



**REGULAR MEETING OF THE BOARD OF DIRECTORS
PICO WATER DISTRICT**

4843 S. Church Street
Pico Rivera, California, 90660

6:00 PM Wednesday, September 1, 2021

AGENDA

Pursuant to the provisions of Executive Order N-25-20 Issued by Governor Gavin Newsom on March 12, 2020, any Board member and any member of the public who desires to participate in the open session items of this meeting may do so by accessing the Zoom link below to join by webcam or teleconference without otherwise complying with the Brown Act's teleconference requirements.

Any member of the public wishing to make any comments to the Board may do so through that Zoom link. The meeting Chair will acknowledge such individual(s) at the appropriate time in the meeting prior to making his or her comment. Members of the public wishing to make a comment are asked to state their name for the record and will be provided three (3) minutes to comment, the Board secretary will alert those commenting when they only have 30 seconds remaining. All members of the public will be disconnected from the Zoom link immediately before the Board of Directors adjourns into Closed Session.

Join Zoom Meeting

<https://us06web.zoom.us/j/9521779948?pwd=dGNxcXh3YitEc2NlVVdrUzVvNm4rZz09>

Join by Telephone: +1 669 900 6833

Meeting ID: 952 177 9948 Passcode: **421745**

1. **ROLL CALL.**
2. **PLEDGE OF ALLEGIENCE.**
3. **INVOCATION.**

4. TIME RESERVED FOR PUBLIC COMMENTS.

*Members of the public shall be allowed three minutes to address the Board on any matter on the agenda and/or within the jurisdiction of the District, which is not on the Agenda. All comments should be addressed to the presiding officer of the meeting. Additional public comments shall be allowed when a listed agenda item is being considered, but such comments made at that time must be confined to the subject that is being discussed at the time such comments are made. Members of the public are asked to state their name for the record. Due to all Board Meetings being run as Zoom Meetings all participants will be placed on mute at the start of the meeting and when the meeting is open for public comment the participant will be asked to raise their hand through the button on the video conference screen if participating by video conference or by pressing *9 on their phone if participating by teleconference.*

5. ADOPTION OF AGENDA.

6. APPROVAL OF CONSENT CALENDAR.

(All matters on the Consent Calendar are to be approved on one motion, unless a Board Member requests a separate action on a specific item).

- A. Consider August 4, 2021 Regular Board Meeting Minutes.
- B. Consider the accounts now due and payable, and receive and file bills approved by the General Manager.
- C. Consider the July Financial Statement.
- D. Consider the Fall 2021 Association of California Water Agencies (ACWA) Conference & Exhibition taking place in Pasadena California from November 30th to December 2, 2021.

7. ACTION/DISCUSSION ITEMS.

- A. Discuss Conditions and Requirements for the Water Replenishment District PFAS Remediation Agreement. *Recommended Action – to be considered at the Board Meeting.*

8. REPORTS.

- A. General Manager.
- B. Legal Counsel.

9. INFORMATIONAL ITEMS.

- A. 08/18/2021 – Whittier Daily News Article – Water Supply Alert Spurs Call for Voluntary 15% Reduction.
- B. Reservoir Conditions – July 12, 2021 and August 25, 2021.

10. DIRECTOR'S REQUEST OF FUTURE AGENDA ITEMS.

11. BOARD MEMBER COMMENTS.

- A. Report on Meetings Attended/Comments.

12. CLOSED SESSION.

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant Exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9.

One Case.

13. CLOSED SESSION REPORT.

14. ADJOURNMENT.

AGENDA POSTED ON: August 26, 2021

Next regularly scheduled meeting: September 15, 2021

NOTE: To comply with the Americans with Disabilities Act, if you need special assistance to participate in any Board meeting, please contact the District office at (562) 692-3756 at least 48 hours prior to a Board meeting to inform the District of your needs and to determine if accommodation is feasible.

Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the District office, located at 4843 S. Church Street, Pico Rivera, California.

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CONSENT ITEMS

MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF THE PICO WATER DISTRICT

A Regular meeting of the Board of Directors of the Pico Water District was held in the District's Boardroom located at 4843 South Church Street, Pico Rivera, California, on Wednesday, August 4, 2021 at 6:02 p.m.

The District's Secretary/General Manager, Mr. Mark J. Grajeda proceeded with the roll call of the attending Board members. Present from the beginning of the meeting were President David R. Gonzales, while Director Raymond Rodriguez, Director Pete Ramirez, Director Robert Martinez, and Vice President Victor Caballero participated telephonically, in adherence to social distancing. Mr. Jim Ciampa, Legal Counsel for the District participated electronically.

President Gonzales presided over the meeting and led everyone in the Pledge of Allegiance.

Vice President Caballero gave the invocation.

President Gonzales proceeded to the next item on the Agenda, Public Comments. There were none.

President Gonzales proceeded to the adoption of the Agenda. Director Rodriguez made the motion to approve the agenda and President Gonzales seconded the motion. The General Manager announced the motion passed by a roll-call vote, 5 – 0.

President Gonzales proceeded to the approval of the Consent Calendar. The General Manager stated that there was a minor change to the minutes of July 21, 2021 regarding the Capacity Fee Charge and the District's responsibility to keep the funds separate. Director Martinez stated that he had a question regarding the Bills Now Due and Payable regarding a bill for DeSigio Construction for additional survey work for the Beverly Boulevard Pipeline Replacement Project. Director Martinez made the motion to approve the Consent Calendar as presented with the changes to the Minutes and Director Ramirez seconded the motion. The General Manager announced the motion passed by roll-call vote, 5 – 0.

President Gonzales proceeded to the next item on the Agenda, Action/Discussion Items. There were none.

President Gonzales proceeded to the next item on the Agenda, General Manager's report. The General Manager informed the Board the Burma Road Extension project is completed. The mainline in Burma Road has been pressurized, tested, and chlorinated. All service lines and meters and the customers effected are coming off the old main. Next week Dominguez Bros. will do the tie-in from Burma Road to Rosemead Blvd.; Well 4 has had some rehabilitation work done and when General Pump came to run our new equipment and turn the well on, a tremendous amount of sand infiltrated the pump. All equipment has been pulled out of the well and inspected, next week we will send a camera into the well to inspect for any cracks or breaks that may have occurred; we have received the PFAS Remediation Agreement from WRD and both legal counsel

and the General Manager are reviewing it; Director Ramirez inquired about the old Home Depot building and the recently passed Capacity Charge.

President Gonzales proceeded to the next item on the Agenda, Legal Counsel report. There was none. President Gonzales stated that he believed the federal infrastructure plan has been approved by the Senate and heard that there was going to be monies for water treatment. He asked if it could be checked if that would include PFAS treatment.

President Gonzales proceeded to the next item on the Agenda, Director's request for future agenda items. There were none.

President Gonzales proceeded to the next item on the Agenda, Board Member Comments. Director Ramirez said he attended the Central Basin Municipal Water District and they discussed water supply. The General Manager added that currently we are in fairly good shape and it is those agencies that depend on the state's reservoirs that are hurting. President Gonzales stated that he participated in the Pico Rivera bicycle ride.

The Board retreated to closed session at 6:29 p.m.

The Board reconvened at 6:52 p.m.

Legal Counsel announced that pursuant to Government Code Section 54956.9 subdivision (d) (2), conference with Legal Counsel on anticipated litigation, the Board was briefed on the facts and circumstances of that case and reportable action was taken.

There being no further business to come before the Board, the Board meeting adjourned at 6:53 p.m.

David R. Gonzales, President

Attest:

Mark J. Grajeda, Secretary

(Seal)

PICO WATER DISTRICT

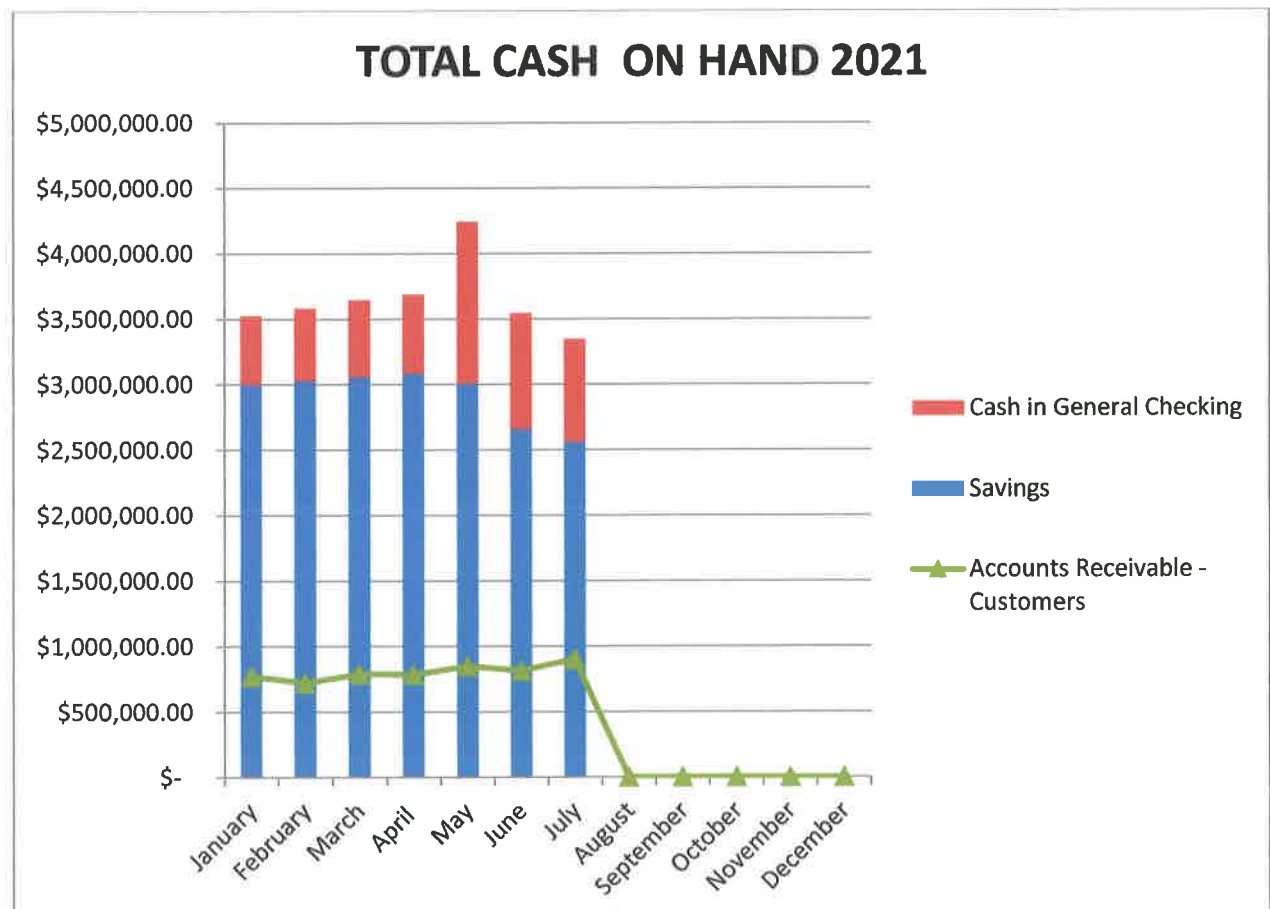
FINANCIAL STATEMENT SUMMARY

The July 2021 Financial Statement reflects that the District has \$1,564,893 deposited in the Local Area Investment Fund; \$205,911 invested with Cantella & Co., Inc. \$-0- on deposit as Restricted Cash with Fiscal Agent (IBank loan); \$121,743 on deposit as Restricted Cash in the Infrastructure Account for the IBank loan payments; and has \$787,819 deposited in our General, Business, and Payroll accounts.

