



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

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 -** July 2, 2019 **STUART**
3. **GENERAL MANAGER'S REPORT** **KRAUSE**
4. **COMMITTEE REPORTS –** Executive – July 9, 2019 **STUART**
5. **SECRETARY-TREASURER'S REPORT –** June 2019 **EWING**
6. **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.
7. **ACTION ITEMS**
 - Public Hearing Items (A & B):**
 - A. Request Board Direction and Possible Action on Transition to Division Based Elections, Adopting Final Map of Division Boundaries & Elections Sequence (Ordinance No. 69 Establishing Divisions, Division Numbering, Boundaries & Sequence of Elections) **KRAUSE**
 - B. Public Hearing for the Purpose of Accepting and Responding to Public Comments on 2018 Public Health Goals Report **JOHNSON**
 - C. Recommend Award of Contract – Construct Snow Creek Village Surface Water Filtration Plant **JOHNSON**
 - D. Request Authorization for General Manager to Begin Escrow Proceedings for Conveyance of Real Property & Temporary Construction Easement to the City of Palm Springs for Ramon Road Bridge Widening Project **JOHNSON**
 - E. Request Adoption of Resolution No. 1214 Updating U.S. Bank Signers **SAENZ**
 - F. Request Adoption of Resolution No. 1215 Updating Union Banc Signers **SAENZ**
 - G. Request Adoption of Resolution No. 1216 Updating Stifel Signers **SAENZ**
 - H. Request Adoption of Resolution No. 1217 Updating Ladenburg Signers **SAENZ**
 - I. Request Adoption of Resolution No. 1218 Updating RBC Signers **SAENZ**
 - J. Request Adoption of Resolution No. 1219 Updating Piper Jaffray Signers **SAENZ**
 - K. Request Adoption of Resolution No. 1220 Updating Alamo Capital Signers **SAENZ**
8. **ITEMS FOR DISCUSSION**
 - A. June Water Use Reduction Figures **METZGER**
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: Mission Springs Water District vs. Desert Water Agency
 - C. **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

- D. 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
- E. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Thurman W. Arnold, III vs. Julie K. Rupp, John Medjian, Mary Beth Rupp, David Merritt Levy, DWA
- F. CONFERENCE WITH LEGAL COUNSEL – EXPOSURE TO LITIGATION
Pursuant to Government Code Section 54956.9 (d) (2)
Alan Neil Freiman, et al vs. Safari Park, Inc.
Riverside County Superior Court Case No. PSC1806308
- G. CONFERENCE WITH LEGAL COUNSEL – EXPOSURE TO LITIGATION
Pursuant to Government Code Section 54956.9 (d) (2)
Claim to Compel Elections by Division Pursuant to the California Voting Rights Act

11. RECONVENE INTO OPEN SESSION – REPORT FROM CLOSED SESSION

12. ADJOURN

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

2

July 2, 2019

DWA Board:	Joseph K. Stuart, President)	Attendance
	Kristin Bloomer, Vice President)	
	Craig Ewing, Secretary-Treasurer)	
	Patricia G. Oygar, Director)	
	James Cioffi, Director)	

DWA Staff:	Mark S. Krause, General Manager)
	Steve Johnson, Asst. General Manager)
	Martin Krieger, Finance Director)
	Sylvia Baca, Asst. Secretary of the Board)
	Ashley Metzger, Outreach & Cons. Mgr.)
	Kris Hopping, Human Resources Manager)
	Esther Saenz, Accounting Supervisor)

Consultant:	Michael T. Riddell, Best Best & Krieger)
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Public:	David Freedman, Palm Springs resident)
	Deiter Crawford, Palm Springs resident)

18476. President Stuart opened the meeting at 8:00 a.m. and asked everyone to join Director Cioffi in the Pledge of Allegiance. **Pledge of Allegiance**

18477. President Stuart called for approval of the June 18, 2019 Regular Board meeting minutes. **Approval of 06/18/19
Regular Board Mtg.
Minutes**

Secretary-Treasurer Ewing moved for approval. After a second by Director Cioffi, the minutes were approved by the following vote:

AYES:	Ewing, Cioffi, Stuart, Bloomer, Oygar
NOES:	None
ABSENT:	None
ABSTAIN:	None

18478. President Stuart called upon General Manager Krause to provide an update on Agency operations. **General Manager's
Report**

Mr. Krause provided an update on Agency operations and noted his meetings and activities for the past several weeks.

18479. President Stuart noted the minutes for the June 26, 2019 Executive Committee meeting were provided in the Board's packet. **Committee Reports:**
Executive 06/26/19

18480. President Stuart opened the meeting for public comment. **Public Comment**

David Freedman spoke regarding Item 6B and noted for the record he is speaking as a Palm Springs resident. He spoke in support of Draft Map E-2, which keeps communities of interest in line with the Supreme Court districting principles. He thanked Outreach & Conservation Manager Metzger for working with NDC and keeping Rogers Ranch and Andreas Hills neighborhoods together in response to his comments during the June 4 Board meeting. He suggested the following boundary changes to Draft Map E-2, 1) Moving Gene Autry and El Rancho Vista Estates neighborhoods with the neighborhood immediately south of El Rancho Vista Estates to Division 1, 2) Moving El Mirador from Division 1 to Division 4, and 3) Moving Gateway to Division 5. Mr. Freedman then requested the Agency to use Draft Map E-2 with his changes for adoption during the Public Hearing on July 16. David Freedman

Deiter Crawford noted he supports Draft Map D, which keeps lower income neighborhoods together. He suggested Divisions 2 & 3 should be included with the 2020 election for a higher voter turnout. Deiter Crawford

18481. President Stuart called upon Agency Counsel Riddell to provide a report on the June 20, 2019 Board of Directors of the State Water Contractors meeting. **Discussion Items:**
06/20/19 SWC Mtg.

Mr. Riddell provided a report on the following items: 1) Closed Session, 2) Report on Infrastructure Objectives, 3) SWC Board Action Items, 4) Water Supply Conditions, and 5) General Manager's Report.

18482. President Stuart called upon Outreach & Conservation Manager Metzger to provide a report on the Election by Division – Map Update. Election by Division –
Map Update

Mrs. Metzger noted National Demographics Corporation (NDC) developed a new map for public review. This map, labeled Map E-2 incorporates verbal suggestions received during the Board meeting on June 4. The goals were to keep Andreas Hills neighborhood and the new Rogers Ranch neighborhood intact. She noted all maps are current on the Agency's website.

Mrs. Metzger reported in order to adopt a final map, the Agency must notice a public hearing. On July 3, the first notice for a public hearing will appear in the Desert Star Weekly. The hearing is currently scheduled for July 16. Any draft maps that are considered for adoption at that time must be published for seven days in advance (July 8). At that time, the Agency will adopt an ordinance to transition its elections.

Secretary-Treasurer Ewing reiterated that communities of interest (ratepayers and minority groups) meet the federal laws required in creating the divisions. He noted that he is not persuaded that DWA divisions should match with the Palm Springs City Council divisions.

Election by Division –
Map Update
(Cont.)

In response to Director Oygar, Mrs. Metzger noted there could not be a division significantly larger than another, and, as far as matching with City of Palm Springs division maps, we cannot match with them due to geography.

Deiter Crawford noted that for the City of Indio district election, deviation does matter, one vote could make a difference.

18483. President Stuart noted that Board packets included Outreach & Conservation reports for June 2019.

**Outreach &
Conservation – June
2019**

Mrs. Metzger noted in addition to the reports, she is working on legislative outreach. She also reported she is working with partners on the Regional Urban Water Management Plan (excluding Valley Sanitary District), in putting together a Request for Proposal, which she will bring a Memo of Understanding to the Board in either August or September for their approval.

Secretary-Treasurer Ewing noted he is pleased with how well DWA is engaged with the public.

18484. Director Cioffi noted he and Secretary-Treasurer Ewing attended the Palm Springs Short Fest opening.

**Directors
Comments/Requests**

Director Cioffi

Vice President Bloomer noted the Lunch Lady Food Truck has moved on to other locations and were thankful to DWA for allowing them to serve at the Operations Center customer parking lot.

Vice President Bloomer

18485. At 9:48 a.m., President Stuart 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), Mission Springs Water District vs. Desert Water Agency; (C) Existing Litigation, pursuant to Government Code Section 54959.9 (d) (1), Albrecht et al vs. County of Riverside; (D) Existing Litigation, pursuant to Government Code Section 54959.9 (d) (1), Abbey et al vs. County of Riverside; (E) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (2), Thurman W. Arnold III vs. Rupp, Medjian, Rupp, Levy, DWA; (F) Exposure to Litigation, pursuant to Government Code Section 54956.9 (d) (2), Alan Neil Freiman et al vs. Safari Park, Inc.; and (G) Exposure to Litigation, pursuant

Closed Session:

- A. Existing Litigation – ACBCI vs. CVWD, et al.
- B. Existing Litigation – MSWD vs. DWA
- C. Existing Litigation – Albrecht et al vs. Riverside County
- D. Existing Litigation – Abbey et al vs. Riverside County
- E. Existing Litigation – Thurman W. Arnold III vs. Rupp, Medjian, Rupp, Levy, DWA
- F. Exposure to Litigation – Alan Neil

to Government Code Section 54956.9 (d) (2), Claim to Compel Elections by Division Pursuant to the California Voting Rights Act.

18486. At 10:49 a.m., President Stuart reconvened the meeting into open session and announced there was no reportable action taken.

18487. In the absence of any further business, President Stuart adjourned the meeting at 10:50 a.m.

Closed Session:

(Cont.)

Freiman, et al vs. Safari Park, Inc.

G. Exposure to Litigation – Claim to Compel Elections by Division Pursuant to the CVRA

Reconvene – No Reportable Action

Adjournment

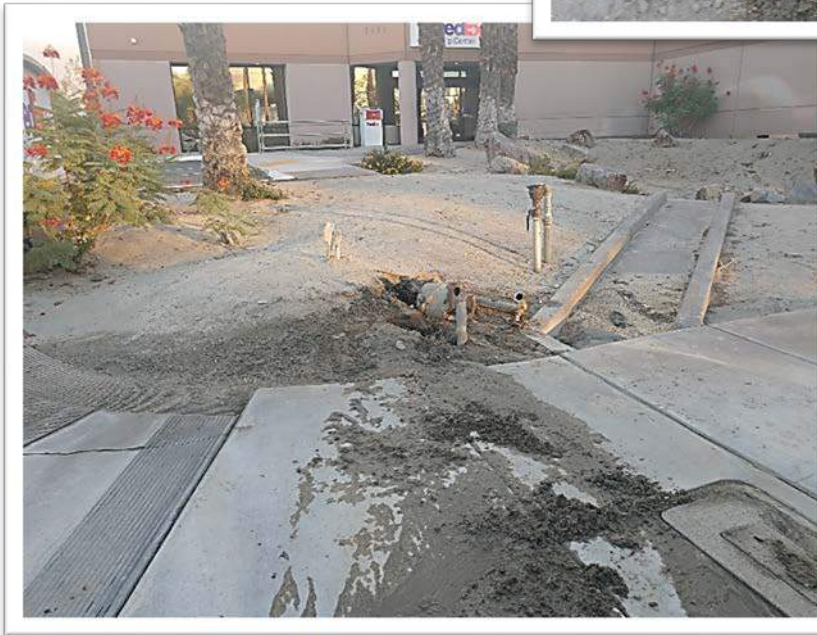
Joseph K. Stuart, President

ATTEST:

Craig Ewing, Secretary-Treasurer

GENERAL MANAGER'S REPORT JULY 16, 2019

On July 7 at approximately 7:30 p.m., Construction stand-by responded to a stolen backflow reported at 1111 Bird Center Drive (FedEx). Staff notified FedEx and they gave DWA authorization to replace the backflow. The water loss was metered and staff filed a police report.



On July 7 at approximately 10:30 p.m., Construction stand-by responded to a stolen backflow notification at 280 Oasis Rd. (Palm Springs Recycling). The owner was notified. The water loss was metered and staff filed a police report.



Human Resources Activities:

June 18, 2019	Webinar: Update: Social Media Meets the First Amendment
June 19, 2019	Webinar: Building a Better Training & Exp. Examination
June 24, 2019	Weekly Staff Meeting
June 27, 2019	MAP Supervisor Training Follow-Up
June 27, 2019	Women United Meeting
July 1, 2019	Weekly Staff Meeting
July 2, 2019	DWA Board Meeting
July 8, 2019	Weekly Staff Meeting
July 9, 2019	Intern Orientation
July 10, 2019	United Way Executive Meeting
July 10, 2019	Fleet Mechanic Interview
July 15, 2019	Weekly Staff Meeting
July 16, 2019	DWA Board Meeting

SWP Delivery and Whitewater Hydro Generation Update

As of July 16, approximately 120,000 AC-FT have been delivered to the Whitewater spreading basins. MWD is still working on determining the total amount that has been delivered to the Mission Creek Spreading Basin as a result of their malfunctioning meter.

During the month of June, the hydro plant generated approximately 585,580 kWh, resulting in a SCE settlement amount of \$54,026.

SYSTEM LEAK DATA					
(PERIOD BEGINNING JUNE 25, 2019 THRU JULY 10, 2019)					
STREET NAME	NUMBER OF LEAKS	PIPE DIAMETER (INCHES)	YEAR INSTALLED	PIPE MATERIAL	PIPE CONSTRUCTION
AVENIDA CABALLEROS	3	20	1949	STEEL	BARE/UNLINED
AVENIDA PALOS VERDES	1	4	1954	STEEL	BARE/UNLINED
CABRILLO RD	1	8	1986	AC	N/A
CALLE DE CARLOS	2	4	1946	STEEL	BARE/UNLINED
CALLE PALO FIERRO	1	4	1947	STEEL	BARE/UNLINED
CALLE PALO FIERRO	1	6	1949	STEEL	BARE/UNLINED
CAMINO REAL	1	12	1962	STEEL	LINED
CASITAS WY	1	8	1979	AC	N/A
CASITAS WY	1	8	1979	AC	N/A
CHIA RD	1	4	1946	STEEL	BARE/UNLINED
DEL MAR WY	1	8	1979	AC	N/A
DESERT PALMS DR	1	4	1946	STEEL	BARE/UNLINED
HAZELTINE PLZ	1	4	1974	AC	N/A
INDIAN AVE	1	6	1951	STEEL	BARE/UNLINED
INDIAN AVE	1	10	1938	STEEL	BARE/UNLINED
LIVMOR AVE	1	6	1955	STEEL	BARE/UNLINED
LOS SANTOS DR - (S)	1	8	1973	STEEL	LINED
MERITO PL	1	4	1954	STEEL	BARE/UNLINED
MERITO PL	5	6	1947	STEEL	BARE/UNLINED
MERITO PL	2	6	1947	STEEL	BARE/UNLINED
MISSION RD	1	4	1939	STEEL	BARE/UNLINED
OAK CREST DR E/W	1	8	1974	AC	N/A
PALM CANYON DR E	1	8	1962	STEEL	LINED
PALM CANYON DR E	1	6	1955	STEEL	BARE/UNLINED
PICO RD	1	4	1947	STEEL	BARE/UNLINED
PRESCOTT DR	1	4	1951	STEEL	BARE/UNLINED
TAMARISK RD	1	10	1942	STEEL	BARE/UNLINED
VIA ALTAMIRA	1	4	1954	STEEL	BARE/UNLINED
VIA DEL NORTE	1	4	1945	STEEL	BARE/UNLINED
VIA SALIDA	1	4	1937	STEEL	BARE/UNLINED
VISTA CHINO	1	20	1949	STEEL	BARE/UNLINED
TOTAL LEAKS IN SYSTEM:		39			

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 (SYSTEM WIDE):	1952
AVERAGE AGE OF UNLINED STEEL PIPE (SYSTEM WIDE):	66 YEARS
AVERAGE AGE OF PIPELINE AT THE TIME OF REPLACEMENT:	68 YEARS
TOTAL LENGTH OF PIPE IN SYSTEM OLDER THAN 68 YEARS (LINEAR FEET):	142,113
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
PROJECTED TIME FRAME FOR 100% REPLACEMENT OF PIPE OLDER THAN 68 YEARS:	10 YEARS
YEAR AGENCY TRANSITIONED TO CEMENT LINED STEEL PIPE:	1,960
<p>*THIS PIPELINE IS BEING REPLACED S PART OF THE 2018/2019 REPLACEMENT PIPELINES PROJECT.</p> <p>**PLEASE NOTE THIS FIGURE REPRESENTS THE AVERAGE LINERA FOOTAGE OF PIPELINE REPLACED ANNUALLY GIVEN AN AVERAGE ANNUAL BUDGET OF \$3 MILLION.</p>	

General Manager's Meetings and Activities

Meetings:

07/02/19	DWA Bi-Monthly Board Meeting	DWA
07/08/19	I.S./Staff/Security	DWA
07/09/19	DWA Executive Committee	DWA
07/09/19	IWA GM Trish Rhay	DWA
07/10/19	DWA Historical Tax Records	DWA
07/10/19	Delta Conveyance Participation	Conf. Call
07/10/19	DWA/CVWD/MWD BLM R/W Grant	Conf. Call
07/16/19	DWA Bi-Monthly Board Meeting	DWA

Activities:

- 1) Investigation of at-large VS. district elections
- 2) SWP – CWF Voluntary Settlement Agreement Framework
- 3) SWP Contract Extension Amendment
- 4) Well 20 Rehabilitation
- 5) DWA Remote Meter Reading Fixed Network
- 6) Whitewater Hydro – Automatic Re-start
- 7) State and Federal Contractors Water Authority and Delta Specific Project Committee (Standing)
- 8) Security Camera Software Upgrade for all facilities
- 9) Whitewater River Surface Water Recharge
- 10) ACBCI Section 14 Facilities & Easements
- 11) Lake Oroville Spillway Damage
- 12) Replacement Pipelines 2019-2020
- 13) CWF – Finance JPA Committee (Standing)
- 14) DWA/CVWD/MWD Operations Coordination/Article 21/Pool A/Pool B/Yuba Water
- 15) DWA/CVWD/MWD Agreements Meetings (Meeting #8)
- 16) SWP 2019 Water Supply
- 17) ACBCI Water Rights Lawsuit
- 18) Whitewater Hydro Operations Coordination with Recharge Basin O&M
- 19) SGMA Tribal Stakeholder Meetings
- 20) Whitewater Spreading Basins – BLM Permits
- 21) Lake Perris Dam Seepage Recovery Project Participation
- 22) Cal Waterfix Cost Allocation
- 23) DWA Surface Water Filtration Feasibility Snow Creek Village/Palm Oasis
- 24) MCSB Delivery Updates
- 25) Well 6 Meaders Cleaners RWQB Meetings
- 26) SGMA – Indio Subbasin Classification
- 27) SGMA – San Geronio Pass Subbasin
- 28) UWMP Population Calculation Update/Valley-Wide UWMP
- 29) RWQCB Update to the SNMP

Minutes
Executive Committee Meeting
July 9, 2019

Directors Present: Joe Stuart, Kristin Bloomer

Staff Present: Mark Krause, Steve Johnson, Martin Krieger, Sylvia Baca

1. Discussion Items

A. Review Agenda for July 16, 2019 Regular Board Meeting

The proposed agenda for the July 16, 2019 Regular Board meeting was reviewed.

2. Other - None

3. Adjourn

DESERT WATER AGENCY
STATEMENT OF CASH RECEIPTS AND EXPENDITURES

OPERATING ACCOUNT

JUNE 2019

INVESTED
RESERVE FUNDS
\$22,385,618.14

BALANCE	JUNE 1, 2019	\$313,767.40	
WATER SALES		\$2,579,116.46	
RECLAMATION SALES		129,541.31	
WASTEWATER RECEIPTS		74,699.49	
POWER SALES		3,487.59	
METERS, SERVICES, ETC.		183,064.00	
REIMBURSEMENT – GENERAL FUND		298,908.78	
REIMBURSEMENT – WASTEWATER FUND		30,698.74	
ACCOUNTS RECEIVABLE – OTHER		13,108.68	
CUSTOMER DEPOSITS – SURETY		10,234.00	
CUSTOMER DEPOSITS – CONST.		0.00	
LEASE REVENUE		3,454.77	
INTEREST RECEIVED ON INV. FDS.		6,625.00	
FRONT FOOTAGE FEES		0.00	
BOND SERVICE & RESERVE FUND INT		0.00	
MISCELLANEOUS		25,634.92	
TOTAL RECEIPTS		\$3,358,573.74	
PAYMENTS			
PAYROLL CHECKS		\$391,653.36	
PAYROLL TAXES		173,996.59	
ELECTRONIC TRANSFERS		133,285.10	
CHECKS UNDER \$10,000.00		340,191.35	
CHECKS OVER \$10,000.00 – SCH. #1		1,321,205.18	
CANCELLED CHECKS AND FEES		26,870.25	
TOTAL PAYMENTS		<u>\$2,387,201.83</u>	
NET INCOME		\$971,371.91	
BOND SERVICE ACCOUNT			
MONTHLY WATER SALES		\$0.00	
EXCESS RETURNED BY B/A		\$0.00	
BOND SERVICE FUND			\$0.00
INVESTED RESERVE FUNDS			
FUNDS MATURED		\$1,858,000.00	
FUNDS INVESTED – SCH. #3		3,408,500.00	
NET TRANSFER			(\$1,550,500.00)
BALANCE	JUNE 30, 2019	(\$265,360.69)	\$23,936,118.14

OPERATING ACCOUNT

SCHEDULE #1-CHECKS OVER \$10,000

CHECK #	NAME	DESCRIPTION	AMOUNT
122802	ACWA-JPIA	HEALTH,DENTAL & VISION INSURANCE PREMIUMS - JUNE 2019	\$208,979.16
122825	MANAGEMENT ACTION PROGRAMS, INC	MAP FOR SUPERVISORS TRAINING CLASS	\$19,875.00
122835	BACKFLOW APPARATUS & VALVE CO.	WATER SERVICE SUPPLIES	\$34,111.35
122840	C WELLS PIPELINE MATERIALS INC	WATER SERVICE SUPPLIES	\$13,589.62
122892	SOUTHERN CALIFORNIA EDISON CO	POWER	\$191,139.54
122898	UNITED WATER WORKS INC	WATER SERVICE SUPPLIES	\$29,649.87
122947	STANDARD PACIFIC HOMES	WORK ORDER REFUND (W/O #12-701-M)	\$32,548.20
122965	DESERT WATER AGENCY - WASTEWATER	WASTEWATER REVENUE BILLING FOR MAY 2019	\$91,218.13
122970	ACWA-JPIA	HEALTH,DENTAL & VISION INSURANCE PREMIUMS - JULY 2019	\$208,976.55
123018	BABCOCK LABORATORIES, INC	WATER TESTING	\$10,889.00
123019	BECK OIL INC	FUEL PURCHASE	\$12,931.12
123020	BEST BEST & KRIEGER LLP	LEGAL FEES	\$130,721.50
123023	CDW DIRECT	I/S - HARDWARE MAINTENANCE / SUPPLIES	\$21,722.63
123037	DOWN TO EARTH LANDSCAPING	LANDSCAPE MAINTENANCE	\$30,936.17
123065	J COLON COATINGS INC	2018/2019 CONTRACT PAYMENT - RESERVOIR MAINTENANCE	\$21,902.25
123066	JCI JONES CHEMICALS INC	CHLORINE CYLINDER	\$15,758.70
123068	KRIEGER & STEWART INC	ENGINEERING	\$70,818.14
123075	MCKEEVER WATERWELL & PUMP INC	EFF PUMP REPLACEMENT	\$58,616.00
123084	OUTFLOW TECHNOLOGIES	PROGRAMMING - MODERNIZATION PROJECT (W/O # 14-187-M)	\$33,963.80
123105	SOUTHERN CALIFORNIA EDISON CO	POWER	\$11,336.09
123109	SULZER ELECTRO-MECHANICAL	WELL 17 CONTROL PANEL INSTALLATION (W/O # 17-121-W-17)	\$15,151.15
123110	THATCHER COMPANY OF CALIFORNIA	WATER SERVICE SUPPLIES	\$35,179.21
123122	Z & L PAVING, INC	PAVING	\$21,192.00

** TOTAL

\$1,321,205.18

DESERT WATER AGENCY
OPERATING FUND - LISTING OF INVESTMENTS
JUNE 30, 2019

PURCH DATE	NAME	DESCRIPTION	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY	CALLABLE STATUS
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Local Agency Investment Fund

06-30-83	State of California	LAIF	Open	\$ 17,436,118.14	\$ 17,436,118.14	\$ 17,436,118.14	2.410%	-
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Certificates of Deposit

Total Certificates of Deposit

Commercial Paper

Total Commerical Paper \$ - \$ - \$ -

Government Agency

09-20-16	Union Bank	FNMA (Callable 9-20-19)	09-20-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,830.00	1.300%	Quarterly
10-28-16	Union Bank	FHLMC STEP (Callable 7-28-19)	10-28-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,180.00	2.000%	Quarterly
09-29-17	Union Bank	FHLMC (Callable 9-29-19)	09-29-20	\$ 500,000.00	\$ 500,000.00	\$ 498,045.00	1.700%	Quarterly
01-29-18	Union Bank	FHLB (Callable 7-29-19)	01-29-21	\$ 500,000.00	\$ 500,000.00	\$ 499,535.00	2.200%	Quarterly
04-22-19	Union Bank	FFCB (Callable 7-22-19)	07-22-20	\$ 500,000.00	\$ 500,000.00	\$ 500,190.00	2.500%	Continuous
05-14-19	Union Bank	FHLB (Callable 8-14-19)	05-14-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,410.00	2.600%	Quarterly
06-06-19	Union Bank	FHLMC (Caallable 9-6-19)	06-06-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,370.00	2.550%	Quarterly
06-17-19	Union Bank	FHLB (Callable 9-17-19)	06-17-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,230.00	2.400%	Continuous

Total Government Agency \$ 6,500,000.00 \$ 6,500,000.00 \$ 6,496,790.00

Weighted Mean YTM 2.343%

TOTAL INVESTED @ 06/30/19 \$ 23,936,118.14 \$ 23,936,118.14 \$ 23,932,908.14

BALANCE @ 06/30/18 \$ 20,642,759.86

INCREASE (DECREASE) \$3,293,358.28

DESERT WATER AGENCY
STATEMENT OF CASH RECEIPTS AND EXPENDITURES

GENERAL ACCOUNT

JUNE 2019

INVESTED
RESERVE FUNDS
\$142,170,503.26

BALANCE JUNE 1, 2019 \$4,133,515.66

* TAXES - RIVERSIDE COUNTY	264,014.77
* INTEREST EARNED - INV. FUNDS	149,852.56
GROUNDWATER REPLEN. ASSESSMENT	2,589.80
REIMBURSEMENT - OPERATING FUND	0.00
REIMBURSEMENT - CVWD MGMT	0.00
STATE WATER PROJECT REFUNDS	36,219.00
REIMB - CVWD - WHITEWATER HYDRO	357.52
POWER SALES - WHITEWATER	57,833.53
MISCELLANEOUS	25,477.38

TOTAL RECEIPTS \$536,344.56

PAYMENTS

CHECKS UNDER \$10,000.00	14,904.33
CHECKS OVER \$10,000.00 - SCH. #1	938,957.75
CANCELLED CHECKS AND FEES	0.00

TOTAL PAYMENTS \$953,862.08

NET INCOME (\$417,517.52)

INVESTED RESERVE FUNDS

FUNDS MATURED	11,984,750.00
FUNDS INVESTED – SCH. #2	13,085,750.00

NET TRANSFER (\$1,101,000.00) \$1,101,000.00

BALANCE JUNE 30, 2019 \$2,614,998.14 \$143,271,503.26

* INCLUSIVE TO DATE

TAXES

INTEREST

RECEIPTS IN FISCAL YEAR	\$30,208,000.54	\$2,477,690.55
RECEIPTS IN CALENDAR YEAR	\$23,547,265.69	\$1,361,261.42

DESERT WATER AGENCY

GENERAL ACCOUNT

SCHEDULE #1-CHECKS OVER \$10,000

CHECK #	NAME	DESCRIPTION	AMOUNT
9252	COACHELLA VALLEY WATER DISTRICT	SWP 2018 RATE RECONCILIATION	\$69,497.00
9253	DESERT WATER AGENCY - OPERATING	OPERATING FUND REIMBURSEMENT FOR MAY 2019	\$298,847.91
9258	STATE OF CA. DEPT. OF WATER RESOURCES	STATE WATER PROJECT - JUNE 2019	\$570,612.84

** TOTAL

\$938,957.75

DESERT WATER AGENCY
GENERAL FUND - LISTING OF INVESTMENTS
JUNE 30, 2019

PURCHASE DATE	NAME	DESCRIPTION	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY	CALLABLE STATUS
Local Agency Investment Fund								
06-30-83	State of California	LAIF	Open	\$ 45,478,017.26	\$ 45,478,017.26	\$ 45,478,017.26	2.410%	-
Certificates of Deposit								
06-14-17	RBC Wealth Mgmt	Capital One N/A CD	06-15-20	\$ 250,000.00	\$ 250,000.00	\$ 249,340.00	1.900%	Bullet
06-14-17	RBC Wealth Mgmt	Capital One Bank USA CD	06-15-20	\$ 250,000.00	\$ 250,000.00	\$ 249,340.00	1.900%	Bullet
06-19-17	RBC Wealth Mgmt	First Priority Bank CD	06-19-20	\$ 250,000.00	\$ 250,000.00	\$ 248,970.00	1.750%	Bullet
05-29-19	Ladenburg Thalmann	Sallie Mae Bank CD	05-31-22	\$ 245,000.00	\$ 245,000.00	\$ 246,675.80	2.500%	Bullet
05-30-19	Ladenburg Thalmann	Ally bank CD	05-31-22	\$ 245,000.00	\$ 245,000.00	\$ 246,673.35	2.500%	Bullet
06-04-19	Ladenburg Thalmann	Wells Fargo Step CD (Callable 9-4-19)	12-04-22	\$ 245,000.00	\$ 245,000.00	\$ 245,193.55	2.650%	Quarterly
06-05-19	Ladenburg Thalmann	Goldman Sachs CD	06-06-22	\$ 245,000.00	\$ 245,000.00	\$ 246,675.80	2.500%	Bullet
06-06-19	Ladenburg Thalmann	Morgan Stanley Bank CD	06-06-22	\$ 245,000.00	\$ 245,000.00	\$ 247,023.70	2.550%	Bullet
06-06-19	Ladenburg Thalmann	Morgan Stanley Private Bank CD	06-06-22	\$ 245,000.00	\$ 245,000.00	\$ 247,023.70	2.550%	Bullet
06-07-19	Ladenburg Thalmann	Synchrony Bank (GE) CD	06-07-22	\$ 245,000.00	\$ 245,000.00	\$ 245,982.45	2.400%	Bullet
Total Certificates of Deposit				\$ 2,465,000.00	\$ 2,465,000.00	\$ 2,472,898.35		
Medium Term Notes								
09-19-18	Stifel	Wells Fargo MTN Step (Callable 9-19-20)	9-19-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,001,720.00	3.250%	Quarterly
02-19-19	Alamo Capital	Toyota Motor Corp MTN	7-13-22	\$ 1,399,076.00	\$1,400,000.00	\$ 1,428,308.00	2.800%	Bullet
03-04-19	Alamo Capital	Apple Inc. MTN	5-11-20	\$ 991,160.00	\$1,000,000.00	\$ 997,570.00	2.560%	Bullet
04-04-19	Alamo Capital	Toyota Motor Corp MTN	4-17-20	\$ 994,400.00	\$1,000,000.00	\$ 998,080.00	2.500%	Bullet
Total Commercial Paper				\$ 4,384,636.00	\$ 4,400,000.00	\$ 4,425,678.00		
Government Agency								
10-02-15	Stifel	FHLB (Callable Continuous)	10-02-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 998,330.00	1.450%	Continuous
11-25-15	Stifel	FNMA (Callable 8-25-19)	11-25-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,610.00	1.500%	Qtrly
03-23-16	Ladenburg Thalmann	FNMA (Callable 9-23-19)	03-23-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,300.00	1.500%	Qtrly
03-30-16	Stifel	FNMA STEP (Callable 9-30-19)	03-30-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,720.00	2.250%	Qtrly
03-30-16	Stifel	FHLMC STEP (Callable 9-30-19)	03-30-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,350.00	1.750%	Qtrly
04-26-16	Ladenburg Thalmann	FHLB (Callable Continuous)	10-26-20	\$ 999,500.00	\$ 1,000,000.00	\$ 994,350.00	1.550%	Continuous
05-23-16	Stifel	FNMA	08-23-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 998,480.00	1.250%	Qtrly
05-26-16	Union Bank	FNMA	11-26-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,580.00	1.300%	1 Time
06-16-16	Stifel	FFCB (Callable Continuous)	03-16-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 995,930.00	1.400%	Continuous
06-21-16	Stifel	FHLMC STEP (Callable 9-21-19)	06-21-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,960.00	2.000%	Qtrly
07-11-16	Ladenburg Thalmann	FHLB (Callable Continuous)	10-11-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,200.00	1.125%	Continuous
07-11-16	Ladenburg Thalmann	FHLB (Callable Continuous)	07-11-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,660.00	1.125%	Continuous
07-13-16	Union Bank	FFCB (Callable Continuous)	01-13-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,060.00	1.240%	Continuous
07-26-16	Ladenburg Thalmann	FNMA	07-26-19	\$ 999,500.00	\$ 1,000,000.00	\$ 999,240.00	1.125%	Qtrly
07-27-16	Stifel	FNMA STEP (Callable 7-27-19)	07-27-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 993,590.00	1.400%	Qtrly
08-10-16	Ladenburg Thalmann	FHLMC (Callable 8-10-19)	08-10-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 994,130.00	1.450%	Qtrly
08-24-16	Ladenburg Thalmann	FHLMC STEP (Callable 8-24-19)	08-24-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,940.00	2.000%	Qtrly
08-30-16	Stifel	FHLMC STEP (Callable 8-28-19)	08-27-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,320.00	2.000%	Qtrly
08-30-16	Ladenburg Thalmann	FNMA (Callable 8-27-19)	11-27-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,480.00	1.250%	Qtrly
09-20-16	Union Bank	FNMA (Callable 9-20-19)	09-20-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,830.00	1.300%	Qtrly

