

CALLEGUAS MUNICIPAL WATER DISTRICT

2100 Olsen Road, Thousand Oaks, California 91360

www.calleguas.com

Remote teleconference location
[Government Code 54953(b)(3)]:
Evergreen Lodge
33160 Evergreen Rd.
Groveland, California 95321

Written communications from the public must be received by 8:30 a.m. on the Thursday preceding a regular Board meeting in order to be included on the agenda and considered by the Board at that meeting. Government Code Section 54954.2 prohibits the Board from taking action on items not posted on the agenda except as provided in Subsection 54954.2(b).

BOARD OF DIRECTORS MEETING

November 6, 2024, 4:00 p.m.

AGENDA

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE, AND ROLL CALL

BOARD OF DIRECTORS

Scott H. Quady, President
Andy Waters, Vice-President
Raul Avila, Secretary
Jacquelyn McMillan, Treasurer
Thibault Robert, Director

2. PUBLIC COMMENTS

This portion of the agenda may be utilized by any member of the public to address the Board of Directors on any matter within the jurisdiction of the Board that does not appear on the agenda and on matters that are on the agenda but are not designated as action items. Depending on the subject matter, the Board of Directors may be unable to respond at this time, or until the specific topic is placed on the agenda at a future CMWD Board Meeting, in accordance with the Ralph M. Brown Act. Please limit remarks to three minutes.

To participate:

https://us06web.zoom.us/j/84561392448?pwd=H99iPlpQqxn_tyHwp4l9crNoDyA5og.9Lxwf-xOnu0Y39_z

Phone # +1 (720) 707-2699 *825427# (Denver)

Webinar ID: 845 6139 2448

Passcode: 930807

3. PRESENTATION

A. Introduction of new Manager of Operations & Maintenance Omar Castro

B. Recognition of Employees who Recently Completed Degree Programs

- Daniel Cohen, Emergency Response Coordinator, Master's in Public Administration, California State University at Northridge
- Matt Gomez, System Maintenance Supervisor, Bachelor of Science in Business Administration with a concentration in Project Management, National University
- Kristen Morgan, Senior Accounting Technician, Bachelor of Science in Accounting, California Lutheran University

4. ITEMS TO BE ADDED TO THE AGENDA – GOVERNMENT CODE 54954.2(b)

Consideration of any items that require addition to the agenda due to the existence of an emergency situation, the need to take immediate action, and requests for remote participation due to emergency circumstances.

5. CONSENT CALENDAR

Consent Calendar items are to be approved or accepted by vote on one motion unless a Board member requests separate consideration. If any Board member requests that an item be removed from the Consent Calendar for further discussion, it will be moved to the first item on the Action Items portion of the Agenda.

A. Approve the Minutes of the October 16, 2024 Special Board Meeting

B. Receive and Affirm the Payment Register for the District's Activities from September 24, 2024 to October 28, 2024

C. Authorize the General Manager to Execute an Agreement with Stradling Yocca Carlson & Rauth to Act as Bond Counsel for the 2010B Bond Refinancing for an Amount Not to Exceed \$160,000

6. ACTION ITEMS

Action Items call for separate discussion and action by the Board for each agenda item.

- A. Designate a Board Member to vote on behalf of Calleguas at the Association of California Water Agencies General Session Membership Meeting at the 2024 Fall Conference and Authorize the General Manager to Sign and Submit the Proxy Designation Form Accordingly
- B. Select a Candidate for Local Agency Formation Commission (LAFCo) Special District Regular Member and Authorize the Board President to Complete and Sign the LAFCo Ballot
- C. Adopt Resolution No. 2099, A Resolution of the Board of Directors of the Calleguas Municipal Water District Authorizing the Issuance of Not to Exceed \$72,000,000 Principal Amount of Water Revenue Refunding Bonds, Series 2016A; Authorizing and Directing Execution of an Indenture of Trust, Escrow Instructions, a Continuing Disclosure Agreement and a Bond Purchase Contract; Authorizing the Sale of Bonds; Approving an Official Statement and Providing Other Matters Properly Relating Thereto

7. REPORTS

Report items are placed on the agenda to provide information to the Board and the public and no Board action is sought.

A. GENERAL MANAGER AND STAFF REPORTS

1. Monthly Status Report
2. Preliminary June 2024 Financial Report – Dan Smith, Manager of Finance
3. September 2024 Financial Report – Dan Smith, Manager of Finance
4. Quarterly Investment Report (September 2024) – Dan Smith, Manager of Finance
5. Draft Strategic Communications Plan – Megan Schneider, Senior Communications Specialist
6. New Calleguas Website Preview – Jennifer Lancaster, Manager of Water Resources
7. Third Quarter 2024 Change Order Summary Report – Fernando Baez, Manager of Engineering

B. GENERAL COUNSEL REPORT

1. General Counsel's Report

C. BOARD OF DIRECTORS REPORTS

1. Committee Meeting Report

2. Board Member Reports on Ancillary Duties

Reports on ancillary duties are placed on the agenda to provide a forum for discussion concerning the activities of external entities to which Calleguas Board members are assigned in a representative capacity.