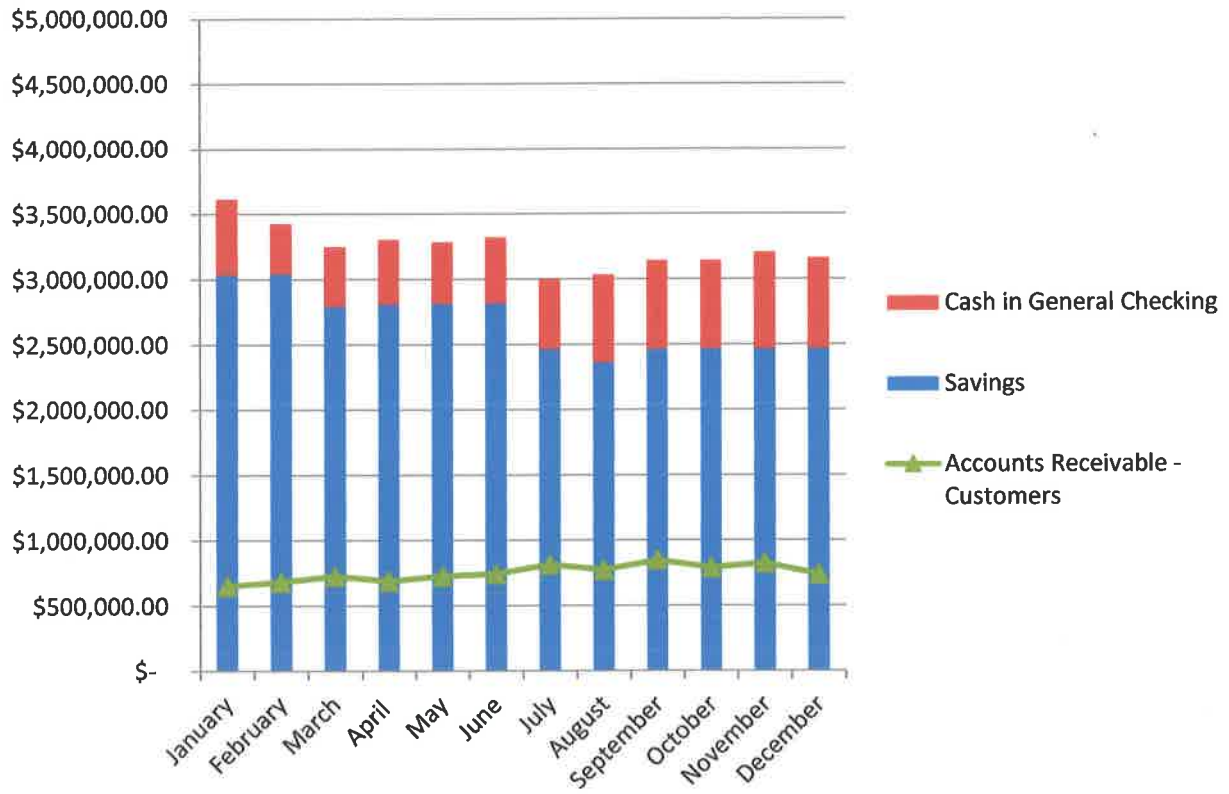
The Financial Statement also reflects that we collected \$505,851 in Total Operating Revenues, and that we incurred \$329,534 in Total Operating Expenses, which left us with a Net Income for the month of July of \$155,399 before contributed capital and depreciation (Net Income also includes non-operating income and non-operating expense).

The District's year-to-date Net Income is \$402,909 before contributed capital and depreciation, and has spent year-to-date a total of \$2,105,859 on Capital Improvement Projects.

Included herein are two graphs. The first graph is the Financial History for 2021 indicating Total Cash on Hand in Banks, the amount of total savings that is included in Cash on Hand and the amount of Accounts Receivable from our customers. The second graph illustrates the same information for 2020. These graphs are a visual aid to view trends in our Financial History.



Total Cash on Hand 2020





Pico Water District

Financial Statements

Balance Sheet (Unaudited)

	July 2021
1 ASSETS	
2 Cash and Investments	
3 Cash on Hand in Banks	\$ 787,819
4 LAIF Investment	1,564,893
5 Cantella CDs	205,911
6 Total Cash and Investments	2,558,623
7 Cash and Investments - Restricted	
8 Restricted Cash with Fiscal Agent [IBank]	-
9 Restricted Cash - Infrastructure Acct [IBank]	121,743
10 Total Cash and Investments - Restricted	121,743
11 Other Current Assets	
12 Accounts Receivable-Customers-Net	903,477
13 Inventory-Materials and Supplies	65,539
14 Prepaid Expenses	36,898
15 Total Other Current Assets	1,005,914
16 Fixed Assets	
17 Utility Plant	28,296,492
18 Less: Accumulated Depreciation	(10,659,158)
19 Fixed Assets Total	17,637,333
20 Deferred Outflows of Resources (DOR)	318,011
21 TOTAL ASSETS & DOR	\$ 21,641,625
22 LIABILITIES	
23 Current Liabilities	
24 Accounts Payable	\$ 391,696
25 Accrued Interest	123,027
26 Refundable Deposits	487,424
27 Security Deposit - Rental House	2,250
28 Total Current Liabilities	1,004,396
29 Long-Term Liabilities	
30 Note Payable - IBank	6,691,719
31 OPEB Liability	848,089
32 Net Pension Liability	680,803
33 Total Long-Term Liabilities	8,220,610
34 TOTAL LIABILITIES	9,225,006
35 FUND BALANCE	
36 Retained Earnings	12,136,320
37 TOTAL FUND BALANCE	12,136,320
38 Deferred Inflows of Resources (DIR)	280,298
39 TOTAL LIABILITIES, FUND BALANCE & DIR	\$ 21,641,625

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



Pico Water District

Financial Statements

Profit & Loss (Unaudited)

	July 2021	YTD 2021	Budget 2021	YTD Budget 58%
1 OPERATING REVENUES				
2 WS 1 - Potable Water Charges	\$ 220,230	\$ 1,201,629	\$ 2,027,570	59%
3 WS 2 - Recycled Water Charges	12,838	59,909	80,000	75%
4 MS 1 - Meter Charges	129,630	806,756	1,255,620	64%
5 MS 2 - Multi Unit Charges	139	18,500	113,000	16%
6 MS 3 - Fire Protection Charges	6,500	43,072	54,000	80%
7 Infrastructure Surcharge [RESTRICTED]	37,999	246,077	410,000	60%
8 <u>Misc. Charges</u>				
9 Water Other-Hydrant Surcharge/Setup	85	400	500	80%
10 Application Charges	330	3,715	5,000	74%
11 Reconnection Charges	-	340	2,000	17%
12 NSF Check Charges	45	300	525	57%
13 Late Fee Charges	5,256	5,244	10,000	52%
14 Damage/Lock Charges	-	-	200	0%
15 Testing-Mtr/Flow/Sample Charges	-	400	1,250	32%
16 Backflow Program	2,799	19,592	22,000	89%
17 Water Rights Income	90,000	108,000	90,000	120%
19 TOTAL OPERATING REVENUES	505,851	2,513,933	4,071,665	62%
20 OPERATING EXPENSE				
21 Source of Supply	120,177	684,635	1,158,584	59%
22 Pumping	48,392	284,055	487,500	58%
23 Water Treatment	11,162	78,141	129,550	60%
24 Transmission & Distribution	16,571	108,950	181,600	60%
25 Customer Accounts	17,781	96,744	227,500	43%
26 General & Administrative	115,452	781,531	1,300,450	60%
27 COVID-19 Salaries	-	253	30,000	1%
28 COVID-19 Miscellaneous	-	-	-	0%
29 TOTAL OPERATING EXPENSE	329,534	2,034,309	3,515,184	58%
30 OPERATING INCOME (LOSS)	176,317	479,624	556,481	86%
31 NON-OPERATING INCOME				
32 Interest - LAIF & Infrastructure Acct	6	3,607	30,000	12%
33 Investment Income	-	4,114	5,000	82%
34 Unrealized Gain / (Loss)	(446)	(4,176)	-	0%
35 Grant Revenue	-	20,092	-	0%
36 Other Income	-	15,231	5,000	305%
37 House Rental Income	1,700	11,700	20,400	57%
38 Gain/Loss Sale of Assets	-	28,295	-	0%
39 TOTAL NON-OPERATING INCOME	1,260	78,863	60,400	131%
40 NON-OPERATING EXPENSE				
41 Interest Expense / (Income)	20,504	143,867	246,052	58%
42 Annual Loan Fee Expense	1,673	11,711	20,075	58%
43 Other Non-Operating Expense	-	-	100	0%
44 Rental House Expense	-	-	1,000	0%
45 TOTAL NON-OPERATING EXPENSE	22,177	155,578	267,227	58%
46 NET INCOME / (LOSS) BEFORE CAPITAL CONTR. & DEPR.	155,399	402,909	349,654	115%
47 Contributed Capital	-	-	-	0%
48 Depreciation	(43,750)	(306,250)	(525,000)	58%
49 NET INCOME / (LOSS)	\$ 111,649	\$ 96,659	\$ (175,346)	

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Pico Water District

Financial Statements

Operating Expense Detail (Unaudited)

	July 2021	YTD 2021	Budget 2021	YTD Budget 58%
1 OPERATING EXPENSE				
2 SOURCE OF SUPPLY				
3 Salaries & Wages	\$ 8,071	\$ 42,800	\$ 75,000	57%
4 Recycled Water	5,735	26,761	48,000	56%
5 Ground Water Replenishment	106,372	615,074	1,035,584	59%
6 TOTAL SOURCE OF SUPPLY	120,177	684,635	1,158,584	59%
7 PUMPING				
8 Salaries & Wages	21,548	111,921	180,000	62%
9 Maintenance	1,695	34,034	34,500	99%
10 Fuel or Power	25,149	138,100	273,000	51%
11 TOTAL PUMPING	48,392	284,055	487,500	58%
12 WATER TREATMENT				
13 Salaries & Wages	902	3,744	5,550	67%
14 Maintenance	-	24,217	44,000	55%
15 Water Treatment Regulations	10,259	50,180	80,000	63%
16 TOTAL WATER TREATMENT	11,162	78,141	129,550	60%
17 TRANSMISSION & DISTRIBUTION				
18 Salaries & Wages	12,670	67,736	92,000	74%
19 Maintenance	2,852	31,784	72,200	44%
20 Vehicle Maintenance	1,048	9,431	17,400	54%
21 TOTAL TRANSMISSION & DISTRIBUTION	16,571	108,950	181,600	60%
22 CUSTOMER ACCOUNTS				
23 Meter Reading Labor	3,643	12,084	26,500	46%
24 Billing/Customer Service Salaries & Wages	8,473	51,505	139,000	37%
25 Supplies	5,664	33,154	62,000	53%
26 TOTAL CUSTOMER ACCOUNTS	17,781	96,744	227,500	43%
27 GENERAL & ADMINISTRATIVE				
28 Salaries	22,425	113,694	240,000	47%
29 Vacation/Holiday/Other Payroll	15,734	86,556	140,000	62%
30 Directors Compensation	3,600	18,150	33,000	55%
31 Travel & Meetings (Board)	-	145	15,000	1%
32 Travel & Meetings (Staff)	-	200	2,500	8%
33 Board Room Expenses	1,516	2,360	1,000	236%
34 Office Supplies	352	5,623	12,000	47%
35 Office Utilities	2,315	12,531	23,000	54%
36 Professional Services				
37 Accounting	11,201	40,239	46,000	87%
38 Computer	600	2,213	4,500	49%
39 Engineering	-	1,200	4,500	27%
40 Legal	4,606	26,174	50,000	52%
41 Miscellaneous	4,762	18,016	1,500	1201%
42 PWAG - Emergency Services Coordinator	964	6,746	10,000	67%
43 Tyler Technologies Licensing and Support	1,676	8,422	13,250	64%
44 Nobel Systems - GIS Program	1,475	10,465	18,000	58%
45 Insurance	24,763	173,826	315,000	55%
46 Payroll Taxes	7,142	39,334	68,000	58%
47 Pension	1,897	70,884	140,000	51%
48 OPEB Expense	7,500	52,500	90,000	58%
49 Maintenance	1,359	12,347	23,500	53%

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Pico Water District

Financial Statements

Operating Expense Detail (Unaudited)