DESERT WATER AGENCY
GENERAL FUND - LISTING OF INVESTMENTS
JUNE 30, 2019

PURCHASE DATE	NAME	DESCRIPTION	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY	CALLABLE STATUS
Government Agency								
09-29-16	Ladenburg Thalmann	FHLMC STEP (Callable 9-29-19)	09-29-21	\$ 950,000.00	\$ 950,000.00	\$ 948,993.00	1.500%	Qtrly
09-30-16	Ladenburg Thalmann	FNMA (Callable 9-30-19)	09-30-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,980.00	1.250%	Qtrly
10-06-16	Ladenburg Thalmann	FHLMC (Callable 7-6-19)	07-06-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 994,160.00	1.375%	Qtrly
10-17-16	Stifel	FNMA	04-17-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 993,900.00	1.250%	1 Time
10-28-16	Stifel	FHLMC STEP (Callable 7-28-19)	10-28-21	\$ 1,500,000.00	\$ 1,500,000.00	\$ 1,499,325.00	1.500%	Qtrly
10-28-16	Union Bank	FHLMC STEP (Callable 7-28-19)	10-28-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,180.00	2.000%	Qtrly
11-03-16	Ladenburg Thalmann	FFCB (Callable Continuous)	05-03-21	\$ 999,250.00	\$ 1,000,000.00	\$ 991,680.00	1.490%	Continuous
11-15-16	Stifel	FHLMC STEP (Callable 8-15-19)	11-15-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,860.00	2.000%	Qtrly
12-14-16	Ladenburg Thalmann	FHLMC (Callable 9-14-19)	12-14-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,810.00	1.750%	Qtrly
12-29-16	Ladenburg Thalmann	FNMA (Callable 9-29-19)	06-29-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,180.00	1.750%	Qtrly
12-30-16	Ladenburg Thalmann	FHLMC (Callable 9-30-19)	12-30-19	\$ 998,000.00	\$ 1,000,000.00	\$ 996,270.00	1.500%	Qtrly
01-27-17	Ladenburg Thalmann	FNMA (Callable 7-27-19)	01-27-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,110.00	1.650%	Qtrly
01-30-17	Union Bank	FHLB (Callable 7-30-19)	04-30-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,800.00	1.750%	Qtrly
04-20-17	Stifel	FHLMC STEP (Callable 7-20-19)	04-20-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,002,430.00	2.250%	Qtrly
04-27-17	Ladenburg Thalmann	FHLMC (Callable 7-27-19)	01-27-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,030.00	2.000%	Qtrly
06-22-17	Ladenburg Thalmann	FHLMC STEP (Callable 9-22-19)	06-22-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,001,150.00	2.250%	Qtrly
06-27-17	Union Bank	FHLB (Callable 9-27-19)	09-27-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 998,310.00	1.500%	Qtrly
06-29-17	Ladenburg Thalmann	FHLMC (Callable 9-29-19)	09-29-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,170.00	1.750%	Qtrly
07-11-17	Ladenburg Thalmann	FHLMC (Callable 7-11-19)	01-11-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 995,660.00	1.800%	Qtrly
07-26-17	Stifel	FHLMC STEP (Callable 7-26-19)	07-26-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,910.00	2.000%	Qtrly
07-27-17	Stifel	FHLMC STEP (Callable 7-27-19)	07-27-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,290.00	2.000%	Qtrly
08-07-17	Ladenburg Thalmann	FFCB (Callable Continuous)	11-23-20	\$ 999,850.00	\$ 1,000,000.00	\$ 995,860.00	1.770%	Continuous
08-09-17	Stifel	FHLB STEP (Callable 8-9-19)	02-09-22	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,300.00	1.850%	Qtrly
08-10-17	Ladenburg Thalmann	FHLB STEP (Callable 8-10-19)	08-10-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,510.00	2.000%	Qtrly
09-08-17	Stifel	FHLB STEP (Callable 9-8-19)	09-08-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,160.00	1.875%	Qtrly
09-28-17	Ladenburg Thalmann	FHLMC STEP (Callable 9-28-19)	09-28-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,540.00	1.750%	Qtrly
09-29-17	Union Bank	FHLMC (Callable 9-29-19)	09-29-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,090.00	1.700%	Qtrly
09-29-17	Stifel	FHLMC STEP (Callable 9-29-19)	09-29-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,110.00	1.750%	Qtrly
10-26-17	Ladenburg Thalmann	FNMA (Callable 7-26-19)	07-26-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,100.00	2.000%	Qtrly
11-20-16	Ladenburg Thalmann	FHLMC (Callable 8-20-19)	11-20-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,140.00	2.000%	Qtrly
12-11-17	Ladenburg Thalmann	FHLB (Callable 9-11-19)	12-11-20	\$ 999,750.00	\$ 1,000,000.00	\$ 997,850.00	2.000%	Qtrly
12-14-17	Stifel	FFCB (Callable Continuous)	12-14-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,010.00	2.060%	Continuous
01-16-18	Ladenburg Thalmann	FHLMC (Callable 7-16-19)	10-16-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,050.00	2.070%	Qtrly
01-26-18	Stifel	FHLMC (Callable 7-26-19)	01-26-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,250.00	2.220%	Qtrly
01-29-18	Union Bank	FHLB (Callable 7-29-19)	01-29-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,070.00	2.200%	Qtrly
01-30-18	Union Bank	FHLB (Callable 7-30-19)	07-30-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,100.00	2.100%	Qtrly
01-30-18	Ladenburg Thalmann	FHLB (Callable 7-26-19)	01-26-21	\$ 999,650.00	\$ 1,000,000.00	\$ 1,000,250.00	2.250%	Qtrly
02-01-18	Stifel	FFCB (Callable Continuous)	02-01-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,020.00	2.350%	Continuous
02-12-18	Stifel	FHLB (Callable 8-12-19)	02-12-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,510.00	2.300%	Qtrly
10-25-18	Stifel	FHLMC (Callable 10-25-19)	10-25-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,002,880.00	3.100%	Qtrly
10-29-18	Ladenburg Thalmann	FHLB (Callable 10-29-19)	10-29-20	\$ 999,600.00	\$ 1,000,000.00	\$ 1,002,980.00	2.940%	Continuous
11-20-18	Stifel	FHLMC (Callable 11-20-19)	11-20-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,003,790.00	3.000%	1 Time
02-26-19	Stifel	FHLMC (Callable 2-26-20)	08-26-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,920.00	2.750%	Qtrly
03-18-19	Union Bank	FHLB (Callable 9-18-19)	12-18-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,660.00	2.650%	Qtrly
03-25-19	Ladenburg Thalmann	FHLB (Callable 9-25-19)	03-25-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,001,110.00	2.750%	Qtrly
04-11-19	Stifel	FHLMC (Callable 10-11-19)	10-11-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,001,570.00	2.700%	Qtrly
04-12-19	Union Bank	FHLMC (Callable 7-12-19)	04-12-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,140.00	2.750%	Qtrly
04-17-19	Alamo Capital	FHLMC (Callable 10-17-19)	10-17-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,001,240.00	2.600%	Qtrly

DESERT WATER AGENCY
GENERAL FUND - LISTING OF INVESTMENTS
JUNE 30, 2019

PURCHASE DATE	NAME	DESCRIPTION	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY	CALLABLE STATUS
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Government Agency

04-18-19	Ladenburg Thalmann	FHLMC (Callable 10-18-19)	04-18-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,001,550.00	2.650%	Qtrly
04-22-19	Union Bank	FFCB (Callable 7-22-19)	07-22-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,380.00	2.500%	Qtrly
04-26-19	Alamo Capital	FHLMC (Callable 7-26-19)	10-26-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,370.00	2.700%	Qtrly
04-29-19	Ladenburg Thalmann	FNMA (Callable 10-29-19)	04-29-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,001,630.00	2.650%	Qtrly
04-30-19	Stifel	FHLMC STEP (Callable 10-30-19)	04-30-24	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,001,300.00	2.650%	Qtrly
05-09-19	Union Bank	FHLB (Callable 8-9-19)	11-09-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,290.00	2.625%	Qtrly
05-13-19	Ladenburg Thalmann	FHLMC (Callable 11-13-19)	05-13-22	\$ 500,000.00	\$ 500,000.00	\$ 501,005.00	2.650%	Qtrly
05-14-19	Union Bank	FHLB (Callable 8-14-19)	05-14-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,410.00	2.600%	Qtrly
05-16-19	Alamo Capital	FFCB (Callable 8-16-19)	05-16-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,430.00	2.570%	Continuous
05-23-19	Union Bank	FHLB (Callable 8-23-19)	05-23-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,290.00	2.650%	Qtrly
05-28-19	Alamo Capital	FHLMC (Callable 8-27-19)	05-27-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,670.00	2.625%	Qtrly
06-06-19	Alamo Capital	FFCB (Callable 9-6-19)	03-06-23	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,290.00	2.580%	Continuous
06-06-19	Union Bank	FHLMC (Callable 9-6-19)	06-06-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,370.00	2.550%	Qtrly
06-13-19	Alamo Capital	FFCB (Callable 9-13-19)	09-13-23	\$ 998,750.00	\$ 1,000,000.00	\$ 998,600.00	2.490%	Continuous
06-17-19	Union Bank	FHLB (Callable 9-17-19)	06-17-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,230.00	2.400%	Continuous
06-17-19	Alamo Capital	FFCB (Callable 9-17-19)	09-17-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 998,490.00	2.350%	Continuous
06-17-19	Union Bank	FHLMC (Callable 9-17-19)	06-17-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 998,170.00	2.500%	Qtrly
06-20-19	Alamo Capital	FHLMC (Callable 9-20-19)	06-20-24	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,140.00	2.600%	Qtrly
06-20-19	Stifel	FHLMC (Callable 9-20-19)	06-20-23	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,090.00	2.500%	Qtrly
06-24-19	Union Bank	FHLMC (Callable 9-24-19)	06-24-22	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,260.00	2.500%	Qtrly
06-24-19	Alamo Capital	FHLMC (Callable 12-24-19)	06-24-24	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,930.00	2.500%	Qtrly

Total Government Agency \$ 90,943,850.00 \$ 90,950,000.00 \$ 90,870,363.00

Weighted Mean YTM 2.184%

TOTAL INVESTED @ 06/30/19 \$ 143,271,503.26 \$ 143,293,017.26 \$ 143,246,956.61

BALANCE @ 06/30/18 \$ 127,941,061.53

INCREASE OR (DECREASE) \$ 15,330,441.73

DESERT WATER AGENCY
STATEMENT OF CASH RECEIPTS AND EXPENDITURES

WASTEWATER ACCOUNT

JUNE 2019

INVESTED
RESERVE FUNDS
\$1,512,862.63

BALANCE	JUNE 1, 2019	(\$3,186.25)	
ACCOUNTS RECEIVABLE - OTHER		\$0.00	
CUSTOMER DEPOSITS - CONSTRUCTION		0.00	
INTEREST EARNED - INVESTED FUNDS		5.38	
WASTEWATER REVENUE		91,218.13	
SEWER CAPACITY CHARGES		2,456.31	
MISCELLANEOUS		<u>0.00</u>	
TOTAL RECEIPTS		\$93,679.82	
PAYMENTS			
CHECKS UNDER \$10,000.00		\$0.00	
CHECKS OVER \$10,000.00 - SCH. #1		201,540.87	
CANCELLED CHECKS AND FEES		<u>0.00</u>	
TOTAL PAYMENTS		<u>\$201,540.87</u>	
NET INCOME		(\$107,861.05)	
INVESTED RESERVE FUNDS			
FUNDS MATURED		\$112,500.00	
FUNDS INVESTED - SCH. #2		<u>0.00</u>	
NET TRANSFER		\$112,500.00	(\$112,500.00)
BALANCE	JUNE 30, 2019	\$1,452.70	\$1,400,362.63

DESERT WATER AGENCY

WASTEWATER ACCOUNT

SCHEDULE #1-CHECKS OVER \$10,000

CHECK #	NAME	DESCRIPTION	AMOUNT
3295	DESERT WATER AGENCY - GENERAL	CAPITAL IMPROVEMENT LOAN - REPAYMENT # 19 OF 19	\$25,227.38
3296	DESERT WATER AGENCY - OPERATING	MANHOLE REPLACEMENT (W/O # 17-002-M)	\$76,135.24
3297	DESERT WATER AGENCY - OPERATING	OPERATING FUND REIMBURSEMENT FOR MAY 2019	\$30,698.74
3298	CITY OF PALM SPRINGS	WASTEWATER REVENUE BILLING FOR MAY 2019	\$10,059.49
3299	COACHELLA VALLEY WATER DISTRICT	WASTEWATER REVENUE BILLING FOR MAY 2019	\$59,420.02
** TOTAL			\$201,540.87

DESERT WATER AGENCY
WASTEWATER FUND - LISTING OF INVESTMENTS
JUNE 30, 2019

PURCH DATE	NAME	DESCRIPTION	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY
------------	------	-------------	---------------	------	-----------	--------------	-------------------

Local Agency Investment Fund

06-30-83	State of California	LAIF	Open	\$ 1,400,362.63	\$ 1,400,362.63	\$ 1,400,362.63	2.410%
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TOTAL INVESTED @ 06/30/19	\$ 1,400,362.63	\$ 1,400,362.63	\$ 1,400,362.63
BALANCE @ 06/30/18	\$ 1,354,594.08		
INCREASE OR (DECREASE)	\$ 45,768.55		

DESERT WATER AGENCY
OPERATING FUND
WATER CONSUMPTION

	THIS QUARTER			FISCAL YEAR TO DATE		
	LAST YEAR	THIS YEAR	% UP (DOWN)	LAST YEAR	THIS YEAR	% UP (DOWN)
WATER REVENUE	\$7,327,082	\$7,944,512	8	\$29,013,278	\$31,197,697	8
TOTAL CONSUMPTION (100 CU FT)	3,353,379	3,239,678	(3)	13,206,067	12,568,940	(5)
AVERAGE CONSUMPTION PER CONSUMER (100 CU FT)	148	143 *	(3)	586	557 c	(5)
NUMBER OF CONNECTIONS	31	194		22,613	22,648	0

* = ADDED THIS QUARTER

C = TOTAL ACTIVE JUNE 2019

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

JULY 16, 2019

**RE: PUBLIC HEARING ON ORDINANCE TO SELECT MAP AND
TRANSITION FROM AT-LARGE TO ELECTON BY DIVISION**

In late December 2018, Desert Water Agency received a demand letter from Shenkman & Hughes law firm requesting the Agency transition from at-large elections to election by division in order to comply with the California Voting Rights Act.

On February 5, 2019, Desert Water Agency's Board of Directors unanimously adopted Resolution No. 1201 (Intent to initiate procedures to establish and implement transition to elections by division). The Agency retained National Demographics Corporation (NDC) to assist in the transition. Later in February, Desert Water Agency conducted two public hearings to gather input from the community before NDC drafted maps showing potential division boundaries. One of these hearings was held in Desert Hot Springs.

Subsequently, NDC developed three maps (A, B & C) along with proposed election sequencing that the Agency published for review and discussed at hearings held on April 15 and 16, 2019. One of these hearings was held in Desert Hot Springs. Feedback at these hearings and other Board meetings led the Agency to request three additional maps. Map D was posted on May 24. Map E (and revised E2) was posted on June 26. Map F was posted on July 3.

All six draft maps comply with the requirements of the California Voting Rights Act and have been posted with a sufficient amount of time for public review on the Agency website. The Desert Star Weekly published the notice for this public hearing on July 3, July 5 and July 10. The notice of public hearing was also posted on the Agency's website and on its lobby bulletin board. Staff also updated ONE-PS and the cities of Desert Hot Springs, Cathedral City and Palm Springs regarding the maps and hearing.

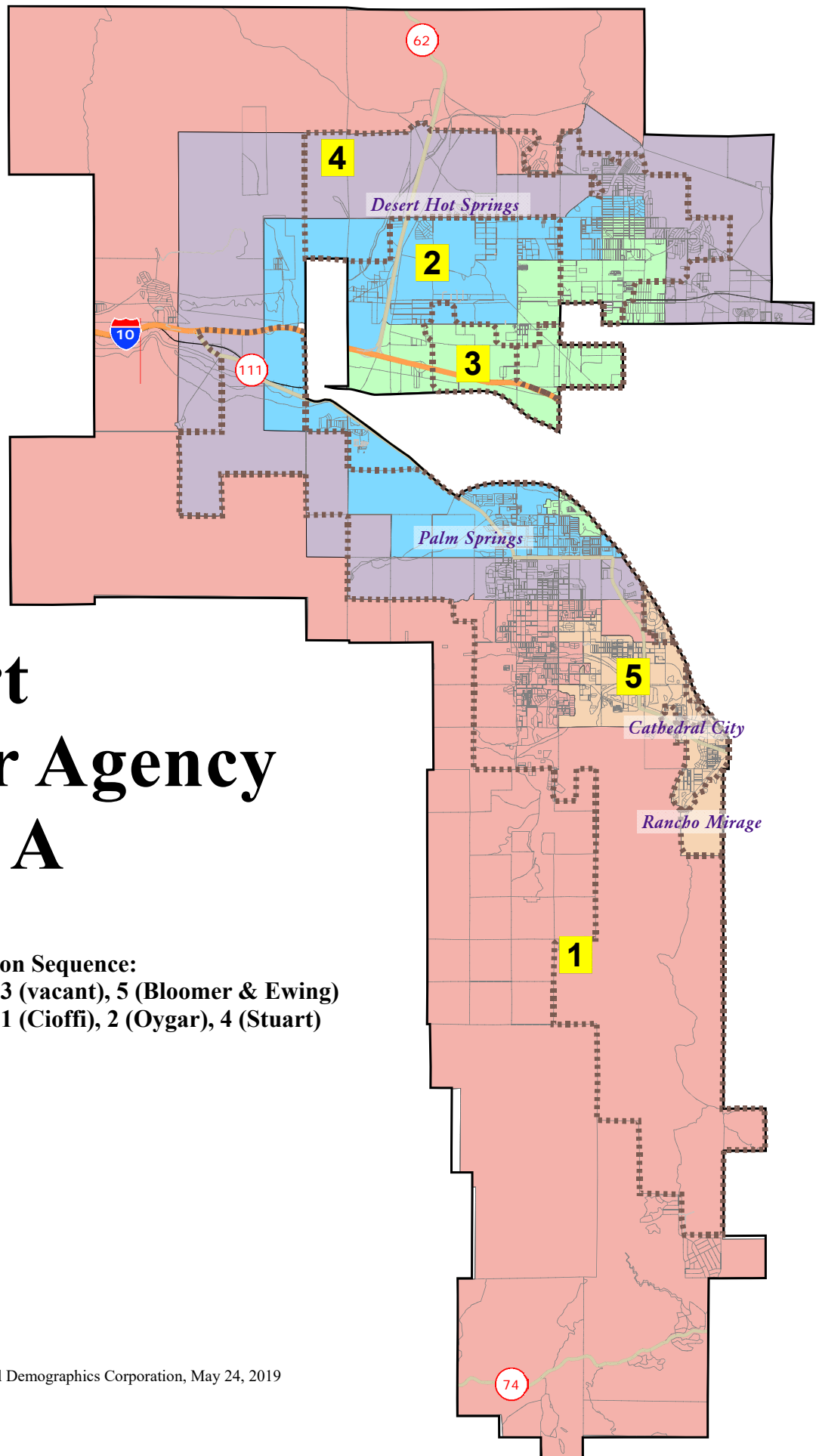
Staff recommends that the Board of Directors conduct the public hearing on the proposed map options and election transition. After the close of the public hearing, staff recommends the Board select a map and adopt Ordinance No. 69 Establishing Divisions, Division Numbering, Boundaries & Sequence of Election.

Desert Water Agency Draft A

Proposed Election Sequence:

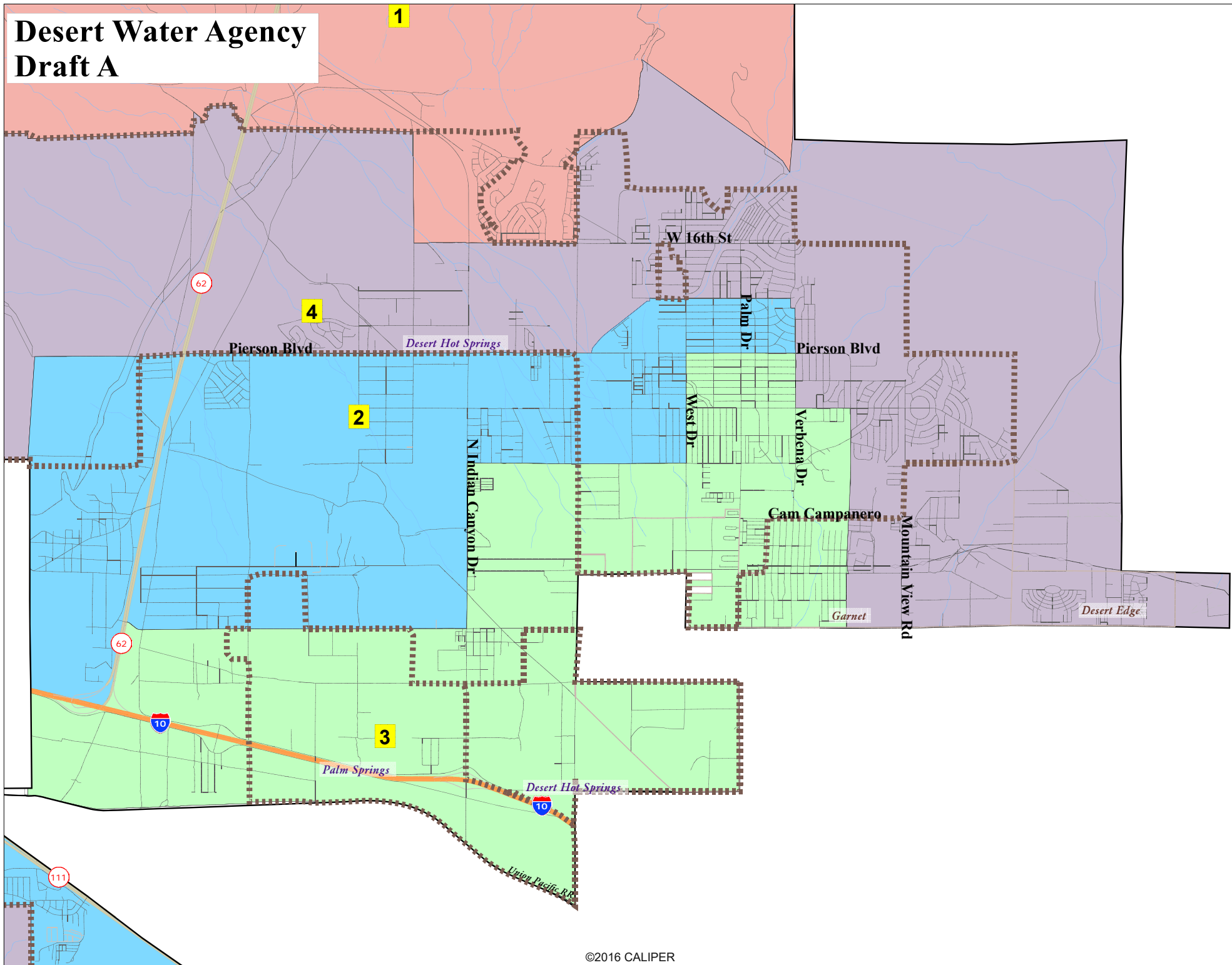
2020: Divisions 3 (vacant), 5 (Bloomer & Ewing)

2022: Divisions 1 (Cioffi), 2 (Oygar), 4 (Stuart)












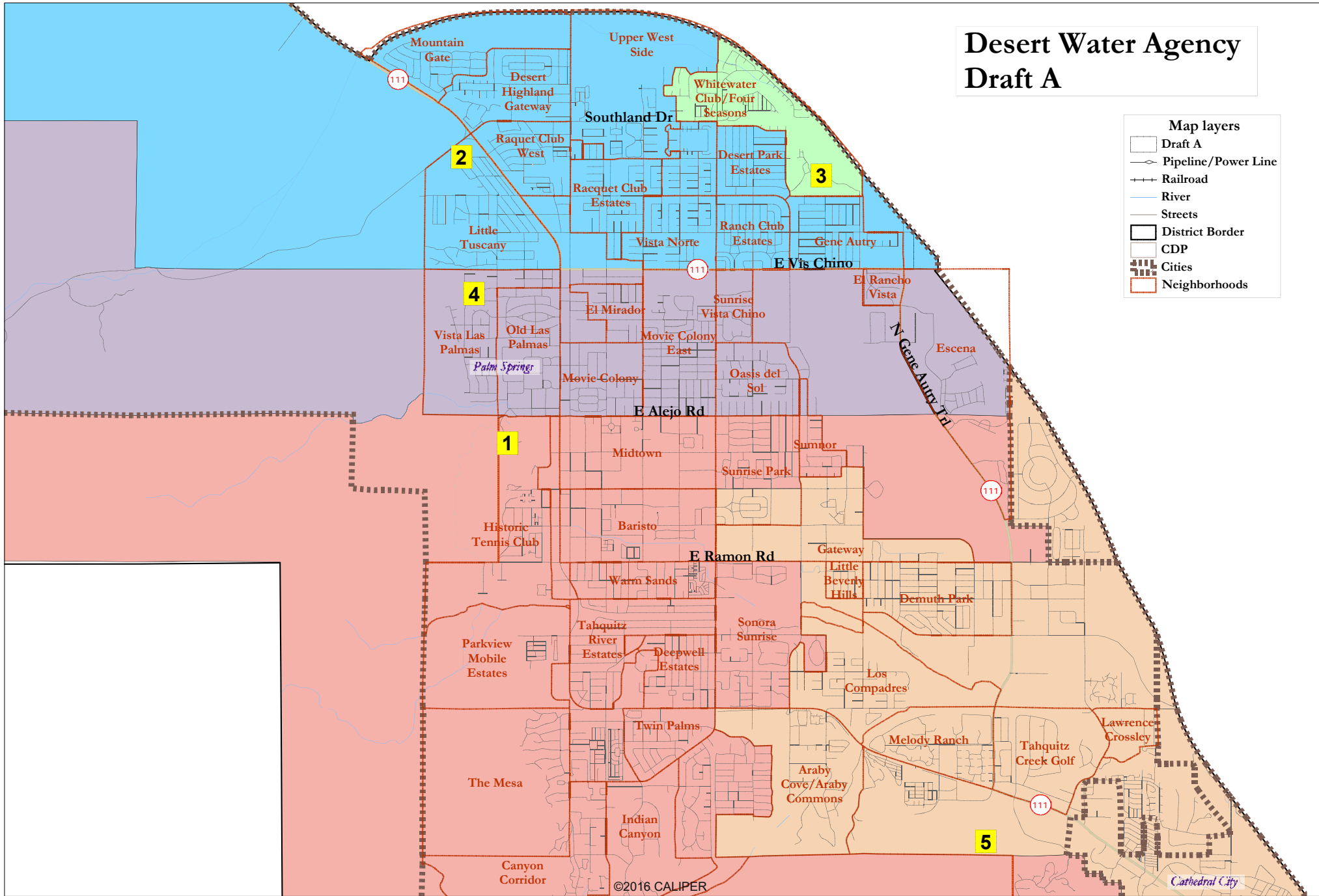
National Demographics Corporation, May 24, 2019

**Desert Water Agency
Draft A**



Desert Water Agency Draft A

- Map layers**
-  Draft A
 -  Pipeline/Power Line
 -  Railroad
 -  River
 -  Streets
 -  District Border
 -  CDP
 -  Cities
 -  Neighborhoods



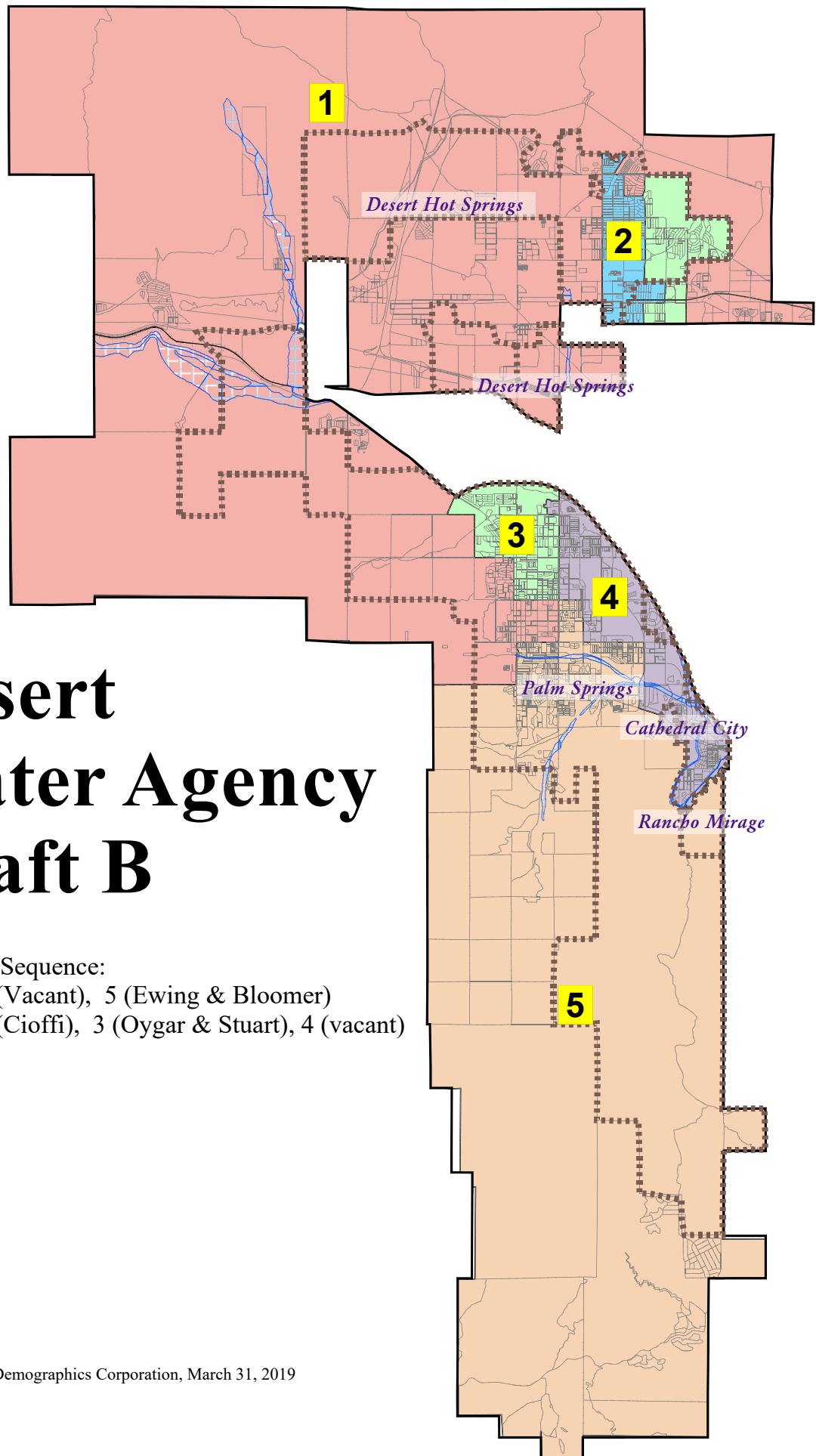
Desert Water Agency - Draft Map A							
District		1	2	3	4	5	Total
<u>Ideal</u>	Total Pop	18,080	18,497	17,546	17,993	17,201	89,317
17,863	Deviation from ideal	217	634	-317	130	-662	1,296
	% Deviation	1.21%	3.55%	-1.77%	0.73%	-3.71%	7.26%
Total Pop	% Hisp	17%	40%	70%	33%	39%	39%
	% NH White	75%	46%	21%	56%	51%	50%
	% NH Black	3%	8%	6%	6%	3%	5%
	% Asian-American	1%	1%	1%	1%	1%	1%
Citizen Voting Age Pop	Total	15,234	12,889	9,279	12,264	11,599	61,265
	% Hisp	13%	24%	51%	24%	26%	25%
	% NH White	80%	62%	37%	65%	64%	64%
	% NH Black	3%	9%	8%	7%	3%	6%
	% Asian/Pac.Isl.	3%	4%	3%	3%	6%	4%
Voter Registration (Nov 2016)	Total	9,986	8,065	5,105	8,889	7,776	39,821
	% Latino est.	9%	24%	50%	21%	23%	23%
	% Spanish-Surnamed	8%	22%	45%	19%	21%	21%
	% Asian-Surnamed	1%	1%	1%	1%	1%	1%
	% Filipino-Surnamed	1%	1%	1%	1%	2%	1%
	% NH White est.	84%	65%	38%	67%	70%	68%
	% NH Black	5%	8%	9%	5%	3%	6%
Voter Turnout (Nov 2016)	Total	9,078	6,549	3,617	6,838	6,645	32,726
	% Latino est.	11%	20%	48%	22%	17%	20%
	% Spanish-Surnamed	10%	18%	43%	20%	15%	18%
	% Asian-Surnamed	1%	1%	1%	1%	1%	1%
	% Filipino-Surnamed	1%	1%	1%	1%	1%	1%
	% NH White est.	83%	68%	41%	64%	74%	70%
	% NH Black	3%	9%	8%	6%	3%	5%
Voter Turnout (Nov 2014)	Total	6,064	3,635	1,800	4,139	4,172	19,810
	% Latino est.	7%	15%	36%	13%	14%	14%
	% Spanish-Surnamed	6%	13%	33%	11%	13%	12%
	% Asian-Surnamed	1%	1%	1%	1%	1%	1%
	% Filipino-Surnamed	0%	1%	1%	1%	1%	1%
	% NH White est.	88%	75%	51%	75%	79%	77%
	% NH Black est.	5%	8%	10%	4%	3%	5%
ACS Pop. Est.	Total	18,457	19,368	18,288	18,561	16,522	91,195
Age	age0-19	11%	25%	33%	26%	17%	22%
	age20-60	45%	51%	49%	50%	45%	48%
	age60plus	44%	25%	18%	24%	38%	29%
Immigration	immigrants	17%	23%	27%	20%	23%	22%
	naturalized	47%	41%	32%	35%	37%	38%
Language spoken at home	english	77%	63%	49%	65%	64%	64%
	spanish	16%	32%	48%	30%	28%	31%
	asian-lang	3%	2%	2%	1%	4%	2%
	other lang	4%	4%	2%	3%	4%	3%
Language Fluency	Speaks Eng. "Less than Very Well"	7%	14%	17%	12%	16%	13%
Education (among those age 25+)	hs-grad	48%	41%	36%	44%	45%	43%
	bachelor	19%	11%	6%	10%	13%	12%
	graduatedegree	14%	7%	3%	6%	9%	8%
Child in Household	child-under18	9%	23%	35%	26%	13%	20%
Pct of Pop. Age 16+	employed	44%	49%	50%	50%	46%	48%
Household Income	income 0-25k	29%	32%	33%	32%	33%	31%
	income 25-50k	24%	28%	33%	28%	29%	28%
	income 50-75k	17%	15%	17%	17%	15%	16%
	income 75-200k	24%	21%	16%	21%	20%	21%
	income 200k-plus	7%	4%	1%	3%	3%	4%
Housing Stats	single family	72%	77%	80%	79%	76%	76%
	multi-family	28%	23%	20%	21%	24%	24%
	rented	43%	44%	46%	43%	43%	44%
	owned	57%	56%	54%	57%	57%	56%
Total population data from the 2010 Decennial Census.							
Surname-based Voter Registration and Turnout data from the California Statewide Database.							
Latino voter registration and turnout data are Spanish-surname counts adjusted using Census Population Department undercount estimates.							
NH White and NH Black registration and turnout counts estimated by NDC. Citizen Voting Age Pop., Age, Immigration, and other demographics from the 2012-2016 American Community Survey and Special Tabulation 5-year data.							

