



REGULAR MEETING 8:00 A.M. OPERATIONS CENTER - 1200 SOUTH GENE AUTRY TRAIL – PALM SPRINGS – CALIFORNIA

About Desert Water Agency:

Desert Water Agency operates independently of any other local government. Its autonomous elected board members are directly accountable to the people they serve. The Agency is one of the desert's two State Water Contractors and provides water and resource management, including recycling, for a 325-square-mile area of Western Riverside County, encompassing parts of Cathedral City, Desert Hot Springs, outlying Riverside County and Palm Springs.

1. **PLEDGE OF ALLEGIANCE**
2. **APPROVAL OF MINUTES – October 16, 2018** **CIOFFI**
3. **GENERAL MANAGER'S REPORT** **KRAUSE**
4. **COMMITTEE REPORTS - A. Executive – October 30, 2018** **CIOFFI**
5. **PUBLIC COMMENT:**
Members of the public may comment on any item not listed on the agenda, but within the jurisdiction of the Agency. In addition, members of the public may speak on any item listed on the agenda as that item comes up for consideration. Speakers are requested to keep their comments to no more than three (3) minutes. As provided in the Brown Act, the Board is prohibited from acting on items not listed on the agenda.
6. **ITEMS FOR ACTION**
 - A. Request Adoption of Resolution No. 1193 Adopting an Amended Appendix of the Agency's Conflict of Interest Code **RIDDELL**
 - B. Request Authorization for the General Manager to Execute Right of Way Agreement for Conveyance of Real Property and Temporary Construction Easement Agreement in Favor of City of Palm Springs **JOHNSON**
7. **ITEMS FOR DISCUSSION**
 - A. State Water Contractor's Meeting – October 18, 2018 **RIDDELL**
 - B. Legislative Report **REEB**
8. **OUTREACH & CONSERVATION** **PEÑA**
 - A. Media Information
 - B. Activities
9. **DIRECTORS COMMENTS AND REQUESTS**
10. **CLOSED SESSION**
 - A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Agua Caliente Band of Cahuilla Indians vs. Coachella Valley Water District, et al
 - B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Agua Caliente Band of Cahuilla Indians vs. County of Riverside, et al
 - C. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Mission Springs Water District vs. Desert Water Agency
 - D. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Albrecht et al vs. County of Riverside
 - E. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Abbey et al vs. County of Riverside
 - F. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Safari Park, Inc. vs. Southridge Property Owners Assoc. of Palm Springs, et al

G. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: Conveyance of Easement APN No. 508-053-005 to Desert Water Agency

Agency Negotiators: Mark S. Krause, General Manager and Steven L. Johnson, Asst. General Manager

Negotiating Parties: DWA and Agua Caliente Band of Cahuilla Indians

Under Negotiation: Terms

11. RECONVENE INTO OPEN SESSION – REPORT FROM CLOSED SESSION

12. ADJOURN

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting is asked to contact Desert Water Agency's Executive Secretary, at (760) 323-4971, at least 48 working hours prior to the meeting to enable the Agency to make reasonable arrangements. Copies of records provided to Board members, which relate to any agenda item to be discussed in open session may be obtained from the Agency at the address indicated on the agenda.

**MINUTES
OF THE REGULAR MEETING
OF THE
DESERT WATER AGENCY
BOARD OF DIRECTORS**

October 16, 2018

DWA Board:	James Cioffi, President)	Attendance
	Joseph K. Stuart, Vice President)	
	Kristin Bloomer, Secretary-Treasurer)	
	Patricia G. Oygar, Director)	
	Craig A. Ewing, Director)	
DWA Staff:	Mark S. Krause, General Manager)	
	Steve Johnson, Asst. General Manager)	
	Martin Krieger, Finance Director)	
	Sylvia Baca, Asst. Secretary of the Board)	
	Kris Hopping, Human Resources Manager)	
	Ashley Metzger, Outreach & Cons. Mgr.)	
	Esther Saenz, Accounting Supervisor)	
Consultant:	Michael T. Riddell, Best Best & Krieger)	
Public:	David Freedman, P.S. Sustainability Comm.)	
	Erica Harnik, Riverside BIA)	
	Tom Kieley III, Palm Springs resident)	
	Donna Poyuzina, Desert Hot Springs resident)	
	John Soulliere, MSWD staff)	

18239. President Cioffi opened the meeting at 8:00 a.m. and asked everyone to join Director Ewing in the Pledge of Allegiance. **Pledge of Allegiance**

18240. President Cioffi called for approval of the October 2, 2018 Regular Board meeting minutes. **Approval of 10/02/18 Regular Board Mtg. Minutes**

Vice President Stuart moved for approval. After a second by Director Ewing, the minutes were approved as written.

18241. President Cioffi called upon General Manager Krause to provide an update on Agency operations. **General Manager's Report**

Mr. Krause noted that the Agency's contractor, Shirley Construction damaged two service lines at the Vibe tract. A damage report was filed for both incidents. **Water Service Line Damage (Vibe Tract)**

Mr. Krause provided an update on the 2019 employee medical, vision and dental plans; noting a 2.8% increase over 2018.

General Manager's Report (Cont.)
Medical Benefits Cost Update 2019

Mr. Krause stated on October 9 staff delivered water conservation stickers to be placed above all 50 sinks at the Palm Springs International Airport.

PS Airport
Conservation Signage

Mr. Krause provided an update on the current Human Resources department and Accounting department activities.

Human Resources & Accounting Department Activities

Concluding his report, Mr. Krause noted the current system leak data, and meetings and activities he participated in during the past several weeks.

System Leak Data,
General Manager's Meetings & Activities

18242. President Cioffi noted the minutes for the October 9, 2018 Executive Committee were provided in the Board's packet.

Committee Reports:
Executive 10/09/18

18243. President Cioffi opened the meeting for public comment.

Public Comment

Erica Harnik, representing the Building Industry Association, Riverside County chapter stated that they have previously requested advanced notification on developer related fees, such as Item No. 7B.

Erica Harnik

Donna Poyuzina expressed her opposition of DWA managing the water for Desert Hot Springs residents.

Donna Poyuzina

There being no one else from the public wishing to address the Board, President Cioffi closed the public comment period.

18244. President Cioffi called upon Secretary-Treasurer Bloomer to present an overview of financial activities for the month of September 2018.

Secretary-Treasurer's Report (September)

Secretary-Treasurer Bloomer reported that the Operating Fund received \$3,001,378 in Water Sales Revenue, \$172,145 in Reclamation Sales Revenue, \$222,468 in Advanced Work Order deposits and \$2,156 from SCE for Snow Creek Hydro Power Sales (August). \$2,180,420 was paid out in Accounts Payable. Year-to-date Water Sales are 5% under budget, Year-to-date Total Revenues are 3% under budget and Year-to-date Total Expenses are 16% under budget. There were 22,609 active services as of September 30.

Operating Fund

Reporting on the General Fund, Ms. Bloomer stated that \$670,826 was received in Property Tax Revenue, \$21,810 in Groundwater Replenishment Assessments from private pumpers and \$45,307 from SCE for Whitewater Hydro Power Sales (August). \$1,655,180 was paid out in State Water Project charges (YTD \$5,546,912).

General Fund

Reporting on the Wastewater Fund, Ms. Bloomer stated that \$9,305 was received in Sewer Capacity charges. There are a total of 42 contracts with total delinquents of 13 (31%). \$79,438 was paid out in Accounts Payable.

Secretary-Treasurer's Report
(Cont.)
Wastewater Fund

18245. President Cioffi asked General Manager Krause to present staff's request for Authorization for General Manager to enter into Second Supplemental MOU for the Indio Subbasin.

Action Items:
Request Authorization for GM to Enter into 2nd Suppl. MOU/Indio Subbasin

Mr. Krause provided background on the initial Memorandum of Understanding (MOU) approved on September 6, 2016 and the Supplemental MOU approved on April 3, 2018. This Second Supplement requires Board approval for the development and cost sharing for all future annual reports and alternative plan updates. The cost to prepare the Water Year 2018 Annual Report is \$58,285.42 (DWA's share \$14,571.36). Staff recommends the Board authorize the General Manager to enter into a Second Supplemental MOU with the Partners for the purpose of producing and cost sharing for the 2018 Annual report for the alternative GSP and all future Annual reports and alternative GSP updates for the Indio Subbasin applicable to the implementation of the SGMA.

Director Oygar moved for approval of staff's recommendation. Director Ewing seconded the motion, which passed unanimously.

18246. President Cioffi asked Assistant General Manager Johnson to present staff's request for adoption of Resolution No. 1192 establishing Rates, Fees & Charges for Domestic Water Service, Backup Facility Charges, Supplemental Imported Water Capacity and Service Connection Charges.

Request Adoption of Reso. 1192 Establishing Rates, Fees & Charges for Domestic Water Service, Backup Facility Charges, Supplemental Imported Water Capacity & Service Connection Charges

Mr. Johnson explained that the proposed resolution pertains to Resolution No. 1188 adopted on June 19, 2018. The only difference is that the proposed resolution has updated Backup Facility Charges. He then provided a PowerPoint presentation showing the calculations and the new 12 zones. He noted that the Desert Valley Builder's Association (DVBA) has reviewed and approved the revisions. Staff recommends approval and adoption of Resolution No. 1192.

Ms. Harnik from Riverside BIA stated they also approve the revisions and appreciate DWA including them in future reviews, as requested.

Director Oygar moved for approval of Resolution No. 1192. After a second by Vice President Stuart, the motion carried unanimously.

RESOLUTION NO. 1192
A RESOLUTION OF THE BOARD OF DIRECTORS OF DESERT
WATER AGENCY ESTABLISHING RATES, FEES & CHARGES
FOR DOMESTIC WATER SERVICE, BACKUP FACILITY,
SUPPLEMENTAL IMPORTED WATER CAPACITY AND
SERVICE CONNECTION CHARGES

Action Items:
 (Cont.)

Resolution No. 1192
Adopted

18247. President Cioffi asked Outreach & Conservation Manager Metzger to provide a report on the September water use reduction figures.

Discussion Items:
 September Water Use
 Figures

Mrs. Metzger reported that the Agency and its customers achieved a 5% reduction in potable water production during September 2018 compared to September 2013. The cumulative savings over the last twelve-month period is 13.5%.

18248. President Cioffi asked General Manager Krause to provide a report on the Review of the California WaterFix (CWF).

Review of the
 California WaterFix
 Joint Powers
 Agreement

Mr. Krause presented a Power Point presentation and provided information on the Joint Powers Agreement dated May 14, 2018, which formed the Delta Conveyance Design and Construction Joint Powers Authority.

18249. At 9:23 a.m., President Cioffi convened into Closed Session for the purpose of Conference with Legal Counsel, (A) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Agua Caliente Band of Cahuilla Indians vs. Coachella Valley Water District, et al; (B) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), ACBCI vs. County of Riverside, et al; (C) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Mission Springs Water District vs. Desert Water Agency, (D) Existing Litigation, pursuant to Government Code Section 54959.9 (d) (1), Albrecht et al vs. County of Riverside; (E) Existing Litigation, pursuant to Government Code Section 54959.9 (d) (1), Abbey et al vs. County of Riverside; (F) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Safari Park, Inc. vs. Southridge Property Owners Association of Palm Springs, et al., and (G) Real Property Negotiators – Conveyance of Easement, Parties: DWA and ACBCI.

Closed Session:

A. Existing Litigation –
 ACBCI vs. CVWD, et
 al.
 B. Existing Litigation –
 ACBCI vs. Riverside
 County
 C. Existing Litigation –
 MSWD vs. DWA
 D. Existing Litigation –
 Albrecht et al vs.
 Riverside County
 E. Existing Litigation –
 Abbey et al vs.
 Riverside County
 F. Existing Litigation –
 Safari Park, Inc. vs.
 Southridge Property
 Owners Assoc. of Palm
 Springs, et al
 G. Real Property
 Negotiators –
 Conveyance of
 Easement APN 508-
 053-005
 Parties: DWA and
 ACBCI

18250. At 10:49 a.m., President Cioffi reconvened the meeting into open session and announced there was no reportable action.

Closed Session:
(Cont.)

**Reconvene – No
Reportable Action**

18251. In the absence of any further business, President Cioffi adjourned the meeting at 10:50 a.m.

Adjournment

James Cioffi, President

ATTEST:

Kristin Bloomer, Secretary-Treasurer

DRAFT

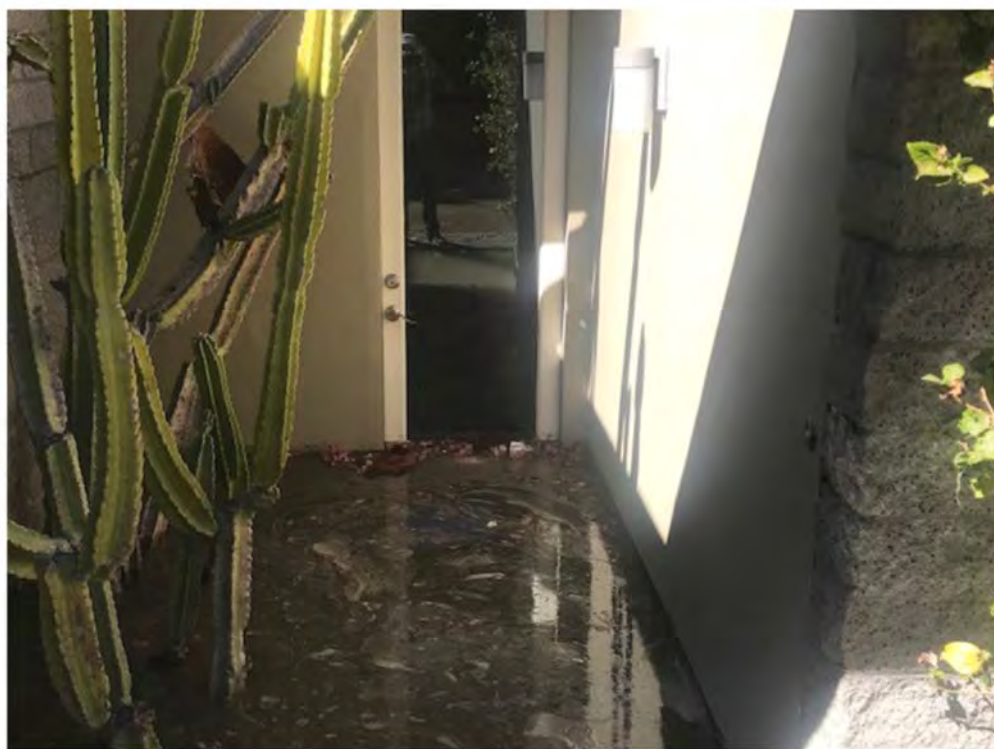
GENERAL MANAGER'S REPORT NOVEMBER 6, 2018

Damaged Service Line - 2433 South Ridge Dr.

On October 16, at approximately 11:40 a.m. DWA construction staff responded to a reported water service line leak. It appears that a vehicle had backed over our meter box hours before damaging our service line and the customer side plumbing. As a result, the customer's house flooded when the runoff from the leak traveled downhill into the house. Construction staff repaired our service line. The customer contacted a plumbing contractor to repair its plumbing. The Agency filed a police report. The customer attempted to file a police report but had difficulty not having much evidence to identify the vehicle responsible for the damage.



Southridge Dr.
(Cont.)



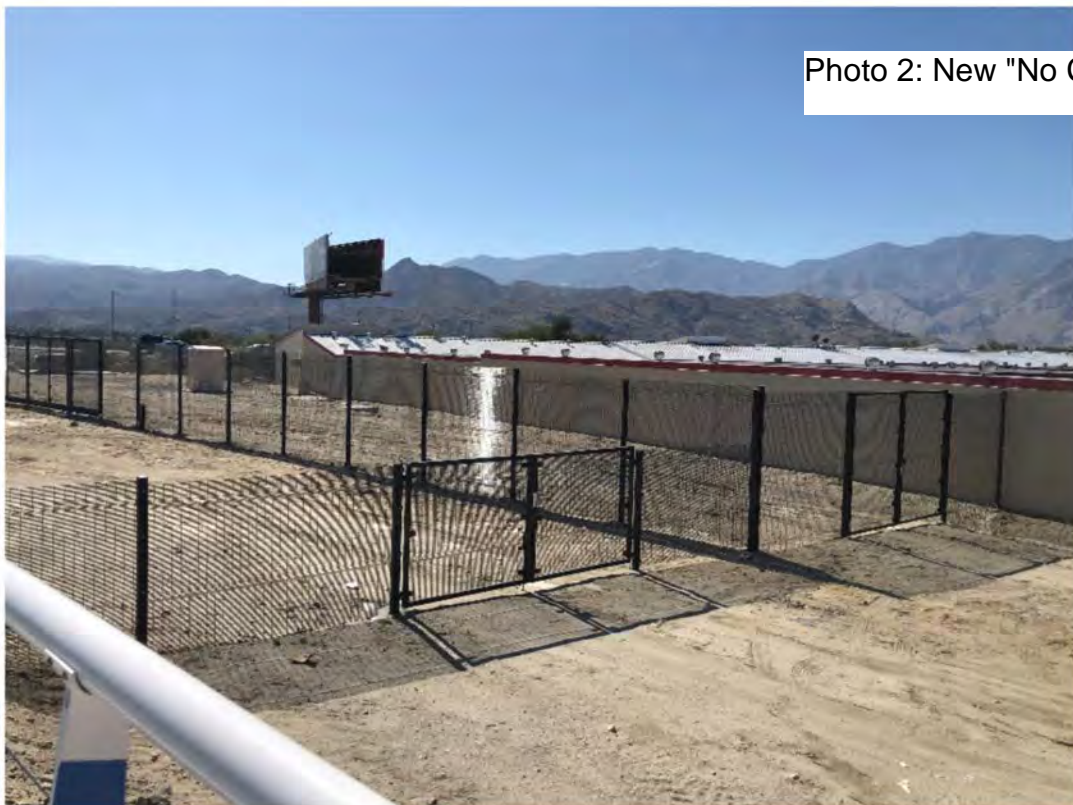
Well 31 Fence

As part of the CV Link Bike Path, the City of Cathedral City requested the use of land owned by the Agency, adjacent to Well 31. Staff negotiated the use of the land for the bike path in exchange for upgrading the fencing at the well site to "No Climb" fencing. The City recently completed construction of the fence.

Photo 1: Pre-existing Chain-link fence at Well 31.



Photo 2: New "No Climb" Fence



Oroville Dam's Main Spillway Fully Reconstructed

Department of Water Resources (DWR) today announced it has met its goal of completely reconstructing the main spillway at Oroville Dam by Nov. 1 to be prepared for the upcoming winter. The newly constructed spillway is now built to its original design capacity of 270,000 cubic feet per second.

"DWR has again met the Nov. 1 public safety milestone with help from our state, federal and local agency partners, and our construction contractors," said DWR Director Karla Nemeth. "We thank the surrounding communities for their patience and DWR staff who have worked tirelessly on the Oroville spillways over the past two construction seasons. Today's milestone is significant, but there is still more work to do before we call this project complete."

Concrete on the main spillway will have cured by December 1, in time for the rainy season and use of the main spillway if necessary. Dry finishing, joint sealing, completing sidewall backfill and site clean-up on the main spillway will also continue after November 1.

"More than 700 construction workers, many of them from Butte County and other parts of Northern California, literally worked day and night to make incredible progress during the 2018 construction season," said Tony Meyers, DWR Project Manager for the Oroville Spillways Emergency Recovery Project. "Staff from nearly every corner of DWR worked on the project in some capacity over the past year and a half and their planning, execution and hard work contributed to meeting this November 1 milestone."

Whitewater Hydro and SWP Delivery Update

Due to the stoppage of water deliveries, the Whitewater Hydro plant only operated for a portion of the day on October 1. It generated approximately 9,330 kWh, resulting in a SCE settlement amount of approximately \$755.

As of the end of September, MWD has delivered approximately 129,611 AC-FT to the Whitewater Spreading Basins.

On September 26, MWD began water deliveries to the Mission Creek Spreading Basins at a rate of 25 CFS. On November 1 MWD completed water deliveries in the amount of 1,630 AC-FT to MCSB. A total of 2,012 AC-Ft of water has been delivered to MCSB for the year 2018.

PART OF THE SOLUTION:

Expanding Local Water Supplies



The State Water Contractors — 27 public water agencies that bring fresh water to California through the State Water Project — are stewards of the state's precious and finite water resources. Only by responsibly managing this crucial supply to ensure the consistent and stable delivery of imported water throughout the state, are the Contractors able to invest in alternative sources of water supplies. Contractors are finding new ways to expand local sources of water by:

- Applying best practices in water supply management to reduce consumption
- Seeking additional local and regional water supply sources
- Investing in new infrastructure to facilitate water reuse, recycling and desalination
- Working with local municipalities and regions to enable more stormwater capture
- Developing strong water conservation and education programs
- Creating increased opportunities for groundwater storage and recharge
- Collaborating with fellow water agencies to pool our collective knowledge, resources and experience



Coachella Valley Water District produces water from 100 groundwater wells, which are recharged via percolation basins with SWP imported water and recycled water. By blending recycled water with Colorado River water to irrigate public spaces, CVWD is able to reduce its reliance on groundwater replenished by the SWP.



Metropolitan Water District of Southern California's Local Resource Program uses revenues to fund local resource projects and reduce its demand on the Bay-Delta. To date \$626 million has been invested yielding over 1 trillion gallons in local recycled water and groundwater recovery.



San Bernardino Valley Municipal Water District is partnering with 10 other agencies to develop a watershed-wide Habitat Conservation Plan, securing endangered species permits for new local supply projects like stormwater capture, providing an additional 26 billion gallons per year of new local supply.



Zone 7 Water Agency is converting gravel mining pits into a series of reservoirs, increasing local storage and stormwater capture while providing a local emergency supply for use during drought periods.



Yuba City maximizes the use of local water resources and reduces waste by implementing demand management measures such as water waste patrols in homes and businesses, automatic meter-reading systems, and conservation pricing to incentivize limiting water use.



Alameda County Water District owns and operates the Newark Desalination Facility — the very first in Northern California — which produces potable water from brackish groundwater while cleaning up the impacts of historic salt intrusion.

Improving California's Self Reliance: It's Just Common Sense

Each and every day, more than 27 million California residents and countless businesses depend on Sierra Nevada snowmelt traveling through the Sacramento-San Joaquin Delta for anywhere from 30 to 80 percent of their water supply, which is captured, delivered and stored through the State Water Project. As our state's water supply is threatened by climate change and the realities of more intense droughts and floods, public water agencies are hard at work expanding more local sources of water supplies – ensuring more water is available for those regions that need it most during dry years.

“ public water agencies
are hard at work
expanding more
local sources of
water supplies ”



Desert Water Agency is investing in additional supplies to augment its imported water portfolio, including local recycled water and water conservation. The Agency is currently at work on filtration for its surface water supplies in order to fully utilize that source, which will augment supplies by 1.4 billion gallons per year.



The SWP infrastructure proved invaluable during the recent 2012-16 drought when the **Central Coast Water Authority** actively pursued the purchase of additional water supplies from other Contractors as well as other sources throughout the State, ensuring all of its member agencies were able to continue to meet their demand and provide water to their customers. Without this infrastructure, severe supply disruptions would have occurred.



San Gabriel Valley Municipal Water District has recently completed a stormwater capture feasibility study to determine additional opportunities to expand its already diverse water supply portfolio, reducing its demand on water imported through the SWP.



Mojave Water Agency has developed a regional “Reduced Future Reliance” strategy through a successful groundwater recharge program, which allows the Agency to be completely independent from the SWP during times of stress on the Delta. There is currently over 57 billion gallons stored in their local aquifer to meet future demands.



In the **Santa Clara Valley Water District**, groundwater pumping accounted for over 40 billion gallons from 2016-2017, providing 42% of the total water used by county residents and businesses. Using about 30 billion gallons of local and imported surface water to replenish the groundwater basins, as well as treated and recycled water deliveries, the District was able to reduce demands on groundwater in 2017 by over 63 billion gallons.





STATE WATER CONTRACTORS:

Champions of Science, Research and Innovation



In addition to bringing fresh, clean water to 27 million Californians, 750,000 acres of farmland and businesses statewide, the State Water Contractors and its 27 member agencies collectively are investing millions of dollars annually in science, research and innovation. Through these investments, the Contractors are:

- Contributing to California's knowledge on estuarine and freshwater ecosystems
- Participating in collaborative science efforts such as CAMT and CSAMP
- Furthering our understanding about water quality issues and solutions
- Encouraging dialogue on climate change and seeking innovative solutions to both address climate change effects and adaptively manage supplies in response
- Restoring habitats
- Driving innovative practices in water supply management
- Promoting carbon-free hydroelectric energy and sustainability
- Looking for new ways to balance the water needs of people with preserving the environment

Habitat Restoration: Partners in Protecting Our Environment

Using new research methods and technology, SWC member agencies are studying the state's fragile environments and native fish and wildlife species. Together, they are restoring thousands of acres of habitat and returning previously threatened species back to their native environments.



Alameda County Water District is installing fish ladders and screens on Alameda Creek that will give Steelhead access to their natural habitat for the first time in 50 years.



Coachella Valley Water District is working to restore habitats for the Desert Pupfish, California Black and Ridgeway's Rail bird species, and the Sonoran Cottonwood Willow tree.



Within **Kern County Water Agency's** service area, the Kern Fan Groundwater Storage Project will dedicate over \$21 million to Delta ecosystem restoration for endangered fish like the chinook salmon and green sturgeon, and will invest roughly \$40 million to create intermittent wetland habitat for migratory birds.



Napa County Flood Control & Water Conservation District restores tidal wetlands and supports hundreds of native plant and animal species along the Napa River, a region of the Bay Area that many Delta species also use.



Palmdale Water District actively engages in habitat restoration and preservation for both the Arroyo Toad and the Mexican Brown Bat, whose native ecosystem rests within Palmdale's local watershed.



San Bernardino Valley Municipal Water District leads a collaborative effort with other local water agencies to increase suitable habitat for the Santa Ana Sucker as well as 22 other federal and state listed species.



Solano County Water Agency is a founding member of the Putah Creek Accord, and lead agency for the Solano Habitat Conservation Plan, transforming Lower Putah Creek to support spawning Chinook Salmon.



Zone 7 Water Agency's Living Arroyos Program improves habitat and water quality of local streams while enhancing both public safety and regional flood protection.



STATE WATER
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Research:

Improving Our Understanding of Water in California

The State Water Contractors' efforts are building on existing research and laying the groundwork for new research in California and across the country — work that spurs future policymaking and improved practices. This includes research on fish and wildlife, water quality, climate change and options for expanding local water supplies through groundwater programs, water recycling, desalination, and stormwater capture and storage. To highlight just a few examples:



Santa Clara Valley Water District established a Water Conservation Research Grant Program that provides up to \$1M over a 10-year period to promote innovation and new technology development to increase water use efficiency.



Metropolitan Water District of Southern California is an active and founding member of the Water Utility Climate Alliance, which analyzes the development of climate change-related research, technology, programs, and federal legislation.



Dudley Ridge Water District is a member and active participant in the Committee for Delta Reliability, which funds science-based research to address fishery and water quality issues in the Sacramento-San Joaquin Delta.



In addition to the contributions made by individual member agencies, the **State Water Contractors** directly invest more than \$2 million annually in science and research — committed to improving our understanding of the Sacramento-San Joaquin Delta and its tributaries.



The State Water Contractors' efforts are building on existing research and laying the groundwork for new research in California and across the country



Groundbreaking Innovation: Driving Change for a Better World Tomorrow

As California's climate changes and our population continues to grow, the State Water Contractors are investing millions in forward-thinking applications and uses for both tried-and-true and new technologies to help solve our great state's water challenges.



Kern Water Bank represents an innovative collaboration by multiple agencies, including two SWC agencies, who are working together to store surplus surface water through shallow ponds into an underground aquifer and restore 17,000 acres of former farmland to upland and intermittent wetland habitat, protecting 34 sensitive species in the region.



Napa County Flood Control & Water Conservation District has gained worldwide attention for its "Living River" approach. The project avoids typical concrete channelization in favor of maintaining the natural slope, width and depth of the river, which helps to maintain a continuous fish and riparian corridor for several fish, including those that reside throughout the Sacramento-San Joaquin Delta.



Solano County Water Agency is currently exploring using sediment and aquatic vegetation to enrich the soil for riparian habitat restoration projects and agricultural purposes. For example, canal waste sediment could be mixed with walnut waste and wood chips to minimize irrigation demands on alfalfa fields, and to provide suitable substrate for revegetation of eroded streambanks.



In addition to the **Mojave Water Agency's** Leadership in Energy and Environmental Design (LEED) gold-certified headquarters, the Agency is installing a hydroelectric plant that will offset the power use of the well pumping downstream, and has broken ground on the new 820-kW Deep Creek small hydroelectric project.



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STATE WATER CONTRACTORS:

Leading the Way in Water Management and Efficiency



The **State Water Project** is a vast network of canals, pipelines, tunnels and reservoirs that serve as California's lifeline, bringing fresh water to 27 million Californians, 750,000 acres of farmland, and businesses statewide. The 27 public water agencies who receive water from the State Water Project are dedicated to responsibly managing and promoting the efficient use of our most valuable natural resource. Collectively, these agencies are implementing best practices for water management and efficiency, ensuring a clean, reliable water supply for generations to come.

How We're Making a Difference

The State Water Contractors are deploying a host of water supply management solutions to ensure California's water supply is managed with great care:

- Water Banking
- Recycled Water
- Stormwater Capture
- Groundwater Storage & Recharge
- Desalination



Alameda County Water District has permanently reduced demand by ~ 14 million gallons through water-saving programs, water-efficient modeling, and the gradual replacement of old toilets, faucets and showerheads.



Solano County Water Agency's toilet, washer and turf replacement rebate programs save ~ 219 million gallons per year. All three programs have cumulatively saved ~ 2.2 billion gallons since the District first began implementing them in 2007.



Coachella Valley Water District's Water Waste Investigation Program has two full-time staffers conducting water waste patrols. In addition, the District has replaced over 16 million square feet of turf with desert landscaping through various rebate programs.



Dudley Ridge Water District has upgraded all facilities with concrete-lined canals and pipelines to help prevent unrecoverable seepage loss. The District's agricultural water users have installed and operate drip or micro-sprinkler systems on all 16,600 acres of farmland in their service area.