	July 2021	YTD 2021	Budget 2021	YTD Budget 58%
50 Dues & Meetings	1,565	12,040	15,000	80%
51 Noticing	-	3,435	7,000	49%
52 Education Expense	-	600	1,500	40%
53 Conservation Expense	-	6,620	25,000	26%
54 Grant Program	-	-	-	0%
55 Other Operating Expenses	-	-	1,200	0%
56 CBMWD Retail Meter Charge	-	-	-	0%
57 Election Expense	-	57,211	-	0%
58 TOTAL GENERAL & ADMINISTRATIVE	115,452	781,531	1,300,450	60%
59 TOTAL OPERATING EXPENSE	\$ 329,534	\$ 2,034,056	\$ 3,485,184	58%

Pico Water District
2021 Work In Progress (CIP)

10-000-1890	2021 CIP Budget	Jul-21	YTD Total
I Buildings/Land			
1 No plans.	0	0.00	0.00
Sub-total	0	0.00	
II Office Equipment Purchase			
1 Tyler Content Management System	11,250	0.00	0.00
Sub-total	11,250	0.00	0.00
III Field Equipment Purchase			
No Planned Purchases	0	0.00	0.00
Sub-total	0	0.00	0.00
IV Replacement Programs			
A. Hydrants			
1 Repairs	8,000	0.00	0.00
Sub-total	8,000	0.00	0.00
B. Meters - proposal to change out all remaining manual read meters			
1 No plans going forward w/exception		904.72	12,978.89
Sub-total	0	904.72	12,978.89
C. Service Lines			
1 Repairs	15,000	0.00	0.00
Sub-total	15,000	0.00	0.00
D. Main Lines			
1 Repairs	35,000	0.00	0.00
Sub-total	35,000	0.00	0.00
C. Valves			
1 Repairs	8,000	0.00	0.00
Sub-total	8,000	0.00	0.00
V Consulting Services			
1 Water Master Plan Upgrade <i>carryover</i>	150,000	0.00	17,311.25
2 Risk Resilience Assmnt/Emergency Rspns Plans	50,000	2,292.00	4,684.50
3 New Development Charge/Fee <i>carryover</i>		8,547.50	8,547.50
4 PFAS/PFOA Treatment <i>carryover</i>		13,996.00	49,593.00
5 Urban Water Management Plan		5,173.25	7,420.25
6 As-Builts - Nobel Systems			13,440.00
Sub-total	200,000	30,008.75	100,996.50
VI Well Rehabilitation & Equipment Upgrade			
1 Rehabilitation Well 4	90,000	0.00	8,900.00
2 Reservoir Maintenance Work	30,000	0.00	0.00
Sub-total	120,000	0.00	8,900.00
VII Future Planned Work			
1 Install Treatment Facilities - Wells 5,8,11	2,000,000	14,817.40	533,226.22
	2,000,000	14,817.40	533,226.22
Total	2,397,250	45,731	658,101.61
VIII I-Bank Projects			
1 New Well 11 <i>carryover</i>		28,561.75	34,064.38
2 Union/Walnut/Olympic <i>carryover</i>		0.00	0.00
3 Layman <i>carryover</i>		0.00	0.00
4 Beverly Blvd. <i>Carryover</i>			969,295.83
I-Bank CIP Sub-total	0	28,561.75	1,003,360.21
Grand Total	2,397,250	74,293	1,659,461.82
City of Pico Rivera Hotspots Project			
Well 2 - 4652 Lot Split			5,140.00
Rosemead Extension - Material			52,078.53
Burma Road		6,067.63	66,156.81
Stephens Street		194,294.00	323,021.50
		274,654.25	2,105,858.66



Pico Water District, CA

Open Payable Report

As Of 08/26/2021

Summarized by Payable Account

Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
Payable Account: 10-000-2000 - Accounts Payable							
Vendor: 1026 S26660234.002	BELL PIPE & SUPPLY CO JAN 2020 - RETURN OF PRODUCT	01/31/2020	-74.10	0.00	0.00	0.00	-74.10
					Payable Count: (1)		-74.10
Vendor: 1051 CVCS336853	CHEVROLET OF MONTEBELLO Unit #74 - Oil Change	08/13/2021	29.99	0.00	0.00	0.00	29.99
					Payable Count: (1)		29.99
Vendor: 1054 5070729039	CINTAS 0168 - ORANGE CA FAS Safety Exp - Nylon Gloves for Field & Office	07/29/2021	132.07	0.00	0.00	0.00	132.07
					Payable Count: (1)		132.07
Vendor: 1092 140054	GARVEY EQUIPMENT COMPANY Equipment Repair - Backpack Blower Repair	08/10/2021	246.95	0.00	0.00	0.00	246.95
					Payable Count: (1)		246.95
Vendor: 1104 12591285 12589300	HACH COMPANY Misc. Well Maint. - DPD Reagent & Spec Color Misc. Well Maint. - Sample Cell for Residual Kit	08/12/2021 08/18/2021	657.10 176.03	0.00 0.00	0.00 0.00	0.00 0.00	657.10 176.03
					Payable Count: (2)		833.13
Vendor: 1111 3592628 2592692 8105491 8562235 CM0000006 0096003 8520854 531	HOME DEPOT CREDIT SERVICE Misc. Well Maint. - Well Supplies for Clean Up Yard Maint. - Supplies for Cleaning Crew Well #11 - Material for Irrigation Meter Repair-PVC Parts for Irrigation Line HookUp NOV 2019 CREDIT MEMO FOR RETURN THAT WAS PAID Misc. Well Maint. - Cleaning Supplies for Sites Burma Rd. - Material for Service Connections Safety Expense - Mask Disposable	11/26/2019 11/27/2019 12/11/2019 12/11/2019 12/31/2019 07/21/2021 08/02/2021 08/17/2021	15.84 79.55 19.84 48.27 -80.75 245.52 205.24 96.76	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00	15.84 79.55 19.84 48.27 -80.75 245.52 205.24 96.76
					Payable Count: (8)		630.27
Vendor: 1372 2021-0105 2021-0106	HUNTER ELECTRIC SERVICE, INC. Well #5A Maint. - Install New Motor for Exhaust Fan Well #11 Maint. - Install Conduit, Wire & Fittings	08/10/2021 08/10/2021	2,450.05 1,147.75	0.00 0.00	0.00 0.00	0.00 0.00	2,450.05 1,147.75
					Payable Count: (2)		3,597.80
Vendor: 1310 47599 47600	INLAND VALLEY SLADDEN, INC. Burma Rd. Project - Compaction Test Beverly Bl. City Project - Compaction Test	07/31/2021 07/31/2021	1,645.00 1,240.00	0.00 0.00	0.00 0.00	0.00 0.00	1,645.00 1,240.00
					Payable Count: (2)		2,885.00
Vendor: 1123 137494 TAIT	J.DE SIGIO CONSTRUCTION INC FEB 2021 - CIP BEVERLY/ROSEMEAD SURVEY WRK	02/28/2021	6,502.50	0.00	0.00	0.00	6,502.50
					Payable Count: (1)		6,502.50
Vendor: 1132 INV0001100	JUAN ROMAN Safety Exp. - Juan R. - Boots	06/14/2021	216.19	0.00	0.00	0.00	216.19
					Payable Count: (1)		216.19
Vendor: 1135 34710 34711	LAGERLOF, LLP JULY 2021 - LEGAL FEES - GENERAL MATTERS JULY 2021 - LEGAL FEES - BOARD MTGS	07/31/2021 07/31/2021	2,573.00 1,085.00	0.00 0.00	0.00 0.00	0.00 0.00	2,573.00 1,085.00
					Payable Count: (2)		3,658.00
Vendor: 1139 IN0343554 IN0343781 IN0344886 IN0345418 IN0345717 IN0346166 IN0360183	LOS ANGELES COUNTY FIRE DEPARTMENT Well #4A - L.A. County HAZ Reporting District Yard - L.A. County HAZ Reporting Well #9A - L.A. County HAZ Reporting Well #8 - L.A. County HAZ Reporting Well #5A - L.A. County HAZ Reporting Well #10 - L.A. County HAZ Reporting Well #11 - L.A. County HAZ Reporting	07/27/2021 07/27/2021 07/27/2021 07/27/2021 07/27/2021 07/27/2021 07/27/2021	411.00 1,950.00 411.00 559.00 559.00 559.00 411.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00	411.00 1,950.00 411.00 559.00 559.00 559.00 411.00
					Payable Count: (7)		4,860.00
Vendor: 1393 7438747	LOS ANGELES TIMES JULY 2021 - CIP 1890 CAPACITY FEE NTC OF HEARING	07/31/2021	8,547.50	0.00	0.00	0.00	8,547.50
					Payable Count: (1)		8,547.50
Vendor: 1153	NASA SERVICES				Payable Count: (1)		209.96

Open Payable Report

As Of 08/26/2021

Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
84612	District Yard - Disposal of Debris	08/01/2021	209.96	0.00	0.00	0.00	209.96
Vendor: 1176	PRINTWEAR SALES COMPANY				Payable Count: (1)		517.07
9465	Field Supplies - District T-Shirts	08/06/2021	517.07	0.00	0.00	0.00	517.07
Vendor: 1184	QUINN COMPANY				Payable Count: (1)		-21.90
PR810300736	DEC 2020 - CREDIT BATTERY RECYCLE	12/31/2020	-21.90	0.00	0.00	0.00	-21.90
Vendor: 1186	RAY'S OK TIRE, INC.				Payable Count: (2)		1,015.63
13760	Unit #59 - Tire Replacment	07/26/2021	781.42	0.00	0.00	0.00	781.42
14011	Unit #52 - Tire Repair / Replacement	08/18/2021	234.21	0.00	0.00	0.00	234.21
Vendor: 1194	S & J SUPPLY CO., INC.				Payable Count: (1)		2,484.06
S100175609.002	Burma Rd. - Project Material per. Spec.	08/09/2021	2,484.06	0.00	0.00	0.00	2,484.06
Vendor: 1202	SHELL				Payable Count: (5)		427.77
696765	Misc. Fuel Exp. - Diesel Fuel Unit #50	09/09/2019	81.18	0.00	0.00	0.00	81.18
708693	Misc. Fuel Exp. - Compressor	09/10/2019	53.36	0.00	0.00	0.00	53.36
858530	Misc. Fuel Exp. - Diesel Fuel - Backhoe	09/26/2019	87.82	0.00	0.00	0.00	87.82
60855926	SEPT 2019 - FUEL CHARGES	09/30/2019	115.89	0.00	0.00	0.00	115.89
652362	Fuel Exp. - Diesel Fuel for Backhoe	11/27/2019	89.52	0.00	0.00	0.00	89.52
Vendor: 1215	STETSON ENGINEERS, INC.				Payable Count: (2)		7,465.25
2740-10-003	JULY 2021 - CIP RISK/RESLENCE THRU 6/30/21	07/31/2021	2,292.00	0.00	0.00	0.00	2,292.00
2741-22-002	JULY 2021 - CIP UWMP THRU 6/30/21	07/31/2021	5,173.25	0.00	0.00	0.00	5,173.25
Vendor: 1228	THE JANKOVICH COMPANY				Payable Count: (1)		2,393.92
5389674	Misc. Fuel Exp. - Reg. Gas for District Vehicles	08/10/2021	2,393.92	0.00	0.00	0.00	2,393.92
Vendor: 1237	UNDERGROUND SERVICE ALERT				Payable Count: (2)		227.58
dsb20203881	Field Supplies - Dig Alert Ca. St. Regulatory Fee	08/01/2021	59.18	0.00	0.00	0.00	59.18
770210531	Field Supplies - USA Dig Alert Month of 07/2021	08/02/2021	168.40	0.00	0.00	0.00	168.40
Vendor: 1252	WECK LABORATORIES, INC.				Payable Count: (16)		4,608.00
W1G0471	JULY 2021 - LAB TESTING	07/31/2021	880.00	0.00	0.00	0.00	880.00
W1G0795	JULY 2021 - LAB TESTING	07/31/2021	45.00	0.00	0.00	0.00	45.00
W1G1002	JULY 2021 - LAB TESTING	07/31/2021	1,432.00	0.00	0.00	0.00	1,432.00
W1G1121	JULY 2021 - LAB TESTING	07/31/2021	100.00	0.00	0.00	0.00	100.00
W1G1122	JULY 2021 - LAB TESTING	07/31/2021	663.00	0.00	0.00	0.00	663.00
W1G1146	JULY 2021 - LAB TESTING	07/31/2021	100.00	0.00	0.00	0.00	100.00
W1G1233	JULY 2021 - LAB TESTING	07/31/2021	48.00	0.00	0.00	0.00	48.00
W1G1343	JULY 2021 - LAB TESTING	07/31/2021	45.00	0.00	0.00	0.00	45.00
W1G1716	JULY 2021 - LAB TESTING	07/31/2021	75.00	0.00	0.00	0.00	75.00
W1G1770	JULY 2021 - LAB TESTING	07/31/2021	100.00	0.00	0.00	0.00	100.00
W1G1844	JULY 2021 - LAB TESTING	07/31/2021	45.00	0.00	0.00	0.00	45.00
W1H0029	JULY 2021 - LAB TESTING	07/31/2021	880.00	0.00	0.00	0.00	880.00
W1H0139	JULY 2021 - LAB TESTING	07/31/2021	100.00	0.00	0.00	0.00	100.00
W1H0140	JULY 2021 - LAB TESTING	07/31/2021	45.00	0.00	0.00	0.00	45.00
W1H0440	JULY 2021 - LAB TESTING	07/31/2021	25.00	0.00	0.00	0.00	25.00
W1H0441	JULY 2021 - LAB TESTING	07/31/2021	25.00	0.00	0.00	0.00	25.00
Vendor: 1254	WEST WHITTIER PAINT CO.				Payable Count: (1)		182.12
12632	Field Supplies - Marking Paint for Dig Alerts	08/11/2021	182.12	0.00	0.00	0.00	182.12
Vendor: 1256	WESTERN WATER WORKS				Payable Count: (5)		4,379.88
1215324-00	Burma Rd. Project-Restraints,Hyd. Ext. & Flg	07/27/2021	1,672.09	0.00	0.00	0.00	1,672.09
1215340-00	Burma Rd. Project-PVC Material for Service Connect	07/27/2021	186.74	0.00	0.00	0.00	186.74
1215574-00	Burma Rd. Project-2" Material for Service Connect	08/02/2021	291.83	0.00	0.00	0.00	291.83
1215944-00	Burma Rd. Project - End Cap Material	08/11/2021	1,750.43	0.00	0.00	0.00	1,750.43
1215953-00	Service Repair - Transiton Material IP to CTS	08/12/2021	478.79	0.00	0.00	0.00	478.79
			Payable Account 10-000-2000	Payable Count: (68)	Total:		55,954.64