Desert Water Agency Draft B

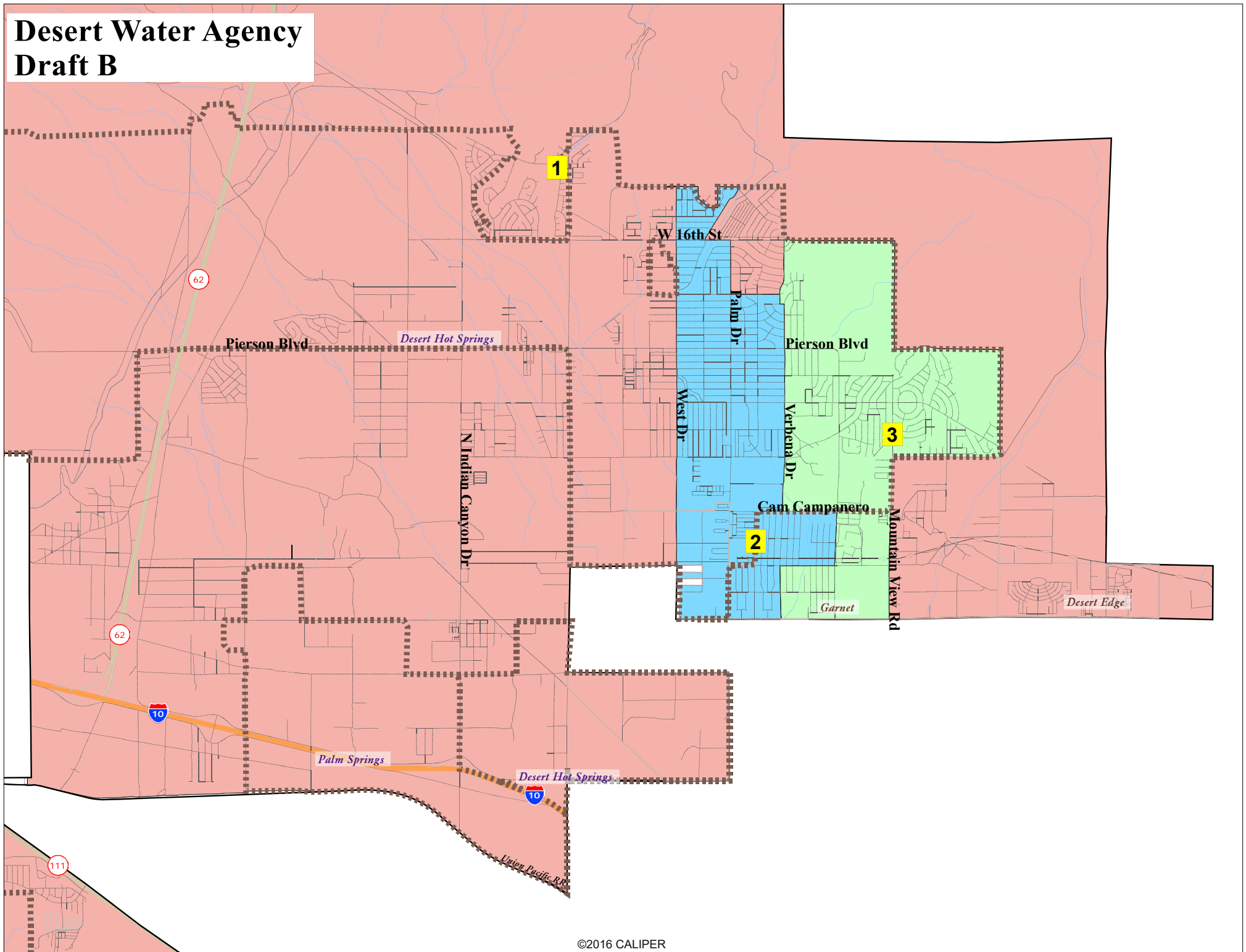
Proposed Election Sequence:

2020: Divisions 2 (Vacant), 5 (Ewing & Bloomer)

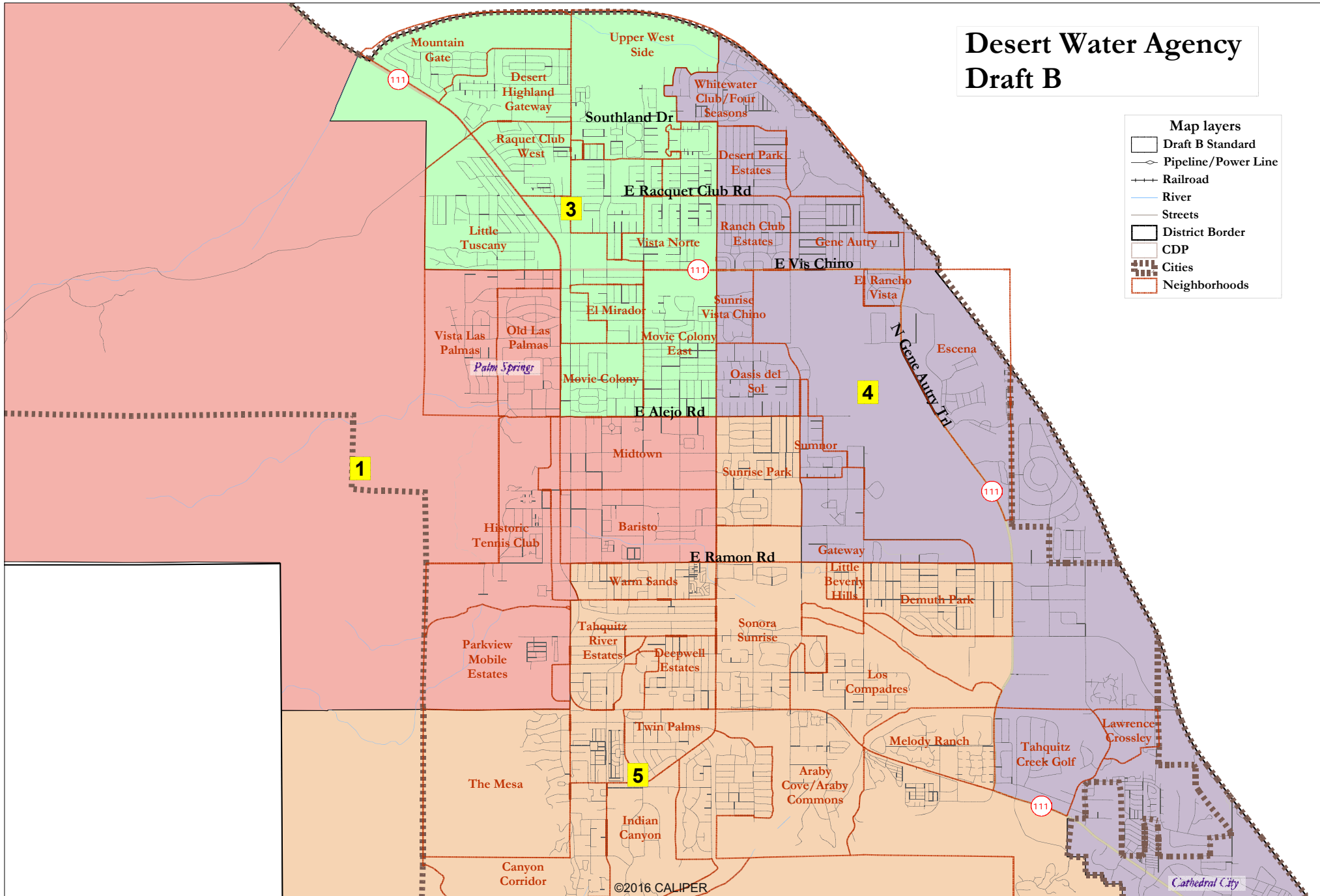
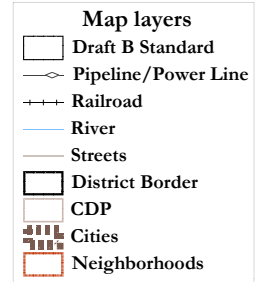
2022: Divisions 1 (Cioffi), 3 (Oygar & Stuart), 4 (vacant)



**Desert Water Agency
Draft B**



**Desert Water Agency
Draft B**

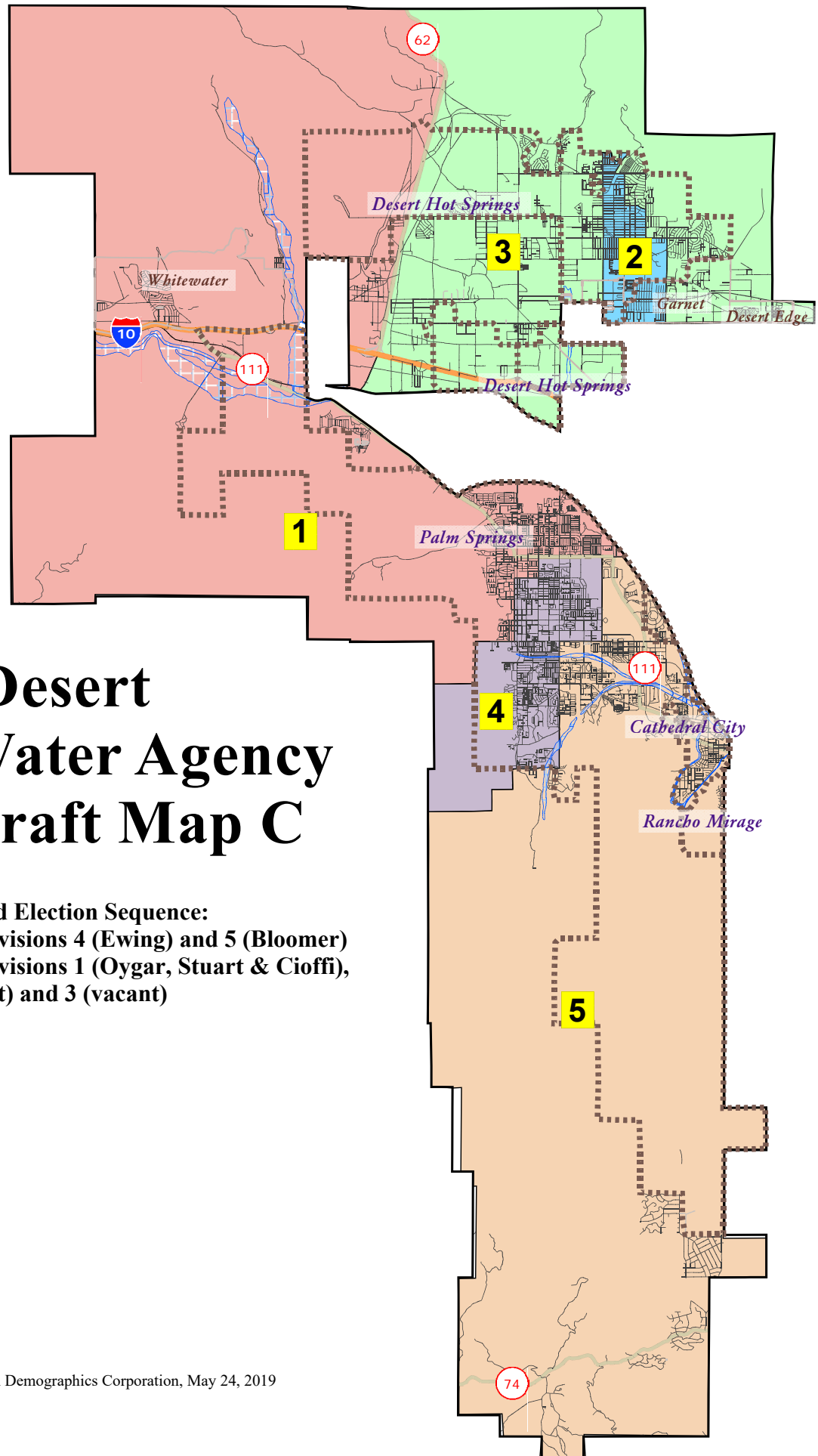


Desert Water Agency - Draft Map B							
District		1	2	3	4	5	Total
<u>Ideal</u>	Total Pop	17,821	17,837	18,294	17,407	17,958	89,317
17,863	Deviation from ideal	-42	-26	431	-456	95	887
	% Deviation	-0.24%	-0.15%	2.41%	-2.55%	0.53%	4.97%
Total Pop	% Hisp	33%	67%	35%	42%	20%	39%
	% NH White	57%	23%	50%	49%	70%	50%
	% NH Black	5%	7%	8%	3%	2%	5%
	% Asian-American	1%	1%	1%	1%	1%	1%
Citizen Voting Age Pop	Total	12,761	9,604	12,374	12,017	14,509	61,265
	% Hisp	22%	51%	24%	26%	14%	25%
	% NH White	70%	36%	61%	66%	77%	64%
	% NH Black	4%	10%	10%	3%	2%	6%
	% Asian/Pac.Isl.	3%	3%	3%	4%	5%	4%
Voter Registration (Nov 2016)	Total	7,580	5,534	8,846	8,029	9,832	39,821
	% Latino est.	22%	48%	21%	24%	11%	23%
	% Spanish-Surnamed	20%	43%	19%	21%	10%	21%
	% Asian-Surnamed	1%	1%	1%	1%	1%	1%
	% Filipino-Surnamed	1%	1%	1%	1%	1%	1%
	% NH White est.	70%	40%	67%	66%	83%	68%
	% NH Black	5%	10%	9%	2%	3%	6%
Voter Turnout (Nov 2016)	Total	6,497	3,621	7,001	7,020	8,587	32,726
	% Latino est.	21%	49%	20%	19%	10%	20%
	% Spanish-Surnamed	19%	44%	18%	17%	9%	18%
	% Asian-Surnamed	1%	1%	2%	1%	1%	1%
	% Filipino-Surnamed	1%	1%	1%	1%	1%	1%
	% NH White est.	71%	39%	68%	69%	84%	70%
	% NH Black	4%	10%	10%	4%	2%	5%
Voter Turnout (Nov 2014)	Total	3,764	1,658	4,060	4,302	6,027	19,810
	% Latino est.	14%	38%	13%	14%	7%	14%
	% Spanish-Surnamed	12%	34%	11%	13%	7%	12%
	% Asian-Surnamed	1%	1%	1%	1%	1%	1%
	% Filipino-Surnamed	1%	1%	1%	1%	1%	1%
	% NH White est.	78%	49%	76%	75%	87%	77%
	% NH Black est.	6%	12%	8%	2%	3%	5%
ACS Pop. Est.	Total	18,426	18,715	18,962	17,093	18,000	91,195
Age	age0-19	23%	35%	25%	18%	11%	22%
	age20-60	49%	50%	51%	45%	44%	48%
	age60plus	28%	15%	24%	37%	45%	29%
Immigration	immigrants	22%	26%	21%	23%	18%	22%
	naturalized	43%	32%	33%	39%	44%	38%
Language spoken at home	english	64%	50%	64%	67%	73%	64%
	spanish	30%	47%	31%	28%	18%	31%
	asian-lang	3%	2%	1%	2%	4%	2%
	other lang	3%	2%	4%	4%	5%	3%
Language Fluency	Speaks Eng. "Less than Very Well"	12%	18%	13%	15%	8%	13%
Education (among those age 25+)	hs-grad	45%	36%	41%	46%	47%	43%
	bachelor	10%	5%	13%	13%	19%	12%
	graduatedegree	7%	2%	8%	9%	14%	8%
Child in Household	child-under18	22%	38%	24%	14%	8%	20%
Pct of Pop. Age 16+	employed	47%	50%	52%	46%	44%	48%
Household Income	income 0-25k	31%	37%	32%	29%	29%	31%
	income 25-50k	28%	35%	26%	30%	24%	28%
	income 50-75k	17%	15%	16%	16%	16%	16%
	income 75-200k	20%	12%	22%	21%	24%	21%
	income 200k-plus	3%	0%	4%	3%	7%	4%
Housing Stats	single family	78%	74%	73%	83%	74%	76%
	multi-family	22%	26%	27%	17%	26%	24%
	rented	43%	55%	47%	36%	41%	44%
	owned	57%	45%	53%	64%	59%	56%
Total population data from the 2010 Decennial Census.							
Surname-based Voter Registration and Turnout data from the California Statewide Database.							
Latino voter registration and turnout data are Spanish-surname counts adjusted using Census Population Department undercount estimates.							
NH White and NH Black registration and turnout counts estimated by NDC. Citizen Voting Age Pop., Age, Immigration, and other demographics from the 2012-2016 American Community Survey and Special Tabulation 5-year data.							

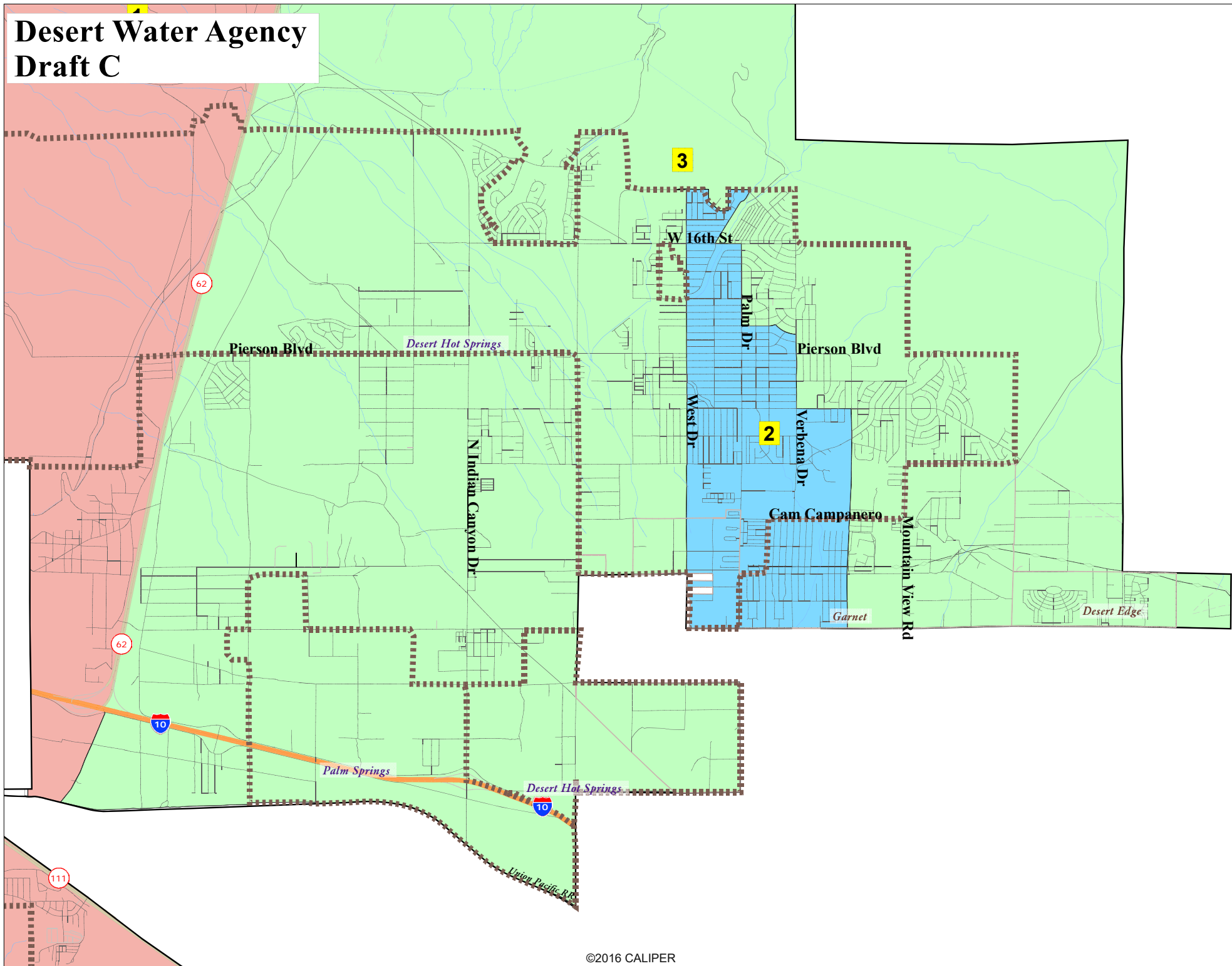
tDesert Water Agency Draft Map C

Proposed Election Sequence:
2020: Divisions 4 (Ewing) and 5 (Bloomer)
2022: Divisions 1 (Oygar, Stuart & Cioffi),
2 (vacant) and 3 (vacant)

National Demographics Corporation, May 24, 2019

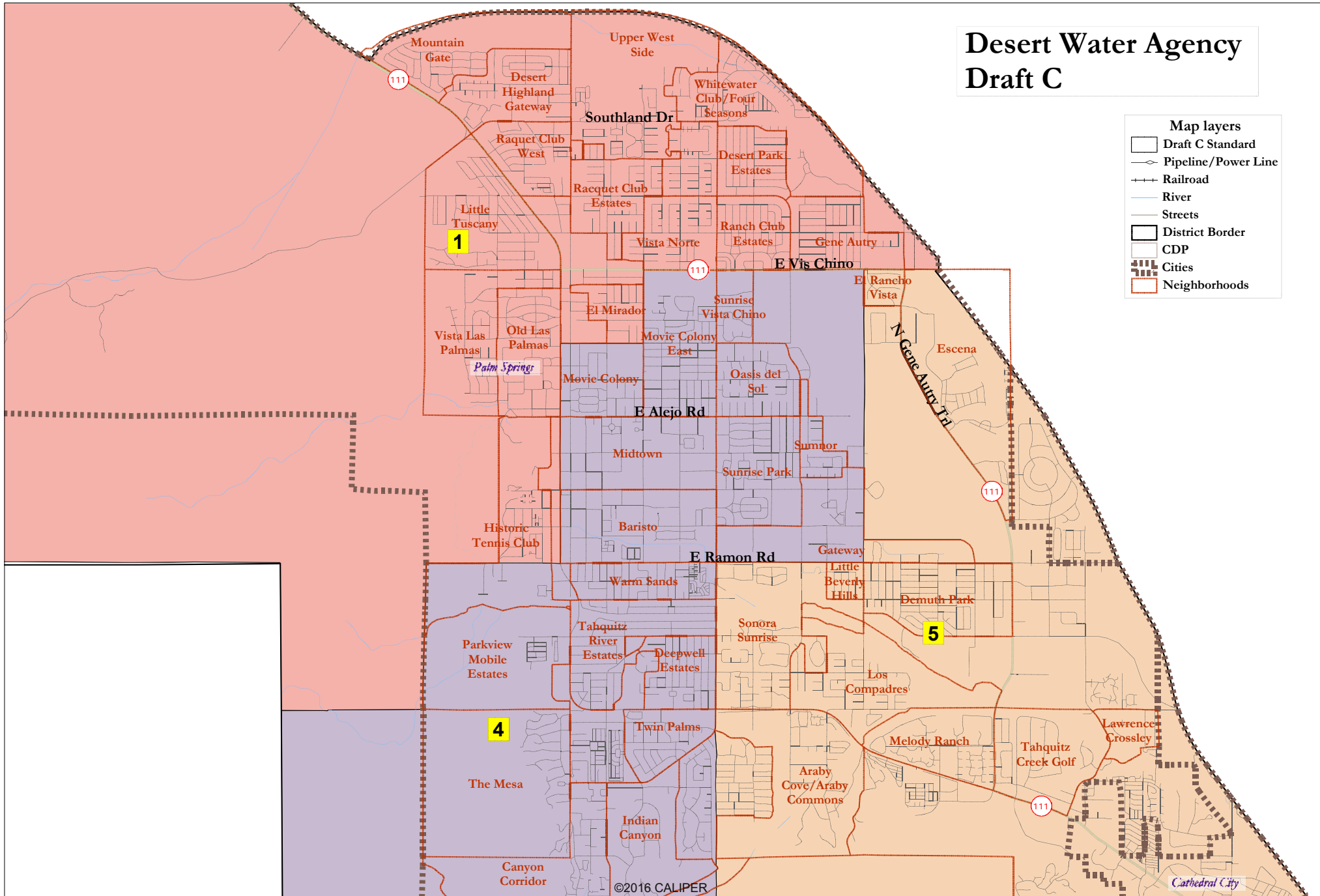


**Desert Water Agency
Draft C**



Desert Water Agency Draft C

- Map layers**
- Draft C Standard
 - Pipeline/Power Line
 - Railroad
 - River
 - Streets
 - District Border
 - CDP
 - Cities
 - Neighborhoods

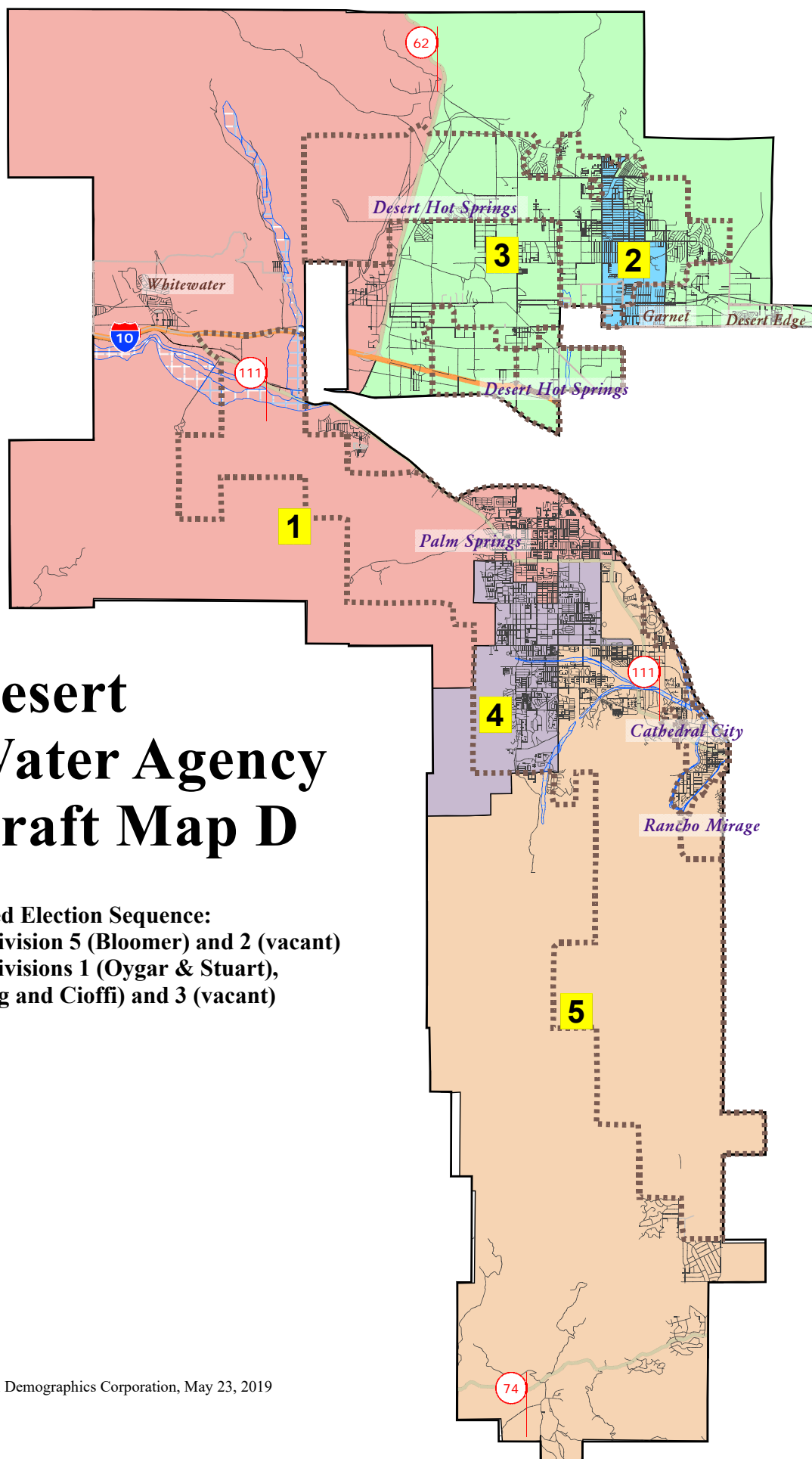


Desert Water Agency - Draft Map C							
District		1	2	3	4	5	Total
<u>Ideal</u>	Total Pop	18,082	18,419	17,987	17,374	17,455	89,317
17,863	Deviation from ideal	219	556	124	-489	-408	1,045
	% Deviation	1.23%	3.11%	0.69%	-2.74%	-2.28%	5.85%
Total Pop	% Hisp	33%	67%	40%	19%	35%	39%
	% NH White	54%	23%	48%	72%	56%	50%
	% NH Black	7%	7%	6%	3%	2%	5%
	% Asian-American	1%	1%	1%	1%	1%	1%
Citizen Voting Age Pop	Total	13,419	9,776	11,227	14,678	12,165	61,265
	% Hisp	22%	51%	26%	13%	24%	25%
	% NH White	66%	35%	64%	77%	68%	64%
	% NH Black	7%	10%	7%	3%	2%	6%
	% Asian/Pac.Isl.	4%	3%	3%	4%	4%	4%
Voter Registration (Nov 2016)	Total	8,175	5,687	7,366	10,065	8,528	39,821
	% Latino est.	18%	50%	28%	10%	20%	23%
	% Spanish-Surnamed	16%	45%	25%	9%	18%	21%
	% Asian-Surnamed	1%	1%	1%	1%	1%	1%
	% Filipino-Surnamed	1%	1%	1%	1%	2%	1%
	% NH White est.	71%	39%	65%	79%	74%	68%
	% NH Black	8%	9%	5%	5%	2%	6%
Voter Turnout (Nov 2016)	Total	7,296	3,731	5,529	8,730	7,441	32,726
	% Latino est.	15%	51%	29%	11%	16%	20%
	% Spanish-Surnamed	14%	46%	26%	10%	14%	18%
	% Asian-Surnamed	2%	1%	1%	1%	1%	1%
	% Filipino-Surnamed	1%	1%	1%	1%	1%	1%
	% NH White est.	74%	38%	62%	78%	77%	70%
	% NH Black	8%	9%	6%	3%	3%	5%
Voter Turnout (Nov 2014)	Total	4,207	1,710	3,088	5,952	4,853	19,810
	% Latino est.	11%	40%	18%	7%	13%	14%
	% Spanish-Surnamed	10%	36%	16%	6%	11%	12%
	% Asian-Surnamed	1%	1%	1%	1%	1%	1%
	% Filipino-Surnamed	1%	1%	1%	1%	1%	1%
	% NH White est.	78%	47%	75%	83%	82%	77%
	% NH Black est.	7%	11%	5%	5%	2%	5%
ACS Pop. Est.	Total	18,962	19,232	18,116	17,978	16,906	91,195
Age	age0-19	20%	35%	30%	10%	17%	22%
	age20-60	50%	50%	49%	47%	44%	48%
	age60plus	30%	15%	21%	43%	39%	29%
Immigration	immigrants	21%	26%	22%	18%	22%	22%
	naturalized	44%	32%	36%	43%	37%	38%
Language spoken at home	english	68%	50%	59%	74%	66%	64%
	spanish	25%	47%	37%	18%	27%	31%
	asian-lang	2%	2%	2%	3%	4%	2%
	other lang	5%	2%	2%	5%	4%	3%
Language Fluency	Speaks Eng. "Less than Very Well"	11%	17%	14%	9%	15%	13%
Education (among those age 25+)	hs-grad	42%	36%	44%	47%	45%	43%
	bachelor	15%	5%	6%	19%	14%	12%
	graduatedegree	10%	2%	4%	14%	10%	8%
Child in Household	child-under18	16%	39%	34%	8%	12%	20%
Pct of Pop. Age 16+	employed	50%	50%	48%	46%	46%	48%
Household Income	income 0-25k	28%	37%	33%	31%	31%	31%
	income 25-50k	25%	35%	31%	23%	29%	28%
	income 50-75k	17%	15%	17%	16%	15%	16%
	income 75-200k	26%	13%	18%	22%	22%	21%
	income 200k-plus	6%	0%	1%	7%	3%	4%
Housing Stats	single family	80%	75%	85%	67%	78%	76%
	multi-family	20%	25%	15%	33%	22%	24%
	rented	37%	54%	42%	47%	40%	44%
	owned	63%	46%	58%	53%	60%	56%
Total population data from the 2010 Decennial Census.							
Surname-based Voter Registration and Turnout data from the California Statewide Database.							
Latino voter registration and turnout data are Spanish-surname counts adjusted using Census Population Department undercount estimates. NH White and NH Black registration and turnout counts estimated by NDC. Citizen Voting Age Pop., Age, Immigration, and other demographics from the 2012-2016 American Community Survey and Special Tabulation 5-year data.							

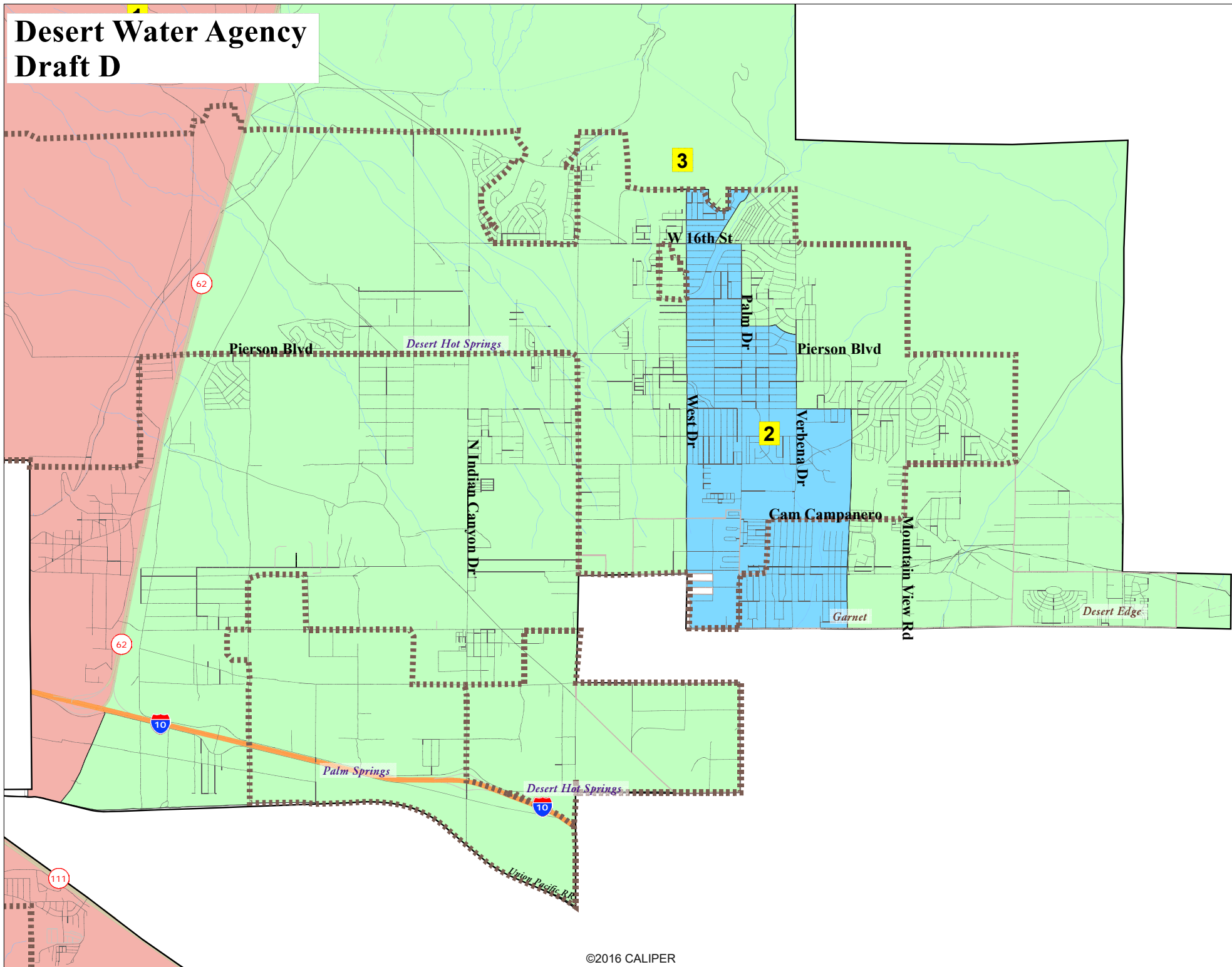
Desert Water Agency Draft Map D

Proposed Election Sequence:
2020: Division 5 (Bloomer) and 2 (vacant)
2022: Divisions 1 (Oygar & Stuart),
4 (Ewing and Cioffi) and 3 (vacant)

