information on which a fair argument can be based to support an inference or conclusion, even though another conclusion could be drawn from that information. “Substantial evidence” includes facts, reasonable assumptions predicated upon facts, and expert opinion supported by facts. “Substantial evidence” does not include argument, speculation, unsubstantiated opinion or narrative, evidence which is clearly inaccurate or erroneous, or evidence of social or economic impacts which do not contribute to, or are not caused by, physical impacts on the environment.
- 11.72** “Sustainable Communities Strategy” is an element of a Regional Transportation Plan, which must be adopted by the Metropolitan Planning Organization for the region. (See Local Guidelines Section 11.40.) The Sustainable Communities Strategy is an integrated land use and transportation plan intended to reduce greenhouse gases. The Sustainable Communities Strategy includes various components such as: consideration of existing densities and uses within the region, identification of areas within the region that can accommodate an eight-year projection of the region’s housing needs, development of projections for growth in the region, identification of existing transportation networks, and preparation of a forecast for development pattern for the region that can be integrated with transportation networks.
- 11.73** “Tiering” means the coverage of general matters in broader EIRs (such as on general plans or policy statements) with subsequent narrower EIRs or ultimately site-specific EIRs incorporating by reference the general discussions and concentrating solely on the issues specific to the EIR subsequently prepared. Tiering is appropriate when the sequence of EIRs is:
- (a) From a general plan, policy, or Program EIR to a program, plan, or policy EIR of lesser scope or to a site-specific EIR; or
 - (b) From an EIR on a specific action at an early stage to a subsequent EIR or a supplement to an EIR at a later stage. Tiering in such cases is appropriate when it helps the Lead Agency to focus on the issues which are ripe for decision and exclude from consideration issues already decided or not yet ripe.
- (Public Resources Code sections 21003, 21061 and 21100.)
- 11.74** “Transit Priority Area” means an area within one-half mile of a major transit stop that is existing or planned, if the planned stop is scheduled to be completed within the

planning horizon included in a Transportation Improvement Program adopted pursuant to Section 450.216 or 450.322 of Title 23 of the Code of Federal Regulations.

11.75 “Transit Priority Project” means a mixed use project that is consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy for which the California Air Resources Board has accepted a Metropolitan Planning Organization’s determination that the sustainable communities strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets. Such a project may be exempt from CEQA if a detailed laundry list of requirements is met. To qualify for the exemption, the Transit Priority Project must:

- (1) contain at least 50 percent residential use based on total building square footage;
- (2) if the project contains between 26 percent and 50 percent non-residential uses, the floor-to-area ratio (FAR) must be at least 0.75;
- (3) have a minimum net density of 20 dwelling units per acre;
- (4) be located within a half mile of a major transit stop or high-quality transit corridor included in a regional transportation plan; and
- (5) meet all the requirements of Public Resources Code section 21155.1.

11.76 “Transportation Facilities” includes major local arterials and public transit within five (5) miles of the project site, and freeways, highways, and rail transit service within ten (10) miles of the project site.

11.77 “Tribal Cultural Resources” are either of the following:

- (1) Sites, features, places, cultural landscapes, sacred places, and objects with cultural value to a California Native American tribe that are either of the following:
 - (a) Included or determined to be eligible for inclusion in the California Register of Historical Resources.
 - (b) Included in a local register of historic resources as defined in subdivision (k) of Public Resources Code section 5020.1.
- (2) A resource determined by the Lead Agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code section 5024.1. In applying the criteria set forth in subdivision (c) of Section 5024.1 for the purposes of this definition, the Lead Agency shall consider the significance of the resource to a California Native American tribe.

A cultural landscape that meets the criteria set forth above is a tribal cultural resource to the extent that the landscape is geographically defined in terms of the size and scope of the landscape.

A historic resource described in Public Resources Code section 21084.1, a unique archaeological resource as defined in subdivision (g) of Public Resources Code section 21083.2, or a “nonunique archaeological resource” as defined in subdivision (h) of Public Resources Code section 21083.2 may also be a tribal cultural resource if it conforms with the criteria of Tribal cultural resources.

11.78 “Trustee Agency” means a State agency having jurisdiction by law over natural resources affected by a project which are held in trust for the people of the State of California. Trustee Agencies may include, but are not limited to, the following:

- (a) The California Department of Fish and Wildlife (“DFW”) with regard to the fish and wildlife of the state, designated rare or endangered native plants, and game refuges, ecological reserves, and other areas administered by DFW;
- (b) The State Lands Commission with regard to state owned “sovereign” lands such as the beds of navigable waters and state school lands;
- (c) The State Department of Parks and Recreation with regard to units of the State Park System;
- (d) The University of California with regard to sites within the Natural Land and Water Reserve System; and/or
- (e) The State Water Resources Control Board with respect to surface waters.

11.79 “Urban Growth Boundary” means a provision of a locally adopted general plan that allows urban uses on one side of the boundary and prohibits urban uses on the other side of the boundary.

11.80 “Urbanized Area” means either of the following:

- (1) An incorporated city that either by itself or in combination with two contiguous incorporated cities has a population of at least one hundred thousand (100,000) persons;
- (2) An unincorporated area that meets both of the following requirements:
 - (a) The unincorporated area is either:
 - (i) completely surrounded by one or more incorporated cities, has a population of at least 100,000 persons either by itself or in combination with the surrounding incorporated city or cities, and has a population density that at least equals the population density of the surrounding city or cities; or
 - (ii) located within an urban growth boundary and has an existing residential population of at least five thousand (5,000) persons per square mile. An “urban growth boundary” means a

provision of a locally adopted general plan that allows urban uses on one side of the boundary and prohibits urban uses on the other side.

- (b) The board of supervisors with jurisdiction over the unincorporated area has taken all three of the following steps:
1. Prepared a draft document by which the board would find that the general plan, zoning ordinance, and related policies and programs applicable to the unincorporated area are consistent with principles that encourage compact development in a manner that promotes efficient transportation systems, economic growth, affordable housing, energy efficiency, and an appropriate balance of jobs and housing, and protects the environment, open space and agricultural areas;
 2. Submitted the draft document to the Office of Planning and Research and allowed OPR thirty (30) days to submit comments on the draft finding to the board; and
 3. At least thirty (30) days after submitting the draft document to OPR, the board has adopted a final finding in substantial conformity with the draft finding described in the draft document.

(Public Resources Code sections 21083, 21159.20-21159.24; State CEQA Guidelines section 15191(m).)

11.81 “Water Acquisition Plans” means any plans for acquiring additional water supplies prepared by the public water system or a city or county Lead Agency pursuant to subdivision (a) of section 10911 of the Water Code.

11.82 “Water Assessment” or “Water Supply Assessment” means the water supply assessment that must be prepared by the governing body of a public water system, or a city or county, pursuant to and in compliance with sections 10910 to 10915 of the Water Code, and that includes, without limitation, the elements of the assessment required to comply with subdivisions (d), (e), (f), and (g) of section 10910 of the Water Code.

11.83 “Water Demand Project” means any one of the following:

- (A) A residential development of more than 500 dwelling units;
- (B) A shopping center or business establishment employing more than 1,000 persons or having more than 500,000 square feet of floor space;
- (C) A commercial office building employing more than 1,000 persons or having more than 250,000 square feet of floor space;
- (D) A hotel or motel, or both, having more than 500 rooms;

- (E) An industrial, manufacturing, or processing plant, or industrial park planned to house more than 1,000 persons, occupying more than 40 acres of land, or having more than 650,000 square feet of floor area;

Except, a proposed photovoltaic or wind energy generation facility approved on or after October 8, 2011, is not a Water Demand Project if the facility would demand no more than 75 acre-feet of water annually.

- (F) A mixed-use project that includes one or more of the projects specified in subdivisions (A); (B), (C), (D), (E), or (G) of this section;
- (G) A project that would demand an amount of water equivalent to, or greater than, the amount of water required by a 500 dwelling unit project; or
- (H) For public water systems with fewer than 5,000 service connections, a project that meets the following criteria:
- (1) A proposed residential, business, commercial, hotel or motel, or industrial development that would account for an increase of 10 percent or more in the number of a public water system's existing service connections; or
 - (2) A mixed-use project that would demand an amount of water equivalent to, or greater than, the amount of water required by residential development that would represent an increase of 10 percent or more in the number of the public water system's existing service connections.

(State CEQA Guidelines section 15155.)

- 11.84** “Waterway” means a bay, estuary, lake, pond, river, slough, or a perennial, intermittent, or ephemeral stream, lake, or estuarine-marine shoreline.
- 11.85** “Wetlands” has the same meaning as that term is construed in the regulations issued by the United States Army Corps of Engineers pursuant to the Clean Water Act. Thus, “wetlands” means areas that are inundated or saturated by surface or ground water at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. (Public Resources Code section 21159.21(d), incorporating Title 33, Code of Federal Regulations, section 328.3.)
- 11.86** “Wildlife Habitat” means the ecological communities upon which wild animals, birds, plants, fish, amphibians, and invertebrates depend for their conservation and protection. (Public Resources Code section 21159.21.)
- 11.87** “Zoning Approval” means any enactment, amendment, or appeal of a zoning ordinance; granting of a conditional use permit or variance; or any other form of land

use, subdivision, tract, or development approval required from the city or county having jurisdiction to permit the particular use of the property.

12. FORMS

See forms A – S which accompany these Guidelines.

13. COMMON ACRONYMS

A. *****

ADEIR – Administrative Draft Environmental Impact Report
AQMD – Air Quality Management District
AQMP – Air Quality Management Plan
AR – Administrative Record
ARB – Air Resources Board

B. *****

BMP – Best Management Practices
BO – Biological Opinion

C. *****

Cal EPA – California Environmental Protection Agency
CAP – Climate Action Plan
CCAA – California Clean Air Act
CCR – California Code of Regulations (Title 14 Sections 15000 et seq. are also known as
the State CEQA Guidelines.)
CE – Categorical Exclusion (NEPA)
CESA – California Endangered Species Act
CEQA – California Environmental Quality Act
CFR – Code of Federal Regulations
CMP – Congestion Management Plan
CRWQCB – California Regional Water Quality Control Board

D. *****

DEIR – Draft Environmental Impact Report
DFW – Department of Fish and Wildlife

E. *****

EA – Environmental Assessment (NEPA term)
EIR – Environmental Impact Report
EIS – Environmental Impact Statement (NEPA term)
EPA – Environmental Protection Agency
ESA – Endangered Species Act; Environmental Site Assessment

F. *****

FCAA – Federal Clean Air Act
FEIR – Final Environmental Impact Report
FOIA – Freedom of Information Act (Federal)
FONSI – Finding of No Significant Impact (NEPA term)
FWS – Fish and Wildlife Service

G. *****

GHG – Greenhouse Gas
GW – Ground Water

H. *****

HH&E – Human Health and Environment
HRA – Health Risk Assessment
HS – Hazardous Substance

I. *****

IS – Initial Study

J. *****

K. *****

L. *****

LADD – Lifetime Average Daily Dose; Lowest Acceptable Daily Dose
LEA – Local Enforcement Agency
LESA – Land Evaluation and Site Assessment
LUFT – Leaking Underground Fuel Tank
LUST – Leaking Underground Storage Tanks. Reference Part 213 of Public Act 451 of 1994.

M. *****

MEIR – Master Environmental Impact Report
MMRP – Mitigation Monitoring and Reporting Plan
MPO – Metropolitan Planning Organization
MND – Mitigated Negative Declaration

N. *****

ND – Negative Declaration
NEPA – National Environmental Policy Act
NOA – Notice of Availability
NOC – Notice of Completion
NOD – Notice of Determination
NOE – Notice of Exemption
NOI – Notice of Intent
NOP – Notice of Preparation
NOV – Notice of Violation

O. *****

OPR – Office of Planning and Research

- P.** *****
 PEIR – Program Environmental Impact Report. Sometimes also used to describe a Project Environmental Impact Report
 PM – Particulate Matter
 PRA – Public Records Act
 PSA – Permit Streamlining Act
- Q.** *****
- R.** *****
 RCRA – Resource Conservation and Recovery Act (1976) Governs definition, handling, and disposal of hazardous waste.
- S.** *****
 SCH – State Clearinghouse
 SEIR – Supplemental or Subsequent Environmental Impact Report
 SMARA – Surface Mining and Reclamation Act
 SWMP – Stormwater Monitoring Program
 SWPPP – Stormwater Pollution Prevention Program
- T.** *****
 TCM – Transportation Control Measure
 TCP – Transportation Control Plan
 TDS – Total Dissolved Solids
 TMP – Transportation Management Plan
 Title V – refers to Title V of the Clean Air Act related to ambient air quality provisions
 TLV – Threshold Limit Value
- U.** *****
 UBC – Uniform Building Code
 UFC – Uniform Fire Code
 UGST – Underground Storage Tank
 USDW – Underground Source of Drinking Water
 UWMP – Urban Water Management Plan
- V.** *****
 VOC – Volatile Organic Compounds (Health & Safety Code, section 25123.6.)
 VOS – Vehicle Operating Survey
- W.** *****
 WQS – Water Quality Standard
 WSA – Water Supply Assessment
 WTP – Water Treatment Plant. A facility designed to provide treatment to water.
 WWTP – Wastewater Treatment Plan

X. *****

Y. *****

Z. *****

EXHIBIT B

RESOLUTION NO. _____

**A RESOLUTION OF THE WEST VALLEY WATER DISTRICT
AMENDING AND ADOPTING LOCAL GUIDELINES FOR
IMPLEMENTING THE CALIFORNIA ENVIRONMENTAL
QUALITY ACT (PUBLIC RESOURCES CODE §§ 21000 ET SEQ.)**

WHEREAS, the California Legislature has amended the California Environmental Quality Act (“CEQA”) (Pub. Resources Code §§ 21000 et seq.), the Natural Resources Agency has amended portions of the State CEQA Guidelines (Cal. Code Regs, tit. 14, §§ 15000 et seq.), and the California courts have interpreted specific provisions of CEQA; and

WHEREAS, Public Resources Code section 21082 requires all public agencies to adopt objectives, criteria and procedures for (1) the evaluation of public and private projects undertaken or approved by such public agencies, and (2) the preparation, if required, of environmental impact reports and negative declarations in connection with that evaluation; and

WHEREAS, the West Valley Water District must revise its local guidelines for implementing CEQA to make them consistent with the current provisions and interpretations of CEQA and the State CEQA Guidelines.

NOW, THEREFORE, the West Valley Water District (“District”) hereby resolves as follows:

SECTION 1. The District hereby adopts the “2023 Local Guidelines for Implementing the California Environmental Quality Act,” a copy of which is on file at the offices of the District and is available for inspection by the public.

SECTION 2. All prior actions of the District enacting earlier guidelines are hereby repealed.

PASSED, APPROVED, and ADOPTED this ____ day of _____, 2023. Resolution _____ is hereby repealed at the effective date of this resolution.

BOARD OF DIRECTORS

BY: _____
GREGORY YOUNG
President of the Board of Directors
West Valley Water District

CERTIFICATION

I, Elvia Dominguez, Board Secretary of the West Valley Water District, do hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the West Valley Water District at a regular meeting held on the ___ day of _____ 2023, by the following vote:

AYES: BOARD MEMBERS:
NOES: BOARD MEMBERS:
ABSENT: BOARD MEMBERS:
ABSTAIN: BOARD MEMBERS:

Dated:

ELVIA DOMINGUEZ
Secretary of the Board of Directors
West Valley Water District



**BOARD OF DIRECTORS
STAFF REPORT**

DATE: August 3, 2023
TO: Board of Directors
FROM: John Thiel, General Manager
SUBJECT: REIMBURSEMENT AGREEMENT WITH SAN BERNARDINO COUNTY
 FOR BLOOMINGTON AVE WATER MAIN REPLACEMENT PROJECT

BACKGROUND:

San Bernardino County Department of Public Works (“County”), is currently preparing plans and specifications for the Bloomington Avenue Pavement and Storm Drain Improvement Project, located between Cedar Avenue and Larch Avenue in the community of Bloomington, as shown in the attached **Exhibit A**. During the design due diligence phase for the project, the County identified an 8” ACP West Valley Water District (“District”) water main in direct conflict with the proposed alignment of the 24” RCP storm drain and street reconstruction work, which would minimize the coverage over the District’s facilities. As a result of these conflicts, the County needs to relocate approximately 630 lineal feet of water main and replace it with 8” Ductile Iron Pipe, as well as reestablish (12) service laterals to maintain our District’s standards for pipe coverage and remain in compliance with the Department of Drinking Water Standard’s for water main separation.

DISCUSSION:

The County understands and acknowledges that the District has prior rights within the project area, and that the County is responsible for the entire cost of the water main relocation. In an effort to maintain our continued success through interagency cooperation, the District and the County wish to enter into a Reimbursement Agreement (“Agreement”) to relocate the water main in Bloomington Avenue and assist with the design, construction management and inspection of the project to ensure that these facilities are installed to the District’ specifications. Attached as **Exhibit B** is a copy of the Agreement, which outlines the responsibilities of the District and the County, both financially and contractually with respect to the project.

FISCAL IMPACT:

If the agreement is approved, there will be no fiscal impact to the District. The County shall bear one hundred percent (100%) of the costs associated with the relocation of the water main, which includes design, construction, inspection, and administration.

STAFF RECOMMENDATION:

1. Authorize entering into a Reimbursement Agreement with San Bernardino County for Bloomington Ave Water Main Replacement Project and;
 2. Authorize the General Manager to execute all necessary documents.
- Respectfully Submitted,

John Thiel

John Thiel, General Manager

DG:ls

ATTACHMENT(S):

1. Exhibit A - Aerial Map
2. Exhibit B - Reimbursement Agreement

MEETING HISTORY:

07/18/23 Engineering, Operations and Planning Committee REFERRED TO BOARD

EXHIBIT A

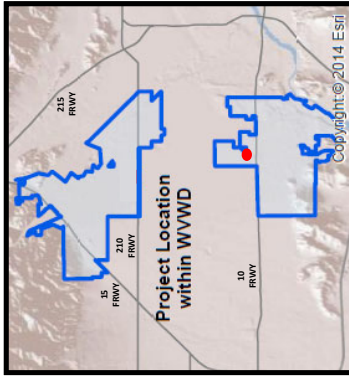


Exhibit A
Bloomington Ave Water Main Replacement



EXHIBIT B

THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY



Contract Number

SAP Number

Department of Public Works

Department Contract Representative	Chris Nguyen, P.E. Engineering Manager
Telephone Number	909-387-7940
Consultant	West Valley Water District
Consultant Representative	Linda Jadeski
Telephone Number	909-875-1804
Contract Term	7/11/2023 – 7/11/2025
Original Contract Amount	\$423,000
Amendment Amount	0
Total Contract Amount	\$423,000
Cost Center	2142-665-TX1795

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, the San Bernardino County (COUNTY) Department of Public Works (DEPARTMENT) is currently preparing plans and specifications for the Bloomington Avenue Pavement and Storm Drain Improvement project, from Cedar Avenue to 0.11 miles northeast of Larch Avenue (hereinafter referred to as "PROJECT"), in the Bloomington area; and

WHEREAS, COUNTY shall be solely responsible for the design and construction work associated with the PROJECT; and

WHEREAS, during the PROJECT's design phase, DEPARTMENT staff determined that improvements to Bloomington Avenue will impact West Valley Water District (DISTRICT) waterlines, water meters, fire hydrants and appurtenant structures and relocation of these facilities is required for the construction of the PROJECT; and

WHEREAS, by virtue of the construction of the PROJECT, the existing waterlines, water meters, fire hydrants and appurtenant structures along Bloomington Avenue will need to be relocated (hereinafter referred to as RELOCATION) as they are now in conflict with the proposed design of the PROJECT; and

WHEREAS, the above described waterlines, water meters, fire hydrants and appurtenant structures are owned and operated by DISTRICT (DISTRICT FACILITIES); and

WHEREAS, in accordance with California Streets and Highways Code section 1463, the COUNTY has informed DISTRICT of the required RELOCATION; and

WHEREAS, it has been determined that DISTRICT has prior rights for the portion of the DISTRICT FACILITIES within the PROJECT area and therefore the COUNTY shall bear one hundred percent (100%) of the cost of RELOCATION, as well as design work (including preparation of plans and specifications) and relocation construction costs (hereinafter referred to as RELOCATION COSTS) which are estimated to be \$423,000 (see Exhibit A, attached hereto and incorporated herein by this reference); and

WHEREAS, COUNTY shall perform the design work for the RELOCATION at COUNTY's cost and expense; and

WHEREAS, DISTRICT shall perform the construction work for the RELOCATION at COUNTY's cost and expense; and

WHEREAS, COUNTY shall advance to DISTRICT the estimated RELOCATION COSTS, which includes a ten percent (10%) contingency deposit, a ten percent (10%) charge for DISTRICT administrative costs (labor, materials, transportation, supervision, engineering (including review of plans and specifications), contract administration, plan checking, material submittal review, contractor coordination, accounting and inspection costs); and

WHEREAS, COUNTY and DISTRICT desire to set forth the responsibilities and obligations of each as they pertain to such participation and to the construction and funding of RELOCATION.

NOW, THEREFORE, the COUNTY and DISTRICT mutually agree to the following terms and conditions:

A. COUNTY AGREES TO:

- A.1** Act as the Lead Agency in the design of the PROJECT and RELOCATION, California Environmental Quality Act (CEQA) compliance (Public Resources Code section 21000 et seq.), and construction of the PROJECT.
- A.2** Advertise, award and administer the construction of the PROJECT in accordance with the provisions of the California Public Contract Code applicable to counties.
- A.3** Require the COUNTY's contractor for the PROJECT to maintain and to comply throughout the term of any contract awarded by COUNTY with the insurance requirements described in County Policy Numbers 11-07 and 11-07SP.
- A.4** Pay for one hundred percent (100%) of RELOCATION COSTS, estimated to be \$423,000 (see Exhibit A). The RELOCATION COSTS shall include the cost of RELOCATION construction, inspection, contingency and DISTRICT administrative fees. COUNTY's payment to DISTRICT shall not exceed \$423,000 without a written amendment to this Agreement approved by the parties pursuant to paragraph C.6. The parties acknowledge that the amounts set forth on Exhibit "A" are a good faith estimate of the costs to design and relocate the DISTRICT FACILITIES. The actual cost will not be known until completion of RELOCATION work and receipt of all invoices. DISTRICT will use commercially reasonable efforts to minimize costs. However, the parties recognize and agree that the costs of RELOCATION may be greater than estimated on Exhibit "A" and additional costs may be warranted for a variety of reasons, including, but not limited to, unforeseen circumstances or the need for work not contemplated in Exhibit "A." COUNTY shall advance to DISTRICT the estimated amount of \$423,000 within ten (10) calendar days of the effective date of this Agreement.
- A.5** Provide adequate inspection of all items of work performed under the RELOCATION for the PROJECT and maintain adequate records of inspection.
- A.6** Issue a no-cost permit for the RELOCATION. The parties agree that the DISTRICT should be placed in the same position with respect to the relocated DISTRICT FACILITIES as exist with respect to the existing DISTRICT FACILITIES. Thus, DISTRICT shall be deemed to have prior rights with respect to the relocated DISTRICT FACILITIES in the

same fashion and to the same extent as now exist to the existing DISTRICT FACILITIES and the permit shall so provide.

- A.7** Provide construction surveying and staking services required for construction of RELOCATION.

B. DISTRICT AGREES TO:

- B.1** Act as the Lead Agency on the construction of RELOCATION.
- B.2** Review, approve and sign RELOCATION plans prepared by COUNTY.
- B.3** Prepare all general, special and technical provisions required to advertise RELOCATION for bid.
- B.4** Advertise, award, and administer the construction of the RELOCATION, which shall be in accordance with the provisions of the California Public Contract Code applicable to Counties.
- B.5** Apply for a permit from COUNTY'S Department of Public Works for the RELOCATION work occurring in COUNTY right-of-way at no cost to the DISTRICT. Any and all permits shall not be unreasonably withheld or conditioned. .
- B.6** DISTRICT shall perform the RELOCATION work substantially in accordance with DISTRICT approved water RELOCATION plans. Substantial deviations (as determined by both DISTRICT and COUNTY) from the DISTRICT's plan described herein that would not result in costs exceeding the estimated amount of \$423,000 are subject to the review and approval of the COUNTY's Director of the Department of Public Works through the use of the change order set forth in Exhibit "B," which is attached hereto and incorporated herein by this reference. Contract Change Order forms will be delivered by email to COUNTY's Contract Representative. COUNTY shall review receipt of a change order to approve or disapprove the change order. In the event COUNTY disapproves of a change order COUNTY shall provide to DISTRICT within such five (5) day business period a detailed explanation as to why COUNTY disapproved the subject change order. Substantial deviations that would result in costs exceeding the estimated amount of \$423,000 will require an amendment to this Agreement pursuant to Paragraph C.6. The provisions of Paragraph A.4 shall apply with respect to approval of change orders and amendments to this Agreement. It is understood and agreed that COUNTY will not be responsible for the payment for any oversizing of DISTRICT FACILITIES in the new location. This payment principle applies to all RELOCATION work, including the work identified in the DISTRICT's plan, as well as work identified in any COUNTY/DISTRICT approved change order. In addition, COUNTY is not responsible for the payment for any betterment, including but not limited to oversizing, associated with change order work, unless the betterment is required by State law or regulation.
- B.7** DISTRICT agrees to perform the RELOCATION work with DISTRICT's contractor and to provide and furnish all necessary labor, materials, tools, and equipment required therefore, and to prosecute said work diligently to completion in compliance with all applicable laws, regulations, ordinances, and permits.
- B.8** RELOCATION work performed by DISTRICT's contractor is a public work under the definition of Labor Code section 1720(a) and is therefore subject to the Prevailing Wage Laws, including, but not limited to Senate Bill 854 requirements. DISTRICT shall verify compliance with the Prevailing Wage Laws, including compliance with the Senate Bill 854 requirements, in the administration of its contracts related to any and all RELOCATION work. By its execution of this Agreement, DISTRICT certifies that it is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq. as well as California Code of Regulations, Title 8, Section 16000 et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. Section 1720 of the California Labor Code states in part: "For purposes of this paragraph, 'construction' includes work performed during the design, site assessment, feasibility study, and other preconstruction phases of construction including, but not limited to, inspection and land surveying work..." If the Services/Scope of Work are being performed as part of an

- applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, DISTRICT agrees that any work performed by DISTRICT’s contractor(s) shall fully comply with such Prevailing Wage Laws.
- B.9** Participate with the COUNTY in scheduling and coordinating the construction of the RELOCATION. The parties will schedule the initiation of the construction of the RELOCATION within thirty (30) days of COUNTY’s issuance of the permit described in Paragraph B.3, above; provided that DISTRICT’s contractor is able to begin construction at that time, and if not, as soon thereafter as possible.
- B.10** Provide a qualified DISTRICT representative to inspect RELOCATION and who shall have the authority to discuss and resolve issues concerning the RELOCATION with the COUNTY. Representative must be able to resolve issues in a timely manner to avoid delay claims.
- B.11** Submit to COUNTY an itemized accounting of actual RELOCATION COSTS incurred by DISTRICT within thirty (30) days of completion of the RELOCATION. Said accounting will identify the oversizing costs as well as any other costs described in Paragraph B.6 that are not the responsibility of COUNTY. In the event actual RELOCATION costs are less the \$423,000 collected from COUNTY, DISTRICT shall refund the difference to COUNTY with the itemized accounting. In the event the actual RELOCATION costs are greater than the \$423,000 collected from COUNTY, DISTRICT shall notify the COUNTY of such costs. If an amendment that increases COUNTY’s share of costs of \$423,000 is approved by the parties pursuant to this Agreement, then COUNTY will pay the difference between \$423,000 and the amended amount within sixty (60) calendar days. Upon completion of RELOCATION, the ten percent (10%) charge for DISTRICT administrative costs is nonrefundable.
- B.12** In the event DISTRICT discovers hazardous materials as part of the RELOCATION within the COUNTY Highway right-of-way, the County and District shall determine the best course for remediation and disposal as required by the federal, state or local law. The cost of which shall be reimbursed by Change Order form in Exhibit "B" by County. In no event shall COUNTY be responsible for the identification and remediation of any hazardous materials, or the associated costs thereof, discovered outside of COUNTY Highway right-of-way, unless otherwise required by the federal, state or local law.
- B.13** DISTRICT shall not charge against the 10% contingency without COUNTY Director of Public Works’ written approval, which approval shall not be unreasonably withheld. DISTRICT shall email such a request to the COUNTY’s Director of the Department of Public Works. COUNTY shall have five (5) business days from receipt of a request to approve or disapprove of such requests. In the event COUNTY disapproves of such requests within the five (5) business day period, COUNTY shall provide to DISTRICT within such five (5) day business period a detailed explanation as to why COUNTY disapproved of such request and what COUNTY reasonably requires in order to approve the request.
- B.14** Conduct inspections, including the final inspection, of the RELOCATION work and perform any necessary testing. Inspections and testing shall be included as a RELOCATION cost. The parties acknowledge that inspections are for the protection of DISTRICT’s interests and under no circumstances be construed to impose liability or responsibility of any nature on DISTRICT to any party other than COUNTY (if any). No contractor, subcontractor, materialmen, laborer, or any other person shall rely, or have a right to rely, upon any inspection by DISTRICT’s representative other than COUNTY.
- B.15** Submit a Notice of Completion to COUNTY within thirty (30) days of the completion of the RELOCATION work described herein.
- B.16** DISTRICT shall own the relocated DISTRICT FACILITIES. DISTRICT shall be responsible for lifetime maintenance, operation, protection of the DISTRICT FACILITIES and RELOCATION in accordance with any County, State, or Federal regulations. DISTRICT shall be solely responsible for any and all liabilities associated with any RELOCATION work and DISTRICT FACILITIES prior, during, and after completion of the RELOCATION of the DISTRICT FACILITIES.

- B.17** Accept all payments from COUNTY via electronic funds transfer (EFT) directly deposited into DISTRICT's designated checking or other bank account. DISTRICT shall promptly comply with directions and accurately complete forms provided by COUNTY required to process EFT payments.

C. IT IS MUTUALLY AGREED:

- C.1** DISTRICT agrees to indemnify, defend (with counsel approved by COUNTY) and hold harmless the COUNTY and its officers, employees, agents and volunteers from any and all claims, actions, losses, damages and/or liability resulting from the DISTRICT's negligent acts or omissions which arise from the DISTRICT's performance of its obligations under this Agreement.

COUNTY agrees to indemnify, defend (with counsel approved by DISTRICT) and hold harmless the DISTRICT and its officers, employees, agents and volunteers from any and all claims, actions, losses, damages and/or liability resulting from COUNTY's negligent acts or omissions which arise from the COUNTY's performance of its obligations under this Agreement.

In the event the COUNTY and/or DISTRICT is found to be comparatively at fault for any claim, action, lost or damage which results from their respective obligations under the Agreement, the COUNTY and/or DISTRICT shall indemnify the other to the extent of its comparative fault.

- C.2** In the event of any litigation or other action between the parties arising out of or relating to this Agreement or the breach thereof, each party shall bear its own costs, including attorney(s) fees. This paragraph does not apply to costs or attorney(s) fees relative to Paragraph C.1, indemnification.
- C.3** COUNTY is a self-insured public entity for purposes of Professional Liability, Automobile Liability, General Liability, and Workers' Compensation and warrants that through its program of self-insurance, it has adequate coverage or resources to protect against liabilities arising out of COUNTY's performance of this Agreement.

DISTRICT warrants that it has adequate coverage or resources to protect against liabilities arising out of DISTRICT's performance of this Agreement. DISTRICT is a member of the Association of California Water Agencies Joint Powers Insurance Authority ("JPIA"). The JPIA is a partnership of water agencies which provides risk sharing pools to meet the needs of its member agencies for property and liability purposes. DISTRICT has added to its policy through the JPIA, this Agreement. DISTRICT has concurrently herewith named COUNTY as an additional insured on such JPIA policy. DISTRICT agrees to cause the DISTRICT's contractor to obtain and maintain general liability, automobile liability and workers compensation/employer liability coverage. The amounts and specific coverages are on file with the DISTRICT and copies of such insurance requirements will be provided to COUNTY upon written request. DISTRICT shall cause the COUNTY to be named as an additional insured on the general liability insurance and the automotive liability insurance and named as indemnified parties under all indemnifications, hold harmless provisions, waivers and releases in favor of DISTRICT

Waiver of Subrogation Rights – DISTRICT shall require the carriers of required coverages to waive all rights of subrogation against COUNTY, its officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit DISTRICT and DISTRICT's employees or agents from waiving the right of subrogation prior to a loss or claim. DISTRICT hereby waives all rights of subrogation against COUNTY. Said obligations in regard to the waiver of subrogation rights shall also apply to COUNTY in the event COUNTY utilizes carriers of required coverages.

- C.4** This Agreement may be terminated by either party, with or without cause, upon thirty (30) days advance written notice to the other party, provided, however, that neither party may terminate this Agreement after DISTRICT has awarded a contract to construct the RELOCATION work. In the event of termination as provided herein, all PROJECT costs required to be paid by the COUNTY prior to the effective date of termination shall be paid by the COUNTY.
- C.5** This Agreement shall terminate upon receipt of a Notice of Completion of the PROJECT and satisfaction of Paragraph B.6, or July 11, 2025 (whichever occurs first). The obligations described in Paragraphs B.16, B.17, C.1 and C.2, shall survive termination of this Agreement.
- C.6** This Agreement contains the entire agreement of the parties with respect to subject matter hereof, and supersedes all prior negotiations, understandings, or agreements. No supplement, modification, or amendment of the Agreement shall be binding unless executed in writing and signed by both parties.
- C.7** This Agreement shall be governed by the laws of the State of California. Any action or proceeding between DISTRICT and COUNTY concerning the interpretation or enforcement of this Agreement, or which arises out of or is in any way connected with this Agreement or the PROJECT, shall be instituted and tried in the appropriate state court in the County of San Bernardino, California.
- C.8** The parties acknowledge that final RELOCATION COSTS may ultimately exceed the current estimate for RELOCATION COSTS. COUNTY shall be solely responsible for any additional RELOCATION COSTS associated with the RELOCATION due to any cause, including, but not limited to, unforeseen site conditions, increased bid prices, increased quantities and/or change orders over the estimated RELOCATION COSTS of \$423,000. If DISTRICT requests additional work that is beyond the scope of the original RELOCATION and COUNTY approves the additional work, said work will be paid solely by the DISTRICT.
- C.9** DISTRICT shall notify COUNTY of the bids received and the amounts thereof.
- C.10** In the event that change orders for the RELOCATION work are required during the course of the PROJECT, said change orders must be in form and substance as set forth in the attached Exhibit "B" of this Agreement and approved by COUNTY and DISTRICT. Contract Change Order forms will be delivered by electronic mail and must be returned within five (5) working days. COUNTY shall not unreasonably withhold approval of change orders. If a COUNTY disapproved or modified change order is later found to be an additional cost for the RELOCATION, then COUNTY shall be responsible for such costs, awards, judgments or settlements associated with the disapproved or modified change order.
- C.11** Since the parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for any or against any party. Unless otherwise provided, any term referencing time, days, or period for performance shall be deemed work days. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.
- C.12** No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a party shall give the other party any contractual rights by custom, estoppels, or otherwise.
- C.13** If a court of competent jurisdiction declares any portion of this Agreement invalid, illegal, or otherwise unenforceable, the remaining provisions shall continue in full force and effect, unless the purpose of this Agreement is frustrated.
- C.14** Nothing contained in this Agreement shall be construed as a relinquishment of any rights now held by the DISTRICT or COUNTY.
- C.15** This Agreement will be effective on the date it is signed by all parties.
- C.16** The Recitals of this Agreement are incorporated herein by reference.

- C.17** This Agreement , including all Attachment, Exhibits and other attachments, which are attached hereto and incorporated by reference, and other documents incorporated herein, represents the final, complete and exclusive agreement between the parties hereto. Any prior agreement, promises, negotiations or representations relating to the subject matter of this Agreement not expressly set forth herein are of no force or effect. This Agreement is executed without reliance upon any promise, warranty or representation by any party or any representative of any party other than those expressly contained herein. Each party has carefully read this Agreement and signs the same of its own free will.
- C.18** This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Agreement. The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other mail transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

[Signatures on next page]

IN WITNESS WHEREOF, the San Bernardino County and Consultant have each caused this Contract to be subscribed by its respective duly authorized officers, on its behalf.

SAN BERNARDINO COUNTY

West Valley Water District

(Print or type name of corporation, company, contractor, etc.)

▶

Dawn Rowe, Chair, Board of Supervisors

By ▶ _____
(Authorized signature – sign in blue ink)

Dated: _____
SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

Name _____
(Print or type name of person signing contract)

Lynna Monell
Clerk of the Board of Supervisors
of the San Bernardino County

Title _____
(Print or Type)

By _____
Deputy

Dated: _____

Address _____

FOR COUNTY USE ONLY

Approved as to Legal Form
▶ _____
Aaron Gest, Deputy County Counsel
Date _____

Reviewed for Contract Compliance
▶ _____
Andy Silao, P.E.
Date _____

Reviewed/Approved by Department
▶ _____
Brendon Biggs, Director
Date _____

EXHIBIT A

ESTIMATE OF PROJECT COSTS

Exhibit A
BLOOMINGTON AVENUE WATERMAIN EXTENSION
(EAST OF OLIVE AVENUE TO LARCH AVENUE)
CONSTRUCTION COST ESTIMATE

NO	ITEM	UNIT COST	QTY	UNITS	TOTAL
1	Mobilization (including payment, performance and 2-year warranty bonds, and insurance)	\$ 15,000.00	1	LS	\$ 15,000.00
2	Traffic Control and Plan (including all Permits and Requirements)	\$ 10,000.00	1	LS	\$ 10,000.00
3	Cut, plug and abandon existing 8-inch waterline.	\$ 2,500.00	3	EA	\$ 7,500.00
4	Furnish and install 8-inch DIP 90 degree bend on 8-inch AC waterline	\$ 2,000.00	1	EA	\$ 2,000.00
5	Furnish and install 8-inch gate valve	\$ 3,500.00	6	EA	\$ 21,000.00
6	Furnish and intall thrust block	\$ 300.00	4	EA	\$ 1,200.00
7	Furnish and install 8-inch flange tee	\$ 1,000.00	2	EA	\$ 2,000.00
8	Furnish and install 8-inch flange x MJ adaptor	\$ 250.00	7	EA	\$ 1,750.00
9	Furnish and install 8-inch mega lug restraint	\$ 150.00	7	EA	\$ 1,050.00
10	Furnish and install 8-inch flange cross	\$ 1,500.00	1	EA	\$ 1,500.00
11	Furnish and install 8-inch to 6-inch redurcer	\$ 1,000.00	1	EA	\$ 1,000.00
12	6" x 6" Steel Tapping Outlet with 6" Valve	\$ 5,000.00	1	EA	\$ 5,000.00
13	Furnish and install 1-inch air vac assembly	\$ 3,500.00	1	EA	\$ 3,500.00
14	Furnish and install 4-inch blow off	\$ 4,000.00	1	EA	\$ 4,000.00

15	8" x 8" Mueller MJ Tapping Sleeve with 8" Valve	\$ 7,000.00	1	EA	\$ 7,000.00
16	Furnish and install 8-inch DIP CL350	\$ 150.00	630	LF	\$ 94,500.00
17	Abandon existing service and furnish and install new 1-inch water service line "short side" per WVWD Std. Dwg. W-4.	\$ 2,500.00	11	EA	\$ 27,500.00
18	Abandon existing service and furnish and install new 2-inch water service line "long side" per WVWD Std. Dwg. W-5.	\$ 9,000.00	1	EA	\$ 9,000.00
19	Furnish and install meter and meter box.	\$ 400.00	11	EA	\$ 4,400.00
20	8" Fully Welded CMLC Inverted Siphon.	\$ 50,000.00	1	EA	\$ 50,000.00
21	Hydrostatic testing, chlorination and bacteria testing.	\$ 2,000.00	1	LS	\$ 2,000.00
22	Furnish and install new RHMA pavement.	\$ 25.00	1890	SF	\$ 47,250.00
23	Trench, Excavate and Backfill	\$ 15.00	1890	SF	\$ 28,350.00
24	Compaction Test and Report	\$ 750.00	8	EA	\$ 6,000.00
Estimated Construction Costs					\$ 352,500.00
10% Contingency					\$ 35,250.00
10% Administration and Inspection					\$ 35,250.00
Total for Relocation Costs					\$ 423,000.00

EXHIBIT B

CONTRACT CHANGE ORDER REVIEW/APPROVAL

PROJECT: Bloomington Avenue Road Reconstruction and Drainage Improvements

COUNTY OF SAN BERNARDINO CONTRACT # XX-XXXX

File: TX1795 (Yard 3, Bloomington Ave)

Proposed Contract Change Order No. _____ has been reviewed in accordance with the existing agreements with the West Valley Water District (District) and County of San Bernardino for the above project and the following shall apply:

DATE OF _____ ACTION: ____/____/____

- APPROVED for Implementation with 100% Participation by _____
- APPROVED Subject to Comments/Revisions Accompanying This Document
- APPROVED With Limited Funding Participation by _____
 - _____ % of Actual Cost to be Funded by _____
 - _____ Participation Not to Exceed \$ _____
- DISAPPROVED -Not Acceptable to _____

Note: Approval under any of the above conditions shall in no case be construed as agreement to increase the total financial participation beyond that prescribed in the existing District and County agreement without a separate amendment to said agreement. Net increases in costs deriving from this and previously approved Contract Change Orders shall not cause the total construction costs to exceed the sum of the authorized contract total and contingency amounts.