San Bernardino Valley Municipal Water District has implemented several groundwater storage programs over the years, including enhanced water recharge which produces approximately 1.7 billion gallons of water per year.



Managing our Water Supply through California's Climate Extremes

Climate change is having a significant impact on California's water supply. The state has experienced nine droughts since 1900, totaling 41 years, and climate extremes are the new reality. Public water agencies are taking the necessary and prudent steps to carefully manage supplies, and invest in infrastructure and programs to provide a reliable, cost-efficient supply now and in the future.

“ **Public water agencies are taking the necessary and prudent steps to carefully manage supplies** ”



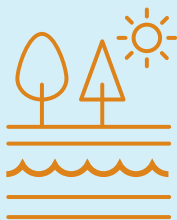
Desert Water Agency has been recycling water since the 1980s in order to offset groundwater pumping, and uses imported water from the State Water Project to keep groundwater levels stable.



San Geronimo Pass Water Agency is investing \$9 million in a regional recharge facility to be able to take advantage of wet years, enabling the Agency to purchase and locally bank more water. This helps to drought-proof the region as it continues to grow by allowing it to take less water in dry years.



Santa Clara Valley Water District is developing a county-wide Water Reuse Master Plan to integrate and expand recycled and purified water as a local, reliable, environmentally sustainable, drought-resistant water supply to guide investment of public funds for the next 20 years.



Metropolitan Water District of Southern California has expanded its cyclic storage program to allow for the pre-delivery of surface water to member agencies when surplus conditions exist in wet years. In 2017, Metropolitan stored nearly 40 billion gallons with its member agencies. Absent the cyclic storage program, water would have been lost, forcing Metropolitan to compete for costlier and more limited SWP water transfers in dry years.



San Gabriel Valley Municipal Water District awards \$200,000 annually in grant funding to school districts and cities to help install drought tolerant landscaping, including five schools, a YMCA, a large corporate location and each of the four cities within the District's service area.



STATE WATER
CONTRACTORS
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1121 L STREET, SUITE 1050 • SACRAMENTO, CA 95814 • (916) 447-7357 • WWW.SWC.ORG

SYSTEM LEAK DATA					
(PERIOD BEGINNING OCTOBER 10, 2018 THRU OCTOBER 30, 2018)					
STREET NAME	NUMBER OF LEAKS	PIPE DIAMETER (INCHES)	YEAR INSTALLED	PIPE MATERIAL	PIPE CONSTRUCTION
LIVMOR AVE	5	4 and 6	1955	STEEL	BARE/UNLINED
PARK VIEW DR	4	4	1955	STEEL	BARE/UNLINED
HERMOSA PL	3	5	1939	STEEL	BARE/UNLINED
SANDCLIFF RD	3	6	1954	STEEL	BARE/UNLINED
LOUELLA RD	3	6	1955	STEEL	BARE/UNLINED
BARISTO RD	3	4	1936	STEEL	BARE/UNLINED
CALLE DE RICARDO	3	4	1946	STEEL	BARE/UNLINED
CHINO DR	2	4	1936	STEEL	BARE/UNLINED
AMADO RD	2	6	1946	STEEL	BARE/UNLINED
CALLE SAN ANTONIO	2	6	1958	STEEL	BARE/UNLINED
E PALM CANYON DR	2	6	1955	STEEL	BARE/UNLINED
CALLE PALO FIERRO	2	4	1947	STEEL	BARE/UNLINED
HIGH RD	2	4	1953	STEEL	BARE/UNLINED
CERRITOS RD	2	4	1946	STEEL	BARE/UNLINED
SANDRA RD	2	4	1955	STEEL	BARE/UNLINED
CALLE SAN RAPHAEL	2	4	1946	STEEL	BARE/UNLINED
BELARDO RD	2	4	1960	STEEL	BARE/UNLINED
AIRLANE DR	1	6	1955	STEEL	BARE/UNLINED
MERITO PL	1	6	1947	STEEL	BARE/UNLINED
CAHUILLA RD	1	5	1939	STEEL	BARE/UNLINED
CHIA RD	1	4	1946	STEEL	BARE/UNLINED
EASMOR CIR	1	4	1948	STEEL	BARE/UNLINED
PRESCOTT DR	1	4	1951	STEEL	BARE/UNLINED
VISTA CHINO	1	20	1949	STEEL	BARE/UNLINED
AVENIDA CABALLEROS	1	20	1949	STEEL	BARE/UNLINED
RAMON RD	1	12	1956	STEEL	BARE/UNLINED
ALEJO RD	1	8	1958	STEEL	BARE/UNLINED
CLARKE RD	1	6	1955	STEEL	BARE/UNLINED
SONORA RD	1	6	1936	STEEL	BARE/UNLINED
RAMON RD	1	6	1955	STEEL	BARE/UNLINED
CERRITOS DR	1	6	1955	STEEL	BARE/UNLINED
E PALM CANYON DR	1	6	1955	STEEL	BARE/UNLINED
ARABY DR	1	6	1947	STEEL	BARE/UNLINED
E PALM CANYON DR	1	6	1953	STEEL	BARE/UNLINED
DESERT PARK AVE	1	6	1955	STEEL	BARE/UNLINED
AVENIDA EVELITA	1	6	1946	STEEL	BARE/UNLINED
PATENCIO RD	1	6	1951	STEEL	BARE/UNLINED
AVENIDA PALOS VERDES	1	4	1954	STEEL	BARE/UNLINED
MICHELLE RD	1	4	1956	STEEL	BARE/UNLINED
DEBBY DR	1	4	1956	STEEL	BARE/UNLINED
VIA SOLEDAD	1	4	1955	STEEL	BARE/UNLINED
SAHARA RD	1	4	1955	STEEL	BARE/UNLINED
CALLE MARCUS	1	4	1945	STEEL	BARE/UNLINED
SATURMINO DR	1	4	1947	STEEL	BARE/UNLINED
HIGH RD	1	4	1953	STEEL	BARE/UNLINED
VIA VAQUERO	1	4	1958	STEEL	BARE/UNLINED
N RIVERSIDE DR	1	4	1948	STEEL	BARE/UNLINED
DESERT WY	1	4	1946	STEEL	BARE/UNLINED
TOTAL LEAKS IN SYSTEM:		75			

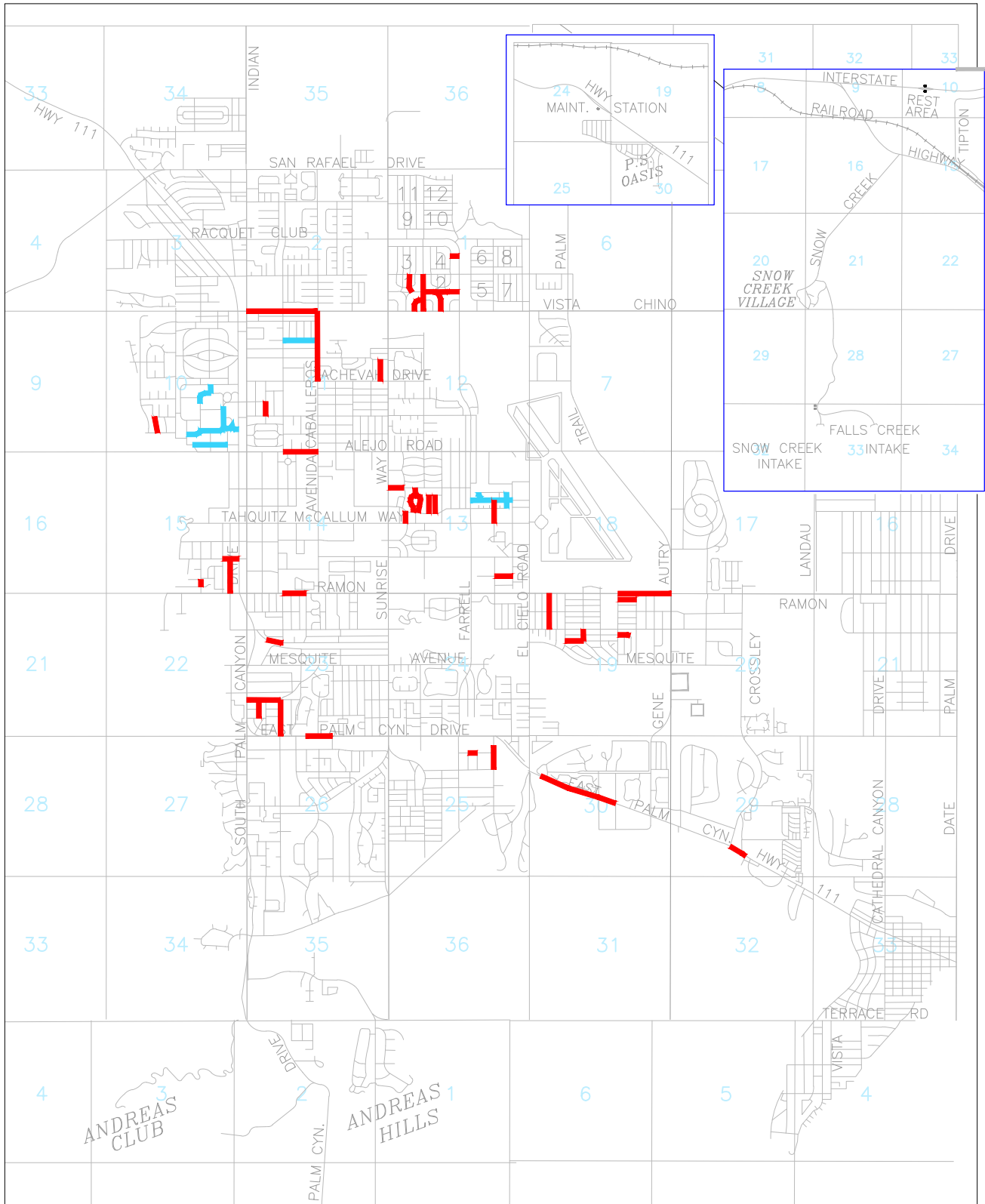
* Streets highlighted in blue are being proposed as part of the
2018/2019 Replacement Pipeline Project

SYSTEM INFORMATION:	
*OLDEST PIPE IN THE SYSTEM (YEAR OF INSTALLATION):	1925
AVERAGE YEAR OF INSTALLATION OF UNLINED STEEL PIPE (SYSTEMWIDE):	1952
AVERAGE AGE OF UNLINED STEEL PIPE (SYSTEMWIDE):	66 YEARS
AVERAGE AGE OF PIPELINE AT THE TIME OF REPLACEMENT:	68 YEARS
TOTAL LENGTH OF UNLINED PIPE SYSTEMWIDE (LINEAR FEET):	303,391
**AVERAGE LENGTH OF PIPE REPLACED ANNUALLY (LINEAR FEET):	14,500
PROJECTED TIME FRAME FOR 100% REPLACEMENT OF UNLINED STEEL PIPE:	21 YEARS
YEAR AGENCY TRANSITIONED TO CEMENT LINED STEEL PIPE:	1960
* THIS PIPELINE IS BEING REPLACED AS PART OF THE 2018/2019 REPLACEMENT PIPELINES PROJECT.	
** PLEASE NOTE THIS FIGURE REPRESENTS THE AVERAGE LINEAR FOOTAGE OF PIPELINE REPLACED ANNUALLY GIVEN AN AVERAGE ANNUAL BUDGET OF \$3 MILLION.	

2016/2017 REPLACEMENT PIPELINES		
NAME OF STREET	YEAR OF INSTALLATION	QUARTER SECTION
STEVENS RD	1953	4410NW
CAMINO NORTE	1953	4410NW
CAMINO NORTE	1951	4410NE
VINE AVE	1951	4410NE
VIA MONTE VISTA	1953	4410NW
PASEO EL MIRADOR	1950	4411NW
PASATIEMPO RD	1946	4411NE
LINDA VISTA RD	1946	4411NE
BROADMOOR DR	1958	4529NW
SUNNY DUNES RD	1939	4423NW
AVERAGE YEAR OF INSTALLATION:	1950	
AVERAGE AGE AT TIME OF REPLACEMENT:	67	

2017/2018 REPLACEMENT PIPELINES		
NAME OF STREET	YEAR OF INSTALLATION	QUARTER SECTION
COTTONWOOD RD (1)	1946	4411NW
COTTONWOOD RD (2)	1953	4411NW
CHUCKWALLA RD	1936	4411NW
VIA MIRALESTE	1946	4411NW
RAMON RD	1956	4519NW
RACQUET CLUB RD	1958	4402NW
STARR RD	1958	4402NW
FRANCIS DR	1957	4402NW
LAUREL CIR	1958	4402NW
SYCAMORE CIR	1958	4402NW
DESERT WILLOW CIR	1958	4402NW
DESERT HOLLY CIR	1958	4402NW
MICHELLE RD	1956	4413NW
DEBBY DR	1956	4413NW
AVERAGE YEAR OF INSTALLATION:	1954	
AVERAGE AGE AT TIME OF REPLACEMENT:	64	

2018/2019 REPLACEMENT PIPELINES		
NAME OF STREET	YEAR OF INSTALLATION	QUARTER SECTION
HERMOSA PL (1)	1939	4410SE
HERMOSA PL (2)	1952	4410SE
CAHUILLA RD (1)	1939	4410SE
CAHUILLA RD (2)	1939	4410SE
MISSION (1)	1939	4410SE
MISSION (2)	1939	4410SE
MERITO PL (1)	1954	4410SE
MERITO PL (2)	1939	4410SE
MERITO PL (3)	1947	4410SE
MOUNTAIN VIEW PL	1952	4410SE
PRESCOTT DR	1951	4410SE
CANYON PL	1938	4410SE
CHINO DR	1936	4410SE
CHIA RD	1946	4411NW
VIA MIRALESTE (1)	1949	4411NW
VIA MIRALESTE (2)	1950	4411NW
LIVMOR AVE	1955	4413NE
PLAIMOR AVE	1955	4413NE
EASMOR CIR	1948	4413NE
AIRLANE DR (1)	1948	4413NE
AIRLANE DR (2)	1955	4413NE
MORSUN CIR	1948	4413NE
SYBIL RD	1955	4413NE
AVERAGE YEAR OF INSTALLATION:	1947	
AVERAGE AGE AT TIME OF REPLACEMENT:	72	



SYSTEM LEAKS

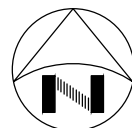
(Period beginning October 10, 2018
thru October 30, 2018)

DESERT WATER AGENCY
PALM SPRINGS, CALIFORNIA

LEGEND

- LEAK(S) RECORDED
- LEAK(S) RECORDED;
INCLUDED IN PROPOSED
LIST OF STREETS FOR
2018/2019
REPLACEMENT PIPELINES

DWG. BY
SR



DATE
10/18

SCALE
NTS

EXHIBIT
"A"

General Manager's Meetings and Activities

Meetings:

10/16/18	City of Palm Springs Chamber Business Expo	Colony 29
10/17/18	SWC Monthly Delta Committee Meeting	SAC.
10/18/18	SWC Monthly Board Meeting	SAC.
10/18/18	SWC's SFCWA Monthly Board Meeting	SAC.
10/18/18	Sites Reservoir Committee Monthly Board Meeting	SAC.
10/22/18	Staff/I.S./Safety Weekly Meetings	DWA
10/22/18	SWC Settlement Discussion Overview	Conf. Call
10/24/18	CA-NV AWWA Tour of DWA Facilities	DWA
10/24/18	Beth Amheiser (DWA Lab Director) Retirement	DWA
10/24/18	DWA/CVWD Litigation	DWA
10/25/18	DOI Regulatory Discussion	Conf. Call
10/25/18	SGP-SB GSA's Monthly Meeting	SGPWA
10/29/18	Staff/I.S./Safety Weekly Meetings	DWA
10/29/18	DWA/CVWD/MWD Annual Face-to-Face Coord. Meeting	DWA
10/30/18	Executive Committee Meeting	DWA
10/31/18	Indio SGMA- Annual Report Kick-Off Meeting	CVWD
11/01/18	Mission Creek- Annual Report Kick-Off-Meeting	CVWD
11/01/18	DWA Safety Meeting	DWA
11/05/18	Staff/I.S./Safety Weekly Meetings	DWA
11/06/18	DWA Bi-Monthly Board Meeting	DWA

Activities:

- 1) Outreach Talking Points – KESQ
- 2) Whitewater Hydro – Automatic Re-start
- 3) State and Federal Contractors Water Authority and Delta Specific Project Committee (Standing)
- 4) ACBCI Section 14 Facilities & Easements
- 5) Lake Oroville Spillway Damage
- 6) Replacement Pipelines 2018-2019
- 7) CWF – Finance JPA Agreement
- 8) DWA/CVWD/MWD Operations Coordination/Article 21/Pool A/Pool B/Yuba Water
- 9) DWA/CVWD/MWD Agreements Update
- 10) SWP 2018 Water Supply
- 11) ACBCI Lawsuits
- 12) Lake Perris Dam Remediation
- 13) Section 14 Pipeline Easements
- 14) DOI Regulation
- 15) Repair of Facility Access Roads Damaged in the September 10 Storm (Araby)
- 16) Whitewater Hydro Operations Coordination with Recharge Basin O&M
- 17) SGMA Tribal Stakeholder Meetings
- 18) Whitewater Spreading Basins – BLM Permits
- 19) Lake Perris Dam Seepage Recovery Project Participation
- 20) Cal Waterfix Cost Allocation
- 21) DWA Surface Water Filtration Feasibility Study

Activities:
(Cont.)

- 22) MCSB Delivery Updates
- 23) Well 6 Meaders Cleaners RWQB Meetings
- 24) SGMA – Indio Subbasin Classification
- 25) SGMA – San Geronio Pass Subbasin
- 26) Snow Creek Surface Water Filtration
- 27) UWMP Population Calculation Update
- 28) RWQCB Update to the SNMP

Minutes
Executive Committee Meeting
October 30, 2018

Directors Present: Jim Cioffi, Joe Stuart

Staff Present: Mark Krause, Martin Krieger, Steve Johnson

1. Discussion Items

A. Review Agenda for November 6, 2018 Regular Board Meeting

The proposed agenda for the November 6, 2018 meeting was reviewed.

2. Other - None

3. Adjourn

**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

NOVEMBER 6, 2018

**RE: REQUEST ADOPTION OF RESOLUTION NO. 1193 ADOPTING AN
AMENDED APPENDIX OF THE AGENCY'S CONFLICT OF INTEREST
CODE PURSUANT TO THE POLITICAL REFORM ACT OF 1974**

Desert Water Agency is required to review its Conflict of Interest Code biennially, and amend it, if necessary, in order to be in compliance with current legislation. The Appendix of the Code (Exhibit "A") designates those employees, members, officers, and consultants who are subject to the Agency's Code. The Agency's proposed amendment includes new positions that must be designated, deletes positions which have been abolished, revises titles of existing positions and adds a new disclosure category under which certain interests should be disclosed.

A copy of the Appendix reflecting the proposed changes is attached for review.

Any interested person may be present and comment at today's meeting or may submit written comments concerning the proposed amendment.

It is requested that the Board adopt Resolution No. 1193 amending the Agency's Conflict of Interest Code pursuant to the Political Reform Act of 1974. Upon adoption by the Board a copy of the changes will be sent to the Riverside County Board of Supervisors for their approval.

RESOLUTION NO. 1193

RESOLUTION OF THE BOARD OF DIRECTORS OF THE DESERT WATER AGENCY ADOPTING AN AMENDED CONFLICT OF INTEREST CODE PURSUANT TO THE POLITICAL REFORM ACT OF 1974

WHEREAS, the State of California enacted the Political Reform Act of 1974, Government Code Section 81000 et seq. (the "Act"), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the Desert Water Agency (the "Agency") and requires all public agencies to adopt and promulgate a Conflict of Interest Code; and

WHEREAS, the Board of Directors adopted a Conflict of Interest Code (the "Code") which was amended on September 18, 2012, in compliance with the Act; and

WHEREAS, subsequent changed circumstances within the Agency have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update the Agency's Code; and

WHEREAS, the potential penalties for violation of the provisions of the Act are substantial and may include criminal and civil liability, as well as equitable relief which could result in the Agency being restrained or prevented from acting in cases where the provisions of the Act may have been violated; and

WHEREAS, notice of the time and place of a public meeting on, and of consideration by the Board of Directors of, the proposed amended Code was provided each affected designated employee and publicly posted for review at the offices of the Agency; and

WHEREAS, a public meeting was held upon the proposed amended Code at a regular meeting of the Board of Directors on November 6, 2018, at which all present were given an opportunity to be heard on the proposed amended Code.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Desert Water Agency as follows:

Section 1. The Board of Directors does hereby adopt the proposed amended Conflict of Interest Code, a copy of which is attached hereto and shall be on file with the Executive Secretary and available to the public for inspection and copying during regular business hours;

Section 2. The said amended Code shall be submitted to the Board of Supervisors of the County of Riverside for approval and said Code shall become effective at the time which the Board of Supervisors approves the proposed amended Code as submitted.

APPROVED AND ADOPTED this 6th day of November, 2018.

James Cioffi, President
Board of Directors

ATTEST:

Kristin Bloomer, Secretary-Treasurer
Board of Directors

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

I, Sylvia Baca, Assistant Secretary of the Board of Directors of Desert Water Agency, do hereby certify the foregoing Resolution No. 1193 was duly adopted by said Board at its regular meeting held on November 6, 2018, and that it was adopted by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Sylvia Baca, Assistant Secretary
of the Board of Directors

(SEAL)

DESERT WATER AGENCY
CONFLICT OF INTEREST CODE

(Amended ~~September 18, 2012~~November 6, 2018)

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. § 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730, and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Desert Water Agency** (the "**Agency**").

All officials and designated positions shall file their statements of economic interests with the **Executive Secretary** as the Agency's Filing Officer/Official. The **Executive Secretary** shall make and retain a copy of all statements filed by Members of the Board of Directors and the General Manager, and forward the originals of such statements to the Clerk of the Board of Supervisors of the County of Riverside. The **Executive Secretary** shall retain the originals of the statements filed by all other officials and designated positions and make all statements available for public inspection and reproduction during regular business hours. (Gov. Code § 81008.)

APPENDIX

CONFLICT OF INTEREST CODE OF THE

DESERT WATER AGENCY

(Amended ~~September 18, 2012~~ November 6, 2018)⁴

PART “A”

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Agency Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3(b), are NOT subject to the Agency’s Code, but must file disclosure statements under Government Code Section 87200 et seq. [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments²:

Board of Directors
Finance Director
General Manager
Investment Consultants

¹ ~~Removed abolished positions, revised titles, updated references to Regulations and added clarifying language as provided by the Fair Political Practices Commission in September of 2016.~~

² Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
Accounting Supervisor	4
Assistant Construction Superintendent	3, 5
Assistant General Manager	1, 2
Chief Engineer	1, 2
Construction Superintendent	3, 5
Consulting Engineer	1, 2
Controller	1, 2
Customer Service Supervisor	5
Electrical Services Supervisor	5
Engineer	5
Executive Secretary/Assistant Secretary to the Board	4
Facilities & Safety Officer	2, 3, 5
Fleet Mechanic Foreman	5
General Counsel	1, 2
Human Resources Manager	5
Information Systems Administrator	5
Laboratory Director	5
Operations Engineer	5

LAW OFFICES OF
BEST BEST & KRIEGER
LLP

DESIGNATED POSITIONS'
TITLE OR FUNCTION

DISCLOSURE CATEGORIES
ASSIGNED

<u>Operations Technician Foreman</u>	<u>5</u>
Outreach & Conservation Associate	<u>5, 6</u>
Outreach & Conservation Manager	<u>5, 6</u>
<u>Outreach Specialist I</u>	<u>5, 6</u>
<u>Senior Account Clerk (Purchasing Agent)</u>	4
Water Operations Supervisor	5

Consultants and New Positions³

³ Individuals serving as a consultant as defined in FPPC Reg. 18700.3(a) or a new position created since the Code was last adopted which make or participate in the making of decisions, must file under the broadest disclosure category in this Code subject to the following limitation:

The General Manager may determine that, due to the range of duties or contractual obligations, it is more appropriate to designate a limited disclosure requirements. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.) The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

PART “B”

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned.³ “Investment” means financial interest in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in or doing business in the jurisdiction, are planning to do business in the jurisdiction, or have done business during the previous two years in the jurisdiction of the Agency.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in, or own real property within the jurisdiction of the Agency.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the Agency.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the Agency.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the Agency.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loan and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position’s department, unit or division.

Category 6: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, or income from a nonprofit or other organization, if the source is of the type to receive grants or other monies from or through the Agency or its subdivisions.

³— This Conflict of Interest Code does not require the reporting of gifts from outside this agency’s jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)

**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

NOVEMBER 6, 2018

**RE: REQUEST BOARD AUTHORIZATION FOR GENERAL MANAGER
TO EXECUTE RIGHT OF WAY AGREEMENT FOR CONVEYANCE
OF REAL PROPERTY AND TEMPORARY CONSTRUCTION
EASEMENT AGREEMENT IN FAVOR OF CITY OF PALM
SPRINGS**

The City of Palm Springs is seeking to purchase real property owned by Desert Water Agency and a temporary construction easement over a portion of Desert Water Agency's property for the construction of its Ramon Road Bridge Widening Project. The Project consists of expanding the existing Ramon Road Bridge over the Whitewater River Storm Channel from four (4) to six (6) lanes.

To facilitate the bridge expansion, the City would like to acquire approximately 481 square feet and a five-year temporary construction easement of approximately 1,293 square feet over Agency property APN 677-420-024, all for the sum of \$4,300.

Attached for the Board's review is a copy of the proposed Right of Way Agreement for Conveyance of Real Property and Escrow Instructions, Grant Deed for Ramon Road property, Temporary Construction Easement Agreement, and Temporary Construction Easement document. All of the agreements have been reviewed by the Agency's attorney.

Staff requests Board authorization for the General Manager to execute the Right of Way Agreement for Conveyance of Real Property and Escrow Instructions, Grant Deed for Ramon Road Property, Temporary Construction Easement Agreement, and the Temporary Construction Easement.

Project: Ramon Road Widening Project
Project No.: Federal Project No. BHLS 5282 (040)
APN: 677-420-024

RIGHT OF WAY AGREEMENT FOR CONVEYANCE OF REAL PROPERTY AND ESCROW INSTRUCTIONS

THIS AGREEMENT FOR CONVEYANCE OF REAL PROPERTY AND ESCROW INSTRUCTIONS, (the "**Agreement**"), is made and entered into as of _____, 20____, by and between the **City of Palm Springs, a California charter City and municipal corporation, ("Buyer")**, and **Desert Water Agency, A Public Agency, ("Seller")**, with references to the following facts. Buyer and Seller are individually referred to as "Party," and collectively referred to as the "Parties".

RECITALS

A. Seller is the owner of certain real property located in the City of Cathedral City, (the "**City**"), the County of Riverside, (the "**County**"), State of California, (the "**State**"), which is identified by Assessor Parcel Number(s) **677-420-024**, (referred to as the "**Property**").

B. Buyer desires to acquire from Seller a portion of the Property, more particularly described and depicted on **Exhibits A and B** attached hereto, (collectively referred to as the "**Rights-of-Way**"), for various public purposes including street rights-of-way and public utilities.

C. Seller desires to convey to Buyer, and Buyer desires to acquire from Seller the Rights-of-Way in accordance with the terms and conditions contained in this Agreement.

NOW THEREFORE, for and in consideration of the mutual covenants and agreements contained in this Agreement, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by Seller, Buyer and Seller hereby agree as follows:

AGREEMENT

1. PURCHASE AND SALE.

1.1 **Agreement to Buy and Sell.** Subject to the terms and conditions set forth herein, Seller hereby agrees to sell and convey to Buyer, and Buyer hereby agrees to acquire and purchase from Seller, the Rights-of-Way. As used herein the "Rights-of-Way" shall include the real property legally described on **Exhibit A** and depicted on **Exhibit B** and all of Seller's right, title and interest in and to any and all entitlements, tenements, hereditaments, easements, easement rights, rights to half-widths of all adjacent public

streets and public rights of way, mineral rights, oil and gas rights, air rights, development rights and privileges appurtenant thereto and all improvements located thereon, but excepting therefrom all water and water rights, which shall be retained by seller.

1.2 Purchase Price. The purchase price, ("**Purchase Price**"), for the Rights-of-Way shall be **One Thousand Eight Hundred Twenty-Eight Dollars and Zero Cents (\$1,828.00)** payable as cash at closing, plus applicable escrow, associated fees, and other charges.

1.3 Full and Complete Settlement. Seller hereby acknowledges that the compensation paid to Seller through this Agreement constitutes the full and complete settlement of any and all claims against Buyer, by reason of Buyer's acquisition of the Rights-of-Way, specifically including, but not limited to, any and all rights or claims that Seller has, may have or may in the future have under Article 1, Section 19 of the California Constitution, the Eminent Domain Law, or any other law or regulation. Except as provided herein Seller, on behalf of itself and its successors and assigns, hereby expressly and unconditionally waives and releases and discharges Buyer and any and all of Buyer's employees, agents, officers, servants, representatives, contractors, attorneys, partner agencies and assigns from liability in regard to any and all claims for damages, severance damages, interest, loss of goodwill, lost profits, lost rents, damages to or loss of improvements pertaining to the realty, machinery, fixtures, inventory, equipment and/or personal property, claims for inverse condemnation, pre-condemnation damages, any right to challenge Buyer's adoption of a resolution of necessity, any right to receive notices pursuant to Code of Civil Procedure section 1245.235, any right to enforce any obligation placed upon Buyer pursuant to the Eminent Domain Law, any other rights conferred upon Seller pursuant to the Eminent Domain Law, any claims for litigation expenses, attorney's fees, statutory interest and/or costs or any other compensation or benefits, other than for payment of the Purchase Price, it being understood that the Purchase Price constitutes complete and full settlement of all acquisition claims, liabilities, or benefits of any type or nature whatsoever, whether known or unknown as of the date of this Agreement, relating to or in connection with the Rights-of-Way or any other rights granted under this Agreement.