National Demographics Corporation, May 23, 2019

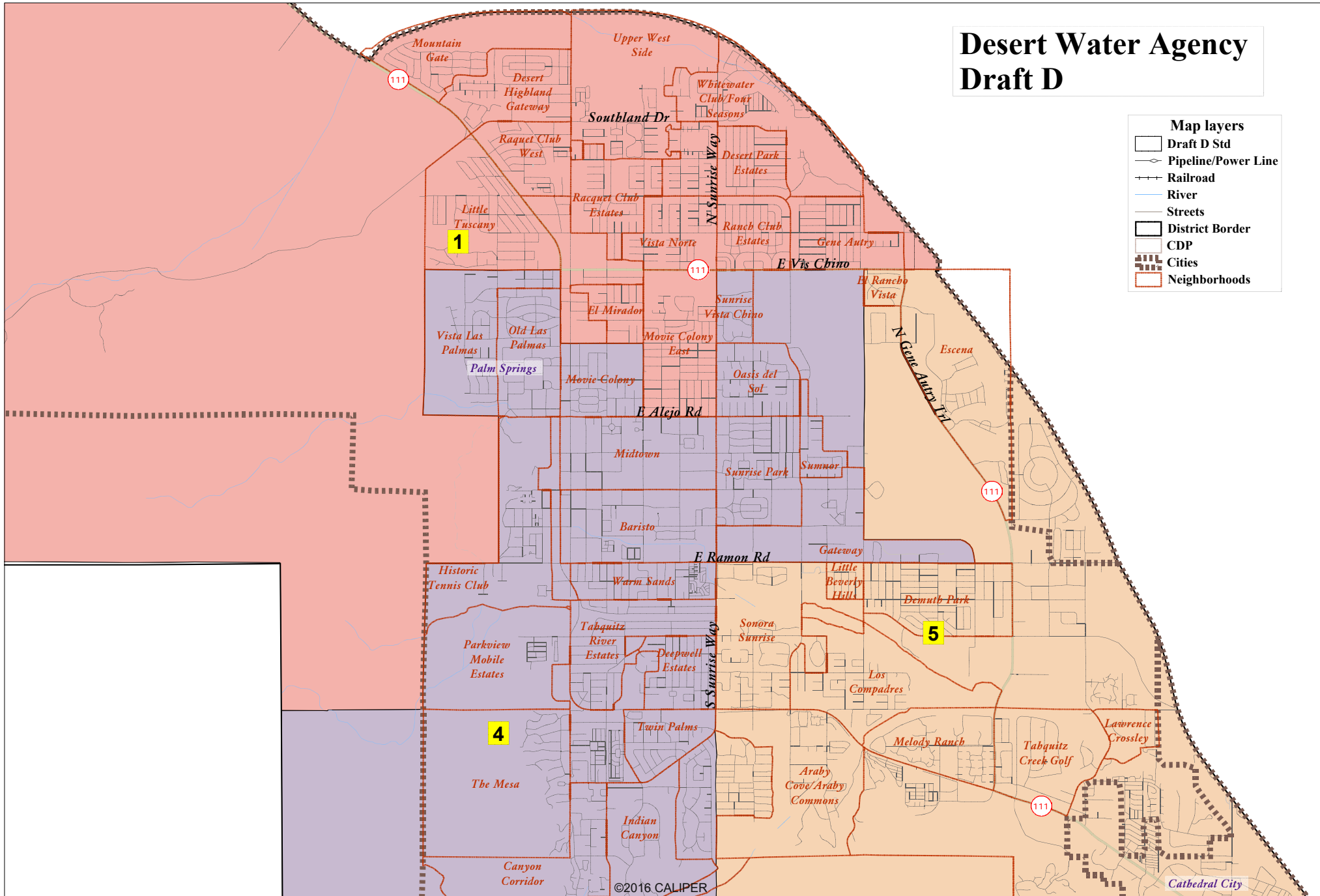


**Desert Water Agency
Draft D**



Desert Water Agency Draft D

- Map layers**
- Draft D Std
 - Pipeline/Power Line
 - Railroad
 - River
 - Streets
 - District Border
 - CDP
 - Cities
 - Neighborhoods



Desert Water Agency - Draft Map D								
District		1	2	3	4	5	Total	
	<u>Ideal</u>	Total Pop	18,143	18,419	17,987	17,392	17,376	89,317
17,863		Deviation from ideal	280	556	124	-471	-487	1,043
		% Deviation	1.57%	3.11%	0.69%	-2.64%	-2.73%	5.84%
Total Pop		% Hisp	33%	67%	40%	19%	35%	39%
		% NH White	53%	23%	48%	72%	56%	50%
		% NH Black	7%	7%	6%	3%	2%	5%
		% Asian-American	1%	1%	1%	1%	1%	1%
Citizen Voting Age Pop		Total	13,638	9,776	11,227	14,530	12,094	61,265
		% Hisp	22%	51%	26%	13%	24%	25%
		% NH White	66%	35%	64%	77%	68%	64%
		% NH Black	7%	10%	7%	3%	2%	6%
		% Asian/Pac.Isl.	4%	3%	3%	4%	4%	4%
Voter Registration (Nov 2016)		Total	8,377	5,687	7,366	9,916	8,475	39,821
		% Latino est.	17%	50%	28%	10%	20%	23%
		% Spanish-Surnamed	16%	45%	25%	9%	18%	21%
		% Asian-Surnamed	1%	1%	1%	1%	1%	1%
		% Filipino-Surnamed	1%	1%	1%	1%	2%	1%
		% NH White est.	71%	39%	65%	78%	74%	68%
		% NH Black	8%	9%	5%	5%	2%	6%
Voter Turnout (Nov 2016)		Total	7,276	3,731	5,529	8,800	7,391	32,726
		% Latino est.	15%	51%	29%	11%	16%	20%
		% Spanish-Surnamed	14%	46%	26%	10%	14%	18%
		% Asian-Surnamed	2%	1%	1%	1%	1%	1%
		% Filipino-Surnamed	1%	1%	1%	1%	1%	1%
		% NH White est.	74%	38%	62%	78%	77%	70%
		% NH Black	8%	9%	6%	3%	3%	5%
Voter Turnout (Nov 2014)		Total	4,350	1,710	3,088	5,836	4,826	19,810
		% Latino est.	11%	40%	18%	7%	13%	14%
		% Spanish-Surnamed	10%	36%	16%	6%	11%	12%
		% Asian-Surnamed	1%	1%	1%	1%	1%	1%
		% Filipino-Surnamed	1%	1%	1%	1%	1%	1%
		% NH White est.	79%	47%	75%	82%	82%	77%
		% NH Black est.	7%	11%	5%	5%	2%	5%
ACS Pop. Est.	Total	19,373	19,232	18,116	17,648	16,826	91,195	
Age	age0-19	20%	35%	30%	10%	17%	22%	
	age20-60	51%	50%	49%	46%	44%	48%	
	age60plus	30%	15%	21%	44%	39%	29%	
Immigration	immigrants	22%	26%	22%	18%	22%	22%	
	naturalized	43%	32%	36%	45%	37%	38%	
Language spoken at home	english	68%	50%	59%	74%	66%	64%	
	spanish	25%	47%	37%	17%	27%	31%	
	asian-lang	2%	2%	2%	3%	4%	2%	
	other lang	5%	2%	2%	5%	4%	3%	
Language Fluency	Speaks Eng. "Less than Very Well"	12%	17%	14%	8%	15%	13%	
Education (among those age 25+)	hs-grad	42%	36%	44%	47%	45%	43%	
	bachelor	16%	5%	6%	19%	14%	12%	
	graduatedegree	10%	2%	4%	15%	10%	8%	
Child in Household	child-under18	16%	39%	34%	8%	13%	20%	
Pct of Pop. Age 16+	employed	51%	50%	48%	45%	46%	48%	
Household Income	income 0-25k	29%	37%	33%	30%	31%	31%	
	income 25-50k	24%	35%	31%	24%	29%	28%	
	income 50-75k	17%	15%	17%	16%	15%	16%	
	income 75-200k	25%	13%	18%	22%	22%	21%	
	income 200k-plus	5%	0%	1%	7%	3%	4%	
Housing Stats	single family	77%	75%	85%	69%	78%	76%	
	multi-family	23%	25%	15%	31%	22%	24%	
	rented	39%	54%	42%	46%	40%	44%	
	owned	61%	46%	58%	54%	60%	56%	
Total population data from the 2010 Decennial Census.								
Surname-based Voter Registration and Turnout data from the California Statewide Database.								
Latino voter registration and turnout data are Spanish-surname counts adjusted using Census Population Department undercount estimates. NH White and NH Black registration and turnout counts estimated by NDC. Citizen Voting Age Pop., Age, Immigration, and other demographics from the 2012-2016 American Community Survey and Special Tabulation 5-year data.								

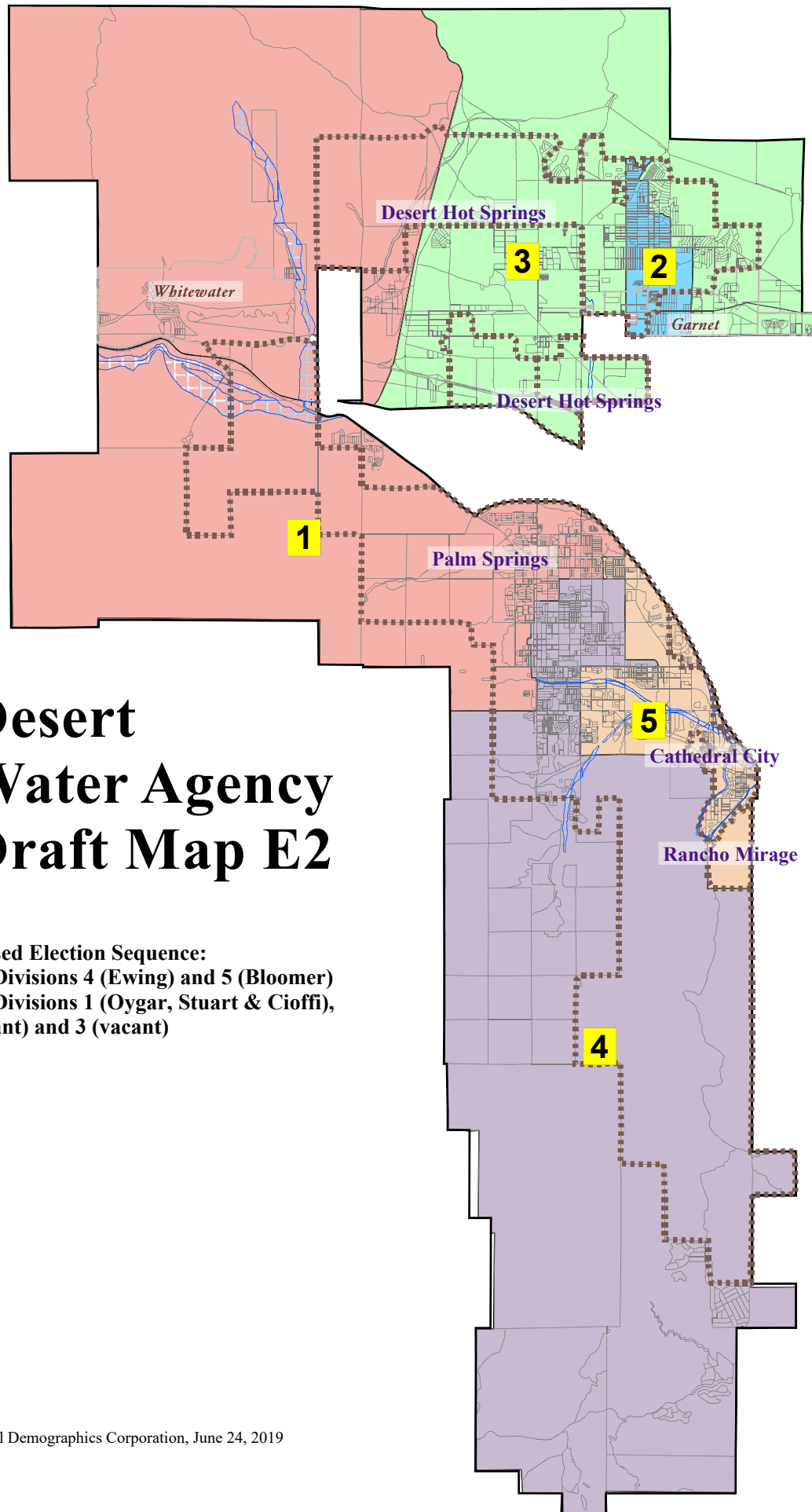
Desert Water Agency Draft Map E2

Proposed Election Sequence:

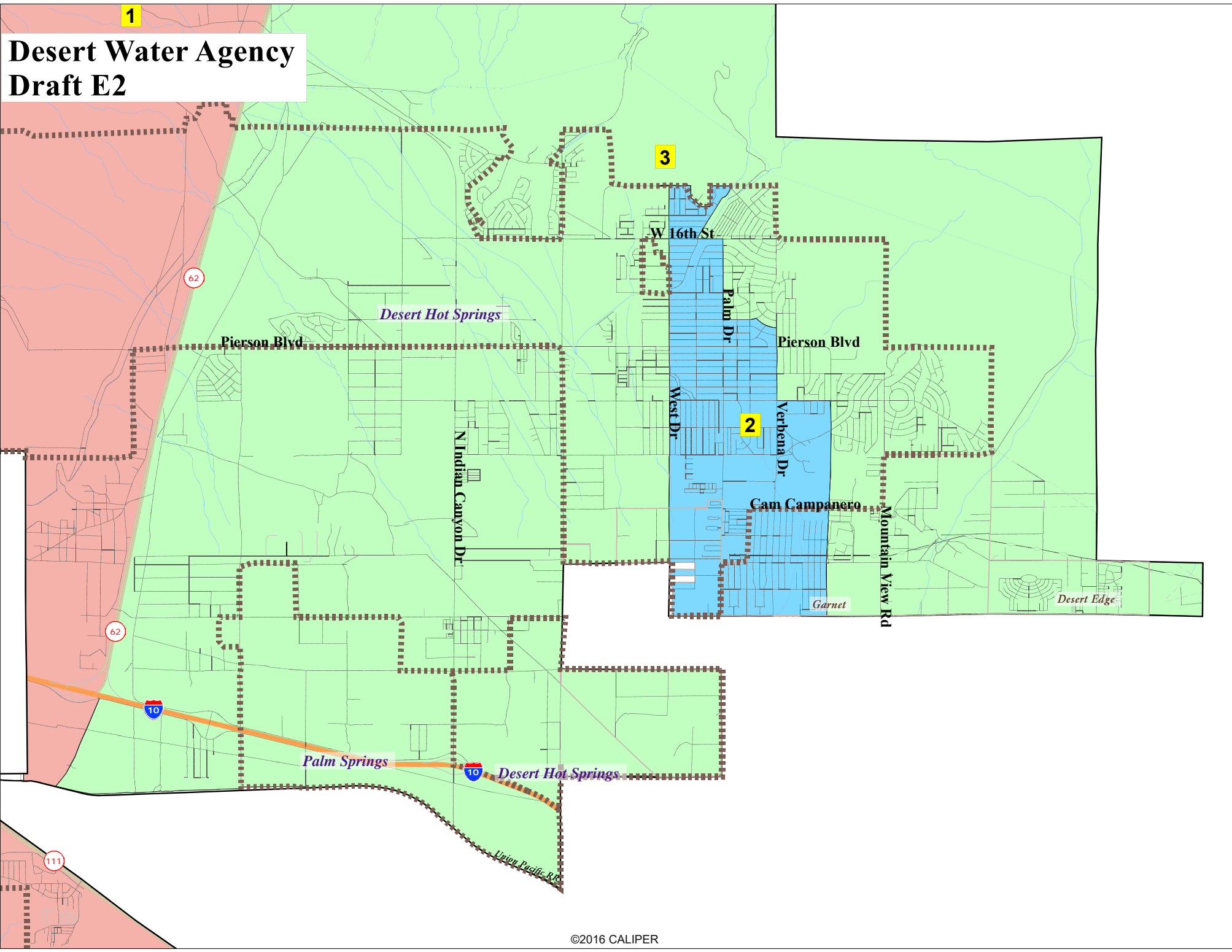
2020: Divisions 4 (Ewing) and 5 (Bloomer)

2022: Divisions 1 (Oygar, Stuart & Cioffi),
2 (vacant) and 3 (vacant)

National Demographics Corporation, June 24, 2019

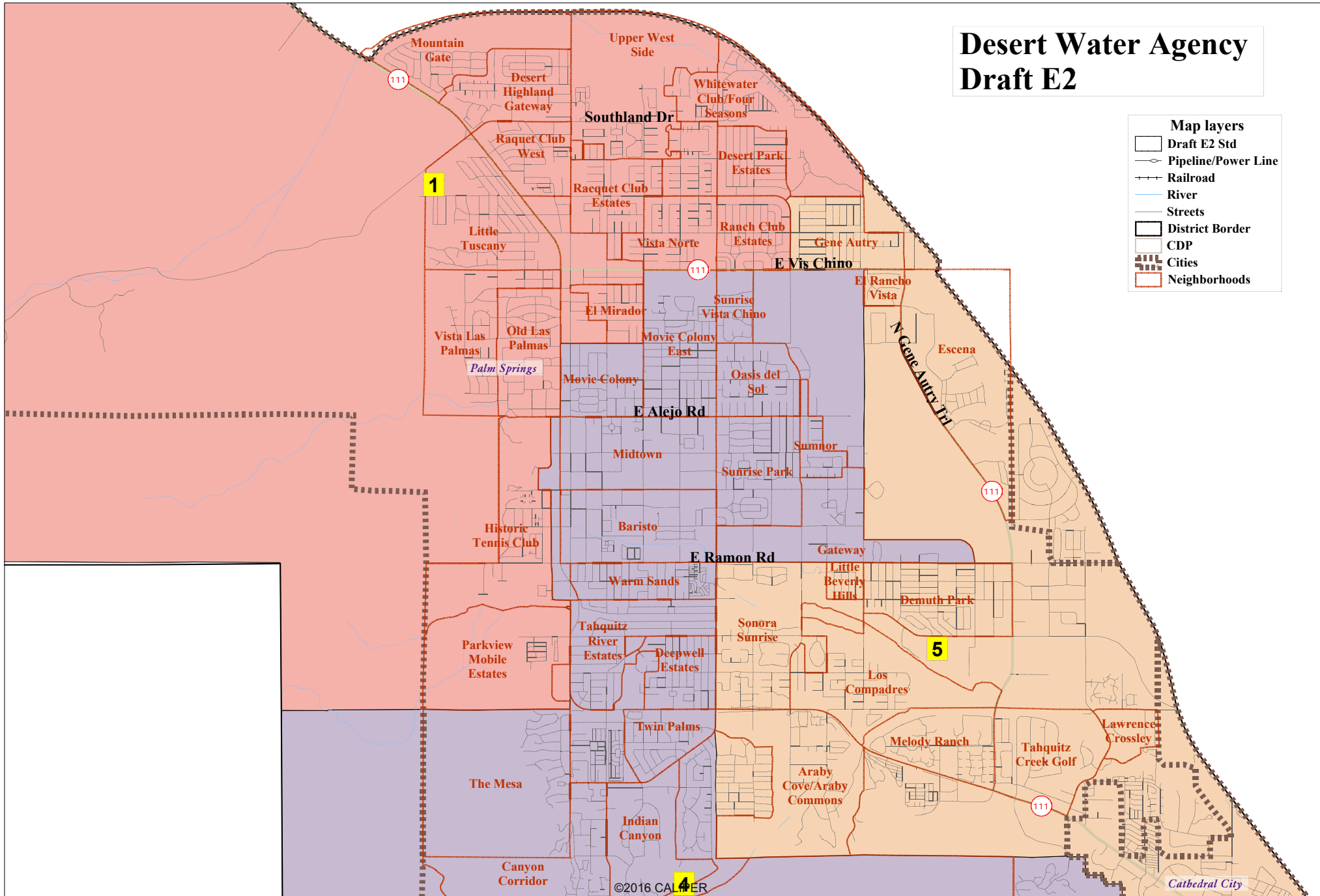


Desert Water Agency Draft E2



Desert Water Agency Draft E2

- Map layers**
- Draft E2 Std
 - Pipeline/Power Line
 - Railroad
 - River
 - Streets
 - District Border
 - CDP
 - Cities
 - Neighborhoods

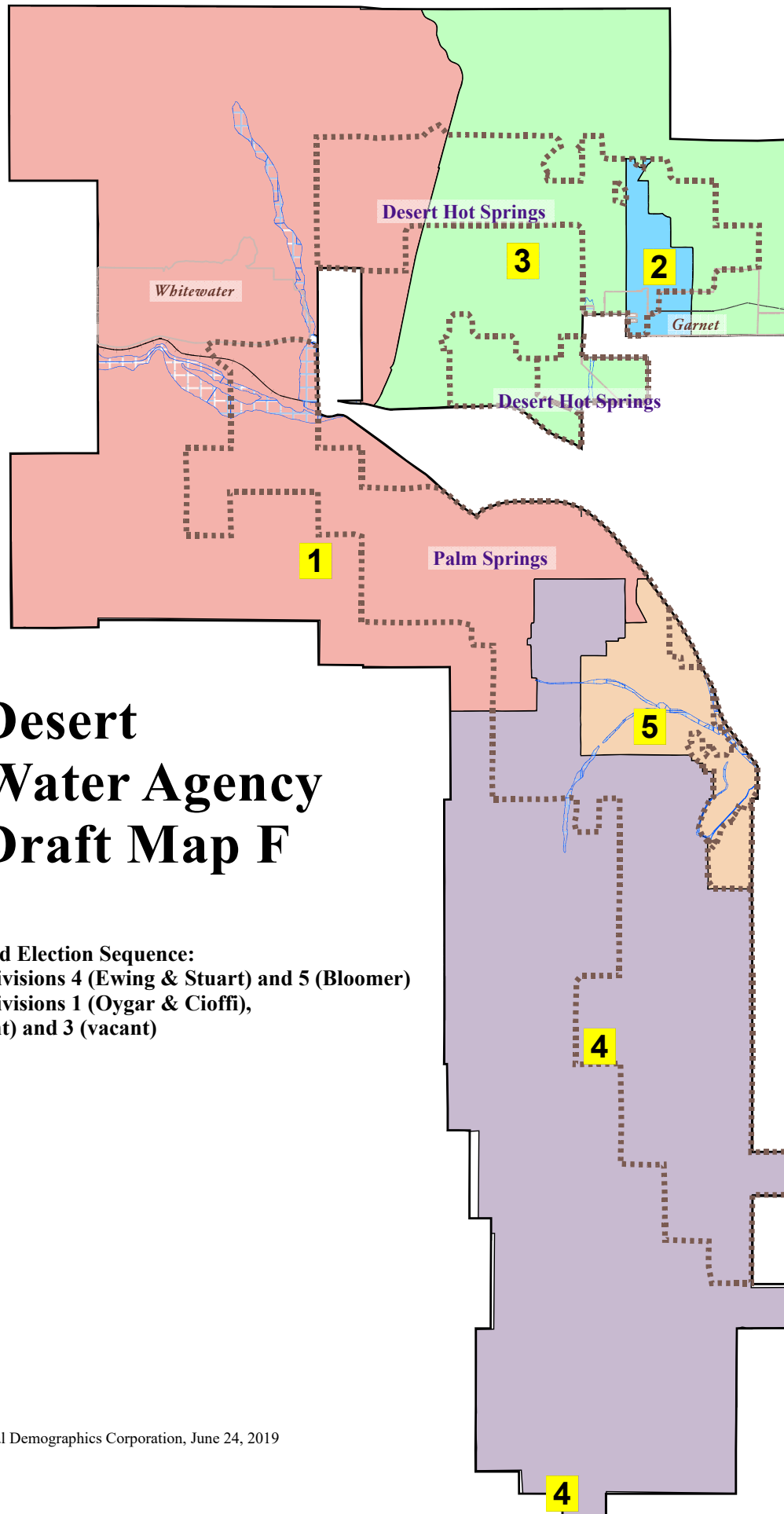


Desert Water Agency - Draft Map E2							
District		1	2	3	4	5	Total
<u>Ideal</u>	Total Pop	17,096	18,419	17,987	17,867	17,948	89,317
17,863	Deviation from ideal	-767	556	124	4	85	1,323
	% Deviation	-4.29%	3.11%	0.69%	0.02%	0.48%	7.41%
Total Pop	% Hisp	33%	67%	40%	19%	36%	39%
	% NH White	54%	23%	48%	72%	55%	50%
	% NH Black	7%	7%	6%	3%	3%	5%
	% Asian-American	1%	1%	1%	1%	1%	1%
Citizen Voting Age Pop	Total	12,674	9,776	11,227	15,026	12,563	61,265
	% Hisp	21%	51%	26%	13%	24%	25%
	% NH White	66%	35%	64%	77%	68%	64%
	% NH Black	7%	10%	7%	3%	3%	6%
	% Asian/Pac.Isl.	4%	3%	3%	4%	4%	4%
Voter Registration (Nov 2016)	Total	8,188	5,687	7,366	10,455	8,125	39,821
	% Latino est.	17%	50%	28%	10%	22%	23%
	% Spanish-Surnamed	15%	45%	25%	9%	19%	21%
	% Asian-Surnamed	1%	1%	1%	1%	1%	1%
	% Filipino-Surnamed	1%	1%	1%	1%	2%	1%
	% NH White est.	71%	39%	65%	79%	72%	68%
	% NH Black	8%	9%	5%	5%	2%	6%
Voter Turnout (Nov 2016)	Total	7,213	3,731	5,529	9,138	7,115	32,726
	% Latino est.	15%	51%	29%	11%	16%	20%
	% Spanish-Surnamed	13%	46%	26%	10%	15%	18%
	% Asian-Surnamed	1%	1%	1%	1%	1%	1%
	% Filipino-Surnamed	1%	1%	1%	1%	1%	1%
	% NH White est.	74%	38%	62%	78%	76%	70%
	% NH Black	8%	9%	6%	3%	3%	5%
Voter Turnout (Nov 2014)	Total	4,236	1,710	3,088	6,217	4,558	19,810
	% Latino est.	11%	40%	18%	7%	13%	14%
	% Spanish-Surnamed	10%	36%	16%	6%	12%	12%
	% Asian-Surnamed	1%	1%	1%	1%	1%	1%
	% Filipino-Surnamed	1%	1%	1%	1%	1%	1%
	% NH White est.	79%	47%	75%	83%	81%	77%
	% NH Black est.	7%	11%	5%	5%	2%	5%
ACS Pop. Est.	Total	17,863	19,232	18,116	18,437	17,546	91,195
Age	age0-19	20%	35%	30%	10%	17%	22%
	age20-60	50%	50%	49%	47%	44%	48%
	age60plus	30%	15%	21%	43%	39%	29%
Immigration	immigrants	21%	26%	22%	18%	22%	22%
	naturalized	44%	32%	36%	44%	38%	38%
Language spoken at home	english	69%	50%	59%	74%	66%	64%
	spanish	25%	47%	37%	18%	27%	31%
	asian-lang	2%	2%	2%	3%	3%	2%
	other lang	5%	2%	2%	5%	4%	3%
Language Fluency	Speaks Eng. "Less than Very Well"	11%	17%	14%	9%	15%	13%
Education (among those age 25+)	hs-grad	42%	36%	44%	47%	45%	43%
	bachelor	16%	5%	6%	19%	14%	12%
	graduatedegree	10%	2%	4%	14%	9%	8%
Child in Household	child-under18	16%	39%	34%	8%	13%	20%
Pct of Pop. Age 16+	employed	50%	50%	48%	46%	46%	48%
Household Income	income 0-25k	28%	37%	33%	31%	30%	31%
	income 25-50k	25%	35%	31%	23%	29%	28%
	income 50-75k	16%	15%	17%	16%	15%	16%
	income 75-200k	25%	13%	18%	22%	22%	21%
	income 200k-plus	6%	0%	1%	7%	3%	4%
Housing Stats	single family	80%	75%	85%	67%	79%	76%
	multi-family	20%	25%	15%	33%	21%	24%
	rented	38%	54%	42%	47%	39%	44%
	owned	62%	46%	58%	53%	61%	56%
Total population data from the 2010 Decennial Census.							
Surname-based Voter Registration and Turnout data from the California Statewide Database.							
Latino voter registration and turnout data are Spanish-surname counts adjusted using Census Population Department undercount estimates.							
NH White and NH Black registration and turnout counts estimated by NDC. Citizen Voting Age Pop., Age, Immigration, and other demographics from the 2012-2016 American Community Survey and Special Tabulation 5-year data.							

Desert Water Agency Draft Map F

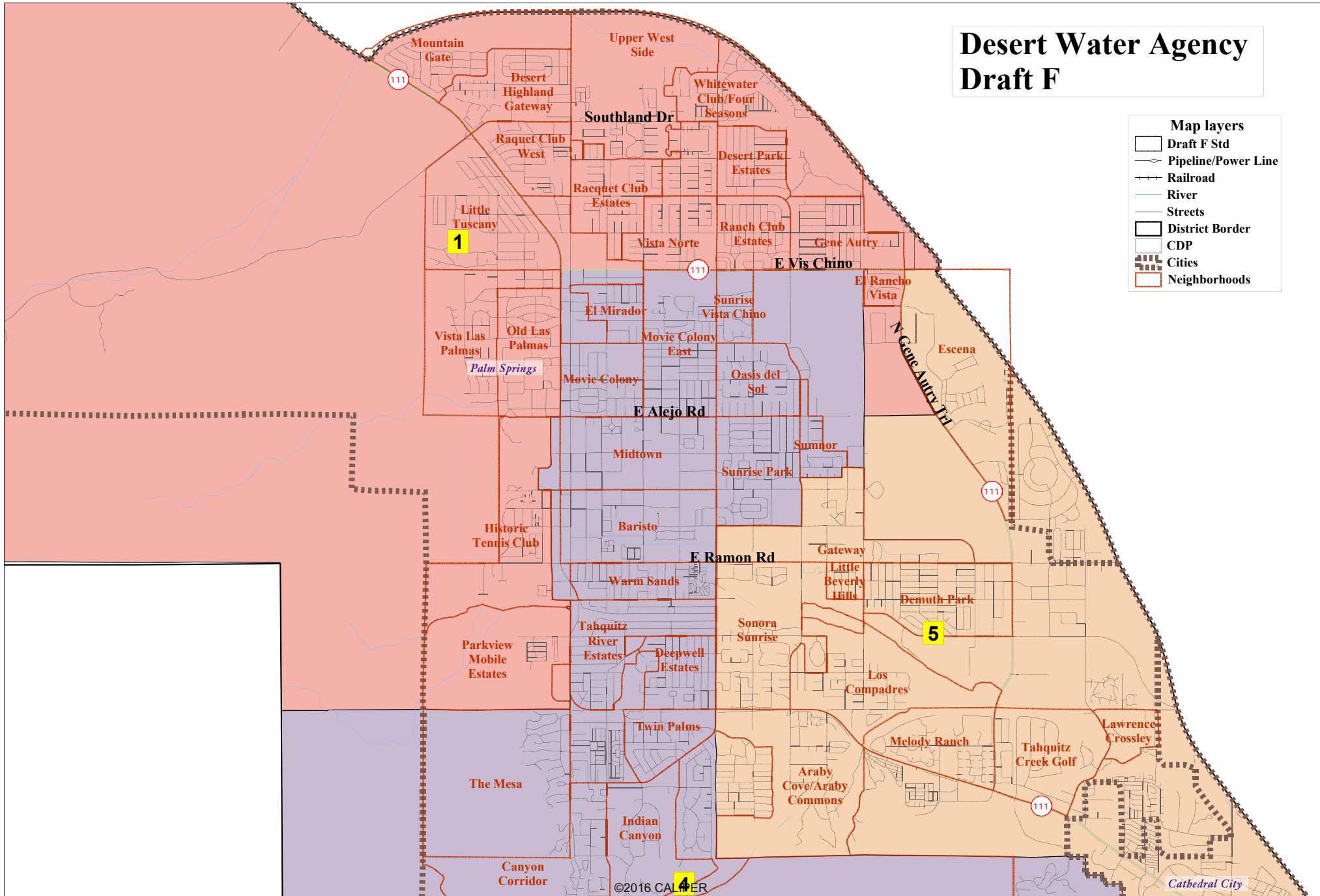
Proposed Election Sequence:
2020: Divisions 4 (Ewing & Stuart) and 5 (Bloomer)
2022: Divisions 1 (Oygar & Cioffi),
2 (vacant) and 3 (vacant)

National Demographics Corporation, June 24, 2019

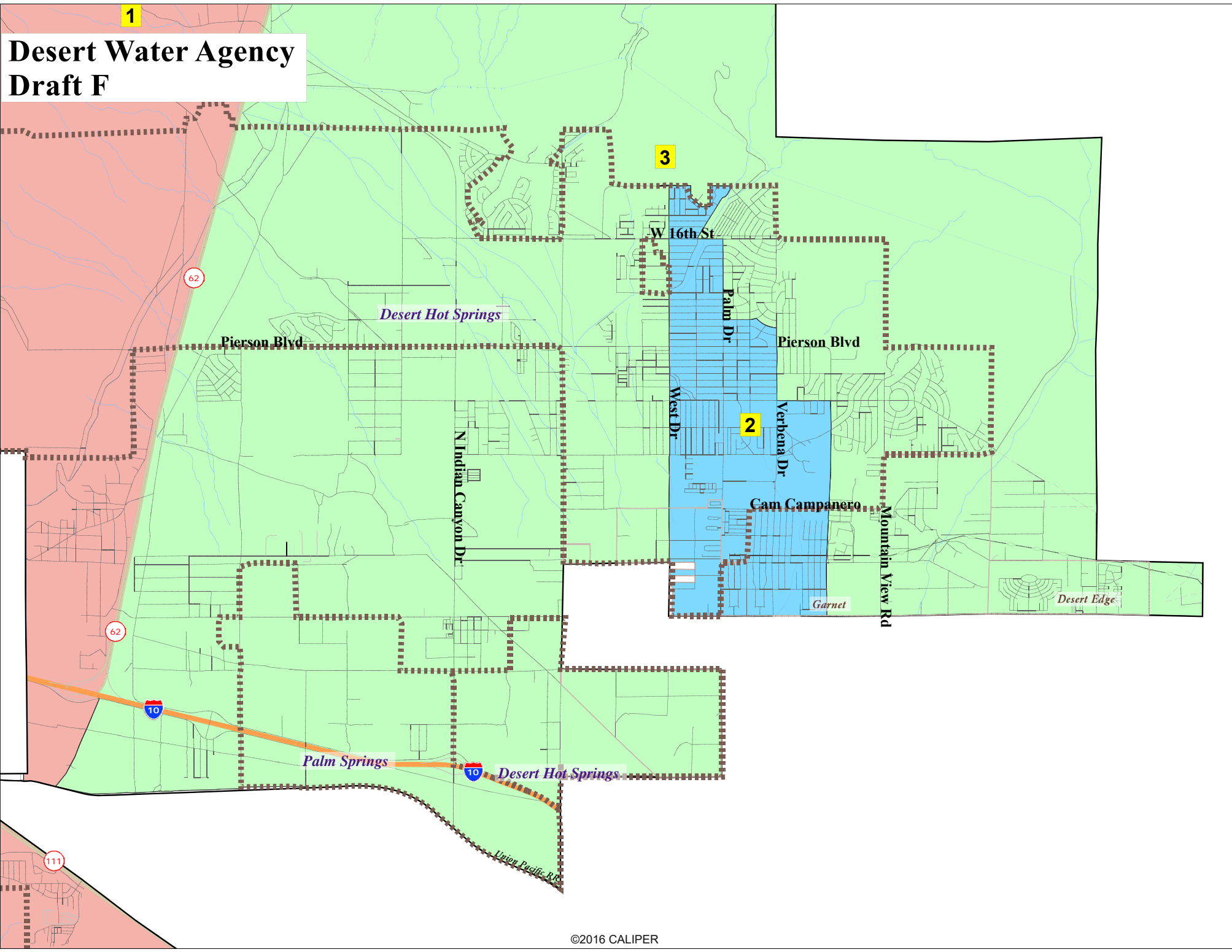


Desert Water Agency Draft F

- Map layers**
- Draft F Std
 - Pipeline/Power Line
 - Railroad
 - River
 - Streets
 - District Border
 - CDP
 - Cities
 - Neighborhoods



Desert Water Agency Draft F



Desert Water Agency - Draft Map F							
District		1	2	3	4	5	Total
<u>Ideal</u>	Total Pop	17,219	18,419	17,987	17,568	18,124	89,317
17,863	Deviation from ideal	-644	556	124	-295	261	1,200
	% Deviation	-3.61%	3.11%	0.69%	-1.65%	1.46%	6.72%
Total Pop	% Hisp	32%	67%	40%	19%	36%	39%
	% NH White	55%	23%	48%	72%	54%	50%
	% NH Black	7%	7%	6%	3%	3%	5%
	% Asian-American	1%	1%	1%	1%	1%	1%
Citizen Voting Age Pop	Total	12,812	9,776	11,227	14,933	12,518	61,265
	% Hisp	20%	51%	26%	14%	25%	25%
	% NH White	67%	35%	64%	77%	67%	64%
	% NH Black	7%	10%	7%	3%	2%	6%
	% Asian/Pac.Isl.	4%	3%	3%	3%	5%	4%
Voter Registration (Nov 2016)	Total	7,842	5,687	7,366	10,473	8,453	39,821
	% Latino est.	18%	50%	28%	10%	22%	23%
	% Spanish-Surnamed	16%	45%	25%	9%	19%	21%
	% Asian-Surnamed	1%	1%	1%	1%	1%	1%
	% Filipino-Surnamed	1%	1%	1%	1%	2%	1%
	% NH White est.	71%	39%	65%	79%	72%	68%
	% NH Black	8%	9%	5%	5%	2%	6%
Voter Turnout (Nov 2016)	Total	7,015	3,731	5,529	9,157	7,295	32,726
	% Latino est.	16%	51%	29%	10%	16%	20%
	% Spanish-Surnamed	14%	46%	26%	9%	15%	18%
	% Asian-Surnamed	2%	1%	1%	1%	1%	1%
	% Filipino-Surnamed	1%	1%	1%	1%	1%	1%
	% NH White est.	74%	38%	62%	79%	75%	70%
	% NH Black	7%	9%	6%	3%	3%	5%
Voter Turnout (Nov 2014)	Total	4,089	1,710	3,088	6,269	4,654	19,810
	% Latino est.	11%	40%	18%	7%	13%	14%
	% Spanish-Surnamed	10%	36%	16%	6%	12%	12%
	% Asian-Surnamed	1%	1%	1%	1%	1%	1%
	% Filipino-Surnamed	1%	1%	1%	1%	1%	1%
	% NH White est.	79%	47%	75%	83%	81%	77%
	% NH Black est.	7%	11%	5%	5%	2%	5%
ACS Pop. Est.	Total	17,904	19,232	18,116	18,473	17,469	91,195
Age	age0-19	20%	35%	30%	10%	17%	22%
	age20-60	49%	50%	49%	47%	44%	48%
	age60plus	31%	15%	21%	42%	39%	29%
Immigration	immigrants	21%	26%	22%	18%	22%	22%
	naturalized	45%	32%	36%	43%	37%	38%
Language spoken at home	english	69%	50%	59%	75%	65%	64%
	spanish	25%	47%	37%	18%	27%	31%
	asian-lang	2%	2%	2%	3%	4%	2%
	other lang	5%	2%	2%	5%	4%	3%
Language Fluency	Speaks Eng. "Less than Very Well"	10%	17%	14%	9%	15%	13%
Education (among those age 25+)	hs-grad	43%	36%	44%	46%	45%	43%
	bachelor	15%	5%	6%	20%	14%	12%
	graduatedegree	10%	2%	4%	14%	10%	8%
Child in Household	child-under18	16%	39%	34%	8%	13%	20%
Pct of Pop. Age 16+	employed	49%	50%	48%	47%	46%	48%
Household Income	income 0-25k	26%	37%	33%	32%	31%	31%
	income 25-50k	25%	35%	31%	23%	29%	28%
	income 50-75k	17%	15%	17%	16%	15%	16%
	income 75-200k	26%	13%	18%	23%	21%	21%
	income 200k-plus	6%	0%	1%	7%	3%	4%
Housing Stats	single family	83%	75%	85%	67%	77%	76%
	multi-family	17%	25%	15%	33%	23%	24%
	rented	35%	54%	42%	47%	42%	44%
	owned	65%	46%	58%	53%	58%	56%
Total population data from the 2010 Decennial Census.							
Surname-based Voter Registration and Turnout data from the California Statewide Database.							
Latino voter registration and turnout data are Spanish-surname counts adjusted using Census Population Department undercount estimates.							
NH White and NH Black registration and turnout counts estimated by NDC. Citizen Voting Age Pop., Age, Immigration, and other demographics from the 2012-2016 American Community Survey and Special Tabulation 5-year data.							