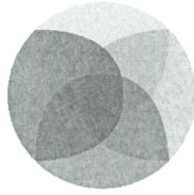
Comments, as follows and/or attached, are conditions of the above action? YES NO

SIGNED: _____

TITLE: _____

Distribution:
Signed Original Returned to Resident Engineer
Signed Original for _____ File

Indian Wells
(760) 568-2611
Irvine
(949) 263-2600
Los Angeles
(213) 617-8100
Bend, OR
(541) 382-3011



BBK

BEST BEST & KRIEGER LLP
ATTORNEYS AT LAW

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San Diego
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Walnut Creek
(925) 977-3300
Washington DC
(202) 785-0600

ATTN: GENERAL MANAGER
WEST VALLEY WATER DISTRICT
855 W. BASELINE
PO BOX 920
RIALTO, CA 92377

July 6, 2023
969239
JEFF FERRE
Page 1

INVOICE SUMMARY

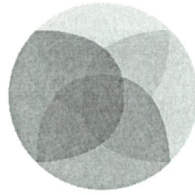
For Professional Services Rendered Through June 30, 2023:

Matter # 31924.00001
GENERAL COUNSEL

Current Fees:	\$	2,170.00
Total Current Billings For This Matter:	\$	2,170.00

ED
JD
CW

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Bend, OR
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ATTN: GENERAL MANAGER
WEST VALLEY WATER DISTRICT
855 W. BASELINE
PO BOX 920
RIALTO, CA 92377

July 6, 2023
969240
JEFF FERRE
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INVOICE SUMMARY

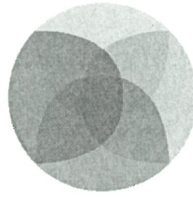
For Professional Services Rendered Through June 30, 2023:

Matter # 31924.00200

LABOR RELATIONS/EMPLOYMENT - GENERAL

Current Fees:	\$	2,403.50
Total Current Billings For This Matter:	\$	2,403.50

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ATTN: GENERAL MANAGER
WEST VALLEY WATER DISTRICT
855 W. BASELINE
PO BOX 920
RIALTO, CA 92377

July 6, 2023
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JEFF FERRE
Page 1

INVOICE SUMMARY

For Professional Services Rendered Through June 30, 2023:

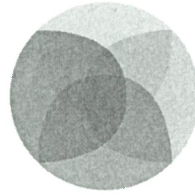
Matter # 31924.00201

TAXES/FEES/CHARGES

Current Fees:	\$	115.50
Total Current Billings For This Matter:	\$	<u>115.50</u>

WJF 7/17/23
OK

Indian Wells
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BBK

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ATTN: GENERAL MANAGER
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July 6, 2023
969242
JEFF FERRE
Page 1

INVOICE SUMMARY

For Professional Services Rendered Through June 30, 2023:

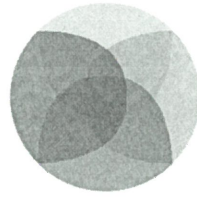
Matter # 31924.00202

PUBLIC WORKS CONTRACTING/BIDDING DISPUTES

Current Fees:	\$	1,886.50
Total Current Billings For This Matter:	\$	<u>1,886.50</u>

LG 7/17/23
CF

Indian Wells
(760) 568-2611
Irvine
(949) 263-2600
Los Angeles
(213) 617-8100
Bend, OR
(541) 382-3011



BBK

BEST BEST & KRIEGER LLP
ATTORNEYS AT LAW

3390 University Avenue, 5th Floor, P.O. Box 1028, Riverside, CA 92502
Phone: (951) 686-1450 | Fax: (951) 686-3083 | www.bbklaw.com
Tax ID # 95-2157337

Ontario
(909) 989-8584
Sacramento
(916) 325-4000
San Diego
(619) 525-1300
Walnut Creek
(925) 977-3300
Washington DC
(202) 785-0600

ATTN: GENERAL MANAGER
WEST VALLEY WATER DISTRICT
855 W. BASELINE
PO BOX 920
RIALTO, CA 92377

July 6, 2023
969243
JEFF FERRE
Page 1

INVOICE SUMMARY

For Professional Services Rendered Through June 30, 2023:

Matter # 31924.00300

LITIGATION/ADMINISTRATIVE HEARINGS

Current Fees:	\$	446.00
Total Current Billings For This Matter:	\$	<u>446.00</u>



ALBRIGHT, YEE & SCHMIT, APC
707 Wilshire Boulevard, Suite 3600
Los Angeles, CA 90017-3516
Phone: (213) 833-1700
Fax: (213) 833-1710
www.ayslaw.com

West Valley Water District

Invoice

Invoice Number 28208
Invoice Date 07/13/2023
Payment Due On 07/13/2023
Amount Due \$7,802.50

Pay Now



Scan to pay

(1092.09) WVWD - Personnel Investigation - Naseem Farooqi - West Valley Water District - General

WVWD - Personnel Investigation - Naseem Farooqi

-



**BOARD OF DIRECTORS
STAFF REPORT**

DATE: August 3, 2023
TO: Board of Directors
FROM: John Thiel, General Manager
SUBJECT: PURCHASE FIVE (5) NEW 2023 FORD F-150 XL TRUCKS

BACKGROUND:

The West Valley Water District (District) has a fleet of 56 vehicles that are used in the daily course of the District's operations. The Vehicle Use and Fleet Replacement Policy outlines a request and replacement schedule for the fleet based on years of service, mileage, and maintenance costs. This Fiscal Year 2023-2024, the Purchasing Division determined 5 trucks from the fleet should be replaced to ensure maximum vehicle safety, performance, efficiency and extended life of the fleet.

DISCUSSION:

Staff researched and found a contract awarded by the State of California that would be in the best interest of the District to "piggyback" from. Piggybacking is a term used when an agency uses an existing procurement contract from another agency as the justification and documentation to form their own contract directly with the vendor to purchase the same or similar items or services. Under Section 10 Example 10 of the District's Purchasing/Procurement Policy, piggybacking is permitted as an exception to competitive sourcing thus not requiring the District to conduct a formal solicitation (RFP or RFB). The State of California's formal solicitation process is substantially similar to that of the District's process and participation by the District is also allowed per the State of California's solicitation documents.

The State of California issued their Request for Proposals (RFP) for Fleet Vehicles (Cars, Trucks, and Vans & SUVs) on October 25, 2021 and final proposals were due on January 7, 2022. A three (3) year contract with the option to extend for two (2) additional one (1) year period(s) was requested. Thirteen dealerships throughout California submitted proposals for trucks. In evaluating the proposals, the State of California used a two-envelope approach by evaluating the administrative/technical response and then the cost. The State of California scored for categories including Customer References, Maintenance Plan Price, Cost of Fuel, SMOG Rating and the Vehicles Purchase Price. Downtown Ford in Sacramento scored the highest overall in the full-size truck section. The State of California ended up awarding a (3) year contract for trucks to Downtown Ford in Sacramento which began on May 1, 2022. By 'piggybacking' with the State of California agreement the District has realized savings of \$1,454.41 per vehicle for a total of \$7,272.05 for the five vehicles. In addition, the vehicle delivery will be in approximately sixteen weeks, which is substantially less than the last batch of vehicles received.

The State of California's solicitation and proposal evaluation documents are attached as **Exhibit A**.

Staff contacted Downtown Ford in Sacramento to obtain pricing for five (5) new 2023 Ford F-150 XL trucks shown in **Exhibit B**. Staff was also informed by the dealership that they anticipated the ordering banks for 2023 to remain open until September 1, 2023. In order for the District to secure an order slot, a Purchase Order (PO) must be issued before then.

Committee Review: Staff updated the Finance Committee on July 26, 2023 with this information, which was in alignment with Staff, and recommended we move this item forward to the next Board of Director's meeting for consideration.

FISCAL IMPACT:

The Fiscal Year 2023-2024 Budget contains \$180,000 for Fleet Replacement Work Trucks under Project# W24019.

STAFF RECOMMENDATION:

Staff recommends the Board of Directors to authorize participating into the State of California contract pricing with Downtown Ford in Sacramento to issue a Purchase Order (PO) for five (5) new 2023 Ford F-150 XL trucks in the amount of \$150,409.28.

Respectfully Submitted,

John Thiel

John Thiel, General Manager

JT;ar

ATTACHMENT(S):

1. Exhibit A - State of California Bid and Evaluation Documents
2. Exhibit B - Downtown Ford Sacramento Contract Pricing

EVALUATION AND SELECTION REPORT

For

RFP Event ID# 0000020793

Fleet Vehicles

April 2022

****Revised September 16, 2022****

Prepared by:
Eugene Shemereko, Procurement Official
Department of General Services
Procurement Division
707 3rd Street, 2nd Floor
West Sacramento, CA 95605

1. SUMMARY

RFP Event ID# 0000020793 solicited proposals from motor vehicle dealerships/Original Equipment Manufacturers (OEMs) qualified to establish a mandatory contract to provide Cars, Trucks, and Vans and Sport Utility Vehicles (SUVs) to the State of California (State) and participating local governmental agencies. The term of the resulting contracts is three (3) years with the option to extend for two (2) additional one (1) year periods or portion thereof.

The RFP included twenty-six (26) line-items in the Cars category, sixty (60) line-items in the Truck category, and forty-three (43) line-items in the Vans & SUVs category. The contracts will be awarded by line item, in each category, to the Bidder with the highest total points. The State will consider additional awards to Bidder's that score within 150 points of the highest score within each line item and are proposing a different model than the highest scoring bidder.

The RFP was conducted using the two-envelope procedure: the first for the administrative and technical response, and the second for cost. The State identified the minimum administrative and technical requirements Bidders were required to meet or exceed on a pass/fail basis. Proposals compliant with those minimum requirements were scored in the following categories:

- Customer References
- Vehicle Purchase price less Cash Discounts
- Maintenance Plan Price (Vehicles below 8500 GVWR)
- Cost of Fuel (Vehicles below 8500 GVWR)
- Green House Gas (GHG) Rating (Vehicles below 8500 GVWR)
- SMOG Rating (Vehicles below 8500 GVWR)

The RFP strictly limited Small Business (SB) and Disabled Veteran Business Enterprise (DVBE) subcontractor participation to clearly define distinct elements of the contract consistent with the definition of the Commercially Useful Function (CUF). This RFP waived the DVBE participation requirements however, the DVBE incentive was included. A DVBE Incentive is to be applied to a qualified bidder's total cost. The incentive amount applied to each bid will vary in conjunction with the percentage of proposed DVBE participation as identified in the table below.

Confirmed DVBE Participation	DVBE Incentive
5% or over	5%
4% to 4.99% inclusive	4%
3% to 3.99% inclusive	3%
2% to 2.99% inclusive	2%

1% to 1.99% inclusive	1%
-----------------------	----

The Target Area Contract Preference Act (TACPA) preference was also included.

2. BACKGROUND

RFP Event ID 0000020793 was issued to establish new contracts for Fleet Vehicles which will replace the current Fleet Vehicles contracts established by RFP Event ID# 0000001609.

3. RELEASE OF RFP

On October 25, 2021, Event ID 0000020793 was published on the California State Contracts Register (CSCR). Proposals were due on January 7, 2022, by 5:00pm PT.

Eight (8) addenda were issued and published on the CSCR as follows:

Addendum #	Addendum Action
1	<ul style="list-style-type: none"> Language changes/clarifications; Cost Workbook changes; Technical Questionnaire changes
2	<ul style="list-style-type: none"> Language changes/clarifications; Cost Workbook changes; Narrative Response changes; Technical Questionnaire changes
3	<ul style="list-style-type: none"> Language changes/clarifications; Technical Questionnaire changes
4	<ul style="list-style-type: none"> Language changes/clarifications
5	<ul style="list-style-type: none"> Technical Questionnaire changes
6	<ul style="list-style-type: none"> Cost Workbook changes Technical Questionnaire changes Customer Reference Form revision
7	<ul style="list-style-type: none"> Cost Workbook changes Technical Questionnaire changes
8	<ul style="list-style-type: none"> RFP language changes/clarifications

Nine (9) Question and Answer (Q&A) sets were published with a total of sixty-six (66) questions.

BIDDER'S CONFERENCE

DGS/PD conducted a virtual Bidder's Conference on Microsoft Teams on November 3, 2021. Bidders were advised to submit an initial set of questions prior to the bidders' conference to be answered during the conference so that

potential bidders had that opportunity to hear detailed responses to their questions.

DRAFT PROPOSALS

Limited Draft Proposal were due on December 3, 2021, by 5:00PM. Draft proposals were limited to a completed Exhibit 6, Technical Questionnaire for the vehicles proposed. Fifteen (15) Draft Proposals were submitted.

CONFIDENTIAL DISCUSSIONS

Confidential Discussions were held on December 16, 2021, and December 17, 2021, with Bidders to discuss any deviations in their Draft Proposal.

FINAL PROPOSALS

Final Proposals were received on time from fourteen (14) Bidders on January 7, 2022. Final proposals were submitted for the line items listed below:

CARS

Bidder	Line Items Bid
Freeway Toyota	16, 20-23
Lithia Nissan	7-8
Ocean Honda	22-23
CA Car Group	12
Watsonville Fleet Group	12
US Fleet Source	7-8, 10-11, 17, 21, 23-24
Winner Chevrolet	12

TRUCKS

Bidder	Line Items Bid
Elk Grove Auto Group	20-27, 30-39, 41, 48-50, 52-53
Sacramento Truck Center	56-60
Freeway Toyota	7-10
Riverview International Trucks	50, 53, 56-58, 60
Lithia Nissan	20-21
Ocean Honda	21
Los Angeles Truck Centers, LLC	57-60
Transwest Truck Center LLC	49-56
CA Car Group	22-25, 32-34, 36-39, 41, 48, 50, 53
Downtown Ford	2, 7-10, 20-29, 32-42, 44-45, 48-56

Bidder	Line Items Bid
Watsonville Fleet Group	2, 7-10, 13, 20-41, 48-58
Bonander Truck & Trailer	58, 60
Winner Chevrolet	7-11, 13, 20-39, 41-43, 48, 50, 53

Vans & SUVs

Bidder	Line Items Bid
Elk Grove Auto Group	1-2, 5-6, 8-9, 11, 15, 21-25, 27, 31-32, 35
Freeway Toyota	1-3, 13-15, 23-25
Lithia Nissan	1-3
Ocean Honda	2, 13
CA Car Group	2-4, 29, 32-33
Downtown Ford	1-3, 5, 8, 13-15, 21-24, 29-32, 35, 38-43
Watsonville Fleet Group	1-4, 12-15, 21-23, 28-33, 35, 38-43
US Fleet Source	1-2, 10, 13, 15
Winner Chevrolet	1-4, 29-30, 32-33

4. EVALUATION

The Evaluation Team consisted of the following individuals:

Eugene Shemereko – DGS-PD Contract Administrator
 Robb Parkison – DGS-PD Contract Administrator (Backup)
 Benjamin Middleton – DGS-PD Engineer
 Wesley Ratzlaff – DGS-PD EPP Engineer

The Team reviewed all submittals for administrative and technical compliance.

ADMINISTRATIVE

The Evaluation Team evaluated all proposals for administrative compliance. All proposals were administratively compliant.

TECHNICAL

The Evaluation Team evaluated all the line items bid by all fourteen (14) Bidders to determine if the offered vehicles met the technical requirements outlined in Exhibit 5 – Technical Specifications and in the line-item descriptions.

The following Bidders were found to have technical material deviations and therefore were deemed non-compliant for the line items noted:

Bidder	Line Item #	Requirement	Bidder Response/ Material Deviation
Downtown Ford	TRUCKS CLIN 7-10	Exhibit 5 – Technical Specifications – Section 3.1 – General, Vehicles shall be evaluated to ensure they are listed in the proper class in the Fuel Economy Guide that matches the line-item description.	Bidder proposed the Ford Ranger in the Small Pickup line item. This vehicle is classified in the Fuel Economy Guide as a Standard Pickup.
Watsonville Fleet Group	TRUCKS CLIN 7-10	Exhibit 5 – Technical Specifications – Section 3.1 – General, Vehicles shall be evaluated to ensure they are listed in the proper class in the Fuel Economy Guide that matches the line-item description.	Bidder proposed the Ford Ranger in the Small Pickup line item. This vehicle is classified in the Fuel Economy Guide as a Standard Pickup.
Downtown Ford	Vans & SUVs CLIN 24	Exhibit 5 - Technical Specifications - Section 3.1 – General, Vehicles bid must meet or exceed the requirements in the RFP line-item description unless stated otherwise. Line Item Description: Vans & SUVs CLIN 24: Minivan, 7-Passenger, 170 HP , 114 in. WB, GASOLINE Fueled Vehicle in accordance with specification 2310-4181 dated 8/16/21	Bidder proposed the Transit Connect XL which comes with 162 HP.
US Fleet Source	Vans & SUVs CLIN 10	Exhibit 5 - Technical Specifications - Section 3.1 – General, Vehicles bid must meet or exceed the requirements in the RFP line-item description unless stated otherwise. Line Item Description: Vans & SUVs CLIN 10: Small Sport Utility, 2WD, 5-Passenger, 300 RANGE ,	Bidder proposed the Hyundai Kona SEL that has a range of 258 miles.

Bidder	Line Item #	Requirement	Bidder Response/ Material Deviation
		ELECTRIC Fueled Vehicle in accordance with specification 2310-4181 dated 8/16/21	
Freeway Toyota	Vans & SUVs CLIN 1	<p>Exhibit 5 - Technical Specifications - Section 3.1 – General, Vehicles bid must meet or exceed the requirements in the RFP line-item description unless stated otherwise.</p> <p>Line Item Description: Vans & SUVs CLIN 1: Sport Utility, 4x4 or AWD, 5-Passenger, 165 HP, 103 in. WB, 59 cu. ft. Cargo Volume, GASOLINE Fueled Vehicle in accordance with specification 2310-4181 dated 8/16/21</p>	Bidder proposed the Toyota Corolla Cross with 25.2 cu. ft. of cargo volume.
Lithia Nissan	Vans & SUVs CLIN 3	<p>Exhibit 5 - Technical Specifications - Section 3.1 – General, Vehicles bid must meet or exceed the requirements in the RFP line-item description unless stated otherwise.</p> <p>Line Item Description: Vans & SUVs CLIN 3: Sport Utility, 4x4 or AWD, 8-Passenger, 350 HP, 116 in. WB, 94 cu. ft. Cargo Volume, GASOLINE Fueled Vehicle in accordance with specification 2310-4181 dated 8/16/21</p>	Bidder proposed the Nissan Armada with 92.6 cu. ft. of cargo volume.
Elk Grove Auto	Vans & SUVs CLIN 6	<p>Exhibit 5 - Technical Specifications - Section 3.1 - General (Applies to all Vehicles)</p> <p>...Vehicles bid must meet or exceed the requirements in the</p>	Bidder proposed the VW ID.4 with a range of 249 miles.

Bidder	Line Item #	Requirement	Bidder Response/ Material Deviation
		<p>RFP line-item description unless stated otherwise.</p> <p>Line Item Description is as follows:</p> <p>Vans & SUVs CLIN 6:Small Sport Utility, AWD, 5-Passenger, 250 RANGE, ELECTRIC Fueled Vehicle in accordance with specification 2310-4181 dated 8/16/21</p>	

COST EVALUATION

After completion of the Administrative and Technical evaluations, the cost sections of all remaining compliant proposals were publicly opened on March 17, 2022.

The following Bidders were found to have material deviations in their Cost and therefore were deemed non-compliant for the line items noted:

Bidder	Line Item #	Requirement	Bidder Response/ Material Deviation
Elk Grove Auto	TRUCKS CLIN 30-31 & Vans & SUVs CLIN 31	<p>RFP Section 3.1.6.2 - Maintenance Plan:</p> <p>The Bidder shall offer a maintenance plan covering all regularly scheduled service for a minimum of five (5) years/75,000 miles.</p>	The Bidder offered a maintenance plan for Trucks CLIN 30, CLIN 31, and Vans and SUVs CLIN 31, however, no cost was proposed. Bidder confirmed that they cannot offer the plan at no cost and had to retract their bids for these line items.
Elk Grove Auto	Vans & SUVs CLIN 2	<p>RFP Section 3.2.2 - Pricing:</p> <p>The price quoted on Exhibit 1, Cost Workbook shall be the price per vehicle for the applicable line item for delivery in Sacramento County.</p>	The Bidder made an obvious clerical error on Vans & SUVs CLIN 2 with a bid price of \$2,975.00. The Bidder confirmed that they are unable to sell the vehicle to the state at this price.
Watsonville Fleet Group	Vans & SUVs	RFP Section 3.2.2 - Pricing:	The Bidder informed DGS-PD they made an error in their bid

Bidder	Line Item #	Requirement	Bidder Response/ Material Deviation
	CLIN 3 (Tahoe)	The price quoted on Exhibit 1, Cost Workbook shall be the price per vehicle for the applicable line item for delivery in Sacramento County.	price for this line item after cost was opened. They are not able to provide the vehicle at the proposed price.
Watsonville Fleet Group	Vans & SUVs CLIN 33	RFP Section 3.2.2 - Pricing: The price quoted on Exhibit 1, Cost Workbook shall be the price per vehicle for the applicable line item for delivery in Sacramento County. RFP Section 4.1.3 Required Information: Exhibit 1, Cost Workbook must be filled out completely for each line item that is bid or the proposal may be rejected. Yellow cells are mandatory and must be completed in each worksheet.	The Bidder did not propose a price for Vans & SUVs CLIN 33.
Watsonville Fleet Group	Trucks CLIN 40, 51, and 54	RFP Section 3.2.2 - Pricing: The price quoted on Exhibit 1, Cost Workbook shall be the price per vehicle for the applicable line item for delivery in Sacramento County.	The Bidder informed the state that they made an error on the bid price for Trucks Line Items 40, 51, and 54 and that they cannot sell the vehicles proposed for those line items at that price.

In the Vans and SUVs category, CLIN 24 and CLIN 25 required a gas-powered engine. Bidders were required to meet or exceed the technical specifications of the line item. One Bidder proposed a Hybrid vehicle for these line items, the other Bidders proposed gas vehicles. Technically the Hybrid vehicle exceeds the line-item requirements for both CLINs. However, based on the scoring criteria (mpg, GHG, etc..) it was clear the evaluation of these vehicles was not an apples-to-apples comparison and provided an unfair advantage to the bidder who proposed the hybrid vehicle. Therefore, it was in the best interest of the State to

split the line items into a hybrid vehicle line item and a gas-powered line item. CLIN 24A and CLIN 25A, in the Vans and SUVs category, will represent the hybrid line items which will allow for the different vehicle types to be evaluated and scored fairly.

****On September 15, 2022, Downtown Ford Sales notified the state of a mistake for Vans & SUVs line items 5 and 8. The pricing for the line items was mistakenly swapped and needed to be adjusted to allow for the line items to remain on contract. The pricing was adjusted in Attachment 1 – Evaluation Breakdown and was determined not to affect award. Downtown Ford still has the highest total points for CLIN 5 after adjustment and became the bidder with the highest total points for CLIN 8 after the adjustment. All other compliant bidders for those CLINs remained within the 150-point band. ****

PREFERENCES AND INCENTIVES

Preferences and incentives were available per RFP Section 6.3.1, Preference Calculation.

SMALL BUSINESS (SB) AND DISABLED VETERAN BUSINESS ENTERPRISE (DVBE) PARTICIPATION

None of the Bidders claimed SB/DVBE participation, therefore, no preference/incentive points were applied.

TACPA

No TACPA preferences were claimed.

5. **AWARD**

Award will be made by line item to the responsive and responsible Bidder with the highest total of points, including all applicable preference points.

The State reserves the right to make additional award(s) to responsive and responsible Bidder(s) if both of the following occur:

- The Bidder's proposal is within 150 points of the highest scored proposal within each line item.
- The additional Bidder represents a different model than the highest scoring Bidder.

SCORING CRITERIA

The bidders were scored in the following categories. The Total Available Points does not include applicable preference and incentive points.

Scoring Category	Total Available Points
Customer References	10
Maintenance Plan Price	5
Cost of Fuel	200
GHG Rating	100
SMOG Rating	100
Vehicle Purchase Price less Cash Discounts (Cost)	600
Total Score	1015

A breakdown of points proposed by Bidder by line item is shown in Attachment 1 – Evaluation Breakdown.

6. EVALUATION SUMMARY

The Team verified the following information:

- Each proposed awardee was determined responsible.
- Each proposed awardee was determined responsive.
- The Bidders were all judged to have bid independently.
- Based on the analysis of the pricing, the pricing is fair and reasonable.
- The proposed awardees meet or exceed the technical requirements.

7. RECOMMENDATION

In accordance with RFP Section 6.4, Selection and Award, the Team recommends the following awards.

CARS

Bidder	Line Item
Freeway Toyota	16, 20, 21, 22, 23
Lithia Nissan	7, 8
Ocean Honda	22, 23
US Fleet Source	10, 11, 17, 21, 23, 24
Winner Chevrolet	12 (Bolt), 12 (Bolt EUV)

TRUCKS

Bidder	Line Item
CA Car Group	22, 23, 34, 38, 41, 48
Downtown Ford	2, 20, 22, 23, 24, 25, 26, 27, 28, 29, 40, 42, 44, 45, 48, 49, 50, 51, 52, 53, 54, 55, 56
Elk Grove Auto	20, 22, 23, 24, 25, 26, 27, 32, 34, 35, 37, 38, 39, 41, 48, 49, 50, 52, 53
Freeway Toyota	7, 8, 9, 10

Lithia Nissan	20
Riverview International	50, 53, 56 (MV), 56 (HV), 57 (MV), 57 (HV)
Sacramento Truck Center	56, 57, 59
Watsonville Fleet Group	13, 32, 34, 35, 37, 38, 39, 40, 41, 51, 54, 57
Winner Chevrolet	7, 8, 9, 10, 11, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 34, 35, 37, 38, 39, 41, 42, 43, 48, 50, 53

VANS & SUVs

Bidder	Line Item
Downtown Ford	3, 5, 8, 31
Elk Grove Auto	5 (Q4 E-tron), 5 (iD4), 8 (Q4 E-tron), 8 (iD4), 9, 11, 22, 23, 24, 25, 27, 35
Freeway Toyota	3, 23, 24A, 25A
Ocean Honda	24
Watsonville Fleet Group	12, 22, 23, 28, 35, 38, 39, 40, 41, 42, 43
Winner Chevrolet	3, 4, 33

For total points and estimated award value please see Attachment 1 – Evaluation Breakdown.

8. NEGOTIATIONS

The State has elected to enter into Negotiations under Public Contract Code 6611(a)(4) for the following category line items:

TRUCKS

Line Item
21
33
36
58
60

VANS & SUVs

Line Item
1
2
13
14
15
21
29
30
32

A supplement to this Evaluation Selection Report will be completed once negotiations are finalized.



NEW! All businesses are encouraged to provide voluntary diversity data information in their Cal eProcure profiles. *Collecting voluntary diversity data is part of California's commitment to diversity, equity and inclusion in the state's supplier base.* Click [HERE](https://fiscal.cdn.prismic.io/fiscal/588158e4-0bb3-4874-8c7b-beb1753d6ca5_DGS+Diversity+Collection+Communication.pdf) (https://fiscal.cdn.prismic.io/fiscal/588158e4-0bb3-4874-8c7b-beb1753d6ca5_DGS+Diversity+Collection+Communication.pdf) for instructions. More information is available on the Statewide Supplier Diversity Program (<https://www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Statewide-Supplier-Diversity-Program/Statewide-Supplier-Diversity-Program>) page.

Event Details

Event :



0000020793

[✉ \(mailto:?subject=Sharing Cal eProcure Event&body='I'm sharing a Cal eProcure Event with you, you can view it here: https%3A%2F%2Fcalegprocure.ca.gov%2Fevent%2F77601%2F0000020793](mailto:?subject=Sharing%20Cal%20eProcure%20Event&body=I'm%20sharing%20a%20Cal%20eProcure%20Event%20with%20you%2C%20you%20can%20view%20it%20here%3A%2F%2Fcalegprocure.ca.gov%2Fevent%2F77601%2F0000020793)

Fleet Vehicles (Cars, Trucks, and Vans & SUVs)

Details

Event ID

0000020793

Dept:

DGS - Statewide Procurement

Format/Type:

Sell Event / RFx

Event Version

12

Published Date

10/25/2021 3:30PM PDT

Event End Date:

01/07/2022 5:00PM PST

Description:

12/22/2021

Addendum #8 posted

Q&A Set #8 added

12/20/2021

Addendum #7 posted

Q&A Set #7 added

12/15/2021

Addendum #6 posted

Q&A Set #6 added

12/8/2021

Q&A Set #5 added

11/30/2021

Addendum #5 posted

Q&A Set #4 added

11/29/2021

Addendum #4 posted

11/24/2021

Q&A set #3 added

11/23/21

Addendum #3 posted

11/17/2021

Q&A Set #2 added

Addendum #2 posted

11/05/2021

Q&A Set #1 added

Addendum #1 posted

This Request for Proposal (RFP) solicits proposals from motor vehicle dealerships/Original Equipment Manufacturers (OEMs) qualified to establish a mandatory contract to provide Cars, Trucks, and Vans and Sport Utility Vehicles (SUVs) to the State of California (State) and participating local governmental agencies.

[View Event Package](#)

[View Vendor Ads](#)

Contact Information

Eugene Shemereko

Phone: 279/946-8028

Email: eugene.shemereko@dgs.ca.gov (mailto:eugene.shemereko@dgs.ca.gov?subject=0000020793%20--%2012%2F22%2F2021%0AAddendum%20%238%20posted%0AQ%26A%20Set%20%238%20added%0A%0A12%2F20%2F2021%0AAddendum%20%237%20posted%0AQ%2

Pre Bid Conference (N/A)

Mandatory: Non Mandatory

Date:

Time:

Location:

Comments:

UNSPSC Codes

UNSPSC Classification	UNSPSC Classification Description
25101500	Passenger motor vehicles
25101600	Product & material transport vehicles
25101503	Passenger motor vehicles - Automobiles or cars
25101504	Passenger motor vehicles - Station wagons
25101505	Passenger motor vehicles - Minivans or vans
25101507	Passenger motor vehicles - Light trucks or sport utility vehicles
25101509	Passenger motor vehicles - Electrically powered vehicle
25101604	Product & material transport vehicles - Delivery trucks
25181601	Automotive chassis - Truck chassis
25181603	Automotive chassis - Cargo truck body



Contractor License Type (N/A)



Service Area (N/A)



[\(http://www.fiscal.ca.gov/\)](http://www.fiscal.ca.gov/)



[\(http://www.dgs.ca.gov/\)](http://www.dgs.ca.gov/)



[\(http://www.ca.gov/\)](http://www.ca.gov/)

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STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
PROCUREMENT DIVISION
Request for Proposal

****Addendum 8****
Fleet Vehicles
Event ID 0000020793

December 22, 2021

- 1. Section 1 – Introduction and Overview 8
 - 1.1 Scope of this Request for Proposal (RFP)..... 8
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1. Section 1 – Introduction and Overview

This Request for Proposal (hereafter called the RFP) solicits proposals from motor vehicle dealerships/Original Equipment Manufacturers (OEMs) qualified to establish a mandatory contract to provide Cars, Trucks, and Vans and Sport Utility Vehicles (SUVs) to the State of California (State) and participating local governmental agencies.

1.1 Scope of this Request for Proposal (RFP)

The Scope of this RFP includes Fleet Vehicles as defined in Section 3.1.1, Proposed Products. The State reserves the right to eliminate any specific line item from the final award.

The State intends that the selected Bidder will work in cooperation with the State to furnish quality products at the lowest price available in a timely and efficient manner. The selected Bidder will be the primary point of contact for warehousing, customer service, data collection, reporting and distribution of Fleet Vehicles to the State.

Award will be made by line item to the Bidder who scores the highest number of points. Line items may have multiple awards as described in Section 6.4, Selection and Award.

The term of the contracts resulting from this RFP will be three (3) years. The contracts will also contain options to extend for two (2) additional one (1) year periods or portion thereof. If a mutual agreement cannot be met the contract may be terminated at the end of the current contract term and/or contract extension. All terms and conditions will remain the same for the entire contract period including any extension periods.

The use of these contracts shall be mandatory for all State departments except in cases of emergency as defined in Public Contract Code (PCC), Section 1102.

All vehicles offered must be new and the latest model year **[in current production] *available for order***. Used, shopworn, refurbished, demonstrator, prototype, or discontinued models are not acceptable.

Any contract executed as a result of this RFP may be amended by mutual consent of the State and the Contractor.

1.1.1 Current Contract/Historical Spend

The historical value based on expenditures from the current statewide contracts for Fleet Vehicles is \$125 Million over a two (2) year period.

1.1.2 State and Local Government Participation

The awarded Bidder shall permit local governmental agencies to participate under the resulting contracts.

Local government agencies are defined as “any city, county, city and county, district or other local governmental body or corporation empowered to expend public funds for the acquisition of goods, information technology, or services”, reference PCC Section 10298 (a) (b) and PCC Section 10299 (b). Local governmental agencies shall have the same rights and privileges as the State under the terms of these contracts.

Any local governmental agencies desiring to participate shall be required to submit to the same responsibilities as do State departments and will have no authority to amend, modify or change any condition of these contracts.

Government agencies from other States may only negotiate the specific provisions cited below. If the parties cannot mutually agree, neither party shall be obligated to enter into an agreement:

- Invoicing, delivery, and payment provisions
- Governing law, jurisdiction

1.2 Authority of the RFP and Bidder Admonishment

This RFP is being conducted under the policies developed by the Department of General Services, Procurement Division (DGS-PD) as provided under Public Contract Code (PCC) Section 10300, et seq. This RFP contains the instructions governing the requirements for a proposal to be submitted by interested Bidders. The format in which proposal information is to be submitted, and the material to be included therein. This RFP also addresses the requirements that Bidders must meet to be eligible for consideration, as well as addressing Bidders' responsibilities.

If a bidder expects to be afforded the benefits of the steps included in this RFP, the bidder must take the responsibility to:

- Carefully read the entire RFP.
- Ask appropriate questions in a timely manner if clarification is necessary.
- Submit all required responses, complete to the best of the bidder's ability, by the required dates and times.
- Make sure that all procedures and requirements of the RFP are accurately followed and appropriately addressed.
- Carefully reread the entire RFP before submitting the proposal.

1.3 Availability

Proposed models meeting the mandatory requirements must be available throughout the duration of the contract term, except in accordance with Section 3.1.3, Product Substitutions/Discontinued Items.

1.4 Procurement Official

The Procurement Officials' contact information for this RFP is listed below:

Eugene Shemereko
Procurement Division
Department of General Services
707 Third Street, 2nd Floor
West Sacramento, CA 95605
Telephone: (279) 946-8028
Facsimile: (916) 375-4522
E-mail: Eugene.Shemereko@dgs.ca.gov

Proposal Submittal E-mail: CMU@dgs.ca.gov

All inquiries, questions, and copies of protests must be directed to only this person, unless otherwise identified in this RFP or changed by addendum to this RFP. Proposal submittals shall be sent to the Proposal Submission E-mail address identified above.

The Procurement Official shall be the single point of contact for information related to this RFP. Oral communications directly with procurement officers and employees concerning this RFP are discouraged and shall not be binding to the State. Bidders should only rely on written statements issued by the Procurement Official.

1.5 Key Action Dates

The important dates and times by which actions must be taken or completed are identified in Exhibit 2, Key Action Dates. If the State finds it necessary to change any of these dates, it will be accomplished by an addendum to this RFP. All dates after the Final Proposal submissions are approximate and may be adjusted as conditions indicate without addendum to the RFP.

Unless otherwise indicated, Bidder submissions shall be due by 5:00 p.m. (PT) on the date indicated in Exhibit 2, Key Action Dates.

1.6 Americans with Disabilities Act (ADA)

To meet and carry out compliance with the nondiscrimination requirements of Title II, Americans with Disabilities Act (ADA), it is the policy of the State to make every effort to ensure that its programs, activities, employment opportunities, and services are available to all persons, including persons with disabilities.

For persons with a disability needing reasonable accommodation to participate in the Procurement process, or for persons having questions regarding reasonable accommodation for the Procurement process, please contact the Procurement Division at 916-375-4400 (main office). Procurement Division's TTY/TDD (telephone device for the deaf) and California Relay Service numbers are listed below. You may also directly contact the Procurement Official for this procurement.

IMPORTANT: To ensure that we can meet your accommodation, it is best that we receive your request at least ten (10) working days before the scheduled event (e.g., Bidder conference) or deadline due-date for procurement documents.

The Procurement Division TTY telephone number is:

- Sacramento Office: (916) 376-1891

The California Relay Service Telephone Numbers are:

- Voice: 1-800-735-2922 or 1-888-877-5379
- TTY: 1-800-735-2929 or 1-888-877-5378
- Speech to Speech: 1-800-854-7784

1.7 State of California Environmentally Preferable Purchasing (EPP)

The State of California, DGS-PD is responsible for the implementation of Environmentally Preferable Purchasing (EPP) as mandated by the PCC, Chapter 6, Sections 12400 through 12404. By signing the Agreement Cover Letter, the Bidder is certifying that the products or services offered under this solicitation are in compliance with the Federal Trade Commission's Guidelines for the User of Environmental Marketing Terms, in accordance with PCC Section 12404.

All Vehicles will be scored for the following EPP criteria:

- Air Pollution
- Green House Gas (GHG) Rating
- SMOG Rating
- Service Plan

2. Section 2 – Rules Governing the Procurement Process

Section 2 describes the bidding steps and includes the Bidder's and State's rights and responsibilities for the procurement process. Specific guidelines for the submission of this RFP response are found in Section 5, Proposal Format.

2.1 Identification and Classification of RFP Requirements**2.1.1 Requirements**

The State has established certain requirements with respect to proposals to be submitted by prospective contractors. The use of "shall," "must," or "will" (except to indicate simple futurity) in the RFP indicates a requirement or condition which is mandatory. A deviation, if not material, may be waived by the State. A deviation from a requirement is material if the deficient response is not in substantial accord with the RFP requirements, provides an advantage to one Bidder over other Bidders, or has a potentially significant effect on the delivery, quantity or quality of items bid, amount paid to the supplier, or on the cost to the State. Material deviations cannot be waived.

2.1.2 Desirable Items

The words "should" or "may" in the RFP indicate desirable attributes or conditions but are non-mandatory in nature. Deviation from, or omission of, such a desirable feature, even if material, will not in itself cause rejection of the proposal.

2.1.3 Mandatory Requirements

All items within this RFP labeled mandatory (M) are non-negotiable. A Pass/Fail evaluation will be utilized for all mandatory requirements in this RFP. Bidder's signature on the form in Section 2.3.4.5, Signature of Proposal and submission of proposal response will be considered as Bidder's agreement to all mandatory RFP requirements.

2.1.4 Non-Mandatory Requirements

This RFP may include both preference programs and product/contract performance items identified as non-mandatory (NM) requirements. Bidders are not required to comply with these requirements to be compliant with the RFP. However, if a Bidder applies for a preference, the Bidder must meet the applicable preference requirements and provide the requested preference documentation as outlined within the section requirement.

2.1.5 Scored Requirements

This RFP includes mandatory scored (MS) requirements. Mandatory scored requirements are non-negotiable and will achieve points as identified in Exhibit 7, Vehicle Procurement Evaluation Methodology if the requirement is met.

2.1.6 Narrative Responses

This RFP includes some items that require a narrative response. Those items have been listed on Exhibit 3, Narrative Response. Bidders are to input narrative responses on the exhibit only and only for the items requested. If necessary, Bidders may add attachments to the exhibit to further explain their response. Bidders shall not input narrative responses within the proposal document, nor should narrative responses be included for items the State did not list on Exhibit 3, Narrative Response.

2.2 Bidding Requirements and Conditions

2.2.1 General

This RFP, the evaluation of responses, and the award of any resultant contract shall be made in conformance with current competitive bidding procedures as they relate to the procurement of Information Technology goods and services by public bodies in the State of California. A Bidder's Final Proposal is an irrevocable offer for 90 days following the scheduled date for Submission of Final Proposals in Exhibit 2, Key Action Dates. A Bidder may extend the offer in the event of a delay of contract award.

2.2.2 RFP Documents

This RFP includes, in addition to an explanation of the State's needs which must be met, instructions which prescribe the format and content of proposals to be submitted and the model of the contract to be executed between the State and the successful Bidder. If a Bidder discovers any ambiguity, conflict, discrepancy, omission, or other error in this RFP, the Bidder shall immediately notify the Procurement Official in accordance with Section 1.4, Procurement Official, of such error in writing and request clarification or modification of the document. If necessary, modifications will be made by addenda issued pursuant to Section 2.2.8, Addenda.

If the RFP contains an error known to the Bidder, or an error that reasonably should have been known, the Bidder shall bid at its own risk. If the Bidder fails to notify the State of the error prior to the date fixed for submission of proposals, and is awarded the contract, the Bidder shall not be entitled to additional compensation or time by reason of the error or its later correction.

2.2.3 Examination of the Work

The Bidder should carefully examine the entire RFP and any addenda to fully understand the requirements of the solicitation and resulting contract.

2.2.4 Questions Regarding the RFP

Bidders requiring clarification of the intent or content of this RFP or on procedural matters regarding the competitive bid process may request clarification by submitting questions, in an email or envelope clearly referencing subject solicitation, to the Procurement Official listed in Section 1.4, Procurement Official. To ensure a response, questions must be received in writing by the scheduled date given in Exhibit 2, Key Action Dates.

Question and answer sets will be provided to all Bidders without identifying the submitters. Any questions submitted should be crafted without revealing the name of the requestor. At the sole discretion of the State, questions may be paraphrased by the State for clarity. Oral answers shall not be binding on the State.

A Bidder who desires clarification or further information on the content of the RFP, but whose questions relate to the proprietary aspect of that Bidder's proposal and which, if disclosed to other Bidders, would expose that Bidder's proposal, may submit such questions in the same manner as above, but also marked "CONFIDENTIAL," and not later than the scheduled date

specified in Exhibit 2, Key Action Dates, to ensure a response. The Bidder must explain why any questions are sensitive in nature.

If the State concurs that the disclosure of the question or answer would expose the proprietary nature of the proposal, the question will be answered, and both the question and answer will be kept in confidence. If the State does not concur with the proprietary aspect of the question, the question will not be answered in this manner and the Bidder will be so notified.

2.2.5 Request to Change the Requirements of the RFP

If the Bidder believes that one or more of the RFP requirements is onerous, unfair, or imposes unnecessary constraints to the Bidder in proposing less costly or alternate solutions, the Bidder may request a change to the RFP by submitting, in writing, the recommended change and the facts substantiating this belief and reasons for making the recommended change. Such request must be submitted to the Procurement Official by the date specified in Exhibit 2, Key Action Dates.

Failure by any Bidder to raise any concern related to the solicitation requirements or a failure of a referenced internet link by the relevant Key Action Date will be deemed a waiver of any claim regarding the contract award relating to the solicitation requirements.

2.2.6 Bidders' Conference

A Bidders' Conference will be held, during which suppliers will be afforded the opportunity to meet with State personnel and discuss the content of the RFP and the procurement process. Suppliers are encouraged to attend the Bidders' Conference. The time, date, and place of such conference are included in Exhibit 2, Key Action Dates.

The State may accept oral questions during the conference and will make a reasonable attempt to provide answers prior to the conclusion of the conference. Questions and appropriate answers discussed during the conference will normally be published within approximately ten (10) working days. If questions asked at the conference cannot be adequately answered during the discussion, answers will be provided with a published question and answer set. Oral answers shall not be binding on the State.

2.2.7 Supplier's Intention to Submit a Proposal

Suppliers who want to participate in the bidding process are asked to state their intention by submitting an email to the Procurement Official by the date specified in Exhibit 2, Key Action Dates, with the following elements:

- Company Name and address
- Contact name, email, and phone number

Bidders that submit their intention to submit a proposal will be placed on a notification list to receive email notifications of any changes or clarifications to any part of the RFP. Interested parties who do not intend to bid but would like to receive notifications for this procurement should submit a request to be added to the notification list. All addenda, Question and Answer

Sets, and Requests for Change will be published on the eProcurement California State Contracts Register.

2.2.8 Addenda

The State may modify the RFP prior to the date fixed for Contract Award by issuance of an addendum. Addenda will be numbered consecutively. In the event that the solicitation is revised by an addendum, the Bidder is required to meet all requirements of the most current addendum, including using any updated forms. If any supplier determines that an addendum unnecessarily restricts its ability to bid, the supplier is allowed to ask a question or submit a request to change to the requirements according to the instructions contained in Section 2.2.4, Questions Regarding the RFP, and Section 2.2.5, Request to Change the Requirements of the RFP.