- a. Report of ACWA Region 8 Director
- b. Report of ACWA Joint Powers Insurance Authority Representative
- c. Report of Association of Water Agencies of Ventura County Representative
- d. Report of Fox Canyon Groundwater Management Agency Representative
- e. Report of Metropolitan Water District Director
- f. Report of Ventura LAFCo Commissioner
- g. Report of Ventura County Regional Energy Alliance Representative
- h. Report of Ventura County Special Districts Association Representative

3. Directors' List of Administrative Code Reimbursable Meetings Other than Ancillary Duties

Reimbursable meetings reports are placed on the agenda to comply with statutory and Calleguas Administrative Code requirements for members of a legislative body who attend a meeting at the expense of the local agency to provide a report of the meeting.

4. Discussion regarding upcoming meetings to be attended by Board members
5. Request for Future Agenda Items

8. INFORMATION ITEMS

A. WRITTEN COMMUNICATION

1. Letter from Metropolitan Water District of Southern California Interim General Manager Deven Upadhyay to Department of Water Resources Director Karla Nemeth re: Continued Delta Conveyance Project Planning Funding, dated October 24, 2024
2. Water Resources Implementation Strategy (WRIST) Partner Workshop #4 Report

9. CLOSED SESSION

- A. Pursuant to Government Code 54956.9(d)(2) Conference with Legal Counsel – Anticipated Litigation - 1 case.

10. ADJOURNMENT to Special Board Meeting November 20, 2024 at 5:00 p.m.

Note: Calleguas Municipal Water District conducts in-person meetings in accordance with the Brown Act. The District has also established alternative methods of participation which permit members of the public to observe and address public meetings telephonically and/or electronically. These methods of participation can be accessed through the internet link provided at the top of this agenda.

In addition to the above referenced methods of participation, members of the public may also participate by submitting comments by email to info@calleguas.com by 5:00 p.m. on the calendar day prior to the public meeting. Email headers should refer to the Board meeting for which comments are offered. Comments received will be placed into the record and distributed appropriately.

Agendas, agenda packets, and additional materials related to an item on this agenda submitted to the Board after distribution of the agenda packet are available on the District website at www.calleguas.com.

Pursuant to Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and applicable federal rules and regulations, requests for disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting, should be made to the Secretary to the Board in advance of the meeting to ensure the availability of the requested service or accommodation. Notices, agendas, and public documents related to the Board meetings can be made available in appropriate alternative format upon request.

CALLEGUAS MUNICIPAL WATER DISTRICT
 BOARD OF DIRECTORS MEETING
 October 16, 2024

MINUTES

The meeting of the Board of Directors of Calleguas Municipal Water District was held in-person at 2100 E. Olsen Road, Thousand Oaks CA 91360. The District also provided telephonic and electronic methods of participation for the public as noted on the meeting agenda.

The meeting was called to order by Scott Quady, President of the Board, at 4:00 p.m.

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE, AND ROLL CALL

Directors Present at District Headquarters: Scott Quady, President
 Raul Avila, Secretary
 Jacquelyn McMillan, Treasurer (arrived at 4:03 p.m.)
 Thibault Robert, Director

Director Absent: Andy Waters, Vice-President

Staff Present at District Headquarters:
 Kristine McCaffrey, General Manager
 Ian Prichard, Deputy General Manager
 Fernando Baez, Manager of Engineering
 Grant Burton, Manager of Human Resources and Risk Management
 Tricia Ferguson, Assistant Manager of Human Resources and Risk Management
 Henry Graumlich, Executive Strategist
 Charlotte Holifield, Manager of External Affairs
 Jennifer Lancaster, Manager of Water Resources
 James Mojica, IT Specialist
 Megan Neilson, Acting Clerk of the Board
 Wes Richardson, Manager of IT
 Sue Taylor, Accounting Supervisor

Staff Present via Videoconference: Kayde Maddox, Administrative Assistant

Legal Counsel Present at District Headquarters: Walter Wendelstein, Wendelstein Law Group, PC, District Counsel