ORDINANCE NO. 69

AN ORDINANCE OF DESERT WATER AGENCY PROVIDING FOR THE ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS BY FIVE DIVISIONS, ESTABLISHING THE BOUNDARIES AND IDENTIFICATION NUMBER OF EACH DIVISION, AND ESTABLISHING THE ELECTION ORDER OF EACH DIVISION

WHEREAS, Desert Water Agency currently elects five Board members using an at-large election system by which all of the voters within the Agency vote for each Director; and

WHEREAS, in the current at-large system, candidates may live in any part of the Agency, and each Board member is elected by the voters of the entire Agency; and

WHEREAS, the Agency received a demand letter asserting that the Agency's at-large election system violates the California Voting Rights Act and demanding that the Agency voluntarily change to a division-based election system; and

WHEREAS, even though the Agency disputes that its at-large election system violates the law or that there is evidence of racially polarized voting, the Agency nonetheless considered the request and adopted Resolution No. 1201 declaring its intention to change its method of election to a "by-division" system in which each Board member is elected only by the voters in the division in which the candidate resides; and

WHEREAS, the Agency engaged an expert demographic firm to assist the Agency with the process of analyzing the Agency's population, developing draft maps, and gathering input from residents on the possible maps; and

WHEREAS, at public hearings conducted in the City of Palm Springs the morning of February 19, 2019 and in the City of Desert Hot Springs the evening of February 19, 2019, members of the public were invited to provide input regarding the composition of the District's divisions before any draft maps were drawn, and the Board of Directors discussed and considered the same; and

WHEREAS, the demographer thereafter prepared four draft maps, and based upon comments received at subsequent public hearings and Agency Board meetings, the Agency prepared two additional alternative maps, all six of which were published at least seven days in advance of the Agency's public hearing conducted on July 16, 2019; and

WHEREAS, the Board conducted a public hearing on July 16, 2019, during which all members of the public who wanted to provide input on the draft maps or the timing and sequencing of elections could do so; and

WHEREAS, following the conclusion of the July 16, 2019 public hearing, the Board of Directors has decided to approve the proposed division boundaries shown on Draft Map ___, placing Divisions _ and _ on the ballot for the Agency's first regular election of Board

members following adoption of this Ordinance with the remaining Divisions __, __, and __ on the ballot for the election thereafter; and

WHEREAS, throughout the process, the Agency has reached out to the public for its input, and the Board of Directors has satisfied all legal prerequisites to the adoption of this Ordinance; and

WHEREAS, the purpose of this Ordinance is to change the Agency's existing at-large system of electing Directors to provide for the election of the members of Board of Directors by division in five single-member divisions as reflected on the Division Boundary Map attached to this Ordinance;

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

Section 1 Incorporation of Recitals.

All of the foregoing recitals are true and correct, and the Board so finds and determines. The recitals set forth above are incorporated herein and made an operative part of this Ordinance.

Section 2 Completion of Public Hearings.

The Board conducted the fifth of five public hearings on July 16, 2019, at 8:00 a.m. at its Board room located at 1200 Gene Autry Trail, Palm Springs, California, to receive oral and written testimony regarding the transition from an at-large system of electing Directors to a by-division system of electing Directors.

Section 3 Transition to By-Division Elections.

The Agency hereby finds that its election system shall be changed from at-large elections to by-division elections, beginning with its next regular election of members of the Board of Directors.

Section 4 Establishment of Divisions.

The Agency hereby establishes five Director divisions within Desert Water Agency. The boundaries and identifying number of each division shall be as described on the Desert Water Agency Division Boundary Map attached hereto as "Exhibit A," a copy of which shall also remain on file in the Agency's office.

Section 5 Election Process.

A. Members of the Board of Directors shall be elected in the electoral divisions established by this Ordinance, which may be subsequently reapportioned as provided for in State law. Elections shall take place "by division," meaning that one Director shall be elected from each division, by the voters of that division alone.

B. No term of any member of the Board of Directors that commenced prior to the effective date of this Ordinance shall be affected by the adoption of this Ordinance.

C. A Director elected or appointed to represent a division must reside in that division and be a registered voter in that division, and any candidate for the Board must reside in, and be a registered voter in, the division in which he or she seeks election at the time nomination papers are issued.

D. Notwithstanding any other provision of this Ordinance, each Director in office at the time this Ordinance takes effect shall continue in office until the expiration of the term to which he or she was elected. In the event a vacancy occurs before the expiration of the term of a Director in office at the time this Ordinance takes effect, a person who is appointed or elected by special election to fill such vacancy may reside anywhere within the corporate boundaries of the Agency.

E. The term of each Director elected to the Board of Directors shall remain four (4) years.

Section 6 Implementation.

The by-division election system shall be implemented beginning at the next regular election of the Board of Directors, as follows:

A. Members of the Board of Directors shall be elected in Divisions _ and _ beginning at the next regular election of the Board of Directors, and every four years thereafter; and

B. At the next subsequent regular election of the Board of Directors following the election of members of the Board of Directors in Divisions _ and _, members of the Board of Directors shall be elected in Divisions __, __, and __, and every four years thereafter.

Section 7 Adjustment of Boundaries.

Pursuant to Elections Code section 22000, as it may be amended from time to time, the Board of Directors shall adjust the boundaries of any or all of the divisions following each decennial federal census to ensure that the divisions are in compliance with all applicable provisions of law.

Section 8 Exemption from CEQA.

The Board of Directors finds that this Ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations, Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Section 9 Effective Date.

The President of the Board of Directors shall sign this Ordinance and the Secretary of the Board of Directors shall attest thereto, and this Ordinance shall be in full force and effect immediately upon adoption. Within 15 days after adoption of this Ordinance, a summary of the Ordinance shall be published with the names of those directors voting for and against this Ordinance and a certified copy of the full text of this Ordinance, along with the names of those Directors voting for and against this Ordinance, shall be posted in the Agency's office. In addition, the Secretary of the Board of Directors shall transmit a certified copy thereof to the Registrar of Voters for the County of Riverside, California.

Section 10 Validity.

If any section, subsection, clause or phrase in this Ordinance is for any reason held invalid, the validity of the remainder of this Ordinance shall not be affected thereby. The Board hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof be held invalid.

ADOPTED this 16th day of July, 2019.

Joseph K. Stuart, President

ATTEST:

Craig Ewing, Secretary-Treasurer

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

JULY 16, 2019

RE: REPORT ON PUBLIC HEALTH GOALS – PUBLIC HEARING

Per California Health and Safety Code - Section 116470(b), staff has prepared DWA's 2018 Public Health Goals Report. The Report compares the Agency's system water quality with Public Health Goals (PHGs) and Maximum Contaminant Level Goals (MCLGs), and is prepared every three years.

PHG levels have been established by the California Environmental Protection Agency's Office of Environmental Health Hazard Assessment (OEHHA); the MCLGs have been established by the United States Environmental Protection Agency (USEPA), and are the federal equivalent to PHGs. PHGs and MCLGs are not enforceable standards and no action is required to meet them.

The Agency's water system complies with all of the health-based drinking water standards and maximum contaminant levels (MCLs) required by the Division of Drinking Water and the USEPA. Throughout the three-year reporting period (2016-2018), there were only four constituents found at levels that exceeded the PHG or MCGL.

Constituent	PHG/MCGL	MCL	DWA max level	Removal	Capital Costs / Yearly O&M (Per Site)
Coliform bacteria	zero	5%	1.9%	Chlorination	\$97K / \$20k
Chromium-6	0.02 ppb	10 ppb	5.4 ppb	Reverse Osmosis	\$2M / \$32k
PCE	0.06 ppb	5 ppb	0.5 ppb		RWQCB managed
Uranium	0.43 pCi/L	20 pCi/L	25 pCi/L	Reverse Osmosis	\$2M / \$32K

Report recommendations: DWA meets all federal and state drinking water standards set to protect public health. The further reduction of the constituents is not justified. The effectiveness of additional techniques and the projected health benefits are not clear or quantifiable. As DWA is a not-for-profit public agency, all of its treatment costs are borne by its customers. No action is proposed at this time.

In accordance with requirements of Health and Safety Code (California Safe Drinking Water Act of 1996, SB 1307), a public hearing must be held.

The purpose of this public hearing is to allow the Board to accept and respond to public comments on the Report.

The Public Hearing notice was provided via:

- DWA website
- Bulletin board (DWA lobby)
- Notice in The Public Record on July 9

As of 5:00 p.m., July 10, no written or verbal comments were received from the public.

Staff requests that the Board receive and file the report.

Other than conducting the hearing, no action is required with respect to the Report. Staff will notify the Division of Drinking Water to make them aware that the hearing took place.

DESERT WATER AGENCY REPORT ON SYSTEM WATER QUALITY RELATIVE TO PUBLIC HEALTH GOALS January 2016 to December 2018

BACKGROUND

Provisions of the California Health & Safety Code (see Reference #1) specify that public water systems with greater than 10,000 service connections must prepare a special report by July 1, 2019 if their water quality measurements have exceeded any Public Health Goals (PHGs). PHGs are non-enforceable goals established by the Cal-EPA's Office of Environmental Health Hazard Assessment (OEHHA). The law also requires that where OEHHA has not adopted a PHG for a constituent, the water suppliers are to use the MCLGs (Maximum Contaminant Level Goal) adopted by the U.S. Environmental Protection Agency (USEPA). Only constituents which have a California primary drinking water standard and for which either a PHG or MCLG has been set are to be addressed. (Reference 2 is a list of all regulated constituents with the MCLs and PHGs.)

The purpose of this Report is to provide consumer access to information regarding the levels of various constituents, even if they are below enforceable mandatory maximum contaminant levels (MCLs), and an estimate of cost to either reduce the constituent level or eliminate any trace of it from drinking water, regardless of how minimal the risk might be.

If a constituent was detected in the Agency's water supply between 2016 to 2018 at a level exceeding an applicable PHG or MCLG, this Report provides the information required by the law. Included is the numerical public health risk (if applicable) associated with the MCL and the PHG or MCLG, the category or type of risk to health that could be associated with each constituent, the best treatment technology available that could be used to eliminate or reduce the constituent level, and an estimate of the cost to install that treatment if it is appropriate and feasible.

WHAT ARE PHGs/MCLs/MCLGs?

Public health goals (PHGs) are based solely on public health risk assessments and are generally lower than the enforceable maximum contaminant levels (MCLs) of the primary drinking water standards. MCLs, which are established at very conservative levels, provide protection to consumers against all but very low to negligible risk and are the regulatory definition of what is considered "safe."

PHGs for non-carcinogenic chemicals in drinking water are set at a concentration "at which no known or anticipated adverse health effects will occur, with an adequate margin of safety." For carcinogens, PHGs are set at a concentration that "does not pose a significant risk of cancer." This is usually a one-in-a-million excess cancer risk (1×10^{-6})

for a lifetime of exposure. MCLGs, like PHGs, are strictly health-based and include a margin of safety. One difference, however, is that the MCLGs for carcinogens are set at zero because the USEPA assumes there is no absolutely safe level of exposure to them.

None of the practical risk-management factors that are considered in establishing MCLs are considered in establishing PHGs/MCLGs. MCLs include analytical detection capability, availability of treatment technology, benefits and costs.

PHGs/MCLGs are not enforceable and are not required to be met by any public water system. In addition to cost and technological feasibility, PHGs/MCLGs may provide a basis for revising MCLs.

HEALTH RISK CATEGORIES

Health Risk Assessments are categorized for various PHG/MCLGs. Health risks are based on long-term exposure to low levels of contaminants as would occur with drinking water, rather than high doses from a single or short-term exposure. These are the first or most sensitive adverse effects that occur when chemical exposure reaches a sufficient level and duration to produce toxicity. Basing health goals to protect against these risks also protects against risks that would occur from short-term exposure.

Numerical Public Health Risks have been assigned to carcinogenic health risk categories, whereas the cancer risk is stated in terms of excess cancer cases per million (or fewer) population. No numerical Public Health Risk has been calculated for chemicals considered non-carcinogenic.

Various Health Risk categories and specific health outcome are as follows:

Acute toxicity – adverse health effects that develop after a short-term exposure to a chemical. Exposure may last only minutes or occur over a few days.

Carcinogenic – capable of producing cancer.

Chronic Toxicity – adverse effects that usually develop gradually from low levels of chemical exposure where exposure may occur from months to years.

Developmental toxicity – adverse effects on the developing organism that may result from exposure prior to conception (either parent), during prenatal development, or postnatally to the time of sexual maturation. Adverse developmental effects may be detected at any point in the life span of the organism. The majority manifestations include: (1) death of the developing organism, (2) structural abnormality (birth defects), (3) altered growth, and (4) functional deficiency.

Neurotoxic – capable of destroying or adversely affecting the nervous system, or interfering with nerve signal transmission. Effects may be reversible (for example, effects on chemicals that carry nerve signals across gaps between nerve cells) or irreversible (destruction of nerve cells).

Reproductive effects – the occurrence of adverse effects on the reproductive system of females or males that may result from exposure to environmental agents. The toxicity may cause changes to the female or male reproductive organs, the regulating endocrine system, or pregnancy outcomes. Examples of such toxicity may include adverse effects on onset of puberty, egg production and transport, menstrual cycle normality, sexual behavior such as sexual urge, and lowered fertility, sperm production, length of pregnancy, and milk production.

WATER QUALITY DATA CONSIDERED

All water quality data collected within our system between January 1, 2016 through December 31, 2018, has been considered for the purpose of determining compliance with the primary drinking water standards. Data from 2018 is summarized in our 2018 Annual Water Quality Report, which has already been distributed to our customers (Reference #3).

BEST AVAILABLE TREATMENT TECHNOLOGY & COST ESTIMATES

Both the USEPA and State Water Resources Control Board (SWRCB) adopt what are known as BATs or Best Available Technologies, which are the best known methods of reducing contaminant levels to the MCL. Costs of these BATs are difficult to predict. Estimating the costs to reduce a constituent to zero is difficult, if not impossible. Some approved analytical methods may not be able to verify that levels have indeed been reduced beyond the method detection limit. However, since many PHGs and all MCLGs are set much lower than the MCL, it is not always possible nor feasible to determine what treatment is needed to further reduce a constituent downward to or near the PHG or MCLG. In some cases, installing treatment to try and further reduce very low levels of one constituent may have adverse effects on other aspects of water quality.

CONSTITUENTS DETECTED THAT EXCEED A PHG OR MCLG

The following constituents were detected in one or more of our drinking water sources at levels above the PHG, or if no PHG, above the MCLG.

Coliform Bacteria

During the calendar years of 2016-2018, the Agency collected an average of 92 samples each month for Coliform analysis. Occasionally, a sample was found to be positive for

coliform bacteria, but follow-up action and sample re-checks were negative. The maximum coliform bacteria count within the 3 year reporting period was 1.9%, detected in May 2017.

The MCL for coliform is 5% positive samples of all samples per month, and the MCLG is zero. The reason for the coliform drinking water standard is to minimize the possibility of the water containing pathogens, which are organisms that cause waterborne disease. Because coliform is only a surrogate indicator of the potential presence of pathogens, it is not possible to state a specific numerical health risk. While USEPA normally sets MCLGs "at a level where no known or anticipated adverse effects on persons would occur," they indicate that they cannot do so with coliforms.

Coliform bacteria are an indicator organism that are ubiquitous in nature and are not generally considered harmful. They are used because of the ease in monitoring and analysis. If a positive sample is found, it indicates a potential problem that needs to be investigated and follow up sampling is required. It is not at all unusual for a system to have an occasional positive sample. It is difficult, if not impossible, to assure that a system will never get a positive sample.

Desert Water Agency currently utilizes chlorine for disinfection. Chlorine residuals are continually maintained within those portions of the distribution system served by surface water, while chlorine residuals for the remaining portions of the distribution system are maintained on an as required basis only.

Chlorine disinfection is only one method that this Agency utilizes to insure the water served is microbiologically safe. Other equally important measures that this Agency has implemented include an effective cross-connection control program, preventative maintenance, main flushing, proper placement and construction of wells, facility upgrades, effective monitoring and surveillance programs and maintaining positive pressures within the distribution system.

With the exception of maintaining continual chlorine residuals throughout the entire distribution system, the Agency has taken the steps prescribed by State Water Resources Control Board (SWRCB) as the Best Available Technology (BAT) for coliform bacteria.

BATs have been adopted by the USEPA and SWRCB (formerly the California Dept. of Public Health) and are described in Section 64447, Title 22, California Code of Regulations (Reference #4), as the best-known methods of reducing coliform levels to the MCL. Although the BAT for coliform PHG/MCLG has been defined as a treatment techniques, there is no indication that the PHG/MCLG can ever be achieved. The BAT for the reduction of coliform could be implementation of disinfection residuals throughout the distribution system. To provide for this capability, additional groundwater disinfection facilities would need to be installed.

The initial construction cost for these facilities is estimated at \$3,381,620.00 with additional overhead and maintenance costs of \$724,064.00 per year. This would result in an approximate increased cost per service connection/customer of \$180.16.

Chromium-6

Chromium is a naturally occurring metallic element. It is tasteless and odorless and is most often found in the environment as a result of erosion of rocks, plants, soil, and volcanic dust. The two most common forms of naturally occurring chromium are:

Trivalent chromium (chromium-3)
Hexavalent chromium (chromium-6)

Chromium-3 is essentially a dietary element found in many fruits and vegetables, meat, grain and yeast. Dietary supplements often contain chromium 3.

Chromium-6 is used to process leather, for chrome plating, manufacturing stainless steel, used as a wood preservative and in dyes and pigments. Other than occurring naturally, it can find its way into groundwater through industrial waste leaks, specifically leaks in storage facilities or disposal sites.

The primary drinking water standard (MCL) for chromium-6, as set by the SWRCB is 10 ug/L (micrograms per liter). On July 1, 2014, California added chromium-6 to the list of regulated contaminants and set the PHG at 0.02 ug/L. All wells tested during the 2016-2018 calendar years showed between 1.1 – 5.4 ug/L of chromium-6, well below MCL standards.

Chromium-6 is an occupational carcinogen most often inhaled, therefore associated with lung cancer, and nasal and sinus cancer. It's also been shown to be a reproductive cancer in both men and women. The cancer risk at the PHG has been established as 1×10^{-6} , which means there could be one excess cancer case per million people. Most cancer studies have been associated with inhalation of chromium-6, but there is strong data to suggest ingestion can also have severe side effects.

The BAT for removing chromium-6 as it applies to Desert Water Agency would be reverse osmosis and will be discussed in greater detail in the Contaminant Removal section of this report.

Tetrachloroethylene (PCE)

Tetrachloroethylene is a manufactured substance that is not found in nature. At room temperature, it is a nonflammable liquid that easily evaporates into the air. It has a distinctive sharp-sweet odor that most people can detect at 1 part PCE per million parts of air. Its primary use is for dry cleaning. It is also used as a metal degreaser in the automotive industry and may be found in spot removers and paint strippers. Though a chemically stable solvent, it is volatile and can enter the body through inhalation and skin contact. It has been detected in drinking water supplies from contaminated groundwater. The OEHHA has established the PHG for PCE at 0.06 ug/L. The MCL for drinking water is 5 ug/L.

Effects of exposure to PCE include neurological effects like dizziness, headache, sleepiness, unconsciousness, mood or behavioral changes and impaired motor skills. Exposure can cause kidney and liver dysfunction and irritation to the eyes and upper respiratory tract. It is a carcinogen associated with liver, kidney and bladder cancer. The cancer risk is 1×10^{-6} which means there could be one excess cancer case per million people. Because of the cancer and toxicity risks, PCE was banned in 2007 for all new dry cleaning machines. Older PCE using machines were to be shut down as of 2010 and use of PCE will be completely discontinued in California by 2023. As a result of this action, PCE detection in the air has been reduced.

Desert Water Agency pumps water directly from the unconfined Whitewater River Sub-basin Aquifer. This aquifer generally flows underground in a south easterly direction. In 1987, levels of PCE that exceeded the MCL were detected at Well 6. The source of the contamination was a drycleaner approximately 800 feet away. The well has since been taken out of service, pending abatement that began in 1996.

In 2013, PCE was detected at Well 32, which is 4,500 feet southeast of Well 6. The amount of PCE that was detected was 0.5 ug/L which is ten times less than the MCL, but right at the detection limit for reporting. During the calendar years of 2016-2018, PCE was detected at Well 32 at concentration levels between 0.5 and 0.8 ug/L.

The California Regional Water Quality Control Board (RWQCB) is the lead agency involved with the remediation at Well 6. The financial burden for the cleanup using BAT, including collecting soil samples and an abatement plan, is the responsibility of the drycleaner. Should future sampling at Well 32 show an excess of PCE, and if abatement is necessary, the expense will be covered by the same BAT overseen by the RWQCB.

Uranium

Uranium is a silvery white metallic radioactive element that is present, to some degree, in almost everything in our environment. It occurs naturally in granites and other mineral deposits and it generally finds its way into water by leaching from these natural deposits.

As established by OEHHHA, the PHG for uranium is 0.43 pCi/L (pico Curies per liter of water). The MCL or drinking water standard for uranium is 20 pCi/L. Laboratory analysis on our groundwater and surface water sources have indicated uranium levels ranging from 4.2 pCi/L to 25 pCi/L. Uranium has a health risk category of Carcinogen and it usually effects the kidneys. Health risk categories are based on experimental animal testing data evaluated by the USEPA. Cancer risk is stated numerically as 1×10^{-6} , which means there could be one excess cancer case per million people.

Between 2016 and the end of 2018, 18 well sites and 2 surface water site were monitored for Uranium. Two other surface water sites did not require Uranium testing. All 20 sites sampled exceeded the PHG for uranium and three wells exceeded the MCL. Well 09, 14, and 16 reported results of >20 pCi/L in 2016 and 2017. Well 9 had not been used in many years due low performance. Well 9 has been inactivated and physically disconnected from the distribution system. Wells 14 and 16 were placed on standby. A standby well can only be used for short-term emergencies of five consecutive days or less, and for less than a total of fifteen calendar days a year.

Contaminant Removal

Many steps can be taken to achieve compliance with state and federal regulations. Desert Water Agency continues to remain in compliance and deliver safe drinking water to our customers. To protect the water system and continue to deliver safe drinking water, it may be necessary to reduce or remove the contaminant.

Desert Water Agency has explored the best available technology (BAT) to remove chromium-6, radium-228 and uranium. Each of these contaminants can be removed or reduced by using the same technology; reverse osmosis (RO). RO is an accepted method for removal of many contaminants and once installed at a well site, it has the ability to remove several components, including those that pose no risk at all.

To remove uranium and chromium-6 from one site, the estimated initial construction cost is approximately \$2,016,000, with an estimated additional overhead and maintenance cost of \$31,508. Uranium is the most frequent occurring contaminant and if the Agency had to remove uranium throughout the system, the costs would be estimated at \$70,650,000 for initial construction and \$1,071,510 for additional overhead and maintenance costs. If surface water samples have high turbidity, they must first be filtered for reverse osmosis to be effective and the above figures do not reflect this additional expense. To meet these expenses, the Agency would have to increase the cost per service connection/customer more than \$3,230.

RECOMMENDATION FOR FURTHER ACTION

The Desert Water Agency meets all Federal and State Drinking Water Standards set to protect public health.

To further reduce the levels of constituents identified in this Report that are already significantly below the health-based Maximum Contaminant Levels, additional costly treatment processes would be required. As the effectiveness of additional treatment processes is uncertain, and the health protection benefits of any reduction are not clear, and may not be quantifiable, additional treatment processes are not justified. Therefore, no action is proposed.

References Attached:

- #1 Excerpt from California Health & Safety Code: Section 116470(b)*
- #2 Table of Regulated Contaminants with MCL, PHG, or MCLGs, updated March 13, 2019*
- #3 DWA 2018 Consumer Confidence Report*
- #4 Excerpt from Health risk Information for Public Health goal Exceedance Reports; February 2019*

State of California

HEALTH AND SAFETY CODE

Section 116470

116470. (a) As a condition of its operating permit, every public water system shall annually prepare a consumer confidence report and mail or deliver a copy of that report to each customer, other than an occupant, as defined in Section 799.28 of the Civil Code, of a recreational vehicle park. A public water system in a recreational vehicle park with occupants as defined in Section 799.28 of the Civil Code shall prominently display on a bulletin board at the entrance to or in the office of the park, and make available upon request, a copy of the report. The report shall include all of the following information:

- (1) The source of the water purveyed by the public water system.
 - (2) A brief and plainly worded definition of the terms “maximum contaminant level,” “primary drinking water standard,” and “public health goal.”
 - (3) If any regulated contaminant is detected in public drinking water supplied by the system during the past year, the report shall include all of the following information:
 - (A) The level of the contaminant found in the drinking water, and the corresponding public health goal and primary drinking water standard for that contaminant.
 - (B) Any violations of the primary drinking water standard that have occurred as a result of the presence of the contaminant in the drinking water and a brief and plainly worded statement of health concerns that resulted in the regulation of that contaminant.
 - (C) The public water system’s address and phone number to enable customers to obtain further information concerning contaminants and potential health effects.
 - (4) Information on the levels of unregulated contaminants, if any, for which monitoring is required pursuant to state or federal law or regulation.
 - (5) Disclosure of any variances or exemptions from primary drinking water standards granted to the system and the basis therefor.
- (b) On or before July 1, 1998, and every three years thereafter, public water systems serving more than 10,000 service connections that detect one or more contaminants in drinking water that exceed the applicable public health goal, shall prepare a brief written report in plain language that does all of the following:
- (1) Identifies each contaminant detected in drinking water that exceeds the applicable public health goal.
 - (2) Discloses the numerical public health risk, determined by the office, associated with the maximum contaminant level for each contaminant identified in paragraph (1) and the numerical public health risk determined by the office associated with the public health goal for that contaminant.

(3) Identifies the category of risk to public health, including, but not limited to, carcinogenic, mutagenic, teratogenic, and acute toxicity, associated with exposure to the contaminant in drinking water, and includes a brief plainly worded description of these terms.

(4) Describes the best available technology, if any is then available on a commercial basis, to remove the contaminant or reduce the concentration of the contaminant. The public water system may, solely at its own discretion, briefly describe actions that have been taken on its own, or by other entities, to prevent the introduction of the contaminant into drinking water supplies.

(5) Estimates the aggregate cost and the cost per customer of utilizing the technology described in paragraph (4), if any, to reduce the concentration of that contaminant in drinking water to a level at or below the public health goal.

(6) Briefly describes what action, if any, the local water purveyor intends to take to reduce the concentration of the contaminant in public drinking water supplies and the basis for that decision.

(c) Public water systems required to prepare a report pursuant to subdivision (b) shall hold a public hearing for the purpose of accepting and responding to public comment on the report. Public water systems may hold the public hearing as part of any regularly scheduled meeting.

(d) The department shall not require a public water system to take any action to reduce or eliminate any exceedance of a public health goal.

(e) Enforcement of this section does not require the department to amend a public water system's operating permit.

(f) Pending adoption of a public health goal by the Office of Environmental Health Hazard Assessment pursuant to subdivision (c) of Section 116365, and in lieu thereof, public water systems shall use the national maximum contaminant level goal adopted by the United States Environmental Protection Agency for the corresponding contaminant for purposes of complying with the notice and hearing requirements of this section.

(g) This section is intended to provide an alternative form for the federally required consumer confidence report as authorized by 42 U.S.C. Section 300g-3(c).

(Repealed and added by Stats. 1996, Ch. 755, Sec. 12. Effective January 1, 1997.)

MCLs, DLRs, and PHGs for Regulated Drinking Water Contaminants

(Units are in milligrams per liter (mg/L), unless otherwise noted.)

Last Update: March 13, 2019

This table includes:

California's maximum contaminant levels (MCLs)

Detection limits for purposes of reporting (DLRs)

[Public health goals \(PHGs\) from the Office of Environmental Health Hazard Assessment \(OEHHA\)](#)

Also, the PHG for NDMA (which is not yet regulated) is included at the bottom of this table.