Payable Account Summary

Account	Count	Amount
10-000-2000 - Accounts Payable	68	55,954.64
Report Total:	68	55,954.64

Payable Fund Summary

Fund	Count	Amount
10 - General Operating	68	55,954.64
Report Total:	68	55,954.64

**AUGUST 1, 2021 – AUGUST
26, 2021**

**BILLS APPROVED BY THE
GENERAL MANAGER**

09-01-2021



Pico Water District, CA

Check Report

By Check Number

Date Range: 08/01/2021 - 08/26/2021

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP-ACCOUNTS PAYABLE						
1008	ACWA/JPIA	08/04/2021	Regular	0.00	14,258.64	61615
1378	AKM CONSULTING ENGINEERS, INC.	08/04/2021	Regular	0.00	13,996.00	61616
1043	CARDMEMBER SERVICE	08/04/2021	Regular	0.00	1,768.37	61617
1048	CENTRAL VOICE	08/04/2021	Regular	0.00	613.90	61618
1053	CINTAS #053	08/04/2021	Regular	0.00	447.05	61619
1246	CLIFTON LARSON ALLEN	08/04/2021	Regular	0.00	3,500.00	61620
1071	DE LAGE LANDEN FINANCIAL	08/04/2021	Regular	0.00	333.53	61621
1080	EDISON COMPANY	08/04/2021	Regular	0.00	7,014.57	61622
1327	ENVIRONMENT CONTROL GREATER ORANGE C	08/04/2021	Regular	0.00	844.00	61623
1090	FRONTIER COMMUNICATIONS	08/04/2021	Regular	0.00	421.86	61624
1095	GENERAL PUMP COMPANY	08/04/2021	Regular	0.00	12,040.00	61625
1103	GRM INFO MGMNT SVCS OF CA, LLC	08/04/2021	Regular	0.00	75.00	61626
1105	HARRINGTON INDUSTRIAL PLASTICS LLC	08/04/2021	Regular	0.00	484.45	61627
1129	JOEL COLIN	08/04/2021	Regular	0.00	50.00	61628
1368	PUBLIC WATER AGENCIES GROUP	08/04/2021	Regular	0.00	1,838.75	61629
1142	QUADIENT LEASING USA	08/04/2021	Regular	0.00	206.61	61630
1194	S & J SUPPLY CO., INC.	08/04/2021	Regular	0.00	1,323.98	61631
1245	VERIZON WIRELESS	08/04/2021	Regular	0.00	89.38	61632
1035	CALIFORNIA COMPUTER SCHOOLS, INC.	08/13/2021	Regular	0.00	186.00	61633
1046	CENTRAL BASIN MUNICIPAL WATER DISTRICT	08/13/2021	Regular	0.00	4,521.28	61634
1144	MARK J. GRAJEDA	08/13/2021	Regular	0.00	1,225.00	61635
1250	WATER REPLENISHMENT DISTRICT OF	08/13/2021	Regular	0.00	94,957.56	61636
1002	ABBA TERMITE & PEST CONTROL	08/19/2021	Regular	0.00	65.00	61637
1005	ACWA - JOINT POWERS INSURANCE AUTHORIT	08/19/2021	Regular	0.00	21,847.24	61638
	ACWA-JOINT POWERS INSURANCE AUTHORITY	08/19/2021	Regular	0.00	4,045.38	61639
1178	ADT COMMERCIAL	08/19/2021	Regular	0.00	620.19	61640
1017	AT & T	08/19/2021	Regular	0.00	135.56	61641
1246	CLIFTON LARSON ALLEN	08/19/2021	Regular	0.00	5,400.00	61642
1080	EDISON COMPANY	08/19/2021	Regular	0.00	19,385.46	61643
1369	EIDE BAILLY LLP	08/19/2021	Regular	0.00	2,300.60	61644
1098	GERALD P. ROODZANT, DDS APC	08/19/2021	Regular	0.00	142.00	61645
1103	GRM INFO MGMNT SVCS OF CA, LLC	08/19/2021	Regular	0.00	75.00	61646
1117	INFOSEND	08/19/2021	Regular	0.00	252.05	61647
1392	JOSEPH DERMODY	08/19/2021	Regular	0.00	1,358.00	61648
1133	KABBARA ENGINEERING	08/19/2021	Regular	0.00	2,777.40	61649
1135	LAGERLOF, LLP	08/19/2021	Regular	0.00	1,271.00	61650
1153	NASA SERVICES	08/19/2021	Regular	0.00	209.96	61651
1386	OFFICE TEAM	08/19/2021	Regular	0.00	2,089.91	61652
1167	PETER TRAN, DDS INC	08/19/2021	Regular	0.00	784.00	61653
1207	SOUTH COAST A.Q.M.D.	08/19/2021	Regular	0.00	1,295.59	61654
1209	SOUTHERN CALIFORNIA GAS COMPANY	08/19/2021	Regular	0.00	23.46	61655
1211	SPECTRUM	08/19/2021	Regular	0.00	313.94	61656
1212	SPRINT	08/19/2021	Regular	0.00	52.76	61657
1220	TAKAMATSU, D.D.S., INC.	08/19/2021	Regular	0.00	42.00	61658
1249	VOTACALL, INC.	08/19/2021	Regular	0.00	144.43	61659

Check Report

Date Range: 08/01/2021 - 08/26/2021

Vendor Number
1256Vendor Name
WESTERN WATER WORKSPayment Date
08/19/2021Payment Type
RegularDiscount Amount
0.00Payment Amount
936.66Number
61660

Bank Code AP Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	77	46	0.00	225,763.52
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	77	46	0.00	225,763.52

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	77	46	0.00	225,763.52
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	77	46	0.00	225,763.52

Fund Summary

Fund	Name	Period	Amount
10	General Operating	8/2021	225,763.52
			225,763.52



The ACWA 2021 Fall Conference & Exhibition is set to take place November 30 – December 2, 2021 at the Pasadena Convention Center.

ACWA conferences are the premier destination for water industry professionals to learn and connect. Program offerings include statewide issue forums, roundtable talks, and region discussions along with sessions covering a wide range of topics including water management, crisis communications, affordable drinking water issues, energy, finance, federal forum, and more! A vibrant Exhibit Hall offers innovative solutions! Unique sponsorship opportunities are also available!

ACWA and the Pasadena Convention Center are committed to the health and safety of our members, guests, employees, and community. As a recipient of the GBAC Star Facility Accreditation, the Pasadena Convention Center is implementing the highest standards for cleaning and disinfection to welcome attendees back to a safe meeting destination. ACWA will be following CDC, state, and local guidelines for meeting and catering planning.

UPDATED 8/19/21: Subject to California Department of Public Health (CDPH) requirements and recommendations issued on August 18, 2021, indoor events under 1,000 attendees do not require attendees to verify to be fully-vaccinated against COVID-19 or test negative for attendance. The mask mandate issued July 23, 2021 is still in effect for both indoor and outdoor events. Please see Terms and Conditions for additional information.

Ways to Participate:

NEW! We are pleased to offer both an in-person registration and a Virtual Conference Pass. On-demand conference program recordings and group savings are also available. Check out the **Preliminary Agenda** to plan your participation!

Attending In-person?

**Register for In-Person
Conference Attendance**

Unable to attend In-person? Join us virtually!

Register for Live
Conference Virtual Pass

PLEASE NOTE:

Access to the Tuesday Committee meetings will not be available with the Virtual Conference Pass.

Hotel information will be sent to all conference registrants via email on September 7, 2021.

Important Links

- Preliminary Agenda **** Updated: 8/23/21 | Please refresh your browser (F5) if previously viewed ****
- Pricing Reference Sheet
- Health & Safety Flyer **** Updated: 8/19/21 | Please refresh your browser (F5) if previously viewed ****
- Exhibitor Information
- Sponsorship Information
- In-Person Attendee Registration Terms & Conditions
- Virtual Attendee Registration Terms & Conditions
- Exhibit Booth Registration Terms & Conditions

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ACWA 2021 Fall Conference & Exhibition

PRELIMINARY AGENDA

November 30 - December 2, 2021 • Pasadena

⬢ Agenda items marked with this symbol will be accessible with the Virtual Conference Pass.

Note: Tuesday Committee meetings *will not* be available with the Virtual Conference Pass.