2. PUBLIC COMMENTS

None

3. PRESENTATION

None

4. ITEMS TO BE ADDED TO THE AGENDA – GOVERNMENT CODE 54954.2(b)

None

5. CONSENT CALENDAR

- A. Approve the Minutes of the October 2, 2024 Regular Board Meeting
- B. Authorize the General Manager to Sign a Cost Share Agreement with Eagle Aerial Solutions to Provide Services to Support Purveyors with Conservation as a California Way of Life Framework Compliance
- C. Approve Professional Services in the Amount of \$181,911 for Pure Technologies U.S. Inc. to Perform a Condition Assessment and Pipe Performance Curve Analysis of Calleguas Conduit North Branch Unit 1

Fernando Baez, Manager of Engineering; Matt Gomez, System Maintenance Supervisor; and Julio Reyes, Operations Supervisor, provided background on the need for inspection of Prestressed Concrete Cylinder Pipe (PCCP), how the Operations Division prepares the Lake Bard Water Filtration Plant and Las Posas Aquifer Storage and Recovery Wellfield for shutdowns, how pipeline shutdowns and PCCP inspections are performed, and how the results of the inspection are considered in determining the need for pipeline rehabilitation or replacement.

On a motion by Director Avila, seconded by Director Robert, the Board of Directors voted 4-0 to approve the Consent Calendar.

AYES: Directors Robert, McMillan, Avila, Quady

NOES: None

ABSENT: Directors Waters

6. ACTION ITEMS

Action Items call for separate discussion and action by the Board for each agendized topic.

- A. Discussion Regarding Consideration of a Board Position on Proposition 4, the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024

The Manager of External Affairs provided an overview of Proposition 4.

On a motion by Director McMillian, seconded by Director Quady, the Board of Directors voted 2-1-1 on supporting Proposition 4. The motion did not pass.

AYES: Directors, McMillian, Quady

ABSTAIN: Director Robert

NOES: Director Avila

ABSENT: Director Waters

7. REPORTS

Report items are placed on the agenda to provide information to the Board and the public and no Board action is sought.

A. GENERAL MANAGER AND STAFF REPORTS

- 1. Update on the Water Resources Implementation Strategy (WRIST) – Kristine McCaffrey, General Manager, and Ian Prichard, Deputy General Manager

The General Manager and Deputy General Manager presented on the portfolio analysis, preliminary preferred portfolio and options, and no-regrets actions recommended under the WRIST. The Board asked questions and the General Manager and Deputy General Manager answered them.

- 2. General Manager's Report

The General Manager reported on meetings attended and matters of interest to the Board of Directors.

- 3. September 2024 Water Use and Sales, August 2024 Power Generation, and September 2024 Investment Summary Reports – Sue Taylor Accounting Supervisor

The Accounting Supervisor presented the reports and responded to questions from the Board.

B. GENERAL COUNSEL REPORT

1. General Counsel's Report

No report.

C. BOARD OF DIRECTORS REPORTS

1. Committee Meeting Report

Director Avila reported that the Sponsorship Committee certified the Association of Water Agencies of Ventura County (AWA) for sponsorship. Additionally, the Sponsorship Committee approved two AWA sponsorships that were not included in the fiscal year 2024-25 budget: one for the Operator of the Year Award and one to sponsor college student attendance at the Annual Symposium in the spring.

2. Board Member Reports on Ancillary Duties

Reports on ancillary duties are placed on the agenda to provide a forum for discussion concerning the activities of external entities to which Calleguas Board members are assigned in a representative capacity.

a. Report of ACWA Region 8 Director

Director Quady noted the ACWA fall conference will be held December 3-5, 2024 in Palm Desert.

b. Report of ACWA Joint Powers Insurance Authority Representative

Director Quady noted JPIA will hold its Fall Membership Summit and Fall Conference immediately preceding the ACWA conference on December 2 and 3, 2024. The event will include new educational sessions.

c. Report of Association of Water Agencies of Ventura County Representative

Director Avila noted there was an executive committee meeting on October 10. AWA Water Issues was held on October 16 and featured a speaker on the Fillmore and Piru Groundwater Basins.

- d. Report of Fox Canyon Groundwater Management Agency Representative

No report.

- e. Report of Metropolitan Water District Director

Director McMillan referenced her written report on the Metropolitan meetings she attended from October 3 to October 14. Director McMillan's report is attached and made part of these minutes.

- f. Report of Ventura LAFCo Commissioner

No report.

- g. Report of Ventura County Regional Energy Alliance Representative

Director Quady noted the next meeting is on November 21, 2024. There was a sustainability committee meeting on October 16, 2024 that he did not attend.

- h. Report of Ventura County Special Districts Association Representative

The Ventura County Special Districts Association is seeking new officers.

- 2. Directors' List of Administrative Code Reimbursable Meetings Other than Ancillary Duties

Reimbursable meetings reports are placed on the agenda to comply with statutory and Calleguas Administrative Code requirements for members of a legislative body who attend a meeting at the expense of the local agency to provide a report of the meeting.