For comparison:

[Federal MCLs and Maximum Contaminant Level Goals \(MCLGs\) \(US EPA\)](#)

Regulated Contaminant	MCL	DLR	PHG	Date of PHG	MCL	MCLG
Chemicals with MCLs in 22 CCR §64431—Inorganic Chemicals						
Aluminum	1	0.05	0.6	2001	--	--
Antimony	0.006	0.006	0.001	2016	0.006	0.006
Arsenic	0.010	0.002	0.000004	2004	0.010	zero
Asbestos (MFL = million fibers per liter; for fibers >10 microns long)	7 MFL	0.2 MFL	7 MFL	2003	7 MFL	7 MFL
Barium	1	0.1	2	2003	2	2
Beryllium	0.004	0.001	0.001	2003	0.004	0.004
Cadmium	0.005	0.001	0.00004	2006	0.005	0.005
Chromium, Total - OEHHA withdrew the 0.0025-mg/L PHG	0.05	0.01	withdrawn Nov. 2001	1999	0.1	0.1
Chromium, Hexavalent - 0.01-mg/L MCL & 0.001-mg/L DLR repealed September 2017	--	--	0.00002	2011	--	--
Cyanide	0.15	0.1	0.15	1997	0.2	0.2
Fluoride	2	0.1	1	1997	4.0	4.0
Mercury (inorganic)	0.002	0.001	0.0012	1999 (rev2005) *	0.002	0.002
Nickel	0.1	0.01	0.012	2001	--	--
Nitrate (as nitrogen, N)	10 as N	0.4	45 as NO ₃ (=10 as N)	2018	10	10
Nitrite (as N)	1 as N	0.4	1 as N	2018	1	1
Nitrate + Nitrite (as N)	10 as N	--	10 as N	2018	--	--
Perchlorate	0.006	0.004	0.001	2015	--	--
Selenium	0.05	0.005	0.03	2010	0.05	0.05
Thallium	0.002	0.001	0.0001	1999 (rev2004)	0.002	0.0005
Copper and Lead, 22 CCR §64672.3						
<i>Values referred to as MCLs for lead and copper are not actually MCLs; instead, they are called "Action Levels" under the lead and copper rule</i>						
Copper	1.3	0.05	0.3	2008	1.3	1.3
Lead	0.015	0.005	0.0002	2009	0.015	zero

Radionuclides with MCLs in 22 CCR §64441 and §64443—Radioactivity						
[units are picocuries per liter (pCi/L), unless otherwise stated; n/a = not applicable]						
Gross alpha particle activity - OEHHA concluded in 2003 that a PHG was not practical	15	3	none	n/a	15	zero
Gross beta particle activity - OEHHA concluded in 2003 that a PHG was not practical	4 mrem/yr	4	none	n/a	4 mrem/yr	zero
Radium-226	--	1	0.05	2006		
Radium-228	--	1	0.019	2006		
Radium-226 + Radium-228	5	--	--	--	5	zero
Strontium-90	8	2	0.35	2006	--	--
Tritium	20,000	1,000	400	2006	--	--
Uranium	20	1	0.43	2001	30 µg/L	zero
Chemicals with MCLs in 22 CCR §64444—Organic Chemicals						
(a) Volatile Organic Chemicals (VOCs)						
Benzene	0.001	0.0005	0.00015	2001	0.005	zero
Carbon tetrachloride	0.0005	0.0005	0.0001	2000	0.005	zero
1,2-Dichlorobenzene	0.6	0.0005	0.6	1997 (rev2009)	0.6	0.6
1,4-Dichlorobenzene (p-DCB)	0.005	0.0005	0.006	1997	0.075	0.075
1,1-Dichloroethane (1,1-DCA)	0.005	0.0005	0.003	2003	--	--
1,2-Dichloroethane (1,2-DCA)	0.0005	0.0005	0.0004	1999 (rev2005)	0.005	zero
1,1-Dichloroethylene (1,1-DCE)	0.006	0.0005	0.01	1999	0.007	0.007
cis-1,2-Dichloroethylene	0.006	0.0005	0.013	2018	0.07	0.07
trans-1,2-Dichloroethylene	0.01	0.0005	0.05	2018	0.1	0.1
Dichloromethane (Methylene chloride)	0.005	0.0005	0.004	2000	0.005	zero
1,2-Dichloropropane	0.005	0.0005	0.0005	1999	0.005	zero
1,3-Dichloropropene	0.0005	0.0005	0.0002	1999 (rev2006)	--	--
Ethylbenzene	0.3	0.0005	0.3	1997	0.7	0.7
Methyl tertiary butyl ether (MTBE)	0.013	0.003	0.013	1999	--	--
Monochlorobenzene	0.07	0.0005	0.07	2014	0.1	0.1
Styrene	0.1	0.0005	0.0005	2010	0.1	0.1
1,1,2,2-Tetrachloroethane	0.001	0.0005	0.0001	2003	0.1	0.1
Tetrachloroethylene (PCE)	0.005	0.0005	0.00006	2001	0.005	zero
Toluene	0.15	0.0005	0.15	1999	1	1
1,2,4-Trichlorobenzene	0.005	0.0005	0.005	1999	0.07	0.07
1,1,1-Trichloroethane (1,1,1-TCA)	0.200	0.0005	1	2006	0.2	0.2
1,1,2-Trichloroethane (1,1,2-TCA)	0.005	0.0005	0.0003	2006	0.005	0.003
Trichloroethylene (TCE)	0.005	0.0005	0.0017	2009	0.005	zero
Trichlorofluoromethane (Freon 11)	0.15	0.005	1.3	2014	--	--
1,1,2-Trichloro-1,2,2-Trifluoroethane (Freon 113)	1.2	0.01	4	1997 (rev2011)	--	--
Vinyl chloride	0.0005	0.0005	0.00005	2000	0.002	zero
Xylenes	1.750	0.0005	1.8	1997	10	10

(b) Non-Volatile Synthetic Organic Chemicals (SOCs)						
Alachlor	0.002	0.001	0.004	1997	0.002	zero
Atrazine	0.001	0.0005	0.00015	1999	0.003	0.003
Bentazon	0.018	0.002	0.2	1999 (rev2009)	--	--
Benzo(a)pyrene	0.0002	0.0001	0.000007	2010	0.0002	zero
Carbofuran	0.018	0.005	0.0007	2016	0.04	0.04
Chlordane	0.0001	0.0001	0.00003	1997 (rev2006)	0.002	zero
Dalapon	0.2	0.01	0.79	1997 (rev2009)	0.2	0.2
1,2-Dibromo-3-chloropropane (DBCP)	0.0002	0.00001	0.0000017	1999	0.0002	zero
2,4-Dichlorophenoxyacetic acid (2,4-D)	0.07	0.01	0.02	2009	0.07	0.07
Di(2-ethylhexyl)adipate	0.4	0.005	0.2	2003	0.4	0.4
Di(2-ethylhexyl)phthalate (DEHP)	0.004	0.003	0.012	1997	0.006	zero
Dinoseb	0.007	0.002	0.014	1997 (rev2010)	0.007	0.007
Diquat	0.02	0.004	0.006	2016	0.02	0.02
Endothal	0.1	0.045	0.094	2014	0.1	0.1
Endrin	0.002	0.0001	0.0003	2016	0.002	0.002
Ethylene dibromide (EDB)	0.00005	0.00002	0.00001	2003	0.00005	zero
Glyphosate	0.7	0.025	0.9	2007	0.7	0.7
Heptachlor	0.00001	0.00001	0.000008	1999	0.0004	zero
Heptachlor epoxide	0.00001	0.00001	0.000006	1999	0.0002	zero
Hexachlorobenzene	0.001	0.0005	0.00003	2003	0.001	zero
Hexachlorocyclopentadiene	0.05	0.001	0.002	2014	0.05	0.05
Lindane	0.0002	0.0002	0.000032	1999 (rev2005)	0.0002	0.0002
Methoxychlor	0.03	0.01	0.00009	2010	0.04	0.04
Molinate	0.02	0.002	0.001	2008	--	--
Oxamyl	0.05	0.02	0.026	2009	0.2	0.2
Pentachlorophenol	0.001	0.0002	0.0003	2009	0.001	zero
Picloram	0.5	0.001	0.166	2016	0.5	0.5
Polychlorinated biphenyls (PCBs)	0.0005	0.0005	0.00009	2007	0.0005	zero
Simazine	0.004	0.001	0.004	2001	0.004	0.004
Thiobencarb	0.07	0.001	0.042	2016	--	--
Toxaphene	0.003	0.001	0.00003	2003	0.003	zero
1,2,3-Trichloropropane	0.000005	0.000005	0.0000007	2009	--	--
2,3,7,8-TCDD (dioxin)	3x10 ⁻⁸	5x10 ⁻⁹	5x10 ⁻¹¹	2010	3x10 ⁻⁸	zero
2,4,5-TP (Silvex)	0.05	0.001	0.003	2014	0.05	0.05
Chemicals with MCLs in 22 CCR §64533—Disinfection Byproducts						
Total Trihalomethanes	0.080	--	--	--	0.080	--
Bromodichloromethane	--	0.0010	0.00006	2018 draft	--	zero
Bromoform	--	0.0010	0.0005	2018 draft	--	zero
Chloroform	--	0.0010	0.0004	2018 draft	--	0.07
Dibromochloromethane	--	0.0010	0.0001	2018 draft	--	0.06
Haloacetic Acids (five) (HAA5)	0.060	--	--	--	0.060	--
Monochloroacetic Acid	--	0.0020	--	--	--	0.07
Dichloroacetic Acid	--	0.0010	--	--	--	zero
Trichloroacetic Acid	--	0.0010	--	--	--	0.02
Monobromoacetic Acid	--	0.0010	--	--	--	--
Dibromoacetic Acid	--	0.0010	--	--	--	--
Bromate	0.010	0.0050**	0.0001	2009	0.01	zero
Chlorite	1.0	0.020	0.05	2009	1	0.8

Chemicals with PHGs established in response to DDW requests. These are not currently regulated drinking water contaminants.				
N-Nitrosodimethylamine (NDMA)	--	--	0.000003	2006
*OEHHHA's review of this chemical during the year indicated (rev20XX) resulted in no change in the PHG.				
**The DLR for Bromate is 0.0010 mg/L for analysis performed using EPA Method 317.0 Revision 2.0, 321.8, or 326.0.				

Water Quality Report



WATER QUALITY REPORT

DELIVERED JUNE 2019

DESERT WATER





THE WAVE OF THE FUTURE

There are so many forces changing the way public water agencies serve their communities. Technology is advancing by leaps and bounds – changing everything from water well operations to backyard irrigation. Regulations are shaping almost every facet of our operations. People want to be more engaged than ever before. We're committed to keeping up with the tides of change while affordably delivering water.

Desert Water Agency provides our customers with high quality water and customer service today, while also planning for a sustainable, reliable future. It is our responsibility and privilege to work with individuals and organizations throughout the region to this end. There is a lot that goes on behind the scenes to make it happen.

We have a team of 85 dedicated public employees with various specialties that make what we do possible. If you've had a chance to interact with any of them, you'll understand why I am so proud of our team and the work we accomplish. Delivering water through a network of pipelines more than 400 miles long is pretty incredible, especially when you consider we must ensure it meets some of the world's strictest standards.

This report is part of our commitment to water quality and transparency. I hope you find it helpful, and reassuring. Throughout the document, you'll find information about water sources, the delivery system and results of thousands of tests performed in 2018 to ensure the safety of your water. You can drink, cook with and use tap water without worry.

If you have questions about the report or our testing, please don't hesitate to reach out to our Lab Director, Paul Monroy. We welcomed Paul to the team in 2018. His 18 years of experience at private laboratories is helping move our processes and reporting into the future. If you'd like to see him – and our other employees – in action, sign up for one of our tours. We'd love to show you what we do.

Thank you for taking the time to review this report.

Yours in service,

MARK S. KRAUSE

General Manager & Chief Engineer



DESERT WATER AGENCY

Established in 1961, Desert Water Agency (DWA) is a public nonprofit agency and State Water Contractor serving residents and visitors in a 325-square-mile area that includes parts of Cathedral City, Palm Springs, and Desert Hot Springs, as well as some unincorporated areas of Riverside County. The Agency's responsibility is to provide a safe, reliable water supply to its retail customers while protecting its interests in the State Water Project. DWA is guided by an elected board of five community members. Board members make guiding policy decisions as public representatives.

OUR WATER SUPPLY

Water is a precious and limited resource; only about .007 percent of the water found on Earth is readily accessible to treat for drinking.

WATER SOURCES

Desert Water Agency's groundwater comes from the Whitewater River Sub-basin of the Coachella Valley Groundwater Basin, a natural reservoir storing water beneath the valley floor. Mountain streams also bring water by way of Chino Creek, Falls Creek and Snow Creek. DWA operates these three surface sources in accordance with filtration avoidance criteria.

Natural groundwater replenishment is supplemented with Colorado River water, which is imported through the Colorado River Aqueduct and percolated into the groundwater basin via recharge ponds near Windy Point and in Mission Creek.

WATER QUALITY MONITORING

GLOSSARY

Aggressive Index: A calculation used to determine the corrosivity of water in our pipes. Numbers <10 are considered very aggressive, between 10-12, are moderately aggressive and >12 are non-aggressive.

Maximum Contaminant Level (MCL): The highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the (PHGs or MCLGs) as is economically and technologically feasible. Secondary MCLs are set to protect the odor, taste, and appearance of drinking water.

Maximum Contaminant Level Goal (MCLG): The level of a contaminant in drinking water, below which there is no known or expected risk to health. MCLGs are set by the U.S. Environmental Protection Agency.

Maximum Residual Disinfectant Level (MRDL): The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.

Maximum Residual Disinfectant Level Goal (MRDLG): The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants. MRDLGs are set by the U.S. Environmental Protection Agency.

Microsiemens Per Centimeter (µS/cm): A measurement of the electrolytes in the water, which determines the ability of the water to conduct electrical current.

Micrograms Per Liter (µg/L): A measure of a contaminant in a known quantity of water. 1 µg/L equals 1 part per billion (see parts per billion).

Milligrams Per Liter (mg/L): A measure of a contaminant in a known quantity of water. 1 mg/L equals 1 part per million (see parts per million).

NA: Not applicable.

Nanograms per Liter (ng/L): A measurement of a contaminant in a known quantity of water. 1 ng/L equals 1 part per trillion (see parts per trillion).

ND: Not detected or below the reporting detection limit.

Nephelometric Turbidity Units (NTU): A measure of cloudiness due to undissolved solids in the water. We measure turbidity because it is a good indication of the effectiveness of our filtration system and/or water quality.

Notification Level (NL): Health-based advisory levels established by the State for chemicals in drinking water that lack maximum contaminant levels (MCLs). When chemicals are found at concentrations greater than their notification levels, certain requirements and recommendations apply.

Parts Per Billion (PPB): One part per billion corresponds to one minute in 2,000 years or one penny in \$10,000,000. (Ten million dollars).

Parts Per Million (PPM): One part per million corresponds to one minute in two years or one penny in \$10,000. (Ten thousand dollars).

WATER SOURCE INFORMATION



The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

SOURCE WATER ASSESSMENT

A Source Water Assessment Plan (SWAP), last updated in 2014, is available at our office. This plan is an assessment of the delineated area around our listed sources through which contaminants, if present, could migrate and reach our source water. It also includes an inventory of potential sources of contamination within the delineated area and a

SAMPLING RESULTS

During the past year we have taken more than 2,000 water samples in order to determine the presence of any radioactive, biological, inorganic, volatile organic, or synthetic organic contaminants. **The tables below show only those contaminants that were detected in the water.** The State allows us to monitor for certain substances less often than once per year because the concentrations of these substances do not change frequently. Some of our data, although representative, are more than one year old. In these cases, the most recent sample data are included, along with the year in which the sample was taken.

REGULATED SUBSTANCES	Substance	Unit of Measure	MCL (MRDL)	PHG (MCLG) (MRDLG)	Groundwater Source			Surface Water Source			Distribution System			Violation		Likely source of contamination
					Year Sampled	Amount Detected	Range (Low-High)	Year Sampled	Amount Detected	Range (Low-High)	Year Sampled	Amount Detected	Range (Low-High)	Yes	No	
	Chlorine	mg/L	(4.0 as Cl ₂)	(4.0 as Cl ₂)	NA	NA	NA	NA	NA	NA	2018	0.38	ND-1.34		★	Drinking water disinfectant added for treatment
	Fluoride	mg/L	2.0	1	2017-2018	0.36	ND-0.70	2018	ND	ND	NA	NA	NA		★	Erosion of natural deposits; water additive that promotes strong teeth; discharge from fertilizer and aluminum
	Gross Alpha Particle Activity	pCi/L	15	0	2012-2017	3.7	ND-7.9	2013-2016	2.1	ND-6.4	NA	NA	NA		★	Erosion of natural deposits
	Haloacetic Acids (HAA5)*	ug/L	60	NONE	NA	NA	NA	NA	NA	NA	2018	5.8 ¹	ND-21		★	By-product of drinking water disinfection
	Nitrate (as N)	mg/L	10	10	2018	1.4	0.44-4.4	2018	ND	ND	NA	NA	NA		★	Runoff and leaching from fertilizer use; leaching from septic tanks and sewage; erosion of natural deposits
	Tetrachloroethylene (PCE)	ug/L	5	0.06	2013-2018	ND	ND-0.63 ²	NA	NA	NA	NA	NA	NA		★	Runoff/leaching from natural deposits
	Total Trihalomethanes (TTHM) *	ug/L	80	NONE	2018	ND	ND	2016	ND	ND	2018	19.3 ¹	ND-25.5		★ ³	By-product of drinking water disinfection
	Turbidity ⁴	NTU	5	NONE	2018	0.13	ND-0.30	2018	1.1	0.1-1.1	2018	0.07	ND-0.28		★	Soil runoff
Uranium	pCi/L	20	0.43	2004-2018	5.4	2.5-8.7	2016	8.0	No Range	NA	NA	NA		★	Erosion of natural deposits	
Tap water samples were collected for lead and copper analyses from sample sites throughout the community.																
Substance	Unit of Measure	AL	PHG	Year Sampled	Distribution System		Number of schools sampled	School samples above AL/Total Samples	Violation		Likely source of contamination					
					Amount Detected (90th Percentile)	Sites Above AL/ Total Sites			Yes	No						
Copper	mg/L	1.3	0.3	2018	0.13	0/30	NA	NA		★	Internal corrosion of household/business water plumbing systems; discharges from industrial manufacturers; erosion of natural deposits					
Lead	ug/L	15	0.2	2018	0	0/30	2	0/6		★	Internal corrosion of household/business water plumbing systems; discharges from industrial manufacturers; erosion of natural deposits					
Substance		MCL		MCLG	Highest % positive samples in any month		Total # of routine positive samples	Total # of repeat ⁵ positive samples	Violation		Likely source of contamination					
					Amount Detected	Sites Above AL/ Total Sites			Yes	No						
Total Coliform Bacteria (State Total Coliform Rule)		5.0% of monthly samples are positive		0	1.2	3	0			★	Naturally present in the environment					
Fecal Coliform and E. coli (State Total Coliform Rule)		See Footnote 6		0	0	0	0			★	Human and animal fecal waste					
E. coli (Federal Revised Total Coliform Rule)		See Footnote 7		0	0	0	0			★	Human and animal fecal waste					

pH: An expression of the intensity of the basic or acid condition of a liquid. The pH may range from 0 to 14, where 0 is most acid, 14 most basic and 7 neutral.

PicoCuries per Liter (pCi/L): A measure of the radioactivity in the water. Primary Drinking Water Standard (PDWS): MCLs and MRLs for contaminants that affect health along with their monitoring and reporting requirements and water treatment requirements.

Public Health Goal (PHG): The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.

Regulatory Action Level (AL): The concentration of a contaminant, which if exceeded, triggers treatment or other requirements, such as public notification, that a water system must follow.

Locational Running Annual Average (LRAA): The average of sample analytical results for samples taken during the previous four calendar quarters.

Treatment Technique (TT): A required process intended to reduce the level of a contaminant in drinking water.

UCMR: Unregulated Contaminant Monitoring Rule

Variances and Exemptions: SWRCB permission to exceed an MCL or not comply with a treatment technique under certain conditions.

< Means "less than": For example, <0.2 means the lowest detectable level is 0.2 and that the contaminant was less than 0.2 and therefore not detected.

> Means "greater than": For example, >0.1 means any sample tested having a value greater than 0.1.

- * This number is not the average annual amount detected, but the highest quarterly average.
- Highest LRAA for 2018.
 - Of 22 wellheads in the system, 21 tested nondetect.
 - We are required to monitor your drinking water for specific contaminants on a regular basis. Results of regular monitoring are an indicator of whether or not your drinking water meets health standards. During calendar year 2018, we did not monitor for THMs in the water supplied during the first quarter of the year and therefore, cannot be sure of the quality of your drinking water during that time. We have since taken required samples which do meet water standards.
 - Turbidity is regulated as a TT for the surface sources (as a condition for filtration avoidance) and is a measure of the cloudiness of the water. We monitor it because it is a good indicator of water quality. High turbidity can hinder the effectiveness of disinfectants.
 - These repeat sample results validate no violation occurred.
 - If a routine and repeat sample are total coliform-positive and either is E. coli positive, or system fails to take repeat samples following E. coli-positive routine sample or a system fails to analyze total coliform positive repeat sample for E. coli, then a violation occurs.
 - If a routine sample is fecal coliform positive and a repeat sample is total coliform positive, then a violation has occurred.
 - The MCL of 10 ppb was withdrawn on 9/11/17. Hexavalent Chromium is presently regulated under the Total Chromium MCL of 50 ppb.

SECONDARY SUBSTANCES

OTHER SUBSTANCES

UNREGULATED SUBSTANCES

Substance	Unit of Measure	MCL (MRL)	PHG (MCL) (MRL)	Groundwater Source			Surface Water Source			Distribution System			Violation		Likely source of contamination
				Year Sampled	Amount Detected	Range (Low-High)	Year Sampled	Amount Detected	Range (Low-High)	Year Sampled	Amount Detected	Range (Low-High)	Yes	No	
Chloride	mg/L	500	NONE	2017-2018	35	6.1-91	2018	1.8	1.3-2.2	NA	NA	NA		★	Runoff/leaching from natural deposits; seawater influence
Color	Units	15	NONE	2017-2018	ND	ND	2018	5.8	5.0-7.5	2018	0.7	ND-0.7		★	Naturally occurring organic materials
Odor-Threshold	TON	3	NONE	2017-2018	1	NA	2018	1	NA	2018	1	1-2		★	Naturally occurring organic materials
Specific Conductance	uS/cm	1600	NONE	2017-2018	570	270-960	2018	160	110-240	NA	NA	NA		★	Substances that form ions when in water; seawater influence
Sulfate	mg/L	500	45	2017-2018	110	20-240	2018	3.0	1.3-6.2	NA	NA	NA		★	Runoff/leaching from natural deposits; industrial wastes
Total Dissolved Solids	mg/L	1000	NONE	2017-2018	370	160-600	2018	110	65-180	NA	NA	NA		★	Runoff/leaching from natural deposits
Aggressive Index	AI	Non-aggressive	NONE	2017-2018	12.3	11.6-12.6	2018	11.5	11.3-11.9	NA	NA	NA		★	Influenced by hydrogen, carbon, oxygen and temperature
Alkalinity	mg/L	NONE	NONE	2017-2018	130	110-190	2018	76	58-110	NA	NA	NA		★	Function of carbonate, hydroxide and bicarbonate; naturally occurring
Bicarbonate	mg/L	NONE	NONE	2017-2018	160	130-230	2018	94	70-140	NA	NA	NA		★	Naturally occurring
Calcium	mg/L	NONE	NONE	2017-2018	70	24-110	2018	21	12-34	NA	NA	NA		★	Contributes to water hardness; naturally occurring
Hardness	mg/L	NONE	NONE	2017-2018	220	72-360	2018	57	30-96	NA	NA	NA		★	Naturally occurring
Magnesium	mg/L	NONE	NONE	2017-2018	13	1.9-22	2018	1.4	1.3-2.9	NA	NA	NA		★	Contributes to water hardness; naturally occurring
Potassium	mg/L	NONE	NONE	2017-2018	4.4	2.5-8.8	2018	3.3	1.8-5.5	NA	NA	NA		★	Leaching from water softeners, fertilizers and natural deposits
pH	pH Unit	NONE	NONE	2017-2018	7.9	7.6-8.1	2018	8.0	7.9-8.0	2018	7.9	7.4-8.7		★	Naturally occurring
Sodium	mg/L	NONE	NONE	2017-2018	35	17-72	2018	11	9.6-13	NA	NA	NA		★	Naturally occurring
Substance	Unit of Measure	Notification Level		Groundwater Source			Surface Water Source			Distribution System			Violation		Likely source of contamination
				Year Sampled	Amount Detected	Range (Low-High)	Year Sampled	Amount Detected	Range (Low-High)	Year Sampled	Amount Detected	Range (Low-High)	Yes	No	
Boron	ug/L	1000		2017-2018	6.5	ND-120	2018	ND	ND	NA	NA	NA		★	Naturally occurring
Chlorate	ug/L	800		2014	64	22-380	NA	NA	NA	NA	NA	NA		★	Erosion of natural deposits
Hexavalent Chromium*	ug/L	50		2017-2018	1.9	ND-4.7	2018	ND	ND	NA	NA	NA		★	Naturally occurring
Molybdenum	ug/L	NONE		2014	4.7	3.4-13	NA	NA	NA	NA	NA	NA		★	Naturally occurring
Strontium	ug/L	NONE		2014	250	70-450	NA	NA	NA	NA	NA	NA		★	Naturally occurring
Vanadium	ug/L	50		2017-2018	8.1	3.4-17	2018	2.4	ND-3.6	NA	NA	NA		★	Erosion of natural deposits

Effective April 1, 2016, all water systems are required to comply with the state Total Coliform Rule and the federal Revised Total Coliform Rule. The new federal rule maintains the purpose to protect public health by ensuring the integrity of the drinking water distribution system and monitoring for the presence of microbials (total coliform and E. coli bacteria). U.S. EPA anticipates greater public health protection as the new rule requires water systems vulnerable to microbial contamination to identify and fix problems. Water systems that exceed a specified frequency of total coliform occurrences are required to do an assessment to determine if any sanitary defects exist. If found, the water system must take corrective action.

COMMON WATER QUALITY QUESTIONS

WHY DOES TAP WATER SOMETIMES SMELL FUNNY?

When your water tastes or smells funny, the problem may or may not be in the water. Odors might actually be coming from your sink drain, where bacteria grow on hair, soap, food, and other things that get trapped. Odorous gases get stirred up when water pours into the drain. Odor can also come from bacteria growing on devices such as water heaters.

WHY DOES TAP WATER HAVE A FAINT CHLORINE SMELL?

A small amount of chlorine is added to meet drinking water regulations. It is a disinfectant used to provide continuous protection against possible microbial contamination. Regulations limit the amount of chlorine added to tap water so that the water is safe to drink. A slight smell or taste of chlorine is normal.

WHY DOES MY WATER HAVE A ROTTEN EGG OR SULFUR SMELL?

This smell can occur under some conditions when sulfate is present in the water supply. Improperly maintained water heaters or lack of water circulation within a residence during warmer months are circumstances that may contribute to this odor.

WHY DOES MY WATER LOOK CLOUDY?

Occasionally, tiny air bubbles in tap water cause a cloudy appearance. Air dissolves into water when pressurized, which occurs in the groundwater basin and in the water pipes that deliver water to your tap. These bubbles dissipate after a few moments in a glass.



DO I NEED A SOFTENER?

No. Desert Water Agency tap water meets all drinking water standards and does not need to be conditioned or filtered. DWA does not prohibit the use of water softeners, but Agency ordinance does prohibit the discharge of excess salt down the drain. Discharged salt can harm the groundwater and may require additional treatment, which would increase the future costs of providing sewer and water services.



REGULATORY INFORMATION

CONTAMINANTS THAT MAY BE PRESENT IN SOURCE WATER INCLUDE:

- **Microbial contaminants**, such as viruses and bacteria, that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- **Inorganic contaminants**, such as salts and metals, that can be naturally occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- **Pesticides and herbicides**, which may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.
- **Organic chemical contaminants**, including synthetic and volatile organic chemicals, that are by-products of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, agricultural application, and septic systems.
- **Radioactive contaminants**, which can be naturally occurring or be the result of oil and gas production and mining activities.



In order to ensure that tap water is safe to drink, the U.S. Environmental Protection Agency (USEPA) and the State Water Resources Control Board (SWRCB) prescribe regulations that limit the amount of certain contaminants in water provided by public water systems. USEPA regulations also establish limits for contaminants in bottled water that provide protection for public health.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects is available through the USEPA's Safe Drinking Water Hotline (1-800-426-4791).



HEALTH INFORMATION

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers.

USEPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by Cryptosporidium and other microbial contaminants are available from the Safe Drinking Water Hotline (1-800-426-4791).

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. Desert Water Agency is responsible for providing high-quality drinking water but cannot control the variety of materials used in your property's plumbing. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your

QUALITY TESTED WATER

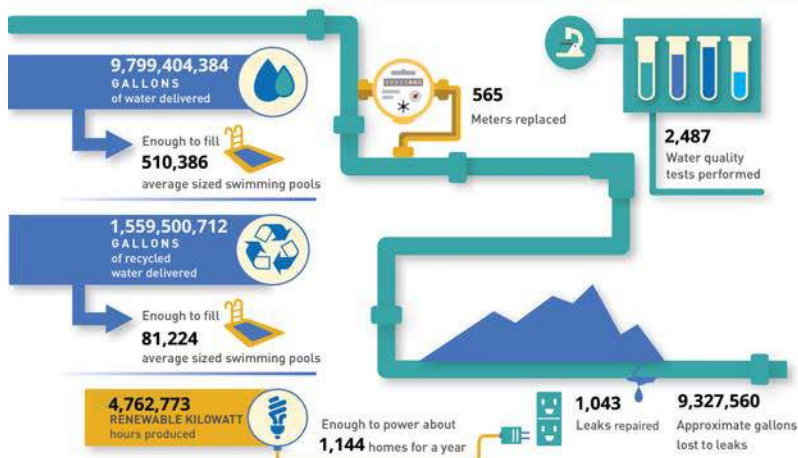
Since the crisis in Flint, Michigan, our community and the country has been asking more questions about toxins in water. California Assembly Bill 746, requires K-12 public schools sample for lead by July of 2019. Desert Water Agency tested public schools in our retail service area. None are above regulatory limits. One school site requested testing, one was exempt and DWA initiated sampling for six. We're fortunate lead isn't an issue here.

Over time, water can sometimes corrode lead plumbing. This is how lead typically gets into water. However, the water we serve has characteristics, like alkalinity and hardness, that make it less corrosive.

Our water mains and service pipelines are not made of lead, but your private plumbing may be. Desert Water Agency goes to dozens of homes and businesses in our community to test water coming from their taps to determine if lead or copper from private plumbing systems is getting into the water. We have not ever had a test for lead above the limit. In fact, for the past several years we did not detect any traces of lead at sites tested.

Technological and regulatory advancement drives us to constantly test our water for more elements and in ever smaller quantities. California has

DESERT WATER AGENCY 2018 YEAR AT A GLANCE



YOUR WATER QUALITY

Desert Water Agency is committed to serving healthy, safe drinking water and to keeping you informed about the quality of the water that is delivered to your tap. Our dedicated staff samples water daily to ensure that it meets all standards. As fluctuating conditions in California continue to affect water supply, it is important for us to support our customers and work together to protect this precious local resource.

By explaining the sources of our water and defining the constituents in the water, this report is our way of providing clear, transparent information to our customers. The board here and staff take their responsibility to provide high-quality water very seriously and we're proud to report that our water meets and beats the strictest standards in the nation. If you have any questions when reviewing this report, please contact Paul Monroy, laboratory director, at (760) 323-4971 ext. 169.

BOARD OF DIRECTORS

JOSEPH K. STUART
President

KRISTIN BLOOMER
Vice President

CRAIG EWING
Secretary - Treasurer

PATRICIA G. OYGAR
Director

JAMES CIOFFI
Director

Board Meetings are held the first and third Tuesdays of each month at 8 a.m.
at the Desert Water Agency's Operations Center Board Room.

DESERT WATER



1200 Gene Autry Trail South, Palm Springs, CA 92264 | (760) 323-4971

www.dwa.org



Este informe contiene información muy importante sobre su agua potable. Tradúzcalo o hable con alguien que lo entienda bien.
Para alguna pregunta o inquietud, llame al 760-323-4971

Public Health Goals

Health Risk Information for Public Health Goal Exceedance Reports

February 2019



Pesticide and Environmental Toxicology Branch
Office of Environmental Health Hazard Assessment
California Environmental Protection Agency

Health Risk Information for Public Health Goal Exceedance Reports

Prepared by

Office of Environmental Health Hazard Assessment
California Environmental Protection Agency

February 2019

Under the Calderon-Sher Safe Drinking Water Act of 1996 (the Act), public water systems with more than 10,000 service connections are required to prepare a report every three years for contaminants that exceed their respective Public Health Goals (PHGs).¹ This document contains health risk information on regulated drinking water contaminants to assist public water systems in preparing these reports. A PHG is the concentration of a contaminant in drinking water that poses no significant health risk if consumed for a lifetime. PHGs are developed and published by the Office of Environmental Health Hazard Assessment (OEHHA) using current risk assessment principles, practices and methods.²

The water system's report is required to identify the health risk category (e.g., carcinogenicity or neurotoxicity) associated with exposure to each regulated contaminant in drinking water and to include a brief, plainly worded description of these risks. The report is also required to disclose the numerical public health risk, if available, associated with the California Maximum Contaminant Level (MCL) and with the PHG for each contaminant. This health risk information document is prepared by OEHHA every three years to assist the water systems in providing the required information in their reports.

Numerical health risks: Table 1 presents health risk categories and cancer risk values for chemical contaminants in drinking water that have PHGs.

The Act requires that OEHHA publish PHGs based on health risk assessments using the most current scientific methods. As defined in statute, PHGs for non-carcinogenic

¹ Health and Safety Code Section 116470(b)

² Health and Safety Code Section 116365

chemicals in drinking water are set at a concentration “at which no known or anticipated adverse health effects will occur, with an adequate margin of safety.” For carcinogens, PHGs are set at a concentration that “does not pose any significant risk to health.” PHGs provide one basis for revising MCLs, along with cost and technological feasibility. OEHHA has been publishing PHGs since 1997 and the entire list published to date is shown in Table 1.

Table 2 presents health risk information for contaminants that do not have PHGs but have state or federal regulatory standards. The Act requires that, for chemical contaminants with California MCLs that do not yet have PHGs, water utilities use the federal Maximum Contaminant Level Goal (MCLG) for the purpose of complying with the requirement of public notification. MCLGs, like PHGs, are strictly health based and include a margin of safety. One difference, however, is that the MCLGs for carcinogens are set at zero because the US Environmental Protection Agency (US EPA) assumes there is no absolutely safe level of exposure to such chemicals. PHGs, on the other hand, are set at a level considered to pose no *significant* risk of cancer; this is usually no more than a one-in-one-million excess cancer risk (1×10^{-6}) level for a lifetime of exposure. In Table 2, the cancer risks shown are based on the US EPA’s evaluations.

For more information on health risks: The adverse health effects for each chemical with a PHG are summarized in a PHG technical support document. These documents are available on the OEHHA website (<http://www.oehha.ca.gov>). Also, technical fact sheets on most of the chemicals having federal MCLs can be found at <http://www.epa.gov/your-drinking-water/table-regulated-drinking-water-contaminants>.

Table 1: Health Risk Categories and Cancer Risk Values for Chemicals with California Public Health Goals (PHGs)

Chemical	Health Risk Category ¹	California PHG (mg/L) ²	Cancer Risk ³ at the PHG	California MCL ⁴ (mg/L)	Cancer Risk at the California MCL
Alachlor	carcinogenicity (causes cancer)	0.004	NA ^{5,6}	0.002	NA
Aluminum	neurotoxicity and immunotoxicity (harms the nervous and immune systems)	0.6	NA	1	NA
Antimony	digestive system toxicity (causes vomiting)	0.02	NA	0.006	NA
Arsenic	carcinogenicity (causes cancer)	0.000004 (4×10 ⁻⁶)	1×10 ⁻⁶ (one per million)	0.01	2.5×10 ⁻³ (2.5 per thousand)
Asbestos	carcinogenicity (causes cancer)	7 MFL ⁷ (fibers >10 microns in length)	1×10 ⁻⁶	7 MFL (fibers >10 microns in length)	1×10 ⁻⁶ (one per million)
Atrazine	carcinogenicity (causes cancer)	0.00015	1×10 ⁻⁶	0.001	7×10 ⁻⁶ (seven per million)

¹ Based on the OEHHA PHG technical support document unless otherwise specified. The categories are the hazard traits defined by OEHHA for California's Toxics Information Clearinghouse (online at: http://oehha.ca.gov/multimedia/green/pdf/GC_Regtext011912.pdf).

² mg/L = milligrams per liter of water or parts per million (ppm)

³ Cancer Risk = Upper bound estimate of excess cancer risk from lifetime exposure. Actual cancer risk may be lower or zero. 1×10⁻⁶ means one excess cancer case per million people exposed.

⁴ MCL = maximum contaminant level.

⁵ NA = not applicable. Cancer risk cannot be calculated.

⁶ The PHG for alachlor is based on a threshold model of carcinogenesis and is set at a level that is believed to be without any significant cancer risk to individuals exposed to the chemical over a lifetime.

⁷ MFL = million fibers per liter of water.

Table 1: Health Risk Categories and Cancer Risk Values for Chemicals with California Public Health Goals (PHGs)

Chemical	Health Risk Category ¹	California PHG (mg/L) ²	Cancer Risk ³ at the PHG	California MCL ⁴ (mg/L)	Cancer Risk at the California MCL
Barium	cardiovascular toxicity (causes high blood pressure)	2	NA	1	NA
Bentazon	hepatotoxicity and digestive system toxicity (harms the liver, intestine, and causes body weight effects ⁸)	0.2	NA	0.018	NA
Benzene	carcinogenicity (causes leukemia)	0.00015	1×10^{-6}	0.001	7×10^{-6} (seven per million)
Benzo[a]pyrene	carcinogenicity (causes cancer)	0.000007 (7×10^{-6})	1×10^{-6}	0.0002	3×10^{-5} (three per hundred thousand)
Beryllium	digestive system toxicity (harms the stomach or intestine)	0.001	NA	0.004	NA
Bromate	carcinogenicity (causes cancer)	0.0001	1×10^{-6}	0.01	1×10^{-4} (one per ten thousand)
Cadmium	nephrotoxicity (harms the kidney)	0.00004	NA	0.005	NA
Carbofuran	reproductive toxicity (harms the testis)	0.0007	NA	0.018	NA

⁸ Body weight effects are an indicator of general toxicity in animal studies.

Table 1: Health Risk Categories and Cancer Risk Values for Chemicals with California Public Health Goals (PHGs)

Chemical	Health Risk Category ¹	California PHG (mg/L) ²	Cancer Risk ³ at the PHG	California MCL ⁴ (mg/L)	Cancer Risk at the California MCL
Carbon tetrachloride	carcinogenicity (causes cancer)	0.0001	1×10^{-6}	0.0005	5×10^{-6} (five per million)
Chlordane	carcinogenicity (causes cancer)	0.00003	1×10^{-6}	0.0001	3×10^{-6} (three per million)
Chlorite	hematotoxicity (causes anemia) neurotoxicity (causes neurobehavioral effects)	0.05	NA	1	NA
Chromium, hexavalent	carcinogenicity (causes cancer)	0.00002	1×10^{-6}	none	NA
Copper	digestive system toxicity (causes nausea, vomiting, diarrhea)	0.3	NA	1.3 (AL ⁹)	NA
Cyanide	neurotoxicity (damages nerves) endocrine toxicity (affects the thyroid)	0.15	NA	0.15	NA
Dalapon	nephrotoxicity (harms the kidney)	0.79	NA	0.2	NA
Di(2-ethylhexyl) adipate (DEHA)	developmental toxicity (disrupts development)	0.2	NA	0.4	NA
Diethylhexyl-phthalate (DEHP)	carcinogenicity (causes cancer)	0.012	1×10^{-6}	0.004	3×10^{-7} (three per ten million)

⁹ AL = action level. The action levels for copper and lead refer to a concentration measured at the tap. Much of the copper and lead in drinking water is derived from household plumbing (The Lead and Copper Rule, Title 22, California Code of Regulations [CCR] section 64672.3).