ACWA JPIA - MONDAY, NOV. 29

- 8:30 - 10:00 AM
 - ACWA JPIA Program Committee
- 10:15 - 11:15 AM
 - ACWA JPIA Executive Committee
- 1:30 - 4:00 PM
 - ACWA JPIA Board of Directors
- 4:00 - 5:00 PM
 - ACWA JPIA Town Hall
- 5:00 - 6:00 PM
 - ACWA JPIA Reception

TUESDAY, NOV. 30

- 8:00 AM - 9:45 AM
 - Agriculture Committee
- 8:00 AM - 6:00 PM
 - Registration
- 8:30 AM - Noon
 - ACWA JPIA Seminars
- 10:00 - 11:45 AM
 - Groundwater Committee
 - Energy Committee
- 11:00 AM - Noon
 - Outreach Task Force
- Noon - 2:00 PM
 - Committee Lunch Break
- 1:00 - 2:45 PM
 - Local Government Committee
 - Finance Committee
 - Water Management Committee
- 1:00 - 3:00 PM
 - ACWA JPIA: Sexual Harassment Prevention for Board Members & Managers (AB 1825)
- 3:00 - 4:45 PM
 - Communications Committee
 - Federal Affairs Committee
 - Membership Committee
 - Water Quality Committee
- 5:00 - 6:30 PM
 - Welcome Reception in the Exhibit Hall

WEDNESDAY, DEC. 1

- 7:30 AM - 5 PM
 - Registration
- 8:00 - 9:45 AM
 - Opening Breakfast *(Ticket Required)* ⬢
- 8:30 AM - 6:00 PM
 - Connect in the Exhibit Hall
- 10:00 - 11:00 AM
 - Attorneys Program ⬢
 - Energy Committee Program ⬢
 - Finance Program ⬢
 - Region Forum ⬢
 - Statewide Forum ⬢
 - Water Industry Trends Program ⬢
- 11:00 AM - 1:00 PM
 - Connect in the Exhibit Hall
 - Exhibitor Demonstrations
 - Networking Lunch *(Ticket Required)*
- Noon - 1:00 PM
 - General Session/Election
- 1:15 - 2:45 PM
 - Attorney Program ⬢
 - Communications Committee Program ⬢
 - Finance Program ⬢
 - Region Forum ⬢
 - Statewide Forum ⬢
 - Water Industry Trends Program ⬢
- 3:00 - 3:30 PM
 - Ice Cream Break in the Exhibit Hall
- 3:30 - 4:30 PM
 - Roundtable Talks
- 3:45 - 5:30 PM
 - Legal Affairs Committee
- 5:00 - 6:00 PM
 - Outreach Reception in the Exhibit Hall
- 6:00 - 7:00 PM
 - CalDesal Hosted Mixer
 - Jacobs Hosted Reception
 - Women in Water Hosted Reception
- 7:00 - 10:00 PM
 - Dinner & Entertainment *(Ticket Required)*

THURSDAY, DEC. 2

- 7:30 AM - 4:00 PM
 - Registration
- 7:45 - 9:15 AM
 - Regions 1-10 Membership Meetings
- 8:00 - 9:15 AM
 - Networking Continental Breakfast in the Exhibit Hall *(Ticket Required)*
- 8:00 AM - Noon
 - Connect in the Exhibit Hall
- 8:30 - 10:45 AM
 - Ethics Training (AB 1234) - *Ltd. Seating*
- 9:30 - 11:00 AM
 - Attorneys Program ⬢
 - Federal Forum ⬢
 - Finance Program ⬢
 - Region Forum ⬢
 - Statewide Forum ⬢
 - Water Industry Trends Program ⬢
- 11:15 - 11:45 AM
 - Prize Drawings in the Exhibit Hall
- Noon - 2:00 PM
 - General Session Luncheon *(Ticket Required)* ⬢
- 2:15 - 3:15 PM
 - Attorneys Program ⬢
 - Exhibitor Demonstrations
 - Human Resource Program ⬢
 - Statewide Forum ⬢
 - Town Hall ⬢
 - Water Industry Trends Program ⬢
- 3:30 - 4:30 PM
 - Closing Reception

All conference programs are subject to change.

Last modified: August 23, 2021

ACTION/DISCUSSION ITEMS

**REGULAR MEETING OF THE BOARD OF DIRECTORS
PICO WATER DISTRICT
4843 S. Church Street
Pico Rivera, California, 90660**

6:00 P.M. Wednesday, September 1, 2021

AGENDA

7. ACTION/DISCUSSION ITEMS.

Discuss Conditions and Requirements for the Water Replenishment District PFAS Remediation Agreement. *Recommended Action – to be considered at the Board Meeting.*

MEMORANDUM

To: Honorable Board of Directors

From: Mark Grajeda, General Manager

Meeting Date: August 24, 2021

Subject: WRD PFAS Remediation Agreement Executive Summary

In March of 2020 the Water Replenishment District (WRD) sent out a PFAS Pumper Survey asking all pumpers to answer a number of questions regarding how they would like WRD to handle addressing the potential cleanup of PFAS found in the local groundwater. Over the next few months WRD held a number of meetings with the pumpers (see enclosed Exhibit A) to move closer to a final outcome which was to create a PFAS Remediation Program to help any pumper who applies to the program with financial aid. Since March of 2020, the District has met with WRD on numerous occasions to provide input to WRD's staff in developing the PFAS Remediation Program's terms and financial aid levels. We believed we could work out all unresolved issues with WRD and agree to a plan that would benefit both the District and WRD.

In February of this year, the District, as well as other PFAS Remediation Program applicants, received the first draft of WRD's PFAS Agreement and it was not at all what we were expecting (see enclosed Exhibit B and Exhibit C). The District set up a meeting with most of the applicants to discuss our expectations of the Agreement and with input from the other applicants provided WRD with an alternative Agreement. It took WRD several months to get back to the applicants regarding our alternative agreement, which they did not accept. The District then met with representatives from WRD to further discuss the outstanding issues, but we were not able to agree on an acceptable Agreement between our respective agencies. On July 30th we received a new draft Agreement from WRD, which included input from the District regarding our hard costs and engineer's estimate of probable costs. On August 9th, the District provided our responses to WRD's July 30th version, including further revisions to the Agreement needed to protect the District. On Thursday August 19th we heard back from WRD and received their responses to our August 9 comments, along with the apparently final funding terms (see enclosed Exhibit D).

Based on the latest and most current comments from WRD we have issues with the following sections.

Page 5 – Program Funding – Section 3.2(2) – funding limited to \$1,000 per acre-foot of historical average pumping; and Section 3.2(3) – funding capped at \$5 million per pumper, without exception or ability to further work with WRD on additional funding;

Page 8 – Funding Support Program (“Pumper-Built”) – Sections 5.2 and 5.3 – given the status of the District’s treatment efforts (i.e., design already done and contract for vessels already awarded), it is important for the Agreement to reflect that status;

Page 9, Program Operations & Maintenance Obligations Sections 6.1 - B, C; 6.2 – B, and D – there needs to be protection for the District to address the situation if something outside of the District’s control occurs that necessitates shutting down a well and its treatment system;

Page 12, Grants – Section 7.2 – if the District obtains a grant to help offset costs of the treatment, it should be able to recover its costs incurred in connection with that grant before having to reimburse WRD;

Page 14, Legal Cost Recovery Efforts - Section 8.4 – 4 – as we have already contracted with SL Environmental to pursue cost recovery from the PFAS manufacturers, we need to ensure any agreement concerning our litigation is coordinated with WRD’s litigation efforts and that we do not end up breaching our agreement with SL Environmental.

Attachments:

Exhibit A – Specific Project Details

Exhibit B – PFAS Program Agreement Part A, Final 02-01-21

Exhibit C – Memo from Jim Ciampa, 02-11-21

Exhibit D – WRD PFAS Program Agreement with PWD Edits and WRD Responses

EXHIBIT A

PFAS Remediation Program Timeline

- March 27, 2020 – PFAS Pumper Survey Initiated
- April 29, 2020 – WRD PFAS Cost Conference Call/ Webinar
- May 8, 2020 – PFAS Survey Due
- July 7, 2020 – Joint BAC/TAC Meeting to review and recommend PFAS Remediation Program to WRD Board
- August 20, 2020 – WRD PFAS Remediation Program Adopted by Board
- September 10, 2020 - PFAS Remediation Program Applications posted
- September 30, 2020 – PFAS Remediation Program Applications Due
- October 19, 2020 – Joint BAC/TAC Meeting to review PFAS Application summary

EXHIBIT B

WRD PFAS REMEDIATION
PROGRAM PARTICIPATION AGREEMENT

This PFAS REMEDIATION PROGRAM PARTICIPATION AGREEMENT (the “**Agreement**”) is hereby effective on the date of approval by WRD (“**Effective Date**”) of the Agreement and is between the WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA, a California Special District organized and existing pursuant to the Water Replenishment District Act, California Water Code Section 60000 et. seq. (“**WRD**”), and (**Pumper**,” or “**Pumpers**”¹). WRD and the Pumper(s) are each a “**Party**” and collectively “**Parties**” to this Agreement.

A. WRD manages the West and Central Groundwater Basins (“**Basins**”) in Los Angeles County in order to support a variety of beneficial uses. Much of the potable water supply currently used within WRD boundaries is pumped groundwater for use by Pumpers within WRD’s service area. The Water Replenishment District Act (“**WRD Act**”) in the California Water Code authorizes WRD in Section 60220 et. seq. to take actions for the purpose of protecting and preserving the ground water supplies within the district for beneficial use, a district may take any action, within the district, including but not limited to, capital expenditures to protect and preserve groundwater supplies.

B. A group of man-made substances known as per- and polyfluoroalkyl substances (“**PFAS**”) has been used in numerous consumer and industrial products since the 1940s. Recent testing in the Basins has revealed that as of the Effective Date, at least _____ Pumpers and at least _____ groundwater wells are impacted by PFAS.

C. Pumpers are governmental agencies (or a regulated public utility) that operate public water systems for the purpose of delivering potable water. They obtain water supply by pumping groundwater from Water Producing Facilities within the Basins.

D. In July 2018, the State of California Division of Drinking Water (“**DDW**”) established a Response Level (“**RL**”) of 70 parts per trillion (“**ppt**”) for perfluorooctanoic acid (“**PFOA**”) and 70 ppt perfluorooctane sulfonate (“**PFOS**”), two types of PFAS. In February 2020, DDW established revised RLs of 10 parts ppt for PFOA and 40 ppt for PFOS. Assembly Bill 756, codified at Health and Safety Code Section 116378, and effective January 1, 2020, requires that community water systems, including Pumpers, either notify their customers of PFAS detections exceeding RLs or remove from service drinking water sources with PFAS exceeding RLs.²

E. In November 2019, the State of California Office of Environmental Health Hazard

¹ “Pumpers” means the listed public agencies (and any regulated public utility) identified herein, and groundwater pumpers, that extract groundwater from the Basins via “Water Producing Facilities” (as that term is defined in Section 60018 of the California Water Code), and who are adversely impacted by PFAS in one or more Water Producing Facility/Facilities they own or operate.

² DDW’s February 2020 guidance directs community water systems to test for PFAS using EPA Method 537.1 and notes that DDW defines PFAS “as those analytes included in EPA Method 537.1.”

Assessment began the process of developing drinking water Public Health Goals (“PHGs”) for PFOA and PFOS, the first step in the regulatory process leading to DDW setting enforceable Maximum Contaminant Levels (“MCLs”). As of the Effective Date, DDW projected establishing MCLs for PFOA and PFOS by the Fall of 2023, with PHGs projected to be established by the Summer of 2021.

F. PFAS compounds create a unique groundwater contamination issue that impacts many Pumpers. Without any action, PFAS impacted groundwater may migrate affecting other Water Producing Facilities and larger portions of the Basins.

G. The Parties desire that the Basins continue to provide a groundwater supply of suitable quality to allow for the continuation of all existing and potential beneficial uses, and that is in compliance with all state and federal standards and relevant advisory levels. Quick and effective actions by WRD, in concert with Pumpers, are needed to remove, treat and control PFAS down to established regulatory limits while also removing them to prevent their contamination of other portions of the Basins.

H. The Parties recognize the necessity and commit to a high level of coordination to expeditiously design, construct and operate PFAS treatment systems (“**Treatment Systems**”) to remove PFAS from the Basins where PFAS is detected in Water Producing Facilities.

I. Treatment of water containing PFAS helps mitigate the spread of contamination in the Basins and provides for the use of groundwater which serves as the most reliable and cost-efficient source of water, further decreasing our dependence on water imported from Northern California and the Colorado River.

J. As a result of DDW issuing revised RLs for PFOA and PFOS, and anticipated issuance of RLs and state or federal MCLs for other PFAS, Pumpers have lost, or are anticipated to lose upon finalization of the RLs and/or MCLs for one or more PFAS, pumping capacity in one or more Water Producing Facilities due to the presence of PFAS. Given the magnitude of the PFAS problem within the Basins, and WRD’s desire to improve and protect the quality of the groundwater supplies within the District so that groundwater from the Basins may be beneficially used, WRD has developed, and is implementing through this Agreement and other actions, a new program that will allow WRD to treat groundwater containing PFAS by funding, contracting and cooperating with Pumpers to develop, construct, operate, and maintain wellhead Treatment Systems such that water quality within the WRD service area will be improved (“**Program**”), and such that Pumpers can continue to beneficially use groundwater from the Basins after treatment for drinking water purposes.