Board members provided reports on various meetings that they attended which are subject to the District's reimbursement policy.

- 3. Discussion regarding upcoming meetings to be attended by Board members

None

4. Request for Future Agenda Items

None

8. INFORMATION ITEMS

A. Water Supply Conditions Report – Wrap-Up Water Year 2023-2024

9. CLOSED SESSION

A. Conference with legal counsel regarding initiation of litigation pursuant to Government Code Section 54956.9(d)(4); 1 case

B. Pursuant to Government Code 54957(a) Conference with Legal Counsel – Public Services or Facilities

At 6:04 p.m., Director Quady adjourned to Closed Session to discuss Items 9.A and 9.B as stated on the agenda. Closed Session began at 6:04 p.m.

CLOSED SESSION CONTINUING

At 7:01 p.m., Closed Session ended.

At 7:03 p.m., Director Quady reconvened to Open Session.

Regarding Items 9.A and 9.B, the Board received an update. No action was taken.

10. ADJOURNMENT

Director Quady declared the meeting adjourned at 7:03 p.m.

Respectfully submitted,

Raul Avila, Board Secretary

SCOTT H. QUADY, PRESIDENT
DIVISION 2

RAUL AVILA, SECRETARY
DIVISION 1

THIBAUT ROBERT, DIRECTOR
DIVISION 4



ANDY WATERS, VICE PRESIDENT
DIVISION 3

JACQUELYN MCMILLAN, TREASURER
DIVISION 5

KRISTINE MCCAFFREY
GENERAL MANAGER

www.calleguas.com

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BOARD MEMORANDUM

Date: November 6, 2024

To: Board of Directors

From: Dan Smith, Manager of Finance

Subject: Item 5.B – Receive and Affirm the Payment Register for the District’s Activities from September 24, 2024 to October 28, 2024

Objective: Report to the Board all payments made by the District by check, Electronic Fund Transfer (EFT), or Automated Clearing House (ACH) payment.

Recommended Action: Receive and Affirm the Payment Register for the District’s Activities from September 24, 2024 to October 28, 2024.

Budget Impact: None. All items were paid in accordance with the budget.

Discussion: Once a month, staff reports to the Board all of the payments made to vendors of the District by check, EFT, or ACH. The current register covers the period from September 24, 2024 through October 28, 2024 for payments totaling \$15,202,469.44.

Attachment:
Payment Register: 09/24/24 – 10/28/24



Payment Register

09/24/2024 - 10/28/2024

Payroll Accounts

Payroll Checks/EFT Issued	699,745.27
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Operating Account

Checks Issued:	2,516,465.79
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Electronic Fund Transfers (EFT) issued:	11,986,258.38
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	Total Payments
	<u>\$ 14,502,724.17</u>

Total Checks & Electronic Fund Transfers for 09/24/2024 - 10/28/2024	\$ 15,202,469.44
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Payment Register

Payment Date 09/24/24 - 10/28/24

Vendor	Ck#	Pmt Date	Invoice #	Invoice Description	Invoice Amt	Proj #	Project Description
2B Technologies	26000	09/25/2024	22004260-0925	Ozone Analyzer Calibration	1,425.00		
					Check# 26000 Total	1,425.00	
72 Mechanical Heating and Air Conditioning	25961	09/25/2024	10123	HVAC Services	310.93		
			1058	HVAC Services	4,980.00		
			Check# 25961 Total	5,290.93			
A & M Lawnmower Shop	26016	10/09/2024	54713	Equipment Maintenance	255.73		
	Check# 26016 Total			255.73			
ACWA/Joint Powers Insurance	26017	10/09/2024	703675	2024-10 Dental/Vision	10,982.06		
					Check# 26017 Total	10,982.06	
	26057	10/16/2024	LE019280	Training - Holifield	1,695.00		
	Check# 26057 Total			1,695.00			
Advanced Sanitation	25962	09/25/2024	15173	Equipment Maintenance	500.00		
	Check# 25962 Total			500.00			
Aflac	26001	10/02/2024	343659	2024-10 EE Paid Ins	258.49		
	Check# 26001 Total			258.49			
Airgas USA, LLC	25963	09/25/2024	9153212006	Welding Supplies	9.37		
			9153269452	Welding Supplies	18.88		
			9153269479	Argon	46.49		
			Check# 25963 Total	74.74			
All Connected	25964	09/25/2024	108944	Support Overage - Aug 2024	1,147.50		
			108959	Turnout Automation Server Upgrades	3,372.00		
			44002	Turnout Automation Upgrade Server Licenses	7,970.00		
	Check# 25964 Total	12,489.50					
	26018	10/09/2024	44028	Cisco Smartnet Renewal O&M Device	385.13		
	Check# 26018 Total			385.13			
	26088	10/23/2024	44030	Installation of new Admin SAN and ESXI Hosts	5,490.35		
	Check# 26088 Total			5,490.35			