2. ESCROW AND CLOSING.

2.1 Opening of Escrow. Within fourteen (14) business days after execution of this Agreement by the last of Seller or Buyer, Buyer shall open an escrow, (the "**Escrow**"), with Commonwealth Land Title, at the address set forth in Section 7.12, ("**Escrow Holder**"), by depositing with Escrow Holder this Agreement fully executed, or executed counterparts hereof. The date this fully executed Agreement is signed and accepted by Escrow Holder on the last page hereof shall be deemed the "**Opening of Escrow**" and Escrow Holder shall advise Buyer and Seller of such date in writing. The escrow instructions shall incorporate this Agreement as part thereof and shall contain such other standard and usual provisions as may be required by Escrow Holder, provided, however, that no escrow instructions shall modify or amend any provision of this Agreement, unless expressly set forth in writing by mutual consent of Buyer and Seller. In the event there is a conflict

between any such standard or usual provisions and the provisions of this Agreement, the provisions of this Agreement shall control.

2.2 Escrow Fees and Other Charges. At the Close of Escrow, Buyer agrees to pay all of Seller's and Buyer's escrow fees, charges and costs incurred in this transaction.

2.3 Closing Date; Conditions Precedent to Close of Escrow. Provided all of the conditions precedent set forth in this Section 2.3 have been satisfied (or are in a position to be satisfied concurrently with the Close of Escrow), the Close of Escrow shall occur on or before June 30, 2019 (the "**Closing Date**"), unless otherwise extended by mutual agreement. As used in this Agreement, the "**Close of Escrow**" shall mean the date a Grant Deed as provided in Section 2.4.2(a) hereof ("**Grant Deed**"), is recorded in the Official Records of the County.

2.3.1 Conditions to Buyer's Obligations. The Close of Escrow and Buyer's obligation to purchase the Rights-of-Way are subject to the satisfaction of the following conditions or Buyer's written waiver of such conditions on or before the Closing Date. Buyer may waive in writing any or all of such conditions in its sole and absolute discretion.

(a) The Purchase Price shall have been determined in accordance with Section 1.2; and

(b) Seller shall have performed all obligations to be performed by Seller pursuant to this Agreement; and

(c) No event or circumstance shall have occurred which would make any of Seller's representations, warranties and covenants set forth herein untrue as of the Close of Escrow; and

(d) There shall have occurred no material adverse change in the physical condition of the Property (such as those caused by natural disasters) which would render the Rights-of-Way unsuitable for Buyer's intended use or which would materially increase the cost or cause a material delay in the schedule for Buyer's planned improvements of the Rights-of-Way; and

(e) The Title Company shall be committed to issue to Buyer, as of the Closing Date, the Title Policy (defined below) covering the Rights-of-Way, subject only to the Permitted Exceptions; and

(f) All monetary encumbrances, if any, shall have been reconveyed and title shall be conveyed free of all monetary encumbrances. Title to the Rights-of-Way shall be conveyed to Buyer free and clear of all recorded and unrecorded liens, encumbrances, assessments, easements, leases and taxes except for any non-delinquent taxes for the fiscal year in which this transaction closes which shall be cleared and paid in the manner required by Section 4986 of the Revenue and Taxation Code, if unpaid at the close of this transaction.

2.3.2 Conditions to Seller's Obligations. The Close of Escrow and Seller's obligation to sell and convey the Rights-of-Way are subject to the satisfaction of the following conditions or Seller's written waiver of such conditions on or before the Closing Date. Seller may waive in writing any or all of such conditions as a condition to the Close of Escrow in its sole and absolute discretion.

(a) The Purchase Price shall have been determined in accordance with Section 1.2;

(b) Buyer shall have performed all obligations to be performed by Buyer pursuant to this Agreement; and

(c) No event or circumstance shall have occurred which would make any of Buyer's representations, warranties and covenants set forth herein untrue as of the Close of Escrow.

2.3.3 Waiver of a Condition Does Not Excuse Performance. If any condition precedent to the Close of Escrow is expressly waived, in writing, as a condition to the Close of Escrow by the Party for whose benefit such condition exists, then, to the extent such condition is capable of being satisfied following the Close of Escrow, such condition shall become a condition subsequent to the Close of Escrow and shall be satisfied by the party whose performance is required to satisfy such condition as soon as reasonably possible following the Close of Escrow.

2.4 Closing Documents. The parties shall deposit the following with Escrow Holder prior to the Close of Escrow:

2.4.1 Buyer's Deposits. Buyer shall deposit:

(a) The Purchase Price together with Buyer's escrow and other cash charges; and

(b) A Certificate of Acceptance for the Grant Deed as in a legally sufficient form typically used by Buyer.

2.4.2 Seller's Deposits. Seller shall deposit:

(a) The Grant Deed as in the form of Exhibit C-1 attached hereto; and

(b) Subject to Section 2.5.1 below, an executed Affidavit of Non-foreign Status in the form of Exhibit D attached hereto and such other documentation necessary to exempt Seller from the withholding requirements of Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder; and

(c) Subject to Section 2.5.1 below, a Withholding Exemption Certificate Form 593 as contemplated by California Revenue and Taxation Code §18662 (the "**Withholding Affidavit**") duly executed by Seller.

2.4.3 Deposits of Additional Instruments. Seller and Buyer shall each deposit such other instruments as are reasonably required by Escrow Holder or otherwise required to proceed to the Close of Escrow and consummate the conveyance of the Rights-of-way from Seller to Buyer in accordance with the terms of this Agreement.

2.5 Closing.

2.5.1 Withholding. In the event that, pursuant to Section 2.4.2(b) above, Seller fails to deposit with Escrow Holder the executed Affidavit of Non-foreign Taxpayer Status which exempts Seller from the withholding requirements of Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder, Seller hereby authorizes Escrow Holder to withhold ten percent (10%) of the Purchase Price of the Rights-of-Way less any applicable closing costs and to report and transmit the withheld amount to the Internal Revenue Service. Additionally, in the event that, pursuant to Section 2.4.2(c) above, Seller fails to deposit with Escrow Holder any applicable tax document which exempts Buyer from California withholding requirements, if any, Seller hereby authorizes Escrow Holder to withhold such additional percentage of the Purchase Price of the Rights-of-Way as is required by California law, and Escrow Holder shall report and transmit the withheld amount in the manner required by California law. By agreeing to act as Escrow Holder hereunder, Escrow Holder expressly agrees to undertake and be responsible for all withholding obligations imposed pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder and under any similar provisions of California law, and shall defend, indemnify and hold Buyer harmless in connection with such obligations.

2.5.2 Necessary Actions of Escrow Holder. On the Close of Escrow, Escrow Holder shall: (i) record the Grant Deed as in the Office of the County Recorder of the County, (ii) pay any transfer taxes, (iii) instruct the County Recorder to return the Grant Deed as to Buyer, (iv) distribute to Seller the Purchase Price, and (v) deliver to Buyer the Title Policy covering the Rights-of-Way subject only to the Permitted Exceptions, the Affidavit of Non-foreign Status and the applicable California withholding exemption form, if any.

2.5.3 Taxes and Assessments. Real property taxes and assessments shall be prorated as of the Close of Escrow on the basis of the most recent tax information and such proration shall be final. Said prorations shall be based on a three hundred sixty-five (365) day year.

2.5.4 Title and Possession. Upon the Close of Escrow, title to and exclusive possession of the Property shall be conveyed to Buyer, subject only to the Permitted Exceptions.

3. ACTIONS PENDING CLOSING.

3.1. Title Review.

3.1.1 Title Report. Within three (3) business days after the Opening of Escrow, Commonwealth Land Title (the "**Title Company**") will furnish Buyer and Seller with an updated Title Commitment on the Property together with legible copies of all documents referenced therein as exceptions to title and a plot plan for the Property showing all the locations of all easements referenced therein (collectively, the "**Title Commitment**").

3.1.2 Title Notices. Buyer shall have ten (10) business days after its actual receipt of the Title Commitment to deliver to Escrow Holder written notice (the "**Preliminary Title Notice**") of Buyer's approval, conditional approval or disapproval of the title matters disclosed in the Title Commitment. All matters not timely approved by Buyer will be deemed disapproved. All such exceptions disapproved by Buyer are referred to herein as "**Disapproved Exceptions**". All monetary encumbrances are hereby deemed Disapproved Exceptions and shall be removed and satisfied at the Close of Escrow.

3.1.3 Permitted Exceptions. "**Permitted Exceptions**" shall mean all exceptions appearing on the Title Commitment which are: (i) standard printed exceptions in the Title Policy issued by Title Company; (ii) general and special real property taxes and assessments, a lien not yet due and payable; and (iii) any other liens, easements, encumbrances, covenants, conditions and restrictions of record approved, or expressly waived by Buyer pursuant to this Section 3.1.

3.2. Title Policy. Buyer's obligation to proceed to the Close of Escrow shall be conditioned upon the commitment by Title Company to issue an ALTA Standard Coverage Owner's Policy of Title Insurance (the "**Standard Coverage Policy**"), showing title to the Property vested in Buyer with liability equal to the Purchase Price, subject only to the Permitted Exceptions. At Buyer's option, Buyer may require an ALTA Extended Coverage Owner's Policy instead of the Standard Coverage Policy provided that Buyer pays any additional premium on account thereof. The form of title policy selected by Buyer shall be referred to herein as the "**Title Policy**".

3.3. Right of Possession. It is agreed and confirmed by the parties hereto that notwithstanding other provisions in this contract, the right of possession and use of the subject property by the State (or other agency), including the right to remove and dispose of improvements, shall commence on the date the amount of funds as specified in Clause 1.2 herein are deposited into escrow controlling this transaction. The amount shown in Clause 1.2 herein includes, but is not limited to, full payment for such possession and use, including damages, if any, from said date.

3.4. Seller's Covenant Not to Further Encumber the Property. Seller shall not, directly or indirectly, alienate, encumber, transfer, option, lease, assign, sell, transfer or

convey its interest or any portion of its interest in the Property, or any portion thereof, or enter into any agreement to do so, so long as this Agreement is in force. Seller shall timely discharge, prior to the Closing, any and all obligations relating to work performed on or conducted at or materials delivered to or for the Property from time to time by Seller, or at Seller's direction or on its behalf, in order to prevent the filing of any claim or mechanic's lien with respect to such work or materials.

3.5. Loss or Damage to Improvements. Loss or damage to the Property, including any improvements existing thereon as of the date of this Agreement, by fire or other casualty, occurring prior to the recordation of the Grant Deed as shall be at the risk of Seller. In the event that loss or damage to the Property, or any such improvements thereon, by fire or other casualty, occurs prior to the recordation of the Grant Deed as Buyer may elect to require that the Seller pay to Buyer the proceeds of any insurance policy or policies which may become payable to Seller by reason thereof, or to permit such proceeds to be used for the restoration of the damage done, or to reduce the Purchase Price by an amount equal to the diminution in value of the Property by reason of such loss or damage or the amount of insurance payable to Seller, whichever is greater.

4. REPRESENTATIONS, WARRANTIES AND COVENANTS.

4.1. Seller's Representations, Warranties and Covenants. In addition to the representations, warranties and covenants of Seller contained in other sections of this Agreement, Seller hereby represents, warrants and covenants to Buyer as follows, all of which shall survive the Close of Escrow:

4.1.1 Seller's Authority. Seller is the sole owner in fee simple absolute of the Property and has the full right, capacity, power and authority to enter into and carry out the terms of this Agreement. Seller has not alienated, encumbered, transferred, leased, assigned or otherwise conveyed its interest in the Property or any portion thereof except as set forth in the Title Commitment, nor entered into any Agreement to do so, nor shall Seller do so during the term of this Agreement. The entering into and performance by Seller of the transactions contemplated by this Agreement will not violate or breach any other agreement, covenant or obligation binding on Seller, and there is no consent required from any third party before the Property may be conveyed to Buyer. This Agreement has been duly authorized and executed by Seller, and upon delivery to and execution by Buyer shall be a valid and binding agreement of Seller.

4.1.2 Hazardous Substances. Seller has not used, generated, manufactured, stored or disposed any Hazardous Substances in, at, on, under or about the Property or transported any Hazardous Substance to or from the Property. Additionally, to Seller's knowledge (a) the Property is not in violation, nor has been or is currently under investigation for violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene, worker health and safety, or to the environmental conditions in, at, on, under or about the Property including, but not limited to, soil or groundwater conditions; (b) the Property has not been subject to, and is not within 2,000 feet of, a deposit of any Hazardous Substance; (c) there has been no discharge,

migration or release of any Hazardous Substance from, into, on, under or about the Property; (d) there is not now, nor has there ever been on or in the Property underground storage tanks or surface impoundments, any asbestos-containing materials or any polychlorinated biphenyls used in hydraulic oils, electrical transformers or other equipment, and (e) there is not now, nor has there ever been, debris or refuse buried in or under the Property which would adversely affect the development of the Property. Seller hereby assigns to Buyer as of the Close of Escrow all claims, counterclaims, defenses or actions, whether at common law, or pursuant to any other applicable federal or state or other laws which Seller may have against any third parties relating to the existence of any Hazardous Substance in, at, on, under or about the Property. As used in this Agreement, the term "**Hazardous Substances**" shall have the meaning set forth on Exhibit E attached hereto. At any time prior to the Close of Escrow, Buyer shall have the right to conduct appropriate tests of water and soil to ascertain the presence of any Hazardous Substances on, in, under and about the Property.

To the best of Seller's knowledge the Property complies with all applicable laws and governmental regulations including, without limitation, all applicable federal, state, and local laws pertaining to air and water quality, hazardous waste, waste disposal, and other environmental matters, including, but not limited to, the Clean Water, Clean Air, Federal Water Pollution Control, Solid Waste Disposal, Resource Conservation Recovery and Comprehensive Environmental Response Compensation and Liability Acts, and the California Environment Quality Act, and the rules, regulations, and ordinances of the City, the California Department of Health Services, the Regional Water Quality Control Board, the State Water Resources Control Board, the Environmental Protection Agency, and all applicable federal, state, and local agencies and bureaus.

4.1.3 Endangered Species. To Seller's knowledge, there are no endangered species or protected natural habitat, flora or fauna located on the Property, nor is any portion of the Property located in what is or may be designated as a wetland.

4.1.4 Mechanic's Liens. To Seller's knowledge, there are no mechanics', material men's or other claims or liens presently claimed, or which will be claimed against the Property for work performed or commenced prior to the date of this Agreement or relating to the environmental condition of the Property.

4.1.5 Leases/Easements. There are no leases, rental agreements or other such contracts of any kind or nature affecting possession or occupancy of the Property, and Seller shall not enter into any such contracts during the term of this Agreement without the prior consent of Buyer.

4.1.6 Other Facts and Circumstances. There are no other facts or circumstances known to Seller that would preclude, prevent or impair the development of the Property.

4.1.7 No Untrue Statements or Omissions of Fact. To Seller's knowledge, Neither this Agreement, nor any of the exhibits hereto, nor any document, certificate, or

statement referred to herein or furnished to Buyer in connection with the transaction contemplated herein (whether delivered prior to, simultaneously with, or subsequent to the execution of this Agreement) contains any untrue statement of material fact or, omits to state a material fact in any way concerning the Property, or otherwise affecting or concerning the transaction contemplated hereby.

Each of the representations and warranties made by Seller in this Agreement, or in any exhibit, or on any document or instrument delivered pursuant hereto shall be continuing representations and warranties which shall be true and correct in all material respects on the date hereof and shall be deemed to be made again as of the Close of Escrow and shall then be true and correct in all material respects. The truth and accuracy of each of the representations and warranties, and the performance of all covenants of Seller contained in this Agreement, are conditions precedent to the Close of Escrow. Seller shall immediately notify Buyer of any fact or circumstance which becomes known to Seller which would make any of the foregoing representations or warranties untrue.

4.2. Buyer's Representations and Warranties. Buyer represents and warrants to Seller as follows, all of which shall survive the Close of Escrow:

4.2.1 Buyer's Authority. Buyer has the capacity and full power and authority to enter into and carry out the agreements contained in, and the transactions contemplated by, this Agreement, and that this Agreement has been duly authorized and executed by Buyer and, upon delivery to and execution by Seller, shall be a valid and binding Agreement of Buyer.

4.2.2 No Untrue Statements or Omissions of Fact. Neither this Agreement, nor any of the exhibits hereto, nor any document, certificate, or statement referred to herein or furnished to Seller in connection with the transaction contemplated herein (whether delivered prior to, simultaneously with, or subsequent to the execution of this Agreement) contains any untrue statement of material fact or, omits to state a material fact in any way concerning the Property, or otherwise affecting or concerning the transaction contemplated hereby.

Each of the representations and warranties made by Buyer in this Agreement, or in any exhibit or on any document or instrument delivered pursuant hereto, shall be continuing representations and warranties which shall be true and correct in all material respects on the date hereof, and shall be deemed to be made again as of the Close of Escrow, and shall then be true and correct in all material respects. The truth and accuracy of each of the representations and warranties, and the performance of all covenants of Buyer contained in this Agreement, are conditions precedent to the Close of Escrow. Buyer shall notify Seller immediately of any facts or circumstances which are contrary to the foregoing representations and warranties contained in this Section 4.2.

4.3. Mutual Indemnity. Seller and Buyer shall defend, indemnify and hold free and harmless the other from and against any losses, damages, costs and expenses (including attorneys' fees) resulting from any inaccuracy in or breach of any representation or

warranty of the indemnifying party or any breach or default by such indemnifying party under any of such indemnifying party's covenants or agreements contained in this Agreement.

5. **CONDEMNATION.** Seller and Buyer acknowledge that this transaction is a negotiated settlement in lieu of condemnation, and Seller hereby agrees and consents to the dismissal or abandonment of any eminent domain action in the Superior Court of the State of California in and for the County of Riverside, wherein the herein described property is included and also waives any and all claims to any money on deposit in the action and further waives all attorneys' fees, costs, disbursements, and expenses incurred in connection therewith. If, prior to the close of the execution of this transaction, Seller (or Seller's Tenant) is served with a Summons and Complaint in Eminent Domain in which Seller (or Seller's Tenant) is a named defendant, upon the close of escrow, Seller agrees and consents to Buyer taking a default in the action. Moreover, the total compensation to be paid by Buyer to Seller is for all of Seller's interest in the Property and any rights which exist or may arise out of the acquisition of the Property for public purposes, including without limitation, Seller's interest in the land and any improvements and fixtures and equipment located thereon, improvements pertaining to the realty (if any), severance damages, any alleged pre-condemnation damages, loss of business goodwill (if any), costs, interest, attorney's fees, and any claim whatsoever of Seller which might arise out of or relate in any respect to the acquisition of the Property by the Buyer. The compensation paid under this Agreement does not reflect any consideration of or allowance for any relocation assistance and payments or other benefits which Seller may be entitled to receive, if any. Relocation assistance, if any, will be handled via separate Agreement.

6. **BROKERS.** Seller and Buyer each represents and warrants to the other that they have not dealt with or been represented by any brokers or finders in connection with the purchase and sale of the Property and that no commissions or finder's fees are payable in connection with this transaction. Buyer and Seller each agree to indemnify and hold harmless the other against any loss, liability, damage, cost, claim or expense (including reasonable attorneys' fees) incurred by reason of breach of the foregoing representation by the indemnifying party. Notwithstanding anything to the contrary contained herein, the representations, warranties, indemnities and agreements contained in this Section 6 shall survive the Close of Escrow or earlier termination of this Agreement.

7. GENERAL PROVISIONS.

7.1. Counterparts: Facsimile Signatures. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument and any executed counterpart may be delivered by facsimile transmission with the same effect as if an originally executed counterpart had been delivered.

7.2. Further Assurances. Each of the parties agrees to execute and deliver such other instruments and perform such acts, in addition to the matters herein specified, as may

be appropriate or necessary to effectuate the agreements of the parties, whether the same occurs before or after the Close of Escrow.

7.3. Entire Agreement. This Agreement, together with all exhibits hereto and documents referred to herein, if any, constitute the entire agreement among the parties hereto with respect to the subject matter hereof, and supersede all prior understandings or agreements. This Agreement may be modified only by a writing signed by both parties. All exhibits to which reference is made in this Agreement are deemed incorporated into this Agreement whether or not actually attached.

7.4. Headings. Headings used in this Agreement are for convenience of reference only and are not intended to govern, limit, or aide in the construction of any term or provision hereof.

7.5. Choice of Law. This Agreement and each and every related document are to be governed by, and construed in accordance with, the laws of the State of California.

7.6. Severability. If any term, covenant, condition or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction or rendered by the adoption of a statute by the State of California or the United States invalid, void or unenforceable, the remainder of the terms, covenants, conditions or provisions of this Agreement, or the application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby; provided that the invalidity or unenforceability of such provision does not materially adversely affect the benefits accruing to, or the obligations imposed upon, any party hereunder, and the parties agree to substitute for the invalid or unenforceable provision a valid and enforceable provision that most closely approximates the intent and economic effect of the invalid or unenforceable provision.

7.7. Waiver of Covenants, Conditions or Remedies. The waiver by one party of the performance of any covenant, condition or promise, or of the time for performing any act, under this Agreement shall not invalidate this Agreement nor shall it be considered a waiver by such party of any other covenant, condition or promise, or of the time for performing any other act required, under this Agreement. The exercise of any remedy provided in this Agreement shall not be a waiver of any other remedy provided by law, and the provisions of this Agreement for any remedy shall not exclude any other remedies unless they are expressly excluded.

7.8. Legal Advice. Each party has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions hereof. The provisions of this Agreement shall be construed as to the fair meaning and not for or against any party based upon any attribution of such party as the sole source of the language in question.

7.9. Relationship of Parties. The parties agree that their relationship is that of Seller and Buyer, and that nothing contained herein shall constitute either party, the agent

or legal representative of the other for any purpose whatsoever, nor shall this Agreement be deemed to create any form of business organization between the parties hereto, nor is either party granted the right or authority to assume or create any obligation or responsibility on behalf of the other party, nor shall either party be in any way liable for any debt of the other.

7.10. Attorneys' Fees. In the event that any party hereto institutes an action or proceeding for a declaration of the rights of the parties under this Agreement, for injunctive relief, for an alleged breach or default of, or any other action arising out of, this Agreement, or the transactions contemplated hereby, or in the event any party is in default of its obligations pursuant thereto, whether or not suit is filed or prosecuted to final judgment, the non-defaulting party or prevailing party shall be entitled to its actual attorneys' fees and to any court costs incurred, in addition to any other damages or relief awarded.

7.11. Assignment. Neither Seller nor Buyer shall assign its rights or delegate its obligations hereunder without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the parties to this Agreement.

7.12. Notices. No notice, request, demand, instruction, or other document to be given hereunder to any Party shall be effective for any purpose unless personally delivered to the person at the appropriate address set forth below (in which event such notice shall be deemed effective only upon such delivery), delivered by air courier next-day delivery (e.g. Federal Express), delivered by mail, sent by registered or certified mail, return receipt requested, or sent via telecopier, as follows:

If to Buyer, to:

Attn: City Clerk
City of Palm Springs
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262
Facsimile No.: (760) 322-8332
Telephone No.: (760) 323-8204

If to Seller, to:

Desert Water Agency
Attn. Mark S. Krause
1200 S. Gene Autry Trl.
Palm Springs, CA 92264

If to Escrow Holder, to:

Grace Kim
Commonwealth Land Title
4100 Newport Place Dr Suite #120
Newport Beach CA, 92660
Facsimile No.: (714)459-7217
Telephone No.: (949)724-3141

Notices delivered by air courier shall be deemed to have been given the next business day after deposit with the courier and notices mailed shall be deemed to have been given on the second day following deposit of same in any United States Post Office mailbox in the state to which the notice is addressed or on the third day following deposit in any such post office box other than in the state to which the notice is addressed, postage prepaid, addressed as set forth above. Notices sent via telecopy shall be deemed delivered the same business day transmitted. The addresses, addressees, and telecopy numbers for the purpose of this Paragraph, may be changed by giving written notice of such change in the manner herein provided for giving notice. Unless and until such written notice of change is received, the last address, addressee, and telecopy number stated by written notice, or provided herein if no such written notice of change has been received, shall be deemed to continue in effect for all purposes hereunder. Delivery of a copy of a notice as set forth above is as an accommodation only and is not required to effectuate notice hereunder.

7.13. Survivability. All covenants of Buyer or Seller which are intended hereunder to be performed in whole or in part after Close of Escrow and all representations, warranties, and indemnities by either Party to the other, shall survive Close of Escrow and delivery of the Deed, and be binding upon and inure to the benefit of the respective Parties.

7.14. Release. The total compensation to be paid by Buyer for the Property is the Purchase Price, which consideration covers all land and improvements, attached or detached furniture, fixtures and equipment, loss of business goodwill, and is the full and complete acquisition cost of the Property. Buyer is in compliance with the California Relocation Assistance and Real Property Acquisition statutes and guidelines and the Uniform Relocation Assistance and Real Property Acquisition Policies for Federal and Federally Assisted Programs. Except for any breach of terms or conditions contained in this Agreement, Seller waives and forever releases Buyer, including its successors, officers, employees, attorneys, agents, representatives and anyone else acting on Buyer's behalf, of and from any and all claims, demands, actions or causes of action, obligations, liabilities, or claims for further compensation, known or unknown, based upon or relating to the facts or allegations and circumstances arising from Buyer's acquisition of the Property. By such release, Seller expressly waives its rights, if any, under California Civil Code Section 1542 which provides:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HIS SETTLEMENT WITH THE DEBTOR."

Seller's Initials

7.15 City Council Approval of Agreement. This Agreement is subject to the approval of the Buyer's City Council. If this Agreement remains unapproved by the Buyer's City Council then the parties will have no further obligation under this Agreement.

7.16 Recording. Neither party shall have the right to record this Agreement in the Recorder's Office for Riverside County.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

BUYER:

**CITY OF PALM SPRINGS, a California
charter city and municipal corporation**

By: _____
David H. Ready, City Manager

ATTEST:

By: _____
Anthony Mejia, City Clerk

APPROVED AS TO FORM:

By: _____
Edward Kotkin, City
Attorney

SELLER:

Desert Water Agency, A Public Agency

By: _____

Its: _____

By: _____

Its: _____

Exhibit List

- Exhibit A -- Legal Description of the Fee Acquisition
- Exhibit B -- Depiction of Fee Acquisition
- Exhibit C-1 -- Form of Grant Deed
- Exhibit D -- Affidavit of Non-foreign Taxpayer Status
- Exhibit E -- Definition of Hazardous Substances

ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

State of _____

County of _____

On _____ before me, _____
Date Name, Title of Officer

personally appeared _____
NAME(S) OF SIGNER(S)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State identified herein, that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature of Notary

ATTENTION NOTARY: Although the information requested below is **OPTIONAL**, it could prevent fraudulent attachment of this certificate to unauthorized document.

THIS CERTIFICATE Title or Type of Document _____
MUST BE ATTACHED
TO THE DOCUMENT Number of Pages _____ DATE of DOCUMENT _____
DESCRIBED AT RIGHT:
Signer(s) Other Than Named Above _____

ACCEPTANCE BY ESCROW HOLDER:

COMMONWEALTH LAND TITLE hereby acknowledges that it has received a fully executed counterpart of the foregoing Agreement for Acquisition of Real Property and Escrow Instructions and agrees to act as Escrow Holder thereunder and to be bound by and perform the terms thereof as such terms apply to Escrow Holder. By agreeing to act as Escrow Holder hereunder, Escrow Holder expressly agrees to undertake and be responsible for all withholding obligations imposed pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended and the regulations thereunder and California Revenue and Taxation Code §18662 and shall defend, indemnify and hold Buyer harmless in connection with such obligations.

Date: _____

COMMONWEALTH LAND TITLE

By: _____

Name: _____

Its: _____

Exhibit "A"
to the Grant Deed

LEGAL DESCRIPTION OF THE RIGHT OF WAY

EXHIBIT "A"
LEGAL DESCRIPTION
APN 677-420-024 DESERT WATER AGENCY
RIGHT-OF-WAY DEDICATION

RIGHT-OF-WAY AREA:

IN THE CITY OF CATHEDRAL CITY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, A PORTION OF THAT 30.00 FOOT WIDE STRIP OF LAND DESCRIBED IN GRANT DEED RECORDED JUNE 18, 1987 AS INSTRUMENT NO. 1987-173244, OF RIVERSIDE COUNTY RECORDS, LOCATED IN THE SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 4 SOUTH, RANGE 5 EAST, SAN BERNARDINO MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH QUARTER CORNER OF SAID SECTION 17, SAID POINT ALSO BEING ON THE CENTERLINE INTERSECTION OF CROSSLEY ROAD AND RAMON ROAD;

THENCE NORTH 89°48'32" EAST ALONG THE CENTERLINE OF SAID RAMON ROAD A DISTANCE OF 1177.64 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 30000.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°19'18" EAST, SAID POINT ALSO BEING THE PROLONGATION OF THE WESTERLY LINE OF SAID 30.00 FOOT STRIP OF LAND;

THENCE NORTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 00°04'53", AN ARC DISTANCE OF 42.62 FEET, TO THE SOUTHWEST CORNER OF SAID 30.00 FOOT STRIP PARCEL AND A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF SAID RAMON ROAD, A RADIAL LINE TO SAID POINT BEARS NORTH 69°14'25" EAST TO THE TRUE POINT OF BEGINNING;

THENCE NORTH 89°48'32" EAST, ALONG SAID NORTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 32.04 FEET TO THE SOUTHEAST CORNER OF SAID 30.00 FOOT STRIP PARCEL AND THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 30030.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°15'42" EAST;

THENCE ALONG THE EASTERLY LINE OF SAID 30.00 FOOT STRIP PARCEL AND NORTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 00°01'50", AN ARC DISTANCE OF 16.01 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°13'52" EAST ALSO BEING A POINT ON A LINE PARALLEL WITH SAID NORTHERLY RIGHT-OF-WAY LINE;

EXHIBIT "A"
LEGAL DESCRIPTION
APN 677-420-024 DESERT WATER AGENCY
RIGHT-OF-WAY DEDICATION

THENCE ALONG SAID PARALLEL LINE NON-TANGENT TO SAID CURVE SOUTH 89°48'32" WEST, A DISTANCE OF 32.05 FEET TO THE WESTERLY LINE OF SAID 30.00 FOOT STRIP PARCEL AND TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 30000.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°12'35" EAST;

THENCE ALONG SAID WESTERLY LINE AND SOUTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 00°01'50", AN ARC DISTANCE OF 16.00 FEET TO THE **TRUE POINT OF BEGINNING**;

SUBJECT TO EXISTING EASEMENTS, COVENANTS, RIGHTS AND RIGHTS-OF-WAY OF RECORD.