Table 1: Health Risk Categories and Cancer Risk Values for Chemicals with California Public Health Goals (PHGs)

Chemical	Health Risk Category ¹	California PHG (mg/L) ²	Cancer Risk ³ at the PHG	California MCL ⁴ (mg/L)	Cancer Risk at the California MCL
1,2-Dibromo-3-chloropropane (DBCP)	carcinogenicity (causes cancer)	0.0000017 (1.7×10 ⁻⁶)	1×10 ⁻⁶	0.0002	1×10 ⁻⁴ (one per ten thousand)
1,2-Dichloro-benzene (o-DCB)	hepatotoxicity (harms the liver)	0.6	NA	0.6	NA
1,4-Dichloro-benzene (p-DCB)	carcinogenicity (causes cancer)	0.006	1×10 ⁻⁶	0.005	8×10 ⁻⁷ (eight per ten million)
1,1-Dichloro-ethane (1,1-DCA)	carcinogenicity (causes cancer)	0.003	1×10 ⁻⁶	0.005	2×10 ⁻⁶ (two per million)
1,2-Dichloro-ethane (1,2-DCA)	carcinogenicity (causes cancer)	0.0004	1×10 ⁻⁶	0.0005	1×10 ⁻⁶ (one per million)
1,1-Dichloro-ethylene (1,1-DCE)	hepatotoxicity (harms the liver)	0.01	NA	0.006	NA
1,2-Dichloro-ethylene, cis	nephrotoxicity (harms the kidney)	0.013	NA	0.006	NA
1,2-Dichloro-ethylene, trans	immunotoxicity (harms the immune system)	0.05	NA	0.01	NA
Dichloromethane (methylene chloride)	carcinogenicity (causes cancer)	0.004	1×10 ⁻⁶	0.005	1×10 ⁻⁶ (one per million)

Table 1: Health Risk Categories and Cancer Risk Values for Chemicals with California Public Health Goals (PHGs)

Chemical	Health Risk Category ¹	California PHG (mg/L) ²	Cancer Risk ³ at the PHG	California MCL ⁴ (mg/L)	Cancer Risk at the California MCL
2,4-Dichlorophenoxyacetic acid (2,4-D)	hepatotoxicity and nephrotoxicity (harms the liver and kidney)	0.02	NA	0.07	NA
1,2-Dichloropropane (propylene dichloride)	carcinogenicity (causes cancer)	0.0005	1×10^{-6}	0.005	1×10^{-5} (one per hundred thousand)
1,3-Dichloropropene (Telone II®)	carcinogenicity (causes cancer)	0.0002	1×10^{-6}	0.0005	2×10^{-6} (two per million)
Dinoseb	reproductive toxicity (harms the uterus and testis)	0.014	NA	0.007	NA
Diquat	ocular toxicity (harms the eye) developmental toxicity (causes malformation)	0.006	NA	0.02	NA
Endothall	digestive system toxicity (harms the stomach or intestine)	0.094	NA	0.1	NA
Endrin	neurotoxicity (causes convulsions) hepatotoxicity (harms the liver)	0.0003	NA	0.002	NA
Ethylbenzene (phenylethane)	hepatotoxicity (harms the liver)	0.3	NA	0.3	NA
Ethylene dibromide (1,2-Dibromoethane)	carcinogenicity (causes cancer)	0.00001	1×10^{-6}	0.00005	5×10^{-6} (five per million)

Table 1: Health Risk Categories and Cancer Risk Values for Chemicals with California Public Health Goals (PHGs)

Chemical	Health Risk Category ¹	California PHG (mg/L) ²	Cancer Risk ³ at the PHG	California MCL ⁴ (mg/L)	Cancer Risk at the California MCL
Fluoride	musculoskeletal toxicity (causes tooth mottling)	1	NA	2	NA
Glyphosate	nephrotoxicity (harms the kidney)	0.9	NA	0.7	NA
Heptachlor	carcinogenicity (causes cancer)	0.000008 (8×10 ⁻⁶)	1×10 ⁻⁶	0.00001	1×10 ⁻⁶ (one per million)
Heptachlor epoxide	carcinogenicity (causes cancer)	0.000006 (6×10 ⁻⁶)	1×10 ⁻⁶	0.00001	2×10 ⁻⁶ (two per million)
Hexachlorobenzene	carcinogenicity (causes cancer)	0.00003	1×10 ⁻⁶	0.001	3×10 ⁻⁵ (three per hundred thousand)
Hexachlorocyclopentadiene (HCCPD)	digestive system toxicity (causes stomach lesions)	0.002	NA	0.05	NA
Lead	developmental neurotoxicity (causes neurobehavioral effects in children) cardiovascular toxicity (causes high blood pressure) carcinogenicity (causes cancer)	0.0002	<1×10 ⁻⁶ (PHG is not based on this effect)	0.015 (AL ⁸)	2×10 ⁻⁶ (two per million)
Lindane (γ-BHC)	carcinogenicity (causes cancer)	0.000032	1×10 ⁻⁶	0.0002	6×10 ⁻⁶ (six per million)
Mercury (inorganic)	nephrotoxicity (harms the kidney)	0.0012	NA	0.002	NA

Table 1: Health Risk Categories and Cancer Risk Values for Chemicals with California Public Health Goals (PHGs)

Chemical	Health Risk Category ¹	California PHG (mg/L) ²	Cancer Risk ³ at the PHG	California MCL ⁴ (mg/L)	Cancer Risk at the California MCL
Methoxychlor	endocrine toxicity (causes hormone effects)	0.00009	NA	0.03	NA
Methyl tertiary-butyl ether (MTBE)	carcinogenicity (causes cancer)	0.013	1×10 ⁻⁶	0.013	1×10 ⁻⁶ (one per million)
Molinate	carcinogenicity (causes cancer)	0.001	1×10 ⁻⁶	0.02	2×10 ⁻⁵ (two per hundred thousand)
Monochlorobenzene (chlorobenzene)	nephrotoxicity (harms the kidney)	0.07	NA	0.07	NA
Nickel	developmental toxicity (causes increased neonatal deaths)	0.012	NA	0.1	NA
Nitrate	hematotoxicity (causes methemoglobinemia)	45 as nitrate	NA	10 as nitrogen (=45 as nitrate)	NA
Nitrite	hematotoxicity (causes methemoglobinemia)	3 as nitrite	NA	1 as nitrogen (=3 as nitrite)	NA
Nitrate and Nitrite	hematotoxicity (causes methemoglobinemia)	10 as nitrogen ¹⁰	NA	10 as nitrogen	NA

¹⁰ The joint nitrate/nitrite PHG of 10 mg/L (10 ppm, expressed as nitrogen) does not replace the individual values, and the maximum contribution from nitrite should not exceed 1 mg/L nitrite-nitrogen.

Table 1: Health Risk Categories and Cancer Risk Values for Chemicals with California Public Health Goals (PHGs)

Chemical	Health Risk Category ¹	California PHG (mg/L) ²	Cancer Risk ³ at the PHG	California MCL ⁴ (mg/L)	Cancer Risk at the California MCL
N-nitroso-dimethyl-amine (NDMA)	carcinogenicity (causes cancer)	0.000003 (3×10 ⁻⁶)	1×10 ⁻⁶	none	NA
Oxamyl	general toxicity (causes body weight effects)	0.026	NA	0.05	NA
Pentachloro-phenol (PCP)	carcinogenicity (causes cancer)	0.0003	1×10 ⁻⁶	0.001	3×10 ⁻⁶ (three per million)
Perchlorate	endocrine toxicity (affects the thyroid) developmental toxicity (causes neurodevelopmental deficits)	0.001	NA	0.006	NA
Picloram	hepatotoxicity (harms the liver)	0.166	NA	0.5	NA
Polychlorinated biphenyls (PCBs)	carcinogenicity (causes cancer)	0.00009	1×10 ⁻⁶	0.0005	6×10 ⁻⁶ (six per million)
Radium-226	carcinogenicity (causes cancer)	0.05 pCi/L	1×10 ⁻⁶	5 pCi/L (combined Ra ²²⁶⁺²²⁸)	1×10 ⁻⁴ (one per ten thousand)
Radium-228	carcinogenicity (causes cancer)	0.019 pCi/L	1×10 ⁻⁶	5 pCi/L (combined Ra ²²⁶⁺²²⁸)	3×10 ⁻⁴ (three per ten thousand)
Selenium	integumentary toxicity (causes hair loss and nail damage)	0.03	NA	0.05	NA

Table 1: Health Risk Categories and Cancer Risk Values for Chemicals with California Public Health Goals (PHGs)

Chemical	Health Risk Category ¹	California PHG (mg/L) ²	Cancer Risk ³ at the PHG	California MCL ⁴ (mg/L)	Cancer Risk at the California MCL
Silvex (2,4,5-TP)	hepatotoxicity (harms the liver)	0.003	NA	0.05	NA
Simazine	general toxicity (causes body weight effects)	0.004	NA	0.004	NA
Strontium-90	carcinogenicity (causes cancer)	0.35 pCi/L	1×10^{-6}	8 pCi/L	2×10^{-5} (two per hundred thousand)
Styrene (vinylbenzene)	carcinogenicity (causes cancer)	0.0005	1×10^{-6}	0.1	2×10^{-4} (two per ten thousand)
1,1,2,2-Tetrachloroethane	carcinogenicity (causes cancer)	0.0001	1×10^{-6}	0.001	1×10^{-5} (one per hundred thousand)
2,3,7,8-Tetrachlorodibenzo-p-dioxin (TCDD, or dioxin)	carcinogenicity (causes cancer)	5×10^{-11}	1×10^{-6}	3×10^{-8}	6×10^{-4} (six per ten thousand)
Tetrachloroethylene (perchloroethylene, or PCE)	carcinogenicity (causes cancer)	0.00006	1×10^{-6}	0.005	8×10^{-5} (eight per hundred thousand)
Thallium	integumentary toxicity (causes hair loss)	0.0001	NA	0.002	NA

Table 1: Health Risk Categories and Cancer Risk Values for Chemicals with California Public Health Goals (PHGs)

Chemical	Health Risk Category ¹	California PHG (mg/L) ²	Cancer Risk ³ at the PHG	California MCL ⁴ (mg/L)	Cancer Risk at the California MCL
Thiobencarb	general toxicity (causes body weight effects) hematotoxicity (affects red blood cells)	0.042	NA	0.07	NA
Toluene (methylbenzene)	hepatotoxicity (harms the liver) endocrine toxicity (harms the thymus)	0.15	NA	0.15	NA
Toxaphene	carcinogenicity (causes cancer)	0.00003	1×10^{-6}	0.003	1×10^{-4} (one per ten thousand)
1,2,4-Trichlorobenzene	endocrine toxicity (harms adrenal glands)	0.005	NA	0.005	NA
1,1,1-Trichloroethane	neurotoxicity (harms the nervous system), reproductive toxicity (causes fewer offspring) hepatotoxicity (harms the liver) hematotoxicity (causes blood effects)	1	NA	0.2	NA
1,1,2-Trichloroethane	carcinogenicity (causes cancer)	0.0003	1×10^{-6}	0.005	2×10^{-5} (two per hundred thousand)
Trichloroethylene (TCE)	carcinogenicity (causes cancer)	0.0017	1×10^{-6}	0.005	3×10^{-6} (three per million)

Table 1: Health Risk Categories and Cancer Risk Values for Chemicals with California Public Health Goals (PHGs)

Chemical	Health Risk Category ¹	California PHG (mg/L) ²	Cancer Risk ³ at the PHG	California MCL ⁴ (mg/L)	Cancer Risk at the California MCL
Trichlorofluoromethane (Freon 11)	accelerated mortality (increase in early death)	1.3	NA	0.15	NA
1,2,3-Trichloropropane (1,2,3-TCP)	carcinogenicity (causes cancer)	0.0000007 (7×10^{-7})	1×10^{-6}	0.000005 (5×10^{-6})	7×10^{-6} (seven per million)
1,1,2-Trichloro-1,2,2-trifluoroethane (Freon 113)	hepatotoxicity (harms the liver)	4	NA	1.2	NA
Tritium	carcinogenicity (causes cancer)	400 pCi/L	1×10^{-6}	20,000 pCi/L	5×10^{-5} (five per hundred thousand)
Uranium	carcinogenicity (causes cancer)	0.43 pCi/L	1×10^{-6}	20 pCi/L	5×10^{-5} (five per hundred thousand)
Vinyl chloride	carcinogenicity (causes cancer)	0.00005	1×10^{-6}	0.0005	1×10^{-5} (one per hundred thousand)
Xylene	neurotoxicity (affects the senses, mood, and motor control)	1.8 (single isomer or sum of isomers)	NA	1.75 (single isomer or sum of isomers)	NA

Table 2: Health Risk Categories and Cancer Risk Values for Chemicals without California Public Health Goals

Chemical	Health Risk Category ¹	US EPA MCLG ² (mg/L)	Cancer Risk ³ @ MCLG	California MCL ⁴ (mg/L)	Cancer Risk @ California MCL
Disinfection byproducts (DBPs)					
Chloramines	acute toxicity (causes irritation) digestive system toxicity (harms the stomach) hematotoxicity (causes anemia)	4 ^{5,6}	NA ⁷	none	NA
Chlorine	acute toxicity (causes irritation) digestive system toxicity (harms the stomach)	4 ^{5,6}	NA	none	NA
Chlorine dioxide	hematotoxicity (causes anemia) neurotoxicity (harms the nervous system)	0.8 ^{5,6}	NA	none	NA
Disinfection byproducts: haloacetic acids (HAA5)					
Monochloroacetic acid (MCA)	general toxicity (causes body and organ weight changes ⁸)	0.07	NA	none	NA
Dichloroacetic acid (DCA)	carcinogenicity (causes cancer)	0	0	none	NA

¹ Health risk category based on the US EPA MCLG document or California MCL document unless otherwise specified.

² MCLG = maximum contaminant level goal established by US EPA.

³ Cancer Risk = Upper estimate of excess cancer risk from lifetime exposure. Actual cancer risk may be lower or zero. 1×10^{-6} means one excess cancer case per million people exposed.

⁴ California MCL = maximum contaminant level established by California.

⁵ Maximum Residual Disinfectant Level Goal, or MRDLG.

⁶ The federal Maximum Residual Disinfectant Level (MRDL), or highest level of disinfectant allowed in drinking water, is the same value for this chemical.

⁷ NA = not available.

⁸ Body weight effects are an indicator of general toxicity in animal studies.

Table 2: Health Risk Categories and Cancer Risk Values for Chemicals without California Public Health Goals

Chemical	Health Risk Category¹	US EPA MCLG² (mg/L)	Cancer Risk³ @ MCLG	California MCL⁴ (mg/L)	Cancer Risk @ California MCL
Trichloroacetic acid (TCA)	hepatotoxicity (harms the liver)	0.02	NA	none	NA
Monobromoacetic acid (MBA)	NA	none	NA	none	NA
Dibromoacetic acid (DBA)	NA	none	NA	none	NA
Total haloacetic acids (sum of MCA, DCA, TCA, MBA, and DBA)	general toxicity, hepatotoxicity and carcinogenicity (causes body and organ weight changes, harms the liver and causes cancer)	none	NA	0.06	NA
Disinfection byproducts: trihalomethanes (THMs)					
Bromodichloromethane (BDCM)	carcinogenicity (causes cancer)	0	0	none	NA
Bromoform	carcinogenicity (causes cancer)	0	0	none	NA
Chloroform	hepatotoxicity and nephrotoxicity (harms the liver and kidney)	0.07	NA	none	NA
Dibromochloromethane (DBCM)	hepatotoxicity, nephrotoxicity, and neurotoxicity (harms the liver, kidney, and nervous system)	0.06	NA	none	NA

Table 2: Health Risk Categories and Cancer Risk Values for Chemicals without California Public Health Goals

Chemical	Health Risk Category ¹	US EPA MCLG ² (mg/L)	Cancer Risk ³ @ MCLG	California MCL ⁴ (mg/L)	Cancer Risk @ California MCL
Total trihalomethanes (sum of BDCM, bromoform, chloroform and DBCM)	carcinogenicity (causes cancer), hepatotoxicity, nephrotoxicity, and neurotoxicity (harms the liver, kidney, and nervous system)	none	NA	0.08	NA
Radionuclides					
Gross alpha particles ⁹	carcinogenicity (causes cancer)	0 (²¹⁰ Po included)	0	15 pCi/L ¹⁰ (includes ²²⁶ Ra but not radon and uranium)	up to 1x10 ⁻³ (for ²¹⁰ Po, the most potent alpha emitter)
Beta particles and photon emitters ⁹	carcinogenicity (causes cancer)	0 (²¹⁰ Pb included)	0	50 pCi/L (judged equiv. to 4 mrem/yr)	up to 2x10 ⁻³ (for ²¹⁰ Pb, the most potent beta-emitter)

⁹ MCLs for gross alpha and beta particles are screening standards for a group of radionuclides. Corresponding PHGs were not developed for gross alpha and beta particles. See the OEHHA memoranda discussing the cancer risks at these MCLs at <http://www.oehha.ca.gov/water/reports/grossab.html>.

¹⁰ pCi/L = picocuries per liter of water.

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

JULY 16, 2019

**RE: RECOMMENDATION OF CONTRACT AWARD AND BUDGET
AUGMENTATION FOR CONSTRUCTION OF THE SNOW CREEK
VILLAGE SURFACE WATER FILTRATION PLANT**

On July 9, 2019, Desert Water Agency received five bids for the referenced project. The bid amounts and Engineer's Estimate are as follows:

<u>Contractor</u>	<u>Bid Amount</u>
Cora Constructors, Inc.	\$2,337,450
Van Dyke Corporation	\$2,590,000
Pacific Hydro Corporation	\$2,641,900
Borden Excavating, Inc.	\$2,692,722
SCW Contracting	\$3,026,000
ENGINEER'S ESTIMATE	\$2,675,000

Cora Constructors, Inc. submitted the lowest responsive bid for this project and was approximately 10.8% lower than the second low bid from Van Dyke Corporation. Cora Constructors, Inc. is considered a capable contractor with a current Class A and B Contractor's License, #766304.

The 2018/2019 Capital Improvement Budget includes Work Order 18-101-M for the installation of Snow Creek Village Surface Water Filtration Plant and is funded by the General Fund Supplemental Water Supply Development Charge.

The current work order budget amount for the project is \$2,300,000 to include engineering, construction, inspection, and overhead costs. To date, approximately \$316,000 has been spent on engineering design by Krieger & Stewart and pipeline installation work by Agency crews.

The Agency utilized Krieger & Stewart to perform the plant engineering and design, to include CEQA. Krieger & Stewart will also perform project management and construction inspection for the project. Construction inspection and project managing costs are estimated to be approximately \$650,000, to include construction contingency for unforeseen changes and DWA post construction labor and material for SCADA

installation. Based on the bid amount of \$2,337,450, current expenses in the amount of \$316,000, and the estimated inspection and project managing costs in the amount of \$650,000, the total amount needed for the project is estimated to be approximately \$3,300,000.

Staff recommends award of the Contract for subject work to Cora Constructors, Inc. in the amount of \$2,337,450, and also recommends a budget augmentation in the amount of \$1,000,000. Based on the contract documents, the project is scheduled to be completed by June 2020.

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

JULY 16, 2019

**RE: REQUEST BOARD AUTHORIZATION FOR GENERAL MANAGER
TO BEGIN ESCROW PROCEEDINGS FOR CONVEYANCE OF
REAL PROPERTY AND TEMPORARY CONSTRUCTION
EASEMENT TO THE CITY OF PALM SPRINGS FOR RAMON
ROAD BRIDGE WIDENING PROJECT**

In November 2018, the Board authorized the General Manager to execute a Right of Way Agreement of Real Property and a Temporary Construction Easement with the City of Palm Springs for the construction of the 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.

The Right-of-Way Agreement and Temporary Construction Easement outlines the transaction that will convey approximately 481 square feet of APN 677-420-024 to the City of Palm Springs, and also a five-year temporary construction easement of approximately 1,293 square feet over Agency property APN 677-420-024, all for the sum of \$4,285.

The Right of Way Agreement and Temporary Construction Easement escrow documents have been submitted by the City for signatures by the Agency.

Staff requests Board authorization for the General Manager to begin escrow proceedings with the City of Palm Springs for the conveyance of real property and a five year temporary construction easement to the City of Palm Springs in the amount of \$4,285.



Commonwealth Land Title Company
4100 Newport Place Dr., Suite 120
Newport Beach, CA 92660
Phone: (949) 724-3141

March 11, 2019

VIA: U.S. MAIL

Desert Water Agency
1200 S. Gene Autry Trail
Palm Springs, CA 92264

Escrow No.: 09183004-918-GKD
Property: Vacant Land APN: 677-420-024, City of Cathedral, CA

To assist us in the processing of your escrow transaction, please examine the following items as indicated. Please carefully read any documents before signing.

PLEASE SIGN AND RETURN:

- Escrow Instructions
- Estimated Closing Statement

PLEASE COMPLETE, SIGN AND RETURN:

- Loan Information
- 1099S
- FIRPTA
- Owner's Declaration
- Disbursement Instructions for Proceeds

PLEASE FURNISH THIS OFFICE WITH:

- A Copy of the Board Minutes for this Escrow

Should you need further information, please feel free to contact the undersigned directly.

Sincerely,


Krystal Thompson for
Grace Kim
Commercial Escrow Officer

Enclosures

ESCROW ACCEPTANCE LETTER

Date: March 8, 2019
Escrow Number: 09183004-918-GKD
Escrow Officer: Grace Kim
Property Address: Vacant Land APN: 677-420-024, City of Cathedral, CA

This letter shall serve as notification of the opening of escrow with Commonwealth Land Title Company, under the above referenced escrow number for property known as: Vacant Land APN: 677-420-024, City of Cathedral, CA. The opening date is February 22, 2019, said date being the date escrow holder received a fully executed copy of the Right of Way Agreement for Conveyance of Real Property and Escrow Instructions and Temporary Construction Easement Agreement ("Agreement"), by and between Desert Water Agency, a public agency ("Seller") and City of Palm Springs, a California charter city and municipal corporation ("Buyer").

Commonwealth Land Title Company as escrow holder, accepts said Agreement as the complete agreement between the parties and agrees to act in accordance with the terms, conditions and provisions as required and as applicable to the closing of this escrow. The parties agree to hand escrow holder all necessary documents and funds to comply with all terms, conditions and provisions and as a condition of escrow holder's acceptance of the limited agency, agree to be bound by the attached General Provisions. Should there be a conflict in the terms of escrow holder's General Provisions and those of the Agreement, the General Provisions shall control as to the performance and duties of escrow holder. The terms and conditions of these provisions are deemed to be incorporated by reference.

LEGAL DESCRIPTION: Seller's execution of the conveying Deed and Buyer's approval of the Preliminary Report or Commitment shall be deemed to be each party's approval of the legal description which is the subject of this escrow.

INVESTMENT OF FUNDS: If the Agreement calls for the investment of funds for either party, it is acknowledged by Buyer and Seller that escrow holder must be in receipt of its standard form of investment instructions executed by Buyer and Seller together with a completed and executed W-9 form that is required by the Bank prior to the establishment of the investment account.

TERMINATION, BREACH OR DEFAULT: In the event of termination, breach or default by either Buyer or Seller, Escrow Holder may require mutual written instructions prior to the disbursement of any funds or documents or elect to operate in accordance with escrow holder's General Provisions.

AUTOMATIC TERMINATION: In the event the Agreement contains an automatic termination clause, the cancellation of this escrow and disbursement of funds in accordance therewith, shall be without liability to escrow holder, without notice to or additional instruction from either party and notwithstanding any conflicting instructions that may be deposited by either party to the contrary. Buyer and Seller shall indemnify and hold escrow holder harmless from any loss that may be sustained due to escrow holder's compliance with said instructions.

RELEASE OF FUNDS PRIOR TO CLOSE OF ESCROW: In the event this escrow calls for release of funds prior to close of escrow in accordance with Agreement, the parties are notified that this escrow will have not been completed, that no documents will have been recorded to comply with the instructions given and the authority for releasing said funds is given with full knowledge of the condition of said escrow and title to the property that is the subject thereof. The release of said funds is without liability or recourse upon escrow holder for the ultimate outcome of this transaction or for the return of said funds in the event this escrow is not consummated. Escrow holder may require separate written instructions prior to the release of funds.

ATTORNEY RELEASE: If either party is represented by an attorney, Escrow Holder shall communicate with and rely upon instructions provided by the attorney.

GAP CLOSING: IF APPLICABLE, Buyer and Seller agree and instruct Escrow Holder that the closing of this transaction shall occur on a GAP basis on "the Closing Date", which means that the closing shall occur when

Escrow Holder is in receipt of all funds and documents required herein, and is in a position to comply with all instructions handed them, notwithstanding that the recordation of the documents will occur at a later date or time. Buyer and Seller further acknowledge and agree that all prorations shall be calculated based on the date of closing, that **Buyer will acquire all benefits and burdens of subject property on said date, with the exception of any intervening matters attributable to Seller, pursuant to their signed Indemnity Agreement; and that all disbursements will be made as of said date.** Escrow Holder is instructed to cause the documents for this transaction to be recorded as soon as reasonably practicable thereafter. Seller herein agrees to execute a GAP Indemnity Agreement or such other document as may be required by the title insurer herein, in order for them to issue the policies of title insurance called for in this transaction. Buyer's and Seller's execution hereto shall be deemed their acknowledgement of the condition of title to subject property as of the Closing Date; and that the disbursement of funds called for herein, is without liability or recourse on Escrow Holder.

TAX ASSESSMENT: Buyer and Seller warrant through their approval of the estimated settlement statements, that all items to be prorated through the closing, including but not limited to supplemental or escaped real property taxes, will be disclosed and properly prorated based on the most recent available figures set forth in the preliminary report/commitment and/or any supplements or amendments thereto. There will be no re-proration of any items through this escrow after closing. Seller represents to buyer and Escrow Holder that Seller is unaware of any other supplemental/escaped assessments and Seller has not received any refunds as a result of a supplemental assessment. Any subsequent supplemental/escaped assessments will be handled direct and outside of escrow between Buyer and Seller.

DOCUMENT EXECUTION GUIDELINES: Prior to the execution of recordable documents, please refer to our Documents Execution Guidelines attached hereto.

NOTICES: All notices for escrow holder should be forwarded to:

Commonwealth Land Title Company
Attn: Grace Kim
4100 Newport Place Dr., Suite 120
Newport Beach, CA 92660
Phone: (949) 724-3140
Email: gukim@cltic.com

Thank you for choosing Commonwealth Land Title Company. We appreciate your business and look forward to a successful closing. Please contact me with any questions or concerns.

Sincerely,
Commonwealth Land Title Company

Grace Kim
Commercial Escrow Officer

GENERAL PROVISIONS

1. DEPOSIT OF FUNDS

The law dealing with the disbursement of funds requires that all funds be available for withdrawal as a matter of right by the title entity's escrow and/or sub escrow account prior to disbursement of any funds. Only wire-transferred funds can be given immediate availability upon deposit. Cashier's checks, teller's checks and Certified checks may be available one business day after deposit. All other funds such as personal, corporate or partnership checks and drafts are subject to mandatory holding periods which may cause material delays in disbursement of funds in this escrow. In order to avoid delays, all fundings should be wire transferred. Outgoing wire transfers will not be authorized until confirmation of the respective incoming wire transfer or of availability of deposited checks.

Deposit of funds into general escrow trust account unless instructed otherwise. You may instruct Escrow Holder to deposit your funds into an interest bearing account by signing and returning the "Escrow Instructions - Interest Bearing Account", which has been provided to you. If you do not so instruct us, then all funds received in this escrow shall be deposited with other escrow funds in one or more general escrow trust accounts, which include both non-interest bearing demand accounts and other depository accounts of Escrow Holder, in any state or national bank or savings and loan association insured by the Federal Deposit Insurance Corporation (the "depository institutions") and may be transferred to any other such escrow trust accounts of Escrow Holder or one of its affiliates, either within or outside the State of California. A general escrow trust account is restricted and protected against claims by third parties and creditors of Escrow Holder and its affiliates.

Receipt of benefits by Escrow Holder and affiliates. The parties to this escrow acknowledge that the maintenance of such general escrow trust accounts with some depository institutions may result in Escrow Holder or its affiliates being provided with an array of bank services, accommodations or other benefits by the depository institution. Some or all of these benefits may be considered interest due you under California Insurance Code Section 12413.5. Escrow Holder or its affiliates also may elect to enter into other business transactions with or obtain loans for investment or other purposes from the depository institution. All such services, accommodations, and other benefits shall accrue to Escrow Holder or its affiliates and Escrow Holder shall have no obligation to account to the parties to this escrow for the value of such services, accommodations, interest or other benefits.

Said funds will not earn interest unless the instructions otherwise specifically state that funds shall be deposited in an interest-bearing account. All disbursements shall be made by check of **Commonwealth Land Title Company**. The principals to this escrow are hereby notified that the funds deposited herein are insured only to the limit provided by the Federal Deposit Insurance Corporation. Any instruction for bank wire will provide reasonable time or notice for Escrow Holder's compliance with such instruction. Escrow Holder's sole duty and responsibility shall be to place said wire transfer instructions with its wiring bank upon confirmation of (1) satisfaction of conditions precedent or (2) document recordation at close of escrow. Escrow Holder will NOT be held responsible for lost interest due to wire delays caused by any bank or the Federal Reserve System, and recommends that all parties make themselves aware of banking regulations with regard to placement of wires.

In the event there is insufficient time to place a wire upon any such confirmation or the wires have closed for the day, the parties agree to provide written instructions for an alternative method of disbursement. **WITHOUT AN ALTERNATIVE DISBURSEMENT INSTRUCTION, FUNDS WILL BE HELD IN TRUST IN A NON-INTEREST BEARING ACCOUNT UNTIL THE NEXT OPPORTUNITY FOR WIRE PLACEMENT.**

2. PRORATIONS AND ADJUSTMENTS

All prorations and/or adjustments called for in this escrow are to be made on the basis of a thirty (30) day month unless otherwise instructed in writing. You are to use information contained on last available tax statement, rental statement as provided by the Seller, beneficiary's statement and fire insurance policy delivered into escrow for the prorations provided for herein.

3. SUPPLEMENTAL TAXES

The within described property may be subject to supplemental real property taxes due to the change of ownership taking place through this or a previous escrow transaction. Any supplemental real property taxes arising as a result of the transfer of the property to Buyer shall be the sole responsibility of Buyer and any supplemental real property taxes arising prior to the closing date shall be the sole responsibility of the Seller. **TAX BILLS OR REFUNDS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER.**

4. UTILITIES/POSSESSION

Transfer of utilities and possession of the premises are to be settled by the parties directly and outside escrow.

5. PREPARATION AND RECORDATION OF INSTRUMENTS

Escrow Holder is authorized to prepare, obtain, record and deliver the necessary instruments to carry out the terms and conditions of this escrow and to order the policy of title insurance to be issued at close of escrow as called for in these instructions. Close of escrow shall mean the date instruments are recorded.

6. AUTHORIZATION TO FURNISH COPIES

You are authorized to furnish copies of these instructions, supplements, amendments, notices of cancellation and closing statements, to the Real Estate Broker(s) and Lender(s) named in this escrow.

7. RIGHT OF CANCELLATION

Any principal instructing you to cancel this escrow shall file notice of cancellation in your office in writing. You shall, within two (2) working days thereafter, deliver, one copy of such notice to each of the other principals at the addresses stated in this escrow. **UNLESS**

WRITTEN OBJECTION TO CANCELLATION IS FILED IN YOUR OFFICE BY A PRINCIPAL WITHIN TEN (10) DAYS AFTER DATE OF SUCH DELIVERY, YOU ARE AUTHORIZED TO COMPLY WITH SUCH NOTICE AND DEMAND PAYMENT OF YOUR CANCELLATION CHARGES. If written objection is filed, you are authorized to hold all money and instruments in this escrow and take no further action until otherwise directed, either by the principals' mutual written instructions, or by final order of a court of competent jurisdiction.

8. PERSONAL PROPERTY

No examination or insurance as to the amount or payment of personal property taxes is required unless specifically requested.

By signing these General Provisions, the parties to the escrow hereby acknowledge that they are indemnifying the Escrow Holder against any and all matters relating to any "Bulk Sales" requirements, and instruct Escrow Agent to proceed with the closing of escrow without any consideration of matter of any nature whatsoever regarding "Bulk Sales" being handled through escrow.

9. RIGHT OF RESIGNATION

Escrow Holder has the right to resign upon written notice delivered to the principals herein. If such right is exercised, all funds and documents shall be returned to the party who deposited them and Escrow Holder shall have no liability hereunder.

10. AUTHORIZATION TO EXECUTE ASSIGNMENT OF HAZARD INSURANCE POLICIES

Either Buyer, Seller and/or Lender may hand you the insurance agent's name and insurance policy information, and you are to execute, on behalf of the principals hereto, form assignments of interest in any insurance policy (other than title insurance) called for in this escrow, forward assignment and policy to the insurance agent, requesting that the insurer consent to such transfer and/or attach a loss payable clause and/or such other endorsements as may be required, and forward such policy(s) to the principals entitled thereto. It is not your responsibility to verify the information handed you or the assignability of said insurance. Your sole duty is to forward said request to insurance agent at close of escrow.

Further, there shall be no responsibility upon the part of Escrow Holder to renew hazard insurance policy(s) upon expiration or otherwise keep it in force either during or subsequent to the close of escrow. Cancellation of any existing hazard insurance policies is to be handled directly by the principals, and outside of escrow.

11. ACTION IN INTERPLEADER

The principals hereto expressly agree that you, as Escrow Holder, have the absolute right at your election to file an action in interpleader requiring the principals to answer and litigate their several claims and rights among themselves and you are authorized to deposit with the clerk of the court all documents and funds held in this escrow. In the event such action is filed, the principals jointly and severally agree to pay your cancellation charges and costs, expenses and reasonable attorney's fees which you are required to expend or incur in such interpleader action, the amount thereof to be fixed and judgment therefore to be rendered by the court. Upon the filing of such action, you shall thereupon be fully released and discharged from all obligations imposed by the terms of this escrow or otherwise.

12. TERMINATION OF AGENCY OBLIGATION

If there is no action taken on this escrow within six (6) months after the "time limit date" as set forth in the escrow instructions or written extension thereof, your agency obligation shall terminate at your option and all documents, monies or other items held by you shall be returned to the parties depositing same. In the event of cancellation of this escrow, whether it be at the request of any of the principals or otherwise, the fees and charges due Commonwealth Land Title Company, including expenditures incurred and/or authorized shall be borne equally by the parties hereto (unless otherwise agreed to specifically).

13. CONFLICTING INSTRUCTIONS

Upon receipt of any conflicting instructions, you are to take no action in connection with this escrow until non-conflicting instructions are received from all of the principals to this escrow (subject to sections 7, 9, 11 and 12 above).

14. DELIVERY/RECEIPT

Delivery to principals as used in these instructions unless otherwise stated herein is to be by hand in person to the principal, regular mail, email or fax to any of the contact information provided in these instructions. If delivered by regular mail receipt is determined to be 72 hours after such mailing. All documents, balances and statements due to the undersigned may be delivered to the contact information shown herein. All notices, change of instructions, communications and documents are to be delivered in writing to the office of Commonwealth Land Title Company as set forth herein.

15. STATE/FEDERAL CODE NOTIFICATIONS

According to Federal Law, the Seller, when applicable, will be required to complete a sales activity report that will be utilized to generate a 1099 statement to the Internal Revenue Service.

Pursuant to State Law, prior to the close of escrow, Buyer will provide Escrow Holder with a Preliminary Change of Ownership Report. In the event said report is not handed to Escrow Holder for submission to the County in which subject property is located, upon recording of the Grant Deed, Buyers acknowledge that the applicable fee will be assessed by said County and Escrow Holder shall debit the account of Buyer for same at close of escrow.