Payment Register

Payment Date 09/24/24 - 10/28/24

Vendor	Ck#	Pmt Date	Invoice #	Invoice Description	Invoice Amt	Proj #	Project Description				
Amazon Capital Services, Inc.	26089	10/23/2024	11HT-FJVX-DYQN	HRRM Supplies	363.58						
			11R6-TRNR-9FWG	Control Tools	566.11						
			166K-X3LD-FYPT	Control Supplies	78.26						
			19M1-4QFX-9FM7	Control Tools - Credit	(335.98)						
			1C3F-33HV-977N	Deputy GM Supplies	28.72						
			1N1P-QHHF-9H7K	Turnout Parts	383.45						
			1PRL-6WH7-96R3	Sys. Maint. Supplies	282.47						
			1RRG-LMHQ-7R4V	IT Peripherals	113.20						
			1T67-XNTL-DTT6	Dist. Supplies - Probe	151.76						
			1TJX-V1TW-FLKX	IT Peripherals - Credit	(24.67)						
			1TTX-79NT-9XMK	HVAC Supplies	25.71						
			1VNP-PK9F-FYW7	PPE Supplies	53.62						
			1XCV-VLHY-F7CG	IT Supplies - Office Remodel	1,046.91						
			Check# 26089 Total					2,733.14			
			Aquatic Bioassay	26019	10/09/2024	CMW0924.0687	Lab Services	12,504.00			
CMW0924.0693	Lab Services	1,045.00									
CMW0924.0697	Lab Services	4,180.00									
Check# 26019 Total					17,729.00						
Association of California Water Agencies	26020	10/09/2024	2025 Dues	Membership Dues - 2025	29,425.00						
					Check# 26020 Total					29,425.00	
Association of Water Agencies-VC	26021	10/09/2024	06-15904	CCWUC BBQ - 09/25/24	600.00						
					Check# 26021 Total					600.00	
	26058	10/16/2024	06-15908	CCWUC Operator Award Sponsorship - 2024	1,000.00						
Check# 26058 Total					1,000.00						
Astra Backflow, Inc	25965	09/25/2024	293328	CLaVal Parts for Stock	229.86						
					Check# 25965 Total					229.86	
					26022	10/09/2024	293446	293651	25.53		
Check# 26022 Total									153.16		
	26059	10/16/2024	293663	WF Supplies - Gaskets	815.10						
Check# 26059 Total					815.10						
AT&T	25966	09/25/2024	22269757	Signal Channels	1,850.74						
			22270120	Signal Channels	30.42						
Check# 25966 Total					1,881.16						

Payment Register

Payment Date 09/24/24 - 10/28/24

Vendor	Ck#	Pmt Date	Invoice #	Invoice Description	Invoice Amt	Proj #	Project Description
AT&T (continued)	25967	09/25/2024	284857073-0924	Signal Channels	117.70		
					Check# 25967 Total	117.70	
	26002	10/02/2024	6885993907	Signal Channels	194.80		
					Check# 26002 Total	194.80	
B & R Supply, Inc.	25968	09/25/2024	1901004722	Tool Repair	180.73		
					Check# 25968 Total	180.73	
Batteries Plus	26003	10/02/2024	P74773181	Sherwood Reservoir PLC Cabinet Battery	35.09		
					Check# 26003 Total	35.09	
Battery Power, Inc.	25969	09/25/2024	430959	Batteries for UPS units	13,849.13		
					Check# 25969 Total	13,849.13	
Brucar Locksmith	26023	10/09/2024	1LZ6GH	Key for Honda Generator	3.75		
					Check# 26023 Total	3.75	
Bureau Veritas	26060	10/16/2024	40108738	Oil Test Kits	4,115.71		
					Check# 26060 Total	4,115.71	
Burlington Safety Laboratory	26024	10/09/2024	96025	Glove Testing	423.00		
					Check# 26024 Total	423.00	
C.A. Short Company	26090	10/23/2024	PI0000102977	Service Awards	314.34		
					Check# 26090 Total	314.34	
California Water Environment Assoc (CWEA)	25970	09/25/2024	428438-2025	CWEA Membership - DeAnda	239.00		
					Check# 25970 Total	239.00	
	26091	10/23/2024	336810-2025 435439-2025	CWEA Membership - Mueller CWEA Membership - M. Rostrada	239.00 239.00		
				Check# 26091 Total	478.00		
Citi Cards	26061	10/16/2024	0330-0924	Credit Card Charges - Clerk of the Board	5,728.82		
					Check# 26061 Total	5,728.82	