CONTAINING 481 SQUARE FEET OR 0.011 ACRES MORE OR LESS.

AS DEPICTED ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

PREPARED BY OR UNDER THE DIRECTION OF:

Charles R. Harris

CHARLES R. HARRIS

P.L.S. 4989



DATED: 11/7/2017

Exhibit "B"

to the Grant Deed

DEPICTION OF THE RIGHT OF WAY

EXHIBIT "B"

RIGHT-OF-WAY

APN 677-420-024 DESERT WATER AGENCY
SEC. 17, T.4S., R.5E., SBM

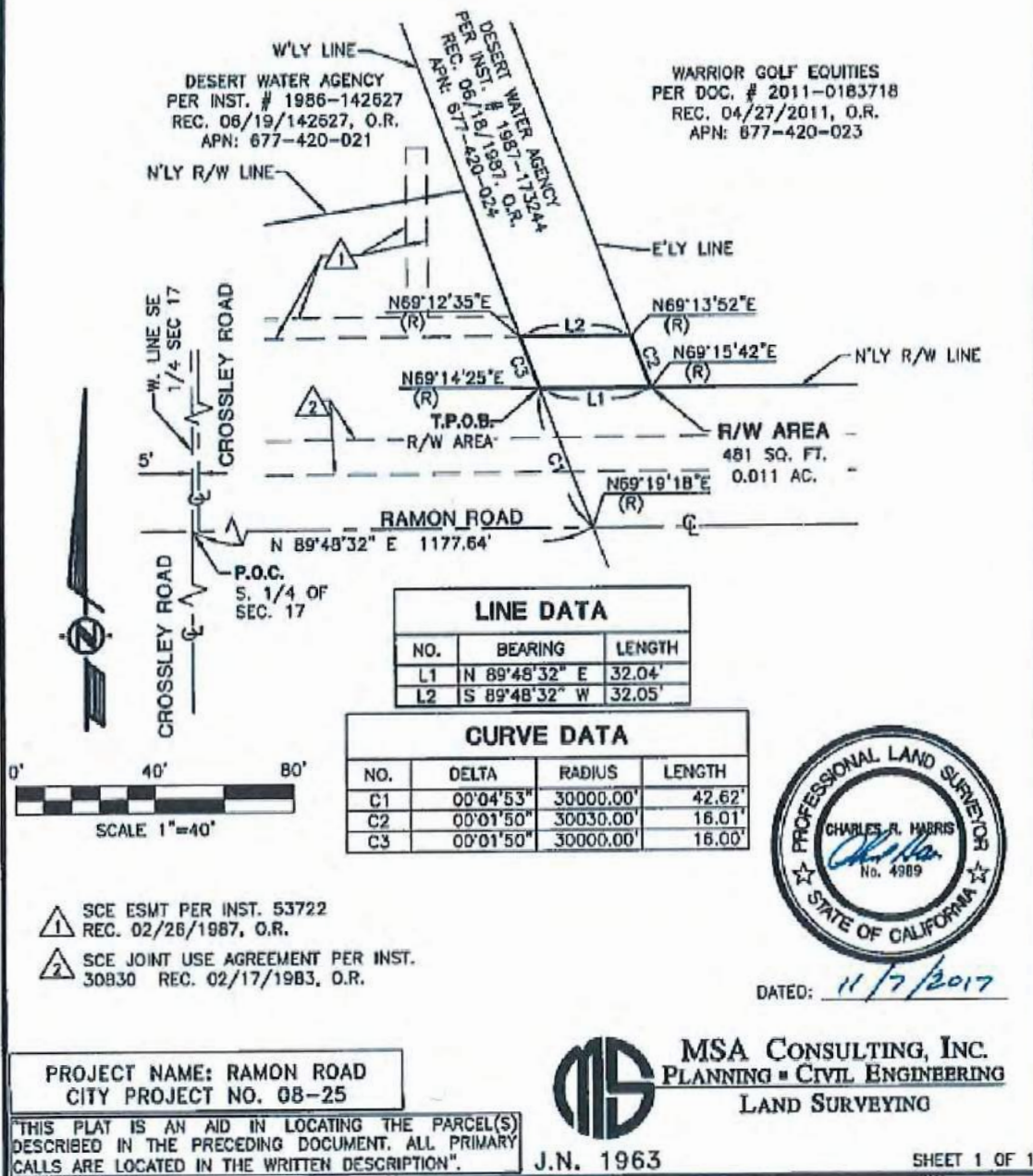


EXHIBIT "C-1"

FORM OF GRANT DEED

(Exhibit "C-1" follows this page).

EXHIBIT "C-1"

RECORDING REQUESTED BY
City of Palm Springs

WHEN RECORDED RETURN TO:

City Clerk
City of Palm Springs
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262

Exempt from recording fees
under Government Code §6103

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**GRANT DEED
(RAMON ROAD)**

APN: 677-420-024

For a valuable consideration, receipt of which is hereby acknowledged, **Desert Water Agency, A Public Agency**, (hereinafter "**Grantor**"), hereby GRANTS to the **City of Palm Springs, a California charter city and municipal corporation**, (hereinafter "**Grantee**"), all rights, title and interest in the following described property for streets, highways, sanitary sewer lines, domestic water lines, public utilities, and other appurtenant uses, together with the right to construct, maintain, repair, operate, use, dedicate or declare the same for public use, in, on, under, over and across the real property in the City of Cathedral City, Riverside County, California, more particularly described on **Exhibit "A"** and shown on **Exhibit "B"** attached hereto and incorporated herein by this reference, but reserving unto Grantor all rights of water, including groundwater.

GRANTOR:

Desert Water Agency, A Public Agency

Dated: _____

By: _____
Its: _____

By: _____
Its: _____

EXHIBIT D

DO NOT RECORD.
DO NOT SEND
TO IRS.

TRANSFeree (BUYER)
MUST RETAIN FOR
SIX YEARS AFTER
THE TRANSACTION.

**CERTIFICATION OF NON-FOREIGN
STATUS BY TRANSFEROR**

1. Section 1445 of the Internal Revenue Code provides that a transferee (Buyer) of a U. S. real property interest must withhold tax if the transferor (Seller) is a foreign person.

2. In order to inform each transferee that withholding of tax is not required upon disposition of a U. S. real property interest by _____ (hereinafter referred to as "the Transferor"), the undersigned hereby certifies, and declares by means of this certification, the following on behalf of the Transferor:

A. The one item marked below is true and correct:

_____ (I) The Transferor is not a foreign individual, foreign corporation, foreign partnership, foreign trust, or foreign estate (as these terms are defined in the Internal Revenue Code and Income Tax Regulations).

_____ (II) The Transferor is a corporation incorporated under the laws of a foreign jurisdiction but has elected to be treated as a U. S. corporation under Section 897(i) of the Internal Revenue Code, AND HAS ATTACHED TO THIS CERTIFICATE A TRUE AND GENUINE COPY OF THE ACKNOWLEDGMENT OF SUCH ELECTION ISSUED BY THE IRS.

B. The Transferor's social security number is _____.

C. The Transferor's address is _____

3. The Transferor understands that this certificate may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained in this certification may be punished by fine or imprisonment (or both).

4. The Transferor understands that each transferee is relying on this certificate in determining whether withholding is required and each transferee may face liabilities if any statement in this certificate is false.

5. The Transferor hereby indemnifies each transferee, and agrees to defend and hold each transferee harmless, from any liability, cost, damage, or expense which such transferee may incur as a result of:

A. the Transferor's failure to pay any U. S. Federal income tax which the Transferor is required to pay under applicable U. S. law, or

B. any false or misleading statement contained herein.

Under penalties of perjury, I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct, and complete; I further declare that I have authority to sign this document on behalf of the Transferor.

EXECUTED in _____ County, State of _____

on _____.

Transferor: _____

By: _____

Title: _____

EXHIBIT E

HAZARDOUS SUBSTANCE DEFINITION

The term "Hazardous Substance" as used in this Agreement shall mean any toxic or hazardous substance, material or waste or any pollutant or contaminant or infectious or radioactive material, including but not limited to those substances, materials or wastes regulated now or in the future under any of the statutes or regulations listed below and any and all of those substances included within the definitions of "hazardous substances", "hazardous materials", "hazardous waste", "hazardous chemical substance or mixture", "imminently hazardous chemical substance or mixture", "toxic substances", "hazardous air pollutant", "toxic pollutant" or "solid waste" in the statutes or regulations listed below. Hazardous Substances shall also mean any and all other similar terms defined in other federal state and local laws, statutes, regulations, orders or rules and materials and wastes which are, or in the future become, regulated under applicable local, state or federal law for the protection of health or the environment or which are classified as hazardous or toxic substances, materials or waste, pollutants or contaminants, as defined, listed or regulated by any federal, state or local law, regulation or order or by common law decision, including, without limitation, (i) trichloroethylene, tetrachloroethylene, perchloroethylene and other chlorinated solvents, (ii) any petroleum products or fractions thereof, (iii) asbestos, (iv) polychlorinated biphenyls, (v) flammable explosives, (vi) urea formaldehyde, and (vii) radioactive materials and waste.

In addition, a Hazardous Substance shall include:

(1) A "Hazardous Substance", "Hazardous Material", "Hazardous Waste", or "Toxic Substance" under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801, et seq., or the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901, et seq.;

(2) "Oil" or a "Hazardous Substance" listed or identified pursuant to § 311 of the Federal Water Pollution Control Act, 33 U.S.C. § 1321, as well as any other hydrocarbonic substance or by-product;

(3) Listed by the State of California as a chemical known by the State to cause cancer or reproductive toxicity;

(4) A material which due to its characteristics or interaction with one or more other substances, chemical compounds, or mixtures, damages or threatens to damage, health, safety, or the environment, or is required by any law or public agency to be remediated, including remediation which such law or public agency requires in order for the property to be put to any lawful purpose;

(5) Any material the presence of which would require remediation, whether or not the presence of such material resulted from a leaking underground fuel tank;

(6) Pesticides regulated under the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. §§ 136 et seq.;

(7) Asbestos, PCBs, and other substances regulated under the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq.;

(8) Any radioactive material including, without limitation, any "source material", "special nuclear material", "by-product material", "low-level wastes", "high-level radioactive waste", "spent nuclear fuel" or "transuranic waste", and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act, 42 U.S.C. §§ 2011 et seq., or the Nuclear Waste Policy Act, 42 U.S.C. §§ 10101 et seq.

(9) Industrial process and pollution control wastes, whether or not "hazardous" within the meaning of the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq.;

All other laws, ordinances, codes, statutes, regulations, administrative rules, policies and orders, promulgated pursuant to said foregoing statutes and regulations or any amendments or replacement thereof, provided such amendments or replacements shall in no way limit the original scope and/or definition of Hazardous Substance defined herein.

RECORDING REQUESTED BY

City of Palm Springs

WHEN RECORDED RETURN TO:

City Clerk
City of Palm Springs
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262

**Exempt from recording fees
under Government Code §6103**

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**GRANT DEED
(RAMON ROAD)**

APN: 677-420-024

For a valuable consideration, receipt of which is hereby acknowledged, **Desert Water Agency, A Public Agency**, (hereinafter "**Grantor**"), hereby GRANTS to the **City of Palm Springs, a California charter city and municipal corporation**, (hereinafter "**Grantee**"), all rights, title and interest in the following described property for streets, highways, sanitary sewer lines, domestic water lines, public utilities, and other appurtenant uses, together with the right to construct, maintain, repair, operate, use, dedicate or declare the same for public use, in, on, under, over and across the real property in the City of Cathedral City, Riverside County, California, more particularly described on **Exhibit "A"** and shown on **Exhibit "B"** attached hereto and incorporated herein by this reference, but reserving unto Grantor all rights of water, including groundwater.

GRANTOR:

Desert Water Agency, A Public Agency

Dated: _____

By: _____

Its: _____

By: _____

Its: _____

ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

State of _____

County of _____

On _____ before me, _____,
Date Name, Title of Officer

personally appeared _____,
NAME(S) OF SIGNER(S)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State identified herein, that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature of Notary

ATTENTION NOTARY: Although the information requested below is **OPTIONAL**, it could prevent fraudulent attachment of this certificate to unauthorized document.

THIS CERTIFICATE Title or Type of Document _____
MUST BE ATTACHED
TO THE DOCUMENT Number of Pages _____ DATE of DOCUMENT _____
DESCRIBED AT RIGHT:
Signer(s) Other Than Named Above _____

Exhibit "A"

LEGAL DESCRIPTION OF THE EASEMENT AREA

(see attached)

EXHIBIT "A"
LEGAL DESCRIPTION
APN 677-420-024 DESERT WATER AGENCY
RIGHT-OF-WAY DEDICATION

RIGHT-OF-WAY AREA:

IN THE CITY OF CATHEDRAL CITY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, A PORTION OF THAT 30.00 FOOT WIDE STRIP OF LAND DESCRIBED IN GRANT DEED RECORDED JUNE 18, 1987 AS INSTRUMENT NO. 1987-173244, OF RIVERSIDE COUNTY RECORDS, LOCATED IN THE SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 4 SOUTH, RANGE 5 EAST, SAN BERNARDINO MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH QUARTER CORNER OF SAID SECTION 17, SAID POINT ALSO BEING ON THE CENTERLINE INTERSECTION OF CROSSLEY ROAD AND RAMON ROAD;

THENCE NORTH 89°48'32" EAST ALONG THE CENTERLINE OF SAID RAMON ROAD A DISTANCE OF 1177.64 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 30000.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°19'18" EAST, SAID POINT ALSO BEING THE PROLONGATION OF THE WESTERLY LINE OF SAID 30.00 FOOT STRIP OF LAND;

THENCE NORTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 00°04'53", AN ARC DISTANCE OF 42.62 FEET, TO THE SOUTHWEST CORNER OF SAID 30.00 FOOT STRIP PARCEL AND A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF SAID RAMON ROAD, A RADIAL LINE TO SAID POINT BEARS NORTH 69°14'25" EAST TO THE **TRUE POINT OF BEGINNING**;

THENCE NORTH 89°48'32" EAST, ALONG SAID NORTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 32.04 FEET TO THE SOUTHEAST CORNER OF SAID 30.00 FOOT STRIP PARCEL AND THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 30030.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°15'42" EAST;

THENCE ALONG THE EASTERLY LINE OF SAID 30.00 FOOT STRIP PARCEL AND NORTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 00°01'50", AN ARC DISTANCE OF 16.01 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°13'52" EAST ALSO BEING A POINT ON A LINE PARALLEL WITH SAID NORTHERLY RIGHT-OF-WAY LINE;

EXHIBIT "A"
LEGAL DESCRIPTION
APN 677-420-024 DESERT WATER AGENCY
RIGHT-OF-WAY DEDICATION

THENCE ALONG SAID PARALLEL LINE NON-TANGENT TO SAID CURVE SOUTH 89°48'32" WEST, A DISTANCE OF 32.05 FEET TO THE WESTERLY LINE OF SAID 30.00 FOOT STRIP PARCEL AND TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 30000.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°12'35" EAST;

THENCE ALONG SAID WESTERLY LINE AND SOUTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 00°01'50", AN ARC DISTANCE OF 16.00 FEET TO THE **TRUE POINT OF BEGINNING**;

SUBJECT TO EXISTING EASEMENTS, COVENANTS, RIGHTS AND RIGHTS-OF-WAY OF RECORD.

CONTAINING 481 SQUARE FEET OR 0.011 ACRES MORE OR LESS.

AS DEPICTED ON **EXHIBIT "B"** ATTACHED HERETO AND MADE A PART HEREOF.

PREPARED BY OR UNDER THE DIRECTION OF:

Charles R. Harris

CHARLES R. HARRIS

P.L.S. 4989



DATED: 11/7/2017

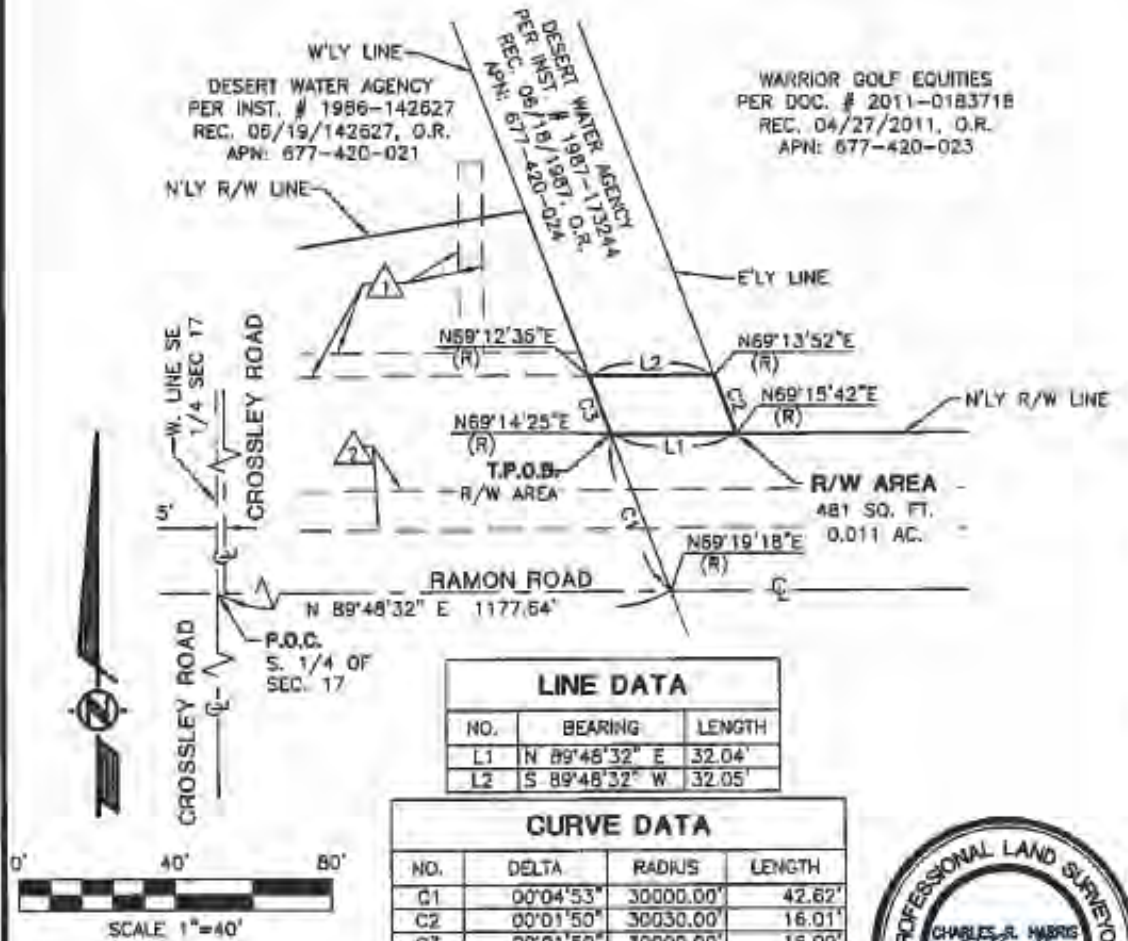
Exhibit “B”

DEPICTION OF THE EASEMENT AREA

(see attached)

EXHIBIT "B"

RIGHT-OF-WAY
APN 877-420-024 DESERT WATER AGENCY
SEC. 17, T.4S., R.5E., SBM



- 1 SCE ESMT PER INST. 53722
REC. 02/26/1987, O.R.
- 2 SCE JOINT USE AGREEMENT PER INST.
30830 REC. 02/17/1983, O.R.



DATED: 11/7/2017

PROJECT NAME: RAMON ROAD
CITY PROJECT NO. 08-25



MSA CONSULTING, INC.
PLANNING • CIVIL ENGINEERING
LAND SURVEYING

"THIS PLAT IS AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE PRECEDING DOCUMENT. ALL PRIMARY CALLS ARE LOCATED IN THE WRITTEN DESCRIPTION".

J.N. 1963

SHEET 1 OF 1

TEMPORARY CONSTRUCTION EASEMENT AGREEMENT

PROJECT: Ramon Road Widening Project
Federal Project No. BHLS-5282(040)

APN(s): 677-420-024

TEMPORARY CONSTRUCTION EASEMENT AGREEMENT, (the "**Agreement**"), is hereby made this ____ day of _____, 20____, by and between the **City of Palm Springs, a California charter city and municipal corporation**, organized and existing in the County of Riverside, under and by virtue of the laws of the State of California, hereinafter designated as the "**City**" and/or "**Grantee**", **Desert Water Agency, A Public Agency**, hereinafter designated as the "**Grantor**". City/Grantee and Grantor are individually referred to as "**Party**" and are collectively referred to as the "**Parties**".

RECITALS

A. Grantor is the owner of certain real property located in the City of Cathedral City, (the "**City**"), the County of Riverside, (the "**County**"), State of California, (the "**State**"), which is identified by Assessor Parcel Number(s) **677-420-024**, (referred to as the "**Property**").

B. Grantee desires to obtain from Grantor a temporary construction easement over a portion of the Property, and Grantor hereby agrees to authorize Grantee and its assignees, including its contractor(s), to enter, for a limited duration and term subject to the conditions herein this Agreement, a portion of the Property as described on the attached legal description, referenced as Exhibit "A", and shown on the attached map, referenced as Exhibit "B", (the "**Easement Area**"), which are attached hereto and incorporated herein by reference.

C. The Parties desire by this Agreement to provide the terms and conditions for the Grantee's acquisition from Grantor of a Temporary Construction Easement, as defined below, over the Easement Area.

AGREEMENT

NOW, THEREFORE, in consideration of performance by the Parties of the promises, covenants, and conditions herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Grantor hereby grants to City and its assignees, including its contractor(s), the right to enter upon and use Grantor's Property in the City of Cathedral City, Riverside County, State of California, described as Assessor's Parcel Number(s) **677-420-024** for all purposes necessary to facilitate and accomplish the construction and installation of various public street improvements ("**Temporary Construction Easement**") associated with the **Ramon Road Widening Project, Federal Project No. BHLS-5282(040)**, ("**Project**").

2. The Temporary Construction Easement, used during construction of the Project consists of approximately 1,293 square feet as described on the attached legal description, referenced as Exhibit "A", and shown on the attached map, referenced as Exhibit "B" (hereinafter the "Easement Area").
3. It is agreed and confirmed by the parties hereto that notwithstanding other provisions in this Agreement, the right of possession and use of the Easement Area by the Grantee, including the right to remove and dispose of improvements, shall commence on June 30, 2019 or the close of escrow controlling this transaction, whichever occurs first, and the amount shown in Section 14 herein includes, but is not limited to, full payment for such possession and use, including damages, if any, from said date. Temporary Construction Easement will expire on June 30, 2024. Upon the City's recordation of a Notice of Completion for the Project with the Riverside County Recorder's Office, the Temporary Construction Easement granted herein shall be automatically surrendered by Grantee, and Grantee's interests thereto shall be automatically reverted to Grantor as if quitclaimed by Grantee and shall no longer represent any title interest of or to Grantor's Property. Nevertheless, if requested by Grantor following such termination, City will execute a quitclaim deed confirming such termination.
4. The rights granted herein include the right to enter upon and to pass and repass over and along the Easement Area, and to deposit tools, implements and other materials thereon by City, or its successors and assigns, its officers, agents and employees, and by persons or entities under contract with City, its successors and assigns, wherever and whenever necessary for the purpose of completing the Project in accordance with applicable laws. The City's activities may involve surveying, staking, excavation, grading, and other related uses that are reasonably required to construct the Project. City agrees not to damage Grantor's property in the process of performing such activities. At all times during the term of this Agreement (and during construction of the Project), Grantor's property will remain accessible for Grantor's ingress and egress.
5. At the termination of the period of use of Grantor's land by City, but before its relinquishment to Grantor, debris generated by City's use will be removed and the surface will be graded, if applicable, and left in a neat condition.
6. Grantee, or Grantee's Contractors, will relocate, if necessary, the sign located within the Temporary Construction Easement to a mutually agreed upon location. Grantee agrees to relocate sign at their expense.
7. Any notice to be given or other document or documents to be delivered to either Party by the other hereunder may be delivered in person or may be deposited in the United States Mail in the State of California, duly registered or certified, with postage prepaid, and addressed as follows:

If to Grantee, to:

Attn: City Clerk
City of Palm Springs
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262
Facsimile No.: (760) 322-8332
Telephone No.: (760) 323-8204

If to Grantor, to:

Desert Water Agency
Attn. Mark S. Krause
1200 S. Gene Autry Trl.
Palm Springs, CA 92264

8. To the extent permitted by law, City (or its contractor) shall indemnify, defend and hold harmless Grantor from all losses, liabilities, costs, damages, expenses, causes of action, suits, claims or judgments, including attorney's fees and costs, (collectively, "Claims") arising directly out of or in connection with any act or omission of City, its employees, representatives, agents, suppliers or subcontractors, pursuant to this Agreement or otherwise, provided, however, that the foregoing duty to defend, indemnify and hold harmless the Grantor from and against any Claims shall not apply to any Claims arising from the negligence or intentional misconduct of Grantor.
9. Grantor hereby warrants that they are the owners of the Property described above and that they have the right to grant City, its successors or assigns, permission to enter upon and use the Easement Area.
10. This Agreement is the result of negotiations between the Parties hereto. This Agreement is intended by the Parties as a final expression of their understanding with respect to the matters herein, and is a complete and exclusive statement of the terms and conditions thereof.
11. This Agreement shall not be changed, modified, or amended except upon the written consent of the Parties hereto.
12. This Agreement supersedes any and all other prior agreements or understandings, oral or written, in connection therewith.
13. Grantor, its assigns and successors in interest, shall be bound by all the terms and conditions contained in this Agreement, and all the Parties thereto shall be jointly and severally liable thereunder in accordance with Civil Code Section 1468.

14. City shall pay to Grantor the total sum of **Two Thousand Four Hundred Fifty-Seven dollars and no cents (\$2,457.00)**, (the "**Rental Price**"), for the right to enter upon and use Grantor's land in accordance with the terms hereof. Grantor hereby expressly and unconditionally waives any and all claims for damages, relocation assistance benefits, severance damages, interest, loss of goodwill, claims for inverse condemnation or unreasonable pre-condemnation conduct, or any other compensation or benefits, other than for payment of the Rental Price, it being understood that the Rental Price constitutes complete and full settlement of all acquisition claims, liabilities, or benefits of any type or nature whatsoever, whether known or unknown as of the date of this Agreement, relating to or in connection with the Temporary Construction Easement or any other rights granted under this Agreement. Payment shall be made within thirty (30) days after execution of this Agreement, or pursuant to the terms of and through the close of escrow if acquisition of the Temporary Construction Easement is associated with the City's acquisition from Grantor of permanent right-of-way over a portion of the Property.

Grantor hereby acknowledges that it has been advised by its attorney and is familiar with the provisions of California Civil Code section 1542, which provides as follows:

"A general release does not extend to claims which the Creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

By signing below, Grantor acknowledges that it may have sustained damage, loss, costs or expenses which are presently unknown and unsuspected, and such damage, loss, costs or expenses which may have been sustained, may give rise to additional damage, loss, costs or expenses in the future. Nevertheless, Grantor hereby acknowledges that this Agreement has been negotiated and agreed upon in light of that situation, and hereby expressly waives any and all rights which it may have under California Civil Code section 1542, or under any statute or common law or equitable principle of similar effect, except as set forth in this Section 14.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

GRANTEE:

CITY OF PALM SPRINGS, a California charter city and municipal corporation

By: _____
David H. Ready, City Manager

ATTEST:

By: _____
Anthony Mejia, City Clerk

APPROVED AS TO FORM:

By: _____
Edward Kotkin, City Attorney

Exhibit List

Exhibit A -- Legal Description of the Easement Area
Exhibit B -- Depiction of Easement Area

Exhibit "A"

LEGAL DESCRIPTION OF THE EASEMENT AREA

EXHIBIT "A"
LEGAL DESCRIPTION
APN 677-420-024 DESERT WATER AGENCY
TEMPORARY CONSTRUCTION EASEMENT

TEMPORARY CONSTRUCTION EASEMENT AREA:

IN THE CITY OF CATHEDRAL CITY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, A PORTION OF THAT 30.00 FOOT WIDE STRIP OF LAND DESCRIBED IN GRANT DEED RECORDED JUNE 18, 1987 AS INSTRUMENT NO. 1987-173244, OF RIVERSIDE COUNTY RECORDS, LOCATED IN THE SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 4 SOUTH, RANGE 5 EAST, SAN BERNARDINO MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH QUARTER CORNER OF SAID SECTION 17;

THENCE NORTH 89°48'32" EAST, A DISTANCE OF 1177.64 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 30,000.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°19'18" EAST, SAID POINT ALSO BEING THE PROLONGATION OF THE WESTERLY LINE OF SAID 30.00 FOOT STRIP OF LAND;

THENCE NORTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 00°06'43", AN ARC DISTANCE OF 58.61 FEET TO THE TRUE POINT OF BEGINNING, A RADIAL LINE TO SAID POINT BEARS NORTH 69°12'35" EAST;

THENCE CONTINUING NORTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 00°04'56", AN ARC DISTANCE OF 43.05 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°07'39" EAST;

THENCE NON-TANGENT TO SAID CURVE NORTH 89°41'41" EAST, A DISTANCE OF 32.04 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 30,030.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°08'56" EAST;

THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 00°04'56", AN ARC DISTANCE OF 43.09 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°13'52" EAST;

THENCE NON-TANGENT TO SAID CURVE SOUTH 89°48'32" WEST, A DISTANCE OF 32.05 FEET, TO THE TRUE POINT OF BEGINNING;

SUBJECT TO EXISTING EASEMENTS, COVENANTS, RIGHTS AND RIGHTS-OF-WAY OF RECORD.

CONTAINING 1,283 SQUARE FEET OR 0.030 ACRES MORE OR LESS.