K. WRD has the authority under California Water Code Section 60224 “for the purpose of protecting and preserving the groundwater supplies within the district for beneficial uses, a district may take any action, within the district, including, but not limited to, capital expenditures and legal actions, which in the discretion of the board is necessary or desirable to accomplish any of the following: (a) Prevent contaminants from entering the groundwater supplies of the district, whether or not the threat is immediate; (b) Remove contaminants from the groundwater supplies of the district; (c) Determine the existence, extent, and location of contaminants in, or which may enter, the groundwater supplies of the district; (d) Determine

persons, whether natural persons or public entities, responsible for those contaminants; (e) Perform or obtain engineering, hydrologic, and scientific studies for any of the foregoing purposes.” WRD hereby takes the actions contemplated in this Agreement pursuant to the authority conferred by the referenced section and its powers as provided by the WRD Act.

L. WRD has determined that certain portions of the Basins in the vicinity of Pumpers’ Water Producing Facilities are polluted by PFAS, and that entering into this Agreement with Pumpers will encourage beneficial use of groundwater polluted by PFAS that would otherwise not be used while improving the quality of water supplies within the District.

M. WRD and the Pumpers mutually desire to enter into this Agreement pursuant to the WRD Act to document the Program responsibilities of the Parties in the construction and operation of PFAS Treatment Systems, systems that the Parties will use to treat PFAS pollution and contamination, thereby improving the quality of groundwater supplies within WRD.

N. This Program Agreement sets forth the terms and general requirements for participation in the WRD PFAS/PFOA Well Treatment Program. This Participation Agreement sets forth the terms and basis for the Program. The execution of this Agreement does not guarantee funding for any Pumper system or associated costs. Any and all project funding shall be addressed in a separate funding agreement.

The Parties therefore agree as follows:

1. The Recitals above are deemed true and correct and are hereby incorporated in this Agreement as though fully set forth herein. The Parties agree that the actions that will be taken pursuant to this Agreement are reasonable and necessary to accomplish the goals and objectives of the WRD Act.

2. PURPOSE:

2.1 Facilitation of Basins-wide Treatment. WRD and the Pumpers intend to facilitate treatment of the Basins groundwater impacted by PFAS. WRD will coordinate and fund planning and treatment efforts pursuant to the terms of this Agreement.

2.2 PFAS Compounds and Reopener. The Parties recognize the necessity of and commit to a high level of coordination to expeditiously design, construct and operate PFAS Treatment Systems to remove PFAS from the Basins where PFAS is detected in a Pumper’s (existing or anticipated) Water Producing Facilities that exceed an applicable RL or MCL. The Parties acknowledge that additional compounds within the PFAS family may become regulated during the term of this Agreement.

3. PROGRAM:

3.1 Participation Options.

WRD through this Program awards participant Pumpers the option of participating in one of two program options:

1. Funding Support Program: WRD to provide funding only based upon agreed upon project either in an agreed upon lump sum at project completion and close out or through the issuance of progress payments in accordance with an agreed upon capital expenditure timeline. Pumper shall be reimbursed for pre-approved treatment system design and construction ("Pumper-Built").
2. Turnkey Program: WRD to provide planning, design, building and management of the construction of treatment systems through project completion. WRD shall fund all costs up to the support limit the Pumper is awarded through the Program. The Pumper is responsible to pay any and all costs for the project that exceed the amount awarded through the Program ("WRD-Built").

3.2 Program Funding:

Program funding for either of the two program options identified above shall be governed by the following funding limit calculation:

1. Funding shall be based on a three water year average of pumping from the affected well site as reported to Watermaster. In the event that the subject well has been shut down due to PFAS, the funding shall be based on a two year average of pumping reported to Watermaster from the affected well site, utilizing the most recent two years of operation.
2. Funding shall be based on the following formula:
pumping average (as reported to Watermaster) x \$1000.00 per acre foot ("Funding Amount").

3.3 Conditions for Funding applicable to both Program options:

1. Provision of licensed engineers condition assessment as to the condition of the well, and associated distribution system and viability for operation through the requirements of this Program. A condition assessment will be completed prior to the completion of system design.
2. Requirements as set forth in this Agreement and the specific requirements of the Program option selected.
3. Pumper to demonstrate adequate financial reserves and ability to cover any and all costs in excess of the WRD funding identified in Section 1.2 of this Agreement.

4. **TURNKEY PROGRAM ("WRD-BUILT"):**

4.1 Funding. WRD shall fund the reasonable cost to design and construct the Treatment System subject to program funding limitations in Section 3.2, except for costs as described in Section 4.3. WRD at 30% design, will evaluate cost and project viability in conjunction with Pumper's ability to cover costs in excess of program funding. Pumper shall demonstrate the ability to fund all costs in excess of program funding identified in Section 3.2.

4.2 CEQA/NEPA. In connection with the proposed Treatment System for

Impacted Wells, the Parties agree that the Pumper shall act as lead agency for CEQA/NEPA compliance. All aspects of CEQA/NEPA compliance shall be borne by the Pumper.

4.3 Property Acquisition, Entitlements.

A. Land and Rights of Way. Each Pumper shall secure at its expense any land and/or right of way necessary to construct the Treatment System(s).

B. Entitlements. Each Pumper shall obtain at its expense all land use entitlements and permitting necessary to construct the Treatment System(s).

C. Property Conditions for WRD-Built Treatment System. If a Pumper chooses a WRD-Built Treatment System, then WRD will have no obligation to design or construct the Treatment System until a Pumper has demonstrated it has obtained lands and land use entitlements sufficient to permit construction of the Treatment System. WRD may begin final design work for facilities where land use entitlements are in the process of being obtained. If a Pumper is unable to obtain the necessary entitlements within twelve months after the completion of the preliminary design for an Impacted Well, then Pumper shall reimburse WRD for reasonable design costs associated with that location.

4.4 WRD-Built Facilities. The provisions of this Section 4.4 apply to PFAS treatment facilities that a Pumper elects to have WRD design and build.

A. Design. WRD will consult with and seek input from the Pumper on the design and construction of the Treatment System. Pumper shall support and assist WRD in hiring design consultants and designing the Treatment System, but WRD will have the reasonable authority and discretion in determining the Treatment System final design. The level of treatment selected by WRD must allow the Pumper to treat regulated PFAS to comply with RLs or MCLs, unless special circumstances dictate an alternative approach.

B. Property Rights. A Pumper shall provide WRD with temporary property rights over any site necessary for construction, staging, and laydown for the Treatment System project. These temporary property rights will be in the form of a license or temporary construction easement, or other property right sufficient to provide for WRD's control of the site during construction.

C. Advertising and Award of Construction Contracts. WRD shall advertise, where required by the WRD Act, and award construction contracts for construction of the Treatment System. A Pumper shall support and assist WRD in these efforts and shall expeditiously provide any documents necessary for procurement and construction at no cost to WRD.

D. Administration and Inspection. WRD will administer the necessary contracts to construct the Treatment System, including reviewing and responding to contractor requests for information or requests for clarification, reviewing and approving shop drawings, and filing a Notice of Completion. WRD shall provide all construction and inspection for the Treatment System.

4.5 Transfer of Treatment System. Upon filing the Notice of Completion for the Treatment System, WRD will transfer the constructed and operating Treatment System to the Pumper with an appropriate legal instrument and a quitclaim of any property rights obtained under Section 4.4. WRD shall provide the Pumper with copies of all applicable O&M manuals and record drawings for the Treatment System in WRD's possession.

Upon the Pumper's receipt of the legal instrument and quitclaim of property rights, Pumper shall be solely responsible for ensuring the proper operation, maintenance and repair of the Treatment System.

A. Warranty, Post-Construction Remedies. WRD will assist with any construction defect claims not attributable to the negligence or willful misconduct of Pumper for one year after the date of filing of the Treatment System Notice of Completion. The Parties will also, to the extent they deem prudent, jointly pursue any statutory construction defect remedies against third-party designers and contractors.

B. DDW Permit Assistance. WRD will support and assist the Pumper with technical information in modifying the Pumper's DDW operating permit to account for and authorize the new Treatment System as part of the Pumper's public water system. Pumper will be solely responsible for any and all DDW permit compliance.

5. **Funding Support Program ("Pumper-Built"):**

5.1 The provisions of this Section 5 applies to PFAS treatment facilities that a Pumper elects to design and build with program funding identified in Section 3. As a requirement of funding under the Funding Support Program, the Pumper must have a designated licensed professional engineer responsible for all project management and program oversight.

A. WRD Acceptance of Design. The Pumper shall hire their own licensed engineers, designers, consultants, contractors and prepare and submit to WRD for acceptance of a condition assessment and conceptual design with all applicable analysis and basis for the Treatment System. WRD shall review and provide acceptance of Program compliant designs in writing within 30 days. All designs to the extent possible should be scalable in a manner to address compliance with future requirements. Once conceptual design for a Pumper's proposed Treatment System is approved by WRD, the Pumper will coordinate with WRD in the planning and final design of the Treatment System. The Pumper shall then prepare and submit the final design to WRD for approval. WRD shall participate in the Pumper's project meetings as necessary to obtain WRD's final approval of the Treatment System in an expeditious manner so as not to delay the Pumper's design and construction of the Treatment System. WRD shall review and approve the final design, if deemed reasonable and effective, in writing, within 30 days. WRD shall have the right to place reasonable conditions on the final design approval.

B. Construction. Upon WRD's approval of the final design, the Pumper shall advertise, award, and ensure timely completion of all necessary contracts to construct the Treatment System in accordance with all applicable laws and procurement regulations. The Pumper shall notify WRD upon the award of the construction contract and upon recording the Notice of Completion. Pumper shall hire a construction manager for the Project and said construction manager shall share information and reports with WRD upon request.

Pumper shall contract directly with all entities required to build their own system. WRD will not provide any assistance other than the funding identified in Section 3. Usage of the funding shall be limited to capital costs only. Any funds used for non-capital costs shall be refunded to WRD and shall be subject to cost recovery actions by WRD with the Pumper responsible for any all costs borne by WRD in such action.

C. Funding. WRD shall provide funding in the form of reimbursements to pumpers at either completion of the project or in the form of monthly advances. If the Pumper desires monthly advances, the Pumper must submit billings to WRD each month for eligible expenses. Review and payment of the submission shall be conditioned on the receipt of documentation to the satisfaction of WRD evidencing the work completed and payment by the Pumper to the vendor for the reimbursement sought. WRD shall withhold a five percent (5%) retention on each payment made and shall release said retention within 60 days of completion of construction and demonstration of successful operations and compliance and compliance and satisfaction of any and all WRD requests and compliance with the terms of this Agreement and the terms of any other program documents and the terms of the funding agreement.

6. PROGRAM OPERATIONS & MAINTENANCE OBLIGATIONS.

6.1 20-Year Term. Each Pumper shall operate, maintain, and repair a Treatment System, and any related Impacted Well, for the earlier of:

- A. 20 years following the filing of the Notice of Completion; or
- B. Until water produced from the Impacted Wells meets RLs or MCLs for PFAS.

6.2 Operating Standards.

- A. WRD recognizes in the normal course of operating a water system, the Treatment System and Impacted Wells may need to be turned off for routine maintenance, seasonal demands, emergencies, accommodating in-lieu imported water deliveries, and major repairs. Each Pumper agrees to operate the Treatment System in a manner consistent with industry standards and take actions in the same manner as a reasonably prudent water system operator, with the understanding that the Treatment System funded by WRD is intended to be regularly used for daily treatment of groundwater as long as PFAS exceeds an RL or MCL in the Basins in the vicinity of the well. The Parties understand and agree that Treatment Systems constructed or funded by WRD are not intended to be used as "stand by" treatment systems.
- B. All Treatment Systems constructed or funded by WRD must operate and produce the pumping volumes as identified in Section 3.
- C. Pumpers to file annual reports with WRD on compliance and operations for the period of time identified in Section 7.1.
- D. If a treatment system does not produce the pumping average for the which the well funding is based, Pumper must make a presentation to

the WRD Budget Advisory Committee (BAC) and Technical Advisory Committee (TAC) and provide and presentation to both the BAC and TAC a plan to reach compliance in the shortest time frame possible.