2.2.9 Discounts

In connection with any discount offered, except when provision is made for a testing period preceding acceptance by the State, time will be computed from date of delivery of the supplies or equipment as specified, or from date correct invoices are received in the office specified by the State if the latter date is later than the date of delivery. When provision is made for a testing period preceding acceptance by the State, date of delivery shall mean the date the supplies or equipment are accepted by the State during the specified testing period. Payment is deemed to be made, for the purpose of earning the discount, on the date of mailing the State warrant or check.

2.2.10 Joint Proposals

Joint proposals are not acceptable for this solicitation.

2.3 Proposal Process

2.3.1 General

The procurement process to be used in this acquisition consists of multiple steps. Refer to Exhibit 2, Key Action Dates, to determine which steps are included in this RFP.

The Final Proposal is a mandatory step for all Bidders; all other steps are optional. However, all Bidders are strongly encouraged to follow the scheduled steps of this procurement to increase the chance of submitting a compliant Final Proposal. Costs submitted in any submission other than the Final Proposal may preclude the Bidder from continuing in the process.

2.3.2 Final Proposals

The State desires to obtain proposals that are responsive in every respect. Final Proposals must be complete with all required cost information, signatures, forms, and documentation.

2.3.2.1 Draft Proposal

A "limited" Draft Proposal step is included in this RFP. Submission of a Draft Proposal is strongly recommended so that the Bidder may minimize the risk that the Final Proposal will be deemed non-compliant. Bidders shall provide a completed Exhibit 6, Technical

Questionnaire. The draft proposal must be submitted by the date and time specified in Exhibit 2, Key Action Dates. Bidders shall limit their draft proposals to this information only.

For Draft Proposals that are evaluated, the Bidder will be notified via email of any defects the State has noted. Draft Proposals received late may be reviewed if the Procurement Official believes there is enough time and resources to do so. Notifying the Bidder of defects is intended to minimize the risk that the Final Proposal will be deemed non-compliant; however, the State will not provide any warranty that the Draft Proposal will be evaluated even if accepted for review, or that any or all defects in the Draft Proposal have been detected. Notification of defects in the Draft Proposal will not preclude rejection of the Final Proposal, if undiscovered defects contained in the Draft Proposal are later found in the Final Proposal.

The State may conduct confidential discussions with Bidders submitting Draft Proposals that have been reviewed by the State. At the confidential discussion, the State will identify areas of the Bidder's Draft Proposal that may not be fully compliant with the requirements of the RFP and areas that are confusing to the State Evaluation Team. Oral statements made by either party during confidential discussions shall not be binding.

2.3.3 Public Record

Final proposals are public upon posting of Notice of Intent to Award. Bidders should be aware that marking a document "confidential" or "proprietary" in a final will not keep that document from being released after notice of intent to award as part of the public record, in accordance with the California Public Records act. This act requires inspection or disclosure of governmental records to the public upon request unless exempted by law or a court has ordered the State not to release the document.

2.3.4 Submission of Proposals

The instructions contained herein apply to the Final Proposal. They also apply to the Draft Proposal, except as noted.

2.3.4.1 Preparation

Proposals are to be prepared in such a way as to provide a straightforward, concise delineation of capabilities to satisfy the requirements of this RFP. Expensive bindings, colored displays, promotional materials, etc., are not necessary or desired. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content.

Before submitting each document, the Bidder should carefully proof it for errors and adherence to the RFP requirements.

2.3.4.2 Bidder's Cost

Costs for developing proposals are entirely the responsibility of the Bidder and shall not be chargeable to the State.

2.3.4.3 Completion of Proposals

Proposals must be complete in all respects in accordance with Section 5, Proposal Format. A Final Proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. A Final Proposal must be rejected if any such defect or irregularity constitutes a material deviation from the RFP requirements. The Final Proposal must contain all costs required by the RFP in accordance with Section 4, Cost, and Section 5, Proposal Format, setting forth a unit price and total price for each unit price item, and a total price for each lump sum price item in the schedule, all in clearly legible figures. If required in Section 5, Proposal Format, cost data must be submitted under separate cover.

2.3.4.4 False or Misleading Statements

Proposals which contain false or misleading statements, or which provide references which do not support an attribute or condition claimed by the Bidder, may be rejected. If, in the opinion of the State, such information was intended to mislead the State in its evaluation of the proposal, and the attribute, condition, or capability is a requirement of this RFP, it will be the basis for rejection of the proposal.

2.3.4.5 Signature of Proposal

All Bidders must complete the [Agreement Cover Letter \(https://www.dgs.ca.gov/-/media/1DCB49CFFD9642C4ADD9FCEDAB5C1D95.ashx\)](https://www.dgs.ca.gov/-/media/1DCB49CFFD9642C4ADD9FCEDAB5C1D95.ashx) and include it with the proposal. The Agreement Cover Letter (which shall be considered an integral part of the Final Proposal) shall be signed by an individual who is authorized to bind the bidding firm contractually. An unsigned Final Proposal shall be rejected.

2.3.4.6 Delivery of Proposals

Final Proposals must be submitted no later than the date and time specified in Exhibit 2, Key Action Dates. Proposals must be received by the Department of General Services on or before the specified date and time. Bidders are required to deliver proposals as required in Section 5, Proposal Format. Bidders should set up their email to receive a delivered receipt when submitting the electronic proposal.

Final Proposals not received by the date and time specified in Exhibit 2, Key Action Dates will be rejected.

In accordance with Section 5, Proposal Format, cost data must be in a separate attachment and clearly labeled. If cost data is not submitted in this manner, the proposal may be rejected. Proposals submitted under improperly labeled documents may be rejected.

2.3.4.7 Withdrawal and Resubmission/Modification of Proposals

A Bidder may withdraw its Final Proposal at any time prior to the proposal submission date and time specified in accordance with Exhibit 2, Key Action Dates, by submitting via email a written notification of withdrawal signed by the Bidder authorized in accordance with Section 2.3.4.5, Signature of Proposal. The Bidder may thereafter submit a new or modified proposal prior to such proposal submission date and time. Modification offered in any other manner, oral or written, will not be considered. Other than as allowed by law,

Final Proposals cannot be changed or withdrawn after the date and time designated for receipt, except as provided in accordance with Section 2.3.6.3, Errors in the Final Proposals.

2.3.5 Rejection of Proposals

The State may reject any or all proposals and may waive any immaterial deviation or defect in a proposal. The State's waiver of any immaterial deviation or defect shall in no way modify the RFP documents or excuse the Bidder from full compliance with the RFP specifications if awarded the contract.

2.3.6 Evaluation and Selection Process

2.3.6.1 General

Proposals will be evaluated in accordance with Section 6, Evaluation.

2.3.6.2 Evaluation Questions

During the evaluation and selection process, the State may desire the presence of a Bidder's representative for answering specific questions, orally and/or in writing. During the evaluation of Final Proposals, the State may ask the Bidder to clarify their submitted information but will not allow the Bidder to change their proposal.

2.3.6.3 Errors in the Final Proposals

An error in the Final Proposal may cause the rejection of that proposal; however, the State may at its sole option retain the proposal and make certain corrections.

In determining if a correction will be made, the State will consider the conformance of the proposal to the format and content required by the RFP, and any unusual complexity of the format and content required by the RFP.

If the Bidder's intent is clearly established based on review of the complete Final Proposal submittal, the State may at its sole option correct an error based on that established intent.

If hard copies are submitted and there is a discrepancy between the Master copy and the additional copies, the Master copy shall have priority over the additional copies.

The State may at its sole option correct obvious clerical errors, arithmetic errors, and discrepancies. If necessary, the cost extensions and summary will be recomputed accordingly, if obviously misstated. If the unit price is ambiguous, unintelligible, uncertain for any cause, or is omitted, it shall be the amount obtained by dividing the extended total price by the quantity of the item.

The State may at its sole option correct errors of omission, and in the following four (4) situations, the State will take the indicated actions if the Bidder's intent is not clearly established by the complete proposal.

1. If an item is described in the narrative and omitted from the contract and cost data provided in the proposal for evaluation purposes, it will be interpreted to mean that the item will be provided by the Bidder at no cost.
2. If a minor item is not mentioned at all in the Final Proposal and is essential to satisfactory performance, the proposal will be interpreted to mean that the item will be provided at no cost.
3. If a major item is not mentioned at all in the Final Proposal, the proposal will be interpreted to mean that the Bidder does not intend to supply that item.
4. If a major item is omitted, and the omission is not discovered until after contract award, the Bidder shall be required to supply that item at no cost.

The determination of whether an item is minor or major is the responsibility of the State.

If a Bidder does not follow the instructions for computing costs not related to the contract (e.g., State personnel costs), the State may reject the proposal, or at its sole option, re-compute such costs based on instructions contained in the RFP.

If the re-computations or interpretations, as applied in accordance with this section, result in significant changes in the amount of money to be paid to the Bidder (if awarded the contract) or in a requirement of the Bidder to supply a major item at no cost, the Bidder will be given the opportunity to promptly establish the grounds legally justifying relief from its proposal.

IT IS ABSOLUTELY ESSENTIAL THAT BIDDERS CAREFULLY REVIEW THE COST ELEMENTS IN THEIR FINAL PROPOSAL, SINCE THEY WILL NOT HAVE THE OPTION TO CORRECT ERRORS AFTER THE TIME FOR SUBMITTAL.

At the State's sole discretion, it may declare the Final Proposal to be a Draft Proposal if the State determines that Final Proposals from all Bidders contain material deviations. Bidders may not protest the State's determination that all proposals have material deviations. If all proposals are declared noncompliant, the State may issue an addendum to the RFP. Should this occur, confidential discussions will be held with Bidders who are interested in continuing to be considered. Each Bidder will be notified of the due date for the submission of a new Final Proposal to the State. This submission must conform to the requirements of the original RFP as amended by any subsequent addenda. The new Final Proposals will be evaluated in accordance with Section 6, Evaluation.

2.3.7 Award of Contract

Award of contract, if made, will be in accordance with Section 6, Evaluation, to a responsible Bidder whose Final Proposal complies with all the requirements of the RFP documents and any addenda thereto, except for such immaterial defects as may be waived by the State.

The State reserves the right to determine the successful Bidder either on the basis of individual items or on the basis of all items included in its RFP, unless otherwise expressly provided in the State's RFP. The State reserves the right to modify or cancel in whole or in part its RFP.

2.3.8 Debriefing

A debriefing may be held after contract award at the request of any Bidder for the purpose of receiving specific information concerning the evaluation. The discussion will be based primarily on the technical and cost evaluations of the Bidder's Final Proposal. A debriefing is not the forum to challenge the RFP specifications or requirements.

2.4 Contractual Information**2.4.1 Contract Provisions**

The State has model contract provisions to be used by State agencies when contracting for non-IT goods and services. The model contract provisions appropriate for the specific requirements of this RFP are included in the RFP.

2.4.2 Specific Terms and Conditions

The contract to be awarded is included in the solicitation document in its final form, and any alteration by a Bidder will result in rejection of its proposal.

2.4.3 Term of Contract

The State intends to acquire the required goods and services for at least the period specified in Section 1.1, Scope of this Request for Proposal.

2.5 Other Information**2.5.1.1 Award Protest**

This solicitation/acquisition is being conducted under the provisions of the Alternative Protest Process (Public Contract Code Section 12125, et seq.) By submitting a bid or proposal to this solicitation, the bidder consents to participation in the Alternative Protest Process, and agrees that all protests of the proposed award shall be resolved by binding arbitration pursuant to the California Code of Regulations, Title 1, Division 2, Chapter 5. Link to the Alternative Protest Process regulations:

<https://www.dgs.ca.gov/OAH/Case-Types/General-Jurisdiction/Resources/Page-Content/General-Jurisdiction-Resources-List-Folder/Laws-and-Regulations/Bid-Protest-Regulations>

A Notice of Intent to Award for this solicitation will be publicly posted on the Department of General Services Procurement Division webpage and sent via facsimile to any bidder who submits a written request for notice and provided a facsimile number. DGS/PD webpage link:

<https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/Award-Notifications?search=Award%20Notice>

During the protest period, any participating bidder may protest the proposed award on the following grounds:

1. For major information technology acquisitions – that there was a violation of the solicitation procedure(s) and that the protesting bidder's bid should have been selected; or

2. For any other acquisition – that the protesting bidder’s bid or proposal should have been selected in accordance with the selection criteria in the solicitation document.

A written Notice of Intent to Protest the proposed award of this solicitation must be received (facsimile acceptable) by the Coordinator before the close of business 5 p.m. PST/PDT on the 2nd working day after issuing the notice of intent, as specified in the solicitation. Failure to submit a timely, written Notice of Intent to Protest waives bidder’s right to protest.

Bidder is to send the notice of protest to:

Alternative Protest Process Coordinator/Dispute Resolution
Department of General Services
Procurement Division
Purchasing Authority Management Section
707 Third Street, 2nd Floor South
West Sacramento, CA 95605
Fax: 916 / 376-6226

Within seven (7) working days after the last day to submit a Notice of Intent to Protest, the Coordinator must receive from the protesting bidder the complete protest filing including the signed, written detailed statement of protest including exhibits, filing fee and deposit or small business certification as applicable. Untimely submission of the complete protest filing waives the bidder’s right to protest.

Protest bond requirement: bond amount for this Alternative Protest Process shall be 10 percent of the contract amount as specified in the solicitation. See California Code of Regulations, Title 1, Section 1418.

2.5.2 Disposition of Proposals

All materials submitted in response to this RFP will become the property of the State of California and will be returned only at the State's option and at the Bidder's expense. At a minimum, the Master Copy of the Final Proposal shall be retained for official files and will become a public record after the Notification of Intent to Award as specified in Exhibit 2, Key Action Dates. However, materials the State considers confidential information (such as confidential financial information submitted to show Bidder responsibility) will be returned upon request of the Bidder.

3. Section 3 – Requirements

This section contains the bidding requirements pertaining to this RFP and will be applicable to the resulting contract. Bidder's proposal shall meet the State's needs as defined in this RFP. Within Section 3, Bidding Requirements, the following sections identify the requirements that pertain to this RFP and resulting contract:

- Section 3.1, Technical Requirements
- Section 3.2, Administrative Requirements
- Section 3.3, Contract Requirements

Prior to award of the contract, the State must be assured that the Bidder selected has all of the resources to successfully perform under the contract. This includes, but is not limited to, personnel in the numbers and with the skills required, equipment of appropriate type and in sufficient quantity, financial resources sufficient to complete performance under the contract, and experience in similar endeavors. If, during the evaluation process, the State is unable to assure itself of the Bidder's ability to perform under the contract, if awarded, the State has the option of requesting from the Bidder any information that the State deems necessary to determine the Bidder's responsibility. If such information is required, the Bidder will be so notified and will be permitted approximately five (5) business days to submit the information requested.

Exhibit 3, Narrative Response lists the items to which the State requires a narrative response. Bidders are not to include narratives within this section or for items where a narrative is not requested.

3.1 Technical Requirements

3.1.1 Proposed Products (M)

This RFP requires Bidders to submit a proposal for Fleet Vehicles as described in Exhibit 5, Technical Specifications and Exhibit 1, Cost Workbook. All requirements listed within Section 3, Bidding Requirements, shall apply to all Fleet Vehicles unless otherwise noted.

Bidders shall propose solutions for any or all line items in the Fleet Vehicle categories listed below.

- Category 1: Cars
- Category 2: Trucks
- Category 3: Vans & Sport Utility Vehicles (SUVs)

Exhibit 1, Cost Workbook must be completed in accordance with Section 4, Cost and submitted in accordance with Section 5, Proposal Format.

Bidders need to verify the proposed product is in the appropriate vehicle category (i.e., hatchback, midsize, large, sedan, etc.) based on the description listed in the [Fuel Economy Guide](https://www.fueleconomy.gov/feg/printGuides.shtml) (<https://www.fueleconomy.gov/feg/printGuides.shtml>).

3.1.1.1 Minimum Technical Requirements

Exhibit 5, Technical Specifications and line-item descriptions in Exhibit 1, Cost Workbook are comprised of the minimum core requirements for vehicles, upgrade options, and

accessories. All proposed vehicles shall meet or exceed the minimum requirements. If Bidder is proposing vehicle(s) that exceed minimum requirements, the proposed vehicle(s) shall not conflict with any other line items.

3.1.1.2 Technical Questionnaire

Bidders shall use Exhibit 6, Technical Questionnaire to enter proposed product information. Proposed products shall meet or exceed the minimum requirements.

The State may at its sole option correct discrepancies between the proposed product information in the Technical Questionnaire and the information shown on www.fueleconomy.gov and manufacturer's website.

3.1.2 Technical Literature Content (M)

Upon request from the State, the Bidder shall provide technical literature and references confirming the State's requirements. The Bidder confirms that statements contained in the Technical Literature such as "technical literature and references are subject to change without notice" are not intended to limit the Bidder's commitment to meeting the requirements of this RFP.

3.1.3 Product Substitutions/Discontinued Items (M)

The vehicles proposed to meet the requirements of this RFP must be available throughout the duration of the contract term. If, during the life of the contract, a contract vehicle is discontinued, the Contractor shall notify the State Contract Administrator in writing and propose a comparable substitute product or configuration at least 30 calendar days prior to vehicle discontinuation. The State Contract Administrator will review the substitute vehicle and determine acceptability.

Once the substitute vehicle has been approved, the State Contract Administrator will provide written approval to the Contractor to update contract item information. These changes will be made in the form of a contract supplement.

The Contractor will maintain the contract discount as bid throughout the original term of the contract and any extension, including upon approved substitution.

If no substitute product is available that meets or exceeds the specifications due to fundamental technology or market change, the State may alter the configuration requirements to meet the updated marketplace standards. Obsolescence of a configuration may be determined at the State's discretion.

The Contractor shall not substitute products or configurations or modify contract website information without written approval from the State Contract Administrator.

3.1.4 Options (M)

All factory options shall be available and priced at dealer cost plus up to 10% for an addition or dealer cost minus up to 10% for a deletion in accordance with the manufacturer's current model year price list. Types of equipment changes which might be made include, but are not limited, to the following:

- Add trailer tow package
- Add Bluetooth
- Add parking sensors
- Delete pick up box (bed)

In no case shall options be included or deleted in such a manner as to cause the vehicle to conflict with any other line item on any other vehicle contract.

The successful Contractor shall provide ordering agencies a copy of the current model year factory price sheet with requested options, within ten calendar days of request.

Third-party upfitting (e.g utility body) may be requested by ordering agencies, however, this service is non-mandatory. When applicable, third-party upfits shall be subject to the same pricing provisions as factory options.

Note: Vehicles with added or deleted options MUST continue to meet the appropriate minimum specification.

3.1.5 Post-Consumer Recycled Content Certification (M)

State departments are required to report purchases made within eleven (11) product categories in the California Department of Resources Recycling and Recovery's (CalRecycle), State Agency Buy Recycled Campaign (SABRC) in accordance with PCC sections 12200-12217.

In order to comply with those requirements, Bidders are required to certify in writing the minimum percentage, if not the exact percentage, of post-consumer recycled content (PCRC) material in each of the products offered as part of this solicitation.

The Post-Consumer Recycled Content (PCRC) Certification Workbook contains the following documents:

- PCRC Percentages Worksheet – Contractor shall complete the PCRC Percentages Worksheet listing the percentage of post-consumer recycled content material for each product offered.
- Letter of Certification – Contractor shall print and sign the Letter of Certification certifying that the minimum percentage, if not exact percentage, listed in the PCRC Percentages Worksheet is accurate. The Letter of Certification shall be furnished under penalty of perjury. The Letter of Certification shall be provided regardless of content, even if the products contain no post-consumer recycled material.
- Reportable Product Categories Table – This table is provided for informational purposes only and identifies the eleven (11) reportable SABRC product categories.

The Bidder shall complete and submit the [PCRC Certification Workbook](https://www.dgs.ca.gov/-/media/79D2E081983F4B889E8A99EC9ABF463B.ashx) (<https://www.dgs.ca.gov/-/media/79D2E081983F4B889E8A99EC9ABF463B.ashx>) with their proposal or within five (5) working days of request by the State.

During the life of the contract, the Contractor will be required to submit revised PCRC Certification Workbook information if percentages are adjusted or if substitute line items are approved by the State Contract Administrator

At the State's option prior to award, Bidders may be required to submit additional written clarifying information.

3.1.6 Warranty/Maintenance (M)

The manufacturer's standard new vehicle warranty shall apply to all vehicles purchased from resulting contract(s). All warranties shall be factory authorized. The warranty shall be honored by all franchised dealers of the vehicle within the State of California. The Warranty term for any resultant contract shall meet the following:

- Bumper to bumper warranty shall cover not less than 3 years/36,000 miles, no charge for parts and labor.
- Power train warranty for light duty vehicles weighing 8500 lbs. GVWR or less shall cover not less than 5 years/100,000 miles, no charge for parts and labor.
- Power train warranty for vehicles over 8500 lbs. GVWR shall cover not less than 5 years/60,000 miles, no charge for parts and labor.

The State's established preventative maintenance procedures and practices shall be acceptable to the manufacturer/dealer in lieu of the manufacturer's prescribed procedures which may form a part of the warranty.

All emission-related components shall be warranted in compliance with California Air Resources Board and Federal requirements. Proposals offering independent insurance or a statement indicating self-insurance will be deemed non-responsive and will be rejected. If an additional extended warranty is purchased, a warranty certificate, warranty card, or a statement indicating the extended warranty has been recorded with the manufacturer shall be furnished with each vehicle delivered.

Normal wear items such as tires, belts, hoses, headlamps, light bulbs, brake linings, brake discs/drums, etc. are excluded from warranty coverage. All other items not subject to normal wear or gross operator neglect and abuse, such as window, seat, or wiper motors, chassis electrical switches (door, trunk lid), paint, hinges, locks, etc., shall be covered.

The State reserves the right to use re-refined lubrication oils, where available, in lieu of virgin equivalent oils. The re-refined oils used by the State will meet all API and SAE standards and specifications as set forth by the vehicle manufacturer. The use of said oils shall in no way void or degrade the original manufacturer's standard warranty.

The State reserves the right to use recycled content antifreeze/coolant, where available, in lieu of virgin equivalent antifreeze/coolant when servicing its vehicles. The recycled content antifreeze/coolant used by the State will meet all ATSM standards and specifications as set forth by the vehicle manufacturer.

3.1.6.1 Repair Parts (M)

The manufacture of the awarded vehicle(s) should maintain an adequate stock of all regular and special parts to meet the continuing service and repair parts needs of the State without undue delay.

A special system shall be set up for expediting the procurement of back order items needed to repair an inoperative vehicle including a system to air freight parts at factory expense when parts are not in stock in California parts depots. Parts must be available within three (3) working days after telephone notification.

Vehicles with new technology emerging into the industry (e.g. fuel cell vehicles) or unusual market circumstances may require more than (3) working days for the availability of certain parts. Contractor must notify the State Contract Administrator and ordering agency when this occurs and provide the estimated date of availability.

3.1.6.2 Maintenance Plan (M)

The Bidder shall offer a maintenance plan covering all regularly scheduled service for a minimum of five (5) years/75,000 miles.

The maintenance plan shall include at a minimum all manufacturer recommended services such as, but not limited to, the following:

- Oil changes;
- Filter changes;
- Fluid changes;
- Lubrications;
- Tire rotations;
- Equipment and safety inspections

The Maintenance Plan need not cover wear items such as brake pads/shoes, wiper blades, etc.

The Maintenance Plan is not applicable to vehicles over 8,500 lbs. GVWR.

Purchase of the Maintenance Plan is non-mandatory for State departments.

The State prefers a factory-sponsored plan available at all the manufacturer's retail dealerships; however, if one is not available, the Bidder may offer a plan through themselves or a sub-contracted third party.

Non-factory sponsored plans must not void the manufacturer's warranty and shall be available in both northern and southern California, at a minimum, within:

- a) 30-mile radius of the State Capitol, per Google Maps; or
- b) Los Angeles County,

The Bidder shall choose the type of Maintenance Plan offered below for all vehicles proposed and indicate on the Exhibit 3, Narrative Response:

- Manufacturer Plan
- Dealer Plan
- 3rd Party Plan

(For 3rd Party Plans, Bidder must enter sub-contractor information in Bidders Declaration Form, refer to section 3.2.13, Declaration Forms)

3.2 Administrative Requirements

3.2.1 Cost Workbook

Exhibit 1, Cost Workbook contains the cost worksheets that Bidders shall use to enter prices for this solicitation.

3.2.2 Pricing (MS)

The price quoted on Exhibit 1, Cost Workbook shall be the price per vehicle for the applicable line item for delivery in Sacramento County. Prices quoted do not include Federal Excise Tax, the California Tire Fee, or Documentation Fee.

The State shall receive full benefit of all manufacturers' price declines, effective on the date of manufacturer's general public announcement.

Pricing and discounts proposed in Exhibit 1, Cost Workbook will be evaluated and scored in accordance with Section 6, Evaluation.

3.2.2.1 Promotional Pricing (M)

During special pricing promotions, the Contractor shall offer State and local agencies the promotional pricing or the discount percentage off list, in accordance with Section 3.2.2, Pricing, whichever is lower.

The Contractor shall notify the State Contract Administrator of all promotional pricing changes. Notification shall include at a minimum:

- Promotion start and end dates
- Models, products, and services included in the promotion
- Promotional pricing

Promotional pricing shall not be cause for a permanent change in pricing. Promotional pricing shall not be cause for Contract Refresh.

Promotional items shall come with all benefits of the statewide contract terms and conditions and shall include all provisions such as warranty and delivery.

3.2.2.2 Volume Discounts (NM)

Bidders may offer a volume discount per line item. A volume discount will apply to all orders of ten (10) or more of the same vehicle on the same order. If offered, the volume discount amount shall be indicated on Exhibit 3, Narrative Response. Volume discount offered shall remain available for the entire contract term, including any extension options.

3.2.2.3 State of California Employee Pricing on ZEV for Personal Use (NM)

In the interest of expanding the California marketplace for Zero Emission Vehicles (ZEV), the Contractor may offer a discount to any interested State of California Employee when purchasing a ZEV for personal use.

The discount may be offered in any one of the following ways:

- Price offered same as in contract
- Percentage discount off MSRP
- Cash discount

Bidder shall specify in detail any discount offered to State of California employees in Question ten (10) on Exhibit 3, Narrative Response. Contractor shall notify the Contract Administrator whenever there is any change to the discount or vehicle availability.

3.2.2.4 Price Adjustments (M)

All prices shall be firm fixed for the contract term, including any optional year extensions, unless a price adjustment is granted.

A price increase may be requested with each new model year and must be submitted in writing. Requests must include supporting documentation of price adjustments at the manufacturing level. A price increase request of more than 3 percent will not be accepted. In the event of a major vehicle change or unusual market circumstances a price increase of more than 3 percent may be considered. Price increases will be reviewed and evaluated on a quarterly basis.

****Contractor must price protect the contracted price for the duration between the price increase request and the time the increase is processed. If the Contractor is unable to honor the price protection, the Contractor's vehicle will be unavailable for ordering until the price increases have been evaluated and approved.**

Each line item discount percentage established in Exhibit 1, Cost Workbook shall not decrease during the contract term including any extension period(s). Price adjustments shall not produce a higher profit margin for the contractor than that established in the original contract pricing. No price adjustments shall apply to quantities ordered from the contract prior to the effective date of the price adjustment.

Upon receipt of such notice, the State reserves the right to:

- a. Accept the adjustment as competitive with the general market price at that time; or
- b. Negotiate proposed price adjustments. Note: The State will notify the Contractor, in writing, its desire to negotiate. The State will have ten (10) working days to complete negotiations; or
- c. Deny adjustment request and continue with current contract prices; or
- d. Cancel the contract's unpurchased balance without prejudice, effective upon written notice from the State.

Note: If negotiations fail to produce any agreement, the State reserves the right to exercise Options a or d with an effective date no later than ten (10) working days after unsuccessful negotiations.

3.2.3 Customer References (MS)

The purpose of Customer References is for the Bidder to demonstrate to the State that the Bidder can provide vehicles and can handle the anticipated spend for this solicitation.

Bidders shall be required to submit two (2) customer references from two (2) different customers.

The References must be for the Bidder.

Customers are defined as end-users of the product. References from a contractor that the Bidder did sub-contract work for are not acceptable.

Each customer reference shall:

- Be for work performed within the last five (5) years prior to bid submission due date.
- Be for similar product (i.e., sale and distribution of vehicles) to that requested in this RFP.
- The work performed (first bullet) must be valued at or above \$500,000.00. An accumulation of orders from a single customer entity meeting the applicable minimum value is acceptable.

References from the DGS-PD are not acceptable. References for transactions against California Statewide Contracts or other Leveraged Procurement Agreements must be from an ordering department.

The average score for each customer reference must be three (3) or higher. If the average score on any reference is less than three (3) the bid will be considered non-responsive. Any question not scored will receive zero (0) points toward the average.

Bidder shall submit the Customer References within five (5) working days after notification from the State. Customer References must be provided on Exhibit 4, Customer Reference Form.

The State may contact the customer references to verify the information on the submitted forms. Failure to submit compliant references may result in rejection of the bid.

Customer References will be allotted points as specified in Exhibit 7, Vehicle Procurement Evaluation Methodology.

For the purpose of scoring, if more than the required number of customer reference forms are submitted, the first two (2) references will be used (in order of appearance from first page to last). The State will not pick and choose between references for the purpose of points.

3.2.4 Seller's Permit (M)

This RFP is subject to all requirements set forth in Sections 6452, 6487, 7101 and 18510 of the Revenue and Taxation Code, and Section 10295 of the Public Contract Code (PCC).

Bidders are required to provide their retailer's seller's permit information on Exhibit 3, Narrative Response. A copy of the seller's permit shall be submitted no later than the contract implementation period in accordance with Section 3.3.3, Contract Implementation Period.

3.2.5 Payee Data Record (M)

Upon request from the State, the Contractor must complete and submit a [Payee Data Record \(STD 204\)](http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std204.pdf) (<http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std204.pdf>), during the contract implementation period in accordance with Section 3.3.3, Contract Implementation Period.

3.2.6 OEM Authorized Dealer (M)

If the Bidder is not the Original Equipment Manufacturer (OEM) of the vehicle being proposed, the Bidder must provide, on OEM company letterhead and signed by an authorized OEM representative, documentation identifying the Bidder as an authorized OEM dealer.

3.2.7 State of California Dealer License (M)

Bidder shall provide their current State of California Vehicle Dealer License number on Exhibit 3, Narrative Response.

3.2.8 Darfur Contracting Act (M)

Public Contract Code Sections 10475 -10481 applies to any company that currently or within the previous three (3) years has had business activities or other operations outside of the United States. For such a company to bid on or submit a proposal for a State of California contract, the company must certify that it is either a) not a scrutinized company; or b) a scrutinized company that has been granted permission by the Department of General Services (DGS) to submit a proposal.

A scrutinized company is a company doing business in Sudan as defined in Public Contract Code Section 10476. Scrutinized companies are ineligible to, and cannot, bid on or submit a proposal for a contract with a State agency for goods or services (Public Contract Code (PCC) Section 10477(a)), unless written permission from the Director of DGS to bid on this procurement has been granted (PCC Section 10477(b)).

A Bidder is required to submit a completed the [Darfur Contracting Act form-](http://www.documents.dgs.ca.gov/dgs/FMC/GS/PD/PD_1.pdf) (http://www.documents.dgs.ca.gov/dgs/FMC/GS/PD/PD_1.pdf) if their company currently or within the previous three (3) years has had business activities or other operations outside of the United States.

Bidders are required to submit the Darfur Contracting Act form. Failure to submit this form with their proposal or within five (5) working days within request from the State will result in the proposal being considered non-responsive.

If a Bidder has not conducted business outside of the United States in the last three (3) years, this section does not apply. Bidders shall submit their response on Exhibit 3, Narrative Response.

3.2.9 California Civil Rights Laws (M)

Pursuant to Public Contract Code section 2010, any Bidder entering into or renewing a contract over \$100,000 on or after January 1, 2017, shall certify all of the following:

- That they are in compliance with the Unruh Civil Rights Act (Section 51 of the Civil Code).
- That they are in compliance with the California Fair Employment and Housing Act (Chapter 7 (commencing with Section 12960) of Part 2.8 of Division 3 of Title 2 of the Government Code).
- (a) That any policy that they have against any sovereign nation or peoples recognized by the government of the United States, including, but not limited to, the nation and people of Israel, is not used to discriminate in violation of the Unruh Civil Rights Act (Section 51 of the Civil Code) or the California Fair Employment and Housing Act (Chapter 7 (commencing with Section 12960) of Part 2.8 of Division 3 of Title 2 of the Government Code).
- (b) Any policy adopted by a person or actions taken thereunder that are reasonably necessary to comply with federal or state sanctions or laws affecting sovereign nations or their nationals shall not be construed as unlawful discrimination in violation of the Unruh Civil Rights Act (Section 51 of the Civil Code) or the California Fair Employment and Housing Act (Chapter 7 (commencing with Section 12960) of Part 2.8 of Division 3 of Title 2 of the Government Code).

Bidders are required to submit the [California Civil Rights Laws Certification](https://www.dgs.ca.gov/-/media/divisions/pd/acquisitions/solicitation_attachments/california_civil_rights_law.pdf) (https://www.dgs.ca.gov/-/media/divisions/pd/acquisitions/solicitation_attachments/california_civil_rights_law.pdf). Failure to submit this form with the proposal will result in the proposal being considered non-responsive.

3.2.10 Iran Contracting Act

Pursuant to the Iran Contracting Act of 2010 (Public Contract Code sections 2200 through 2208 are “the Act”), vendors are ineligible to bid on, submit a proposal for, enter into, or renew any contract with the state for goods or services of one million dollars (\$1,000,000) or more if the vendor engages in investment activities in Iran, as defined in the Act. Prior to submitting a bid or proposal and prior to executing any state contract or renewal for goods or services of one million dollars (\$1,000,000) or more, a vendor must complete and return the attached IRAN Contract Act Certification form with their bid response certifying that it is not on the list of ineligible vendors prohibited from doing business with the State of California.

Bidders are required to submit the [Iran Contracting Act Certification](http://www.documents.dgs.ca.gov/dgs/FMC/GS/PD/PD_3.pdf) (http://www.documents.dgs.ca.gov/dgs/FMC/GS/PD/PD_3.pdf) with their proposal. Failure to submit this form with the proposal will result in the proposal being considered non-responsive.

3.2.11 Insurance Requirements (M)

The Contractor must maintain in force applicable insurance in accordance with the Non-IT General Provisions (rev 11/19/2021), Section 21 entitled “Insurance.” Contractor shall furnish

an insurance certificate evidencing required insurance coverage acceptable to the State within five (5) days of request.

3.2.12 Federal Debarment, Suspension, Ineligibility, and Voluntary Exclusion (M)

Expenditures from this contract may involve Federal funds. The Federal Department of Labor requires all State agencies which are expending Federal funds to have in the contract file, a certification by the Contractor that they have not been debarred nor suspended from doing business with the Federal government. Bidders must submit the [Federal Debarment Certification form](http://www.documents.dgs.ca.gov/dgs/FMC/GS/PD/PD_2.pdf) (http://www.documents.dgs.ca.gov/dgs/FMC/GS/PD/PD_2.pdf) with the bid response or within five (5) working days of request from the State. Failure to submit this form will result in the bid being considered non-responsive.

3.2.13 Declaration Forms (M)

All Bidders must complete the [Bidder Declaration Form \(GSPD-05-105\)](http://www.documents.dgs.ca.gov/dgs/fmc/gspd/gspd05-105.pdf) (<http://www.documents.dgs.ca.gov/dgs/fmc/gspd/gspd05-105.pdf>) and include it with the bid response. When completing the declaration, Bidders must identify all subcontractors proposed for participation in the contract. Bidders awarded a contract are contractually obligated to use the subcontractors for the corresponding work identified unless the State agrees to a substitution and it is incorporated by amendment to the contract.

Bidders and/or subcontractors who have been certified by California as a DVBE must also submit a completed [Disabled Veteran Business Enterprise Declaration Form DGS PD 843](http://www.documents.dgs.ca.gov/dgs/fmc/gspd/pd/pd_843.pdf) (http://www.documents.dgs.ca.gov/dgs/fmc/gspd/pd/pd_843.pdf). All disabled veteran owners and disabled veteran managers of the DVBE(s) must sign the form. The completed form should be included with the bid response.

3.2.14 Socioeconomic Programs

This solicitation may contain the following socioeconomic requirements and/or optional Bidder preferences and incentives:

- A. Disabled Veteran Business Enterprise (DVBE) Program Requirements and DVBE Incentive
- B. Small Business Preference
- C. Small Business Nonprofit Veteran Services Agencies (SB/NVSA)
- D. Non-Small Business Subcontractor Preference
- E. Target Area Contract Preference Act (TACPA) Preference

All certified firms must perform a “commercially useful function” in the performance of the contract as defined in Government Code (GC) section 14837(d)(4).

A. DVBE Program Requirements and DVBE Incentive:

For purposes of this solicitation the DVBE participation requirement has been waived.

This solicitation provides an incentive for DVBE participation. The [California DVBE Bid Incentive Instructions](https://www.dgs.ca.gov/-/media/10D6B9D24A5E4D0CB6DB27FCA1572CC2.ashx) (<https://www.dgs.ca.gov/-/media/10D6B9D24A5E4D0CB6DB27FCA1572CC2.ashx>) includes information about the DVBE incentive.

B. Small Business Preference

A 5 percent bid preference is available to Bidders certified as a small business in accordance with GC 14835 *et seq.* If applicable, Bidders must claim this preference on Exhibit 3, Narrative Response.

Bidders claiming the small business preference must be certified by California as a small business. Completed certification applications and required support documents must be submitted to the Office of Small Business and DVBE Services (OSDS) no later than 5:00 p.m. PT on the bid due date, and the OSDS must be able to approve the application as submitted.

The Small Business regulations concerning the application and calculation of the small business preference, small business certification, responsibilities of small business, department certification, and appeals can be viewed in the [California Code of Regulations \(Title 2, Division 2, Chapter 3, Subchapter 8, Section 1896 *et seq.*\)](https://govt.westlaw.com/calregs/Browse/Home/California/CaliforniaCodeofRegulations?guid=IABE101D0D49111DEBC02831C6D6C108E&originationContext=documenttoc&transitionType=Default&contextData=(sc.Default))) ([https://govt.westlaw.com/calregs/Browse/Home/California/CaliforniaCodeofRegulations?guid=IABE101D0D49111DEBC02831C6D6C108E&originationContext=documenttoc&transitionType=Default&contextData=\(sc.Default\)\)](https://govt.westlaw.com/calregs/Browse/Home/California/CaliforniaCodeofRegulations?guid=IABE101D0D49111DEBC02831C6D6C108E&originationContext=documenttoc&transitionType=Default&contextData=(sc.Default)))).

C. Small Business Nonprofit Veteran Services Agencies (SB/NVSA)

SB/NVSA prime Bidders meeting requirements specified in the Military and Veterans Code (MVC) section 999.50 *et seq.* and obtaining a California certification as a small business are eligible for the 5 percent small business preference. If applicable, claim the preference on Exhibit 3, Narrative Response. SB/NVSAs claiming the small business preference must possess certification by California prior to the day and time bids are due. Questions regarding certification should be directed to the OSDS at (916)375-4940.

D. Non-Small Business Subcontractor Preference

A 5 percent bid preference is available to a non-small business claiming 25 percent California Certified small business subcontractor participation. If applicable, claim the preference on Exhibit 3, Narrative Response.

E. Target Area Contract Preference Act (TACPA) Preference

This solicitation provides for the optional TACPA preference. Bidders are not required to apply for this preference. Denial of the TACPA preference request is not a basis for rejection of the bid.

Bidders desiring to claim the TACPA preference are encouraged to carefully review the [TACPA forms, requirements, and submittal instructions](https://www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Policy-Training-and-Customer-Service/Dispute-Resolution-Unit) (<https://www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Policy-Training-and-Customer-Service/Dispute-Resolution-Unit>). Bidders must complete and submit all applicable preference program forms to be considered for a preference.

The State as part of its evaluation process reserves the right to verify, validate, and clarify all information contained in the bid. This may include, but is not limited to, information from Bidders, manufacturers, subcontractors and any other sources available

at the time of bid evaluation. Bidder refusal to agree to and/or comply with these terms, or failure to provide additional supporting information at the State's request may result in the denial of the preferences requested.

Contracts awarded with the applied preference will be monitored throughout the life of the contract for compliance with statutory, regulatory, and contractual requirements. The State will take appropriate corrective action and apply sanctions as necessary to enforce the preference program.

Any questions regarding the TACPA preference should be directed to TACPA@dgs.ca.gov.

3.2.15 Commercially Useful Function (CUF) (M)

Suppliers, whether the Bidder or a subcontractor, who have a California certification for one (1) or more of the socio-economic programs (i.e., DVBE or small business), must perform a commercially useful function in the resulting contract. CUF is defined in the Military and Veterans Code Section 999(b)(5)(B) for DVBE and in the Government Code Section 14837(d)(4)(A) for small business as consisting of all of the following:

- responsibility for the execution of a distinct element of the work
- actually performing, managing, or supervising the work
- performing work that is normal for its business services and functions
- not further subcontracting work that is greater than that expected by normal industry standards
- responsible, with respect to any products, inventories, materials, and supplies required for the contract, for negotiating price, determining quality and quantity, ordering, installing (if applicable), and making payment

A Contractor, subcontractor, or supplier is not considered to perform a CUF if their role is limited to that of an extra participant through which funds are passed in order to obtain the appearance of participation.

At the State's option, Bidders may be required to submit additional written clarifying information regarding CUF. Failure to submit the requested written information, as specified, may be grounds for rejection of the proposal.

3.2.16 Subcontractor CUF Requirements (NM)

Only the Subcontractor Tasks outlined in the table below will be considered distinct elements of the work and no more than the corresponding percentages may be claimed for these tasks for the purpose of applying a preference or incentive. Percentages may be lower on individual purchase orders. Should tasks overlap between subcontractors, the maximum percentage must be divided between the subcontractors so as not to be exceeded.

Subcontractor Tasks	RFP Reference Sections	Contract Percentage Maximum
Website Development and Maintenance	3.3.9	1%
Ordering Management/Customer Support	3.3.14	2%

Subcontractor Tasks	RFP Reference Sections	Contract Percentage Maximum
Delivery	3.3.19	1%
Contract Reporting	3.3.32	1%

3.2.17 SB/DVBE Participation Commitment Requirement (M)

Within six (6) months of contract award, the Contractor shall meet or exceed their SB and/or DVBE commitment level on a contract-to-date basis. The State reserves the right to audit records (e.g., cancelled checks, work logs, etc.) to verify the SB/DBVE subcontractors are actually performing the work committed to and being paid accordingly, as reported in accordance with Section 3.3.34, Small Business/Disabled Veteran Business Enterprise Participation Report.