EXHIBIT "A"
LEGAL DESCRIPTION
APN 677-420-024 DESERT WATER AGENCY
TEMPORARY CONSTRUCTION EASEMENT

AS DEPICTED ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

PREPARED BY OR UNDER THE DIRECTION OF:

Charles R. Harris
CHARLES R. HARRIS P.L.S. 4989



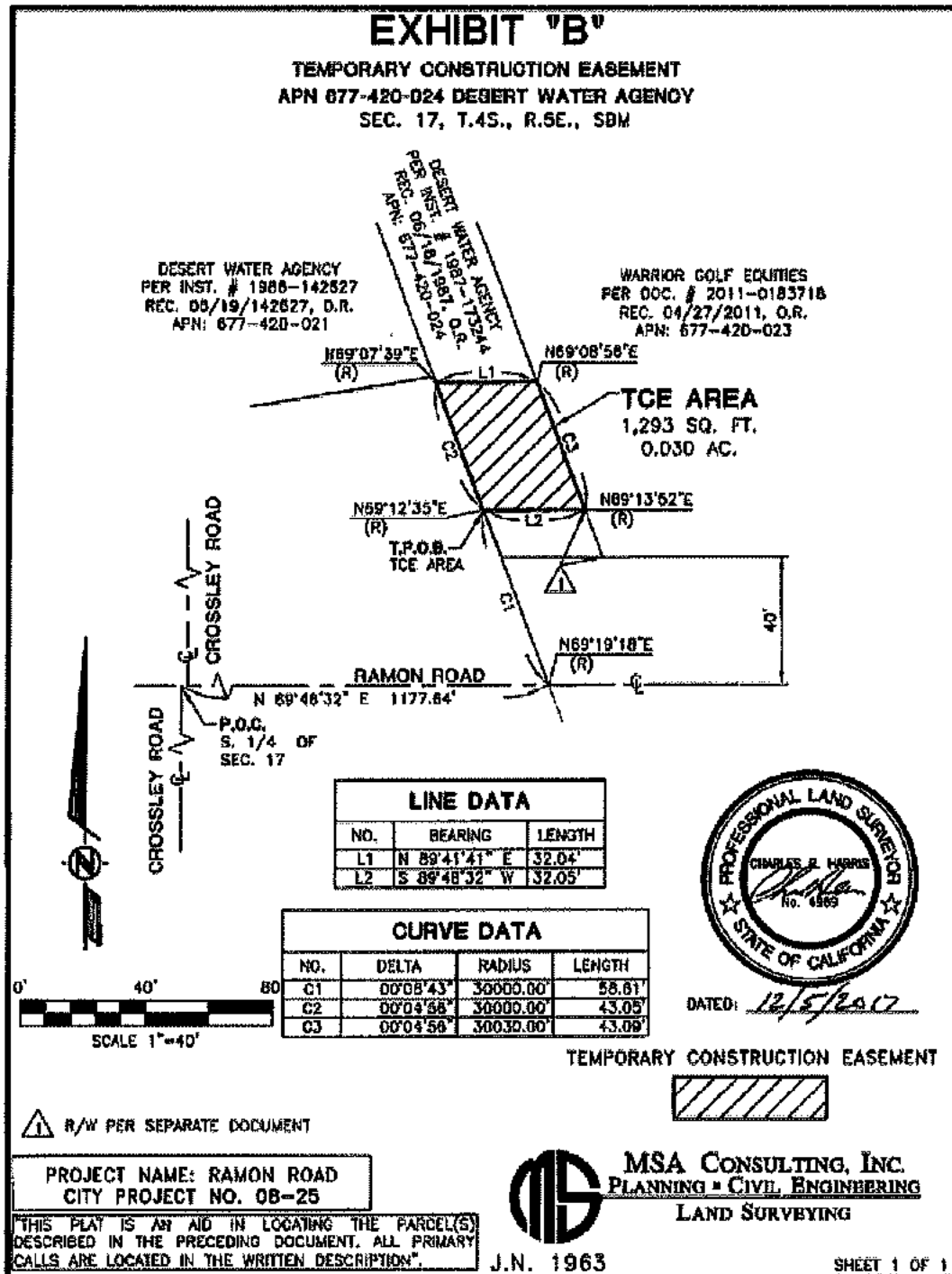
DATED: 12/5/2017

Exhibit "B"

DEPICTION OF THE EASEMENT AREA

Exhibit "B"

DEPICTION OF THE EASEMENT AREA



ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF _____)
) ss.
COUNTY OF _____)

On _____, before me, _____, Notary
Public, _____ personally _____ appeared
_____, who proved to me on
the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they
executed the same in his/her/their authorized capacity(ies), and that by
his/her/their signature(s) on the instrument the person(s), or the entity upon
behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California
that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

My Commission Expires: _____ *This area for official
notarial seal*

RECORDING REQUESTED BY:

City of Palm Springs

WHEN RECORDED RETURN TO:

City Clerk
City of Palm Springs
3200 E. Tahquitz Canyon Way
Palm Springs, CA 922624

**Exempt from recording fees
under Government Code § 6103**

APN: 677-420-024

(Space above this line reserved for Recorder's use)

TEMPORARY CONSTRUCTION EASEMENT

For a valuable consideration receipt of which is hereby acknowledged, **Desert Water Agency, A Public Agency** (hereinafter "**Grantor**") hereby grants unto **City of Palm Springs, a California charter city and municipal corporation**, organized and existing in the County of Riverside, under and by virtue of the laws of the State of California, (hereinafter "**City**" and/or "**Grantee**"), its successors and assigns, the exclusive right, on a temporary basis, to enter and utilize certain real property in the City of Cathedral City, County of Riverside, State of California described in **Exhibit "A"** and depicted in **Exhibit "B"**, attached hereto and made part hereof (the "**Property**").

This TEMPORARY CONSTRUCTION EASEMENT is for the purpose of constructing the **Ramon Road Widening Project, Federal Project No. BHLS-5282(040)**, a public project (the "**Project**"), and gives City, its successors and assigns, including City's contractor(s), the power to perform all activities necessary for the construction and completion of the Project, inclusive of ingress and egress, and necessary appurtenances thereto, in, over, across, along, through and under the Property.

It is understood that said TEMPORARY CONSTRUCTION EASEMENT shall expire June 30, 2024 or five years (5) after the close of escrow controlling this transaction, whichever occurs first. At the expiration of the Temporary Construction Easement, City shall restore the easement area to a condition substantially the same condition as existed before construction to the extent feasible, unless otherwise agreed to by the Grantor.

Executed this ____ day of _____, 20__

GRANTOR: Desert Water Agency, A Public Agency

By: _____

By: _____

Its: _____

Its: _____

ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

State of _____

County of _____

On _____ before me, _____,
Date Name, Title of Officer

personally appeared _____,
NAME(S) OF SIGNER(S)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State identified herein, that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature of Notary

ATTENTION NOTARY: Although the information requested below is **OPTIONAL**, it could prevent fraudulent attachment of this certificate to unauthorized document.

THIS CERTIFICATE Title or Type of Document _____
MUST BE ATTACHED
TO THE DOCUMENT Number of Pages _____ DATE of DOCUMENT _____
DESCRIBED AT RIGHT:
Signer(s) Other Than Named Above _____

Exhibit "A"

LEGAL DESCRIPTION OF THE EASEMENT AREA

(see attached)

EXHIBIT "A"
LEGAL DESCRIPTION
APN 677-420-024 DESERT WATER AGENCY
TEMPORARY CONSTRUCTION EASEMENT

TEMPORARY CONSTRUCTION EASEMENT AREA:

IN THE CITY OF CATHEDRAL CITY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, A PORTION OF THAT 30.00 FOOT WIDE STRIP OF LAND DESCRIBED IN GRANT DEED RECORDED JUNE 18, 1987 AS INSTRUMENT NO. 1987-173244, OF RIVERSIDE COUNTY RECORDS, LOCATED IN THE SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 4 SOUTH, RANGE 5 EAST, SAN BERNARDINO MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH QUARTER CORNER OF SAID SECTION 17;

THENCE NORTH 89°48'32" EAST, A DISTANCE OF 1177.64 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 30,000.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°19'18" EAST, SAID POINT ALSO BEING THE PROLONGATION OF THE WESTERLY LINE OF SAID 30.00 FOOT STRIP OF LAND;

THENCE NORTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 00°06'43", AN ARC DISTANCE OF 58.61 FEET TO THE **TRUE POINT OF BEGINNING**, A RADIAL LINE TO SAID POINT BEARS NORTH 69°12'35" EAST;

THENCE CONTINUING NORTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 00°04'56", AN ARC DISTANCE OF 43.05 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°07'39" EAST;

THENCE NON-TANGENT TO SAID CURVE NORTH 89°41'41" EAST, A DISTANCE OF 32.04 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 30,030.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°08'56" EAST;

THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 00°04'56", AN ARC DISTANCE OF 43.09 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 69°13'52" EAST;

THENCE NON-TANGENT TO SAID CURVE SOUTH 89°48'32" WEST, A DISTANCE OF 32.05 FEET, TO THE **TRUE POINT OF BEGINNING**;

SUBJECT TO EXISTING EASEMENTS, COVENANTS, RIGHTS AND RIGHTS-OF-WAY OF RECORD.

CONTAINING 1,293 SQUARE FEET OR 0.030 ACRES MORE OR LESS.

EXHIBIT "A"
LEGAL DESCRIPTION
APN 677-420-024 DESERT WATER AGENCY
TEMPORARY CONSTRUCTION EASEMENT

AS DEPICTED ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

PREPARED BY OR UNDER THE DIRECTION OF:

Charles R. Harris

CHARLES R. HARRIS

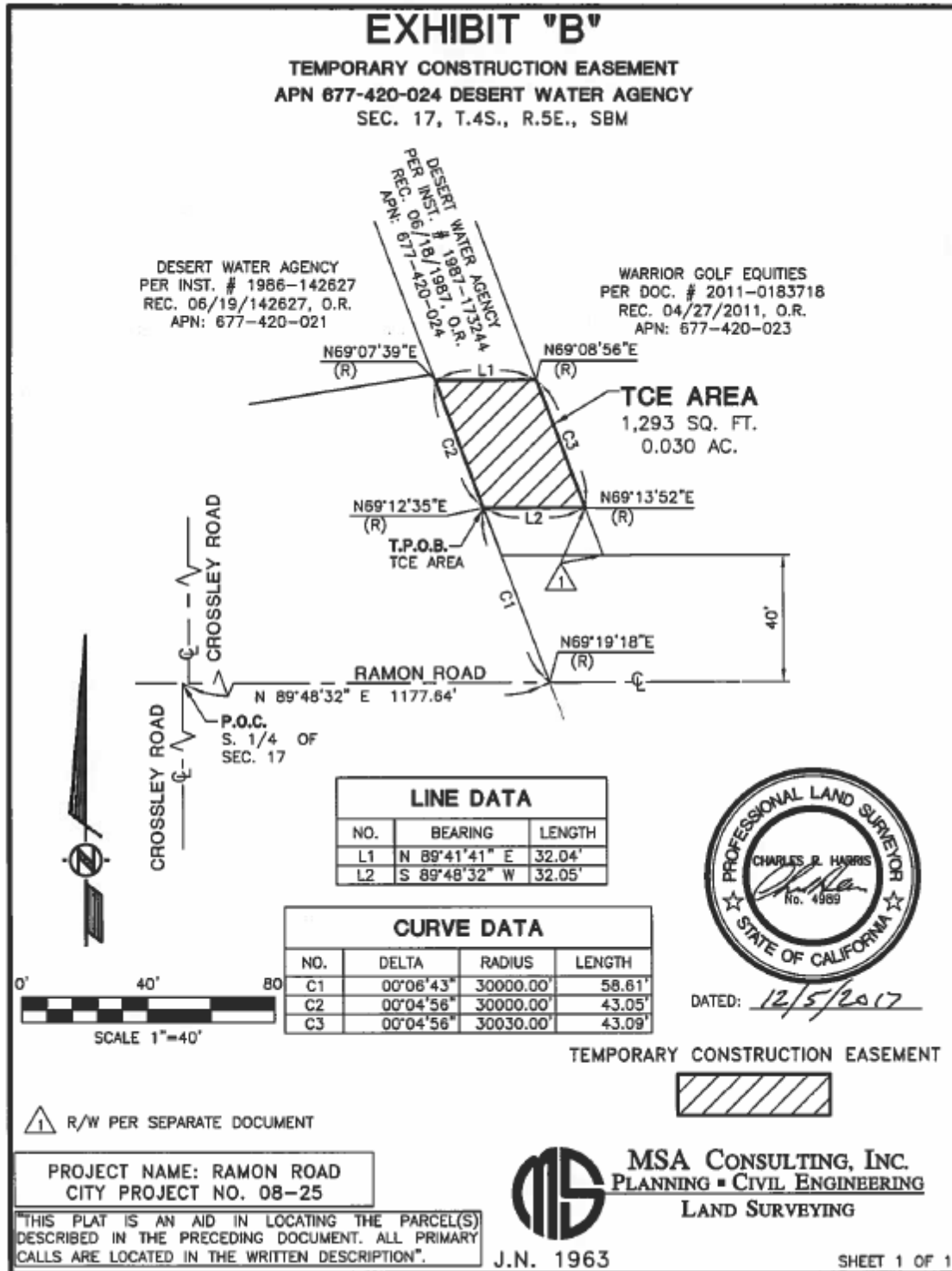
P.L.S. 4989



DATED: 12/5/2017

Exhibit "B"

DEPICTION OF THE EASEMENT AREA



October 18, 2018

MEMORANDUM

TO: GENERAL MANAGER AND BOARD OF DIRECTORS
OF DESERT WATER AGENCY

FROM: BEST BEST & KRIEGER LLP

RE: OCTOBER 18, 2018 MEETING OF THE BOARD OF DIRECTORS OF THE
STATE WATER CONTRACTORS

The October 18, 2018 meeting of the Board of Directors of the State Water Contractors (SWC) was conducted at the Tsakopoulos Library Galleria in downtown Sacramento.

1. Closed Session. The meeting began with a lengthy closed session, the content of which cannot be publicly disclosed at this time. Topics that were discussed include efforts to voluntarily settle disagreements over issues involved in the proposed Delta Water Quality Control Plan, renegotiation of the Coordinated Operations Agreement with the Bureau of Reclamation for operation of the State Water Project and the Central Valley Project, and the re-consultation process for biological opinions rendered for endangered species in the Delta. Discussions are moving quickly on all fronts, and soon it may be necessary for each individual Contractor to approve proposed agreements, possibly during the first week in November.

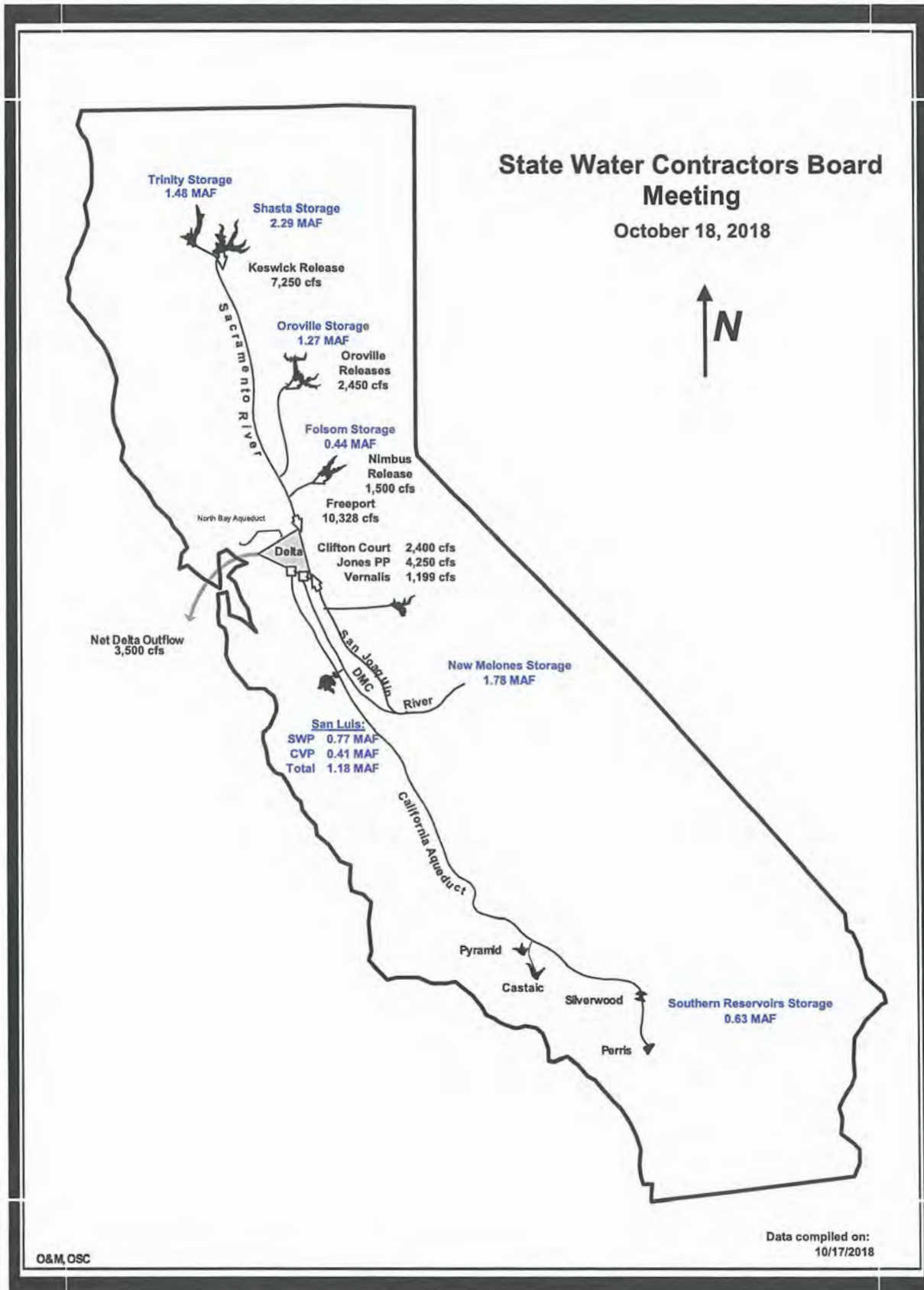
2. Board Action Items. The SWC Board took action in open session on a number of items. The Board authorized execution of a cost sharing agreement with Metropolitan Water District of Southern California for a contract with the United States Geological Survey to study the relationship between the Longfin Smelt and turbidity to improve understanding of how physical habitat features influence the distribution of Longfin Smelt. The study will examine horizontal location within a waterway as well as vertical location, and may influence how trawls are conducted to determine smelt populations within the waterway. The SWC Board also approved an exemption from an overhead cap for an agreement with the United States Geological Survey to conduct a winter run Chinook salmon acoustic telemetry analysis. The Board authorized execution of an agreement with ICF to perform a Delta Smelt pre-screen loss study, and also an agreement with ICF to conduct a Longfin Smelt coastal tributary study to

examine Longfin Smelt populations in tributaries north of the San Francisco Bay, all the way up to Canada.

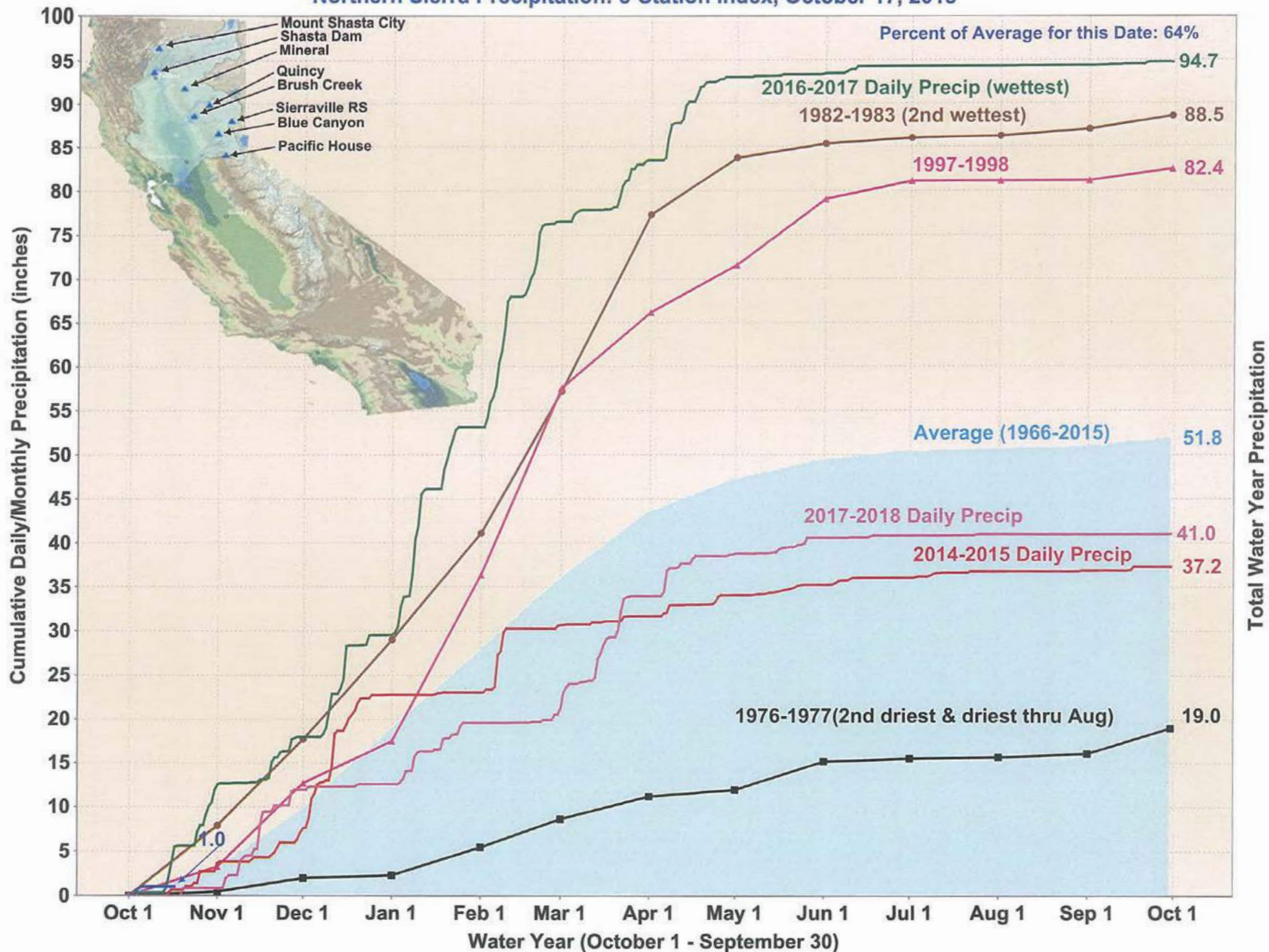
3. Energy Update. An energy cost update was provided by Gassan AlQaser regarding escalating energy costs. The presentation was lengthy and detailed, but the short version is that energy transmission rates are escalating quickly due to a build out of new transmission lines to transport energy from new renewable energy generating facilities, consistent with the State's renewable energy policy. One possible option for dealing with this escalation in transmission costs would be for DWR to examine transmission alternatives outside of the Cal-ISO. However, that would not be easy, and the options would be expensive. It was also reported that DWR is investigating new renewable energy contracts to replace existing contracts with small hydro power generators, which are about to expire.

4. Water Supply Update. As of the date of the meeting, water storage at Lake Oroville was at 1.27 million acre feet. Water was being released from Lake Oroville into the Feather River at the rate of 2,450 cubic feet per second. The ten day forecast was for below normal precipitation. Storage at the San Luis Reservoir was at 770,000 acre feet for the State's share, and 410,000 for the Federal share, resulting in total storage of approximately 1.18 million acre feet. A mild El Niño condition is currently expected for the upcoming year, but that does not provide a good indicator of whether anticipated precipitation this year will be greater or less than average. DWR reported that it expects Lake Perris to be filled by the end of this year, or by the end of January of next year at the latest.

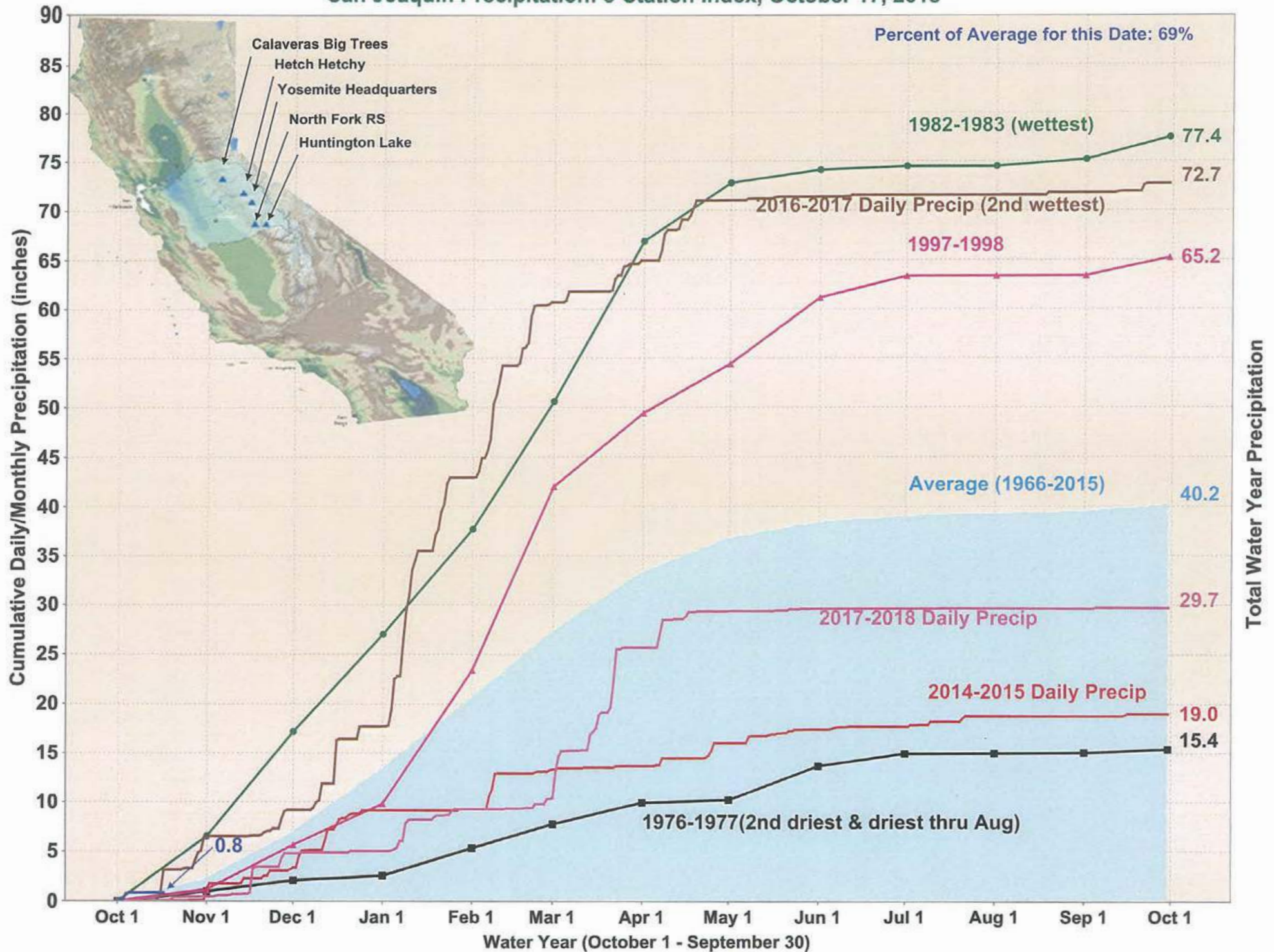
MICHAEL T. RIDDELL



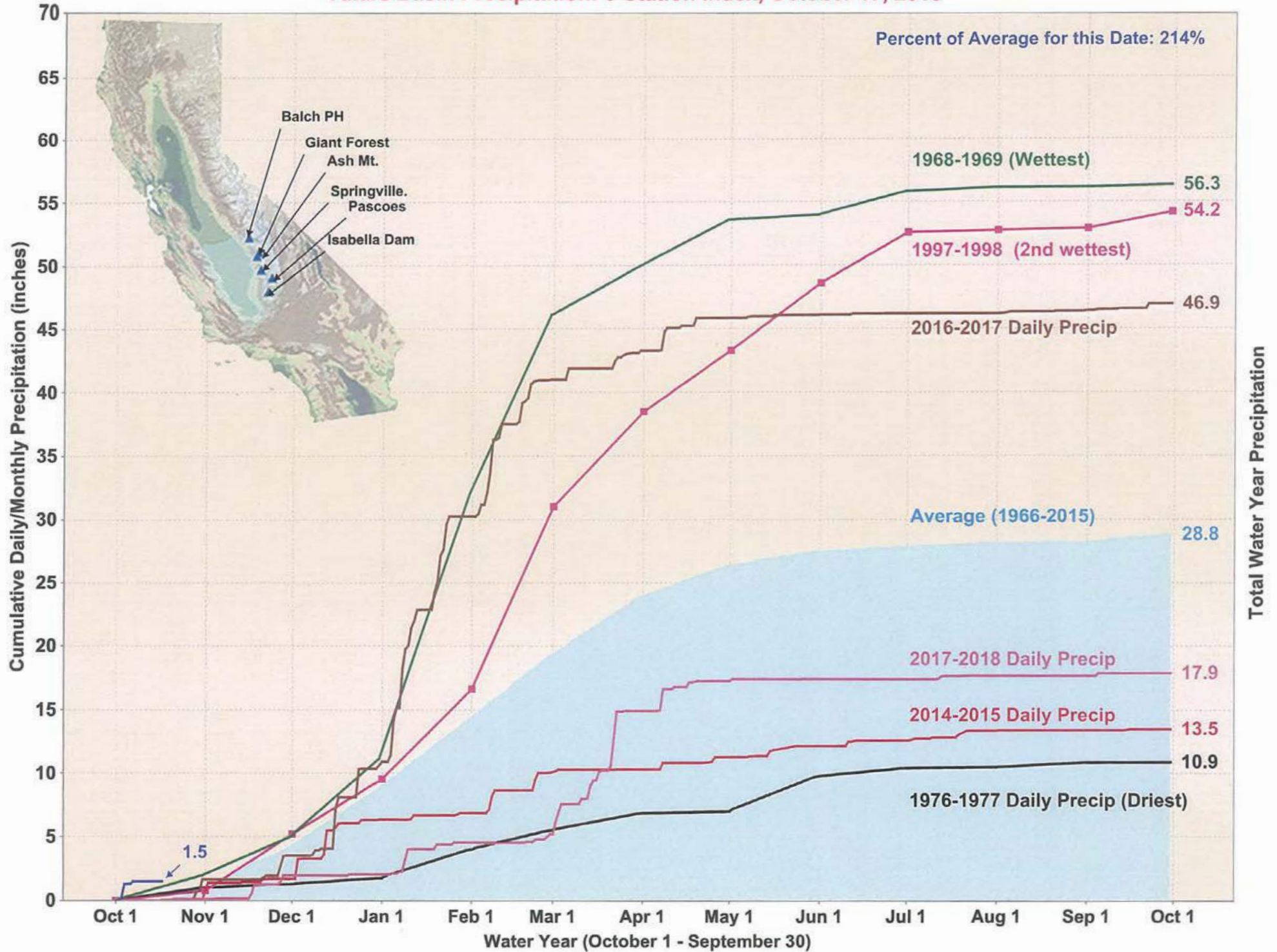
Northern Sierra Precipitation: 8-Station Index, October 17, 2018