Payment Register

Payment Date 09/24/24 - 10/28/24

Vendor	Ck#	Pmt Date	Invoice #	Invoice Description	Invoice Amt	Proj #	Project Description
City of Camarillo	26025	10/09/2024	Jun & Jul 2024	2024-06 & 2024-07 NPV Desalter LRP Credit	144,998.67		
					Check# 26025 Total	144,998.67	
	26092	10/23/2024	37951-54676-1024	Utilities	74.30		
					Check# 26092 Total	74.30	
City of Simi Valley	26093	10/23/2024	17515	Recycled Water - Sep 2024	10,302.00		
				Check# 26093 Total	10,302.00		
City of Thousand Oaks	26062	10/16/2024	48326-46726-1024	Utilities	493.92		
					Check# 26062 Total	493.92	
	26063	10/16/2024	48326-50840-1024	Utilities	52.92		
					Check# 26063 Total	52.92	
City of Ventura	26094	10/23/2024	Prop 1 Rd 1 VenC	Prop 1 Round 1 Inv # 12	1,146,431.80		
				Check# 26094 Total	1,146,431.80		
Coastal Pipco	25971	09/25/2024	S2268461.001	Piping Supplies	176.43		
					Check# 25971 Total	176.43	
	26026	10/09/2024	S2268417.001 S2268417.002	Lake Bard Rehab Supplies Lake Bard Rehab Supplies	1,765.72 1,244.10		
				Check# 26026 Total	3,009.82		
Cole-Parmer Instrument Company	26027	10/09/2024	3821817	Lab Supplies	494.03		
				Check# 26027 Total	494.03		
Colonial Life & Accident Ins	26004	10/02/2024	7189616-0913274	2024-10 EE Paid Ins	1,350.00		
				Check# 26004 Total	1,350.00		
Contractor Compliance & Monitoring	26028	10/09/2024	22126	Labor Compliance Service	1,800.00	450	LVMWD-CMWD Interconnection
				Check# 26028 Total	1,800.00		
County of Ventura	26064	10/16/2024	381254	Encroachment Permit - PE21-0003-3	245.00	450	LVMWD-CMWD Interconnection
				Check# 26064 Total	245.00		
DCH Ford of Thousand Oaks	25972	09/25/2024	907570 907647	Service Unit 59 Service Unit 60	146.38 110.05		
					Check# 25972 Total	256.43	

Payment Register

Payment Date 09/24/24 - 10/28/24

Vendor	Ck#	Pmt Date	Invoice #	Invoice Description	Invoice Amt	Proj #	Project Description
DCH Ford of Thousand Oaks							
(continued)	26029	10/09/2024	907846	Service Unit 35	1,327.96		
			907896	Service Unit 64	447.92		
				Check# 26029 Total	1,775.88		
Ditch Witch West							
	25973	09/25/2024	138582	Trailer Repairs	1,182.05		
				Check# 25973 Total	1,182.05		
Emerson LLLP							
	25974	09/25/2024	30792216	LV Intertie Project - PITs	15,162.47	450	LVMWD-CMWD Interconnection
				Check# 25974 Total	15,162.47		
Eurofins Eaton Analytical, Inc.							
	26030	10/09/2024	3800063417	Lab Services	183.75		
				Check# 26030 Total	183.75		
Falcon Fuels							
	26031	10/09/2024	75917	Fuel	6,675.73		
				Check# 26031 Total	6,675.73		
	26095	10/23/2024	76635	Fuel	6,800.05		
				Check# 26095 Total	6,800.05		
Federal Express							
	25975	09/25/2024	8-619-81008	Express Shipping	696.50		
			8-626-86566	Express Shipping	492.94		
				Check# 25975 Total	1,189.44		
	26096	10/23/2024	8-633-92867	Express Shipping	257.12	536	SMP Phase 3
			8-640-67196	Express Shipping	24.16		
				Express Shipping	168.00		
				Check# 26096 Total	449.28		
Fence Factory Rentals							
	26032	10/09/2024	681438	Event Restroom Rental	156.24		
				Check# 26032 Total	156.24		
	26097	10/23/2024	684325	Restroom Rental	156.24		
				Check# 26097 Total	156.24		