The corresponding percent of bid price identified on the Bidder Declaration, represents the percentage of total contract dollars to be paid to the subcontractor. Example:

- Bidder commits to 3 percent DVBE subcontractor participation on a contract
- Total spend for the contract is \$1,000,000.00.
- Contractor shall pay subcontractor a minimum of \$30,000.00 for work performed under the contract.

3.2.18 Subcontractors (M)

If a Bidder proposes the use of a subcontractor for a portion of the contract, the Bidder agrees that all requirements will be adhered to and that requirements will apply to subcontractors even if subcontractor concurrence is not specifically defined. All subcontractors must comply fully with the administrative and technical requirements that are applicable with the portion of the work being delegated to the subcontractor.

Bidders awarded a contract are contractually obligated to use the proposed subcontractors for the corresponding work identified unless the State agrees to a substitution and it is incorporated by amendment to the contract. The Contractor must have written agreement from the State prior to replacement or substitution of any subcontractor.

3.2.18.1 Notice of Subcontractors (M)

Upon award to a Contractor, notice shall be given by the State to the subcontractors listed in the Bidder Declaration Form of their participation in the contract. Notification to the subcontractor by the prime Contractor is encouraged immediately after award of an RFP.

3.2.19 Distribution Plan (M)

Bidders shall describe in detail their Distribution Plan on Exhibit 3, Narrative Response. The Distribution Plan should be the Bidder's written plan for distribution of the products. The plan must clearly show distribution from the manufacturer to the end user, including all points in between specific to this resulting contract only, and the role that the bidder, as the Contractor of record, will play in the distribution.

This plan should clearly identify all parties, including any subcontractor, DVBE and/or small business participants involved in the execution of this contract and their responsibilities. Work

performed by a Bidder or a subcontractor, who is a California certified small business and/or DVBE, must perform a Commercially Useful Function (CUF) in accordance with Section 3.2.15, Commercially Useful Function.

The Contractor shall advise the State Contract Administrator by written notification of any changes in the distribution plan made during the term of the contract and any extensions.

3.3 Contract Requirements

This section contains the mandatory contract requirements that will apply to the contract(s) resulting from this RFP. The prime Contractor shall be responsible for successful performance of the resulting contract(s). The prime Contractor shall also be responsible for successful performance of any and all of their subcontractors.

Furthermore, the State will consider the prime Contractor to be the sole point of contact with regard to contractual matters, payments, and warranty issues for the term of the contract and any extensions.

All State policies, guidelines, and requirements apply to subcontractors. The prime Contractor and subcontractors shall not in any way represent themselves in the name of the State of California without prior written approval.

3.3.1 Confidentiality (M)

The Contractor, with access to confidential State information in the course of performing under the contract, will be required to exercise security precautions for such data that is made available and must accept full legal responsibility for the protection of this confidential information.

Under no circumstances shall the Bidder use or publish, sell, or otherwise disclose to any third party the contents of any records or data, or reports derived from data, without the authorization and written consent of the State.

3.3.2 Contract Terms and Conditions (M)

By signing the Agreement Cover Letter and submitting a proposal, Bidder is agreeing to accept all of the following terms and conditions without addition or modification:

- [General Provisions \(Non-IT Commodities\) revised 11/19/2021](https://www.dgs.ca.gov/-/media/199A6A32E4DE4BECAFF4EFA7194350CD.ashx) (https://www.dgs.ca.gov/-/media/199A6A32E4DE4BECAFF4EFA7194350CD.ashx)

Bidder also agrees to comply with all applicable statues, rules, regulations and orders of the United States and the State of California which include, but are not limited to:

- Non-Discrimination Toward WTO GPA Signatories (https://www.wto.org/index.htm)
- Plastic Trash Bag Certification Violations (Public Resources Code Section 42290, et seq.)
- Air or Water Pollution Violations (Government Code Section 4477)
- Fair Employment and Housing Commission Regulations (Government Code Section 12990)
- Unfair Practices Act and Other Laws (Business and Professions Code Section 17000 et seq.)

3.3.3 Contract Implementation Period (M)

Within fifteen (15) calendar days after Notice of Intent to Award, a contract kick-off meeting will be scheduled between the State Contract Administrator and Contractor. At the contract kick-off meeting, the Contractor shall provide the following:

- Contractor Contract Manager Information (Section 3.3.5)
- Customer Service contact information and physical location (Section 3.3.6)
- Plan for maintaining SB/DVBE subcontractor commitments
- Completed PCRC Workbook information (if not submitted in proposal) (Section 3.1.5)
- Payee Data Record (Section 3.2.5)
- Copy of Seller Permit (Section 3.2.4)
- Preliminary sample of a pre-order quote (Section 3.3.10)

Contract award may be contingent on the completion of the items listed above. If a Contract Website/Electronic Quoting System is offered, Contractor shall provide the State Contract Administrator the final website for approval within thirty (30) calendar days after contract award.

3.3.4 State Contract Administrator (M)

The State Contract Administrator will be the contact person throughout the life of the contract, unless modified by contract supplement. Any modifications to the requirements contained in the contract may only be authorized by the State Contract Administrator or his/her designee through contract supplement.

3.3.5 Contractor Contract Manager (M)

The Contractor will assign a Contract Manager for contract management purposes. The Contract Manager will be the contact person throughout the life of the contract, unless modified by contract supplement. Contractor must immediately notify the State Contract Administrator of changes to the Contract Manager. The Contract Manager must be authorized to make decisions on behalf of the Contractor.

The Contract Manager is to be identified during the contract implementation period in accordance with Section 3.3.3, Contract Implementation Period.

3.3.6 Customer Service (M)

The Contractor will have a customer service unit that supports this contract. The customer service unit shall provide office and personnel resources for responding to inquiries, including telephone and email coverage weekdays during the hours of 8:00 a.m. - 5:00 p.m., PT. The customer service unit shall respond to all inquiries within 24 hours.

The customer service unit shall be staffed with individuals that:

- Are trained in the requirements of this contract

- Have the authority to take administrative action to correct problems that may occur

Prior to contract award, Contractor shall provide customer service information during the contract implementation period in accordance with Section 3.3.3, Contract Implementation Period.

3.3.7 Problem Resolution (M)

The Contractor shall promptly notify the State Contract Administrator in writing of any unresolved issues or problems that have been outstanding for more than three (3) business days. The State Contract Administrator shall notify the Contractor of the same.

3.3.8 Promotional Materials (M)

All promotional materials or press releases referencing the contract shall be submitted to the State Contract Administrator for review and DGS approval prior to release.

3.3.9 Contract Website/Electronic Quoting System (NM)

An Electronic Quoting System will allow ordering agencies to generate and print a quote from the Contractor's contract website. If offered, the system shall have the capabilities of providing an itemized quote as described in Section 3.3.10, Pre-Order Quote Requests. All prices quoted through the Electronic Quoting System shall be in accordance with the established Statewide contract prices.

An Electronic Quoting System is a non-mandatory requirement. Bidder's willing to meet this requirement shall describe their capabilities in providing this system in Exhibit 3, Narrative Response. The State will review and determine acceptability of the Electronic Quoting System functions.

3.3.9.1 Contractor Website Maintenance (M)

The website shall be updated upon permanent change of any contract items or pricing. All changes to the website must be submitted in writing to the State for review and approval. The website must include any changes to vehicle models per Section 3.1.3, Product Substitutions/Discontinued Items.

3.3.10 Pre-Order Quote Requests (M)

Upon request, Contractor shall provide an itemized quote to ordering agencies that contain, at minimum, the following information:

- Contractor letterhead
- Quote "prepared by" name and contact information
- Quote number
- Date of quote
- Ordering agency name
- Ordering agency contact person

- Contract number
- Contract line item number
- Quantity
- Description of item
- Manufacturer's part number/SKU
- Contract unit price
- Vehicle options price (dealer cost plus up to 10%)
- Extended price (quantity x contract Price)
- Subtotals of taxable and non-taxable items
- Rate and calculated tax (based on Bill To address)
- Applicable fees (e.g., tire fees)
- Grand total

Quotes shall be generated and provided manually by the Contractor or using an approved Electronic Quoting System, if offered, per Section 3.3.9, Contract Website/Electronic Quoting System. Prior to contract award, Contractor shall provide a preliminary sample of a pre-order quote during the contract implementation period as identified in Section 3.3.3, Contract Implementation Period.

3.3.11 Order Acceptance (M)

The Contractor shall accept orders from any State department or local governmental agency.

The Contractor shall not accept purchase documents for this contract that:

- Are incomplete
- Contain non-contract items or items outside the scope of the contract
- Contain non-contract terms and conditions

The Contractor must not refuse to accept orders from any State department or local governmental agency for any other reason without written authorization from the State Contract Administrator.

3.3.12 Purchase Execution (M)

State departments will submit orders directly to the Contractor via one of the ordering methods in accordance with Section 3.3.14, Ordering Methods.

Orders will be submitted using a Purchasing Authority Purchase Order (Std. 65) or using the Fi\$Cal Purchase Order process.

Local governmental agencies may submit orders on their own purchase document directly to the Contractor via one of the ordering methods in accordance with Section 3.3.14, Ordering Methods.

3.3.13 Minimum Order (M)

The minimum order is one (1) vehicle.

3.3.14 Ordering Methods (M)

The Contractor shall accept orders through the following methods:

- Facsimile – A facsimile number to be used by ordering agencies for placing orders is to be in place before the commencement of this contract. Facsimile orders must be accepted between the hours of 8:00 AM and 5:00 PM (PT), Monday through Friday.
- Mail – Contractor must have the capability to receive orders by mail in place before the commencement of this contract.
- Email – An email address to be used by ordering agencies for placing orders is to be in place before the commencement of this contract.

Prior to contract award, Contractor shall provide ordering information during the contract implementation period in accordance with Section 3.3.3, Contract Implementation Period.

3.3.15 Order Acknowledgement (M)

The Contractor must provide the ordering agencies with an order receipt acknowledgment via e-mail/facsimile within ten (10) calendar days after receipt of an order. The acknowledgement will include:

- Ordering Agency Name
- Agency Order Number (Purchase Order Number)
- Description of Goods
- Vehicle Model Year
- Total Cost
- Date order is placed with manufacturer
- Anticipated Delivery Date
- Delayed Production Notification* (if applicable)
- Discontinued Vehicle Notification (if applicable)

3.3.16 Discontinued Vehicle Remedy (M)

Upon receipt of order acknowledgment identifying discontinued items, the ordering agencies shall have the following options:

- Amend purchase document to reflect State-approved substitute item (in accordance with Section 3.1.3, Product Substitutions/Discontinued Items)
- Cancel the item from the order

Under no circumstance is the Contractor permitted to make substitutions with non-contract items or unauthorized products without approval from the State Contract Administrator.

3.3.17 Manufacturer Order Cut-Off

In the event a current model year vehicle does not immediately roll over to the next model year after an order cut-off date, the Contractor shall notify the State Contract Administrator as soon as that information becomes available. The Contractor shall provide an estimate of when orders for the next model year vehicle will be accepted.

3.3.18 Free on Board (F.O.B) Destination (M)

Dealers shall deliver vehicles to State or local agencies located in Sacramento County at no additional cost for delivery. If the Purchase Order indicates delivery outside Sacramento County, the dealer and agency may negotiate delivery costs. If delivery is subject to an additional delivery charge, it shall be shown as a separate item on the purchase order and invoice.

State departments requesting delivery outside of Sacramento County must contact the Transportation Management Unit for freight rate comparisons to confirm appropriate pricing if the dealer is delivering the vehicle.

Responsibility and liability for loss or damage for all orders shall remain with the Contractor until final inspection and acceptance, when all responsibility shall pass to the ordering organization, except the responsibility for latent defects, fraud, and the warranty obligations.

3.3.19 Delivery Locations (M)

Deliveries are to be made statewide from the factory to the Contractor's place of business or a designated delivery location closest to the ordering agency. A designated or "courtesy" delivery location shall have the facilities to accommodate a pre-delivery service and inspection.

Ordering agencies have the option to receive vehicles at the Contractor's designated business location or have it delivered to the location specified on the individual order. Appropriate delivery instructions shall be provided on the Purchase Order. Contractor shall contact the ordering agency if Purchase Order is submitted without specific delivery instructions.

Caravan or drive-away method of delivery from the factory to a Contractor's designated business site is not acceptable unless agreed upon by the ordering agency.

Unless pre-arranged between the dealer and the ordering agency, vehicles delivered with more than 50 miles on the odometer may be charged fifty (50) cents per mile in excess of 50 miles. This charge may be reflected on the invoice as a deduction from the order price. Vehicles with more than five hundred (500) miles on the odometer may not be accepted.

**Cab and Chassis trucks may require driving from an out-of-state factory and may exceed the five hundred (500) mile or less expectation. The Contractor shall notify the ordering Department at the time of purchase order execution.

When feasible, Contractor is requested to make deliveries in metropolitan areas during off-peak hours. Off-peak hours are 10:00AM to 4:00PM local time.

Drop ship deliveries shall not be made without prior State inspection.

All vehicles shall be delivered with no less than five (5) gallons of fuel in the tank.

3.3.20 Delivery Schedules (M)

Delivery of vehicles shall be completed within one-hundred and fifty (150) calendar days after receipt of an order unless there is a delay in production/order acceptance from the manufacturer when changing from one model year to the next. Contractor shall notify the ordering agency of such delay per Section 3.3.15, Order Acknowledgement.

Orders requiring customized work by a 3rd party supplier may exceed the delivery period requirement. Contractor shall notify ordering agency of extended delivery period per Section 3.3.15, Order Acknowledgement.

3.3.21 Security Requirements for Deliveries (M)

Deliveries may be made to locations inside secure grounds that require prior clearances or special entry procedures to be followed for delivery drivers.

Security procedures may vary from facility to facility. The Contractor will be responsible for contacting the secure location for security procedures, hours of operation for deliveries and service, dress code, and other rules of delivery.

Deliveries that are delayed due to drivers not being cleared to enter secure grounds may be cause for contract default.

3.3.22 Pre-Delivery Checklist (M)

Prior to delivery, each vehicle shall be completely inspected, serviced, and detailed by the delivering dealer and/or the manufacturer's pre-delivery service center. A copy of the pre-delivery checklist shall be completed for each vehicle, signed by a representative of the organization performing the inspection/service, and delivered with the vehicle.

3.3.23 Documents (M)

The following documents shall be delivered to the receiving agency with the vehicle:

- Completed and signed pre-delivery service checklist, including the order number and Vehicle Identification Number (VIN)
- "Line Set Tickets" or "Window (Monroney) Sticker" showing all options installed
- One (1) copy of the warranty, including applicable certificates, cards, etc.
- One (1) copy of the owner's manual

3.3.24 Inspection and Acceptance (M)

Inspection and acceptance shall be in accordance with the General Provisions, paragraph 16 titled Inspection, Acceptance and Rejection (Section 3.3.2, Contract Terms and Conditions – General Provisions (GSPD-401 Non-IT Commodities) revised 11/19/2021.

3.3.25 Receiving Inspection

Vehicles ordered for State use will be inspected by a State inspector at the dealer's place of business or designated delivery location per Section 3.3.19, Delivery Locations.

Inspection will commence within five (5) working days of notification that a vehicle is ready for inspection. Inspection will include:

- Specification Compliance
- Workmanship
- Appearance
- Proper Operation of all Equipment and Systems
- Presence of all Applicable Documents

In the event deficiencies are detected, the vehicle will be rejected and the delivering dealer will make the necessary repairs, adjustments, or replacements. Payment and/or the commencement of a discount period (if applicable) will not begin until the defects are corrected and the vehicle is re-inspected and accepted.

Completion of inspection or acceptance by the State inspector shall in no way release the dealer from satisfying the requirements of the contracts, specifications, and warranty. Specification requirement deviations detected by the owning department shall be corrected by the dealer in an expeditious manner at no expense to the owning department.

3.3.26 In-Service Notification (M)

Vehicles not placed in service immediately upon receipt shall be warranted from the date the unit is placed in service. The receiving department shall notify the dealer in writing of the actual "In-Service" date.

3.3.27 State Notification (M)

The dealer shall notify the State Contract Administrator in writing of any strike, plant shutdown, etc., that may result in eventual delivery delays.

3.3.28 Product Recall Procedures (M)

The Contractor shall provide recall notification in writing to each applicable ordering agency through the most expedient method possible. The notices, at a minimum, shall include a complete product description and/or identification, and complete instructions on recall procedures.

3.3.29 Invoicing (M)

Invoices shall be submitted to the ordering agencies within seven (7) calendar days from date of delivery.

Ordering agencies may require separate invoicing, as specified by each ordering agency.

3.3.30 Payment (M)

State departments and local government agencies may pay by check or electronic funds transfer. Payments are to be made in accordance with paragraph 30 of the State's General Provisions (Section 30, General Provisions – Non-IT Commodities, Rev. 11/19/2021).

3.3.30.1 State Financial Marketplace

The State reserves the right to select the form of payment for all procurements, be it either an outright purchase with payment rendered directly by the State, or a financing (using GS \$Mart) or operating lease (using Lease \$Mart) via the State Financial Marketplace (GS \$Mart and/or Lease \$Mart). If payment is via the financial marketplace, the Contractor will invoice the State and the State will approve the invoice and the selected Lender/Lessor will pay the supplier on behalf of the State for all product listed on the State's procurement document.

3.3.31 Restocking Fees

The Contractor may impose a restocking fee to the ordering agency on any order cancelled after the order has been placed with the manufacturer. The Contractor shall notify the ordering agency of the order placement per Section 3.3.15, Order Acknowledgment.

Re-stocking fees can be no greater than ten percent (10%) of the value of the vehicle being restocked.

3.3.32 Reporting (M)

During the contract period, Contractor is required to submit the reports outlined in this section on a monthly basis. Reports shall contain at a minimum, the data elements identified in the State's report templates as stated in Section 3.3.32, Reporting, and will be provided to the Contractor(s) upon award.

Reports shall be provided to the State Contract Administrator, in Excel format only via email or U.S. Mail on a CD-ROM, by the 15th day following the ending of the reporting period (previous calendar month).

Reports are required every month, including months of no new activity.

3.3.32.1 Contract Usage Report (M)

The Contract Usage Report shall detail all invoiced purchases against the contract by both State and local governmental agencies during the specified reporting period.

The state-provided report will contain the following elements:

- Supplier Contract Usage ID
- Ordering Agency Name
- State or Local Agency Identifier
- Purchasing Authority Number (for State Departments)
- Agency Billing Code
- Purchase Order Number
- Purchase Order Date
- Delivery Date
- Contract Line Item Number (CLIN)
- UNSPSC Code (Version 10)
- Manufacturer Part Number (OEM #)
- Manufacturer (OEM)
- SKU #/ID #
- Item Description
- Unit of Measure
- Quantity in Unit of Measure
- EPP (Y/N)
- Quantity
- List Price/MSRP
- Index Date/Catalog Version
- Contract Unit Price
- Contract Discount
- Extended Contract Price Paid
- Core/Non-Core
- Group ID/Segment ID

3.3.32.2 Local Business Activity Report (M)

The Local Business Activity Report shall detail all local governmental agencies invoiced purchases against the contract during the specified reporting period. In addition, a Local Governmental Agencies Incentive Fee is due to DGS-PD in accordance with Section 3.3.32.3, Local Governmental Agencies Incentive Fee. The Local Business Activity Report is separate from Section 3.3.32, Reporting.

The state-provided report will contain the following elements:

- Total Local Usage Purchase Order Date
- Total Purchase Amount (excluding taxes)
- Agency Contact Name
- Agency Telephone Number
- Agency Address
- Total Incentive Fee
- Column Name
- Supplier ID
- Local Governmental Agency Name
- Purchase Order Number

3.3.32.3 Local Governmental Agencies Incentive Fee (M)

For all local government agency transactions invoiced against the contract resulting from this solicitation, the Contractor will be required to remit the DGS-PD an Incentive Fee of an amount equal to 1.25 percent of the total purchase order amount excluding taxes and freight.

Local government agencies include cities, counties, and special districts empowered to expend public funds (PCC section 10298). Local government agencies also include government entities in other states, as well as California non-executive branch departments including the University of California and California State University.

This Incentive Fee shall not be included in the agency's purchase price, nor invoiced or charged to the ordering agency. All prices quoted to local governmental agency customers shall reflect State contract pricing, including any and all applicable discounts, and shall include no other add-on fees. Payment by the Contractor shall be made monthly to DGS-PD irrespective of reimbursement by each ordering agency.

Contractor shall submit a payment to the State of California, Department of General Services, for an amount equal to 1.25 percent of the total local government agency sales for the monthly reporting period less freight, taxes, returned products and credits. (Example, if the net local governmental agency sales for a month totals \$100,000.00, the incentive fee due to DGS-PD would be \$1,250.00.)

Failure to submit correct reports and payments on a timely basis shall constitute grounds for default of this contract. Reports and payments are due for the reporting period by the 15th day of the next month in a format to be prescribed by the DGS-PD. (Note: If the due date is on a Saturday or Sunday, the due date will be the Monday following.)

Payment may be made in the form of an electronic payment using PD EPAY or by submitting a check payable to the State of California, Department of General Services. Along with each payment, a Contract Usage Report, filtered in Excel to include only local government agency sales, shall be submitted to the State Contract Administrator. The Contract Usage Report requirements are specified in Section 3.3.32.2, Local Business Activity Report.

To submit Incentive Fees through [PD EPAY](https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Access-LPA-Payment-Portal), users must register on the DGS-PD LPA Payment Portal (<https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Access-LPA-Payment-Portal>).

Incentive Fee payments made by check shall be submitted to the following address:

Department of General Services
Procurement Division
Contracts Management Unit
Attn: Eugene Shemereko
707 Third Street, 2nd Floor
West Sacramento, CA 95605

If a Contractor holds multiple contracts, the Contractor may submit one (1) check per month covering the DGS-PD incentive fee for the total of all local governmental agency purchases. In this case, a separate report is still required for each contract and a list of the total local governmental agency sales for each contract must be included with the check.

3.3.32.4 Small Business (SB)/ Disabled Veteran Business Enterprise (DVBE) Participation Report (M)

The SB/DVBE Participation Report shall detail all payments to Small Business (SB) and/or Disabled Veteran Business Enterprise (DVBE) subcontractors during the specified reporting period.

Upon award, the State will provide the Contractor with a report template containing the following elements:

- Monthly Sales Total
- Monthly Participation total Identify Subcontractor as SB/MB/DVBE/NA
- Work performed or Product Provided
- SB Participation Amount
- DVBE Participation Amount
- Participation Payments to Subcontractors
- Payment Issued Date
- Ordering Agency Name
- Purchase Order Number
- Purchase Order Date
- Purchase Order total
- Subcontractor Name
- Subcontractor SB/DVBE Certification #Check number
- Payment Amount
- Monthly Participation

3.3.32.5 Aging Debt Report (M)

The Aging Debt Report must contain the outstanding invoices by State Department for the specified reporting period.

Upon award, the State will provide the Contractor with a report template containing the following elements:

- Department Name
- Total Current Debt
- Status of Debt:
- Within Terms
- Over Terms and Within 45 days
- 46-60 Days
- 61-90 Days
- 91-120 Days
- Over 120 Days

3.3.32.6 Ad Hoc Reporting (M)

The Contractor shall have the ability to provide ad hoc reporting capabilities at no cost to the State. The Contractor shall permit and provide access to all data that pertains to any procurement action taken by an ordering agency or the State as a whole. The State or ordering agency may make copies of procurement data in any form and the use of such data shall not be restricted.

Dependent on future reporting requirements, the State may ask that certain reports become standard and delivered to the State on a monthly or quarterly basis.

The State reserves the right to request any additional data elements, as deemed necessary, to the reports listed in this section.

3.3.33 Contract Termination/Expiration Transition Plan (M)

The Contractor must agree to work with the State Contract Administrator to close out the contract. The Contractor will ensure that an efficient and effective transition takes place, including website closeout in accordance with Section 3.3.38, System Termination.

3.3.34 System Termination (M)

Upon termination or expiration of the contract awarded from this RFP the following will occur:

- All on-line offering systems and Electronic Catalog functions supported and/or available as part of the contract will cease and be removed from public viewing access without redirecting to another website.
- Customer data/user accounts acquired during the term of the contract shall be destroyed or returned to the State at the request of the State Contract Administrator.
- No references to the statewide contract shall be made after contract end on the Contractor's commercial website without permission by the State Contract Administrator.
- Hard copy catalogs and promotional literature shall be destroyed or returned to the State at the end of the contract term upon the request of the State's Contract Administrator.
- All invoicing disputes and/or order tracking will be conducted through the Contractor's Customer Service Unit via telephone or email.

4. Section 4 - Cost

Cost evaluation will be based on the highest points earned as calculated according to the methodology outlined in Section 6, Evaluation.

The State's intent is to structure the pricing format in order to facilitate a straightforward comparison among all Bidders and foster competition to obtain the best market pricing. Consequently, the State requires that each Bidder's proposal be in the format outlined in this section. Therefore, Bidders are advised that failure to comply with the instructions listed in this section, such as submission of incomplete offers or use of alternative pricing structures or different formats than the one requested, may result in the rejection of their proposals for non-responsiveness.

It is imperative that no cost information be included in the body of the proposal. Cost information shall only be submitted in the Final Proposal, Volume 2 in accordance with Section 5, Proposal Format.

4.1 Cost Information Guidelines

Exhibit 1, Cost Workbook, contains the cost worksheet that the Bidders shall use to enter cost information. The following worksheets must be completed for each category/line item the Bidder is proposing:

- Category 1: Cars
- Category 2: Trucks
- Category 3: Vans & SUVs

4.1.1 Prompt Payment Cash Discount

Bidders may offer any Prompt Payment Cash Discount up to \$500 per vehicle for payment within the proposed number of days on Exhibit 1, Cost Workbook. Proposed payment period of less than twenty (20) days will not be considered.

For this proposal, the cash discount payment period shall begin only after the vehicle has been delivered, inspected, and accepted by the receiving agency, or from the date a correct invoice is received in the office specified on the Purchase Order, whichever is later. Payment is deemed to be made, for the purpose of earning the discount, one (1) working day after the date of the State warrant or check.

Any Prompt Payment Cash Discount proposed will be deducted from the Vehicle Contract Price for evaluation purposes only and will not change the actual Vehicle Contract Price.

4.1.2 Quantities

The quantities shown in Exhibit 1, Cost Workbook, are representative and used for evaluation purposes only. Actual purchases may vary from this pattern. The State will not guarantee that these quantities will be purchased. Consequently, there is no guaranteed dollar value for these contracts. The State will not be obligated to purchase Contractor's excess inventory if actual purchases vary from the anticipated purchasing pattern. The State reserves the right to order more or less of any line item in the RFP.

4.1.3 Required Information

Exhibit 1, Cost Workbook must be filled out completely for each line item that is bid or the proposal may be rejected. Yellow cells are mandatory and must be completed in each worksheet. Modifying any other cell in any worksheet may disqualify the Bidder.

4.1.4 Pricing/Discount Format

All dollar figures must be entered to no more than two (2) decimal places (e.g., \$150.75). All percentages shall auto populate to be whole numbers (e.g., 75 percent).

4.1.5 Sales Tax

Sales tax is not to be included in the pricing on Exhibit 1, Cost Workbook. If awarded the contract, sales tax should be added at time of invoicing. The sales tax rate applied should be based on the rate at the "Bill To" address on the Purchase Order.

4.2 Cost Workbook Instructions**4.2.1 Download and Save**

- Download Exhibit 1, Cost Workbook, from the [Cal eProcure \(https://www.caleprocure.ca.gov/pages/Events-BS3/event-search.aspx\)](https://www.caleprocure.ca.gov/pages/Events-BS3/event-search.aspx), California State Contracts Register.
- Rename the file such that the Bidder is apparent and reference "cost". Please limit the naming convention to no more than twenty-five (25) characters.
- After finalizing the Cost Workbook submit as specified in Section 5, Proposal Format.

4.2.2 Cost Workbook Completion

Exhibit 1, Cost Workbook, consists of a worksheet for each category (i.e., Cars, Trucks, and Vans & SUVs). Bidders are not required to bid on all line items.

Bidders shall input the following for each worksheet (in yellow cells provided):

- Cash Discount for Payment Within: The discount offered for payment within "x" amount of days (must meet requirements outlined in Section 4.1.2, Prompt Payment Cash Discount)
- Bidder: The Bidder's name
- Make: The vehicle Make
- Model: The vehicle Model
- Model Year: The vehicle Model Year
- Supplier Stock Keeping Unit Number (SKU#): The unique supplier part number or SKU of the offered product if different than manufacturer part number. (Use manufacturer part number if the same)
- Manufacturer Part Number: The manufacturer's part number for each offered product
- Maintenance Plan List Price (MSRP): Bidder's independently verifiable public price available to the general public in US \$ (i.e. catalog price). Any prices submitted for items shall contain no alterations whatsoever from those which are commercially offered by the manufacturer. Federal GSA prices shall not be accepted as MSRPs

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- Maintenance Plan Contract Unit Price: The net price that bidder is offering to the State for the offered product. (This price should include price reductions from bidder's List Price)
 - Vehicle List Price (MSRP): Bidder's independently verifiable public price available to the general public in US \$ (i.e. catalog price). Any prices submitted for items shall contain no alterations whatsoever from those which are commercially offered by the manufacturer.
 - Vehicle Contract Unit Price: The net price that bidder is offering to the State for the offered product. (This price should include price reductions from bidder's List Price)
 - Additional Options (Cost Plus) Contract Percent Charge: The percentage to be charged above cost for additional options

4.3 Cost Submittal

Final pricing will be submitted as a separate attachment as specified in Section 5, Proposal Format.

5. Section 5 – Proposal Format

These instructions describe the mandatory proposal format and the approach for the development and presentation of proposal data. Format instructions must be adhered to, all requirements and questions in the RFP must be responded to, and all requested data must be supplied. Each Bidder is responsible for providing sufficient information and documentation for their RFP response to be thoroughly evaluated. Failure to do so may result in rejection of the proposal.

5.1 Proposal Delivery

Final proposals shall be submitted by the date and time specified in Exhibit 2, Key Action Dates.

5.2 Draft Proposal Format

Draft Proposals must be delivered by email and received by the date and time specified in Exhibit 2, Key Action Dates. Draft Proposals must be submitted as follows.

- Proposals shall be sent to CMU@dgs.ca.gov.
- Proposals shall not be sent to any other mailbox.
- Only proposal submissions shall be sent to this mailbox.
- Emailed proposals should clearly identify in the Subject Line “Proposal Response for Event ID # 0000020793.”

5.3 Final Proposal Format

Proposals must be delivered by email and received by the date and time specified in Exhibit 2, Key Action Dates. Proposals received after this date and time will not be considered; therefore, it is the responsibility of the Bidder to make sure their proposal is received on time.

Proposals shall be submitted as follows:

- Proposals shall be sent to CMU@dgs.ca.gov.
- Proposals shall not be sent to any other mailbox.
- Only proposal submissions shall be sent to this mailbox.
- Emailed proposals should clearly identify in the Subject Line “Proposal Response for Event ID # 0000020793.”

Emailed submissions should not exceed 10 megabytes (MB). The State’s mail server may automatically reject excessively large emails.

5.3.1 Electronic Document Formats

It is the Bidder’s responsibility to ensure that electronically submitted documents are readable by DGS-PD. Required documents should be submitted in Microsoft Word, Microsoft Excel, or PDF, unless otherwise requested. To ensure electronically submitted documents are readable, Bidders should submit electronic documents that meet the following standards:

- Microsoft – Office Suite Standard 2010 (Word, Excel, Power Point)
- Microsoft – Office Professional Plus 2010 (Word, Excel, Power Point, Access, OneNote, Publisher)

Electronic submissions not compatible with these standards and unable to be read may result in the proposal being rejected.

5.4 Final Proposal Content

Final Proposals shall include separate attachments for the following:

- Volume 1: Response to Requirements
- Volume 2: Cost Data

Volume 1: Response to Requirements

It is preferred that multiple documents for Volume 1: Response to Requirements, are combined into a single PDF attachment. If submitting separate Volume 1 attachments, "Volume 1" must be in the file name. (Example: "Volume 1, Response to Requirements"; or "Volume 1, Narrative Response") Cost information must not be included in any attachments for Volume 1: Response to Requirements.

Volume 2: Cost Data

The Volume 2 attachment must contain "Volume 2" in the file name. (Example: "Volume 2, Cost, Group Name(s)")

Zip Files are discouraged. Refer to Section 5.3.1, Electronic Document Formats for preferred document types.

5.4.1 Volume 1- Response to Requirements

This volume must contain all responses to the bidding requirements of the RFP including any technical literature. All applicable forms, except cost data, must be completed and included in this volume.

No cost information should be contained in this volume. Bidder must leave blank or put "XXX" in place of any cost figures and percentages related to costs.

5.4.2 Volume 2 - Cost Data

This volume must contain the completed Exhibit 1, Cost Workbook only. Bidders must submit this volume as a separate attachment.

Pricing figures may not appear in Volume 1 – Response to Requirements. If any cost is included in Volume 1, the proposal may be deemed non-compliant.

5.4.3 Final Proposal Exhibits

Bidders shall include the following documents in the Final Proposal, or as required in the RFP:

Response to Requirements, Volume 1:**Required with Bid Response**

Description	Section	Exhibit
Agreement Cover Letter	2.3.4.5	N/A
Narrative Response	2.1.6	3
Technical Questionnaire	3.1.1.2	6
Authorized Dealer Letter (if applicable)	3.2.6	N/A
California Civil Rights Laws Certification	3.2.9	N/A
Iran Contracting Act	3.2.10	N/A
Bidder Declaration Form	3.2.13	N/A

Required with Bid Response only if the Bidder and/or subcontractor is a certified SB/DVBE and/or Bidder is claiming a preference or incentive

Description	Section
DVBE Declaration Form (DGS PD 843)	3.2.13
TACPA Standard Form (STD 830)	3.2.14
Manufacturer's Summary of Contract Activities and Labor Hours Form (DGS/PD 525)	3.2.14
Bidder's Summary of Contract Activities and Labor Hours Form (DGS/PD 526)	3.2.14

Request with Bid Response, required within five (5) days after notification from the State

Description	Section
Technical Literature	3.1.2
PCRC Workbook	3.1.5
Customer Reference Forms (two (2) total)	3.2.3
Darfur Contracting Act	3.2.8
Insurance Requirements	3.2.11
Federal Debarment Certification Form	3.2.12

Request with Bid Response, required during Contract Implementation

Description	Section	Exhibit
Copy of Seller's Permit	3.2.3	N/A
Payee Data Record	3.2.4	N/A
Preliminary Sample of a Pre-Order Quote	3.3.10	N/A

Cost Data, Volume 2:**Required with the Bid Response**

Description	Section	Exhibit
Cost Workbook	4.2	1

The State makes no warranty that the list of applicable documents and exhibits is a full and comprehensive listing of every requirement specified in the RFP. Checking off the items on the list does not establish your firm's intent nor does it constitute responsiveness to the requirements. The list is only a tool to assist participating Bidders in compiling their final proposal response. Bidders are encouraged to carefully read the entire RFP. The need to verify all documentation and responses prior to the submission of final proposals cannot be over emphasized.

The State requests that Bidders do not submit unnecessary documentation to your final proposal. The State expects only documentation which pertains to the requested/required information to be submitted as outlined in the RFP. Additional information not specific to the requirements of this RFP should not be submitted (e.g. company literature, marketing materials, etc.).

6. Section 6 - Evaluation

This section describes how the State plans to evaluate the responding proposals and identify the proposals that meet the RFP's objectives. It is the State's intent to conduct a comprehensive, impartial evaluation of all proposals received.

6.1 Receipt

Each proposal will be date and time marked as it is received and verified that all responses are properly identified. Emails will not be opened by the Procurement Official until the required proposal submission due date and time.

6.2 Evaluation of Final Proposals

6.2.1 Validation Against Requirements

The State's proposal evaluation team (Team) will check each proposal's Volume 1 – Response to Requirements in detail to determine its compliance to the RFP requirements. If a proposal fails to meet an RFP requirement, the State will determine if the deviation is material as defined in Section 2.1.1, Requirements. A material deviation will be cause for rejection of the proposal. If a deviation is determined to be immaterial, it will be processed as if no deviation had occurred.

Only those proposals that are administratively and technically compliant will proceed to the cost evaluation.

Volume 2 - Cost Data shall remain unopened until the evaluation of all technical and administrative requirements is completed. Cost data will only be opened for responsive proposals from responsible Bidders. A public cost opening will be held through Microsoft Teams. All participating Bidders and interested parties shall be notified as to the date and time of the public cost opening and a link to join the Microsoft Teaming meeting will be provided.

6.2.2 Cost Analysis

The required cost forms will be checked for mathematical accuracy. Errors and inconsistencies will be dealt with according to procedures contained in Section 2.3.6.3, Errors in the Final Proposals.

6.2.3 Evaluation of Requirements

For evaluation purposes, certain requirements have been designated as scored requirements and will be scored in accordance with the criteria contained herein. All remaining mandatory requirements are not scored and will be evaluated on a pass/fail basis. A material deviation on a mandatory requirement whether or not it is scored will result in disqualification of the proposal.

6.3 Final Proposal Scoring Criteria

The Team will evaluate and score the responses of each Bidder's Final Proposal to determine a Total Score. The maximum points available are 1015, not including applicable preferences and incentives. The total score includes six (6) scoring categories:

Scoring Category	Maximum Points
Customer References	10
Vehicle Purchase Price less Cash Discounts	600
Maintenance Plan Price	5
Cost of Fuel	200
GHG Rating	100
SMOG Rating	100
Total Available Points	1015

Points will be allocated as described in Exhibit 7, Vehicle Procurement Evaluation Methodology.

6.3.1 Preference Calculation

6.3.1.1 Small Business Preference Calculation

If the Small Business (SB) preference is to be applied to a California-certified Small Business' Total Score, the following formula will be utilized:

- SB Preference Points = (Highest Non-Small Business Total Score) multiplied by (5 percent)
- SB Preference Points will be added to the total score of responsive proposals eligible to receive the preference.

Example:

Highest non-small business' Total Score: 800 points

SB Preference: 800 points multiplied by 0.05 = 40 points

The 40 points would be added to the total score for all eligible Bidders

6.3.1.2 DVBE Incentive Calculation

If a DVBE Incentive is to be applied to a qualified Bidder's total score, the Incentive amount applied to each proposal will be as shown in the [California DVBE Bid Incentive Instructions](https://www.dgs.ca.gov/-/media/10D6B9D24A5E4D0CB6DB27FCA1572CC2.ashx) (<https://www.dgs.ca.gov/-/media/10D6B9D24A5E4D0CB6DB27FCA1572CC2.ashx>).

6.3.1.3 TACPA Preference Calculations

The TACPA preference will be applied to a qualified Bidder's total cost in accordance with Government Code Section 4530 et seq.

6.4 Selection and Award

The contract will be awarded by line item to the responsive and responsible Bidder with the highest total of points, including all applicable preference points.

The State reserves the right to make additional awards to the responsive and responsible Bidders if both of the following occur:

- The Bidder's proposal is within 150 points of the highest scored proposal within each line item.
- The additional Bidder represents a different model than the highest scoring Bidder.

If award is made to more than one Bidder, ordering departments will have the authority to select either Contractor.

6.5 Negotiations

The State may elect to enter into negotiations pursuant to Public Contract Code §6611, if conditions exist.

7. Section 7 - Demonstration

For the purpose of this RFP, demonstrations will not be required.