San Joaquin Precipitation: 5-Station Index, October 17, 2018



Tulare Basin Precipitation: 6-Station Index, October 17, 2018

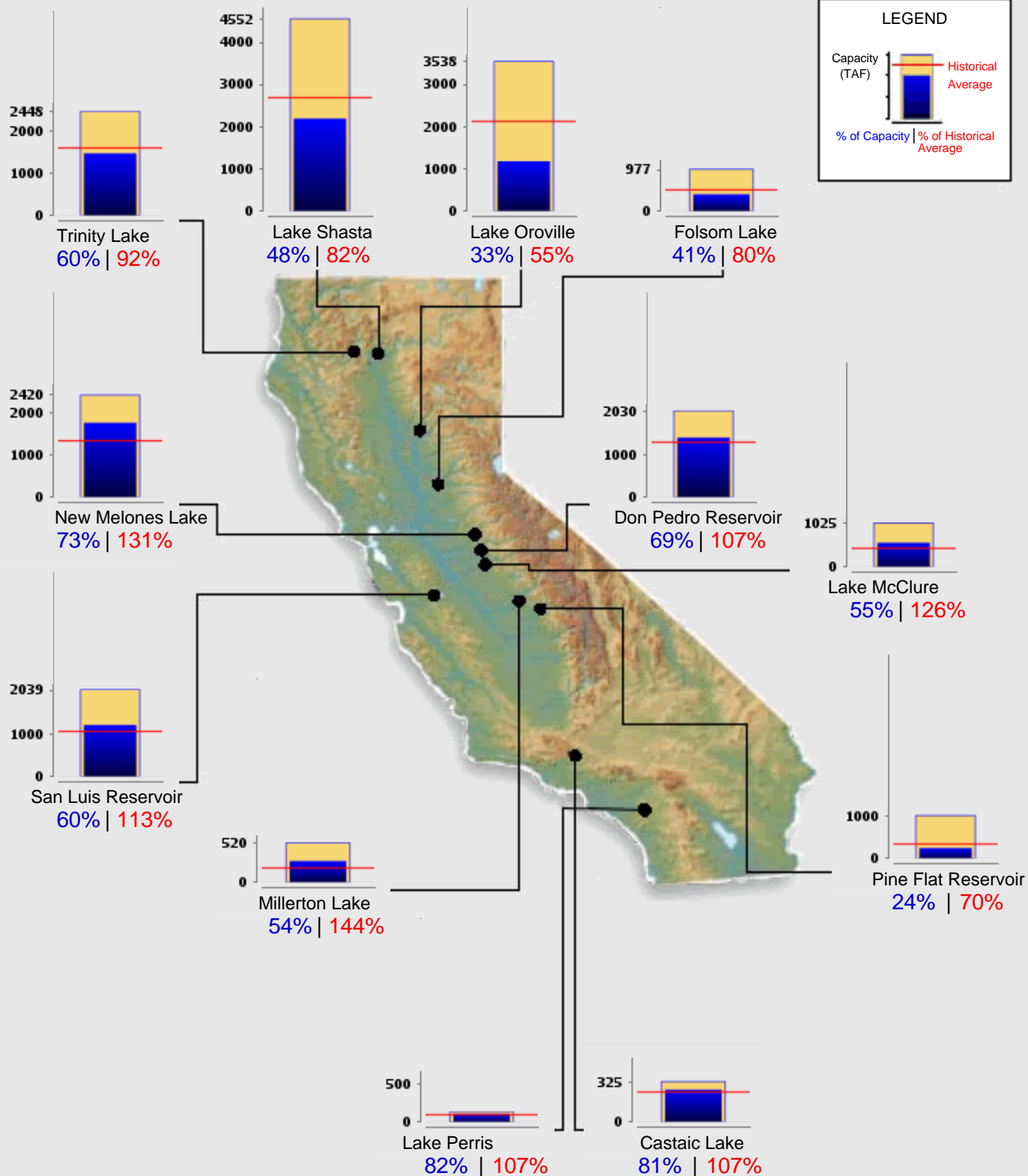




Reservoir Conditions

Ending At Midnight - October 31, 2018

CURRENT RESERVOIR CONDITIONS



Energy Committee

Priority Objectives

Coordination with DWR to protect SWP from rising energy costs

October 18, 2018



SWC Priority Objectives

	Objective	Description	Priority
Energy Operations	Strategic SWP Power and Transmission plan	Support the policy and strategy discussions between SWC Energy Steering Committee and DWR Risk Oversight Committee	Hi
	Near-term Risk Management	Analyze reports and provide input to DWR Power Planning, Risk Management and Operations offices to align policies and practices with SWC risk tolerance	Hi
	Greenhouse Gas/Renewables Policies	Advise DWR on greenhouse gas and renewables policies and purchases to incorporate SWC rate concerns	Med
	FERC Relicense Settlement	Advocate solutions related to obtaining new license for the Oroville complex. Monitor relicensing activities associated with SoCal facilities	Med
	Defend SWP against Energy Liabilities and Claims	Assure proper legal representation for energy matters before FERC, CAISO, utilities and regulatory agencies	Low

SWP Energy Cost Drivers and Threats

➤ Transmission

- 700% increase since 2001, ~ \$115M in 2017
- Expected to increase ~\$100M by mid-2020s (without considering CAISO regionalization, Storage, cost shifts)

➤ Drive to 100% Renewable Resources

- ~\$40M annual increase if DWR pays renewable premiums at historical levels

➤ State Needs to Integrate Renewables and Keep Lights On

- Define the role of SWP in transition to carbon free grid

➤ Cap and Trade

- Significant cost for SWC but need a different approach

DWR Risk Oversight Committee – Power Planning Tracks

Initiative	Priority	Deliverable
SWP Outreach to Industry Participants	Very High	Jul, 2018
Risk Policy Updates		Aug, 2018
Interim Procurement Plan	High	Jul, 2018
Transmission Rate Management		Continuous
Future Projects	Medium	
• Renewable Procurement		Jul, 2019
• Interconnection Alternatives		Jul, 2019
• Flexible Resources Study		Continuous

SWP Outreach to Industry Participants

- **Description:** Education on what SWP is doing and what limits it from doing more in support of State carbon reduction policy
- **DWR Objective:** 'Increase awareness to minimize targeting SWP'
- **Status:**
 - Meeting with CAISO, CEC and CPUC at executive/commissioner level
 - DWR is educating on what SWP is doing that helps integrate renewables
 - Will lead to a workshop at a DWR facility
- **SWC Role:**
 - Participating in outreach meetings
 - Help create outreach plan, message platform and collaterals
 - Will help set-up a work shop at DWR facility in the fall (part of education and defining SWP role)
- **ROC:**
 - Identified as top priority
 - Continue to support

San Luis Transmission Project

- Energy Committee requested by USBR, DWR, and CVP and SWP customers to evaluate SWP participation in SLTP
- Policy Committee in place as is work group of subject matter experts
- Building a Business Case that evaluates economics and operations
- Will rely on Energy Steering Committee and Risk Oversight Committee direction
- Recommendation by the end of the year

Reeb Government Relations, LLC

MEMORANDUM

October 23, 2018

TO: Mark S. Krause, General Manager
Desert Water Agency

FROM: Bob Reeb and Raquel Ayala
Reeb Government Relations, LLC

SUBJECT: 2018 Annual Report

This is the 14th year that Reeb Government Relations has had the honor and privilege to work with Desert Water Agency (DWA or Agency) to advance the interests of the Agency, its taxpayers and customers in the State Capitol. Together, the DWA Board of Directors, Agency management and staff, and Reeb Government Relations continue to be an effective voice in support of common sense legislation and regulations that enable, rather than detract from, pursuit of the Agency's mission.

State Budget

On June 27, 2018, Governor Brown signed the Fiscal Year 2018-19 Budget Act that includes \$201.4 billion in spending. General Fund appropriations total \$138.7 billion, an \$11.6 billion (or 9.2%) increase over the revised FY 2017-18 budget expenditures. General Fund revenues are estimated at \$137.7 billion for FY 2018-19, which is \$5.2 billion (3.9%) more than the revised FY 2017-18 revenues.

As in previous years, K-12 schools and healthcare for low-income Californians comprise two of the largest spending categories in the state budget. Schools will receive \$78.4 billion in funds, an average of \$11,640 per student, a substantial increase from the FY 2011-12 budget year—with 2011 beginning a period of growth after the Great Recession. The K-12 budget includes money to fully fund Brown's 2013 program to send more financial assistance to schools serving English learners and low-income communities.

Spending on colleges and universities will increase by \$609 million compared with the prior fiscal year, with officials at the University of California and California State University systems choosing not to raise tuition. The budget also includes Brown's proposal for a new online-only option for community college students. Estimates are some 2.5 million Californians between the ages of 25 and 34 lack a degree or credential beyond high school, limiting their long-term earning potential.

A key component of the budget crafted by Brown and legislative Democrats is a one-time infusion of cash to help address the homelessness crisis in cities across the state. The governor also signed a measure asking voters in November to approve a \$2-billion bond for new housing.

MEMORANDUM

October 23, 2018

The approved budget fills the Proposition 2 rainy day fund years ahead of schedule. The rainy day fund is estimated to reach \$13.8 billion, its constitutional maximum level, by the end of this fiscal year. Along with a \$2 billion estimated year-end balance in the state's traditional reserve and a \$200 million balance in a new reserve to protect safety net programs (CalWORKs and Medi-Cal) in future downturns, total reserves under the budget plan exceed \$15.9 billion, the largest reserve in any enacted budget in modern California history. The budget also adopts a new state savings account: the Budget Deficit Savings Account (BDSA), which will temporarily hold the \$2.6 billion optional portion of the 2018-19 rainy day fund deposit until after May 31, 2019, and it will be available as an additional budget reserve in future years. Without these two new reserve funds, the State likely would have exceeded the Gann expenditure limit, which would have triggered a tax rebate for California taxpayers.

While the enacted Budget assumes the continued expansion of the economy and a balanced budget through the forecast period, economic expansions don't last forever. In the modern era, the average expansion has lasted about five years. By the end of the 2018-19 fiscal year, the nation will have matched the longest recovery in modern history. In recent history, the state's unemployment rate has dipped below 5 percent only twice, in 2000 and 2006. Each time, full employment was short-lived at 7 months and 11 months, respectively. The state's unemployment rate has fallen to an all-time low of 4.2 percent, and has been below 5 percent for more than a year.

"By the end of FY 2018-19, the current economic expansion will have matched the longest in post-war history," the enacted State Budget summary reads. "To protect against future cuts, the Budget takes a prudent approach—fully filling the Rainy Day Fund and emphasizing one-time spending. While the state still faces large long-term risks, California is in better shape to weather a recession than at any other time in recent history."

November 6, 2018 General Elections

The 2018 California general election will be held on Tuesday, November 6. In less than a month, California voters will be asked to weigh in on 11 statewide ballot initiatives; as well as, elect the next state governor, secretary of state, attorney general, 20 even-numbered State Senate district members, 80 State Assembly members, 53 members to the United States House of Representatives and one member to the United States Senate, among other elected officials.

As of September 7, there were 19,086,589 Californians registered to vote. This is the highest total number of registered voters heading into a Gubernatorial General Election in state history. 75.81% of eligible Californians are registered to vote. There are 1,451,713 more registered voters than there were at the same point during the previous Gubernatorial Election cycle (2014). In Riverside County, 67.14% of their 1,478,839 eligible voters have registered to vote; 37.53% of which have identified themselves as Democrat, 33.40% as Republican, and 23.84 stating no party preference. Statewide on the other hand has 43.75% of registered voters identifying themselves as Democrat, 24.50% Republican, and 26.75% stating no party preference.

According to a July Public Policy Institute of California (PPIC) Survey, a majority of the state's likely voters (57%) say global warming poses a very serious threat to the economy and quality of life in California, and a strong majority (69%) say that the effects of global warming have already begun. A large majority of likely voters (66%) say they are very concerned that extreme weather—when thinking about the possible effect of global warming in California—will result in more severe wildfires. Mark

MEMORANDUM

October 23, 2018

Baldassare, PPIC president and CEO, summed up: “Many Californians are concerned about the personal impact of global warming in the wake of a prolonged drought and in the face of fears that extreme weather may result in more severe wildfires.”

Water Seen as Most Important Environmental Issue: Proposition 3

Drought and water supply are named most frequently when likely voters are asked about the most important environmental issue facing the state today (24%). The proportion of likely voters expressing this view has dropped sharply in the last two years (43% in July 2016). A large majority of likely voters say the supply of water is a big problem (60%) or at least somewhat of a problem (25%) in their part of California. Across regions, Orange/San Diego residents (55%) are the most likely to say the water supply is a big problem where they live, while San Francisco Bay Area residents (43%) are the least likely to say so.

In November, Californians will vote on an \$8.9 billion bond measure, Proposition 3, to fund water infrastructure projects. A majority of likely voters (58%) plan to vote yes and a quarter (25%) no, (17% undecided). “The drought and water shortages are still on Californians’ minds,” Baldassare said. “They seem willing to support a water bond on the November ballot after passing a multibillion-dollar water bond measure in June (Proposition 68).”

The second most frequently named issue among likely voters is air pollution (15%). Two-thirds say air pollution is a problem in their part of the state (29% big problem, 37% somewhat of a problem). Residents in Los Angeles (40%) are the most likely to say it is a big problem and those in Orange/San Diego are the least likely (17%). About half of likely voters (53%) say air pollution is a more serious health threat in lower-income areas than elsewhere in their part of the state.

Newsom, Feinstein Hold on to Double-Digit Leads

According to a September 26 PPIC Survey, in the governor’s race, Democrat Gavin Newsom maintains a double-digit lead over Republican John Cox among likely voters, although the 24 point lead Newsom had in July (55% to 31%) has narrowed to 12 points. In the September survey, about half (51%) say they would vote for Newsom, while 39 percent would vote for Cox and 7 percent are undecided. Most Democratic likely voters (86%) support Newsom and most Republicans support Cox (85%). Independents are divided (42% Newsom, 37% Cox, 15% undecided). Latino likely voters favor Newsom over Cox by 38 points, while white likely voters are divided. Likely voters in other racial ethnic groups prefer Newsom by 16 points (sample sizes for Asian American and African American likely voters are too small for separate analysis). A majority of likely voters (59%) are satisfied with their choice of candidates in the governor’s race (32% not satisfied). Most likely voters say they are following news about the candidates very closely (21%) or fairly closely (41%).

Dianne Feinstein, who is seeking her fifth full term in the US Senate, leads fellow Democrat Kevin de León by 11 points (40% to 29%) among likely voters, with 8 percent undecided. The margin has also narrowed in this race: in July, Feinstein led by 22 points (46% to 24%). As of September 26, about a quarter of likely voters (23%)—largely identified as Republican voters—volunteer that they would not vote for US senator. When this group is excluded, Feinstein leads de León 52 percent to 37 percent.

Half Approve of Brown, A Third Approve of Trump

MEMORANDUM

October 23, 2018

In the wake of the Global Climate Action Summit that featured the state's environmental leadership under Jerry Brown, the governor's approval rating stands at 49 percent among California adults and 53 percent among likely voters. The governor's approval ratings were in a similar range in July (52% adults, 54% likely voters) and last September (55% adults, 55% likely voters). Today, the governor's approval rating stands at 71 percent among Democrats, 44 percent among independents, and 14 percent among Republicans.

The state legislature's approval rating has held relatively steady at 46 percent among adults and 44 percent among likely voters. Approval of the legislature was similar in July (46% adults, 46% likely voters) and last September (49% adults, 44% likely voters). Today, 61 percent of Democrats, 37 percent of independents, and 17 percent of Republicans express approval.

President Trump's approval rating (30% adults, 37% likely voters) is similar to his rating in July (29% adults, 34% likely voters) and last September (27% adults, 31% likely voters). Today, 81 percent of Republicans, 34 percent of independents, and 9 percent of Democrats approve of President Trump. Across the state's regions, the president's approval rating is lower in the San Francisco Bay Area (20%) and Los Angeles (25%) than it is elsewhere (34% Central Valley, 34% Orange/San Diego, 40% Inland Empire).

Role of State Government

About half of Californians (50% adults, 49% likely voters) say they would rather pay higher taxes and have a state government that provides more services, while slightly fewer would rather pay lower taxes and have fewer services (44% adults, 46% likely voters). In January 2017, views were similar: about half of Californians (52% adults, 49% likely voters) said they would rather pay higher taxes and have more services, slightly fewer said they would prefer the opposite (43% adults, 47% likely voters). Today, Democrats (71%) are far more likely than independents (44%) and Republicans (20%) to prefer higher taxes and more services. The preference for higher taxes and more services is slightly more common in the San Francisco Bay Area (56%) and Los Angeles (55%) than in other regions (47% Orange/San Diego, 45% Central Valley, 38% Inland Empire).

Six in ten adults (60%) and a majority of likely voters (53%) say the state government should do more to reduce the gap between rich and poor in California. A third of adults (32%) and four in ten likely voters (43%) say the state government should not do this. In a May 2017 PPIC survey, similar proportions said the state government should do more (61% adults, 52% likely voters). Today, three in four Democrats (77%) and a majority of independents (56%) say the state government should do more to reduce the gap, while seven in ten Republicans (71%) say the state should not do so. At least half of Californians across demographic groups say the state should do more. Among adults who prefer to pay higher taxes and have a state government that provides more services, 77 percent say the state should do more, while 42 percent of those who prefer pay lower taxes and have fewer services hold this view.

Senate Bill 998 and Assembly Bill 3206

October 23, 2018

Cooperative federalism refers to a concept in which the federal government, state governments, and local governments share responsibility in the governance of the people. In theory, they cooperate in working out details concerning which level of government takes responsibility for particular areas and creating policy in that area. The legislative branch is the branch of government that is responsible for making laws. And in California, the legislature traditionally created political subdivisions like groundwater management agencies to address local water service needs and focused on broader water policy questions. Over the past three decades, however, the California Legislature has delved deeper into dictating the conduct of day-to-day operations of public water systems. In the past, we considered broader public policy perspectives whereas today, we debate state mandates regarding the testing of water meters, termination of water service, limits on indoor residential water use, and the content of local Internet web pages, to name a few.

Two bills this session illustrate this trend—SB 998 and AB 3206.

First, some background is necessary to inform the discussion of SB 998. The Low-Income Water Rate Assistance Act enacted in 2015 by AB 401 by then-Assembly Member Bill Dodd (D-Napa) directs the State Water Resources Control Board (State Water Board) to prepare a plan, in collaboration with the State Board of Equalization, that covers funding and implementation of a Low-Income Water Rate Assistance Program. This plan was due by January 1, 2018. Additionally, AB 401 directs the State Water Board to report to the Legislature by February 1, 2018 on its findings regarding the feasibility, financial stability, and desired structure of the program, including any recommendations for legislative action. To date, neither the plan nor the report to the Legislature has been completed.

State policy through the “Human Right to Water” statute (AB 685, 2012 seeks to ensure that “every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.” We know that retail water service is becoming more expensive for myriad reasons, which means that more low-income households may struggle with paying their water service bill.

As specified in AB 401, the plan for a Low-Income Rate Assistance Program includes:

- A description of the method for collecting moneys to support and implement the program, with a discussion of any constitutional restrictions on public water agency rate setting.
- A description of the mechanism for providing funding assistance under the program. This could include direct credits to program participants, reimbursements to water service providers, a method for verifying income eligibility of low-income ratepayers, clarification of the role of the Public Utilities Commission and water utilities in determining and verifying customer eligibility, and recommendations regarding the structure of the program.
- A description of the method to be used to determine the amount of moneys that may need to be collected from water ratepayers to fund the program.
- A set of recommendations and best practices that cover cost-savings measures and aim to ensure that water utilities are keeping rates low.

MEMORANDUM

October 23, 2018

The plan may also include a set of recommendations for other cost-effective methods of offering assistance to low-income water customers besides rate assistance, including billing alternatives, installation of water conservation devices, and leak repair.

AB 401 requires the State Water Board to collaborate with relevant stakeholders and during the occasion of a workshop on the topic, one or more members of the social justice community rose to complain about the termination of water service for nonpayment of provider bills. With little or no empirical evidence provided, the comments became the impetus for the introduction this year of SB 998 by Senator Dodd.

SB 998 will:

1. Require a public water system that supplies water to more than 200 service connections to have a written policy on discontinuation of water service to certain types of residences for nonpayment available in prescribed languages. The policy must include certain components, be available on the system's Internet Web site, and be provided to customers in writing, upon request.
2. Provide for enforcement of its requirements, including making a violation of those requirements punishable by a civil penalty issued by the board in an amount not to exceed \$1,000 for each day in which the violation occurs, and would require the enforcement moneys collected by the board to be deposited in the Safe Drinking Water Account.
3. Prohibit a water system from discontinuing residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days. The bill would require a water system to contact the customer named on the account and provide the customer with the water system's policy on discontinuation of residential service for nonpayment no less than 7 business days before discontinuation of residential service.
4. Prohibit residential service from being discontinued under specified circumstances. The bill would require a water system that discontinues residential service to provide the customer with information on how to restore service. The bill would require a water system to waive interest charges on delinquent bills for, and would limit the amount of a reconnection of service fee imposed on, a residential customer who demonstrates, as prescribed, to the urban and community water system household income below 200% of the federal poverty line.
5. Require a water system that furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit structure, mobilehome park, or permanent residential structure in a labor camp, and that the owner, manager, or operator of the dwelling, structure, or park is the customer of record, to make every good faith effort to inform the residential occupants by written notice that service will be terminated and that the residential occupants have the right to become customers.
6. Require a water system to report the number of annual discontinuations of residential service for inability to pay on its Internet Web site and to the board, and the bill would require the board to post on its Internet Web site the information reported.
7. Require an urban water supplier, as defined, or an urban and community water system regulated by the California Public Utilities Commission, to comply with the bill's provisions on and after February 1, 2020, and any other urban and community water system to comply with the bill's provisions on and after April 1, 2020.

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Senator Dodd stated, in part, the following regarding SB 998:

"Since water is a necessity for life, and since California has declared that access to safe and affordable water is a human right, many low-income ratepayers face troubling tradeoffs in order to pay water bills. Establishing a statewide structure for helping low income ratepayers cope with increasing water rates will reduce difficult tradeoffs families will have to make and improve overall health and safety for many communities and households. "

The consultant to the Assembly Environmental Safety & Toxic Materials Committee wrote in his analysis of SB 998 that the policy question before the committee was this: Should the state create a statewide standard for when a public water system can shut off water to a customer or should it be left to each of the thousands of public water systems in the state to enact their own policy?

Desert Water Agency opposed SB 998. One of the key principles of Catholic social thought (and American governance) to which Governor Brown has given voice is the principle of subsidiarity. This tenet holds that nothing should be done by a larger and more complex organization which can be done as well by a smaller and simpler organization. Quite simply, SB 998 represents an affront to the principle of subsidiarity. Worse yet, it is a solution in search of a problem.

The author of SB 998 did not present evidence of arbitrary or capricious actions taken by public water systems relating to termination of water service. DWA and most water systems in California have policies relating to termination of service for nonpayment. While such policies are strikingly similar across systems, the timing of notice and termination actions, as well as the costs for reconnecting service vary according to local circumstances. The latter include system size, number of employees, and the cost of sending an employee to restore service (salary and benefits, vehicle and fuel costs). For purposes of comparison, the starting salary of a Distribution Operator I at East Bay Municipal Utility District is \$87,108; at Desert Water Agency, \$57,252; and at Golden State Water, \$37,622.

The process for terminating water service under SB 998 would run so long as to reduce the ability of a low income household to remain current—even with a 12-month payment plan. A customer of a water system that bills on a bimonthly basis (every 60 days), for example, could miss payments for over 4 months before entering into a payment plan.

SB 998 would prohibit termination of service if a customer (1) submits certification of a primary care provider that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided; (2) demonstrates that he or she is financially unable to pay for residential service if any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance or another safety net program, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level; and, (3) enters into a payment arrangement. Truly, all that DWA and other water systems require of a customer is a willingness to enter into a payment arrangement. The other SB 998 requirements require a customer to take a day away from work to secure a doctor's note and would represent an unnecessary intrusion into the privacy of customer.

Governor Brown signed SB 998 into law on September 28. (Chapter 891, Statutes of 2018)

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AB 3206 was introduced by Assembly Member Laura Friedman (D-Glendale) in February. The bill would require the State Energy Resources Conservation and Development Commission to adopt regulations setting standards for the accuracy of water meters that are installed by a water purveyor or manufactured and sold or offered for sale in the state. AB 3206 also would require the State Water Board, in adopting the rules for urban retail water supplier performance standards, to also adopt regulations to require each urban water supplier to sample and test its customer service meters to produce a statistically sound estimate of the accuracy of the urban water supplier's meter fleet.

According to the author:

“Unlike sub-meters, there is no requirement for testing the accuracy of water meters before they are purchased or used. Furthermore, there are no performance standards for the testing water meters installed in the field. In November 2017, nearly 400 urban water systems filed validated water loss audit reports with the Department of Water Resources as required under SB 555 (Wolk 2015). However, approximately 2/3 of all water systems reported that they conduct no regular annual testing to determining the accuracy of their installed meters on a statistically sound basis. Without a clearer picture of the accuracy of water meters in operation, the validity of utilities estimates of real water leakage from its distribution system is greatly diminished.

“California needs to ensure that new meters are more accurate and that existing meters are tested sufficiently to provide a statistically sound estimate of meter inaccuracy. AB 3206 would correct these deficiencies in current law and authorize the adoption of state standards for the accuracy of new urban water meters and for the testing of installed water meters for accuracy.”

DWA joined the Association of California Water Agencies (ACWA) and California Water Association (CWA) in opposing AB 3206. ACWA and CWA believed the provisions of AB 3206 would create burdensome and unneeded mandates on urban retail water suppliers who already rely on industry standards and practice manuals developed by the American Water Works Association (AWWA) to ensure the accuracy and optimal performance of their water meters.

DWA is an urban retail water supplier that must comply with pending State Water Board water loss standards as well as recently enacted legislation (SB 606, AB 1668) signed into law by Governor Brown that establishes a water use objective for suppliers and requires suppliers to take actions to meet that objective with the goal of reducing per capita urban water use. AB 3206 would mandate two new regulatory actions exempt from cost-benefit and feasibility analyses that could have significant negative effects on suppliers and their customers. The State Water Board is working to implement SB 555 (Chapter 679, Statutes of 2015), which each urban retail water supplier to submit a completed and validated water loss audit report for the previous year to the Department of Water Resources. SB 555 requires the State Water Board to adopt rules requiring urban retail water suppliers to meet performance standards for the volume of water losses. In adopting these rules, the board is directed to employ full life cycle cost accounting to evaluate the costs of meeting the performance standards. The State Water Board and water agencies are working diligently to identify opportunities to address water loss. Pilot testing is occurring to gather information to develop a better understanding of cost-effective, feasible actions on which to make appropriate policy decisions. Reducing water losses will require significant investments of local dollars raised from water agency customers through rate increases.

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The enactment of water use efficiency legislation this year places myriad and significant new mandates on public water agencies from data gathering to reporting to investments all intended to reduce per capita urban water consumption under the Brown Administration framework "Making Water Conservation a Way of Life," April 2017.

AB 1668 establishes urban water use objectives and reporting requirements for indoor and outdoor residential use, commercial, industrial, and institutional (CII) landscape areas, water losses, and other unique local uses and situations that have a material effect on an urban water supplier's total water use. The law requires the State Water Board to coordinate with the Department of Water Resources (DWR) to recommend and adopt long-term standards for efficient water use. AB 1668 leaves decision making regarding the manner in which a supplier will achieve its water use objective. DWA will rely on a cost-benefit analysis for all of the actions it contemplates and will implement actions that provide the so-called "biggest bang for the buck" with an eye to avoiding passing along significant costs to ratepayers.

By contrast, AB 3206 would empower state agencies to dictate a performance standard and testing and replacement requirements for water meters that might differ from meters purchased by water suppliers and AWWA practices for testing and replacement. AB 3206 takes one option that a supplier may rely on to comply with pending water loss standards (the reduction of unaccounted water loss) and would mandate actions related to water meters. AB 3206 exempts the development of a performance standard from cost-benefit and feasibility analyses that apply to other "appliances" under Warren-Alquist State Energy Resources Conservation and Development Act.

According to El Dorado Irrigation District (EID), who our firm also represents, meters prices tend to range between \$173 and \$187 apiece. The list price of an ultrasonic meter capable of recording low flow rates can reach \$1,000 for a comparable meter size. This nearly \$800 difference will be added to the cost of a new home through the payment of a connection fee; and for replacement of meters in existing homes, will be built into the water rates of the customers of the water system. One meter manufacturer provides a low flow calculator online that demonstrates the increase in supplier revenue that is likely to result from installing an ultrasonic meter as compared to the standard meter now purchased by EID. The EID customer service staff ran the calculator and determined that installation of the ultrasonic meter would result in an additional \$1.66 of revenue per year per customer. Even if the new meter only cost \$166 more, it would take 100 years for the cost to be recovered by the water supplier. As EID pointed out, the cost impact and any price signal response that results in reduced water use would be different for every customer but they would not see any increase in what a customer would be billed until the savings of 2 cu. ft. totaled 100 cu. ft. For some who are higher users this could happen sooner than those that only use 200-300 cu. ft. each billing period. The bottom line? An increase of \$1.66 per customer per year is unlikely to cause a customer to reduce water consumption.