- E. If the Pumper is unable to achieve the requisite pumping required (underproduction), the Pumper shall reimburse WRD for its funding pursuant to the terms of this agreement within 2 years as of the date the pumping default first occurred.

6.3 Compliance, Permits, Testing, Reporting. Each Pumper shall obtain and comply with any and all regulatory permits, permissions or approvals necessary to operate and maintain the Treatment System. Pumper shall operate and maintain the Treatment System in accordance with state and federal regulatory requirements, prevailing industry standards, required maintenance practices, and equipment manufacturer recommendations and requirements. Pumper shall perform required water quality testing and reporting to verify the successful operation of the Treatment System to comply with regulatory requirements. A failure to maintain compliance shall result in a default of the operations requirements outlined in this section. Pumper shall also provide operational reporting as requested by WRD. Annually, within 45 days of the close of the fiscal year, pumper shall provide the quantity of water pumped, treated, served and the levels of PFAS pumped out and entering the product water stream. Water quality into the water stream shall be at non-detect levels.

7. FINANCIAL.

7.1 Capital Costs—Payment and Reimbursement.

A. Prior Cost Reimbursement for Qualifying Work Completed Prior to Funding. WRD will pay as up-front costs all planning, design, construction, and start- up costs as described above, except for the costs for property rights, land use entitlements, additions, permits, Pumper staff time, other project enhancements, or as otherwise described in this Agreement up to the identified funding level. All requests for payment of up-front costs shall be deducted from the funding amount identified in Section 3.2. Pumper shall be responsible for any and all costs and fees in excess of the identified funding amount in Section 3.2.

B. Pumper-Built Facilities—Reimbursement. WRD shall reimburse the Pumper for reasonable professional services as determined by WRD in its sole discretion for the planning, design, construction, and start-up of Treatment System on a monthly progress payment basis. WRD shall pay reimbursements subject to retention to the Pumper within 30 days of receiving adequate documentation from the Pumper in compliance with Section 5(c). Pumper shall maintain all records, backup and project information until project completion and close out, pursuant to the terms of this Agreement.

- (1) Authorized expenses include, but may not be limited to:
 - (1) Planning costs, design costs, construction costs inclusive of startup and commissioning
- (2) Unauthorized expenses for reimbursement shall include:
 - (1) the Pumper's staff time; (2) direct or indirect overhead type expenses for staff; and (3) costs not primarily attributable to Treatment System design, construction and (4) any and all costs

related to O&M or existing systems, deferred maintenance or existing site conditions.

- C. **Submission Requirements.** All reimbursement submissions shall be in the manner identified and requested by WRD, with all back up and documentation requested and specified by WRD.

7.2 Grants.

A. WRD-Sought. WRD may seek federal, state, or other grant funding to offset costs of the PFAS program contemplated by this Agreement. Each Pumper shall support and assist WRD, as requested by WRD, to obtain any grants that may be used by WRD to fund construction. Grant funds received by WRD will be used to fund WRD's costs of planning, design and construction of Treatment systems, unless otherwise required by the terms of that grant. Pumper agrees to comply with any and all conditions imposed by any funding source.

B. Pumper Support to WRD-Sought Grants. Each Pumper shall support and assist WRD in preparing any annual reports or documents necessary for WRD to comply with grants received for the PFAS program. Subject to the requirements of this Section, no provisions in this Agreement will prevent a Pumper from applying for grants or loans, from any source.

C. Pumper-Sought Funding. All Pumpers are encouraged to seek third-party funding for Treatment System-related expenses. Any outside development and design type grants or funding initiated and received by a Pumper will be utilized to offset WRD's PFAS design or construction costs for the Pumper. If a Pumper receives any grants or other third-party funding that Pumper shall share those proceeds with WRD in proportion to the percentage funded by WRD if allowed by the grant or other third-party funding instrument.

7.3 Records Retention, Audit. The Parties shall keep and maintain all records, accounts and reports relating to this Agreement for a period of at least ten years after the date of a final judgment or final settlement resolving any and all litigation related to PFAS cost recovery initiated per Agreement. The Parties will have access to these records at any time during normal business hours upon 10 calendar days' notice. At its cost, any Party may audit the books, records and accounts of the Party relating to its performance of this Agreement, and the audited Party shall provide reasonable cooperation to the auditing Party in this regard.

8. **RISK ALLOCATION.**

8.1 Insurance.

A. Construction Activities. In the hiring of consultants and contractors to design and build the Treatment System, the hiring or contracting Party will have the other Party (WRD, if Pumper-Built, or the designing/building Pumper, if WRD-Built) included as an additional indemnitee and additional insured on the same basis and with the same limits in all contracts. The hiring Party will use the higher of the two Parties' standard limits for the purpose of coverage requirements. For example, in connection with an WRD-Built Treatment System, WRD shall have Pumper named as an additional indemnitee and an additional insured in all consulting and construction contracts related to the Pumper's Treatment System(s). In connection

with a Pumper-Built Treatment System, Pumper shall have WRD named as an additional indemnitee and an additional insured in all consulting and construction contracts. The hiring or contracting Party shall provide the other Party with proof of insurance, including additional insured endorsements.

B. Parties' Coverage. Each Pumper shall take out and maintain in effect at all times during the term of this Agreement comprehensive general liability insurance in an amount not less than \$2 million per occurrence, for bodily injury, death and property damage associated with the operation and maintenance of the Treatment Facilities and Impacted Wells, naming WRD as an additional insured under such policy. An endorsement evidencing this insurance coverage shall be furnished to WRD prior to WRD or Pumper commencing construction on a Treatment System. The cost of insurance shall not be a reimbursable cost of the project.

8.2 Indemnity.

A. By Pumper:

(1) Each Pumper shall defend, indemnify and hold WRD, harmless from and against any and all actions, suits, claims, demands, judgments, attorney's fees, costs, damages to person or property, losses, penalties, obligations, expenses or liabilities (collectively, "**Claims**") that may be asserted or claimed by any third party arising out of the negligent or reckless performance or implementation of this Agreement by Pumper except for Claims arising out of or relating to the design or construction of a Treatment System where WRD designed or constructed the Treatment System.

(2) Pumper shall indemnify, defend and hold WRD harmless from any liability, or regulatory enforcement attributable, in whole or in part, to Pumper's failure to properly operate and maintain the Treatment System and Impacted Wells.

B. By WRD:

(1) WRD shall defend, indemnify and hold each Pumper harmless from and against any and all Claims that may be asserted or claimed by any third party arising out of the negligent or reckless performance or implementation of this Agreement by WRD.

8.3 Release and Hold Harmless.

A. Pumpers' Release of WRD.

(1) Pumper hereby releases WRD, its officers, directors, employees, agents and representatives, from any and all liability, known or unknown, arising out of, or otherwise attributable to the discovery and/or presence of PFAS in source water, the Basins, Pumpers' Water Producing Facilities, and Pumpers' potable or non-potable water system, before, during or after treatment. Such release shall include, but is not limited to, claims or litigation initiated by third parties against a Pumper or WRD, and any other legal, administrative, or regulatory actions associated with WRD's performance of its obligations under this Agreement.

B. No Admission of Liability. Nothing contained herein shall be deemed

an admission of liability by any Party to this Agreement.

8.4 Legal Cost Recovery Efforts.

A. WRD anticipates commencing litigation against responsible parties, including chemical manufacturers of PFAS, in order to recover costs from persons responsible for placing PFAS into the stream of commerce and/or the environment where it could make its way into the Basins (“**Damages**”). The Pumper shall support, coordinate, assist and comply with all reasonable WRD requests regarding WRD’s cost recovery litigation related to pursuit of Damages associated with PFAS.

B. WRD will request each Pumper that has sustained Damages to determine if intends to jointly retain counsel with WRD in litigation to recover Damages. Pumpers who join as co-plaintiffs are “Participating Pumpers” in WRD’s cost recovery efforts.

C. Should the WRD Board move forward with PFAS litigation, any Participating Pumpers will enter into an appropriate joint prosecution/common interest agreement for Shared Litigation Counsel and establish confidentiality and privilege concerning communications and work product of the Steering Committee and Executive Committee.

D. Participating Pumpers can decide at any time to discontinue participation in the litigation initiated by WRD, but agree, if applicable, to pay to Shared Litigation Counsel, in accordance with any retainer agreement negotiated with Shared Litigation Counsel, for the withdrawing Pumpers share of Shared Litigation Counsel’s reasonable attorneys’ fees and cost incurred prior to the date of withdrawal (if any). Further, per the terms of any retainer agreement with Shared Litigation Counsel, the Participating Pumpers agree to maintain as confidential, and where applicable, to return, any communications and work product obtained via the litigation.

E. WRD is evaluating the option of joining with Pumpers impacted by PFAS as co-plaintiffs with Shared Litigation Counsel, potentially on a contingency basis. However, if a Pumper decides to pursue or initiate separate PFAS litigation (“**Separate Litigation**”), Pumper shall notify WRD of such intent thirty (30) days prior to formally filing the Separate Litigation. Pumper in the Separate Litigation must comply with the following:

(1) The Pumper shall give WRD the opportunity to review and comment on Separate Litigation documents (e.g., pleadings) prior to any Separate Litigation filing.

(2) No PFAS related cost incurred by WRD, or likely to be incurred by WRD, and related to the Pumpers treatment system(s) (construction and/or O&M), will be asserted in a Pumper’s Separate Litigation.

(3) In order to prevent duplicative claims for the same damages in separate lawsuits, assertion of which without WRD’s consent shall constitute a violation of this Agreement, WRD must approve any PFAS related cost a Pumper is seeking to recover prior to its assertion in Separate Litigation. However, WRD shall not unreasonably withhold such approval, and shall consult in good faith with counsel for a Pumper that wishes to initiate Separate Litigation in order to seek ways to accommodate the interests of both Parties, prior to disapproving any cost.

(4) A Pumper shall closely coordinate its separate legal action with WRD, and, where requested in good faith by WRD, support the positions taken by WRD related to PFAS in court and in political, community and business forums.

(5) A Pumper shall not assert claims against WRD in any litigation related to PFAS, or otherwise knowingly take positions that could result in WRD or other Pumpers incurring liability related to PFAS as a result of the position asserted by the Pumper in the Separate Litigation.

9. **EXPIRATION AND TERMINATION.** This Agreement expires 20 years from the Effective Date. A Pumper may terminate this Agreement upon providing 90 days written notice to WRD. However, if a Pumper terminates this Agreement prior to the 20-year date of expiration, the Pumper shall reimburse WRD for all of WRD's unrecovered costs in constructing the Treatment System using the methodology described in footnote³ ____, plus any other reasonable expenses incurred by WRD as a result of the early termination.

10. **NOTICE.** Any notice, instrument, payment or document required to be given or delivered under this Agreement shall be given or delivered by personal delivery or by depositing the same in a United States Mail depository, first class postage prepaid, and addressed as set forth in Exhibit B. Notice under this Agreement may also be provided to such other address as any Party may direct in writing to the other. Service of any instrument or document given by mail will be deemed complete upon receipt if delivered personally, or forty eight (48) hours after deposit of such instrument or document in a United States mail depository, first class postage prepaid, and addressed as set forth above.

11. **MISCELLANEOUS.**

11.1 Further Assurances. The Parties shall execute and deliver any documents and cooperate in performing any acts necessary to further the intent of this Agreement.

11.2 Time is of the Essence. Time is of the essence in performing all obligations under this Agreement.

11.3 Counterparts. This Agreement may be executed in multiple counterparts, each of which is an original. All signatures taken together will be considered as one and the same agreement.

11.4 Force Majeure. Upon written notice by a Party, the respective duties and obligations of the Parties will be suspended for the time period that performance by the Party is prevented or substantially impeded by workforce strikes; riots; fire; flood; federal, state or county regulatory action; pandemics, war; or terrorism.