8. Section 8 – Exhibits

The following list identifies the applicable exhibits for this solicitation:

8.1 Exhibits

- Exhibit 1 Cost Workbook
- Exhibit 2 Key Action Dates
- Exhibit 3 Narrative Response
- Exhibit 4 Customer Reference Form
- Exhibit 5 Technical Specifications
- Exhibit 6 Technical Questionnaire
- Exhibit 7 Vehicle Procurement Evaluation Methodology

Bidder	Line Item	Make	Model	Bid Price	Discount	Total Net \$	Servive Price	Service Score	MPG/MPGe	Fuel Type	Fuel Cost	GHG	GHG Score	Pollution	Pollution Score	Fuel Score	Total EPP	Bid Score	Reference Score	Total Score	Highest Point Total Per CLIN	Award (Highest Point Total or within 150 Points)	Line Item	Estimated Award Value
Watsonville Fleet Group	2	Ford	Maverick XL	\$20,726.00	\$500.00	\$20,226.00	\$1,340.00	1	37	Hybrid	\$12,108	8	80	5	50	200.0	330.0	581.2	10.0	922.2	945.0	No	2	
Downtown Ford	2	Ford	Maverick XL	\$20,093.00	\$500.00	\$19,593.00	\$499.00	5	37	Hybrid	\$12,108	8	80	5	50	200.0	330.0	600.0	10.0	945.0		Yes	2	\$502,325.00
Freeway Toyota of Hanford	7	Toyota	Tacoma	\$24,832.00	\$500.00	\$24,332.00	\$895.00	3	21	Gas	\$21,333	4	40	5	50	190.9	280.9	585.4	10.0	879.3	922.0	Yes	7	\$620,800.00
Winner Chevrolet	7	Chevy	Colorado 2WT	\$24,240.00	\$500.00	\$23,740.00	\$1,095.00	2	22	Gas	\$20,364	5	50	6	60	200.0	310.0	600.0	10.0	922.0		Yes	7	\$606,000.00
Watsonville Fleet Group	7	Chevy	Colorado WT	\$27,236.00	\$500.00	\$26,736.00	\$1,640.00	1	22	Gas	\$20,364	5	50	6	60	200.0	310.0	532.8	10.0	853.8		No	7	
Freeway Toyota of Hanford	8	Toyota	Tacoma	\$25,263.00	\$500.00	\$24,763.00	\$895.00	3	21	Gas	\$21,333	4	40	5	50	190.9	280.9	600.0	6.0	889.9	917.5	Yes	8	\$1,010,520.00
Winner Chevrolet	8	Chevy	Colorado 2WT	\$25,450.00	\$500.00	\$24,950.00	\$1,095.00	2	22	Gas	\$20,364	5	50	6	60	200.0	310.0	595.5	10.0	917.5		Yes	8	\$1,018,000.00
Watsonville Fleet Group	8	Chevy	Colorado WT	\$28,812.00	\$500.00	\$28,312.00	\$1,640.00	1	22	Gas	\$20,364	5	50	6	60	200.0	310.0	524.8	10.0	845.8		No	8	
Freeway Toyota of Hanford	9	Toyota	Tacoma	\$27,561.00	\$500.00	\$27,061.00	\$895.00	3	21	Gas	\$21,333	4	40	5	50	200.0	290.0	600.0	6.0	899.0	899.0	Yes	9	\$689,025.00
Winner Chevrolet	9	Chevy	Colorado 4WT	\$29,050.00	\$500.00	\$28,550.00	\$1,095.00	2	21	Gas	\$21,333	4	40	6	60	200.0	300.0	568.7	10.0	880.7		Yes	9	\$726,250.00
Watsonville Fleet Group	9	Chevy	Colorado WT	\$31,060.00	\$500.00	\$30,560.00	\$1,640.00	1	21	Gas	\$21,333	4	40	6	60	200.0	300.0	531.3	10.0	842.3		No	9	
Freeway Toyota of Hanford	10	Toyota	Tacoma	\$30,027.00	\$500.00	\$29,527.00	\$895.00	3	21	Gas	\$21,333	4	40	5	50	200.0	290.0	600.0	6.0	899.0	899.0	Yes	10	\$900,810.00
Winner Chevrolet	10	Chevy	Colorado 4WT	\$31,350.00	\$500.00	\$30,850.00	\$1,095.00	2	19	Gas	\$23,579	4	40	6	60	181.0	281.0	574.3	10.0	867.2		Yes	10	\$940,500.00
Watsonville Fleet Group	10	Chevy	Colorado WT	\$33,436.00	\$500.00	\$32,936.00	\$1,640.00	1	19	Gas	\$23,579	4	40	6	60	181.0	281.0	537.9	10.0	829.9		No	10	
Winner Chevrolet	11	Chevy	Colorado LT	\$34,360.00	\$500.00	\$33,860.00	\$1,095.00	2	23	Diesel	\$21,130	4	40	3	30	200.0	270.0	600.0	10.0	882.0	882.0	Yes	11	\$687,200.00
Winner Chevrolet	13	Chevy	Colorado LT	\$39,080.00	\$500.00	\$38,580.00	\$1,095.00	2	22	Diesel	\$22,091	4	40	3	30	191.3	261.3	572.7	10.0	846.0		No	13	
Watsonville Fleet Group	13	Chevy	Colorado WT	\$37,322.00	\$500.00	\$36,822.00	\$1,640.00	1	22	Diesel	\$22,091	4	40	3	30	191.3	261.3	600.0	10.0	872.3		Yes	13	\$1,119,660.00
Elk Grove Auto	20	Ram	1500 Tradesman	\$25,850.00	\$500.00	\$25,350.00	\$1,095.00	2	20	Gas	\$22,400	4	40	3	30	190.5	260.5	569.3	10.0	841.8		Yes	20	\$646,250.00
LITHIA NISSAN OF FRESNO	20	Nissan	Frontier King Cab	\$24,554.00	\$500.00	\$24,054.00	\$895.00	3	20	Gas	\$22,400	4	40	5	50	190.5	280.5	600.0	6.0	889.5		Yes	20	\$613,850.00
Winner Chevrolet	20	Chevy	Silverado	\$30,840.00	\$500.00	\$30,340.00	\$1,095.00	2	21	Gas	\$21,333	4	40	6	60	200.0	300.0	475.7	10.0	787.7		Yes	20	\$771,000.00
Watsonville Fleet Group	20	Ford	F-150 XL	\$25,705.00	\$500.00	\$25,205.00	\$1,340.00	1	21	Gas	\$21,333	4	40	6	60	200.0	300.0	572.6	10.0	883.6		No	20	
Watsonville Fleet Group	20	Chevy	Silverado 1500 WT	\$32,187.00	\$500.00	\$31,687.00	\$1,640.00	1	20	Gas	\$22,400	4	40	6	60	190.5	290.5	455.5	10.0	756.9		No	20	
Downtown Ford	20	Ford	F-150 XL	\$25,656.00	\$500.00	\$25,156.00	\$499.00	5	21	Gas	\$21,333	4	40	6	60	200.0	300.0	573.7	10.0	888.7		Yes	20	\$641,400.00
Elk Grove Auto	22	Ram	1500 Tradesman	\$25,850.00	\$500.00	\$25,350.00	\$1,095.00	2	20	Gas	\$22,400	4	40	3	30	190.5	260.5	600.0	10.0	872.5		Yes	22	\$1,034,000.00
Winner Chevrolet	22	Chevy	Silverado	\$29,400.00	\$500.00	\$28,900.00	\$1,095.00	2	21	Gas	\$21,333	4	40	6	60	200.0	300.0	526.3	10.0	838.3		Yes	22	\$1,176,000.00
Watsonville Fleet Group	22	Ford	F-150 XL	\$25,973.00	\$500.00	\$25,473.00	\$1,340.00	1	21	Gas	\$21,333	4	40	6	60	200.0	300.0	597.1	10.0	908.1		No	22	
Watsonville Fleet Group	22	Chevy	Silverado 1500 WT	\$32,382.00	\$500.00	\$31,882.00	\$1,640.00	1	20	Gas	\$22,400	4	40	6	60	190.5	290.5	477.1	10.0	778.5		No	22	
CA Car Group	22	GMC	Sierra Pro	\$30,984.85	\$0.00	\$30,984.85	\$749.00	4	20	Gas	\$22,400	3	30	6	60	190.5	280.5	490.9	10.0	785.4		Yes	22	\$1,239,394.00
Downtown Ford	22	Ford	F-150 XL	\$26,100.00	\$500.00	\$25,600.00	\$499.00	5	21	Gas	\$21,333	4	40	6	60	200.0	300.0	594.1	10.0	909.1		Yes	22	\$1,044,000.00
Elk Grove Auto	23	Ram	1500 Tradesman	\$29,440.00	\$500.00	\$28,940.00	\$1,095.00	2	20	Gas	\$22,400	4	40	3	30	181.8	251.8	599.5	10.0	863.3		Yes	23	\$1,766,400.00
Winner Chevrolet	23	Chevy	Silverado	\$32,460.00	\$500.00	\$31,960.00	\$1,095.00	2	21	Gas	\$21,333	4	40	6	60	190.9	290.9	542.8	10.0	845.7		Yes	23	\$1,947,600.00
Watsonville Fleet Group	23	Ford	F-150 XL	\$35,016.00	\$500.00	\$34,516.00	\$1,340.00	1	22	Gas	\$20,364	5	50	6	60	200.0	310.0	502.6	10.0	823.6		No	23	
Watsonville Fleet Group	23	Chevy	Silverado 1500 WT	\$35,413.00	\$500.00	\$34,913.00	\$1,640.00	1	20	Gas	\$22,400	4	40	6	60	181.8	281.8	496.9	10.0	789.7		No	23	
CA Car Group	23	GMC	Sierra Pro	\$34,868.04	\$0.00	\$34,868.04	\$749.00	4	20	Gas	\$22,400	3	30	6	60	181.8	271.8	497.6	10.0	783.4		Yes	23	\$2,092,082.40
Downtown Ford	23	Ford	F-150 XL	\$29,415.00	\$500.00	\$28,915.00	\$499.00	5	21	Gas	\$21,333	4	40	6	60	190.9	290.9	600.0	10.0	905.9		Yes	23	\$1,764,900.00
Elk Grove Auto	24	Ram	1500 Tradesman	\$31,840.00	\$500.00	\$31,340.00	\$1,095.00	2	20	Gas	\$22,400	4	40	3	30	190.5	260.5	600.0	10.0	872.5		Yes	24	\$1,910,400.00
Winner Chevrolet	24	Chevy	Silverado	\$34,620.00	\$500.00	\$34,120.00	\$1,095.00	2	21	Gas	\$21,333	4	40	6	60	200.0	300.0	551.1	10.0	863.1		Yes	24	\$2,077,200.00
Watsonville Fleet Group	24	Ford	F-150 XL	\$32,586.00	\$500.00	\$32,086.00	\$1,340.00	1	21	Gas	\$21,333	4	40	6	60	200.0	300.0	586.0	10.0	897.0		No	24	
Watsonville Fleet Group	24	Chevy	Silverado 1500 WT	\$37,758.00	\$500.00	\$37,258.00	\$1,640.00	1	20	Gas	\$22,400	4	40	6	60	190.5	290.5	504.7	10.0	806.2		No	24	
CA Car Group	24	Chevy	Silverado WT	\$36,461.28	\$0.00	\$36,461.28	\$749.00	4	20	Gas	\$22,400	4	40	6	60	190.5	290.5	515.7	10.0	820.2		No	24	
Downtown Ford	24	Ford	F-150 XL	\$32,800.00	\$500.00	\$32,300.00	\$499.00	5	21	Gas	\$21,333	4	40	6	60	200.0	300.0	582.2	10.0	897.2		Yes	24	\$1,968,000.00
Elk Grove Auto	25	Ram	1500 Tradesman	\$29,920.00	\$500.00	\$29,420.00	\$1,095.00	2	19	Gas	\$23,579	3	30	3	30	190.0	250.0	600.0	10.0	862.0		Yes	25	\$1,196,800.00
Winner Chevrolet	25	Chevy	Silverado	\$33,625.00	\$500.00	\$33,125.00	\$1,095.00	2	20	Gas	\$22,400	4	40	6	60	200.0	300.0	532.9	10.0	844.9		Yes	25	\$1,345,000.00
Watsonville Fleet Group	25	Ford	F-150 XL	\$30,118.00	\$500.00	\$29,618.00	\$1,340.00	1	20	Gas	\$22,400	4	40	6	60	200.0	300.0	596.0	10.0	907.0		No	25	
Watsonville Fleet Group	25	Chevy	Silverado 1500 WT	\$36,879.00	\$500.00	\$36,379.00	\$1,640.00	1	18	Gas	\$24,889	3	30	6	60	180.0	270.0	485.2	10.0	766.2		No	25	
CA Car Group	25	Chevy	Silverado WT	\$34,768.57	\$0.00	\$34,768.57	\$749.00	4	18	Gas	\$24,889	3	30	6	60	180.0	270.0	507.7	10.0	791.7		No	25	

Downtown Ford	25	Ford	F-150 XL	\$30,283.00	\$500.00	\$29,783.00	\$499.00	5	20	Gas	\$22,400	4	40	6	60	200.0	300.0	592.7	10.0	907.7	905.0	Yes	25	\$1,211,320.00
Elk Grove Auto	26	Ram	1500 Tradesman	\$32,550.00	\$500.00	\$32,050.00	\$1,095.00	2	19	Gas	\$23,579	3	30	3	30	190.0	250.0	598.9	10.0	860.9	905.0	Yes	26	\$1,953,000.00
Winner Chevrolet	26	Chevy	Silverado	\$35,360.00	\$500.00	\$34,860.00	\$1,095.00	2	20	Gas	\$22,400	4	40	6	60	200.0	300.0	550.6	10.0	862.6	905.0	Yes	26	\$2,121,600.00
Watsonville Fleet Group	26	Ford	F-150 XL	\$34,622.00	\$500.00	\$34,122.00	\$1,340.00	1	19	Gas	\$23,579	4	40	5	50	190.0	280.0	562.5	10.0	853.5	905.0	No	26	
Watsonville Fleet Group	26	Chevy	Silverado 1500 WT	\$38,638.00	\$500.00	\$38,138.00	\$1,640.00	1	18	Gas	\$24,889	3	30	6	60	180.0	270.0	503.3	10.0	784.3	905.0	No	26	
Downtown Ford	26	Ford	F-150 XL	\$32,490.00	\$500.00	\$31,990.00	\$499.00	5	19	Gas	\$23,579	4	40	6	60	190.0	290.0	600.0	10.0	905.0	905.0	Yes	26	\$1,949,400.00
Elk Grove Auto	27	Ram	1500 Tradesman	\$34,950.00	\$500.00	\$34,450.00	\$1,095.00	2	19	Gas	\$23,579	3	30	3	30	190.0	250.0	600.0	10.0	862.0	989.0	Yes	27	\$1,048,500.00
Winner Chevrolet	27	Chevy	Silverado	\$37,525.00	\$500.00	\$37,025.00	\$1,095.00	2	20	Gas	\$22,400	4	40	6	60	200.0	300.0	558.3	10.0	870.3	989.0	Yes	27	\$1,125,750.00
Watsonville Fleet Group	27	Ford	F-150 XL	\$38,740.00	\$500.00	\$38,240.00	\$1,340.00	1	20	Gas	\$22,400	4	40	6	60	200.0	300.0	540.5	10.0	851.5	989.0	No	27	
Watsonville Fleet Group	27	Chevy	Silverado 1500 WT	\$40,985.00	\$500.00	\$40,485.00	\$1,640.00	1	18	Gas	\$24,889	3	30	6	60	180.0	270.0	510.6	10.0	791.6	989.0	No	27	
Downtown Ford	27	Ford	F-150 XL	\$35,955.00	\$500.00	\$35,455.00	\$499.00	5	20	Gas	\$22,400	4	40	6	60	200.0	300.0	583.0	10.0	898.0	989.0	Yes	27	\$1,078,650.00
Winner Chevrolet	28	Chevy	Silverado	\$33,545.00	\$500.00	\$33,045.00	\$1,095.00	2	16	E85	\$22,313	2	20	3	30	200.0	250.0	525.0	10.0	787.0	925.0	Yes	28	\$503,175.00
Watsonville Fleet Group	28	Ford	F-150 XL	\$31,206.00	\$500.00	\$30,706.00	\$1,340.00	1	14	E85	\$25,500	4	40	5	50	175.0	265.0	565.0	10.0	841.0	925.0	No	28	
Watsonville Fleet Group	28	Chevy	Silverado 1500 WT	\$38,272.00	\$500.00	\$37,772.00	\$1,640.00	1	12	E85	\$29,750	3	30	3	30	150.0	210.0	459.3	10.0	680.3	925.0	No	28	
Downtown Ford	28	Ford	F-150 XL	\$29,416.00	\$500.00	\$28,916.00	\$499.00	5	16	E85	\$22,313	5	50	6	60	200.0	310.0	600.0	10.0	925.0	925.0	Yes	28	\$441,240.00
Winner Chevrolet	29	Chevy	Silverado	\$36,450.00	\$500.00	\$35,950.00	\$1,095.00	2	16	E85	\$22,313	2	20	3	30	200.0	250.0	533.9	10.0	795.9	912.5	Yes	29	\$546,750.00
Watsonville Fleet Group	29	Ford	F-150 XL	\$34,622.00	\$500.00	\$34,122.00	\$1,340.00	1	13	E85	\$27,462	4	40	5	50	162.5	252.5	562.5	10.0	826.0	912.5	No	29	
Watsonville Fleet Group	29	Chevy	Silverado 1500 WT	\$41,452.00	\$500.00	\$40,952.00	\$1,640.00	1	12	E85	\$29,750	3	30	3	30	150.0	210.0	468.7	10.0	689.7	912.5	No	29	
Downtown Ford	29	Ford	F-150 XL	\$32,490.00	\$500.00	\$31,990.00	\$499.00	5	15	E85	\$23,800	5	50	6	60	187.5	297.5	600.0	10.0	912.5	912.5	Yes	29	\$487,350.00
Winner Chevrolet	30	Chevy	Silverado LT	\$39,580.00	\$500.00	\$39,080.00	\$1,095.00	2	27	Diesel	\$18,000	4	40	3	30	200.0	270.0	600.0	10.0	882.0	882.0	Yes	30	\$593,700.00
Watsonville Fleet Group	30	Chevy	Silverado 1500 LT	\$45,668.00	\$500.00	\$45,168.00	\$1,640.00	1	26	Diesel	\$18,692	5	50	3	30	192.6	272.6	519.1	10.0	802.7	882.0	No	30	
Winner Chevrolet	31	Chevy	Silverado LT	\$44,450.00	\$500.00	\$43,950.00	\$1,095.00	2	24	Diesel	\$20,250	4	40	3	30	200.0	270.0	600.0	10.0	882.0	882.0	Yes	31	\$666,750.00
Watsonville Fleet Group	31	Chevy	Silverado 1500 LT	\$48,824.00	\$500.00	\$48,324.00	\$1,640.00	1	24	Diesel	\$20,250	4	40	3	30	200.0	270.0	545.7	10.0	826.7	882.0	No	31	



Department of General Services
 Procurement Division
 707 Third Street, 2nd Floor
 West Sacramento, CA 95605-2811

State of California
STATEWIDE CONTRACT
USER INSTRUCTIONS
 MANDATORY

Supplement 6

(Incorporates Supplements 1 – 6)

ISSUE AND EFFECTIVE DATE: ***01/23/2023***

CONTRACT NUMBER: 1-22-23-20 A through K

DESCRIPTION: Fleet Vehicles – Trucks

CONTRACTOR(S): Lithia Nissan of Fresno (1-22-23-20A)

Ocean Honda (1-22-23-20B)

Freeway Toyota (1-22-23-20C)

Winner Chevrolet (1-22-23-20D)

Elk Grove Auto (1-22-23-20E)

Downtown Ford Sales (1-22-23-20F)

Watsonville Fleet Group (1-22-23-20G)

CA Car Group (1-22-23-20H)

Riverview International (1-22-23-20I)

Sacramento Truck Center

(1-22-23-20J)

Bonander Truck & Trailer (1-22-23-20K)

CONTRACT TERM: 05/01/2022 through 04/30/2025

STATE CONTRACT ADMINISTRATOR: **Contracts 1-22-23-20A-G, I, & J**

Eugene Shemereko

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Contracts 1-22-23-20H & K

Robb Parkison

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The contract user instructions, products, and pricing are included herein. All purchase documents issued under this contract incorporate the contract terms and applicable California General Provisions:

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Contract User Instructions, ****Supplement 6****

[Non-IT General Provisions \(rev 11/19/2021\)](https://www.dgs.ca.gov/-/media/199A6A32E4DE4BECAFF4EFA7194350CD.ashx) (https://www.dgs.ca.gov/-/media/199A6A32E4DE4BECAFF4EFA7194350CD.ashx)

Cal eProcure link: www.caleprocure.ca.gov

All changes to most recent Supplement are in ***bold red italic***. Additions are enclosed in asterisks; deletions are enclosed in brackets.

SUMMARY OF CHANGES

Supplement Number	Description/Articles	Supplement Date
<i>*6*</i>	➤ <i>*Attachment A – Contract Pricing – Supplement 5 has been replaced with Attachment A – Contract Pricing – Supplement 6*</i>	<i>*01/23/2023*</i>
5	➤ Attachment A – Contract Pricing – Supplement 4 has been replaced with Attachment A – Contract Pricing – Supplement 5	12/06/2022
4	➤ Attachment A – Contract Pricing – Supplement 3 has been replaced with Attachment A – Contract Pricing – Supplement 4	11/04/2022
3	➤ Attachment A – Contract Pricing – Supplement 2 has been replaced with Attachment A – Contract Pricing – Supplement 3 ➤ Contact Information for Downtown Ford has been updated	09/19/2022
2	➤ Attachment A – Contract Pricing – Supplement 1 has been replaced with Attachment A – Contract Pricing – Supplement 2*	08/16/2022
1	➤ Attachment A – Contract Pricing has been replaced with Attachment A – Contract Pricing – Supplement 1 ➤ Attachment D – Vehicle Specifications has been added ➤ Article 25 – Payments, language has been modified	05/26/2022
N/A	Original Contract Posted	05/01/2022

All other terms and conditions remain the same.

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STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
PROCUREMENT DIVISION

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1. SCOPE

The State's contracts provide Fleet Vehicles - Trucks at contracted pricing to the State of California and local governmental agencies in accordance with the requirements of Contract # 1-22-23-20 A - K. The contractors shall supply the entire portfolio of products as identified in the contract and will be the primary point of contact for data collection, reporting, and distribution of Fleet Vehicles - Trucks to the State.

The contract term is for three (3) years with an option to extend the contract for two (2) additional one (1) year periods or portion thereof. The terms, conditions, and prices for the contract extension option shall be by mutual agreement between the contractor and the State. If a mutual agreement cannot be met the contract may be terminated at the end of the current contract term.

2. CONTRACT USAGE/RULES

A. State Departments

- The use of this contract is mandatory for State of California departments. State Departments may purchase any vehicle that is awarded to each line item. This contract does not include ranking.
- State departments must adhere to all applicable State laws, regulations, policies, best practices, and purchasing authority requirements, e.g. California Codes, Code of Regulations, State Administrative Manual, Management Memos, and State Contracting Manual Volume 2 and SCM-F as applicable.
- Prior to placing orders against this contract, State departments must have been granted non-IT purchasing authority by the Department of General Services, Procurement Division (DGS-PD) for the use of this statewide contract. State departments that have not been granted purchasing authority by DGS-PD for the use of the State's statewide contracts may contact DGS-PD's Purchasing Authority Management Section by e-mail at pams@dgs.ca.gov.
- Departments must have a Department of General Services (DGS) agency billing code prior to placing orders against this contract. Ordering departments may contact their Purchasing Authority contact or their department's fiscal office to obtain this information.

B. Local Governmental Agencies

- Local governmental agency use of this contract is optional.
- Local government agencies are defined as "any city, county, city and county, district or other governmental body or corporation", per Public Contract Code Chapter 2, Section 10298 (b), empowered to expend public funds for the acquisition of products; this includes the California State Universities (CSU) and University of California (UC) systems, K-12 schools and community colleges. While the State makes this contract available to local governmental agencies, each local

Contract (Mandatory) 1-22-23-20 A-K
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governmental agency should determine whether this contract is consistent with its procurement policies and regulations.

- Local governmental agencies shall have the same rights and privileges as the State under the terms of this contract. Any agencies desiring to participate shall be required to adhere to the same responsibilities as do State agencies and have no authority to amend, modify or change any condition of the contract.
 - A DGS issued billing code is not required for local governmental agencies to place orders against this contract.
- C. Unless otherwise specified within this document, the term “ordering agencies” will refer to all State departments and/or local governmental agencies eligible to utilize this contract. Ordering and/or usage instructions exclusive to State departments or local governmental agencies shall be identified within each article.

3. DGS ADMINISTRATIVE FEES

A. State Departments

The DGS will bill each State department an administrative fee for use of this statewide contract. The administrative fee should NOT be included in the order total, nor remitted before an invoice is received from DGS.

Current fees are available online in the [Price Book & Directory of Services](https://www.dgs.ca.gov/OFS/Price-Book) (<https://www.dgs.ca.gov/OFS/Price-Book>) (go to Price Book Download and click on Purchasing under Procurement Division).

B. Local Governmental Agencies

For all local government agency transactions issued against the contract, the Contractor is required to remit the DGS-PD an Incentive Fee of an amount equal to 1.25% of the total purchase order amount excluding taxes and freight. This Incentive Fee shall not be included in the agency’s purchase price, nor invoiced or charged to the purchasing entity. All prices quoted to local governmental agency customers shall reflect State contract pricing, including any and all applicable discounts, and shall include no other add-on fees.

4. SB/DVBE OFF-RAMP PROVISION

There is no SB/DVBE off ramp associated with this contract.

5. PROBLEM RESOLUTION/SUPPLIER PERFORMANCE

Ordering agencies and/or Contractor shall inform the State Contract Administrator of any technical or contractual difficulties encountered during contract performance in a timely manner. This includes and is not limited to informal disputes, supplier performance, outstanding deliveries, etc. The ordering agency should include all relevant information and/or documentation (e.g., purchase documents).

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6. CONTRACT ITEMS

Contract vehicles and pricing are listed on Attachment A, Contract Pricing. All prices listed shall be fixed as the maximum cost for the contract period unless a price increase is granted.

Each line item description on Attachment A, Contract Pricing, provides a description of the minimum requirements that each vehicle in that line item has met or exceeded.

A Maintenance Plan is offered on all light duty vehicles less than 8500 lbs Gross Vehicle Weight Rating (GVWR). Maintenance Plan pricing is listed on Attachment A, Contract Pricing. The purchase of the Maintenance Plan is optional. See Article 29, Maintenance Plan for more detailed information.

Price Increases

Price increases may be requested with each model year change and will be posted on a quarterly basis.

Quarterly Increases shall be processed on the following calendar days:

- July 1st
- October 1st
- January 1st
- April 1st

Contractors are requested to price protect the contracted price for the duration between the price increase request and the time the increase is processed. If the Contractor is unable to honor the price protection, the Contractor's vehicle(s) will be unavailable for ordering until the price increases have been evaluated and approved.

Multiple Award

Some line items may have multiple vehicles awarded with different make and models available. State Departments may choose any vehicle identified in the subject line item. There is no vehicle ranking associated with this contract.

Sales Tax

The sales tax rate applied should be based on the rate of the "Bill To" address listed on the Purchase Order.

Options

All factory options shall be available and priced at Contractor cost plus up to 10% for an addition or Contractor cost minus up to 10% for a deletion in accordance with the manufacturer's current model year price list. Types of equipment changes which might be made include, but are not limited, to the following:

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- Add trailer tow package
- Add Bluetooth
- Add parking sensors
- Delete pick up box (bed)

In no case shall options be included or deleted in such a manner as to cause the vehicle to conflict with any other line item on any other vehicle contract.

The Contractor shall provide ordering agencies a copy of the current model year factory price sheet with requested options, within ten calendar days of request.

Third-party upfitting (e.g utility body) may be requested by ordering agencies, however, this service is non-mandatory. When applicable, third-party upfits shall be subject to the same pricing provisions as factory options.

Note: Vehicles with added or deleted options MUST continue to meet the appropriate minimum specification.

Tire Fee

Purchase orders MUST include the State mandated \$1.75 per tire fee.

Document Processing Charge

In accordance with the California Vehicle Code Section 4456.5, a Contractor may charge the ordering agency a document processing charge for the preparation and processing of documents, disclosures, titling, registration, and information security obligations imposed by state and federal law. The document processing charge shall not exceed \$85 per vehicle purchased.

A Contractor may charge the ordering agency an electronic filing fee, which does not exceed the actual amount the Contractor is charged by a first-line service provider. The electronic filing fee shall not exceed \$30 per vehicle purchased.

7. SPECIFICATIONS

All products must conform to the attached State of California Bid Specification Number 2310-4181 dated 08/16/2021 (Attachment B).

Vehicle color shall be a solar reflective color (white, silver metallic, or gold metallic) per SAM Section 3620.1 (exceptions are listed in the same manual section).

8. CUSTOMER SERVICE

The Contractor shall provide office and personnel resources for responding to inquiries, including telephone and email coverage weekdays during the hours of 8:00 a.m. - 5:00 p.m., PT.

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The customer service unit shall be staffed with individuals that:

- Are trained in the requirements of this contract
- Have the authority to take administrative action to correct problems that may occur

The Contractor's customer service unit shall respond to all customer inquiries within two (2) business days of initial contact.

Dealer	Contract #	Contact	Phone	Email
Lithia Nissan of Fresno	1-22-23-20A	Pat Ireland	(559) 707-5735	patireland1962@yahoo.com
Ocean Honda	1-22-23-20B	Pat Ireland	(559) 707-5735	patireland1962@yahoo.com
Freeway Toyota	1-22-23-20C	Pat Ireland	(559) 707-5735	patireland1962@yahoo.com
Winner Chevrolet	1-22-23-20D	Jerry Powers	(916) 426-5752	jpowers@lasherauto.com
Elk Grove Auto	1-22-23-20E	Jerry Powers	(916) 426-5752	jpowers@lasherauto.com
Downtown Ford Sales	1-22-23-20F	Sandra Scott	(916) 442-9631	sandrascott@downtownfordsacramento.com
Watsonville Fleet Group	1-22-23-20G	Yesenia Covarrubias	(626) 457-5590	yesenia@watsonvillefleetgroup.com
CA Car Group	1-22-23-20H	Richard M. Slad	(925) 560-4465	RichardMS@cacargroup.com
Riverview International Trucks	1-22-23-20H	Jason Farrell	(916) 371-3110	jasonf@riverview-trucks.com
Sacramento Truck Center	1-22-23-20H	Dean Needham	(916) 286-2013	dneedham@sacramentotruck.com
Bonander Truck & Trailer	1-22-23-20H	Steve Mannion	(916) 747-6151	Cme4GMC@hotmail.com

Note: Ordering agencies are encouraged to have one point of contact for inquiries, quotes, and orders whenever possible. Multiple calls and emails from various requestors for the same information can slow customer service response times.

9. PRODUCT SUBSTITUTIONS

Under no circumstance is the Contractor permitted to make substitutions with non-contract/unauthorized vehicles without approval of the DGS Contract Administrator (CA).

Contract (Mandatory) 1-22-23-20 A-K
Contract User Instructions, ***Supplement 6***

10. PURCHASE EXECUTION

A. State Departments

1) Std. 65 Purchase Documents

State departments not transacting in FI\$CAL must use the Purchasing Authority Purchase Order (Std. 65) for purchase execution. An electronic version of the Std. 65 is available at the Office of State Publishing web site:

<https://www.dgsapps.dgs.ca.gov/osp/StatewideFormsWeb/Forms.aspx> (select Standard Forms).

All Purchasing Authority Purchase Orders (Std. 65) must contain the following:

- Agency Order Number (Purchase Order Number)
- Ordering Agency Name
- Agency Billing Code
- Purchasing Authority Number
- Leveraged Procurement Number (Contract Number)
- Supplier Information (Contact Name, Address, Phone Number, Fax Number, E-mail)
- Line Item number
- Quantity
- Unit of Measure
- Commodity Code Number
- Product Description
- Unit Price
- Extension Price
- Office of Fleet and Asset Management (OFAM) Approval Stamp (State departments only)

2) FI\$CAL Purchase Documents

State departments transacting in FI\$CAL will follow the FI\$CAL procurement and contracting procedures.

3) Blanket Orders

The use of blanket orders against this statewide contract is not allowed.

B. Local Governmental Agencies

Local governmental agencies may use their own purchase document for purchase execution. The purchase documents must include the same data elements as listed above (Exception: Purchasing Authority Number is used by State departments only).

Contract (Mandatory) 1-22-23-20 A-K
Contract User Instructions, ***Supplement 6*****11. MINIMUM ORDER**

The minimum order shall be one (1) vehicle.

12. ORDERING PROCEDURE**A. Ordering Methods:**

Ordering agencies are to submit appropriate purchase documents directly to the contractor(s) via one of the following ordering methods:

- U.S. Mail
- Facsimile
- Email

The contractor's Order Placement Information is as follows:

ORDER PLACEMENT INFORMATION			
Contract # 1-22-23-20A	U.S. Mail: Lithia Nissan of Fresno 5590 N Blackstone Ave Fresno, CA 93710 Attn: Pat Ireland	Facsimile: (559) 961-4601	Email: patireland1962@yahoo.com
Contract # 1-22-23-20B	U.S. Mail: Ocean Honda 3801 Soquel Dr Soquel, CA 95073 Attn: Pat Ireland	Facsimile: (559) 961-4601	Email: patireland1962@yahoo.com
Contract # 1-22-23-20C	U.S. Mail: Freeway Toyota 1835 Glendale Avenue Hanford, CA 93230 Attn: Pat Ireland	Facsimile: (559) 961-4601	Email: patireland1962@yahoo.com
Contract # 1-22-23-20D	U.S. Mail: Winner Chevrolet 8575 Laguna Grove Drive Elk Grove, CA 95757 Attn: Jerry Powers	Facsimile: (916) 421-0149	Email: jpowers@lasherauto.com

Contract (Mandatory) 1-22-23-20 A-K
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ORDER PLACEMENT INFORMATION			
Contract # 1-22-23-20E	U.S. Mail: Elk Grove Auto Group 8575 Laguna Grove Drive Elk Grove, CA 95757 Attn: Jerry Powers	Facsimile: (916) 421-0149	Email: jpowers@lasherauto.com
Contract # 1-22-23-20F	U.S. Mail: Downtown Ford Sales 525 N 16 th St Sacramento, CA 95811 Attn: Sandra Scott	Facsimile: (916) 491-3138	Email: sandrascott@downtownfordsacramento.com
Contract # 1-22-23-20G	U.S. Mail: Watsonville Fleet Group 1601 W. Main Street Alhambra, CA 91801 Attn: Yesenia Covarrubias	Facsimile: (626) 457-5593	Email: yesenia@watsonvillefleetgroup.com
Contract # 1-22-23-20H	U.S. Mail: CA Car Group 4200 John Monego Ct Dublin, CA 94568 Attn: Richard M. Slade	Facsimile: N/A	Email: RichardMS@cacargroup.com
Contract # 1-22-23-20I	U.S. Mail: Riverview International Trucks 2445 Evergreen Avenue West Sacramento, CA 95691 Attn: Jason Farrell	Facsimile: (916) 372-8541	Email: jasonf@riverview-trucks.com
Contract # 1-22-23-20J	U.S. Mail: Sacramento Truck Center 100 Opportunity Street Sacramento, CA 95838 Attn: Dean Needham	Facsimile: (916) 286-2085	Email: dneedham@sacramentotruck.com
Contract # 1-22-23-20K	U.S. Mail: Bonander Truck & Trailer 4520 N Golden State Blvd. Turlock, CA 95382 Attn: Steve Mannion	Facsimile: (209) 634-4965	Email: Cme4GMC@hotmail.com

Contract (Mandatory) 1-22-23-20 A-K
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When using any of the ordering methods specified above, all State departments must conform to proper State procedures.

13. ORDER ACCEPTANCE

The Contractor shall accept orders from any State department or local governmental agency. The Contractor shall not accept purchase documents for this contract that:

- Are incomplete;
- Are submitted without OFAM approval stamp
- Contain non-contract items; or
- Contain non-contract terms and conditions.

The Contractor must not refuse to accept orders from any State department or local governmental agency for any other reason without written authorization from the CA.

14. ORDER ACKNOWLEDGMENT

The Contractor will provide the ordering agencies with an order receipt acknowledgment via e-mail/facsimile within ten (10) calendar days after receipt of an order. The acknowledgement will include:

- Ordering Agency Name
- Agency Order Number (Purchase Order Number)
- Description of Goods
- Vehicle Model Year
- Total Cost
- Date order is placed with manufacturer
- Anticipated Delivery Date
- Delayed Production Notification (if applicable)
- Discontinued Vehicle Notification (if applicable)

Contractor shall notify the ordering agency of any delays in production or delays in orders being accepted by the manufacturer for any period of time. Contractor shall provide estimated production start date and delivery date.

15. DELAYED PRODUCTION REMEDY

Upon receipt of order acknowledgment identifying a delay in production or orders not being accepted by the manufacturer, the ordering agencies shall have the following options:

- Request back order; or
- Cancel the item from the order with no penalty

16. DISCONTINUED VEHICLE REMEDY

Upon receipt of order acknowledgment identifying discontinued items, the ordering agencies shall have the following options:

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- Amend purchase document to reflect DGS approved replacement vehicle; or
- Cancel the item from the order

Under no circumstance is the Contractor permitted to make substitutions with non-contract/unauthorized vehicles without approval of the DGS CA.

17. DELIVERY PROCEDURES

Pre-Delivery Checklist

Prior to delivery, each vehicle shall be completely inspected, serviced, and detailed by the delivering Contractor and/or the manufacturer's pre-delivery service center. A copy of the pre-delivery checklist shall be completed for each vehicle, signed by a representative of the organization performing the inspection/service, and delivered with the vehicle.

Delivery:

Delivery shall be within one hundred and fifty (150) days after receipt of order unless there is a delay in production/order acceptance from the manufacturer when changing from one model year to the next. Contractor shall notify the ordering agency of such delay per Article 14, Order Acknowledgement.

Orders requiring customized work by a 3rd party supplier may exceed the delivery period requirement. Contractor shall notify ordering agency of extended delivery period per Article 14, Order Acknowledgement.

Caravan or drive-away method of delivery from the factory to a Contractor is not acceptable unless agreed upon by the ordering agency.

Drop ship deliveries shall not be made without prior State inspection. All vehicles shall be delivered with no less than five (5) gallons of fuel in the tank.

Unless pre-arranged between the Contractor and the ordering agency, vehicles delivered with more than 50 miles on the odometer may be charged fifty (50) cents per mile in excess of 50 miles. This charge may be reflected on the invoice as a deduction from the order price. Vehicles with more than five hundred (500) miles on the odometer may not be accepted.

**Cab and Chassis trucks may require driving from an out-of-state factory and may exceed the five hundred (500) mile or less expectation. The Contractor shall notify the ordering Department at the time of purchase order execution.

When feasible, Contractor is requested to make deliveries in metropolitan areas during off-peak hours. Off-peak hours are Monday through Friday, 10:00 AM to 4:00 PM PST.

Documents

The following documents shall be delivered to the receiving agency with the vehicle:

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- Completed and signed pre-delivery service checklist, including the order number and Vehicle Identification Number (VIN)
- “Line Set Tickets” or “Window (Monroney) Sticker” showing all options installed
- One (1) copy of the warranty, including applicable certificates, cards, etc.
- One (1) copy of the owner’s manual.

18. INSPECTION AND ACCEPTANCE

Vehicles ordered for State use will be inspected by a State inspector at the Contractor’s place of business or as otherwise agreed to by the Contractor and ordering agency.

Inspection will commence within five (5) working days of notification that a vehicle is ready for inspection. Inspection will include:

- Specification Compliance
- Workmanship
- Appearance
- Proper Operation of all Equipment and Systems
- Presence of all Applicable Documents

In the event deficiencies are detected, the vehicle will be rejected and the Contractor will be required to make the necessary repairs, adjustments or replacements. Payment and/or the commencement of a discount period (if applicable) will not begin until the defects are corrected and the vehicle is re-inspected and accepted.

Completion of inspection or acceptance by the State inspector shall in no way release the Contractor from satisfying the requirements of the contract, specifications, and warranty. Deviations from the specified requirements that are detected by the inspection shall be corrected by the Contractor in an expeditious manner at no expense to the ordering agency.

Inspection by local agencies will be at the Contractor’s place of business or as otherwise agreed to by the Contractor and local agency.

19. EMERGENCY/EXPEDITED ORDERS

Not Applicable.

20. FREE ON BOARD (F.O.B.) DESTINATION

Contractors shall deliver vehicles to State or local agencies located in Sacramento County at no additional cost for delivery. If the Purchase Order indicates delivery outside Sacramento County, the Contractor and agency may negotiate delivery costs. If delivery is subject to an additional delivery charge, it shall be shown as a separate item on the purchase order and invoice.

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State departments requesting delivery outside of Sacramento County must contact the Transportation Management Unit for freight rate comparisons to confirm appropriate pricing if the Contractor is delivering the vehicle.

Responsibility and liability for loss or damage for all orders shall remain with the Contractor until final inspection and acceptance, when all responsibility shall pass to the ordering agency, except the responsibility for latent defects, fraud, and the warranty obligations.

21. SHIPPED ORDERS

All shipments shall be in accordance with the General Provisions, Article 12 entitled "Packing and Shipment".

22. CONTRACT ADMINISTRATION

The State and the Contractors have assigned Contract Administrators as the single points of contact for problem resolution and related contract issues.

State Contact Information	DGS/PD Contract Administrator (Contracts 1-22-23-20A-G, I, & J)	DGS/PD Contract Administrator (Contracts 1-22-23-20H, & K)
Contact Name:	Eugene Shemereko	Robb Parkison
Telephone:	(279) 946-8028	(279) 946-8302
Facsimile:	NA	NA
Email:	Eugene.Shemereko@dgs.ca.gov	Robb.Parkison@dgs.ca.gov
Address:	DGS/Procurement Division Attn: Eugene Shemereko 707 Third Street, 2 nd Floor, MS 201 West Sacramento, CA 95605	DGS/Procurement Division Attn: Robb Parkison 707 Third Street, 2 nd Floor, MS 201 West Sacramento, CA 95605

Dealer Contact Information	Lithia Nissan of Fresno Contract # 1-22-23-20A	Ocean Honda Contract # 1-22-23-20B
Contact Name:	Pat Ireland	Pat Ireland
Telephone:	(559) 707-5735	(559) 707-5735
Facsimile:	(559) 961-4601	(559) 961-4601
Email:	patireland1962@yahoo.com	patireland1962@yahoo.com
Address:	Lithia Nissan of Fresno 5590 N Blackstone Ave Fresno, CA 93710	Ocean Honda 3801 Soquel Dr Soquel, CA 95073

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Dealer Contact Information	Freeway Toyota of Hanford Contract # 1-18-23-20C	Winner Chevrolet Contract # 1-18-23-20D
Contact Name:	Pat Ireland	Jerry Powers
Telephone:	(559) 707-5735	(916) 426-5752
Facsimile:	(559) 961-4601	(916) 421-0149
Email:	patireland1962@yahoo.com	jpowers@lasherauto.com
Address:	Freeway Toyota 1835 Glendale Avenue Hanford, CA 93230	Winner Chevrolet 8575 Laguna Grove Drive Elk Grove, CA 95757

Dealer Contact Information	Elk Grove Auto Group Contract # 1-22-23-20E	Downtown Ford Sales Contract # 1-22-23-20F
Contact Name:	Jerry Powers	Sandra Scott
Telephone:	(916) 426-5752	(916) 442-9631
Facsimile:	(916) 421-0149	(916) 491-3138
Email:	jpowers@lasherauto.com	sandrascott@downtownfordsacramento.com
Address:	Elk Grove Auto Group 8575 Laguna Grove Dr Elk Grove, CA 95757	Downtown Ford Sales 525 N 16 th St Sacramento, CA 95811

Dealer Contact Information	Watsonville Fleet Group Contract # 1-22-23-20G	CA Car Group Contract # 1-22-23-20H
Contact Name:	Yesenia Covarrubias	Richard M. Slade
Telephone:	(626) 457-5590	(925) 560-4465
Facsimile:	(626) 457-5593	N/A
Email:	yesenia@watsonvillefleetgroup.com	RichardMS@cacargroup.com
Address:	Watsonville Fleet Group 1601 W. Main Street Alhambra, CA 91801	CA Car Group 4200 John Monego Ct Dublin, CA 94568

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Dealer Contact Information	Riverview International Trucks Contract # 1-22-23-20I	Sacramento Truck Center Contract # 1-22-23-20J
Contact Name:	Jason Farrell	Dean Needham
Telephone:	(916) 371-3110	(916) 286-2013
Facsimile:	(916) 372-8541	(916) 286-2085
Email:	jasonf@riverview-trucks.com	dneedham@sacramentotruck.com
Address:	Riverview International Trucks 2445 Evergreen Avenue West Sacramento, CA 95691	Sacramento Truck Center 100 Opportunity Street Sacramento, CA 95838

Dealer Contact Information	Bonander Truck & Trailer Contract # 1-22-23-20K
Contact Name:	Steve Mannion
Telephone:	(916) 747-6151
Facsimile:	(209) 634-4965
Email:	Cme4GMC@hotmail.com
Address:	Bonander Truck & Trailer 4520 N Golden State Blvd. Turlock, CA 95382

23. RESTOCKING FEES

The Contractor may impose a restocking fee to the ordering agency on orders cancelled after the order has been placed with the manufacturer: The Contractor shall notify the ordering agency of the order placement per Article 14, Order Acknowledgment.

Re-stocking fees can be no greater than ten percent (10%) of the value of the vehicle being restocked.

24. INVOICING

Ordering agencies may require separate invoicing, as specified by each ordering organization. Invoices will contain the following information:

- Contractor's name, address and telephone number
- Leveraged Procurement Number (Contract Number)
- Agency Order Number (Purchase Order Number)
- Item and commodity code number
- Quantity purchased

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- Contract price and extension
- State sales and/or use tax
- Prompt payment discounts/cash discounts, if applicable
- Totals for each order

25. PAYMENT

A. Terms

Payment terms for contracts 1-22-23-20 A – G and K include a \$500 per vehicle discount for payment made within twenty (20) days. Contract 1-22-23-20I includes a \$200 per vehicle discount for payment made within twenty (20) days. Contracts 1-22-23-20 H & J offer no discount. The cash discount time is defined by the State as beginning only after the vehicle has been inspected, delivered, and accepted by the receiving agency, or from the date a correct invoice is received in the office specified on the Purchase Order, whichever is later.