Payment Register

Payment Date 09/24/24 - 10/28/24

Vendor	Ck#	Pmt Date	Invoice #	Invoice Description	Invoice Amt	Proj #	Project Description	
Fgl Environmental	26033	10/09/2024	412339A	Lab Services	1,929.00			
			413651A	Lab Services	41.00			
			413810A	Lab Services	285.00			
			414264A	Lab Services	235.00			
			414265A	Lab Services	121.00			
			414406A	Lab Services	227.00			
			414407A	Lab Services	1,331.00			
			414695A	Lab Services	79.00			
			414781A	Lab Services	309.00			
			415087A	Lab Services	235.00			
			415159A	Lab Services	79.00			
			415333A	Lab Services	209.00			
			415394A	Lab Services	79.00			
						Check# 26033 Total	5,159.00	
Fisher Scientific	26065	10/16/2024	5655709	Lab Supplies	473.00			
						Check# 26065 Total	473.00	
	26098	10/23/2024	6011578	Lab Supplies	116.41			
			6047491	Supplies - Sabouraud Dextrose	99.53			
			6047492	Lab Supplies	581.33			
			Check# 26098 Total	797.27				
Franchise Tax Board	26005	10/02/2024	886463872-0924B	#886463872-09/30/24	25.00			
						Check# 26005 Total	25.00	
	26066	10/16/2024	886463872-1024A	#886463872-10/15/24	25.00			
							Check# 26066 Total	25.00
Frontier	25976	09/25/2024	2091781628-0924	Signal Channels	66.02			
			2131743676-1024	Signal Channels	70.88			
			4241537402-0924	Signal Channels	132.88			
			Check# 25976 Total	269.78				
	26034	10/09/2024	2091883352-1024	Signal Channels	2,322.15			
							Check# 26034 Total	2,322.15
	26099	10/23/2024	2091781628-1024	Signal Channels	70.88			
			2131743676-1124	Signal Channels	70.88			
			4241537402-1024	Signal Channels	132.88			
			Check# 26099 Total	274.64				

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Vendor	Ck#	Pmt Date	Invoice #	Invoice Description	Invoice Amt	Proj #	Project Description
GI Industries	25977	09/25/2024	2199340-0283-9	Waste Removal - Green	480.85		
					Check# 25977 Total	480.85	
	26035	10/09/2024	2199511-0283-5 2199619-0283-6	Waste Removal - Recycle Waste Removal & Green	261.42 1,002.29		
				Check# 26035 Total	1,263.71		
Gregory E. Johnson	25978	09/25/2024	2024-08	Risk Mgmt Services	2,160.00		
					Check# 25978 Total	2,160.00	
	26100	10/23/2024	2024-09	Risk Mgmt Services Risk Mgmt Services	562.50 517.50	450	LVMWD-CMWD Interconnection
				Check# 26100 Total	1,080.00		
Hamner Jewell & Associates	25979	09/25/2024	203379	ROW Services	577.50		
					Check# 25979 Total	577.50	
	26006	10/02/2024	203944 203945	ROW Services ROW Correction Reg. Sta. 9	2,433.75 1,732.50	562	Calleguas-Ventura Interconnection
				Check# 26006 Total	4,166.25		
26101	10/23/2024	204052	ROW Correction Reg. Sta. 9	82.50			
				Check# 26101 Total	82.50		
Hansen's Plumbing & Mechanical	25980	09/25/2024	29484	Backflow Repair	1,404.00		
				Check# 25980 Total	1,404.00		
Home Depot Credit Services	26067	10/16/2024	8086-0924	Credit Card Charges - O&M	3,301.04		
				Check# 26067 Total	3,301.04		
Hunt Ortmann Palffy Nieves Darling & Mah, Inc.	26007	10/02/2024	108818	Legal Services	13,315.50	450	LVMWD-CMWD Interconnection
				Check# 26007 Total	13,315.50		
Johnson Controls Fire Protection LP	26102	10/23/2024	52323959	Fire Alarm System Diagnostic	1,203.45		
				Check# 26102 Total	1,203.45		
JPW Communications LLC	26103	10/23/2024	3410	T&M - Service Area Map and Timeline Graphic Design S	2,546.25		
				Check# 26103 Total	2,546.25		