AB 3206 passed the Assembly on a party-line vote with Assembly Member Mayes voting against the bill, and Assembly Member Eduardo Garcia voting for the bill. While the bill cleared its policy committee review in the Senate, it was held on the Senate Appropriations Committee Suspense File. The estimated fiscal impact to state government included onetime State Water Board costs of \$150,000 for technical staff and legal support to adopt rules for performance standards and protocols for meter sampling and testing; and, onetime cost pressure, likely in the hundreds of thousands of dollars, for the Energy Commission to develop the regulations. AB 3206 ultimately failed passage.

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Water Conservation Legislation

The Legislature passed and Governor Brown signed into law two bills that implement statutory changes recommended in the Brown Administration April 2017 framework titled "Making Water Conservation a Way of Life." The 2-year effort closed out in rather quiet fashion following at times acrimonious discussion and debate.

AB 1668 by Assembly Member Laura Friedman (D-Glendale) and SB 606 by Senator Robert Hertzberg (D-Van Nuys) were passed by narrow margins on both floors of the Legislature. The bills were quickly signed into law in a private ceremony in the Governor's office.

SB 606 and AB 1668 do not change existing implementation of the Water Conservation Act of 2009 which established a statewide goal of a 20 percent reduction in urban per capita water use by 2020. Rather, the legislation provides new and expanded authorities needed for implementation of a water budget-based approach to conservation and water use efficiency as recommended in the 2017 Framework. This approach is spelled out in a new California Water Code chapter (commencing with §10609) related to the urban water use objective and water use reporting, and based on urban water use efficiency standards to be recommended by the Department of Water Resources (DWR) for consideration in adoption by the State Water Board by 2022. The approach aims at advancing the State's goals to mitigate for and adapt to climate change.

Most new authorities and requirements for urban water use efficiency are in AB 1668, with a few supplemental provisions in SB 606. The resulting California Water Code §10609 requires DWR and the State Water Board to establish standards and practices for (1) indoor residential use; (2) outdoor residential use; (3) commercial, industrial, and institutional (CII) use; (4) water losses; and (5) appropriate variances reflecting unique uses that can have a material effect on an urban retail water supplier.

SB 606 and AB 1668 contain specific requirements for developing and adopting water use efficiency standards. The legislation requires:

- DWR, in coordination with the State Water Board, to conduct necessary studies and investigations and develop recommendations to the Legislature on efficiency standards for indoor residential use that include benefit and impact assessments for applying such standards by January 1, 2021.
- DWR, in coordination with the State Water Board, to conduct necessary studies and investigations and develop recommendations to the State Water Board by October 1, 2021:
 - Standards for outdoor residential water use that apply to residential irrigable lands, including provisions for swimming pools, spas, and ornamental water features that are artificially supplied with water, and incorporating principles of the Model Water Efficient Landscape Ordinance.
 - Standards for CII outdoor irrigation and landscape areas with dedicated irrigation meters or other means of measurement, and which incorporate principles of the Model Water Efficient Landscape Ordinance.

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- Appropriate variances for unique uses that can have a material effect on an urban retail water supplier's urban water use objective and the corresponding thresholds of significance.
- Guidelines and methodologies that identify how an urban retail water supplier calculates its urban water use objective.
- The State Water Board, in coordination with DWR, to adopt long-term standards for outdoor residential water use, outdoor irrigation with dedicated irrigation meters in connection with CII water use, and a volume for water loss by June 30, 2022. Before adoption, the State Water Board is required to make proposed standards and identified potential effects available for public comment by May 30, 2022.
- The State Water Board to adopt appropriate variances, guidelines, and methodologies for calculating urban water use objectives.
- The State Water Board, in coordination with DWR, to adopt water loss standards for urban water suppliers no earlier than January 1, 2019, and no later than July 1, 2020.

Different from other water use efficiency standards, SB 606 and AB 1668 require DWR to develop recommendations to the Legislature on standards for indoor residential use. On the aggregate water supplier level, effective standards will follow provisions in CWC §10609.4(a):

- 55 gallons per capita daily (GPCD) until January 1, 2025
- The greater 52.5 GPCD or a standard recommended by DWR and the State Water Board for the 2025 standard from January 1, 2025, through December 31, 2029
- The greater of 50 GPCD or a standard recommended by DWR and the State Water Board for the 2030 standard after January 1, 2030.

These standards do not require reporting or measurements on the customer level.

SB 606 and AB 1668 include schedule and content provisions for the most critical reporting requirement – the annual water use report. The bills also include changes in Urban Water Management Plan (UWMP) preparation requirements.

SB 606 and AB 1668 require each urban retail water supplier, by November 1, 2023, and by November 1 every year thereafter, to:

- Calculate its urban water use objective including estimated indoor residential water use, outdoor residential water use, outdoor irrigation of landscape areas with dedicated irrigation meters or equivalent technology in connection with CII water use, water losses, and water use in accordance with variances, as appropriate.
- Calculate its actual water use including residential water use, outdoor irrigation of landscape areas with dedicated irrigation meters in connection with CII water use, and water losses.
- Submit an annual report to DWR on the previous year's urban water use.

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For the preparation of an annual water use report for the previous year, SB 606 and AB 1668 also provide several specific requirements, flexibility, and clarifications. The legislation:

- Requires the calculated urban water use objective, actual urban water use, documentation of implementation of performance measures for CII water use, description of progress made towards meeting an urban water use objective, and relevant supporting data.
- Provides the flexibility for reporting urban water use objective and actual water use on a calendar or fiscal year basis.
- Allows calculation of an urban water use objective using either data provided by DWR or alternative data, if demonstrated to be equivalent or superior in quality and accuracy to DWR's data. DWR may provide technical assistance to an urban retail water supplier to determine the appropriateness of using alternative data for this purpose.

As an initial implementation action, DWR has prepared and released a primer that summarize the authorities, requirements, and schedules included in the new legislation. This primer can be found at: <https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Water-Use-And-Efficiency/Make-Water-Conservation-A-California-Way-of-Life/Files/PDFs/Primer-of-2018-Legislation-on-Water-Conservation-and-Drought-Planning.pdf?la=en&hash=A07B89BA9E6D8BEBDF05E648E1046379134F0770>

DWA remained opposed to both AB 1668 and SB 606 due to concerns about implementation costs, customer acceptance, and the impact on water supply management, among others. Over the past 25 years, the Legislature and urban water suppliers have worked together to implement a market-based approach to improving water use efficiency—requiring the measurement of water use through metering, authorizing the use of tiered rates to send strong price signals to consumers, and mandating performance standards for toilet and appliance technology to shape the so-called marketplace basket of goods. Looking at the progress we've made thus far to implement the 2009 20x2020 law, which set out a goal to achieve a 20% reduction in residential gallons per capita per day consumption, it appears that the market-based approach has been successful. But the key point here is that we are still 2½ years from completing the 20x2020 water use target and we have no idea as to the impacts on water affordability, water supply reliability, and consumer acceptance. We should know the effects of the current effort before we mandate a new effort.

AB 1668 and SB 606 represent a top-down regulatory approach to water use efficiency—where the Legislature and appointed state officials and bureaucrats develop and impose more stringent standards that essentially impose a mandate to reduce urban water use. Water use efficiency means we use less water to accomplish the same purpose—washing clothes, personal hygiene, and sanitation, outdoor irrigation. This bill seeks to drive down consumption in the name of efficiency. We're dealing with the State Water Board here. The Public Policy Institute of California criticized the State Water Board earlier this year for exercising a "blunt instrument" through the adoption and enforcement of its emergency conservation regulation.

While ultimately unsuccessful in stopping these bills a second time, DWA and other opponents were able to secure some important concessions, including the following:

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- A water provider will be able to determine the suite of actions it will take to achieve the water use objective, which includes conservation from indoor residential use, outdoor residential use, Commercial/Industrial/Institutional use and water loss.
- State Water Board enforcement is limited in the early years of implementation and instead will be focused on providing technical and financial assistance.
- State agencies like the State Water Board will be required to base recommendations and regulations on the results of mandated studies and investigations.
- Statutory reductions in the standard for indoor per capita water use will be subject to studies and investigations regarding a standard for indoor residential water use that more appropriately reflects best practices for indoor residential water use. The studies and investigations must include an analysis of the benefits and impacts of how the changing standard for indoor residential water use will impact water and wastewater management, including potable water usage, wastewater, recycling and reuse systems, infrastructure, operations, and supplies.
- Provides an option for water districts to augment reservoir storage with recycled water in the winter months (when outdoor irrigation is significantly reduced) and receive a bonus incentive that enables it to adjust its urban water use by up to 15 percent of the urban water supplier's water use objective.

Safe and Affordable Drinking Water Fund

A midsummer effort by the Brown Administration to revive a tax on drinking water, fueled by aggressive lobbying by San Joaquin Valley social justice organizations and the Water Foundation, fell short in August as the annual legislative session came to a close.

Two Senate budget bills—SB 844 and SB 845—were gutted and amended on August 16 by Senator Bill Monning (D-Monterey). SB 844 would require every person who manufactures or distributes fertilizing materials during calendar years 2019 to 2033 to pay to a fertilizer safe drinking water fee of \$0.008 per dollar of sale for all sales of fertilizing materials intended for farm use and \$0.004 per dollar of sale for all sales of fertilizing materials intended for noncommercial use. The bill would require, beginning January 1, 2021, until January 1, 2036, each handler to deduct from payments made to producers for market and manufacturing milk the sum of \$0.01355 per hundredweight of milk as a dairy safe drinking water fee. Finally, the bill, during calendar years 2021 to 2035, inclusive, would require each producer owning a nondairy confined animal facility to pay annually a safe drinking water fee of \$1,000 for the first facility and \$750 per each facility thereafter owned by the same producer, not to exceed \$12,000. Each of the three fees would be reduced after the term of the SB 844 increase. In exchange for agricultural support for the fees, the bill would prohibit the State Water Resources Control Board from subjecting an agricultural operation to enforcement for causing or contributing to an exceedance of a water quality objective for nitrate in groundwater or for causing or contributing to a condition of pollution or nuisance for nitrate in groundwater.

SB 845 would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the state board. beginning January 1, 2020, would require a community water system with 200 or more service connections to provide an opportunity for each customer to provide a voluntary remittance either as part of the customer's regular

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water bill or by using a specified notification procedure, to advance the purposes of the fund. Customers would be allowed to opt out of paying the line item on their water bill. The bill would authorize a customer of a community water system to remit nothing, an amount recommended by the community water system, as prescribed, or an alternative amount. The bill would prohibit a community water system from sanctioning, taking any enforcement or collection action against, imposing any late charge or penalty against, or otherwise holding liable, a customer in any manner for deducting the amount from the bill or otherwise paying or not paying a voluntary remittance. The bill would require a community water system to transfer to the board for deposit in the fund all voluntary remittances received from its customers, except for a small portion of a community water system's administrative cost for collecting the fee. The bill would have allowed a community water system to seek state reimbursement of its expenditures to comply with the law over and above the covered administrative cost.

SB 844 and SB 845 were subject to contingent enactment, meaning that both bills had to pass the Legislature and be signed into law to take effect. SB 844 required a two-thirds vote for passage, while SB 845 required a majority vote based on the nature of the remittance being voluntary. Last year, Senator Monning's SB 623, which contained elements of both 2018 bills, was held in the Assembly Rules Committee.

SB 844 enjoyed a great deal of support from agricultural interests, as well as clean water and environmental justice organizations. SB 845 enjoyed the same level of support, but was opposed by over 200 water, business and taxpayer organizations. The Association of California Water Agencies, California Municipal Utilities Association and California Water Association headed up the opposition effort.

DWA actively opposed SB 845 as the bill would have imposed a costly, complicated and confusing billing approach on over 3,000 community water systems — all to collect donations each month on customers' local water bills to be sent to Sacramento. The Agency argued that the costs imposed on water systems will result in upward pressure on local water rates and make drinking water less affordable. A fee which in some communities would have equated to a 5% rate increase. The Agency also noted that the projected costs for nearly 3,000 community water systems to administer the complicated SB 845 opt-out scheme far exceeded the projected \$90 million a year that the voluntary remittance was expected to generate. Resulting in the State General Fund being responsible for reimbursing water systems over \$500 million based on estimates developed by ACWA members.

Moderate Democrats and those Democrats who may be targeted in their reelection effort based on their support for the gas tax and renewal of the cap and trade program, were reluctant to support a drinking water tax (or voluntary remittance). The Assembly Speaker ultimately decided to protect his caucus members by holding the two bills in the Assembly Appropriations Committee.

The Community Water Center (CWC) issued a press release regarding the failure of the legislation to pass this year. The release said in part:

"Last week, after almost two years of advocacy, five days of water strikes at the Capitol, multiple legislative visits, and loud, passionate calls for government accountability, the legislative session ended without the passage of a critical two-bill package to fund safe and affordable drinking water.

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“Unfortunately, political self-interest trumped addressing a decades-old public health crisis impacting more than one million Californians. Concerned about potential election year fallout, the State Assembly shelved our bills for this session.

“This outcome is an outrage to those who will have to go another year living with toxic taps.

“As saddened and angry as we are in the face of this delay of justice to serve nearsighted political interests, CWC, our community partners, and allies will not be stopped from aggressively seeking a solution to California's drinking water crisis when the legislature reconvenes in January.”

CWC also announced the creation of a political advocacy arm the Community Water Center Action Fund, a 501(c)(4) organization which can participate directly in partisan election-related activities. This November, CWC Action Fund has said to be endorsing candidates who “will be accountable to their communities’ drinking water needs and speaking with thousands of Latino voters to ensure they make their voices heard.”

Assembly Speaker Anthony Rendon (D-Lakewood) released the following statement on the Legislature's ongoing commitment to safe and clean drinking water:

“The Assembly is committed to identifying a sustainable funding source to ensure safe drinking water for all Californians. That’s why we put Proposition 68 on the ballot, which included \$540 million for water projects. In the budget this year, we also included over \$25 million for emergency drinking water projects, lead testing and remediation, and other water projects.

“But much more needs to be done, and a piecemeal funding approach won’t work. Building on the hard work of Senator Bill Monning and others in this area, Assemblymembers Eduardo Garcia and Heath Flora have agreed to lead our house’s safe water efforts.

“Working together, the Legislature will ensure that all Californians have access to this fundamental human need.”

Agency Remains Active on the Legislative Front

The Agency actively monitored or engaged in direct lobbying on over 32 bills this year. The following highlights a handful of other bills in which the Agency was active.

Drinking water: cross-connection or backflow prevention inspectors

Last year, Governor Brown signed into law AB 1671 (Caballero) to require the State Water Resources Control Board (State Board) to adopt standards for backflow and cross-connection control device testing and certification by January 1, 2020. AB 1671 requires a public water system to implement a cross-connection control program that complies with applicable regulations and with standards adopted by the board.

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This year, however, Assembly Bill 1529, by Assembly Member Tony Thurmond (D-Richmond), moved in a different direction, by prohibiting a public water system from refusing to recognize statewide certifications that meet State Board standards when property owners contract with a certified backflow prevention device tester or certified cross-connection control specialist for backflow devices.

A "cross-connection" is an unprotected actual or potential connection between a drinking water system and any system containing unapproved water or a substance that is not potable. California law requires a public water system to ensure that its system will not be subject to backflow under normal operating conditions. Many public water systems prefer to use their own certified employees to conduct backflow device work and inspections as they have primary responsibility for ensuring the safety of drinking water they provide to consumers. Public water system employees are directly accountable to the water system and, therefore, to the consumers served by the water system.

Desert Water Agency took an "Oppose Unless Amended" position on the bill and sought an amendment to AB 1529 that would allow a public water system to decide whether to use its own employees for cross-connection or backflow prevention device testing or maintenance, or recognize the work of other certified persons. This amendment was not accepted by the author. In response, the Agency argued that failure to secure this amendment placed systems like DWA in legal jeopardy as they are responsible for protecting their systems from backflow, but will not have direct control over the persons conducting cross-connection control duties.

The measure passed the Senate on a 24-13 vote, with Senator Jeff Stone voting against the measure; and the Assembly on a 52-24 vote, with Assembly Member Mayes voting against the bill and Assembly Member Eduardo Garcia voting in favor of the measure.

The bill was sent to Governor Brown's desk on September 4. The Governor returned the measure to the Assembly without his signature. In his veto message, Governor Brown stated:

"This bill would require local water suppliers to accept current certifications issued for people who inspect cross-connection and backflow prevention devices, which protect drinking water supplies from contamination, if the certifications meet regulatory requirements that were in effect January 1, 2016. Additionally, once the State Water Resources Control Board adopts new standards for cross-connection control and backflow prevention - which they are expected to do by January 1, 2020 - water suppliers would be required to accept certifications that meet these new certification standards. This bill is unnecessary and limits a water supplier's ability to protect public health and safety. The Water Board is in the process of developing new cross-connection and backflow prevention standards, which will provide consistent direction on the issue. Furthermore, the proposed regulations will preserve water suppliers' discretion to require standards that are more rigorous."

Water: grants: advance payment

The Porter-Cologne Water Quality Control Act establishes the State Water Pollution Control Revolving Fund program pursuant to which state and federal funds are continuously appropriated to the State Water Resources Control Board (SWRCB) for loans and other financial assistance for the construction of publicly owned treatment works by a municipality, the implementation of a

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management program, the development and implementation of a conservation and management plan, and other related purposes in accordance with the federal Clean Water Act. Current law establishes the Small Community Grant Fund (Grant Fund) within the State Water Pollution Control Revolving Fund, and authorizes the SWRCB to expend the moneys in the grant fund, upon appropriation by the Legislature, for grants for eligible projects under the revolving fund program that serve small communities and gives priority to projects that serve severely disadvantaged communities.

The Water Quality, Supply, and Infrastructure Improvement Act of 2014, approved by the voters as Proposition 1 at the November 4, 2014, statewide general election, authorizes the issuance of general obligation bonds in the amount of \$7.5 billion to finance a water quality, supply, and infrastructure improvement program. The bond act provides that the sum of \$520 million is to be available, upon appropriation by the Legislature, for expenditures, grants, and loans for projects that improve water quality or help provide clean, safe, and reliable drinking water to all Californians. The bond act provides that, of the \$520 million sum, \$260 million is available for deposit in the grant fund for grants for wastewater treatment projects.

AB 2060, by Assembly Member Eduardo Garcia (D-Coachella), would require the SWRCB to provide advance payment of up to \$500,000 or 50%, whichever is less, of the grant award for grants awarded under the Small Community Grant, and to provide up to \$500,000 or 25%, whichever is less, of the grant award for grants awarded under specified Proposition 1 programs, within 60 days of awarding the grant, for projects in which the project proponent is a nonprofit organization or disadvantaged community, or the project benefits a disadvantaged community.

Desert Water Agency took a "Support" position on AB 2060, as the bill would improve access to grant programs for nonprofits and disadvantaged communities, as well as for projects that benefit a disadvantaged community. The Agency argued that making provision for advance payment of grant awards will enable small nonprofit organizations and disadvantaged communities to compete for much-needed infrastructure project funding by reducing or eliminating cash flow issues that arise when these groups become project proponents, or the beneficiaries of a project utilizing grant awards.

Integrated regional water management plans are eligible for state funding allocated specifically for implementation of integrated regional water management (IRWM). Current law requires a regional water management group (RWMP), within 90 days of notice that a grant has been awarded, to provide the Department of Water Resources with a list of projects to be funded by the grant funds where the project proponent is a nonprofit organization or a disadvantaged community, or the project benefits a disadvantaged community. Existing law requires the department, within 60 days of receiving the project information, to provide advance payment of 50% of the grant award for those projects less than \$1 million. Existing law repeals these advance payment provisions on January 1, 2025. As initially introduced, AB 2060 would have also required the department to provide a project proponent that requests and demonstrates a need for advance payment with advance payment for those projects of \$500,000 or 50% of the grant award, whichever is less. The bill would have also eliminated the requirement that the grant award for the project be less than \$1 million to obtain advance payment; as well as, eliminate the repeal of these advance payment provisions. This part of the bill was gutted out of the measure on May 25, 2018.

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The bill passed both houses of the Legislature without any opposition to the bill. Governor Brown vetoes the bill on September 28, 2018. In his veto message, Governor Brown stated:

“This bill would require the State Water Resources Control Board to provide advance payment of grant awards to a nonprofit organization or disadvantaged community grantee, upon request, if the grantee demonstrates a need and if other specified criteria are met. These provisions would apply to wastewater and drinking water projects. I appreciate the author's intent to help nonprofit organizations and disadvantaged communities meet cash-flow needs when managing projects. In recent years, however, the State Water Board has established other means for grantees or address cash-flow problems. For example, the State Water Board facilitates payment of invoices, including paying additional fees to the State Controller for expedited processing. Additionally, when a grantee obtains a bridge loan to access funds before completion of a project, the State Water Board will reimburse the grantee for interest costs. As such, the additional financial risks and administrative costs associated with advanced payments, as proposed in AB 2060, are unwarranted.”

IRWMP grants: advance payment

The Integrated Regional Water Management Planning Act provides that an integrated regional water management plan is eligible for funding allocated specifically for implementation of integrated regional water management projects (IRWM).

Assembly Bill 2064, as introduced this year by Assembly Member Todd Gloria (D-San Diego), would, until January 1, 2025, require a project proponent, upon completion of the first one-half of a project receiving an award, to provide a first one-half project accountability report to the Department of Water Resources that reports the completion of objectives for the first one-half of the project and documents the expenditure and use of advance grant funds. The bill would require the department to provide advance payment of the remaining grant award within 60 days of receiving the report if the project meets certain criteria. The bill would authorize the department to withhold up to 10% of the remaining advance grant award as retention proceeds that the department is required to release fully to the project proponent upon verification by the department of project completion. The bill would require a project proponent to submit a final project accountability report to the department upon completion of the project.

Desert Water Agency took an “Opposed Unless Amended” position on the bill. The Agency is a member of the Coachella Valley RWMP, which routinely responds to state proposal solicitations for IRWM implementation and has often sought state funding for projects that serve disadvantaged communities. One of the benefits of the state’s IRWM program is that public, private and nonprofit organizations can work collaboratively to address regional infrastructural challenges and secure state grants to help offset the cost of such infrastructure. Financial and project delivery challenges arise, however, when individual projects are targeted to benefit disadvantaged communities. The latter lack the financial wherewithal to advance project funding ahead of state financial reimbursements. This, in turn, creates a disincentive for entities in the regional water management group to participate in regional planning and project delivery—even when they may be in a stronger financial position and able to contribute funding early in the planning and construction process while waiting for reimbursement.

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The Agency argued that while it appreciated the Author's goal of expediting the release of state funds at the midpoint of an IRWM project, the remaining provisions of AB 2064 present several concerns. First, the scope of the two reports was not specified in the bill and therefore it was unclear what specific information would be required. Generally, a project funding agreement will specify the information that is required to release payments. The requirement to prepare two reports on top of the project funding agreement requirements seemed unnecessary and would impose a burden on regional water management groups that undertake projects for disadvantaged communities. Second, it appeared that the funding recipient would be responsible for paying for the costs related to the reports, which would create a disincentive for groups to seek state financial assistance. Finally, California law limits retention proceeds for local agencies to 5 percent. The Agency believed the retention provisions in this bill should be the same.

The Agency requested that the reporting and retention provisions be deleted from the legislation. Regrettably, the Brown Administration was insistent on keeping the accountability provisions in the legislation. DWA staff believed, in the end, that the advance funding focus of the legislation was of greater importance than the stringent accountability provisions and approved a "Favor" position on the bill.

AB 2064 passed the Legislature and was sent to Governor Brown's desk for approval on September 6. Governor Brown vetoed the measure stating:

"This bill would expand the existing advanced payment provisions for grants awarded through the Integrated Regional Water Management Act. To date, the Department of Water Resources has advanced approximately \$8.7 million for seven grants from Proposition 84 funds and five grants from Proposition 1 funds. Notwithstanding the merits of this bill, the additional financial risk and administrative costs associated with the advanced payment process, as proposed in this bill, are unwarranted."

Land use: accessory dwelling units

There have been multiple bills introduced and enacted over the past three years that address the need to build housing in California. The Association of California Water Agencies and its members have engaged in hours of negotiations with authors and housing proponents and reached agreement as to the manner in which accessory dwelling units (ADUs) will be addressed by utility service providers. ACWA and Reeb Government Relations, on behalf of its clients, reached a compromise with ADU advocates that property-related fees and charges would not be imposed on a unit that is contained within the existing space of a single-family residence or accessory structure. However, existing law allows a local agency to require a new or separate utility connection directly between an ADU and the utility where the ADU is not within the existing space of a single-family residence or accessory structure. Consistent with Section 66013 of the Government Code, the connection may be subject to a connection fee or capacity charge that is proportionate to the burden of the proposed accessory dwelling unit and reflect the reasonable cost of providing service which reflects the requirements of Proposition 218.

Senate Bill 831, by Senator Bob Wieckowski (D-Fremont), sought to eviscerate the compromise reached last year by prohibiting a local agency, school district, special district, or water corporation from considering an ADU to be a new residential use for the purposes of calculating fees. SB 831 also provided that an ADU shall not be subject to impact fees, connection fees, capacity charges, or any

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other fees levied by a local agency, school district, special district, or water corporation. This broad exemption from the imposition of fees would even prohibit a local agency from recovering costs related to inspection of utility infrastructure that protects public health and the environment.

Desert Water Agency took an “oppose unless amended” position on SB 831, and sought amendments to the bill that would restore provisions of existing law that authorize a local agency, special district, or water corporation to require an applicant to install a separate utility connection for the accessory dwelling unit (when it is a separate unit from the primary residence on the parcel) and would state that an accessory dwelling unit shall not be considered a new residential use for purposes of calculating fees and shall not be subject to impact fees, connection fees, capacity charges, or any other fees levied by those entities.

Proposition 218 prohibits a local agency from shifting costs that cannot be collected from ADUs to other customers and development projects. Stable and predictable revenues are relied on to build capacity in water and sewer systems and to operate, maintain, repair and replace water and sewer facilities. DWA argued that relieving ADUs from paying their fair share of costs related to utility service would harm the financial position of local agency utility service providers.

SB 831 was amended on May 1, 2018 to retain local authority to impose reasonable fees and charges relating to the impact of accessory dwelling unit on water and sewer water systems. The Agency removed its opposition to the bill based on this amended language.

The bill was last heard in the Assembly Local Government Committee on June 27, where it was held without recommendation. The bill died in the Assembly after failing to meet the deadline for policy committees to hear and report fiscal bills to fiscal committees.

Onsite treated nonpotable water systems

Current law requires the State Water Resources Control Board to establish uniform statewide recycling criteria for each varying type of use of recycled water where the use involves the protection of public health. Senate Bill 966, as introduced by Senator Scott Wiener (D-San Francisco), would require the state board, in consultation with the California Building Standards Commission, to adopt regulations for risk-based water quality standards for the onsite treatment and reuse of nonpotable water. The bill would require a local jurisdiction that elects to establish a program for onsite treated nonpotable water systems to adopt a local program that includes the risk-based water quality standards established by the state board. The bill would prohibit an onsite treated nonpotable water system from being installed except under a program established by a local jurisdiction.

Desert Water Agency took an “oppose unless amended” position on the bill. The Agency owns and operates recycled water production and distribution systems that were made possible through the investment of revenues derived from customer rates. DWA argued that allowing a city, county, or city and county to adopt a program for onsite treated nonpotable water systems where a community sewer system is in place would reduce wastewater flows into the system and reduce the amount of recycled water that is produced. This will have the effect of reducing the revenue relied on to pay for the recycled water infrastructure, and potentially strand a percentage of the invested physical capacity of that infrastructure. A reduction in the quality of recycled water produced would also require the water

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systems to substitute potable water to make up for the reduction in recycled water, which is contrary to state law and policy.

While the Agency did not object to the adoption of programs for onsite treated nonpotable water systems where the above-noted negative impacts would not be present, DWA opposed SB 966 unless amended to preclude the adoption of programs where wastewater and recycled water systems are operated by local agencies that are other than the city, county, or city and county.

SB 966 was amended on June 19 to provide that “in consultation with a water service provider or sewer service provider, a local jurisdiction shall give the water service provider or sewer service provider the opportunity to demonstrate that the proposed ordinance could result in a significant adverse impact to any of the following: operations, maintenance, or management of the existing sewer collection or treatment systems due to reduce flows; existing or planned centralized recycled water or potable reuse facilities or projects due to reduced flows; receiving waters.” The bill amendments further stated that if a water service provider or sewer service provided demonstrates to a local jurisdiction a significant risk of a significant adverse impact listed above, the local jurisdiction shall further consult with the water service provider or sewer service provider on ways to mitigate that risk before adopting proposed ordinance that institutes a program for onsite treated nonpotable water system installation and regulation. These amendments were negotiated by the California Association of Sanitation Agencies (CASA).

The Agency reviewed the CASA amendment language and found it lacking. The process set out in the CASA amendments left open the manner in which a resolution of differences between a special district and a city or county will be achieved even where significant impacts to wastewater and recycled water systems have been identified. DWA believed that SB 966 should provide certainty for local agencies so as not to leave open the manner in which differences are to be resolved. And, not provide for new treatment methods that reduce flows into the community sewer system that could threaten the financial position or operational management of wastewater collection and treatment facilities.

Although the author of SB 966 repeatedly rejected further amendments to his legislation, Reeb Government Relations persisted alone in an effort to secure further amendment. That effort paid off when the Assembly Appropriations Committee adopted the amendment written by the firm while reporting the bill off its Suspense File. The amendment requires the local jurisdiction considering an ordinance to allow for onsite wastewater treatment systems to avoid or mitigate potential significant effects on wastewater systems.

All opposition having been removed, SB 966 cleared the Legislature and Governor Brown signed the bill into law on September 28. (Chapter 890, Statutes of 2018)

DWA an Effective Advocate on Behalf of its Taxpayers and Customers

This completes the fourteenth year of a commitment on the part of the DWA Board of Directors to aggressively pursue advocacy efforts in the State Capitol Relying on Reeb Government Relations to be its voice.