16. NON-RESIDENT ALIEN

The Foreign Investment in Real Property Tax Act (FIRPTA), Title 26 U.S.C., Section 1445, and the regulations there under, provide in part, that a transferee (buyer) of a U.S. real property interest from a foreign person must withhold a statutory percentage of the amount realized on the disposition, report the transaction and remit the withholding to the Internal Revenue Service (IRS) within twenty (20) days after the transfer. Commonwealth Land Title Company will not determine nor aid in the determination of whether the FIRPTA

withholding provisions are applicable to the subject transaction, nor act as a Qualified Substitute under state or federal law, nor furnish tax advice to any party to the transaction. **Commonwealth Land Title Company** will not determine nor aid in the determination of whether the transaction will qualify for an exception or an exemption and is not responsible for the filing of any tax forms with the IRS as they relate to FIRPTA, nor responsible for collecting and holding of any documentation from the buyer or seller on the buyer's behalf for the purpose of supporting a claim of an exception or exemption. **Commonwealth Land Title Company** is not an agent for the buyer for the purposes of receiving and analyzing any evidence or documentation that the seller in the subject transaction is a U.S. citizen or resident alien. **Commonwealth Land Title Company** is not responsible for the payment of this tax and/or penalty and/or interest incurred in connection therewith and such taxes are not a matter covered by the Owner's Policy of Title Insurance to be issued to the buyer. **Commonwealth Land Title Company** is not responsible for the completion of any IRS documents or related forms related to the referenced statute. The buyer is advised: they must independently make a determination of whether the contemplated transaction is subject to the withholding requirement; bear full responsibility for compliance with the withholding requirement if applicable and/or for payment of any tax, interest, penalties and/or other expenses that may be due on the subject transaction; and they are responsible for the completion of any and all forms, including but not limited to applicable IRS documentation, and the mailing of those forms. The Buyer is advised any forms, documents, or information received from **Commonwealth Land Title Company** is not tax or legal advice and should not be construed as such nor treated as a complete representation of FIRPTA requirements. Buyer should seek outside counsel from a qualified individual to determine any and all implications of the referenced statute.

17. ENCUMBRANCES

Escrow Holder is to act upon any statements furnished by a lienholder or his agent without liability or responsibility for the accuracy of such statements. Any adjustments necessary because of a discrepancy between the information furnished Escrow Holder and any amount later determined to be correct shall be settled between the parties direct and outside of escrow.

You are authorized, without the need for further approval, to debit my account for any fees and charges that I have agreed to pay in connection with this escrow, and for any amounts that I am obligated to pay to the holder of any lien or encumbrance to establish the title as insured by the policy of title insurance called for in these instructions. If for any reason my account is not debited for such amounts at the time of closing, I agree to pay them immediately upon demand, or to reimburse any other person or entity who has paid them.

18. ENVIRONMENTAL ISSUES

Commonwealth Land Title Company has made no investigation concerning said property as to environmental/toxic waste issues. Any due diligence required or needed to determine environmental impact as to forms of toxification, if applicable, will be done directly and by principals outside of escrow. **Commonwealth Land Title Company** is released of any responsibility and/or liability in connection therewith.

19. USURY

Escrow Holder is not to be concerned with any questions of usury in any loan or encumbrance involved in the processing of this escrow and is hereby released of any responsibility or liability therefore.

20. DISCLOSURE

Escrow Holder's knowledge of matters affecting the property, provided such facts do not prevent compliance with these instructions, does not create any liability or duty in addition to these instructions.

21. FACSIMILE/ELECTRONIC SIGNATURE

Escrow Holder is hereby authorized and instructed that, in the event any party utilizes electronic or "facsimile" transmitted signed documents or instructions to Escrow Holder, you are to rely on the same for all escrow instruction purposes and the closing of escrow as if they bore original signatures. "Electronic Signature" means, as applicable, an electronic copy or signature complying with California Law.

22. CLARIFICATION OF DUTIES

Commonwealth Land Title Company serves ONLY as an Escrow Holder in connection with these instructions and cannot give legal advice to any party hereto.

Escrow Holder is not to be held accountable or liable for the sufficiency or correctness as to form, manner of execution, or validity of any instrument deposited in this escrow, nor as to the identity, authority or rights of any person executing the same. Escrow Holder's duties hereunder shall be limited to the proper handling of such money and the proper safekeeping of such instruments, or other documents received by Escrow Holder, and for the disposition of same in accordance with the written instructions accepted by Escrow Holder.

The agency and duties of Escrow Holder commence only upon receipt of copies of these Escrow Instructions executed by all parties.

23. FUNDS HELD IN ESCROW

When the company has funds remaining in escrow over 90 days after close of escrow or estimated close of escrow, the Company shall impose a monthly holding fee of \$25.00 that is to be charged against the funds held by the Company.

THIS AGREEMENT IN ALL PARTS APPLIES TO, INURES TO THE BENEFIT OF, AND BINDS ALL PARTIES HERETO, THEIR HEIRS, LEGATEES, DEVISEES, ADMINISTRATORS, EXECUTORS, SUCCESSORS AND ASSIGNS, AND WHENEVER THE CONTEXT SO REQUIRES THE MASCULINE GENDER INCLUDES THE FEMININE AND NEUTER, AND THE SINGULAR NUMBER INCLUDES THE PLURAL. THESE INSTRUCTIONS AND ANY OTHER AMENDMENTS MAY BE EXECUTED IN ANY NUMBER OF COUNTERPARTS, EACH OF WHICH SHALL BE CONSIDERED AS AN ORIGINAL AND BE EFFECTIVE AS SUCH.

MY SIGNATURE HERETO CONSTITUTES INSTRUCTION TO ESCROW HOLDER OF ALL TERMS AND CONDITIONS CONTAINED IN THIS AND ALL PRECEDING PAGES AND FURTHER SIGNIFIES THAT I HAVE READ AND UNDERSTAND THESE GENERAL PROVISIONS.

Commonwealth Land Title Company conducts escrow business under a Certificate of Authority No. 285 issued by the California Department of Insurance.

=signature=

Current Mailing Address: _____

Forwarding Mailing Address: _____

Home Phone Number: _____ Fax Number: _____

Cell Phone Number: _____ E-mail Address: _____

EXHIBIT "A"



Commonwealth[®]

LAND TITLE COMPANY

DOCUMENT EXECUTION GUIDELINES

Subject to requirements and limitations of applicable State and Local Law, all Lawyers or Commonwealth direct operations must adhere to one of the following procedures for all documents upon which a Company title product is based – applicable in all transactions other than the listed exceptions:

1. All documents signings must be conducted in the presence of an authorized Company employee or title policy issuing agent (collectively "Company representative") regardless of who performs the actual notarization; or
2. The document signings must be conducted through Bancserv, a brand neutral FNF (parent company) company that is covered by a \$15 million E&O policy that extends to all of the notaries that it retains; or
3. The document signings must be conducted by a notary or signing service that maintains E&O insurance of \$100,000 or higher and is approved in writing prior to the signing by a Regional Manager or other authorized designee of this Company; or
4. The document signings must be conducted under the supervision of attorneys actively licensed in the state where the document signings take place; or

Exempted Transactions

1. Documents executed in accordance with existing guidelines for foreign individuals and entities and military personnel.
2. Documents executed directly with the insured lender (not the mortgage broker).
3. Documents provided by independent escrows or closing services approved by the Regional Manager or their designee.
4. Documents executed for commercial transactions in an amount of three million or greater (\$3,000,000)

Please direct any questions or inquiries to your Commonwealth Land Title escrow officer, title officer, or marketing representative.

COMMONWEALTH LAND TITLE COMPANY

4100 Newport Place Dr., Suite 120, Newport Beach, CA 92660

Phone: (949) 724-3140

Sellers Settlement Statement

Estimated

Escrow Officer: Grace Kim Escrow No: 09183004 - 918 GKD Close Date: Proration Date: Date Prepared: 03/11/2019 Disbursement Date:

Seller(s): Desert Water Agency, a public agency

Property: Vacant Land APN: 677-420-024
City of Cathedral, CA

Description	Debit	Credit
TOTAL CONSIDERATION: Total Consideration		4,285.00
Sub Totals	0.00	4,285.00
Proceeds Due Seller	4,285.00	
Totals	4,285.00	4,285.00

This statement is based on information available to the escrow holder as of the date this statement was prepared and the closing date shown above. Actual amounts may change and/or vary depending on updated information received and the final closing date.

COMMONWEALTH LAND TITLE COMPANY

4100 Newport Place Dr., Suite 120, Newport Beach, CA 92660

Phone: (949) 724-3140

Sellers Settlement Statement

Estimated

Escrow Officer:

Grace Kim

Escrow No:

09183004 - 918 GKD

Close Date:

Proration Date:

Date Prepared:

03/11/2019

Disbursement Date:

Seller(s):

Desert Water Agency,
a public agency



By: _____

Mark S. Krause, General Manager/Chief Engineer

This statement is based on information available to the escrow holder as of the date this statement was prepared and the closing date shown above. Actual amounts may change and/or vary depending on updated information received and the final closing date.

PLEASE COMPLETE, SIGN AND RETURN

INFORMATION FORM
PLEASE COMPLETE, SIGN AND RETURN

March 11, 2019

ESCROW NO.: 09183004-918-GKD

RE: Vacant Land APN: 677-420-024, City of Cathedral, CA

In order to proceed with the above referenced escrow, we require the following information regarding your existing liens and Homeowners Association, if any. **FAILURE TO COMPLETE THIS FORM WILL DELAY YOUR CLOSING.** Thank You in advance for your cooperation and timely return of this form.

FIRST LOAN:

Name of Lender _____ Phone # _____

Address _____

Loan Number: _____ Approximate unpaid balance \$ _____

(1) Payments due on the _____ day of each month (2) Date of your last payment: _____

(3) Loan is (circle one): Conventional VA FHA Equity Line Other: _____

(4) Is there an Impound Account? ☐ YES ☐ NO (5) Monthly Payment Amount \$ _____

SECOND LOAN:

Name of Lender _____ Phone # _____

Address _____

Loan Number: _____ Approximate unpaid balance \$ _____

(1) Payments due on the _____ day of each month (2) Date of your last payment: _____

(3) Loan is (circle one): Conventional VA FHA Equity Line Other: _____

(4) Is there an Impound Account? ☐ YES ☐ NO (5) Monthly Payment Amount \$ _____

OTHER LIEN:

Name of Lender _____ Phone # _____

Address _____

Loan Number: _____ Approximate unpaid balance \$ _____

(1) Payments due on the _____ day of each month (2) Date of your last payment: _____

(3) Loan is (circle one): Conventional VA FHA Equity Line Other: _____

(4) Is there an Impound Account? ☐ YES ☐ NO (5) Monthly Payment Amount \$ _____

HOMEOWNERS ASSOCIATION:

Name of Association _____ Management Co. Name: _____

Address _____

Account Number: _____ Phone #: _____

(1) Payments due on the _____ day of each month (2) Date of your last payment: _____

(3) Amount of the monthly dues: \$ _____ (4) Are there any special assessments? (explain) _____

If there is a secondary Homeowners Association, please provide us with their information as well:

Name of Association _____ Management Co. Name: _____

Address _____

Account Number: _____ Phone #: _____

(1) Payments due on the _____ day of each month (2) Date of your last payment: _____

(3) Amount of the monthly dues: \$ _____ (4) Are there any special assessments? (explain) _____

WATER STOCKS:

If you have shares of Water Stock please complete the following:

Name of Water Company _____

Address _____

Phone: _____ Fax: _____

OIL AND MINERAL RIGHTS:

Name of Company _____

Phone # _____ Amount: \$ _____

IMPORTANT INFORMATION:

If any of your loans to be paid off through this escrow are **EQUITY CREDIT LINES**, please be advised of the following:

1. They will be paid off **in full** and a request for Reconveyance of the Deed of Trust will be submitted;
2. A "freeze" will occur on this account as of the date the demand for payment is written. Escrow Holder will immediately request this demand in order to properly process this transaction. The undersigned state and declare there will be no further draws or checks written which would increase or tap any remaining credit on this account during the course of this escrow. Should there be any draws on this credit line after the date of the opening of this escrow, which are not reflected in the demand for payoff used to close escrow, **the undersigned will be fully responsible for the repayment** of any amount which is due in order to completely pay this lien in full and obtain a Reconveyance.

The payment of **child or spousal support** may be considered a lien against your property. If you pay child or spousal support, please contact the escrow holder with pertinent information at your earliest convenience. Obtaining releases from the District Attorney or other attorney can be time consuming and may delay the closing of your escrow.

In the event that your existing mortgage is an FHA insured loan, you as Borrower must immediately send your lender a written notice of your intention to payoff the loan in order to eliminate an additional **30 days interest being charged by the lender at the close of escrow**. Said notice must be received by your lender a minimum of 30 days prior to the closing date of escrow. **This is YOUR responsibility.**

***** AUTHORIZATION FROM BORROWER TO ORDER PAYOFF STATEMENTS *****

The undersigned authorize Escrow Holder to order statement(s) on the liens as outlined above, or provided to Escrow Holder by the undersigned representatives in this transaction. Our signatures below shall constitute our consent and approval to our existing lenders to issue statements in accordance with the request of Escrow Holder.

We the undersigned, certify that the above information is true and correct to the best of our knowledge.

SELLER:

**Desert Water Agency,
a public agency**



By: _____ Date: _____
Mark S. Krause, General Manager/Chief Engineer

FORWARDING ADDRESS FOR SELLER AFTER THE CLOSE OF ESCROW:

Street

City

Zip Code

PLEASE COMPLETE, SIGN AND RETURN

Commonwealth Land Title Company

Proceeds from Real Estate Transactions as required by the Internal Revenue Service

You are required by law to provide Commonwealth Land Title Company with your correct taxpayer identification number. If you do not provide your correct taxpayer identification number, you may be subject to civil or criminal penalties imposed by law.

Commonwealth Land Title Company
4100 Newport Place Dr., Suite 120
Newport Beach, CA 92660

Substitute Form 1099-S

This is important tax information and is being furnished to the Internal Revenue Service, as required by section 1521 of the Tax Reform Act of 1986. If you are required to file a return, a negligence penalty or other sanction will be imposed if this income is taxable and the IRS determines that it has not been reported.

Cost Center #:

Escrow No.: 09183004-918-GKD

Date of closing: _____

PROPERTY ADDRESS OR LEGAL DESCRIPTION

Vacant Land APN: 677-420-024, City of Cathedral, CA

Assessors Parcel Number (APN) - _____

PROCEEDS FOR THIS SALE WENT TO: (MULTIPLE SELLERS - Use one form for each seller. Treat husband and wife as one seller (filing joint tax returns) unless requested otherwise, then separate forms must be used.)

1. **Desert Water Agency, a public agency**

Sellers Name (First, MI, Last or Entity Name)

Federal Tax ID# for this seller

(List only the Tax ID# for the seller listed on Line 1, spouse Tax ID# not required. Executor/Trustee should not list their name as the seller unless they are going to report the proceeds on their personal income tax return. Disregarded entities should provide the name and Tax ID# of the responsible person/entity.)

TOTAL CONSIDERATION

\$ _____ Total Consideration
% Percentage of ownership for this seller

☐ Exchange (If checked)

\$ _____ GROSS Allocated Proceeds
(Total consideration multiplied by percentage of ownership)

MAILING ADDRESS AFTER CLOSING:

☐ Check here if the address is outside of the U.S.A.

☐ Check here if you are a foreign person per IRS regulations (nonresident alien, foreign partnership, foreign estate, or foreign trust). Do not sign below.

Under penalties of perjury, I certify that I am a U.S. person or U.S. resident alien and the number shown on this statement is my correct taxpayer identification number

Desert Water Agency,
a public agency

By: _____
Mark S. Krause, General Manager/Chief Engineer

Date: _____

Retain for 4 Years



Commonwealth Land Title Company
4100 Newport Place Dr., Suite 120
Newport Beach, CA 92660
Phone: (949) 724-3141

PLEASE COMPLETE, SIGN AND RETURN

Certification of Non-Foreign Status

Date: March 11, 2019

Escrow No.: 09183004-918-GKD

Section 1445 of the Internal Revenue Code requires a transferee (buyer) of a U.S. Real Property interest to withhold fifteen (15) percent of the gross sales price if the transferor (seller) is a foreign person or entity unless the transferee receives a certification of non-foreign status from the transferor (seller). The certification must be signed under penalties of perjury, stating the transferor is not a foreign person/entity and containing the transferor's name, address, and U.S. Taxpayer Identification Number.

Sellers who provide such a certification are exempt from withholding and the estimated tax cannot be collected from them unless the buyer or their agent have knowledge the certification is false.

Certification of Non-Foreign Status by Entity

The undersigned hereby certifies the following:

Desert Water Agency, a public agency

is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as defined in the Internal Revenue Code and Income Tax Regulations) or a disregarded entity as defined in §1.1445-2(b)(2)(iii).

The U.S. Employer Identification Number for this entity is

The office address is:

The transferor/seller understands that this certification may be disclosed to the Internal Revenue Service by transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

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

**Desert Water Agency,
a public agency**


By: _____

Mark S. Krause, General Manager/Chief Engineer

OWNER'S DECLARATION

The undersigned hereby declares as follows:

1. (Fill in the applicable paragraph and strike the other)

- a. Declarant ("Owner") is the owner or lessee, as the case may be, of certain premises located at

_____, further described as follows: See Preliminary Report/Commitment No. _____ or full legal description (the "Land").

- b. Declarant is the _____ of _____ ("Owner"), which is the owner or lessee, as the case may be, of certain premises located at

_____, further described as follows: See Preliminary Report/Commitment No. _____ for full legal description (the "Land").

2. (Fill in the applicable paragraph and strike the other)

- a. During the period of six months immediately preceding the date of this declaration no work has been done, no surveys or architectural or engineering plans have been prepared, and no materials have been furnished in connection with the erection, equipment, repair, protection or removal of any building or other structure on the Land or in connection with the improvement of the Land in any manner whatsoever.

- b. During the period of six months immediately preceding the date of this declaration certain work has been done and materials furnished in connection with _____ upon the Land in the approximate total sum of \$_____, but no work whatever remains to be done and no materials remain to be furnished to complete the construction in full compliance with the plans and specifications, nor are there any unpaid bills incurred for labor and materials used in making such improvements or repairs upon the Land, or for the services of architects, surveyors or engineers, except as follows: _____

_____. Owner, by the undersigned Declarant, agrees to and does hereby indemnify and hold harmless **Commonwealth Land Title Company** against any and all claims arising therefrom.

3. Owner has not previously conveyed the Land; is not a debtor in bankruptcy (and if a partnership, the general partner thereof is not a debtor in bankruptcy); and has not received notice of any pending court action affecting the title to the Land.
4. Except as shown in the above-referenced Preliminary Report/Commitment, there are no unpaid or unsatisfied mortgages, deeds of trust, Uniform Commercial Code financing statements, claims of lien, special assessments, or taxes that constitute a lien against the Land or that affect the Land but have not been recorded in the public records.

TO: **Commonwealth Land Title Company** PLEASE COMPLETE, SIGN AND RETURN

Re: Vacant Land APN: 677-420-024, City of Cathedral, CA

Escrow Number: 09183004-918-GKD

Disbursement Instructions for Proceeds/Refunds

You are authorized and instructed to disburse my proceeds or refund due me, as indicated below. Please make sure the information you provide is accurate, complete and legible.

☐ Hold for pick up by: _____
(Print name of individual)

☐ Overnight delivery to: _____
(A fee will be charged as set forth in the General Provisions of the Escrow Instructions)

☐ Wire Transfer Funds: (All of the following information must be completed)

Receiving Bank Name: _____

Bank Address: _____

Bank Phone: _____ Contact Person at Bank: _____

ABA Routing Number: * _____ Account Number: _____

Account Name (As it appears on account): _____

It is strongly advised you contact your financial institution when completing this information. The number that appears on checks or on deposit tickets is not always the correct routing number for wire transfers.

Provided the funds are wire transferred in accordance with these instructions, **Commonwealth Land Title Company** shall not be liable for any act or omission of any financial institution or any other person, nor shall **Commonwealth Land Title Company** have any liability for loss of funds or interest thereon. In no event will damages exceed interest at a rate equal to Federal Funds rate, adjusted daily, for the number of days that such funds are unavailable. The undersigned shall indemnify and hold harmless **Commonwealth Land Title Company**, its successors or assigns, from any loss, liability and cost incurred as a result of any incorrect information supplied. **Commonwealth Land Title Company** shall not be liable for any special, consequential, indirect or incited damages, regardless of whether any claim is based on contract or tort whether the likelihood of such damage was known to **Commonwealth Land Title Company**.

Date: _____

SELLER:

**Desert Water Agency,
a public agency**



By: _____
Mark S. Krause, General Manager/Chief Engineer

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

JULY 16, 2019

**RE: REQUEST ADOPTION OF RESOLUTION NO. 1214, 1215, 1216,
1217, 1218, 1219 AND 1220 UPDATING SIGNERS FOR
BANK/INVESTMENT ACCOUNTS**

Attached for the Board's review are copies of Resolution No. 1214 thru 1220, which updates authorized signers for U.S. Bank, Union Banc Investments, Stifel, Ladenburg Thalmann, RBC Wealth Management, Piper Jaffray and Alamo Capital Investment Services.

Due to the upcoming retirement of Martin Krieger, Finance Director and with recently hired Samantha Lopez, Accounting Supervisor, it is necessary to update signers on these accounts.

As noted within the investment account resolutions, Board President Stuart, Secretary-Treasurer Ewing, General Manager Krause, Assistant General Manager Johnson, soon to be Finance Director Saenz and Accounting Supervisor Lopez will be the authorized signers on the accounts.

The updated bank account resolution authorizes Board President Stuart, Vice President Bloomer, Secretary-Treasurer Ewing, Director Oygur, Director Cioffi, General Manager Krause, Assistant General Manager Johnson, soon to be Finance Director Saenz and Accounting Supervisor Lopez to be the signers on the accounts.

Changes with regard to signers require an update to the existing resolution. All changes are effective September 1, 2019 to coincide with the upcoming retirement of Martin Krieger.

Staff recommends adoption of Resolution No. 1214, 1215, 1216, 1217, 1218, 1219 and 1220. Upon adoption of the above referenced resolutions, a certified copy will be provided to the respective banks and investment brokers in order to update the Agency's accounts.

RESOLUTION NO. 1214**A RESOLUTION OF THE BOARD OF DIRECTORS OF
DESERT WATER AGENCY UPDATING AUTHORIZED
SIGNERS FOR U.S. BANK**

WHEREAS, on May 1, 2018, the Desert Water Agency Board of Directors adopted Resolution No. 1178 Authorizing the Establishment of Checking Accounts with U.S. Bank for the purpose of handling receipts and disbursements for the Operating, General and Wastewater Accounts; and

WHEREAS, the Agency desires to change the designation of persons authorized to make such withdrawals;

NOW, THEREFORE, BE IT RESOLVED that the Agency does hereby authorize, effective September 1, 2019, the following individuals; any two acting together, to withdraw funds from said accounts by checks, drafts or other items for and on behalf of this Agency. All checks of the Agency bearing the words, "Payroll Check" may be signed by any one of the following designated authorized signers.

James Cioffi	Mark Krause
Joseph Stuart	Esther Saenz
Kristin Bloomer	Steven Johnson
Craig Ewing	Samantha Lopez
Patricia G. Oygard	

BE IT FURTHER RESOLVED that the authority hereby conferred shall remain in force until U.S. Bank has received notification of revocation of such action by the Board of Directors of this Agency.

BE IT FURTHER RESOLVED that a certified copy of this resolution be transmitted to U.S. Bank and hereby updates Resolution No. 1178.

ADOPTED this 16th day of July 2019.

Joseph K. Stuart, President

ATTEST:

Craig Ewing, Secretary-Treasurer

RESOLUTION NO. 1215
A RESOLUTION OF THE BOARD OF DIRECTORS OF
DESERT WATER AGENCY UPDATING AUTHORIZED
SIGNERS FOR UNION BANC INVESTMENTS

WHEREAS, on April 18, 2006, the Desert Water Agency Board of Directors adopted Resolution No. 925 Authorizing the Establishment of Accounts with Union Banc Investments, successor of Union Bank of California, for Purposes of Investment (Operating Fund/General Fund) and on January 15, 2019 the Desert Water Agency Board of Directors adopted Resolution No. 1195 (Updating Authorized Signers); and

WHEREAS, the Agency desires to change the designation of persons authorized to make such investments on behalf of the Agency;

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of Desert Water Agency does hereby authorize the following individuals to order the investment of money with or the liquidation of investments and withdrawal of monies from investment accounts with Union Banc Investments:

Joseph K. Stuart - Board President
Craig Ewing - Secretary-Treasurer
Mark S. Krause - General Manager
Steve Johnson - Assistant General Manager
Esther Saenz - Finance Director
Samantha Lopez - Accounting Supervisor

BE IT FURTHER RESOLVED that this resolution shall be effective September 1, 2019 and shall remain in effect until written notice of the revocation hereof shall be delivered to Union Banc Investments. This resolution hereby replaces Resolution No. 1195.

ADOPTED this 16th day of July, 2019.

Joseph K. Stuart, President

ATTEST:

Craig Ewing, Secretary-Treasurer

RESOLUTION NO. 1216

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
DESERT WATER AGENCY UPDATING
AUTHORIZED SIGNERS FOR STIFEL**

WHEREAS, on November 5, 2013, the Desert Water Agency Board of Directors adopted Resolution No. 1080 Authorizing the Establishment of Accounts with Stifel for Purposes of Investment (Operating Fund/General Fund) and on January 15, 2019, the Desert Water Agency Board of Directors adopted Resolution No. 1196 (Updating Authorized Signers); and

WHEREAS, the Agency desires to change the designation of persons authorized to make such investments on behalf of the Agency;

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of Desert Water Agency does hereby authorize the following individuals to order the investment of money with or the liquidation of investments and withdrawal of monies from investment accounts with Stifel:

Joseph K. Stuart - Board President
Craig Ewing - Secretary-Treasurer
Mark S. Krause - General Manager
Steve Johnson - Assistant General Manager
Esther Saenz - Finance Director
Samantha Lopez - Accounting Supervisor

BE IT FURTHER RESOLVED that this resolution shall be effective September 1, 2019 and shall remain in effect until written notice of the revocation hereof shall be delivered to Stifel. This resolution hereby replaces Resolution No. 1196.

ADOPTED this 16th day of July, 2019.

Joseph K. Stuart, President

ATTEST:

Craig Ewing, Secretary-Treasurer

RESOLUTION NO. 1217

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
DESERT WATER AGENCY UPDATING
AUTHORIZED SIGNERS FOR LADENBURG THALMANN**

WHEREAS, on March 1, 2005, the Desert Water Agency Board of Directors adopted Resolution No. 890 Authorizing the Establishment of Accounts with Ladenburg Thalmann, successor of Gilford Securities, Inc., for Purposes of Investment (Operating Fund/General Fund) and on January 15, 2019, the Desert Water Agency Board of Directors adopted Resolution No. 1197 (Updating Authorized Signers); and

WHEREAS, the Agency desires to change the designation of persons authorized to make such investments on behalf of the Agency;

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of Desert Water Agency does hereby authorize the following individuals to order the investment of money with or the liquidation of investments and withdrawal of monies from investment accounts with Ladenburg Thalmann:

Joseph K. Stuart - Board President
Craig Ewing - Secretary-Treasurer
Mark S. Krause - General Manager
Steve Johnson - Assistant General Manager
Esther Saenz - Finance Director
Samantha Lopez - Accounting Supervisor

BE IT FURTHER RESOLVED that this resolution shall be effective September 1, 2019 and shall remain in effect until written notice of the revocation hereof shall be delivered to Ladenburg Thalmann. This resolution hereby replaces Resolution No. 1197.

ADOPTED this 16th day of July, 2019.

Joseph K. Stuart, President

ATTEST:

Craig Ewing, Secretary-Treasurer

RESOLUTION NO. 1218

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
DESERT WATER AGENCY UPDATING
AUTHORIZED SIGNERS FOR RBC WEALTH MANAGEMENT**

WHEREAS, on March 1, 2005, the Desert Water Agency Board of Directors adopted Resolution No. 892 Authorizing the Establishment of Accounts with RBC Wealth Management for Purposes of Investment (Operating Fund/General Fund) and on January 15, 2019, the Desert Water Agency Board of Directors adopted Resolution No. 1198 (Updating Authorized Signers); and

WHEREAS, the Agency desires to change the designation of persons authorized to make such investments on behalf of the Agency;

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of Desert Water Agency does hereby authorize the following individuals to order the investment of money with or the liquidation of investments and withdrawal of monies from investment accounts with RBC Wealth Management:

Joseph K. Stuart - Board President
Craig Ewing - Secretary-Treasurer
Mark S. Krause - General Manager
Steve Johnson - Assistant General Manager
Esther Saenz - Finance Director
Samantha Lopez - Accounting Supervisor

BE IT FURTHER RESOLVED that this resolution shall be effective September 1, 2019 and shall remain in effect until written notice of the revocation hereof shall be delivered to RBC Wealth Management. This resolution hereby replaces Resolution No. 1198.

ADOPTED this 16th day of July, 2019.

Joseph K. Stuart, President

ATTEST:

Craig Ewing, Secretary-Treasurer

RESOLUTION NO. 1219

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
DESERT WATER AGENCY UPDATING
AUTHORIZED SIGNERS FOR PIPER JAFFRAY**

WHEREAS, on June 19, 2018, the Desert Water Agency Board of Directors adopted Resolution No. 1191 Authorizing the Establishment of Accounts with Piper Jaffray for Purposes of Investment (Operating Fund/General Fund) and on January 15, 2019, the Desert Water Agency Board of Directors adopted Resolution No. 1199 (Updating Authorized Signers); and

WHEREAS, the Agency desires to change the designation of persons authorized to make such investments on behalf of the Agency;

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of Desert Water Agency does hereby authorize the following individuals to order the investment of money with or the liquidation of investments and withdrawal of monies from investment accounts with Piper Jaffray:

Joseph K. Stuart - Board President
Craig Ewing - Secretary-Treasurer
Mark S. Krause - General Manager
Steve Johnson - Assistant General Manager
Esther Saenz - Finance Director
Samantha Lopez - Accounting Supervisor

BE IT FURTHER RESOLVED that this resolution shall be effective September 1, 2019 and shall remain in effect until written notice of the revocation hereof shall be delivered to Piper Jaffray. This resolution hereby replaces Resolution No. 1199.

ADOPTED this 16th day of July, 2019.

Joseph K. Stuart, President

ATTEST:

Craig Ewing, Secretary-Treasurer

RESOLUTION NO. 1220

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
DESERT WATER AGENCY UPDATING
AUTHORIZED SIGNERS FOR
ALAMO CAPITAL INVESTMENT SERVICES**

WHEREAS, on February 5, 2019, the Desert Water Agency Board of Directors adopted Resolution No. 1202 Authorizing the Establishment of Accounts with Alamo Capital Investment Services for Purposes of Investment (Operating Fund/General Fund); and

WHEREAS, the Agency desires to change the designation of persons authorized to make such investments on behalf of the Agency;

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of Desert Water Agency does hereby authorize the following individuals to order the investment of money with or the liquidation of investments and withdrawal of monies from investment accounts with Alamo Capital Investment Services:

Joseph K. Stuart - Board President
Craig Ewing - Secretary-Treasurer
Mark S. Krause - General Manager
Steve Johnson - Assistant General Manager
Esther Saenz - Finance Director
Samantha Lopez - Accounting Supervisor

BE IT FURTHER RESOLVED that this resolution shall be effective September 1, 2019 and shall remain in effect until written notice of the revocation hereof shall be delivered to Alamo Capital Investment Services. This resolution hereby updates Resolution No. 1202.

ADOPTED this 16th day of July, 2019.

Joseph K. Stuart, President

ATTEST:

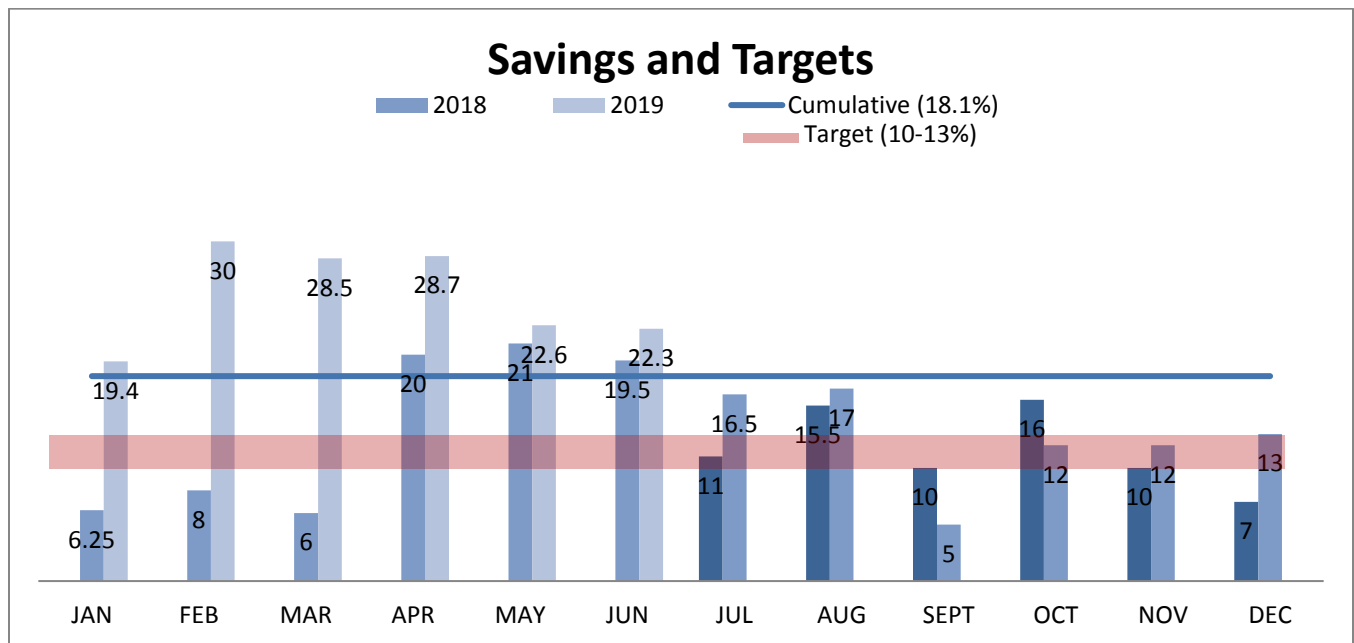
Craig Ewing, Secretary-Treasurer

STAFF REPORT TO DESERT WATER AGENCY BOARD OF DIRECTORS

JULY 16, 2019

RE: JUNE 2019 WATER USE REDUCTION FIGURES

Desert Water Agency and its customers achieved a 22.3% reduction in potable water production during June 2019 compared to the same month in 2013 – the baseline year used by the State Water Resources Control Board (State Water Board) to measure statewide conservation achievements. DWA continues to report its production to the state on a monthly basis, despite mandatory conservation ending in 2017.



DWA is asking its customers to save 10-13% compared to 2013 to help achieve long-term sustainability.

The cumulative savings over the last twelve-month period is 18.1%. The cumulative savings beginning in June of 2016 when we put our 10-13% target in place is 17.6%.

On the following page is additional information for this month.

June 2019 water production	2,907.61 AF
June 2013 water production	3,742.42 AF
Percent changed in this month per drought surcharge baseline (June 2015)	-30.27%
Quantity of potable water delivered for all commercial, industrial, and institutional users for the reporting month	900.22 AF
The percentage of the Total Monthly Potable Water Production going to residential use only for the reporting month	69.04%
Population (inclusive of seasonal residents)	107,529
Estimated R-GPCD	202.77
How many public complaints of water waste or violation of conservation rules were received during the reporting month?	19
How many contacts (written/ verbal) were made with customers for actual/ alleged water waste or for a violation of conservation rules?	7
How many formal warning actions (e.g.: written notifications, warning letters, door hangers) were issued for water waste or for a violation of conservation rules?	1
How many penalties were issued for water waste or for a violation of conservation rules?	0
<p>Comments: The Agency's service area is highly seasonal making population analysis a complex task. The State Water Board analyzes data on a per capita basis.</p> <p>Historically, DWA has submitted data based on the permanent population of the service area; however, that data does not accurately reflect water use in DWA's service area which has a highly seasonal population. We are currently submitting a calculation reviewed by the State Water Board. We plan to update our population figures once the Department of Water Resources accepts our technical memo on seasonal population.</p> <p>Since Desert Water Agency began recycling water, the agency has reclaimed 100,677 acre feet. If our recycled water production for this month was taken into consideration against our potable production, the conservation achieved would have been several percentage points higher.</p>	