11.5 Dispute Resolution. If a dispute arises between the Parties in connection with this Agreement, the Parties shall engage in a mediation before a third-party neutral.

11.6 Successors and Assigns. All of the terms, conditions and provisions of

³ The reimbursement shall be based on the following formula: unproduced amount x \$1000.00 per acre foot.

this Agreement inure to the benefit of and will be binding upon WRD, the Pumper, and their respective successors and assigns.

11.7 No Implied Waivers. If any term, condition or provision of this Agreement is breached by either Party and thereafter waived by the other Party, that waiver will be limited to the specific breach so waived, and will not be deemed either to be a continual waiver or to waive any other breach under this Agreement.

11.8 No Obligation to Third Parties. The approval, execution and performance of this Agreement does not confer any rights upon any person or entity other than WRD and the Pumpers. There are no third-party beneficiaries to this Agreement. Each Pumper's obligations under this Agreement are to WRD only, unless otherwise specifically stated herein (e.g., requirement to release or provide notice to other Pumpers).

11.9 Nature of Relationship. This Agreement does not create, and will not be construed or deemed to create, any agency, partnership, joint venture, landlord-tenant or other relationship between WRD and any Pumper except as specified in this Agreement.

11.10 Integration, Construction and Amendment. This Agreement represents the entire understanding of WRD and each Pumper as to the design and construction of PFAS treatment facilities for the Impacted Wells. No prior oral or written understanding will be of any force or effect with respect to those matters covered by this Agreement. This Agreement will be construed as if drafted by both WRD and each Pumper.

11.11 Modification, Variance and Most Favored Nation Provisions. Unless specifically authorized herein, this Agreement may not be modified, altered or amended unless in writing signed by authorized representatives of both WRD and all Pumpers, except that WRD and any individual Pumper may enter into a Pumper-specific "Variance" that will be applicable only with respect to WRD and that specific Pumper. Except for where site-specific circumstances require unique considerations, WRD shall interpret and administer this Agreement in a similar manner with each Pumper. At least 30 days prior to approving any proposed Variance, WRD will provide written notice of the proposed Variance to the other Pumpers and provide each with an opportunity to opt into the same terms of that Variance. Upon approval of any Variance, WRD shall provide a fully-executed version of the Variance to each Pumper that has opted in under the Variance.

11.12 Severability. Each provision of this Agreement is severable from the whole. If any provision of this Agreement is found contrary to law, the remainder of this Agreement will continue in full force.

11.13 Authority.

A. Pumper hereby agrees that funding provided by WRD per this Agreement is in furtherance of WRD's purpose of treating/purifying water in the Basins to facilitate beneficial use of locally produced groundwater water in order to increase production of groundwater containing PFAS from the Basins—to levels typical prior to setting of RLs for PFAS, and that Pumper's production of water from the Basins is in lieu of Pumper taking water from an alternative non-tributary source, thereby furthering WRD's efforts to remove or

eliminate PFAS contaminants from the Basins.

B. By entering into this Agreement, each Party represents that it, and to the best of its understanding the other Parties to this Agreement, have proper legal authority to enter into this Agreement and to fund the work described herein. Each person executing this Agreement on behalf of a Party warrants that they are: (1) duly authorized to execute and deliver this Agreement on behalf of that Party, (2) by executing this Agreement, that Party is formally bound to the provisions of this Agreement, and (3) entering into this Agreement does not violate any provision of any other Agreement to which that Party is bound. No individual signing this Agreement shall have individual liability under this Agreement. As a condition of entering this

Agreement, all Parties expressly waive any future challenge to the legal authority of the other Parties to enter into this Agreement, or to the authority of any other Party to fund the programs described in this Agreement.

11.14 Construction and Amendment. The terms of this Agreement will be construed in accordance with the plain meaning of the language used and will not be construed for or against any Party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply. The headings of sections and paragraphs of this Agreement are for convenience or reference only and will not be construed to limit or extend the meaning of the terms, covenants and conditions of this Agreement. This Agreement may only be amended by the mutual consent of the Parties by an instrument in writing.

11.15 No Admissions. Nothing in this Agreement may be deemed an admission.

11.16 Effective Date and Binding Effect. The date WRD executes this Agreement shall be the Effective Date of this Agreement. Each Party executing the Agreement thereafter shall be bound by, and benefit from, the terms of this Agreement on the date that Party executes the Agreement, notwithstanding that other Parties have not yet executed the Agreement. No Party shall be bound by this Agreement until such Party has executed this Agreement, nor shall any Party that has executed this Agreement owe any contractual duty to any Party that has not yet executed this Agreement until such other Party executes this Agreement. The timelines referenced in Sections 6.1(C) and 6.2 (G) of this Agreement shall begin to run on the date a Pumper executes this Agreement if such date is after the Effective Date.

11.17 Electronic Signatures. Any Party may execute this Agreement using an "electronic signature," as that term is defined in California Civil Code Section 1633.2, or a "digital signature," as defined by California Government Code Section 16.5. An electronic or digital signature will have full legal effect and enforceability. Nothing in this Agreement requires any Party to use or accept the submission of any subsequent or related document containing an electronic or digital signature where written notice is otherwise required by this Agreement.

[SIGNATURES FOLLOW]

**WATER REPLENISHMENT DISTRICT
OF SOUTHERN CALIFORNIA**

By: _____

APPROVED AS TO FORM:

LEAL TREJO APC

By: _____

DRAFT

INFORMATIONAL ITEMS

**REGULAR MEETING OF THE BOARD OF DIRECTORS
PICO WATER DISTRICT**

4843 S. Church Street
Pico Rivera, California, 90660

6:00 PM Wednesday, September 1, 2021

AGENDA

9. INFORMATIONAL ITEMS.

- A. 08/18/2021 – Whittier Daily News Article – Water Supply Alert Spurs Call for Voluntary 15% Reduction.
- B. Reservoir Conditions – July 12, 2021 and August 25, 2021.

Water supply alert spurs call for voluntary 15% reductionmwisckol@scng.com**SOUTHLAND****By Martin Wisckol**

While local reservoirs have enough imported water for Southern Californians to weather the drought into next year, the severity of water shortages throughout the West on Tuesday prompted the Metropolitan Water District of Southern California to declare a "water supply alert."

The move triggers a call for a voluntary 15% reduction in water use. That reduction could help forestall further water-

saving moves, including restricting supplies to the 26 local water agencies served by Metropolitan and issuing fines for excessive use.

"Although we can hope for a wetter year next year, we must be ready because it's going to be dry probably again and its going to be hot again," said Metropolitan General Manager Adel Hagekhalil at a Tuesday press conference. "The reality is we don't know how long this will last, so we have to prepare. Every drop we save today is a drop we can use tomorrow."

Metropolitan distributes water from the Colorado River and northern California. The decision to seek the voluntary cutback, approved by its board Tuesday, comes a day after the federal government declared a water shortage in the Colorado River for the first time. The move mandates an 18% reduction of the river water for Arizona and 7% for Nevada — as well as reductions for Mexico — beginning Jan. 1.

Other states, including California, were excluded from the federal mandate, but could be added if the water levels at Lake Mead in Nevada continue to drop. The lake is 35% full, its lowest level since the Hoover Dam was completed in 1936 and the reservoir was filled. Lake Powell, upriver of Lake Mead, is only 32% full, also a record low.

Northern California also is suffering from extremely low reservoir levels.

Man-made climate change is considered a key element in drier weather and warming temperatures responsible for the drought. Despite a few years of normal rainfall since 2000, scientists have said the Southwest is experiencing a 20-year megadrought that's the worst in the region since at least the late 1500s.

Gov. Gavin Newsom has

declared a drought emergency for 50 of California's 58 counties. Southern California has been spared that declaration so far, although the state's call for voluntary reductions applies to all counties. Tuesday's announcement by Metropolitan underscores that call and is likely to increase local promotions of the need to reduce use.

Metropolitan heavily promoted the 2007-2009 drought, leading to long-term water savings thanks to initiatives that included drought-proof landscaping and low-flow toilets and showers. Additionally, the district has been aggressively building reservoir and aquifer storage, increasing capacity roughly 13-fold since the 1990s.

"Southern Californians have always stepped up to help us through droughts," Hagekhalil said. "It is because of you that we're in a good position today in spite of extreme conditions. Now we're asking you to help again, to look for ways you can conserve more."

Among immediate suggestions were skipping one or two days of lawn watering per week, taking shorter showers and fixing leaky faucets. Hagekhalil also noted that rebates for low-water use washing machines, toilets and sprinkler nozzles were available at bewaterwise.com, as well as rebates for turf replacement.

While the current drought began in 2020, the district didn't begin tapping its reserves until this year. On Jan. 1, it had a record 3.2 million acre-feet in storage and expects to tap about 600,000 acre-feet of that to help fulfill an anticipated 2021 demand for imported water of 1.75 million acre-feet. An acre-foot is enough for about nine people a year.

Metropolitan serves 19 million people in six counties. Its member water agencies vary widely in the need for imported

water, ranging from those almost entirely dependent on imports to those with local rivers, groundwater basins and reclamation projects that fill the majority of water demand.



A boat is dwarfed by the tall and bleached "bathtub ring" on the rocky banks of Lake Powell on June 24 in Page, Ariz. As severe drought grips parts of the western United States, a below average amount of water is expected to flow through the Colorado River Basin into two of its biggest reservoirs, Lake Powell and Lake Mead.

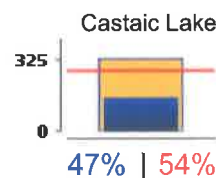
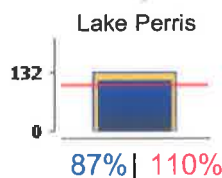
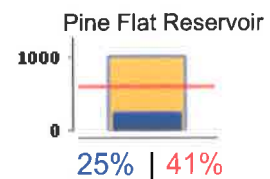
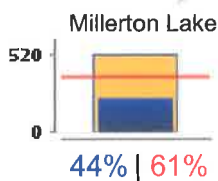
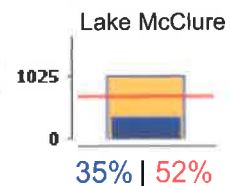
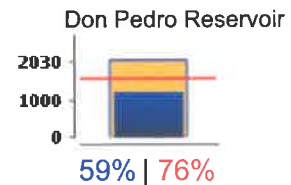
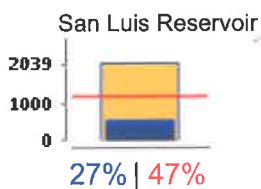
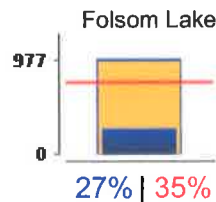
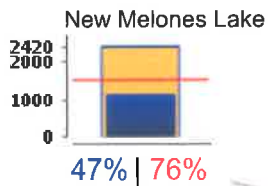
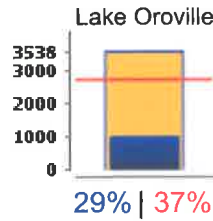
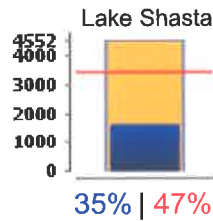
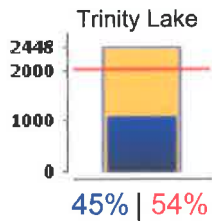
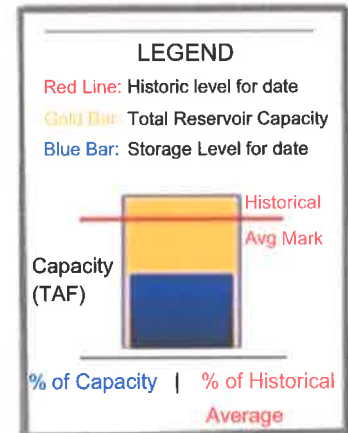
JUSTIN SULLIVAN— GETTY IMAGES



CURRENT RESERVOIR CONDITIONS

SELECTED WATER SUPPLY RESERVOIRS

Midnight: July 14, 2021





CURRENT RESERVOIR CONDITIONS

SELECTED WATER SUPPLY RESERVOIRS

Midnight: August 25, 2021