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The Agency remains active in battling legislation that would impose new costs on the Agency and its taxpayers and ratepayers without providing measurable benefits. The Agency alternatively supports legislation that will assist it in holding down costs, whether they may be new administrative or operational mandates.

Reeb Government Relations appreciates the level of engagement in advocacy efforts on the part of the board of directors and agency staff and would like to particularly acknowledge the engagement of General Manager/Chief Engineer Mark Krause and Outreach and Conservation Manager Ashley Metzger. These two staff members directly assist us in advocating on behalf of the Agency, as well as work with other Agency staff to provide guidance on a range of issues raised through proposed legislation. Further, staff has directly engaged members of the Agency legislative delegation throughout the past legislative session, both in scheduled one-on-one meetings and telephone calls and as part of a larger local government engagement effort. We believe this approach has been effective and has resulted in more informed voting on legislation by the local Assembly members and Senator.

**DESERT WATER AGENCY
MEDIA INFORMATION
OCTOBER 2018**

DATE	PACKET PAGE	MEDIA SOURCE	ARTICLE
10/10/18	1-2	PRESS ENTERPRISE	Seven States Agree On Colorado River Management Plan
10/10/18	3	THE DESERT SUN	States Agree On Plan To Manage Colorado
10/10/18	4-5	PRESS ENTERPRISE	Hemet: City Files Drinking Water Lawsuit
10/19/18	6-7	THE DESERT SUN	Proposed Partnership Between Agua Caliente and MSWD Could Shake Up Desert Water Management
10/19/18	8-9	THE DESERT SUN	Trump Wants To Hasten Water Plans In West

DROUGHT

Seven states agree on Colorado River management plan

California agrees to reduce its use if conditions warrant

By Dan Elliott, *The Associated Press*, October 10, 2018

DENVER » Seven Southwestern U.S. states that depend on the overtaxed Colorado River have reached landmark agreements on how to manage the waterway amid an unprecedented drought, including a commitment by California to bear part of the burden before it is legally required to do so, officials said Tuesday.

The agreements are tentative and must be approved by multiple states and agencies as well as the U.S. government. But they are seen as a milestone in the effort to preserve the river, which supports 40 million people and 6,300 square miles of farmland in the U.S. and Mexico.

"I think it's a critical step," said Pat Mulroy, former manager of the Southern Nevada Water Authority, which serves Las Vegas and other cities, and a senior fellow at the University of Nevada-Las Vegas law school.

The agreements create a collection of drought contingency plans designed to manage and minimize the effects of declining flows in the Colorado and its tributaries.

Some plans were made public Tuesday. The U.S. Bureau of Reclamation, which manages major reservoirs across the West, is expected to release others Wednesday.

A nearly two-decade-long drought has drained the river's two largest reservoirs, Lake Mead and Lake Powell, to alarmingly low levels. The Bureau of Reclamation says the chances of a shortfall in Lake Mead are 57 percent by 2020. If that happens, mandatory cutbacks would hit Arizona, Nevada and Mexico first.

The reservoir never has fallen low enough to trigger a shortage.

California agreed to soften the blow by voluntarily reducing its Colorado River use by about 6 percent if conditions are bad enough, said Jeffrey Kightlinger, general manager of the Metropolitan Water District of Southern California, a wholesaler serving 19 million people.

Kightlinger said California wanted to avoid having Congress or the U.S. Department of Interior step in and dictate a solution. "We wanted to control our own destiny and not leave things up to a political process," he said.

Even with the plans in place, the impacts will be painful for some.

"We've been letting farms know they are undoubtedly going to have to change their irrigation practices," said Paul Orme, an attorney who represents four Arizona irrigation districts on drought planning. "Irrigate less land with less water."

Orme said farmers in the districts fear they will be affected disproportionately under the plan.

"Everyone recognizes something additional needs to be done," he said. "It's just how we get there internally is what we're trying to work out."

The two major components of the plans cover the Upper Basin, where most of the water originates as Rocky Mountain snowfall, and the Lower Basin, which consumes more of the water because it has more people and farms.

Colorado, New Mexico, Utah and Wyoming are in the Upper Basin. Arizona, California and Nevada are in the Lower Basin.

It will likely be next year before all seven states and the U.S. government approve the plans, said Karen Kwon, Colorado's assistant attorney general.

States agree on plan to manage Colorado

Drought has drained river's 2 largest reservoirs

Dan Elliott, ASSOCIATED PRESS, October 10, 2018

DENVER – Seven U.S. states in the Southwest that depend on the overtaxed Colorado River have reached tentative agreements on how to manage the waterway amid an unprecedented drought, officials said Tuesday.

The announcement was a long-awaited step toward preserving the river, which supports 40 million people and 6,300 square miles of farmland in the U.S. and Mexico.

"We have, after many years of discussion and negotiation, a real milestone," said James Eklund, a water lawyer who represents Colorado in the interstate negotiations on the river.

A nearly two-decade-long drought has drained the river's two largest reservoirs, Lake Mead and Lake Powell, to alarmingly low levels.

The U.S. Bureau of Reclamation, which manages major reservoirs across the West, says the chances of a shortfall in Lake Mead are 57 percent by 2020.

The reservoir has never fallen low enough to trigger a shortage before. If it happens, mandatory cutbacks would hit Arizona, Nevada and Mexico first.

The drought contingency plans announced Tuesday are not designed to prevent a shortage in the river system, but to manage and minimize the effects.

The two major components of the plans cover the Upper Basin, where most of the water originates as Rocky Mountain snowfall, and the Lower Basin, which consumes more of the water because it has more people and farms.

Colorado, New Mexico, Utah and Wyoming are in the Upper Basin. Arizona, California and Nevada are in the Lower Basin.

The Lower Basin plan is detailed and specific, but the Upper Basin plan outlines what steps the states would take if things get worse, said Karen Kwon, Colorado's assistant attorney general. It will likely be next year before all seven states and the U.S. government approve the plans, Kwon said. Mexico agreed last year to participate in drought planning.

Reaching the agreements was a complex and delicate task because the river is not controlled by a single agency. Instead, it is governed by interstate compacts, international treaties and court rulings, known collectively as the law of the river.

HEMET

City files drinking water lawsuit

Dow Chemical, Shell Oil sued for TCP in wells

By Johnny Bender, October 10, 2018

Hemet has filed a federal lawsuit against Dow Chemical and Shell Oil seeking reimbursement for the cost of removing a cancer-causing chemical from the city's water wells.

According to its Sept. 21 suit, the contaminated wells have been tainted by TCP, a "highly toxic substance" used until the 1980s to fumigate soil where crops were grown. The solvent's chemical name is 1,2,3-trichloropropane.

Hemet Mayor Michael Perciful said low levels of the chemical were discovered in two wells during routine tests at least six months ago.

"We're all about keeping the public safe," Perciful said. "The wells that have been tested have been shut off."

To keep up with demand, Perciful said Hemet is getting replacement water from the Metropolitan Water District. He did not know how much money the city has spent cleaning the wells.

"We're doing everything we can to keep the community safe, especially with water quality," he said. Dow Chemical did not respond to a request for comment.

Shell Oil spokesman Ray Fisher said his company will vigorously fight the lawsuit.

"Shell's D-D Soil Fumigant was a highly beneficial product used by farmers more than 34 years ago to control microscopic worms that attacked crops, causing millions of dollars of crop loss each year," Fisher said. "The product was approved for use by the U.S. government and the State of California."

According to a 2017 report on TCP contamination by the Environmental Working Group, a national advocacy group, the chemical was used in Dow's Telone and Shell's D-D pesticides from the 1950s into the 1980s.

The chemical, synthesized from making plastic, was used to kill microscopic worms called nematodes, the report said.

"Shell stopped making D-D in 1984 and Dow later took TCP out of Telone, but not before it contaminated the tap water supplies of 94 California utility districts," the group said in a 2017 news release.

Most of the contamination has been found in the San Joaquin Valley, said Bill Walker, editor in chief for the group's reports.

"TCP is a very, very potent carcinogen, really widespread," Walker said. "Since 2001, according to the state Water Resources Control Board, TCP has been found in water systems serving 8 million Californians."

TCP is often detected at levels higher than the state standard of 5 parts per trillion, he said. Hemet's lawsuit, filed in Riverside's federal district court for the Central District of California, and the Environmental Working Group's report both contend that Dow Chemical and Shell Oil were aware that TCP could migrate from the soil and contaminate groundwater.

The city's lawsuit also names Dow Agrosiences, Shell Chemical and Crop Production Services as defendants. According to Hemet, more than 50 other communities, utilities and water providers throughout California have filed similar lawsuits.

"This lawsuit will help to hold Dow, Shell and the other corporations that sold TCP-laced pesticides accountable for the damage they have caused to one of the city's most precious resources," Perciful said in a statement.

Proposed partnership between Agua Caliente and MSWD could shake up desert water management

Corinne S Kennedy, Oct. 19, 2018

The Agua Caliente Band of Cahuilla Indians and the Mission Springs Water District are exploring new ways to collaborate on water management and conservation issues, a partnership that comes as both entities are locked in separate lawsuits with the Coachella Valley's two other water agencies.

The vague but wide-ranging agreement between the tribe, one of the valley's most powerful political forces, and the district, which provides water to about 36,000 people in Desert Hot Springs and unincorporated areas north of Palm Springs, could shake up the water management and distribution status quo in the desert.

Officials said the partnership will be the first time the tribe and the water district have worked together and announcements of the new alliance also come as each group works through the lawsuits they filed against the Desert Water Agency and Coachella Valley Water District.

The tribe sued DWA and CVWD in 2013, asserting rights to the groundwater under its reservation and accusing the agencies of letting the water levels in the aquifer decline. The Ninth Circuit Court of Appeals has ruled on the first part of the lawsuit, holding that the tribe does have a federal reserved right to groundwater under the reservation, dating back to the creation of the reservation in the 1870s.

Still to be determined by the courts, barring a potential settlement with the agencies: whether the tribe owns storage space within the aquifer; whether the Agua Caliente's rights include a water-quality component; and how much groundwater the tribe is entitled to.

MSWD sued both water agencies in 2016, alleging that DWA's push to become an "exclusive Groundwater Sustainability Agency" over part of MSWD's service area violated a 2004 settlement in which DWA and CVWD pledged to share management of the region's groundwater with MSWD.

That ongoing legal battle is one of many issues where the two incumbent MSWD board members running for re-election this year, Nancy Wright and Jeff Bowman, have split with the two challengers running, Steve Grasha and Malcolm McLean.

Grasha has said he believes the district is facing more pressing issues. McLean called the lawsuit "frivolous" and said the district shouldn't be spending taxpayer funds on it. Wright and Bowman, on the other hand, have both expressed strong support for the lawsuit and said they want to see MSWD, not DWA, have control of the aquifer.

District spokesperson John Soulliere said the partnership might appear political, but has serious potential benefits for both the district and the tribe.

"We have a lot of common interests," he said. "Not the least of which is recognizing that it is important for all parties, all major stakeholders in the valley, to be involved in long-term water management decisions."

Tribal chairman Jeff Grubbe said in a statement before the agreement between the two parties was finalized that he was "excited" about building a relationship with the water district.

"This potential partnership is the first step with one of the region's most forward-thinking public water purveyors in developing responsible and creative water management that will ultimately benefit residents of the Coachella Valley," he said. "This partnership would allow us to pool our resources and our respective expertise to effectively manage precious water resources well into the future."

It's not clear exactly what will come from the relationship. The first step will be a feasibility study that will examine everything from educational opportunities and conservation programs to finding new water sources and new ways to get water from the source to the consumer.

Soulliere said MSWD was potentially looking to grow in the future and that the tribe was taking a more active role in water management issues. He said both entities wanted to be involved in shaping regional water management policies.

"The Tribe and Mission Springs both believe that we should be at the table for these long-term strategies," he said.

The MSWD spokesperson added that the groups had complementary areas of expertise. The district has decades of experience in water management, he said, while members of the tribe have been "environmental stewards" for generations.

"When you put those two elements together you create a wonderful unified collaborative that is able to work with state agencies," he said.

Because of the tribe's status as a sovereign nation, it can also work with federal agencies, giving it more avenues to explore in regards to new water sources and funding for infrastructure projects, including a potential connection to the state water project.

MSWD general manager Arden Wallum said the agency envisioned a "long-term, mutually supportive" partnership with the tribe.

"This is an opportunity to cooperate as neighbors and stakeholders in Coachella Valley water management," he said in a statement.

Trump wants to hasten water plans in West

Dan Elliott and Jonathan J. Cooper, ASSOCIATED PRESS, October 19, 2018

DENVER – President Donald Trump on Friday ordered the government to speed up environmental reviews and streamline regulations that he says are hindering work on major water projects in California and other Western states.

Trump signed a memorandum aimed at helping the Central Valley Project and the California State Water Project in California, the Klamath Irrigation Project in Oregon and California and the Columbia River Basin system in the Pacific Northwest.

"We will resolve the issues blocking the completion of the Central Valley project," Trump said in Arizona during a swing through Western states. "I hope you enjoy the water that you're going to have."

The Central Valley Project is a federally managed water storage and delivery system that primarily benefits agricultural users in California's rich farming country in the center of the state.

The State Water Project serves agricultural and urban water users, including Los Angeles and much of sprawling Southern California.

The announcement is a boost for endangered Republican lawmakers in California's Central Valley facing tough challenges from Democrats looking to take control of the U.S. House.

But it is likely to inflame an ongoing battle in California over divvying up water between cities, farms and environmental needs like the protection of fish.

Farming interests have long pushed to raise Shasta Dam, which holds back California's largest reservoir as part of the Central Valley Project, by more than 18 feet. The project is opposed by environmentalists who say it would harm threatened fish species and by the Winnemem Wintu tribe, which says it would flood sacred sites.

Several other dams are proposed including Sites Reservoir near Sacramento and Temperance Flat Dam north of Fresno.

"This order stems from ignorance and election year pandering to wealthy Central Valley agribusiness interests," said John Buse, legal director with the Center for Biological Diversity.

Buse said Trump does not understand complex water issues and ignores the need to protect the environment as well as farming and cities.

"Trump's view that water is wasted if not used by agriculture or urban users is just idiotic," he said. Among other things, Trump's memorandum orders separate federal agencies to consolidate their environmental reviews of California water projects and the Klamath Irrigation Project.

"From our standpoint, it's really encouraging and we feel like we're being listened to," said Dan Keppen, executive director of the Family Farm Alliance in Klamath, Oregon.

Trump also set a 2020 deadline to finish an environmental review underway in the Columbia River Basin.

The president has long promised to boost water deliveries to California farmers, who have struggled to get by with less during years of drought.

"Today's action might be the most significant action taken by a president on Western water issues in my lifetime," said Deputy Interior Secretary David Bernhardt. He said Trump is making good on his promise to take a "more coordinated and thoughtful approach" to managing water while eliminating what he called unneeded burdens.

The memorandum also called for better use of technology in forecasting water supplies and hydropower production, and for exploring desalinization and water recycling.

DESERT WATER AGENCY

OUTREACH & CONSERVATION ACTIVITIES

October 2018

Activities:

10/2 – 10/4	Vicki Petek attended the Watersmart Innovations Conference & Expo in Las Vegas.
10/2	Ashley Metzger and Xochitl Peña staffed a table and provided information and DWA provided the water trailer at National Night Out at Palm Springs Stadium.
10/4	Ashley Metzger was on a live segment with KESQ about over-seeding.
10/4	Ashley Metzger and Xochitl Peña were interviewed on the Joey English radio show.
10/5	Vicki Petek and Xochitl Peña staffed a table and provided information at the Senior Lifestyle Expo at the Mizell Senior Center.
10/10	Secretary-Treasurer Bloomer and Mark Krause attended the MSWD Solar Switch Flip in Desert Hot Springs.
10/10	Vicki Petek completed 1 turf buy back post inspection.
10/11	Ashley Metzger and Xochitl Peña attended the ONE-PS meeting and provided an update.
10/11	Ashley Metzger was on a live segment with KESQ about the “Art is Here” block party.
10/11	President Cioffi, Vice President Stuart, Director Oygar, Mark Krause and Ashley Metzger attended the ONE-PS candidate forum.
10/14	Ashley Metzger staffed a table and provided information and water at the “Art is Here” block party downtown Palm Springs.
10/16	Ashley Metzger, Vicki Petek and Xochitl Peña staffed a table and provided information and DWA provided the water trailer at the Palm Springs Chamber Business Expo & Taste of Palm Springs at Colony 29.
10/18	Xochitl Peña was on a live segment with KESQ about Water Professionals Appreciation Week.
10/20	DWA provided water bottles for Palm Springs Modernism Week Fall Preview.
10/20	Xochitl Peña staffed a table and provided information and DWA provided the water trailer at the Desert Aids Walk at Ruth Hardy Park.
10/24	DWA hosted AWWA for a tour of DWA facilities.
10/25	Xochitl Peña was on a live segment with KESQ about Desert Garden Community Day at UCR Palm Desert.

10/26 Vicki Petek completed 1 turf buy back post inspection.

10/27 Vicki Petek and Xochitl Peña worked with CV Water Counts staffing a table at Desert Garden Community Day at UCR Palm Desert.

10/28 Xochitl Peña staffed a table and provided information and water at the Palm Springs Animal Shelter OktoberPets event.

10/29 Mark Krause and Steve Johnson, along with CVWD, hosted Metropolitan Water District on a tour of Mission Creek.

Public Information Releases/eBlasts/Customer notifications:

October 2: Desert Hot Springs page added to website – website

October 15: Ramon Road work update - Nextdoor

October 18: Paving work on Ramon Road (10/18) – website

October 18: Desert Water Agency pipeline upgrade-road paving starting 10/19 – Nextdoor

Upcoming Events

November 7-9 – NWRA

November 10, 8:00 to 12:30 – DWA at Palm Springs Farmer's Market in the Camelot Theatre parking lot

November 10, 9:00 to 3:00 – DWA water trailer at Palm Springs Air Museum for Veterans Day event

November 16-18, 10:00 to 6:00 – DWA at Desert Living Home Show at the Palm Springs Convention Center

November 22, 8:00 to 11:00 – DWA water trailer at Running Wild's Turkey Trot 5K downtown Palm Springs



Desert Water Agency
Facebook Analytics
October 2018

Results from Oct 04, 2018 - Oct 31, 2018

Note: Does not include today's data. Insights activity is reported in the Pacific time zone. Ads activity is reported in the time zone of your ad account.

Organic Paid

Actions on Page

October 4 - October 31



We have insufficient data to show for the selected time period.

Page Views

October 4 - October 31

95

Total Page Views ▼25%



Page Previews

October 4 - October 31

14

Page Previews ▲0%



Page Likes

October 4 - October 31

7

Page Likes ▼13%



Reach

October 4 - October 31

1,353

People Reached ▼50%



Recommendations

October 4 - October 31



We have insufficient data to show for the selected time period.

Post Engagements

October 4 - October 31

497

Post Engagement ▲9%



Videos

October 4 - October 31

427

Total Video Views ▲111%



Page Followers

October 4 - October 31

7

Page Followers ▼30%





Published	Post	Type	Targeting	Reach	Engagement	Promote
10/31/2018 10:00 AM	 Happy Halloween! Don't forget to bring a reusable water bottle			130	8 8	Boost Post
10/30/2018 8:09 AM	 Make your Halloween extra spooky by transforming a regular			107	7 8	Boost Post
10/29/2018 10:00 AM	 Water we talking about? Water saving tips! Turn off the water			160	4 9	Boost Post
10/28/2018 4:15 PM	 We're at Friends of the Palm Springs Animal Shelter for			306	17 19	Boost Post
10/27/2018 3:55 PM	 There were lots of fun activities and educational presentations			216	16 13	Boost Post
10/24/2018 3:02 PM	 It was a great day for a tour. American Water Works			127	27 7	Boost Post
10/22/2018 10:00 AM	 Water we talking about? Water saving tips! Install a weather-			197	3 6	Boost Post
10/20/2018 12:13 PM	 We had a great time at the Desert AIDS Project Desert AIDS			120	13 5	Boost Post
10/18/2018 10:00 AM	 Happy Modernism Week! Have fun touring all the iconic mid-			112	4 4	Boost Post
10/17/2018 2:24 PM	 Check this out for some inspiration on a more water wise			30	4 2	Boost Post
10/16/2018 6:02 PM	 We're at the 2018 Business Expo and Taste of Palm Springs			156	14 2	Boost Post
10/15/2018 10:00 AM	 Water we talking about? Water saving tips! Install a new toilet of			205	8 7	Boost Post
10/14/2018 10:16 AM	 Come down the to Art is Here block party in front of the Palm			101	0 2	Boost Post
10/13/2018 9:17 AM	 Make sure those sprinklers are off for the next two days!			164	5 13	Boost Post
10/12/2018 8:00 AM	 Desert Water Agency customers used 5 percent less water last			76	3 1	Boost Post



10/11/2018 8:00 AM		Feeling crafty? Tune in to KESQ's noon newscast to watch			118		13 9		Boost Post
10/10/2018 10:00 AM		The average American uses 176 gallons of water per day— that's			495		38 31		Boost Post
10/09/2018 4:49 PM		These stickers are being posted in all the bathrooms at the Palm			177		24 12		Boost Post
10/08/2018 10:00 AM		Water we talking about? Water saving tips! Start re-seeding			103		3 4		Boost Post
10/06/2018 10:00 AM		It's Water Professionals Appreciation Week. Ever thought			268		10 11		Boost Post
10/06/2018 9:00 AM		We're having fun on The Joey English Show talking about			135		6 10		Boost Post
10/05/2018 11:04 AM		We're here at Mizell Senior Center in Palm Springs for the			156		12 7		Boost Post
10/03/2018 10:00 AM		Don't forget to sign up for the Blood Drive on Oct. 10 hosted by			84		0 1		Boost Post
10/02/2018 7:38 PM		We're at National Night Out with the Palm Springs Police			133		18 9		Boost Post
10/01/2018 10:00 AM		Water we talking about? Water saving tips! Install a shower			161		5 5		Boost Post



Total Page Likes as of Today: 1,150



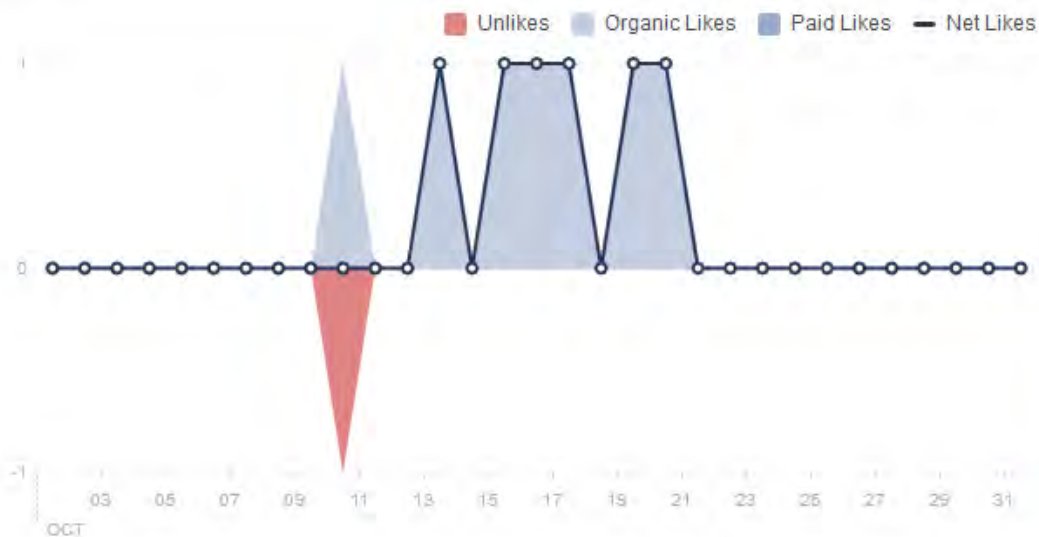
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Total Page Likes

Net Likes

Net likes shows the number of new likes minus the number of unlikes.



BENCHMARK

Compare your average performance over time.

Unlikes

Organic Likes

Paid Likes

Net Likes

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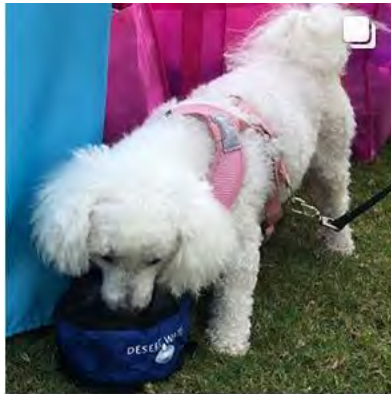


desertwateragency

Edit Profile ⚙️

254 posts 596 followers 172 following

Desert Water Agency
💧 Desert Water Agency serves water in Palm Springs & part of Cathedral City. We replenish the aquifer and offer programs to encourage efficiency. 💧
www.dwa.org



24 likes



24 likes



34 likes, 1 comment



22 likes



27 likes



52 likes, 2 comments



24 likes



35 likes



28 likes, 3 comments



Desert Water Agency

1200 S Gene Autry Trl, Palm Springs, CA 92264



Outreach & Conservation Manager Ashley Metzger, Desert Water Age...

Desert Water Agency pipeline upgrade - road paving starting 10/19

Tomorrow (10/19 and possibly into the week of 10/22), Desert Water Agency will be doing paving work to complete its pipeline project in the neighborhood. Please see the attached map for the relevant areas. We appreciate your patience as we worked to upgrade the pipeline and water reliability in this area. If you have any [See more...](#)



18 Oct - Subscribers of Desert Water Agency in 3 neighborhoods



Outreach & Conservation Manager Ashley Metzger, Desert Water Age...

Ramon Road work - ****SECOND UPDATE****

Desert Water Agency is working to complete its pipeline installation project on Ramon Road between Calle Santa Cruz and El Cielo. The pipeline has been successfully installed. The week of 10/8 and ****10/15**** we will be working on final items and paving. Eastbound traffic will be affected most. One or more lanes should [See more...](#)



Edited 15 Oct · Posted Oct 4, 2018 · Subscribers of Desert Water Agency



Thank



Reply



6



4

· 5911 Impressions

[See 2 previous replies](#)



Outreach & Conservation Manager Ashley Metzger · 10 Oct

UPDATE the final paving of Ramon Rd is scheduled to take place the week of 10/22, not 10/15.



3 Thanks



Outreach & Conservation Manager Ashley Metzger · 15 Oct

****ANOTHER UPDATE**** Paving on Ramon Road will occur later this week instead of next week. We eagerly await the successful completion of this project and appreciate your patience and... [See more](#)



Desert Water Agency Twitter Analytics October 2018

Oct 2018 • 31 days

TWEET HIGHLIGHTS

Top Tweet earned 1,682 impressions

Water we talking about? Water saving tips! Start re-seeding later. Put seed down when it is cooler (between late-October and mid-November) – you'll use less water. Or, don't reseed at all. [#watertips](#) [#waterwise](#) pic.twitter.com/1RbirAVqs



4 3

View Tweet activity

View all Tweet activity

No new followers in October

Grow your audience and deliver your content to more people on Twitter.

[Learn more about increasing your followers](#)



Top mention earned 13 engagements



ACWA JPIA

@ACWAJPIA · Oct 10

Today we are pleased to visit [@DWAwater](#) to help employees learn more about their health benefits! pic.twitter.com/BC8jE61V1W



4

View Tweet

ADVERTISE ON TWITTER

Get your Tweets in front of more people

Promoted Tweets and content open up your reach on Twitter to more people.

Get started



OCT 2018 SUMMARY

Tweets

23

Tweet impressions

17.4K

Profile visits

507

Mentions

2

New followers

8

Top media Tweet earned 1,109 impressions

Don't forget to sign up for the Blood Drive on Oct. 10 hosted by Desert Water Agency to help Codi Pelton, who just had a heart transplant. We hope to see you there! [#donateblood](#) pic.twitter.com/hpXdfgDXm

Blood Drive

Oct. 10
Noon - 4 p.m.

Desert Water Agency

Help Codi and
the community by





Audience Overview

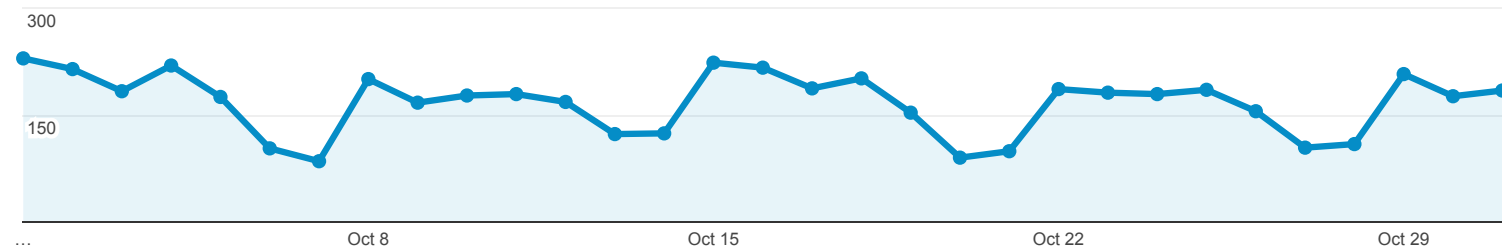


All Users
100.00% Users

Oct 1, 2018 - Oct 31, 2018

Overview

● Users



Users

4,365

New Users

3,633

Sessions

5,621

Number of Sessions per User

1.29

Pageviews

11,982

Pages / Session

2.13

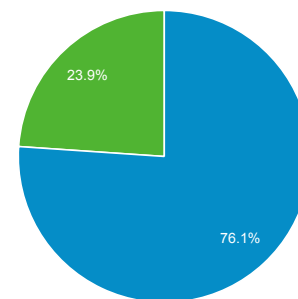
Avg. Session Duration

00:01:45

Bounce Rate

49.69%

■ New Visitor ■ Returning Visitor



Language		Users	% Users
1.	en-us	4,137	94.78%
2.	en-ca	54	1.24%
3.	en-gb	40	0.92%
4.	fr-fr	20	0.46%
5.	es-xl	11	0.25%
6.	en	9	0.21%
7.	es-419	9	0.21%
8.	es-us	8	0.18%
9.	ko	8	0.18%
10.	en-au	5	0.11%