Payment is deemed to be made, for the purpose of earning the discount, one (1) working day after the date on the State warrant or check. Typically, acceptance will be accomplished within twenty (20) business hours after a vehicle is delivered.

Payment will be made in accordance with the provisions of the California Prompt Payment Act, Government Code Section 927, et seq. Unless expressly exempted by statute, the Act requires State departments to pay properly submitted, undisputed invoices not more than forty-five (45) days after the date of acceptance of goods, performance of services, or receipt of an undisputed invoice, whichever is later.

B. CAL-Card Use

Use of the CAL-Card for payment of invoices is not allowed under this statewide contract.

C. Payee Data Record

Each State accounting office must have a copy of the Payee Data Record (Std. 204) in order to process payments. State departments should forward a copy of the Std. 204 to their accounting office(s). Without the Std. 204, payment may be unnecessarily delayed. State departments may contact the Contractor for copies of the Payee Data Record.

D. State Financial Marketplace

The State reserves the right to select the form of payment for all procurements, be it either an outright purchase with payment rendered directly by the State, or a financing/lease-purchase or operating lease via the State Financial Marketplace (GS \$Mart and/or Lease \$Mart). If payment is via the financial marketplace, the Contractor will invoice the State and the State will approve the invoice and the selected

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Lender/Lessor for all product listed on the State's procurement document will pay the Contractor on behalf of the State.

26. CALIFORNIA SELLER'S PERMIT

The California seller permit number for the Contractor is listed below. State departments can verify that permits are currently valid at the following website: www.cdtfa.ca.gov. State departments must adhere to the file documentation required identified in the State Contracting Manual Volume 2 and Volume 3 and SCM-F.

Contractor Name	Seller Permit #
Lithia Nissan of Fresno	97163762
Ocean Honda	101-652579
Freeway Toyota of Hanford	102-659756
Winner Chevrolet	100-208309
Elk Grove Auto	100-197237
Downtown Ford	28600344
Watsonville Fleet Group	245364864 101-135239
CA Car Group	100-214737
Riverview International	101-079519
Sacramento Truck Center	97724353
Bonander Truck & Trailer	28-093997

27. WARRANTY

The manufacturer's standard new vehicle warranty shall apply to all vehicles purchased from these contracts. All warranties shall be factory authorized. The warranty shall be honored by all franchised dealers of the vehicle within the State of California. The Warranty term for the vehicles offered under these contracts shall meet the following (as applicable):

- Bumper to bumper warranty shall cover not less than 3 years/36,000 miles, no charge for parts and labor.
- Power train warranty for light duty vehicles weighing 8500 lbs. GVWR or less shall cover not less than 5 years/100,000 miles, no charge for parts and labor.
- Power train warranty for vehicles over 8500 lbs. GVWR shall cover not less than 5 years/60,000 miles, no charge for parts and labor.

The State's established preventative maintenance procedures and practices shall be acceptable to the manufacturer/contractor in lieu of the manufacturer's prescribed procedures which may form a part of the warranty.

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All emission-related components shall be warranted in compliance with California Air Resources Board and Federal requirements. Contractor cannot offer independent insurance or statements indicating self insurance. If an additional extended warranty is purchased, a warranty certificate, warranty card, or a statement indicating the extended warranty has been recorded with the manufacturer shall be furnished with each vehicle delivered.

Normal wear items such as tires, belts, hoses, headlamps, light bulbs, brake linings, brake discs/drums, etc. are excluded from warranty coverage. All other items not subject to normal wear or gross operator neglect and abuse, such as window, seat, or wiper motors, chassis electrical switches (door, trunk lid), paint, hinges, locks, etc., shall be covered.

The State reserves the right to use re-refined lubrication oils, where available, in lieu of virgin equivalent oils. The re-refined oils used by the State will meet all API and SAE standards and specifications as set forth by the vehicle manufacturer. The use of said oils shall in no way void or degrade the original manufacturer's standard warranty.

The State reserves the right to use recycled content antifreeze/coolant, where available, in lieu of virgin equivalent antifreeze/coolant when servicing its vehicles. The recycled content antifreeze/coolant used by the State will meet all ATSM standards and specifications as set forth by the vehicle manufacturer.

28. REPAIR PARTS

The manufacture of the awarded vehicle(s) should maintain an adequate stock of all regular and special parts to meet the continuing service and repair parts needs of the State without undue delay.

A special system shall be set up for expediting the procurement of back-order items needed to repair an inoperative vehicle including a system to air freight parts at factory expense when parts are not in stock in California parts depots. Parts must be available within three (3) working days after telephone notification.

Vehicles with new technology emerging into the industry (e.g., fuel cell vehicles) may require more than (3) working days for the availability of certain parts. Contractor must notify the State Contract Administrator and ordering agency when this occurs and provide the estimated date of availability.

29. MAINTENANCE PLAN

A maintenance plan is available for light duty vehicles under 8500 lbs. GVWR. The purchase of a maintenance plan is optional. The maintenance plan covers all regularly scheduled service for a minimum of five (5) years/75,000 miles. The maintenance shall include at a minimum all manufacturer recommended services such as, but not limited to:

- Oil changes;

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- Filter changes;
- Fluid changes;
- Lubrications;
- Tire rotations;
- Equipment and safety inspections

The Maintenance Plan is not required to cover wear items such as brake pads/shoes, wiper blades, etc.

Purchase of the Maintenance Plan is non-mandatory for State departments.

The Maintenance Plan is not applicable to vehicles over 8,500 lbs. GVWR.

30. RECYCLED CONTENT

State departments are required to report purchases in many product categories. The Postconsumer-Content Certification Form (CIWMB 74) for the Contractor(s) is attached (Attachment C).

31. SB/DVBE PARTICIPATION

There is no Small Business (SB) or Disabled Veteran Business Enterprise (DVBE) participation for this contract.

32. STATE AND LOCAL GOVERNMENT EMPLOYEE PRICING

In the interest of expanding the California marketplace for Zero Emission Vehicles (ZEV), some Contractors have offered a discount to any interested State of California or local government employee when purchasing a ZEV for personal use. A list of participating Dealers and vehicles can be found at: <https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/State-of-California-Green-Fleet-Employee-Pricing-Program>

33. ATTACHMENTS

- Attachment A – Contract Pricing ***Supplement 6***
- Attachment B – Specification 2310-4181, revised 08/16/2021
- Attachment C – Postconsumer Content Certification Workbook
- Attachment D – Vehicle Specifications

DOWNTOWN  SACRAMENTO

525 N16TH STREET, SACRAMENTO, CA 95811
 PHONE: 916-299-3529

S072623 222
 rev 7/27/23

QUOTE

Customer

Name AL ROBLES
 Address WEST VALLEY WATER DISTRICT
 City _____ State _____ Zip _____
 Phone _____

DATE 7/27/2023
 SALES REP SANDRA
 FOB SACRAMENTO

Qty	Description	Unit Price	TOTAL
5	2023 FORD F150 4X2 REG CAB PICKUP STATE CONTRACT 1-22-23-20F CLIN 20 EXTERIOR COLOR: WHITE	\$25,656.00	\$128,280.00
5	2.7L V6 ECOBOOST ENGINE	\$1,196.00	\$5,980.00
5	DAYTIME RUNNING LAMPS	\$45.00	\$225.00
5	POWER GROUP NOW STANDARD	\$0.00	\$0.00
5	REVERSE SENSING SYSTEM NOW STANDARD	\$0.00	\$0.00
5	DOC FEE	\$85.00	\$425.00
VEHICLES INCLUDE SYNC4 VEHICLES DO NOT INCLUDE FACTORY NAVIGATION			
SALES TAX CALCULATED AT 7.75% BASED ON REGISTRATION ADDRESS			

SubTotal	\$134,910.00
DELIVERY	\$5,000.00
SALES TAX	\$10,455.53
CA Tire Tax	\$43.75
TOTAL	\$150,409.28

Payment Details

Cash
 Check
 Credit Card

Name _____
 CC # _____
 Expires _____

Office Use Only

\$500 DISCOUNT WITH PAYMENT IN 20 DAYS

SIGNATURE

DATE



Prepared by: Sandra Scott
07/27/2023

Downtown Ford of Sacramento | 1535 Howe Ave. Sacramento California | 958253399

2023 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Selected Equip & Specs

Dimensions

- Conventional Capacity: 5,000 lbs.
- Fifth-wheel towing capacity: 5,000 lbs.
- Cargo box length: 78.0"
- Cargo box volume: 62.3 cu.ft.
- Cargo box max width: 65.2"
- Cargo box length feet: 6.5
- Vehicle body width: 79.9"
- Wheelbase: 122.0"
- Frame section modulus: 4.7 cu.in.
- Front bumper to front axle: 37.8"
- Rear brake diameter: 13.2"
- Max interior rear cargo volume: 8.8 cu.ft.
- Headroom first-row: 40.8"
- Shoulder room first-row: 66.7"
- GCWR: 9,500 lbs.
- Gooseneck towing capacity: 5,000 lbs.
- Cargo box min width: 51.1"
- Pickup box depth: 21.4"
- Cargo box tailgate width: 60.3"
- Vehicle body length: 209.1"
- Vehicle body height: 75.6"
- Vehicle turning radius: 20.6'
- Frame yield strength (psi): 34800.0
- Front brake diameter: 13.8"
- Interior rear cargo volume: 8.8 cu.ft.
- Total passenger volume: 64.7 cu.ft.
- Leg room first-row: 43.9"
- Hip room first-row: 62.5"

Powertrain

- * **EcoBoost 2.7L V-6 port/direct injection, DOHC, Ti-VCT variable valve control, twin turbo, engine with 325HP**
- Spark ignition system
- * **Torque: 400 lb.-ft.@3000 RPM**
- Auto stop-start engine
- 10-speed automatic
- Recommended fuel: regular unleaded
- All-speed ABS and driveline traction control
- Engine cylinders: V-6
- * **Horsepower: 325 HP@5000 RPM**
- Radiator
- Driver selectable drivetrain mode
- Rear-wheel drive
- Easy Fuel capless fuel filler

Fuel Economy and Emissions

- * **Fuel economy (city/highway/combined): 20 mpg/26 mpg/22 mpg**
- * **Fuel economy highway: 26 mpg**
- * **Fuel economy combined: 22 mpg**
- Alternate fuel economy city: 14 mpg
- Alternate fuel economy highway: 18 mpg
- Alternate fuel economy combined: 16 mpg
- * **Fuel economy city: 20 mpg**
- Gasoline secondary fuel type
- LEV3-ULEV70 emissions
- Alternate fuel economy (city/highway/combined): 14 mpg/18 mpg/16 mpg
- E85 additional fuel types

Suspension and Handling

- Standard ride suspension
- Heavy-duty rear shock absorbers
- Heavy-duty front shock absorbers

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Prepared by: Sandra Scott
07/27/2023

Downtown Ford of Sacramento | 1535 Howe Ave. Sacramento California | 958253399

2023 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Selected Equip & Specs (cont'd)

Driveability

- 4-wheel disc brakes
- 4-wheel antilock (ABS) brakes
- Electronic parking brake
- Automatic brake hold
- Hill Start Assist
- Double wishbone front suspension
- Front coil springs
- Leaf spring rear suspension
- Electric power-assist steering system
- 2-wheel steering system
- Front and rear ventilated disc brakes
- Four channel ABS brakes
- Ford Co-Pilot360 - Post Collision Braking automatic post-collision braking system
- Brake assist system
- Independent front suspension
- Front anti-roll bar
- Rigid axle rear suspension
- Speed sensitive power steering
- Rack-pinion steering

Body Exterior

- Trailer wiring harness
- Standard style pickup box
- Clearcoat paint
- Black side window trim
- Black front bumper
- Black rear bumper
- Black grille
- Standard style side mirrors
- Active grille shutters
- P245/70RS17 AS BSW front and rear tires
- 2 doors
- Pickup bed-rail protectors
- Monotone paint
- Black door handles
- Body-coloured front bumper rub strip
- Rear bumper step
- Black door mirrors
- Tailgate
- Active aerodynamics
- 17 x 7.5-inch front and rear silver steel wheels

Convenience

- Power door locks with 2 stage unlocking
- All-in-one remote fob and ignition key
- Power tailgate/rear door lock
- FordPass Connect smart device vehicle start control
- Power first-row windows
- Fixed rear windshield
- Front beverage holders
- Driver and passenger door bins
- Dashboard storage
- Retained accessory power
- Trip computer
- Keyfob activated door locks
- Auto-locking doors
- Cruise control with steering wheel mounted controls
- Day/Night rearview mirror
- Tailgate Assist easy lift tailgate
- Locking glove box
- 4 beverage holders
- Instrument panel bin
- Cabback insulator
- PRND in IP
- Over the air updates

Comfort

- Manual climate control
- Cloth headliner material
- Cabin air filter
- Full headliner coverage

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2023 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Selected Equip & Specs (cont'd)

- Full vinyl floor covering
- Manual tilting steering wheel
- Urethane steering wheel
- Full floor coverage
- Manual telescopic steering wheel

Seats and Trim

- Seating capacity: 3
- Split-bench front seat
- Front passenger seat with 4-way directional controls
- Manual front seat head restraint control
- Manual reclining driver seat
- Manual reclining passenger seat
- * **Vinyl front seat upholstery**
- 40-20-40 split-bench front seat
- Driver seat with 4-way directional controls
- Height adjustable front seat head restraints
- Front seat center armrest
- Manual driver seat fore/aft control
- Manual passenger seat fore/aft control

Entertainment Features

- 2 total number of 1st row displays
- Primary touchscreen display
- In-vehicle audio
- FM radio
- Radio data system (RDS)
- SYNC 4 external memory control
- Speakers number: 4
- Steering wheel mounted audio controls
- Speed sensitive volume
- Fixed audio antenna
- 8 inch primary LCD display
- AM/FM stereo radio
- AM radio
- Seek scan
- Auxiliary input jack
- Internet radio capability
- Standard grade speakers
- SYNC 4 voice activated audio controls
- Bluetooth wireless audio streaming

Lighting, Visibility and Instrumentation

- Analog instrumentation display
- In-radio display clock
- Exterior temperature display
- Tachometer
- Engine/electric motor temperature gauge
- Transmission fluid temperature gauge
- Aero-composite headlights
- Ford Co-Pilot360 - Autolamp auto on/off headlight control
- Delay-off headlights
- Trip odometer
- Compass
- Gauge cluster display size (inches): 4.00
- Oil pressure gauge
- Voltmeter
- Light tinted windows
- Halogen headlights
- Multiple enclosed headlights
- Variable intermittent front windshield wipers
- Illuminated entry
- Daytime running lights
- Pickup box cargo light
- Ford Co-Pilot360 - Auto High Beam auto high-beam headlights
- Front reading lights
- Variable instrument panel light
- High mounted center stop light
- Fade interior courtesy lights

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2023 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Selected Equip & Specs (cont'd)

Technology and Telematics

- SYNC 4 911 Assist emergency SOS system via mobile device
- AppLink/Apple CarPlay and Android Auto smart device wireless mirroring
- 4 USB ports
- SYNC 4 handsfree wireless device connectivity
- FordPass Connect 4G mobile hotspot internet access

Safety and Security

- Driver front impact airbag
- Safety Canopy System curtain first-row overhead airbags
- Seat mounted side impact front passenger airbag
- 6 airbags
- Front seatbelt pretensioners
- SecuriLock immobilizer
- Security system
- Pre-Collision Assist with Automatic Emergency Braking (AEB) forward collision mitigation
- Driver Alert
- Rear mounted camera
- Reverse Sensing System rear parking sensors
- Seat mounted side impact driver airbag
- Passenger front impact airbag
- Airbag occupancy sensor
- Front height adjustable seatbelts
- 2 seatbelt pre-tensioners
- Remote panic alarm
- Lane Keeping Alert
- Pre-Collision Assist with Pedestrian Detection
- MyKey restricted driving mode
- AdvanceTrac with Curve Control electronic stability control system with anti-roll

Dimensions

General Weights

* Curb weight	4,171 lbs.	* Rear curb weight	1,700 lbs.
* GVWR	6,050 lbs.	* Payload	1,875 lbs.

Trailer Weights

Fifth-wheel towing capacity	5,000 lbs.	Gooseneck towing capacity	5,000 lbs.
Conventional capacity	5,000 lbs.	GCWR	9,500 lbs.

Front Weights

* Front curb weight	2,471 lbs.	GAWR front	2,850 lbs.
Axle capacity front	3,750 lbs.	Spring rating front	2,850 lbs.
Tire/wheel capacity front	4,050 lbs.		

Rear Weights

* GAWR rear	3,450 lbs.	Axle capacity rear	4,800 lbs.
* Spring rating rear	3,450 lbs.	Tire/wheel capacity rear	4,498 lbs.

Off Road

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2023 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Selected Equip & Specs (cont'd)

Min ground clearance	8.7"	Loading floor height	33.9"
Approach angle	24.8	Departure angle	24.6

Exterior Measurements

Vehicle body length	209.1"	Vehicle body width	79.9"
Vehicle body height	75.6"	Wheelbase	122.0"
Cargo box length	78.0"	Front brake diameter	13.8"
Cargo box min width	51.1"	Rear brake diameter	13.2"
Cargo box volume	62.3 cu.ft.	Pickup box depth	21.4"
Cargo box max width	65.2"	Cargo box tailgate width	60.3"
Cargo box length feet	6.5	Vehicle turning radius	20.6'
Frame section modulus	4.7 cu.in.	Frame yield strength (psi)	34800.0
Front bumper to front axle	37.8"		

Interior Measurements

Interior rear cargo volume	8.8 cu.ft.	Max interior rear cargo volume	8.8 cu.ft.
----------------------------------	------------	--------------------------------------	------------

Interior Volume

Total passenger volume	64.7 cu.ft.
------------------------------	-------------

Headroom

Headroom first-row	40.8"
--------------------------	-------

Legroom

Leg room first-row	43.9"
--------------------------	-------

Shoulder Room

Shoulder room first-row	66.7"
-------------------------------	-------

Hip Room

Hip room first-row	62.5"
--------------------------	-------

Powertrain

Engine

* Engine	EcoBoost 2.7L V-6 port/direct injection, DOHC, Ti-VCT variable valve control, twin turbo, engine with 325HP	Valves per cylinder	4
Engine cylinders	V-6	Engine location	Front mounted engine
Ignition	Spark ignition system	Engine mounting direction	Longitudinal mounted engine
* Engine block material	Iron engine block	Cylinder head material	Aluminum cylinder head

Engine Specs

* Displacement	2.7L	* cc	164 cu.in.
* Bore	3.27"	* Stroke	3.27"
* Compression ratio	10.0	* SAEJ1349	AUG2004 compliant

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2023 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Selected Equip & Specs (cont'd)

Engine Power

*Horsepower **325 HP@5000 RPM** *Torque **400 lb.-ft.@3000 RPM**

Alternator

Alternator amps 200A Alternator type Regular duty alternator

Battery

Battery amps 70Ah Battery type Lead acid battery
Battery rating 610CCA Battery run down protection Battery run down protection

Engine Extras

Radiator Radiator Start-stop engine Auto stop-start engine
Drivetrain selectable Driver selectable drivetrain mode

Transmission

Transmission 10-speed automatic Transmission electronic control Transmission electronic control
Overdrive transmission Overdrive transmission Lock-up transmission Lock-up transmission
First gear ratio 4.696 Second gear ratio 2.985
Third gear ratio 2.146 Fourth gear ratio 1.769
Fifth gear ratio 1.52 Sixth gear ratio 1.275
Reverse gear ratio 4.866 Seventh gear ratio 1
Eighth gear ratio 0.854 Ninth gear ratio 0.689
Tenth gear ratio 0.636 Selectable mode transmission Selectable mode transmission

Sequential shift control SelectShift Sequential shift control

Drive Type

Drive type Rear-wheel drive

Drivetrain

Axle ratio 3.55

Exhaust

Tailpipe Stainless steel single exhaust

Fuel

Fuel type regular unleaded

Fuel Tank

Capless fuel filler Easy Fuel capless fuel filler Fuel tank capacity 23.01 gal.

Drive Feature

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2023 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Selected Equip & Specs (cont'd)

Traction control ... All-speed ABS and driveline traction control

Fuel Economy and Emissions

Fuel Economy

Secondary fuel type Gasoline secondary fuel type

* Fuel economy city 20 mpg

* Fuel economy (city/highway/combined) 20 mpg/26 mpg/22 mpg

Alternate fuel economy status ... Current alternate fuel economy status

* Fuel economy combined 22 mpg

* Fuel economy highway 26 mpg

Fuel economy status .. Current fuel economy status

Emissions

Emissions LEV3-ULEV70 emissions

Emissions tiers Tier 3 Bin 70 emissions

Fuel Economy (Alternate 1)

Additional fuel types E85 additional fuel types

Alternate fuel economy highway 18 mpg

Alternate fuel economy (city/highway/combined) 14 mpg/18 mpg/16 mpg

Alternate fuel economy city 14 mpg

Alternate fuel economy combined 16 mpg

Green Values

* Energy Impact Score (Barrels per year) 13.5

* Carbon FP / Tailpipe and upstream total GHG (CO2, tons per year) 8.1

Suspension and Handling

Suspension

Suspension Standard ride suspension

Front shock absorbers Heavy-duty front shock absorbers

Rear shock absorbers Heavy-duty rear shock absorbers

Driveability

Brakes

Brake type 4-wheel disc brakes

Ventilated brakes Front and rear ventilated disc brakes

ABS brakes Four channel ABS brakes

ABS brakes 4-wheel antilock (ABS) brakes

Electronic parking brake Electronic parking brake
Post collision braking system Ford Co-Pilot360 -
Post Collision Braking automatic post-collision braking system

Brake Assistance

Hill start assist Hill Start Assist

Brake assist system .. Brake assist system

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2023 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Selected Equip & Specs (cont'd)

Front Suspension

Anti-roll bar front	Front anti-roll bar	Suspension ride type front suspension	Independent front suspension
Suspension type front suspension	Double wishbone front suspension		

Front Spring

Regular front springs	Regular front springs	Springs front	Front coil springs
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Rear Spring

Springs rear	Rear leaf springs	Rear springs	Regular grade rear springs
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Rear Suspension

Suspension type rear suspension	Leaf spring rear suspension	Suspension ride type rear suspension	Rigid axle rear suspension
---------------------------------	-----------------------------	--------------------------------------	----------------------------

Steering

Steering Electric power-assist steering system	Steering type	Rack-pinion steering
Speed sensitive steering	Speed sensitive power steering	Steering type number of wheels 2-wheel steering system

Exterior

Front Wheels

Front wheels diameter	17"	Front wheels width	7.5"
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Rear Wheels

Rear wheels diameter	17"	Rear wheels width	7.5"
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Front And Rear Wheels

Appearance	silver	Material	steel
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Front Tires

Aspect	70	Diameter	17"
Sidewalls	BSW	Speed	S
Tread	AS	Type	P
Width	245mm		

Rear Tires

Aspect	70	Diameter	17"
Sidewalls	BSW	Speed	S
Tread	AS	Type	P
Width	245mm		

Body Exterior

Trailer

Towing wiring harness	Trailer wiring harness	Towing trailer sway	Trailer sway control
-----------------------	------------------------	---------------------	----------------------

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2023 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Selected Equip & Specs (cont'd)

Exterior Features

Box style Standard style pickup box Number of doors 2 doors

Body

Body panels Aluminum body panels with side impact beams

Spare Tire

Spare tire Full-size spare tire with steel wheel Spare tire location Crank-down spare tire

Wheels

Wheel covers Wheel hub covers

Convenience

Door Locks

Door locks Power door locks with 2 stage unlocking Keyfob door locks Keyfob activated door locks

All-in-one key All-in-one remote fob and ignition key Auto door locks Auto-locking doors

Tailgate control Power tailgate/rear door lock

Cruise Control

Cruise control Cruise control with steering wheel mounted controls

Key Fob Controls

Fob remote vehicle controls FordPass Connect smart device vehicle start control

Rear View Mirror

Day/Night rearview mirror Day/Night rearview mirror

Exterior Mirrors

Door mirrors Power door mirrors Folding door mirrors Manual folding door mirrors
Heated door mirrors Heated driver and passenger side door mirrors

Front Side Windows

First-row windows Power first-row windows

Overhead Console

Overhead console Mini overhead console Overhead console storage Overhead console storage

Passenger Visor

Visor passenger mirror Passenger visor mirror

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2023 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Selected Equip & Specs (cont'd)

Power Outlets

12V power outlets 1 12V power outlet

Pickup Box

Easy lift tailgate Tailgate Assist easy lift tailgate

Rear Windshield

Rear windshield Fixed rear windshield

Storage

Door bins front	Driver and passenger door bins	Number of beverage holders	4 beverage holders
Beverage holders	Front beverage holders	Glove box	Locking glove box
Instrument panel storage	Instrument panel bin	Dashboard storage	Dashboard storage

Windows Feature

One-touch up window	Driver and passenger	One-touch down window	Driver and passenger
one-touch up windows		one-touch down windows	

Miscellaneous

Cabback insulator	Cabback insulator	Trip computer	Trip computer
PRND in IP	PRND in IP	Accessory power	Retained accessory power
Over the air updates	Over the air updates		

Comfort

Climate Control

Climate control	Manual climate control	Cabin air filter	Cabin air filter
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Headliner

Headliner material	Cloth headliner material	Headliner coverage	Full headliner coverage
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Floor Trim

Floor covering	Full vinyl floor covering	Floor coverage	Full floor coverage
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Steering Wheel

Steering wheel telescopic steering wheel	Manual telescopic steering wheel	Steering wheel material	Urethane steering wheel
Steering wheel tilt	Manual tilting steering wheel		

Seats and Trim

Seat Capacity

Seating capacity	3
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Front Seats

Front seat type	Split-bench front seat	Driver seat direction	Driver seat with 4-way directional controls
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2023 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Selected Equip & Specs (cont'd)

Driver seat fore/aft control Manual driver seat fore/aft control

Split front seats 40-20-40 split-bench front seat

Passenger seat fore/aft control Manual passenger seat fore/aft control

Front head restraint control Manual front seat head restraint control

Reclining driver seat Manual reclining driver seat

Front Seat Trim

* Front seat upholstery Vinyl front seat upholstery

Interior Accents

Interior accents Metal-look interior accents

Gearshifter Material

Gearshifter material Urethane gear shifter material

Entertainment Features

LCD Displays

Primary touchscreen display Primary touchscreen display

LCD primary display size 8 inch primary LCD display

Radio Features

Aux input jack Auxiliary input jack

Seek scan Seek scan

Internet radio capability Internet radio capability

Speakers

Speakers Standard grade speakers

Audio Features

Steering mounted audio control Steering wheel mounted audio controls

Voice activated audio SYNC 4 voice activated audio controls

Passenger seat direction Front passenger seat with 4-way directional controls

Reclining passenger seat Manual reclining passenger seat

Front head restraints Height adjustable front seat head restraints

Armrests front center Front seat center armrest

Front seatback upholstery Carpet front seatback upholstery

Number of first-row LCD displays 2 total number of 1st row displays

External memory SYNC 4 external memory control

RDS Radio data system (RDS)

Speakers number 4

Speed sensitive volume Speed sensitive volume

Wireless streaming Bluetooth wireless audio streaming

Lighting, Visibility and Instrumentation

Instrumentation

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Selected Equip & Specs (cont'd)

Trip odometer Trip odometer

Instrumentation display Analog instrumentation display

Instrumentation Displays

Temperature display Exterior temperature display

Clock In-radio display clock

Compass Compass

Instrumentation Gauges

Tachometer Tachometer

Oil pressure gauge Oil pressure gauge
Voltmeter Voltmeter

Transmission temperature gauge Transmission fluid temperature gauge

Engine/electric motor temperature gauge Engine/electric motor temperature gauge

Gauge cluster display size (inches) 4.00

Instrumentation Warnings

Engine temperature warning Engine temperature warning

Oil pressure warning Oil pressure warning

Low fuel warning Low fuel warning

Low brake fluid warning Low brake fluid warning

Battery charge warning Battery charge warning

Headlights on reminder Headlights on reminder

Key in vehicle warning Key in vehicle warning

Door ajar warning Door ajar warning

Service interval warning Service interval indicator

Low tire pressure warning Tire specific low air pressure warning

Glass

Tinted windows Light tinted windows

Headlights

Headlights Halogen headlights

Headlight type Aero-composite headlights

Auto headlights Ford Co-Pilot360 - Autolamp auto on/off headlight control

Multiple headlights Multiple enclosed headlights

Delay off headlights Delay-off headlights

Auto high-beam headlights Ford Co-Pilot360 - Auto High Beam auto high-beam headlights

Front Windshield

Wipers Variable intermittent front windshield wipers

Interior Lighting

Illuminated entry Illuminated entry

Variable panel light Variable instrument panel light

Front reading lights Front reading lights

Lights

Running lights Daytime running lights

Interior courtesy lights Fade interior courtesy lights

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2023 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Selected Equip & Specs (cont'd)

High mount stop light High mounted center stop light

Pickup box cargo light Pickup box cargo light

Technology and Telematics

Connectivity

Handsfree SYNC 4 handsfree wireless device connectivity

Smart device integration AppLink/Apple CarPlay and Android Auto smart device wireless mirroring

Emergency SOS SYNC 4 911 Assist emergency SOS system via mobile device

Internet Access

Internet access FordPass Connect 4G mobile hotspot internet access

USB Ports

USB ports 4 USB ports

Safety and Security

Airbags

Front impact airbag driver Driver front impact airbag

Number of airbags 6 airbags

Front impact airbag passenger Passenger front impact airbag

Front side impact airbag driver Seat mounted side impact driver airbag

Front side impact airbag passenger Seat mounted side impact front passenger airbag

Occupancy sensor Airbag occupancy sensor

Overhead airbags Safety Canopy System curtain first-row overhead airbags

Seatbelts

Height adjustable seatbelts Front height adjustable seatbelts

Seatbelt pretensioners Front seatbelt pretensioners

Seatbelt pretensioners number 2 seatbelt pretensioners

Security System

Immobilizer SecuriLock immobilizer Security system

Remote panic alarm Remote panic alarm

Active Driving Assistance

Lane departure Lane Keeping Alert

Forward collision warning Pre-Collision Assist with Automatic Emergency Braking (AEB) forward collision mitigation

Pedestrian detection Pre-Collision Assist with Pedestrian Detection

Driver attention monitor Driver Alert

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2023 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Selected Equip & Specs (cont'd)

Restricted driving mode MyKey restricted driving mode

Cameras

Rear camera Rear mounted camera

Traction Control

Electronic stability control .. AdvanceTrac with Curve Control electronic stability control system with anti-roll

Parking Sensors

Parking sensors Reverse Sensing System rear parking sensors

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2023 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Warranty

Standard Warranty

Basic Warranty

Basic warranty 36 months/36,000 miles

Powertrain Warranty

Powertrain warranty 60 months/60,000 miles

Corrosion Perforation

Corrosion perforation warranty 60 months/unlimited

Roadside Assistance Warranty

Roadside warranty 60 months/60,000 miles

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**BOARD OF DIRECTORS
STAFF REPORT**

DATE: August 3, 2023
TO: Board of Directors
FROM: John Thiel, General Manager
SUBJECT: RESERVE POLICY

BACKGROUND:

The Board of Directors approved and adopted the Budget/Carryover/**Reserve**/Debt Management Policy on December 17, 2020. This policy contains four-in-one financial policies, the **Reserve Policy Section** is on pages 15 through 23 of the full policy. This policy improves the District's fiscal stability and fiscal strategy promoting sound financial management. A critical element of prudent financial planning is to ensure that sufficient funding is available for current and future operating, capital, and debt service needs.

DISCUSSION:

The District's current Reserve Policy strives to have sufficient funding available to meet its operating, capital, and debt service obligations. Reserve funds are accumulated and maintained to allow the District to fund operating expenses and capital expenditures in a manner consistent with its Annual Operating and Capital Improvement Budgets and its long-term Capital Improvement Program, respectively, and avoid significant customer rate fluctuations due to changes in cash flow requirements. The Policy directives outlined in this Reserve Policy Section are intended to ensure the District has sufficient funds to meet current and future needs. The Board can annually review the level of these funds.

The need to update the Reserve Policy was discussed with the Policy Review & Oversight Committee at the June 27, 2023, meeting. At that meeting, staff was directed to prepare a redline proposed policy (**Exhibit A**) and bring it to the Finance Committee for review. The proposed Reserve policy has undergone a thorough review and approval process that included Legal Counsel and the Finance Committee. Also, included is a clean version of the Budget/Carryover/Reserve/Debt Management Policy (**Exhibit B**).

FISCAL IMPACT:

There is no fiscal impact for adopting the revised Budget/Carryover/Reserve/Debt Management Policy.

STAFF RECOMMENDATION:

Staff recommends that the Board of Directors approve the revised Reserve Policy Section in the Budget/Carryover/Reserve/Debt Management Policy.

Respectfully Submitted,

John Thiel

John Thiel, General Manager

JT:jv

ATTACHMENT(S):

1. Exhibit A - Budget Carryover Reserve policy_WVWD Redline Version
2. Exhibit B - Budget Carryover Reserve policy_WVWD Updated

MEETING HISTORY:

07/26/23 Finance Committee REFERRED TO BOARD

Exhibit A

ADMINISTRATIVE PROCEDURES



APPROVAL DATE	FINANCE POLICIES	POLICY NO.
APPROVED BY: Board of Directors	POLICY TITLE BUDGET/CARRYOVER/DEBT/RESERVE POLICY	EFFECTIVE DATE

BUDGET/CARRYOVER/RESERVE/DEBT MANAGEMENT POLICY

SECTION 1: PURPOSE

Financial policies such as this Budget/Carryover/Reserve/Debt Management policy, improve the District's fiscal stability by helping District officials plan fiscal strategy with a consistent approach. Adherence to adopted financial policies such as this one, promotes sound financial management, which can lead to improvement in bond ratings, a lower cost of capital, provide assurance to the tax and rate payers that taxes and fees are being collected and spent per Board direction, and provide a minimum of unexpected impacts upon taxpayers, rate-payers and users of public services.

SECTION 2: GENERAL POLICY

The guiding principles of the District's financial management include integrity, prudent stewardship, planning, accountability, and full disclosure. The District's Budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units, and as a communications device for all significant budgetary issues, trends, and resource choices.

The budget process and format shall be performance-based and shall be focused on goals, objectives and performance indicators. The budget will provide adequate funding for maintenance and replacement of capital plant and equipment.

The budget process is intended to weigh all competing requests for District resources within expected fiscal constraints. Requests for new, ongoing programs made outside the budget process will be discouraged. The District will endeavor to avoid budgetary and accounting procedures that balance the current budget at the expense of future budgets.

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The District shall anticipate and address economic and fiscal risks to ensure the District lives within its means and has the resources to invest in its infrastructure, facilities, equipment, training and workforce to preserve and enhance community wellbeing.

SECTION 3: RESPONSIBILITY

At West Valley Water District (WVWD or the District) the following represent sets of responsibilities borne by various levels of District Board members, Staff, and management.

1. The Board of Directors are responsible for:
 - Approving the budget, which dictates spending by District government.
 - Deciding the spending priorities for the next fiscal year by setting aside money for programs, projects, or services
 - Shall avoid committing to new spending for operating or capital improvement purposes until an analysis of all current and future cost implications is completed and presented to it by the CFO.
 - To endeavor to maintain the highest credit rating possible for the District
 - Willingness to adjust rates when necessary
 - To allow for sufficient training and resources for the District's management team's ability to quickly implement measures to respond to challenges
 - This includes active participation in organizations to keep pace with Water sector issues, regulatory mandates, and technological advances
2. The CFO, or designee, shall be responsible for:
 - Developing, implementing, and managing this policy as well as subsidiary polices.
 - Developing the Budget, including discussions and explanations of all assumptions, estimates, and calculations to the Board

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- Financial forecasting
- Recommending and implementing approved strategies for Reserve maintenance
- Recommending to the GM and the Board, and then implementing an approved plan of action for Budget surpluses and deficits
 - Include performing a calculation of one day's (or applicable multiple thereof) worth of budgeted operating expenses
- Accumulating the data and preparing a list of Carryovers to be approved by the Board
- Posting the approved budget and all budget amendments to the financial system
- Posting approved budget transfers of appropriations to the financial system
- Performing transfers between reserve accounts in the financial system
- To endeavor to maintain the highest credit rating possible for the District
- Proactively identify and monitor long term financial liabilities, including unfunded pension obligations, and commit to taking actions to manage these commitments that prioritizes the District's long-term financial sustainability.
- To perform or facilitate debit issuance, interest payments, principal repayments, and other debt related activity. Also designing, implementing and evaluating the internal controls over debt related activity.
- Coordinating and analyzing debt requirements, including timing of debt, calculation of outstanding debt, debt limitation calculations and compliance, impact on future debt burdens, and revenue requirements.
- Preparing and presenting to the Board, interim revenue and expenditure trends to allow evaluation of potential discrepancies from budget assumptions.
- Perform and present to the Board, current and future cost implications for

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operating or capital improvement costs before the Board commits to new spending

- Perform quarterly reports to the Board of:
 - Budget vs Actual Variances
 - Transfers of appropriations
 - Transfers between reserve accounts
 - Reserve target level compliance
 - Development and maintenance of adequate billing and collection measures
 - Have a back-up protocol to ensure continuity and timeliness of operations during vacations and other leaves.
 - Must actively participate in and support the implementation of the internal controls contained in this policy and all other policies, and immediately follow up if deviation is suspected, in order to avoid the appearance and existence of fraud, misappropriation of District assets, or of conflicts of interest.
 - Additional responsibilities are stated in the remaining sections within this policy.
3. The General Manager (GM), Chief Financial Officer (CFO), and District Department Heads, collectively, are responsible for:
- Administering programs within the specific funding decisions contained in the budget
 - Participate in meeting policy goals, budget goals, and ensuring the long-term financial health of the District
 - Assistance with building the annual budget through participation in evaluation of long-term initiatives, short term initiatives, significant changes, goals and objectives, Capital expenditures, program-based budgeting that link resources with results.
 - Identify and evaluate immediate and long-term economic, social, and

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environmental impacts of all issues provided for community and Board consideration.

- Strive to identify entrepreneurial solutions to recover costs of operating programs.
- Conduct all business with transparency pursuant to applicable laws and regulations. This shall be done by proactively pursuing ways to make financial information publicly available, accessible, and easy to understand for all community members.
- To fairly and honestly collect and supply sufficient information (when available) as appropriate, and as needed by the Finance Division to fairly and properly support financial assumptions, calculations, and estimates that will be used to prepare the annual budget, forecasts, reports, rate setting calculations, as well as other financial calculations.
- Search for, obtain, and maintain appropriate grant funding to leverage District funds, when available
- Quarterly, performance measurement reporting to the Board
- To endeavor to maintain the highest credit rating possible for the District
- Reviewing and approving the listing of Carryovers taken to the Board for approval for their respective departments, and approval over all departments by the GM.
- The GM shall have authority to appropriate up to \$25,000 in case of emergencies
- Have a back-up protocol to ensure continuity and timeliness of operations during vacations and other leaves.
- Must actively participate in and support the implementation of the internal controls contained in this policy and all other policies, and immediately follow up if deviation is suspected, in order to avoid the appearance and existence

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of fraud, misappropriation of District assets, or of conflicts of interest.

- Additional responsibilities are stated in the remaining sections within this policy.

SECTION 4: DEFINITIONS

Operating budget—adopted annually, the operating budget is a detailed estimate of how much the District needs to spend in its fiscal year to meet its ongoing financial obligations and provide programs and services. It establishes a spending cap that management may not exceed without special authorization.

Capital budget— The capital budget is money set aside for buying or building fixed assets such as buildings, equipment, vehicles, water facilities, and land. Because capital construction normally takes place over more than one fiscal period, capital budgets are generally adopted on a project-length basis.

Capital improvement projects - infrastructure or equipment purchases or construction which results in a capitalized asset and having a useful (depreciable life) of one year or more.

Indirect Costs – Costs incurred for a common purpose not readily assignable to a cost center or user at the time services or goods are provided or delivered

Pay-as-you-go financing - is defined as all sources of revenue other than District's debt issuance, i.e., Net Assets, contributions, developer contributions, grants, endowments, etc.

Restricted Funds – Monies where restrictions on the use of these funds are imposed by an outside source such as creditors, grantors, contributors, laws, or regulations governing use.

Capital Funds – Monies that are utilized primarily to fund capital and asset costs, for both new and replacement projects.

Liquidity Funds – Monies used to safeguard the financial flexibility and stability of WVWD and to maintain stable customer charges and rates from year to year.

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Liquidity may be funded from accumulated revenues and when appropriate available short-term liquidity arrangements.

Cash Account(s) – Accounts used to track cash and/or cash equivalent assets for accounting or reporting purposes. For purposes of investment, the District may commingle unrestricted accounts and reserve funds, so long as the District’s Investment Policy permits such.

SECTION 5: BUDGET DEVELOPMENT OVERVIEW

Budget development will use strategic multi-year fiscal planning, conservative revenue forecasts, and program-based cost accounting that require every program to be justified annually as to how it will meet intended objectives. The process will include a diligent review of programs by staff, the CFO, the GM, and the Board. The District will avoid budgetary procedures that balance current expenditures at the expense of meeting future years’ expenses, such as postponing expenditures or accruing future year’s revenues. The District’s balanced budget is to be adopted on a modified accrual basis. Non-cash items, such as investment adjustments to market value, depreciation, amortization, and bad debt expense are not budgeted. Multi-year capital projects are often budgeted on a full cost basis and the year-end active project budgets are continued to the next year until the completion of the project.

SECTION 6: PROGRAM BASED BUDGET

Utilization of a program budget format will provide a basis for evaluation of services as well as a way to evaluate impacts of potential increases or decreases in funding. Current operating expenditures will include all allowable overhead operating (indirect) costs. For the most part, these expenses will be charged to individual budget program elements through indirect cost allocation plan charges.

District staff shall strive to identify entrepreneurial solutions to recover costs of operating programs.

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Building the program-based budget will entail the following procedures:

1. Long-Term Initiatives (10-year foresight)

- Evaluate District's vision, mission, and values.
- Evaluate District's goals and objectives of the above.
- Evaluate District's prioritization of the above.
- Evaluate District's expected outcomes of the above.

2. Short-Term Initiatives (1 to 5-year foresight)

- Evaluate short-term goals.
- Evaluate service level assumptions.
- Evaluate budget impact - revenues and expenditures.
- Evaluate staffing level changes.

3. Significant Changes (1 year look back)

- Evaluate specific issues and action causing significant changes.
 - Policy issues
 - Economic factors
 - Regulatory issues
 - Legislative challenges
- Evaluate emerging issues or change in priorities.

4. Goals and Objectives by Department (1-year foresight)

- Evaluate department goals and objectives.
- Evaluate how department goals are linked to overall District goals.

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- Evaluate short-term objectives, measurable results to be achieved.
- Evaluate timeframes of achieving those objectives.

5. Net Position

- Define net position
- Prepare five-year historical trend.
- Prepare ten-year forecast.

6. Capital Expenditures

- Define capital expenditures.
- Summarize capital expenditures.
 - Routine.
 - Non-routine.
- Identify and match funding source.
- Explain how the District's current and future budget will be impacted.
 - Financial impact.
 - Non-financial impact.

7. Program - Base Budget Will Link Resources with Results

- Identifying community needs for essential services
- Describing the programs required to provide the essential services
- Identifying the purpose of activities performed in delivering services
- Establishing goals and objectives which define the nature and level of services required
- Identifying resources required to perform program activities and accomplish goals and objectives
- Staffing levels

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- Program activity revenue and appropriations

SECTION 7: REVENUE BUDGET DEVELOPMENT

While building the revenue budget, the following parameters will be followed:

- Revenues will not be dedicated for specific purposes, unless required by law or generally accepted accounting principles (GAAP). All non-restricted revenues will be deposited in the Operating Fund (or other designated fund as approved by the CFO) and appropriated by the Board.
- Current revenues will fund current expenditures and a diversified and stable revenue system will be developed and maintained to protect programs from short-term fluctuations in any single revenue source.
- The District will estimate its annual revenues by an objective, analytical process, wherever practical. The District will project revenues for the next year and will update this projection annually. Each existing and potential revenue source will be reexamined annually. In the case of assumptions uncertainty, conservative projections will be used.
- The District will investigate potential new revenue sources, particularly those that will not add to the burden of tax or rate-payers.
- Each year, the District will recalculate the full costs of activities supported by user fees/rates to identify the impact of inflation and other cost increases.
- Grant funding will be considered to leverage District funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs. Programs financed with grant monies will be budgeted in separate cost centers, and the service program will be adjusted to reflect the level of available funding. In the event of reduced grant funding, District resources will be substituted only after all program priorities and alternatives are considered.
- One-time revenue windfalls should be designated as a reserve or used for one-time expenditures. The funds are not to be used for on-going operations. To

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the extent such funds are not required for current expenditures, one-time expenditures and/or capital improvements such funds should be maintained as operating reserves or used to reduce debt.

- For purposes of this policy, one-time revenue windfalls shall include:
 - Lump sum (net present value) savings from debt restructuring
 - CalPERS Rebates
 - Tax Revenue growth in excess of 5% in a single year
 - Sale of District-owned real estate
 - Pure unexpected revenues (i.e. litigation settlement)
 - Receipts from approved Development Fees
 - Contributions and Gifts
 - Any other revenues the Board may elect to designate as extraordinary

SECTION 8: USER FEES/RATES

The process for changing user fees or rates will follow the User Rate policy # [REDACTED]. All user fees and charges will be examined or adjusted every year and undergo a thorough review to determine the 100% direct and indirect cost of service recovery rate at least every four years. This shall include operations and maintenance, capital outlay and debt services costs. The Board will strive to obtain 100% cost recovery rates, but will reserve the right to recover less, as appropriate. The acceptable recovery rate and any associated changes to user fees and charges will be approved by the Board following public review, each year.

Any unfavorable balances in cost recovery will be brought to the Board's attention by the CFO and affected Department Head, and evaluated from a departmental, program, and goals perspective.

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SECTION 9: EXPENDITURE BUDGET DEVELOPMENT

- Each program will identify activities and the recommended expenditure appropriations to perform those activities
- Identify recurring vs. nonrecurring expenditures
- Identify general vs. restricted expenditures
- Expenditure appropriation increases to the budget shall not be allowed unless offset with ongoing additional revenues or reduction in services.
- Addition of personnel will only be requested to meet program initiatives and policy directives: after service needs have been thoroughly examined and it is substantiated that additional staffing will result in increased revenue or enhanced operating efficiencies. To the extent feasible, personnel cost reductions will be achieved through attrition or transfer.
 - The CFO shall evaluate the fiscal impact of proposed changes in all salaries or retirement benefits to be provided to any employee or employee association and present to the Board.
- Capital equipment replacement will be accomplished through a life cycle funding mechanism and in some instances the use of a “rental” rate structure. The rates will be revised annually to ensure that charges to operating departments are sufficient for operation and replacement of vehicles and other capital equipment (fleet, computers, phones, and copier systems). The District shall endeavor to maintain adequate cash reserves to fund 100% replacement of certain capital equipment. Replacement costs will be based upon equipment life cycle financial analysis developed by each department and approved by the CFO. Non-capital equipment replacement will be accomplished through a life cycle funding mechanism developed by each department and implemented and approved by the CFO.
- Alternative means of service delivery will be evaluated by the CFO to ensure that

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quality services are provided to customers at the most competitive and economical cost. Departments, in cooperation with the GM and CFO, will identify all activities that could be provided by another source and review options/alternatives to current service delivery. The review of service delivery alternatives and the need for the service will be performed annually or on an “opportunity” basis.

- A ten-year Capital Improvement Plan (CIP) shall be developed and updated annually, including anticipated funding sources. The District staff shall maintain all its assets at a level adequate to protect the District’s capital interest and to minimize future maintenance and replacement costs.
 - The total estimated cost calculations of CIPs shall include adequate costs of repair and replacement of deteriorating infrastructure and avoidance of a significant unfunded liability.
 - Proposed capital projects will be considered through the District budget development process and reviewed and prioritized by a cross-departmental team regarding accurate costing (design, capital, and operating) as well as the GM and CFO for overall consistency with the District’s goals and objectives. The CFO will then identify financing sources for the highest-ranking projects.
 - The District shall determine the least costly financing method for all new projects
 - Pay-as-you-go financing is defined as all sources of revenue other than District’s debt issuance, i.e., Net Assets, contributions, developer contributions, grants, endowments, etc. Pay-as-you-go financing should generally be considered as the preferred option. However, the potential for debt issuance that provides additional economic and/or strategic values could be considered as recommended by the CFO.
 - In the context of funding future capital facilities and maintaining and replacing existing assets, in each instance, the District will analyze

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the benefits and tradeoffs of utilizing pay- as-you-go and/or debt financing and determine the optimal funding strategy or combination of funding strategies. The analysis should consider WVWD's current and projected liquidity, and capital positions, as well as the impact of inflation, the cost of water and other factors on the operations of the District and its capital improvement program. WVWD may from time to time measure its liquidity position by calculating "days cash" or other appropriate calculation of liquidity and its capital positions, as measured by its debt to equity ratio or other appropriate calculation of capital position.

- The District shall endeavor to apply restricted funds (i.e. existing Bond proceeds) to capital projects before using "unrestricted" funds.
- Capital project budget book descriptions will include a fiscal impact statement disclosing the expected operating impact of the project and when such cost is expected to occur.
- An inventory of the District's physical assets, their condition, and remaining useful life will be maintained by the Finance Division
- A systematic and rational methodology should be used to calculate the amounts allocated within an indirect cost allocation plan
 - District management needs to be involved in the process and knowledgeable about the methodology used
 - It is important that internal staff be aware of all applicable laws and regulations if the cost allocation is to be used as the basis for requesting reimbursement under a grant, for bond proceeds, for rate-setting, or for any other contractual or governmental regulation or restriction

SECTION 10: ACCRUING LIABILITIES

The CFO shall endeavor to maintain cash reserves sufficient to fully fund the net

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present value of accruing liabilities including self-insurance provisions, obligations to employees for vested payroll and benefits, and similar obligations as they are incurred, and to maintain the highest credit rating possible for the District. At a minimum they must be funded to 90%.

SECTION 11: FORECASTING

The annual budget shall include a ~~Ten-Year~~Five-Year Forecast. The forecast will be comprised of estimated operating costs and revenues as well as future capital improvement financing sources and uses. Balanced revenue and expenditure forecasts will be prepared by the CFO to examine the District's ability to absorb operating costs due to changes in the economy, service demands, and capital improvements. The forecast will be taken into consideration when preparing budget recommendations. The forecast will be updated annually and include a ~~five~~ten-year outlook. The CFO will prepare and present these estimates to the Board at least once a year. The District's capital plan will be informed by the ten-year forecasting process.

The forecast shall factor in future increases in demand, expected rate increases, regulations, and infrastructure renovation and renewal needs.

SECTION 12: RESERVE POLICIES

RESERVE POLICY PURPOSE:

A critical element of prudent financial planning is to ensure that sufficient funding is available for current and future operating, capital, and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. West Valley Water District ("District" or "WVWD") will at all times strive to have sufficient funding available to meet its operating, capital, and debt service obligations. Reserve Funds ("Funds") will be accumulated and maintained to allow the District to fund operating expenses and capital expenditures in a manner consistent with its Annual Operating and Capital Improvement Budgets and its long

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term Capital Improvement Program, respectively, and avoid significant customer rate fluctuations due to changes in cash flow requirements.

Through a variety of policy documents and plans, including the District's Capital Improvement Program, master plan and strategic plan, the Board has set forth a number of long-term goals for the District. A fundamental purpose of the District's policy documents and plans is to link what must be accomplished with the necessary resources to successfully do so.

The Board of Directors of WVWD ("Board") may designate specific fund accounts and maintain minimum fund balances consistent with statutory obligations that it has determined to be in the best interest of WVWD. The Policy directives outlined in this section are intended to ensure WVWD has sufficient funds to meet current and future needs. The Board will annually review the level of these funds.

RESERVE TRACKING PROCEDURES:

The District may maintain its liquidity and capital funds in separate, designated sub-accounts in a manner that ensures its financial soundness and provides transparency to its ratepayers. The account balances are considered the minimum necessary to maintain the District's creditworthiness and adequately provide for:

- Compliance with applicable statutory requirements
- Financing of future capital facilities and repair and replacement of existing assets
- Cash flow requirements
- Economic uncertainties, local disasters, and other financial hardships or downturns in the local or national economy
- Contingencies or unforeseen operating or capital needs

WVWD has established and will maintain the following primary cash (and/or equivalent) accounts (and any other related fund tracking mechanism if needed):

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- Restricted Cash Account(s) – comprised of Bond Proceeds, Community Facilities District monies, Developer and or Capacity Fees and Customer Deposits
- Capital Cash Account(s) – includes the Capital Replacement Fund and Emergency Fund.comprised of money set aside for Capital Projects, including those for General and Administrative Capital Projects
- Liquidity Cash Account(s) – includes the Rate Stabilization Fund and Operating Fund.monies set aside for Rate Stabilization, the Operating Reserve Account, the Emergency Account, and the Water Banking Account

RESERVE MAINTENANCE:

The minimum established for each account represents the baseline financial condition that is acceptable to WVWD from risk and long-range financial planning perspectives. Maintaining reserves at appropriate levels is a prudent, ongoing business process that consists of an iterative, dynamic assessment and application of various revenue generating alternatives. These alternatives (either alone or in combination with each other) include, but are not limited to: fees and charges, water usage management, capital financing, investment of funds, and levels of capital expenditures. In the event the Liquidity Fund balance exceeds the established maximum, excess monies will be transferred annually into the Capital Fund. On an as-needed basis, monies from the Capital Fund can be moved to pay for operating emergencies to supplement the Liquidity Fund. In addition, in the event that the Capital Fund balance exceeds the established maximum, the Board will make a determination regarding the reallocation of excess monies.

To achieve and maintain a strong credit rating, in every fiscal year the District will strive to maintain unrestricted cash and designated fund balances totaling a minimum

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of 180 days of budgeted operating expenses. Should the District determine to target a higher credit rating level, this minimum will be adjusted accordingly. However, should the District decide to pursue a credit rating upgrade, it will need to analyze carefully under what circumstances and in what timeframes it will be optimal to achieve this goal

RESERVE TARGET LEVELS:

~~To establish and preserve its strong credit ratings, in every fiscal year WVWD will strive to maintain a Liquidity fund balance totaling a minimum of 365 days of budgeted operating expenses without regard to any Liquidity Facility.~~

The following represents the Districts target reserve levels by type:

I. RESTRICTED FUNDS

- a. *Bond Proceeds Fund(s)*: Bond proceeds funds are monies derived from the proceeds of a bond issue. Typically, they consist of construction fund monies, and a debt service reserve fund (“DSRF”). The use of these proceeds is restricted by conditions set forth in the respective legal bond documents. Typically, these funds are held by the Trustee in favor of the bond holders.

Target Level – The debt service reserve requirement is established at the time of the bond issue. This amount may be recalculated as the bonds are paid down. Any excess principal and/or interest earnings can be used to pay debt service on the appropriate bonds. The target level must appropriately respond to changes in interest rates for variable rate debt.

Events or Conditions Prompting the Use of the Fund(s) – As stipulated in the respective bond documents. Construction fund monies are expected to be

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spent on applicable projects, while DSRF can only be used to pay debt service or to pay down principal at maturity.

Review Dates for Balances – Reviewed by the Trustee and WVWD staff on a semi- annual basis at least 15 days prior to an interest payment date.

- b. Customer and Development Deposits: Monies held on behalf of WVWD customers as required for their account or as cash bonds for development projects.

Target Level – Customer deposits required are based upon the process outlined in the District’s Water Service Regulations. Deposit requirements for development projects are also outlined in the District’s Water Service Regulations. The balance in this account will fluctuate depending on the number of utility customer deposits required and the number of development projects in process. Therefore, no minimum or maximum levels will be established.

II. CAPITAL RESERVE FUNDS

WVWD will strive to maintain minimum balances in the Capital Reserve Funds, net of any capacity fees, as of June 30, of any fiscal year equal to the amounts set forth below. The Capital Reserve Funds will consist of the following sub-accounts:

- a. Capital Project Account: The Capital Project Cash Account is used for the funding of new capital assets or the rehabilitation, enhancement or replacement of capital assets when they reach the end of their useful lives.

Target Level – WVWD may set aside capital moneys for replacement funds on a project- by-project basis. The minimum target level WVWD will strive for is 100% of its then- current fiscal year from the Capital Improvement Budgets plus ~~2580~~2580% of the amount estimated to be needed the following fiscal year, less minimum levels established for the Emergency Account. Failure to meet the minimum target level will not result in a violation of the policy. The

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~~maximum balance in Capital Reserve Funds shall not exceed the projected needs for five years, according to the District's Capital Improvement Plan. The maximum balance may be determined upon the reasonable needs of the District as set forth in the Capital Improvement Program, the District's Master Plan Documents and Strategic Plan.~~

Events or Conditions Prompting the Use of the Fund – Staff will recommend new assets to be constructed or assets to be rehabilitated, enhanced, or replaced during the annual budget preparation. As projects are approved, funds will be appropriated from reserve funds or available revenues.

Review Dates for Balances – Fund balances and projected improvement projects will be reviewed by staff and the Board during the preparation and approval of the annual budget, ~~and during the mid-year budget review process.~~

- b. ~~Emergency Account~~ ~~Administrative & General Account~~. ~~The Emergency Fund is used to begin repair of the water and sewer systems after a catastrophic event, such as a severe earthquake or fire, while long-term financing is being arranged or insurance claims are being processed. The Administrative & General Account can be used to fund certain general, administration and overhead projects. Fleet Management, Building, Equipment, and Information Technology reserves will be maintained based upon life cycle replacement plans to ensure adequate net asset (fund balance) designation required for systematic replacement of fleet vehicles, building components and systems, computers and related equipment, and operational contingencies. Operating departments will be charged over the useful life of the asset used. The District shall endeavor to stabilize funding by building reserves equal to the anticipated replacement cost of each asset class at end of useful life.~~

Target Level – ~~Funding shall be targeted at a minimum equal to 1% of the net capital assets of the District's water system, a target level of 2% of the net capital assets and a maximum of 3% of the net assets of the water system, based on current Federal Emergency Management Agency (FEMA) guidelines. This Account has no specific target level for each component.~~

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~~However, WVWD shall seek to maintain a minimum balance equal to 5% of its annual operating expenses. Special projects can be funded on an as-needed or project-by-project basis.~~

~~Events or Conditions Prompting the Use of the Fund – The Board may designate use of this fund after establishing that conditions exist as called out in the definition and purpose of the fund. Improvement projects will be identified by staff and recommended to the Board during the preparation of the annual budget. As projects are approved, funds will be appropriated from available revenues.~~

~~Review Dates for Balances – Fund balances and target level will be reviewed by staff and the Board during the preparation and approval of the annual budget. Fund balances and projected improvement projects will be reviewed by staff and the Board during the preparation and approval of the annual budget and during the mid-year budget review process.~~

III. LIQUIDITY FUNDS

Liquidity Funds will be comprised of the following sub-accounts: The Rate Stabilization Reserve Account, the Operating Reserve Account, the Emergency Account, and the water banking account. The balance in the Liquidity Funds will fluctuate depending on the annual operating expenses.

~~The maximum balance in the Liquidity Funds will be equal to 180 days of the annual budgeted operating expenses. Further, the District will also incorporate an aggregate reserve goal since policy requirements and goals might fluctuate year over year. The total reserve goal of maintaining cash and equivalents shall be equal to the annual operating budgeted expenditures for the current fiscal year which is equivalent to 365 “days cash”.~~

- a. Rate Stabilization Account. This fund is established to provide flexibility to the Board when setting rates to allow for absorbing fluctuations in water demand and smoothing out rate increases over a period of time.

~~Target Level – This fund shall be maintained at a minimum level of 45 days~~

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~~of the annual budgeted operating expenses. The maximum level of this fund shall not exceed 60 days of the annual budgeted operating expenses. This fund shall be maintained at a minimum level equal to the lower of (1) a calculation of the difference between (a) the amount of revenue from the lowest year of historical water usage going back 25 years and (b) the amount of revenue from a typical year using current rates; or (2) 180 days of the budgeted total operating expenses~~

~~Events or Conditions Prompting the Use of the Fund – This fund is intended to be used to defray any temporary unforeseen and extraordinary increases in the cost of water supply. The Board, on a case by case basis, will determine the amount and timing for any use of the fund. This fund is intended to be used to defray any temporary unforeseen decreases in the sale of water. The Board, on a case by case basis, will determine the amount and timing for any use of the fund. If at the end of any fiscal year, moneys on deposit in all accounts or reserve funds are at or exceed their respective maximum amounts or levels, the District may consider rebating surplus amounts to its ratepayers.~~

~~Review Dates for Balances – Fund balances will be reviewed by staff and the Board during the preparation and approval of the annual budget, and during the mid-year budget review process.~~

- b. Operating Reserve Account. The Operating Reserve Account is used for unanticipated operating expenses. This fund is designated by the Board to maintain a reserve for current operations and to meet routine cash flow needs.

~~Target Level – Funding shall be targeted at a minimum amount equal to 90185 days of the District’s budgeted total operating expenses, and the maximum amount shall not exceed 120 days of the budgeted total operating expenses.~~

~~Events or Conditions Prompting the Use of the Fund – Upon Board authorization, this fund may be routinely utilized by staff to cover temporary cash flow deficiencies caused by timing differences between revenue and~~

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expenses or decreases in revenues and unexpected increases in expenses.

Review Dates for Balances – Fund balances and target level will be reviewed by Staff and the Board during the preparation and approval of the annual budget, ~~and during the mid-year budget review process.~~

~~c. Emergency Account. The Emergency Account may be used to purchase water at any time or to begin repair of the water system after a catastrophic event, such as a severe earthquake, drought, or fire while interim, or long-term financing is being arranged or insurance claims are being processed. WVWD may use funds herein for either capital or operating purposes.~~

~~Target Level—Funding shall be targeted at a minimum equal to 1% of the net capital assets of the District’s water system, a target level of 2% of the net capital assets and a maximum of 3% of the net assets of the water system, based on current Federal Emergency Management Agency (FEMA) guidelines.~~

~~Events or Conditions Prompting the Use of the Fund—The Board may designate use of this fund after establishing that conditions exist as called out in the definition and purpose of the fund.~~

~~Review Dates for Balances—Fund balances and target level will be reviewed by staff and the Board during the preparation and approval of the annual budget and during the mid-year budget review process.~~

~~d. Water Banking Account. The Water Banking Account can be used to fund the purchase of replenishment water for future use. The District will strive to maintain a minimum level equal to the cost of 1,000 acre-feet of water and a maximum amount equal to the cost of 10,000 acre-feet of water. The District will review annually the cost to purchase water.~~

~~Target Level. Funding shall be targeted at a minimum equal to the existing rate times 1,000 acre-feet of water and a maximum equal to the existing rate times 10,000 acre-feet of water.~~

~~Review Dates for Balances—Fund balances and target level will be reviewed~~

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~~by staff and the Board during the preparation and approval of the annual budget and during the mid-year budget review process.~~

~~Self-Insurance Reserves (workers' compensation, other employment related matters) will be maintained at a level, which, together with purchased insurance policies, will adequately cover the District's property, liability, and health benefit risk. A qualified actuarial firm shall be retained and report on a bi-annual basis recommended appropriate funding levels. The District shall endeavor to maintain reserves equal to 90% of the estimated net present value of such liabilities.~~

~~Budget Reserves are presented in the Comprehensive Annual Financial Report (CAFR) in the Financial Statement section designated as Unrestricted Net Assets. The District's CAFR is available on the District's website at [\[REDACTED\]](#).~~

SECTION 13: BUDGET SURPLUSES AND DEFICITS

SURPLUSES:

It is the intent of the District to use all surpluses generated to accomplish three goals:

- Meet reserve policies
- Avoidance of future debt
- Reduction of outstanding debt

Any surplus realized at year-end shall be used first to meet reserve policies as set forth in this policy. Excess surplus will then be used for the following purposes:

- Capital replacement program
- Retirement or refinancing of existing debt
- Cash payments for capital improvements
- Rebate to rate-payers

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One-time revenue windfalls should be designated as a reserve or used for one-time expenditures. The funds are not to be used for on-going operations. To the extent such funds are not required for current expenditures, one-time expenditures and/or capital improvements such funds should be maintained as operating reserves or used to reduce debt.

For purposes of this policy, one-time revenue windfalls shall include:

- Lump sum (net present value) savings from debt restructuring
- CalPERS Rebates
- Tax Revenue growth in excess of 5% in a single year
- Sale of District-owned real estate
- Pure unexpected revenues (i.e. litigation settlement)
- Receipts from approved Development Fees
- Contributions and Gifts
- Any other revenues the Board may elect to designate as extraordinary

DEFICITS:

It is the intent of the District to minimize all net asset (fund balance) deficits. The District will diagnose and communicate any fund balance deficits with the following recommendations to the Board:

- Primary Treatments – treatments that are recommended as the first line of defense and should be considered as a first option. In many cases, these treatments not only provide immediate help but also improve the long-term prognosis.
- Treatment to Use with Caution – treatments that may be called for if the primary treatments are not sufficient. However, the side effects of these treatments could potentially worsen financial condition if used improperly.

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SECTION 14: DEBT MANAGEMENT POLICY

These Debt Management Policies are intended to comply with Government Code Section 8855(i), (j), and (k) effective on January 1, 2017, and shall govern all debt undertaken by the District.¹ The District hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the District's sound financial position.
- Ensure the District has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the District's credit-worthiness and maintain and, if possible, improve the current bond rating(s), in order to minimize borrowing costs and preserve access to credit.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the District.
- Ensure that the District's debt is consistent with the District's planning goals and objectives and capital improvement program or budget, as applicable.

Purposes for Which Debt May Be Issued

Long-term Debt. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by the District.

- (a) Long-term debt financings are appropriate when the following conditions exist:
- When the project to be financed is necessary to provide basic services.
 - When the project to be financed will provide benefit to constituents over multiple years.
 - When total debt does not constitute an unreasonable burden to the District

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and its taxpayers and ratepayers.

- When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.
- (b) Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses. However, the District may consider issuance of debt for working capital purposes under specific circumstances if deemed advisable by the Board and CFO.
- (c) The District may use long-term debt financings subject to the following conditions:
- The project to be financed must be approved by the Board.
 - The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the infrastructure improvement, with the average (weighted) bond maturities at or below thirty years, unless otherwise authorized by the Board.
 - The District estimates that sufficient revenues will be available to service the debt through its maturity.
 - The District determines that the issuance of the debt will comply with the applicable state and federal law.

Short-term Debt. Short-term debt may be issued to provide financing for the District's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example, the District may undertake lease-purchase financing for equipment.

Types of Debt

For purposes of these Debt Management Policies, "debt" shall be interpreted broadly to mean bonds, notes, certificates of participation, financing leases, or other financing obligations. The use of the term "debt" in these Debt Management Policies shall be solely for convenience and shall not be interpreted to characterize any such obligation as an indebtedness or debt in contravention of any statutory or

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constitutional debt limitation.

The following types of debt are allowable under these Debt Management Policies:

- General obligation bonds, which are supported by property tax revenue which grows in proportion to the District's assessed valuation and/or property tax rate increases, may be utilized if/when authorized by voters.
- Bond or grant anticipation notes.
- Lease revenue bonds, certificates of participation, and lease-purchase transactions.
- Other revenue bonds and certificates of participation.
- Tax and revenue anticipation notes.
- Land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes.
- Tax increment financing to the extent permitted under state law.
- Purchase card debt
- Line of credit
- Construction loans
- Lease payments

The District may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of these Debt Management Policies.

Debt shall be issued as fixed rate debt unless the District makes a specific determination as to why a variable rate issue would be beneficial to the District in a specific circumstance.

Relationship of Debt to Capital Improvement Program and Budget

The District is committed to long-term capital planning. The District intends to issue

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debt for the purposes stated in these Debt Management Policies and to implement policy decisions incorporated in the District's capital budget and the capital improvement plan.

The District shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

The District shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the District's public purposes.

The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements in circumstances when the sole purpose of such debt financing is to reduce annual budgetary expenditures.

The District shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its reserves.

New debt issues, and refinancing of existing debt, must be analyzed for compatibility within the District's overall financial planning and approved by the CFO. The review shall not be limited to cash flow analysis, potential for unexpected revenue surprises, and the maintenance of the District's bond ratings. Annual debt service shall not produce an inordinate impact upon future operations.

A ratio of current assets to current liabilities of at least 2/1 will be maintained to ensure the District's ability to pay short-term obligations.

Water rates will be set, at a minimum, to ensure the ratio of revenue to debt service meets the District's bond indenture requirement (generally a minimum of 120% of debt service). In addition, higher revenue to expense ratios may be needed to secure the District's bond rating, as determined by the CFO.

When calculating debt services coverage for internal purposes, the minimum pay-as-you-go capital expense will be considered a part of the operating costs to be covered

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by pre-debt service revenues. The District goal will be to maintain the required debt service coverage with this additional cost factored into the equation. Use of a 10-year budget projection, including capital project requirements, will provide assurance that all needs are considered by the CFO, the GM, Assistant GMs, and District Counsel as revenue requirements are considered.

Policy Goals Related to Planning and Objectives

The District is committed to long-term financial planning, maintaining appropriate reserve levels and employing prudent practices in governance, management and budget administration. The District intends to issue debt for the purposes stated in this Policy and to implement policy decisions incorporated in the District's annual operations budget.

It is a policy goal of the District to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

When refinancing debt, it shall be the policy goal of the District to realize, whenever possible, and subject to any overriding non-financial policy considerations, (i) minimum net present value debt service savings equal to or greater than 3.0% of the refunded principal amount, and (ii) present value debt service savings equal to or greater than 100% of any escrow fund negative arbitrage.

The CFO shall consult with a qualified Financial Advisor on an issue by issue basis to determine the appropriate method of sale to be used for debt issuance. Further, the CFO or designee shall be responsible for the solicitation and selection of professional services that are required to administer the District's debt program, which will follow the District's procurement policy. The financial advisor, bond and disclosure counsel, and trustee costs associated with bond issuance will be paid with bond proceeds. Eligible District staff costs related to issuance of long-term

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bonds may also be reimbursed from bond proceeds.

- A financial advisor shall be used to assist in the issuance of the District's debt. The financial advisor shall provide the District with objective advice and analysis on debt issuance. This includes, but is not limited to monitoring market opportunities, structuring and pricing debt, and preparing official statements of disclosure.
- All debt issued by the District will include a written opinion by bond counsel affirming that the District is authorized to issue the proposed debt. The opinion shall include confirmation that the District has met all District and state constitutional and statutory requirements necessary for issuance, a determination of the proposed debt's federal income tax status and any other components necessary for the proposed debt. Bond counsel is also responsible for preparing all financing documents including Trust Indentures and Bond resolutions and assists in preparation of Official Statements. Disclosure Counsel shall be required to deliver a customary 10(b)-5 opinion on District offering documents. The Disclosure Counsel will work with District staff to draft all disclosure documents for a bond financing.
- An Underwriter(s) will be used for all debt issued in a negotiated or private placement sale method. The Underwriter is responsible for purchasing negotiated or private placement debt and reselling the debt to investors.
- A Fiscal Agent will be used to provide accurate and timely securities processing and timely payment to bondholders. If there are unspent bond proceeds, funds will be held by a third part trustee.
- The District will maintain good communication with bond rating agencies about its financial condition. This effort will include providing periodic updates on the District's general financial condition, coordinating meetings, and presentations in conjunction with a new issuance. The District will continually strive to maintain its bond rating by improving financial policies, budgets, forecasts and the financial health of the District.

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- Credit enhancements may be used to improve or establish a credit rating on a District debt obligation. Credit enhancements should only be used if cost effective.
- A debt refunding is a refinance of debt typically done to take advantage of lower interest rates.
- A current refunding is one in which the refunding bonds are issued no more than 90 days before the date upon which the refunded bonds will be redeemed.
- An advance refunding is one in which the refunding bonds are issued more than 90 days prior to the date upon which the refunded bonds will be redeemed. Advance refundings are used to refinance outstanding debt before the date the outstanding debt becomes due or callable. Internal Revenue Code §149(d)(3) provides that governmental bonds issued after 1985 may only be advanced refunded once over the life of a bond issuance. Changes to the Federal tax law enacted in 2017 prohibit the issuance of advance refunding bonds after December 31, 2017; however, it is possible this prohibition will be removed in the future.
- Unless otherwise justified, such as a desire to remove or change a bond covenant, a debt refunding will require a minimum present value savings of 3%. This savings requirement for a refunding may be waived by the CFO upon a finding that such a refunding is in the District's overall best financial interest.
- The District will, unless otherwise justified, use bond proceeds within the established time frame pursuant to the bond ordinance, contract or other documents to avoid arbitrage rebate. Arbitrage is the interest earned on the investment of the bond proceeds at a rate above the interest rate paid on the debt. If arbitrage occurs, the District may be required to pay the amount of the arbitrage to the Federal Government as required by Internal Revenue Service Regulation 1.148-11. The District will maintain a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirement of the IRS regulation. For each bond issue not used within the established time frame, the recordkeeping shall include tracking investment earnings on bond proceeds,

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calculating rebate payments, and remitting any rebatable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the outstanding debt.

- The District will comply with all covenants stated in the bond contract or equivalent
- The District will comply with all state reporting requirements for issuance of debt, including a report to the CDIAC of any proposed debt issuance no later than 30 days prior to the sale of any debt issue. The report shall include a certification by the issuer that it has adopted local debt policies concerning the use of debt and that the contemplated debt issuance is consistent with these policies. The District shall also submit a report to CDIAC of final sale no later than 21 days after sale of debt, by any method approved by the CDIAC. The report on final sale shall include a copy of the official statement for the issue or, if there is no official statement, the other disclosure documents and indenture.
- The District will meet secondary disclosure requirements in a timely and comprehensive manner, as stipulated by the SEC Rule 15c2-12. The CFO shall be responsible for providing ongoing disclosure information to the Municipal Securities Rulemaking Board's (MSRB's) Electronic Municipal Market Access (EMMA) system, the central depository designated by the SEC for ongoing disclosures by municipal issuers. The CFO is responsible for maintaining compliance with disclosure standards promulgated by state and national regulatory bodies, including the Government Accounting Standards Board (GASB), the National Federation of Municipal Analysts, the Securities and Exchange Commission (SEC), and Generally Accepted Accounting Principles (GAAP). The District may also employ the services of firms that improve the availability of or supplement the District's EMMA filings.
- The proceeds of the bond sales will be invested until used for the intended project in order to maximize utilization of the public funds. The investments will be made to obtain the highest level of safety. The District Investment Policy and the bond indentures govern objectives and criteria for investment of bond proceeds. The

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CFO or designee, or the bond trustees under the direction of the CFO or designee, will invest the bond proceeds in a manner to avoid, if possible, and minimize any potential negative arbitrage over the life of the bond issuance, while complying with arbitrage and tax provisions.

- In certain cases, particularly for bond reserve funds, it may be fiscally prudent to invest funds using a forward delivery agreement or some other type of guaranteed investment contract. Such agreements should be obtained under a competitive bid process under consultation with the Financial Advisor.
- State and Local Government Securities (SLGS) are the preferred investment option rather than open market securities for escrows for refunded bonds to allow for better matching of settlement dates and fewer arbitrage regulation compliance issues.

Internal Control Procedures

When issuing debt, in addition to complying with the terms of these Debt Management Policies, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The District will periodically review the requirements of and will remain in compliance with the following:

- Any continuing disclosure undertakings under SEC Rule 15c2-12 and Government Code Section 8855 (i), (j), and (k),
- Any federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues, and
- The District's investment policies as they relate to the investment of bond proceeds.

It is the policy of the District to ensure that proceeds of debt are spent only on lawful and intended uses. Proceeds of debt will be held either (a) by a third-party

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trustee, which will disburse such proceeds to the District upon the submission of one or more written requisitions, or (b) by the District, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the District.

- The District shall review its outstanding debt quarterly for the purpose of determining if the financial marketplace will afford the District the opportunity to refund an issue and lessen its debt service costs. In order to consider the possible refunding of an issue, a Present Value savings of three percent over the life of the respective issue, at a minimum, must be realistically attainable.
- The District will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues.
- When the District finances capital projects by issuing bonds, it will pay back the bonds within a period not to exceed the estimated useful life of the project.
- Whenever possible, the District will use special assessment, revenue, or other self-supporting bonds instead of general obligation bonds, so those benefiting from the improvements will bear all or part of the cost of the project financed.
- The District will maintain good communications with bond rating agencies regarding its financial condition. The District will follow a policy of full disclosure on every financial report and borrowing prospectus.

SECTION 15: AFTER ADOPTION OF THE BUDGET

District staff shall strive to avoid returning to the Board for new or expanded appropriations. Exceptions may include emergencies, unforeseen impacts, mid-year adjustments or new opportunities.

The District, through the CFO and the Finance Department, will follow an aggressive, consistent, but sensitive policy of collecting revenues, with proper internal controls, to meet the needs of the District and follow all applicable state and federal laws.

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The Board is to be provided with a quarterly budget report comparing actual versus budgeted revenue and expense activity. Significant deviations between budget and actual results are to be explained. This will create an opportunity to adjust revenue projections and make expenditure appropriation changes, if needed. Further, it also provides an opportunity to make budget transfers if necessary. Reserve account balance shall also be reviewed at this time for compliance with the reserve policy.

All fund designations and reserves will be evaluated at least annually by the CFO for long-term adequacy and use requirements in conjunction with development of the District's balanced ten-year financial plan.

PERFORMANCE MEASUREMENT

- Every year, the District shall create a Strategic Plan that identifies the Strategic Priorities for the following year, with the goals to be achieved.
- Annually, each department shall develop departmental performance measures that support achieving successful results of those goals with the GM. Goals should be related to core services of the department and should reflect customer needs. The measures should be a mix of different types, including effectiveness, efficiency, demand and workload. Measures should have sufficiently aggressive goals to ensure continuous improvement.
 - Department Directors shall establish performance measures for each division or program within their department to monitor and project program performance.
 - Quarterly summaries of progress and departmental performance measures will be published and distributed.

SECTION 16: TRANSFERS

TRANSFERS OF APPROPRIATIONS:

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The CFO or Designee, upon request of the GM or Board, may transfer any unused balance or portion thereof from previously appropriated funds to augment existing appropriations as long as the transfer is within the same Budget Unit and/or CIP project. The CFO or designee shall notify the GM and the Board of any transfer of funds made pursuant to this section which exceeds ten percent (10%) of the original appropriation to which the transfer is made. No such transfer of funds shall be made to an appropriation which was previously reduced by action of either the GM or the Board in their review of the budget for the current or prior fiscal year.

District departments may need to request expenditure budget transfers under certain circumstances. It may be necessary to transfer funds from one activity or project to another to reflect realignment of priorities, duties, or reorganization. Transfers among objects of expenditure within a department also may be needed to adjust budget estimates to meet actual operating realities. The following represent restrictions on budget transfers:

- Cumulative transfer requests to the Finance Department should not exceed ten percent (10%) of the original appropriation. Requests exceeding the threshold must be properly justified and approved by the CFO or designee
 - The 10% threshold applies to the budget unit or CIP project to which that appropriation is being transferred.
 - For annual funds, the 10% calculation is based on the current fiscal year original appropriation and any Board-approved supplemental appropriation within budgetary control level.
 - For continuing funds such as capital projects, the 10% calculation is based on the total multi-year original appropriation and any Board-approved supplemental appropriation amounts (i.e., the total of original and supplemental appropriation for each fiscal year from year 1 through the current fiscal year). For projects funded by

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multiple funding sources, the 10% threshold is based on the total Board-approved appropriation of all funding sources. If multiple transfers were made during the year, the individual transfer as well as the cumulative transfer must not exceed the 10% threshold.

- Transfers must not be made to an appropriation reduced by action of either the GM or Board. If the GM or Board reduction was made to a specific object code, appropriations cannot be transferred to other object codes within the same object code grouping.
 - Exceptions to this guideline must be approved by the authority that reduced the appropriation,
- Appropriations carried forward from prior year(s) cannot be used for budget transfers
 - Carryforward appropriations are not surplus and must be used for the purpose originally budgeted and approved for carryforward.
- The following types of budget transfers require additional approval from the GM and notification to the Board:
 - Transfers involving salaries
 - Transfers from professional services contracts to salaries require additional approval from the GM and the CFO
 - Transfers involving new equipment budget.
 - Equipment can only be purchased using appropriations specifically for equipment. Transfers of non-equipment budget for equipment purchases must be approved by the GM and CFO. Note that such transfers can only be from non-salary appropriations
- Transferring department budgets for services of other District departments to other spending categories requires approval from the

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requesting or performing department.

- If and when the budget transfer request is completely approved, the Finance Division is responsible to enter a budget transfer journal entry in the financial system
 - Before entering the budget transfer into the finance software, Finance Division staff must:
 - Verify completeness of information and reasonableness of justification
 - Verify funding availability and appropriateness (e.g., budget carried forward from the previous fiscal year cannot be the funding source of a budget transfer)
 - Verify department certification on transfer is within the 10% threshold
 - Verify department certifications on transfer is not adding back to appropriation previously reduced by Board or GM
 - Verify the accurate use of the accounting codes, budget unit codes and object codes
 - Return to department if request is being rejected or requires substantial changes
 - Review data entry for accuracy of data based on approved budget transfer request.
 - At fiscal year-end, the CFO shall notify the GM and the Board of any transfer of funds made which exceeds 10% of the original appropriation to which the transfer is made. If multiple transfers were made at different times of the year, the individual transfer as well as the cumulative transfers exceeding the 10% threshold will be reported.

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TRANSFERS OF RESERVES:

In the event the Liquidity cash account balance exceeds the established aggregate maximum (if applicable), excess monies will be transferred annually into the Capital cash account. On an as-needed basis, moneys from the Emergency Account of the Liquidity Fund can be moved to the Operating Reserve Account to pay for operating emergencies to supplement the Liquidity Funds. The Board shall approve any reallocation of reserve funds or any transfers among such funds.

SECTION 17: CARRYOVERS

On an annual basis, after the year-end audit has been completed, the CFO or designee shall produce a schedule of all fund surpluses and deficits, with projections of reserve requirements and plan for the use of an excess surplus for the current year. These will be Carryovers.

Automatic Carryovers include:

- Contractual commitments
- Grant, restricted donation and capital project appropriations which are considered life-cycle appropriations
- June Board items
- All other appropriations shall lapse at year-end unless carried forward by Board action

June Board items, and active/on-going CIP carryovers are automatic. CIP projects that are under construction, in the process of design and specification development or production of bid documents will automatically be carried over for both encumbered funds and unencumbered funds.

Carryovers that are not automatic: Projects that have been on the CIP list for multiple years that are not proceeding to design, bid or construction should provide a more

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detailed explanation of their status and a justification for the continuing need for the project funding. These projects will be closed out unless the department provides sufficient justification to keep them open. The justification should contain the information necessary to determine the status of the project and its continuing justification. Carryovers can only take place once the last invoices for the fiscal year have been paid and charged against the fiscal year that is ending. The Carryover Request forms will be closed on July 1st of every year. Any subsequent carryover requests will need to be taken to the Board by the requesting department.

Exhibit B

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BUDGET/CARRYOVER/RESERVE/DEBT MANAGEMENT POLICY

SECTION 1: PURPOSE

Financial policies such as this Budget/Carryover/Reserve/Debt Management policy, improve the District's fiscal stability by helping District officials plan fiscal strategy with a consistent approach. Adherence to adopted financial policies such as this one, promotes sound financial management, which can lead to improvement in bond ratings, a lower cost of capital, provide assurance to the tax and rate payers that taxes and fees are being collected and spent per Board direction, and provide a minimum of unexpected impacts upon taxpayers, rate-payers and users of public services.

SECTION 2: GENERAL POLICY

The guiding principles of the District's financial management include integrity, prudent stewardship, planning, accountability, and full disclosure. The District's Budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units, and as a communications device for all significant budgetary issues, trends, and resource choices.

The budget process and format shall be performance-based and shall be focused on goals, objectives and performance indicators. The budget will provide adequate funding for maintenance and replacement of capital plant and equipment.

The budget process is intended to weigh all competing requests for District resources within expected fiscal constraints. Requests for new, ongoing programs made outside the budget process will be discouraged. The District will endeavor to avoid budgetary and accounting procedures that balance the current budget at the expense of future budgets.

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The District shall anticipate and address economic and fiscal risks to ensure the District lives within its means and has the resources to invest in its infrastructure, facilities, equipment, training and workforce to preserve and enhance community wellbeing.

SECTION 3: RESPONSIBILITY

At West Valley Water District (WVWD or the District) the following represent sets of responsibilities borne by various levels of District Board members, Staff, and management.

1. The Board of Directors are responsible for:
 - Approving the budget, which dictates spending by District government.
 - Deciding the spending priorities for the next fiscal year by setting aside money for programs, projects, or services
 - Shall avoid committing to new spending for operating or capital improvement purposes until an analysis of all current and future cost implications is completed and presented to it by the CFO.
 - To endeavor to maintain the highest credit rating possible for the District
 - Willingness to adjust rates when necessary
 - To allow for sufficient training and resources for the District's management team's ability to quickly implement measures to respond to challenges
 - This includes active participation in organizations to keep pace with Water sector issues, regulatory mandates, and technological advances
2. The CFO, or designee, shall be responsible for:
 - Developing, implementing, and managing this policy as well as subsidiary polices.
 - Developing the Budget, including discussions and explanations of all assumptions, estimates, and calculations to the Board

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- Financial forecasting
- Recommending and implementing approved strategies for Reserve maintenance
- Recommending to the GM and the Board, and then implementing an approved plan of action for Budget surpluses and deficits
 - Include performing a calculation of one day's (or applicable multiple thereof) worth of budgeted operating expenses
- Accumulating the data and preparing a list of Carryovers to be approved by the Board
- Posting the approved budget and all budget amendments to the financial system
- Posting approved budget transfers of appropriations to the financial system
- Performing transfers between reserve accounts in the financial system
- To endeavor to maintain the highest credit rating possible for the District
- Proactively identify and monitor long term financial liabilities, including unfunded pension obligations, and commit to taking actions to manage these commitments that prioritizes the District's long-term financial sustainability.
- To perform or facilitate debit issuance, interest payments, principal repayments, and other debt related activity. Also designing, implementing and evaluating the internal controls over debt related activity.
- Coordinating and analyzing debt requirements, including timing of debt, calculation of outstanding debt, debt limitation calculations and compliance, impact on future debt burdens, and revenue requirements.
- Preparing and presenting to the Board, interim revenue and expenditure trends to allow evaluation of potential discrepancies from budget assumptions.
- Perform and present to the Board, current and future cost implications for

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operating or capital improvement costs before the Board commits to new spending

- Perform quarterly reports to the Board of:
 - Budget vs Actual Variances
 - Transfers of appropriations
 - Transfers between reserve accounts
 - Reserve target level compliance
 - Development and maintenance of adequate billing and collection measures
 - Have a back-up protocol to ensure continuity and timeliness of operations during vacations and other leaves.
 - Must actively participate in and support the implementation of the internal controls contained in this policy and all other policies, and immediately follow up if deviation is suspected, in order to avoid the appearance and existence of fraud, misappropriation of District assets, or of conflicts of interest.
 - Additional responsibilities are stated in the remaining sections within this policy.
3. The General Manager (GM), Chief Financial Officer (CFO), and District Department Heads, collectively, are responsible for:
- Administering programs within the specific funding decisions contained in the budget
 - Participate in meeting policy goals, budget goals, and ensuring the long-term financial health of the District
 - Assistance with building the annual budget through participation in evaluation of long-term initiatives, short term initiatives, significant changes, goals and objectives, Capital expenditures, program-based budgeting that link resources with results.
 - Identify and evaluate immediate and long-term economic, social, and

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environmental impacts of all issues provided for community and Board consideration.

- Strive to identify entrepreneurial solutions to recover costs of operating programs.
- Conduct all business with transparency pursuant to applicable laws and regulations. This shall be done by proactively pursuing ways to make financial information publicly available, accessible, and easy to understand for all community members.
- To fairly and honestly collect and supply sufficient information (when available) as appropriate, and as needed by the Finance Division to fairly and properly support financial assumptions, calculations, and estimates that will be used to prepare the annual budget, forecasts, reports, rate setting calculations, as well as other financial calculations.
- Search for, obtain, and maintain appropriate grant funding to leverage District funds, when available
- Quarterly, performance measurement reporting to the Board
- To endeavor to maintain the highest credit rating possible for the District
- Reviewing and approving the listing of Carryovers taken to the Board for approval for their respective departments, and approval over all departments by the GM.
- The GM shall have authority to appropriate up to \$25,000 in case of emergencies
- Have a back-up protocol to ensure continuity and timeliness of operations during vacations and other leaves.
- Must actively participate in and support the implementation of the internal controls contained in this policy and all other policies, and immediately follow up if deviation is suspected, in order to avoid the appearance and existence

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of fraud, misappropriation of District assets, or of conflicts of interest.

- Additional responsibilities are stated in the remaining sections within this policy.

SECTION 4: DEFINITIONS

Operating budget—adopted annually, the operating budget is a detailed estimate of how much the District needs to spend in its fiscal year to meet its ongoing financial obligations and provide programs and services. It establishes a spending cap that management may not exceed without special authorization.

Capital budget— The capital budget is money set aside for buying or building fixed assets such as buildings, equipment, vehicles, water facilities, and land. Because capital construction normally takes place over more than one fiscal period, capital budgets are generally adopted on a project-length basis.

Capital improvement projects - infrastructure or equipment purchases or construction which results in a capitalized asset and having a useful (depreciable life) of one year or more.

Indirect Costs – Costs incurred for a common purpose not readily assignable to a cost center or user at the time services or goods are provided or delivered

Pay-as-you-go financing - is defined as all sources of revenue other than District's debt issuance, i.e., Net Assets, contributions, developer contributions, grants, endowments, etc.

Restricted Funds – Monies where restrictions on the use of these funds are imposed by an outside source such as creditors, grantors, contributors, laws, or regulations governing use.

Capital Funds – Monies that are utilized primarily to fund capital and asset costs, for both new and replacement projects.

Liquidity Funds – Monies used to safeguard the financial flexibility and stability of WVWD and to maintain stable customer charges and rates from year to year.

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Liquidity may be funded from accumulated revenues and when appropriate available short-term liquidity arrangements.

Cash Account(s) – Accounts used to track cash and/or cash equivalent assets for accounting or reporting purposes. For purposes of investment, the District may commingle unrestricted accounts and reserve funds, so long as the District’s Investment Policy permits such.

SECTION 5: BUDGET DEVELOPMENT OVERVIEW

Budget development will use strategic multi-year fiscal planning, conservative revenue forecasts, and program-based cost accounting that require every program to be justified annually as to how it will meet intended objectives. The process will include a diligent review of programs by staff, the CFO, the GM, and the Board. The District will avoid budgetary procedures that balance current expenditures at the expense of meeting future years’ expenses, such as postponing expenditures or accruing future year’s revenues. The District’s balanced budget is to be adopted on a modified accrual basis. Non-cash items, such as investment adjustments to market value, depreciation, amortization, and bad debt expense are not budgeted. Multi-year capital projects are often budgeted on a full cost basis and the year-end active project budgets are continued to the next year until the completion of the project.

SECTION 6: PROGRAM BASED BUDGET

Utilization of a program budget format will provide a basis for evaluation of services as well as a way to evaluate impacts of potential increases or decreases in funding. Current operating expenditures will include all allowable overhead operating (indirect) costs. For the most part, these expenses will be charged to individual budget program elements through indirect cost allocation plan charges.

District staff shall strive to identify entrepreneurial solutions to recover costs of operating programs.

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Building the program-based budget will entail the following procedures:

1. Long-Term Initiatives (10-year foresight)

- Evaluate District's vision, mission, and values.
- Evaluate District's goals and objectives of the above.
- Evaluate District's prioritization of the above.
- Evaluate District's expected outcomes of the above.

2. Short-Term Initiatives (1 to 5-year foresight)

- Evaluate short-term goals.
- Evaluate service level assumptions.
- Evaluate budget impact - revenues and expenditures.
- Evaluate staffing level changes.

3. Significant Changes (1 year look back)

- Evaluate specific issues and action causing significant changes.
 - Policy issues
 - Economic factors
 - Regulatory issues
 - Legislative challenges
- Evaluate emerging issues or change in priorities.

4. Goals and Objectives by Department (1-year foresight)

- Evaluate department goals and objectives.
- Evaluate how department goals are linked to overall District goals.

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- Evaluate short-term objectives, measurable results to be achieved.
- Evaluate timeframes of achieving those objectives.

5. Net Position

- Define net position
- Prepare five-year historical trend.
- Prepare ten-year forecast.

6. Capital Expenditures

- Define capital expenditures.
- Summarize capital expenditures.
 - Routine.
 - Non-routine.
- Identify and match funding source.
- Explain how the District's current and future budget will be impacted.
 - Financial impact.
 - Non-financial impact.

7. Program - Base Budget Will Link Resources with Results

- Identifying community needs for essential services
- Describing the programs required to provide the essential services
- Identifying the purpose of activities performed in delivering services
- Establishing goals and objectives which define the nature and level of services required
- Identifying resources required to perform program activities and accomplish goals and objectives
- Staffing levels

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- Program activity revenue and appropriations

SECTION 7: REVENUE BUDGET DEVELOPMENT

While building the revenue budget, the following parameters will be followed:

- Revenues will not be dedicated for specific purposes, unless required by law or generally accepted accounting principles (GAAP). All non-restricted revenues will be deposited in the Operating Fund (or other designated fund as approved by the CFO) and appropriated by the Board.
- Current revenues will fund current expenditures and a diversified and stable revenue system will be developed and maintained to protect programs from short-term fluctuations in any single revenue source.
- The District will estimate its annual revenues by an objective, analytical process, wherever practical. The District will project revenues for the next year and will update this projection annually. Each existing and potential revenue source will be reexamined annually. In the case of assumptions uncertainty, conservative projections will be used.
- The District will investigate potential new revenue sources, particularly those that will not add to the burden of tax or rate-payers.
- Each year, the District will recalculate the full costs of activities supported by user fees/rates to identify the impact of inflation and other cost increases.
- Grant funding will be considered to leverage District funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs. Programs financed with grant monies will be budgeted in separate cost centers, and the service program will be adjusted to reflect the level of available funding. In the event of reduced grant funding, District resources will be substituted only after all program priorities and alternatives are considered.
- One-time revenue windfalls should be designated as a reserve or used for one-time expenditures. The funds are not to be used for on-going operations. To

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the extent such funds are not required for current expenditures, one-time expenditures and/or capital improvements such funds should be maintained as operating reserves or used to reduce debt.

- For purposes of this policy, one-time revenue windfalls shall include:
 - Lump sum (net present value) savings from debt restructuring
 - CalPERS Rebates
 - Tax Revenue growth in excess of 5% in a single year
 - Sale of District-owned real estate
 - Pure unexpected revenues (i.e. litigation settlement)
 - Receipts from approved Development Fees
 - Contributions and Gifts
 - Any other revenues the Board may elect to designate as extraordinary

SECTION 8: USER FEES/RATES

The process for changing user fees or rates will follow the User Rate policy # [REDACTED]. All user fees and charges will be examined or adjusted every year and undergo a thorough review to determine the 100% direct and indirect cost of service recovery rate at least every four years. This shall include operations and maintenance, capital outlay and debt services costs. The Board will strive to obtain 100% cost recovery rates, but will reserve the right to recover less, as appropriate. The acceptable recovery rate and any associated changes to user fees and charges will be approved by the Board following public review, each year.

Any unfavorable balances in cost recovery will be brought to the Board's attention by the CFO and affected Department Head, and evaluated from a departmental, program, and goals perspective.

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SECTION 9: EXPENDITURE BUDGET DEVELOPMENT

- Each program will identify activities and the recommended expenditure appropriations to perform those activities
- Identify recurring vs. nonrecurring expenditures
- Identify general vs. restricted expenditures
- Expenditure appropriation increases to the budget shall not be allowed unless offset with ongoing additional revenues or reduction in services.
- Addition of personnel will only be requested to meet program initiatives and policy directives: after service needs have been thoroughly examined and it is substantiated that additional staffing will result in increased revenue or enhanced operating efficiencies. To the extent feasible, personnel cost reductions will be achieved through attrition or transfer.
 - The CFO shall evaluate the fiscal impact of proposed changes in all salaries or retirement benefits to be provided to any employee or employee association and present to the Board.
- Capital equipment replacement will be accomplished through a life cycle funding mechanism and in some instances the use of a “rental” rate structure. The rates will be revised annually to ensure that charges to operating departments are sufficient for operation and replacement of vehicles and other capital equipment (fleet, computers, phones, and copier systems). The District shall endeavor to maintain adequate cash reserves to fund 100% replacement of certain capital equipment. Replacement costs will be based upon equipment life cycle financial analysis developed by each department and approved by the CFO. Non-capital equipment replacement will be accomplished through a life cycle funding mechanism developed by each department and implemented and approved by the CFO.
- Alternative means of service delivery will be evaluated by the CFO to ensure that

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quality services are provided to customers at the most competitive and economical cost. Departments, in cooperation with the GM and CFO, will identify all activities that could be provided by another source and review options/alternatives to current service delivery. The review of service delivery alternatives and the need for the service will be performed annually or on an “opportunity” basis.

- A ten-year Capital Improvement Plan (CIP) shall be developed and updated annually, including anticipated funding sources. The District staff shall maintain all its assets at a level adequate to protect the District’s capital interest and to minimize future maintenance and replacement costs.
 - The total estimated cost calculations of CIPs shall include adequate costs of repair and replacement of deteriorating infrastructure and avoidance of a significant unfunded liability.
 - Proposed capital projects will be considered through the District budget development process and reviewed and prioritized by a cross-departmental team regarding accurate costing (design, capital, and operating) as well as the GM and CFO for overall consistency with the District’s goals and objectives. The CFO will then identify financing sources for the highest-ranking projects.
 - The District shall determine the least costly financing method for all new projects
 - Pay-as-you-go financing is defined as all sources of revenue other than District’s debt issuance, i.e., Net Assets, contributions, developer contributions, grants, endowments, etc. Pay-as-you-go financing should generally be considered as the preferred option. However, the potential for debt issuance that provides additional economic and/or strategic values could be considered as recommended by the CFO.
 - In the context of funding future capital facilities and maintaining and replacing existing assets, in each instance, the District will analyze

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the benefits and tradeoffs of utilizing pay- as-you-go and/or debt financing and determine the optimal funding strategy or combination of funding strategies. The analysis should consider WVWD's current and projected liquidity, and capital positions, as well as the impact of inflation, the cost of water and other factors on the operations of the District and its capital improvement program. WVWD may from time to time measure its liquidity position by calculating "days cash" or other appropriate calculation of liquidity and its capital positions, as measured by its debt to equity ratio or other appropriate calculation of capital position.

- The District shall endeavor to apply restricted funds (i.e. existing Bond proceeds) to capital projects before using "unrestricted" funds.
- Capital project budget book descriptions will include a fiscal impact statement disclosing the expected operating impact of the project and when such cost is expected to occur.
- An inventory of the District's physical assets, their condition, and remaining useful life will be maintained by the Finance Division
- A systematic and rational methodology should be used to calculate the amounts allocated within an indirect cost allocation plan
 - District management needs to be involved in the process and knowledgeable about the methodology used
 - It is important that internal staff be aware of all applicable laws and regulations if the cost allocation is to be used as the basis for requesting reimbursement under a grant, for bond proceeds, for rate-setting, or for any other contractual or governmental regulation or restriction

SECTION 10: ACCRUING LIABILITIES

The CFO shall endeavor to maintain cash reserves sufficient to fully fund the net

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present value of accruing liabilities including self-insurance provisions, obligations to employees for vested payroll and benefits, and similar obligations as they are incurred, and to maintain the highest credit rating possible for the District. At a minimum they must be funded to 90%.

SECTION 11: FORECASTING

The annual budget shall include a Five-Year Forecast. The forecast will be comprised of estimated operating costs and revenues as well as future capital improvement financing sources and uses. Balanced revenue and expenditure forecasts will be prepared by the CFO to examine the District's ability to absorb operating costs due to changes in the economy, service demands, and capital improvements. The forecast will be taken into consideration when preparing budget recommendations. The forecast will be updated annually and include a five-year outlook. The CFO will prepare and present these estimates to the Board at least once a year. The District's capital plan will be informed by the ten-year forecasting process.

The forecast shall factor in future increases in demand, expected rate increases, regulations, and infrastructure renovation and renewal needs.

SECTION 12: RESERVE POLICIES

RESERVE POLICY PURPOSE:

A critical element of prudent financial planning is to ensure that sufficient funding is available for current and future operating, capital, and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. West Valley Water District ("District" or "WVWD") will at all times strive to have sufficient funding available to meet its operating, capital, and debt service obligations. Reserve Funds ("Funds") will be accumulated and maintained to allow the District to fund operating expenses and capital expenditures in a manner consistent with its Annual Operating and Capital Improvement Budgets and its long

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term Capital Improvement Program, respectively, and avoid significant customer rate fluctuations due to changes in cash flow requirements.

Through a variety of policy documents and plans, including the District's Capital Improvement Program, master plan and strategic plan, the Board has set forth a number of long-term goals for the District. A fundamental purpose of the District's policy documents and plans is to link what must be accomplished with the necessary resources to successfully do so.

The Board of Directors of WVWD ("Board") may designate specific fund accounts and maintain minimum fund balances consistent with statutory obligations that it has determined to be in the best interest of WVWD. The Policy directives outlined in this section are intended to ensure WVWD has sufficient funds to meet current and future needs. The Board will annually review the level of these funds.

RESERVE TRACKING PROCEDURES:

The District may maintain its liquidity and capital funds in separate, designated sub-accounts in a manner that ensures its financial soundness and provides transparency to its ratepayers. The account balances are considered the minimum necessary to maintain the District's creditworthiness and adequately provide for:

- Compliance with applicable statutory requirements
- Financing of future capital facilities and repair and replacement of existing assets
- Cash flow requirements
- Economic uncertainties, local disasters, and other financial hardships or downturns in the local or national economy
- Contingencies or unforeseen operating or capital needs

WVWD has established and will maintain the following primary cash (and/or equivalent) accounts (and any other related fund tracking mechanism if needed):

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- Restricted Cash Account(s) – comprised of Bond Proceeds, Community Facilities District monies, Developer and or Capacity Fees and Customer Deposits
- Capital Cash Account(s) – includes the Capital Replacement Fund and Emergency Fund.
- Liquidity Cash Account(s) – includes the Rate Stabilization Fund and Operating Fund.

RESERVE MAINTENANCE:

The minimum established for each account represents the baseline financial condition that is acceptable to WVWD from risk and long-range financial planning perspectives. Maintaining reserves at appropriate levels is a prudent, ongoing business process that consists of an iterative, dynamic assessment and application of various revenue generating alternatives. These alternatives (either alone or in combination with each other) include, but are not limited to: fees and charges, water usage management, capital financing, investment of funds, and levels of capital expenditures. In the event the Liquidity Fund balance exceeds the established maximum, excess monies will be transferred annually into the Capital Fund. On an as-needed basis, monies from the Capital Fund can be moved to pay for operating emergencies to supplement the Liquidity Fund. In addition, in the event that the Capital Fund balance exceeds the established maximum, the Board will make a determination regarding the reallocation of excess monies.

To achieve and maintain a strong credit rating, in every fiscal year the District will strive to maintain unrestricted cash and designated fund balances totaling a minimum of 180 days of budgeted operating expenses. Should the District determine to target a higher credit rating level, this minimum will be adjusted accordingly. However, should the District decide to pursue a credit rating upgrade, it will need to analyze

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carefully under what circumstances and in what timeframes it will be optimal to achieve this goal

RESERVE TARGET LEVELS:

The following represents the Districts target reserve levels by type:

I. RESTRICTED FUNDS

- a. Bond Proceeds Fund(s): Bond proceeds funds are monies derived from the proceeds of a bond issue. Typically, they consist of construction fund monies, and a debt service reserve fund (“DSRF”). The use of these proceeds is restricted by conditions set forth in the respective legal bond documents. Typically, these funds are held by the Trustee in favor of the bond holders.

Target Level – The debt service reserve requirement is established at the time of the bond issue. This amount may be recalculated as the bonds are paid down. Any excess principal and/or interest earnings can be used to pay debt service on the appropriate bonds. The target level must appropriately respond to changes in interest rates for variable rate debt.

Events or Conditions Prompting the Use of the Fund(s) – As stipulated in the respective bond documents. Construction fund monies are expected to be spent on applicable projects, while DSRF can only be used to pay debt service or to pay down principal at maturity.

Review Dates for Balances – Reviewed by the Trustee and WVWD staff on a semi- annual basis at least 15 days prior to an interest payment date.

- b. Customer and Development Deposits: Monies held on behalf of WVWD customers as required for their account or as cash bonds for development projects.

Target Level – Customer deposits required are based upon the process outlined in the District’s Water Service Regulations. Deposit requirements for development projects are also outlined in the District’s Water Service

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Regulations. The balance in this account will fluctuate depending on the number of utility customer deposits required and the number of development projects in process. Therefore, no minimum or maximum levels will be established.

II. CAPITAL RESERVE FUNDS

WVWD will strive to maintain minimum balances in the Capital Reserve Funds, net of any capacity fees, as of June 30, of any fiscal year equal to the amounts set forth below. The Capital Reserve Funds will consist of the following sub-accounts:

- a. Capital Project Account: The Capital Project Cash Account is used for the funding of new capital assets or the rehabilitation, enhancement or replacement of capital assets when they reach the end of their useful lives.

Target Level – WVWD may set aside capital moneys for replacement funds on a project- by-project basis. The minimum target level WVWD will strive for is 100% of its then- current fiscal year from the Capital Improvement Budgets plus 25% of the amount estimated to be needed the following fiscal year, less minimum levels established for the Emergency Account. Failure to meet the minimum target level will not result in a violation of the policy. The maximum balance in Capital Reserve Funds shall not exceed the projected needs for five years, according to the District’s Capital Improvement Plan.

Events or Conditions Prompting the Use of the Fund – Staff will recommend new assets to be constructed or assets to be rehabilitated, enhanced, or replaced during the annual budget preparation. As projects are approved, funds will be appropriated from reserve funds or available revenues.

Review Dates for Balances – Fund balances and projected improvement projects will be reviewed by staff and the Board during the preparation and approval of the annual budget.

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- b. *Emergency Account*. The Emergency Fund is used to begin repair of the water and sewer systems after a catastrophic event, such as a severe earthquake or fire, while long-term financing is being arranged or insurance claims are being processed.

Target Level – Funding shall be targeted at a minimum equal to 1% of the net capital assets of the District’s water system, a target level of 2% of the net capital assets and a maximum of 3% of the net assets of the water system, based on current Federal Emergency Management Agency (FEMA) guidelines.

Events or Conditions Prompting the Use of the Fund – The Board may designate use of this fund after establishing that conditions exist as called out in the definition and purpose of the fund.

Review Dates for Balances – Fund balances and target level will be reviewed by staff and the Board during the preparation and approval of the annual budget.

III. LIQUIDITY FUNDS

Liquidity Funds will be comprised of the following sub-accounts: The Rate Stabilization Reserve Account, the Operating Reserve Account, the Emergency Account, and the water banking account. The balance in the Liquidity Funds will fluctuate depending on the annual operating expenses. The maximum balance in the Liquidity Funds will be equal to 180 days of the annual budgeted operating expenses.

- a. *Rate Stabilization Account*. This fund is established to provide flexibility to the Board when setting rates to allow for absorbing fluctuations in water demand and smoothing out rate increases over a period of time.

Target Level – This fund shall be maintained at a minimum level of 45 days of the annual budgeted operating expenses. The maximum level of this fund shall not exceed 60 days of the annual budgeted operating expenses.

Events or Conditions Prompting the Use of the Fund – This fund is intended

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to be used to defray any temporary unforeseen and extraordinary increases in the cost of water supply. The Board, on a case by case basis, will determine the amount and timing for any use of the fund.

Review Dates for Balances – Fund balances will be reviewed by staff and the Board during the preparation and approval of the annual budget.

- b. Operating Reserve Account. The Operating Reserve Account is used for unanticipated operating expenses. This fund is designated by the Board to maintain a reserve for current operations and to meet routine cash flow needs.

Target Level – Funding shall be targeted at a minimum amount equal to 90 days of the District’s budgeted total operating expenses, and the maximum amount shall not exceed 120 days of the budgeted total operating expenses.

Events or Conditions Prompting the Use of the Fund – Upon Board authorization, this fund may be routinely utilized by staff to cover temporary cash flow deficiencies caused by timing differences between revenue and expenses or decreases in revenues and unexpected increases in expenses.

Review Dates for Balances – Fund balances and target level will be reviewed by Staff and the Board during the preparation and approval of the annual budget.

SECTION 13: BUDGET SURPLUSES AND DEFICITS

SURPLUSES:

It is the intent of the District to use all surpluses generated to accomplish three goals:

- Meet reserve policies
- Avoidance of future debt
- Reduction of outstanding debt

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Any surplus realized at year-end shall be used first to meet reserve policies as set forth in this policy. Excess surplus will then be used for the following purposes:

- Capital replacement program
- Retirement or refinancing of existing debt
- Cash payments for capital improvements
- Rebate to rate-payers

One-time revenue windfalls should be designated as a reserve or used for one-time expenditures. The funds are not to be used for on-going operations. To the extent such funds are not required for current expenditures, one-time expenditures and/or capital improvements such funds should be maintained as operating reserves or used to reduce debt.

For purposes of this policy, one-time revenue windfalls shall include:

- Lump sum (net present value) savings from debt restructuring
- CalPERS Rebates
- Tax Revenue growth in excess of 5% in a single year
- Sale of District-owned real estate
- Pure unexpected revenues (i.e. litigation settlement)
- Receipts from approved Development Fees
- Contributions and Gifts
- Any other revenues the Board may elect to designate as extraordinary

DEFICITS:

It is the intent of the District to minimize all net asset (fund balance) deficits. The District will diagnose and communicate any fund balance deficits with the following recommendations to the Board:

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- Primary Treatments – treatments that are recommended as the first line of defense and should be considered as a first option. In many cases, these treatments not only provide immediate help but also improve the long-term prognosis.
- Treatment to Use with Caution – treatments that may be called for if the primary treatments are not sufficient. However, the side effects of these treatments could potentially worsen financial condition if used improperly.

SECTION 14: DEBT MANAGEMENT POLICY

These Debt Management Policies are intended to comply with Government Code Section 8855(i), (j), and (k) effective on January 1, 2017, and shall govern all debt undertaken by the District.¹ The District hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the District's sound financial position.
- Ensure the District has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the District's credit-worthiness and maintain and, if possible, improve the current bond rating(s), in order to minimize borrowing costs and preserve access to credit.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the District.
- Ensure that the District's debt is consistent with the District's planning goals and objectives and capital improvement program or budget, as applicable.

Purposes for Which Debt May Be Issued

Long-term Debt. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and

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land to be owned and operated by the District.

- (a) Long-term debt financings are appropriate when the following conditions exist:
- When the project to be financed is necessary to provide basic services.
 - When the project to be financed will provide benefit to constituents over multiple years.
 - When total debt does not constitute an unreasonable burden to the District and its taxpayers and ratepayers.
 - When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.
- (b) Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses. However, the District may consider issuance of debt for working capital purposes under specific circumstances if deemed advisable by the Board and CFO.
- (c) The District may use long-term debt financings subject to the following conditions:
- The project to be financed must be approved by the Board.
 - The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the infrastructure improvement, with the average (weighted) bond maturities at or below thirty years, unless otherwise authorized by the Board.
 - The District estimates that sufficient revenues will be available to service the debt through its maturity.
 - The District determines that the issuance of the debt will comply with the applicable state and federal law.

Short-term Debt. Short-term debt may be issued to provide financing for the District's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example,

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the District may undertake lease-purchase financing for equipment.

Types of Debt

For purposes of these Debt Management Policies, “debt” shall be interpreted broadly to mean bonds, notes, certificates of participation, financing leases, or other financing obligations. The use of the term “debt” in these Debt Management Policies shall be solely for convenience and shall not be interpreted to characterize any such obligation as an indebtedness or debt in contravention of any statutory or constitutional debt limitation.

The following types of debt are allowable under these Debt Management Policies:

- General obligation bonds, which are supported by property tax revenue which grows in proportion to the District’s assessed valuation and/or property tax rate increases, may be utilized if/when authorized by voters.
- Bond or grant anticipation notes.
- Lease revenue bonds, certificates of participation, and lease-purchase transactions.
- Other revenue bonds and certificates of participation.
- Tax and revenue anticipation notes.
- Land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes.
- Tax increment financing to the extent permitted under state law.
- Purchase card debt
- Line of credit
- Construction loans
- Lease payments

The District may from time to time find that other forms of debt would be beneficial

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to further its public purposes and may approve such debt without an amendment of these Debt Management Policies.

Debt shall be issued as fixed rate debt unless the District makes a specific determination as to why a variable rate issue would be beneficial to the District in a specific circumstance.

Relationship of Debt to Capital Improvement Program and Budget

The District is committed to long-term capital planning. The District intends to issue debt for the purposes stated in these Debt Management Policies and to implement policy decisions incorporated in the District's capital budget and the capital improvement plan.

The District shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

The District shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the District's public purposes.

The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements in circumstances when the sole purpose of such debt financing is to reduce annual budgetary expenditures.

The District shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its reserves.

New debt issues, and refinancing of existing debt, must be analyzed for compatibility within the District's overall financial planning and approved by the CFO. The review shall not be limited to cash flow analysis, potential for unexpected revenue surprises, and the maintenance of the District's bond ratings. Annual debt service shall not produce an inordinate impact upon future operations.

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A ratio of current assets to current liabilities of at least 2/1 will be maintained to ensure the District's ability to pay short-term obligations.

Water rates will be set, at a minimum, to ensure the ratio of revenue to debt service meets the District's bond indenture requirement (generally a minimum of 120% of debt service). In addition, higher revenue to expense ratios may be needed to secure the District's bond rating, as determined by the CFO.

When calculating debt services coverage for internal purposes, the minimum pay-as-you-go capital expense will be considered a part of the operating costs to be covered by pre-debt service revenues. The District goal will be to maintain the required debt service coverage with this additional cost factored into the equation. Use of a 10-year budget projection, including capital project requirements, will provide assurance that all needs are considered by the CFO, the GM, Assistant GMs, and District Counsel as revenue requirements are considered.

Policy Goals Related to Planning and Objectives

The District is committed to long-term financial planning, maintaining appropriate reserve levels and employing prudent practices in governance, management and budget administration. The District intends to issue debt for the purposes stated in this Policy and to implement policy decisions incorporated in the District's annual operations budget.

It is a policy goal of the District to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

When refinancing debt, it shall be the policy goal of the District to realize, whenever possible, and subject to any overriding non-financial policy considerations, (i) minimum net present value debt service savings equal to or greater than 3.0% of the refunded principal amount, and (ii) present value debt service savings equal to

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or greater than 100% of any escrow fund negative arbitrage.

The CFO shall consult with a qualified Financial Advisor on an issue by issue basis to determine the appropriate method of sale to be used for debt issuance. Further, the CFO or designee shall be responsible for the solicitation and selection of professional services that are required to administer the District's debt program, which will follow the District's procurement policy. The financial advisor, bond and disclosure counsel, and trustee costs associated with bond issuance will be paid with bond proceeds. Eligible District staff costs related to issuance of long-term bonds may also be reimbursed from bond proceeds.

- A financial advisor shall be used to assist in the issuance of the District's debt. The financial advisor shall provide the District with objective advice and analysis on debt issuance. This includes, but is not limited to monitoring market opportunities, structuring and pricing debt, and preparing official statements of disclosure.
- All debt issued by the District will include a written opinion by bond counsel affirming that the District is authorized to issue the proposed debt. The opinion shall include confirmation that the District has met all District and state constitutional and statutory requirements necessary for issuance, a determination of the proposed debt's federal income tax status and any other components necessary for the proposed debt. Bond counsel is also responsible for preparing all financing documents including Trust Indentures and Bond resolutions and assists in preparation of Official Statements. Disclosure Counsel shall be required to deliver a customary 10(b)-5 opinion on District offering documents. The Disclosure Counsel will work with District staff to draft all disclosure documents for a bond financing.
- An Underwriter(s) will be used for all debt issued in a negotiated or private placement sale method. The Underwriter is responsible for purchasing negotiated or private placement debt and reselling the debt to investors.
- A Fiscal Agent will be used to provide accurate and timely securities processing and timely payment to bondholders. If there are unspent bond proceeds, funds

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will be held by a third part trustee.

- The District will maintain good communication with bond rating agencies about its financial condition. This effort will include providing periodic updates on the District's general financial condition, coordinating meetings, and presentations in conjunction with a new issuance. The District will continually strive to maintain its bond rating by improving financial policies, budgets, forecasts and the financial health of the District.
- Credit enhancements may be used to improve or establish a credit rating on a District debt obligation. Credit enhancements should only be used if cost effective.
- A debt refunding is a refinance of debt typically done to take advantage of lower interest rates.
- A current refunding is one in which the refunding bonds are issued no more than 90 days before the date upon which the refunded bonds will be redeemed.
- An advance refunding is one in which the refunding bonds are issued more than 90 days prior to the date upon which the refunded bonds will be redeemed. Advance refundings are used to refinance outstanding debt before the date the outstanding debt becomes due or callable. Internal Revenue Code §149(d)(3) provides that governmental bonds issued after 1985 may only be advanced refunded once over the life of a bond issuance. Changes to the Federal tax law enacted in 2017 prohibit the issuance of advance refunding bonds after December 31, 2017; however, it is possible this prohibition will be removed in the future.
- Unless otherwise justified, such as a desire to remove or change a bond covenant, a debt refunding will require a minimum present value savings of 3%. This savings requirement for a refunding may be waived by the CFO upon a finding that such a refunding is in the District's overall best financial interest.
- The District will, unless otherwise justified, use bond proceeds within the established time frame pursuant to the bond ordinance, contract or other

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documents to avoid arbitrage rebate. Arbitrage is the interest earned on the investment of the bond proceeds at a rate above the interest rate paid on the debt. If arbitrage occurs, the District may be required to pay the amount of the arbitrage to the Federal Government as required by Internal Revenue Service Regulation 1.148-11. The District will maintain a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirement of the IRS regulation. For each bond issue not used within the established time frame, the recordkeeping shall include tracking investment earnings on bond proceeds, calculating rebate payments, and remitting any rebatable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the outstanding debt.

- The District will comply with all covenants stated in the bond contract or equivalent
- The District will comply with all state reporting requirements for issuance of debt, including a report to the CDIAC of any proposed debt issuance no later than 30 days prior to the sale of any debt issue. The report shall include a certification by the issuer that it has adopted local debt policies concerning the use of debt and that the contemplated debt issuance is consistent with these policies. The District shall also submit a report to CDIAC of final sale no later than 21 days after sale of debt, by any method approved by the CDIAC. The report on final sale shall include a copy of the official statement for the issue or, if there is no official statement, the other disclosure documents and indenture.
- The District will meet secondary disclosure requirements in a timely and comprehensive manner, as stipulated by the SEC Rule 15c2-12. The CFO shall be responsible for providing ongoing disclosure information to the Municipal Securities Rulemaking Board's (MSRB's) Electronic Municipal Market Access (EMMA) system, the central depository designated by the SEC for ongoing disclosures by municipal issuers. The CFO is responsible for maintaining compliance with disclosure standards promulgated by state and national regulatory bodies, including the Government Accounting Standards Board

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(GASB), the National Federation of Municipal Analysts, the Securities and Exchange Commission (SEC), and Generally Accepted Accounting Principles (GAAP). The District may also employ the services of firms that improve the availability of or supplement the District's EMMA filings.

- The proceeds of the bond sales will be invested until used for the intended project in order to maximize utilization of the public funds. The investments will be made to obtain the highest level of safety. The District Investment Policy and the bond indentures govern objectives and criteria for investment of bond proceeds. The CFO or designee, or the bond trustees under the direction of the CFO or designee, will invest the bond proceeds in a manner to avoid, if possible, and minimize any potential negative arbitrage over the life of the bond issuance, while complying with arbitrage and tax provisions.
- In certain cases, particularly for bond reserve funds, it may be fiscally prudent to invest funds using a forward delivery agreement or some other type of guaranteed investment contract. Such agreements should be obtained under a competitive bid process under consultation with the Financial Advisor.
- State and Local Government Securities (SLGS) are the preferred investment option rather than open market securities for escrows for refunded bonds to allow for better matching of settlement dates and fewer arbitrage regulation compliance issues.

Internal Control Procedures

When issuing debt, in addition to complying with the terms of these Debt Management Policies, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The District will periodically review the requirements of and will remain in compliance with the following:

- Any continuing disclosure undertakings under SEC Rule 15c2-12 and

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Government Code Section 8855 (i), (j), and (k),

- Any federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues, and
- The District's investment policies as they relate to the investment of bond proceeds.

It is the policy of the District to ensure that proceeds of debt are spent only on lawful and intended uses. Proceeds of debt will be held either (a) by a third-party trustee, which will disburse such proceeds to the District upon the submission of one or more written requisitions, or (b) by the District, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the District.

- The District shall review its outstanding debt quarterly for the purpose of determining if the financial marketplace will afford the District the opportunity to refund an issue and lessen its debt service costs. In order to consider the possible refunding of an issue, a Present Value savings of three percent over the life of the respective issue, at a minimum, must be realistically attainable.
- The District will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues.
- When the District finances capital projects by issuing bonds, it will pay back the bonds within a period not to exceed the estimated useful life of the project.
- Whenever possible, the District will use special assessment, revenue, or other self-supporting bonds instead of general obligation bonds, so those benefiting from the improvements will bear all or part of the cost of the project financed.
- The District will maintain good communications with bond rating agencies regarding its financial condition. The District will follow a policy of full disclosure on every financial report and borrowing prospectus.

SECTION 15: AFTER ADOPTION OF THE BUDGET

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District staff shall strive to avoid returning to the Board for new or expanded appropriations. Exceptions may include emergencies, unforeseen impacts, mid-year adjustments or new opportunities.

The District, through the CFO and the Finance Department, will follow an aggressive, consistent, but sensitive policy of collecting revenues, with proper internal controls, to meet the needs of the District and follow all applicable state and federal laws.

The Board is to be provided with a quarterly budget report comparing actual versus budgeted revenue and expense activity. Significant deviations between budget and actual results are to be explained. This will create an opportunity to adjust revenue projections and make expenditure appropriation changes, if needed. Further, it also provides an opportunity to make budget transfers if necessary. Reserve account balance shall also be reviewed at this time for compliance with the reserve policy.

All fund designations and reserves will be evaluated at least annually by the CFO for long-term adequacy and use requirements in conjunction with development of the District's balanced ten-year financial plan.

PERFORMANCE MEASUREMENT

- Every year, the District shall create a Strategic Plan that identifies the Strategic Priorities for the following year, with the goals to be achieved.
- Annually, each department shall develop departmental performance measures that support achieving successful results of those goals with the GM. Goals should be related to core services of the department and should reflect customer needs. The measures should be a mix of different types, including effectiveness, efficiency, demand and workload. Measures should have sufficiently aggressive goals to ensure continuous improvement.
 - Department Directors shall establish performance measures for each division or program within their department to monitor and project program performance.

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- Quarterly summaries of progress and departmental performance measures will be published and distributed.

SECTION 16: TRANSFERS

TRANSFERS OF APPROPRIATIONS:

The CFO or Designee, upon request of the GM or Board, may transfer any unused balance or portion thereof from previously appropriated funds to augment existing appropriations as long as the transfer is within the same Budget Unit and/or CIP project. The CFO or designee shall notify the GM and the Board of any transfer of funds made pursuant to this section which exceeds ten percent (10%) of the original appropriation to which the transfer is made. No such transfer of funds shall be made to an appropriation which was previously reduced by action of either the GM or the Board in their review of the budget for the current or prior fiscal year.

District departments may need to request expenditure budget transfers under certain circumstances. It may be necessary to transfer funds from one activity or project to another to reflect realignment of priorities, duties, or reorganization. Transfers among objects of expenditure within a department also may be needed to adjust budget estimates to meet actual operating realities. The following represent restrictions on budget transfers:

- Cumulative transfer requests to the Finance Department should not exceed ten percent (10%) of the original appropriation. Requests exceeding the threshold must be properly justified and approved by the CFO or designee
 - The 10% threshold applies to the budget unit or CIP project to which that appropriation is being transferred.
 - For annual funds, the 10% calculation is based on the current fiscal year original appropriation and any Board-approved supplemental appropriation within budgetary control level.

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- For continuing funds such as capital projects, the 10% calculation is based on the total multi-year original appropriation and any Board-approved supplemental appropriation amounts (i.e., the total of original and supplemental appropriation for each fiscal year from year 1 through the current fiscal year). For projects funded by multiple funding sources, the 10% threshold is based on the total Board-approved appropriation of all funding sources. If multiple transfers were made during the year, the individual transfer as well as the cumulative transfer must not exceed the 10% threshold.
- Transfers must not be made to an appropriation reduced by action of either the GM or Board. If the GM or Board reduction was made to a specific object code, appropriations cannot be transferred to other object codes within the same object code grouping.
 - Exceptions to this guideline must be approved by the authority that reduced the appropriation,
- Appropriations carried forward from prior year(s) cannot be used for budget transfers
 - Carryforward appropriations are not surplus and must be used for the purpose originally budgeted and approved for carryforward.
- The following types of budget transfers require additional approval from the GM and notification to the Board:
 - Transfers involving salaries
 - Transfers from professional services contracts to salaries require additional approval from the GM and the CFO
 - Transfers involving new equipment budget.
 - Equipment can only be purchased using appropriations

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specifically for equipment. Transfers of non-equipment budget for equipment purchases must be approved by the GM and CFO. Note that such transfers can only be from non-salary appropriations

- Transferring department budgets for services of other District departments to other spending categories requires approval from the requesting or performing department.
- If and when the budget transfer request is completely approved, the Finance Division is responsible to enter a budget transfer journal entry in the financial system
 - Before entering the budget transfer into the finance software, Finance Division staff must:
 - Verify completeness of information and reasonableness of justification
 - Verify funding availability and appropriateness (e.g., budget carried forward from the previous fiscal year cannot be the funding source of a budget transfer)
 - Verify department certification on transfer is within the 10% threshold
 - Verify department certifications on transfer is not adding back to appropriation previously reduced by Board or GM
 - Verify the accurate use of the accounting codes, budget unit codes and object codes
 - Return to department if request is being rejected or requires substantial changes
 - Review data entry for accuracy of data based on approved budget transfer request.

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- At fiscal year-end, the CFO shall notify the GM and the Board of any transfer of funds made which exceeds 10% of the original appropriation to which the transfer is made. If multiple transfers were made at different times of the year, the individual transfer as well as the cumulative transfers exceeding the 10% threshold will be reported.

TRANSFERS OF RESERVES:

In the event the Liquidity cash account balance exceeds the established aggregate maximum (if applicable), excess monies will be transferred annually into the Capital cash account. On an as-needed basis, moneys from the Emergency Account of the Liquidity Fund can be moved to the Operating Reserve Account to pay for operating emergencies to supplement the Liquidity Funds. The Board shall approve any reallocation of reserve funds or any transfers among such funds.

SECTION 17: CARRYOVERS

On an annual basis, after the year-end audit has been completed, the CFO or designee shall produce a schedule of all fund surpluses and deficits, with projections of reserve requirements and plan for the use of an excess surplus for the current year. These will be Carryovers.

Automatic Carryovers include:

- Contractual commitments
- Grant, restricted donation and capital project appropriations which are considered life-cycle appropriations
- June Board items
- All other appropriations shall lapse at year-end unless carried forward by Board action

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APPROVED BY: Board of Directors	POLICY TITLE BUDGET/CARRYOVER/DEBT/RESERVE POLICY	EFFECTIVE DATE

June Board items, and active/on-going CIP carryovers are automatic. CIP projects that are under construction, in the process of design and specification development or production of bid documents will automatically be carried over for both encumbered funds and unencumbered funds.

Carryovers that are not automatic: Projects that have been on the CIP list for multiple years that are not proceeding to design, bid or construction should provide a more detailed explanation of their status and a justification for the continuing need for the project funding. These projects will be closed out unless the department provides sufficient justification to keep them open. The justification should contain the information necessary to determine the status of the project and its continuing justification. Carryovers can only take place once the last invoices for the fiscal year have been paid and charged against the fiscal year that is ending. The Carryover Request forms will be closed on July 1st of every year. Any subsequent carryover requests will need to be taken to the Board by the requesting department.