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Kiewit Infrastructure West Co.	26068	10/16/2024	450-36	Construction Retention	680,300.91	450	LVMWD-CMWD Interconnection	
					(34,015.05)			
					Check# 26068 Total		646,285.86	
L.A. Design Studio	26069	10/16/2024	5815	Website Design & WCVC Website Migration	8,800.00			
						Check# 26069 Total	8,800.00	
Larry Walker Associates	26008	10/02/2024	244.74-8	LV-CMWD Interconnection	1,033.50	450	LVMWD-CMWD Interconnection	
								Check# 26008 Total
Leslie's Pool Supplies, Inc.	25981	09/25/2024	616-01-072823	LBWFP Supplies	567.33			
						Check# 25981 Total	567.33	
Lighthouse Services, LLC	25982	09/25/2024	1052496	Hotline Annual Fee 2024-2025	661.39			
						Check# 25982 Total	661.39	
Los Angeles County Tax Collector	26104	10/23/2024	2723010270-2024	LA County Property Taxes - 2024-25	361.61			
						Check# 26104 Total	361.61	
Maple Systems, Inc.	26105	10/23/2024	INV220130	SCADA Monitor	1,013.14			
						Check# 26105 Total	1,013.14	
Mc Master-Carr Supply Company	25983	09/25/2024	33429948	Dist. Supplies	20.65			
						Check# 25983 Total	20.65	
	26036	10/09/2024	33566294	Dist. Supplies	32.01			
						Check# 26036 Total	32.01	
	26070	10/16/2024	34311455	Dist. Maint. Supplies	55.52			
					Check# 26070 Total	55.52		
26106	10/23/2024	34455324	Dist. Supplies	35.65				
				34892994	Dist. Supplies	353.85		
				34971880	Dist. Supplies	15.62		
	Check# 26106 Total	405.12						
McCrometer Inc.	26037	10/09/2024	610406	4" Meter	1,684.23			
						Check# 26037 Total	1,684.23	
Michael K. Nunley & Associates, Inc.	26107	10/23/2024	1050000727	Engineering Consulting	1,714.95	589	Fairview Well Rehabilitation	
								Check# 26107 Total

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MMC, Inc.	26071	10/16/2024	102782	Construction	11,600.00	591	Lake Sherwood Pump Station Rehabilitation
				Retention	(580.00)		
					Check# 26071 Total		
					11,020.00		
Napa Auto Parts	25984	09/25/2024	880026	Unit 7 Supplies	26.80		
					26.80		
	26038	10/09/2024	880479	Unit 51 Supplies	19.05		
					19.05		
	26072	10/16/2024	881481	Forklift Supplies	196.56		
					196.56		
Newark	25985	09/25/2024	37404313	Fuse Cartridges	213.21		
			37417868	Electrical Supplies	158.94		
					Check# 25985 Total		
					372.15		
Orkin Pest Control	25986	09/25/2024	266447037	Pest Control	267.99		
					267.99		
P W Gillibrand	25987	09/25/2024	INV249427	Sand	462.56		
					462.56		
	26108	10/23/2024	INV250991	Gravel No 3	1,141.09		
			INV251135	Gravel No 3	2,235.73		
					Check# 26108 Total		
					3,376.82		
Petty Cash	25988	09/25/2024	PC 08/31/24	Petty Cash - Aug 2024	103.88		
					103.88		
Phoenix Civil Engineering	26073	10/16/2024	24086	Engineering Consulting	13,159.25	450	LVMWD-CMWD Interconnection
					13,159.25		
Physis Environmental Laboratories, Inc.	25989	09/25/2024	1502001-108	Lab Services	330.00		
			1502001-109	Lab Services	330.00		
					Check# 25989 Total		
					660.00		
Price, Postel & Parma, LLP	26009	10/02/2024	216778	Legal Services	720.24	569	Simi Valley Reservoir
					720.24		
Quadient Leasing USA	26039	10/09/2024	Q1524997	Postage Meter Lease 10/28/24-01/27/25	235.64		
					235.64		

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Quinn Company	26040	10/09/2024	PC010450537	Generator Keys	42.11		
				Check# 26040 Total	42.11		
	26109	10/23/2024	WON10023217	Standby Generator Batteries	16,367.19		
				Check# 26109 Total	16,367.19		
R Truck & Trailer Repair	26074	10/16/2024	C240924	BIT Inspection Unit 65	225.00		
			C240924A	BIT Inspection Unit 65	105.00		
			C240924B	BIT Inspection Unit 19	105.00		
				Check# 26074 Total	435.00		
R.P. Barricade, Inc.	25990	09/25/2024	65047	Traffic Control Sign	41.83		
				Check# 25990 Total	41.83		
Radwell International Inc.	25991	09/25/2024	34726544	Electrical Supplies	1,108.50		
				Check# 25991 Total	1,108.50		
RSP Supply, LLC	26075	10/16/2024	INV16551	Cables	1,414.93		
				Check# 26075 Total	1,414.93		
SafetyNet Inc.	25992	09/25/2024	71681	Electrical Safety Program	2,200.00		
				Check# 25992 Total	2,200.00		

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ServiceWear Apparel, Inc.	26076	10/16/2024	55584659	O&M Uniforms	232.51					
			55662755	O&M Uniforms	253.55					
			55735032	O&M Uniforms	179.32					
			55735033	O&M Uniforms	251.61					
			55735034	O&M Uniforms	223.10					
			55735035	O&M Uniforms	199.04					
			55735041	O&M Uniforms	263.08					
			55735042	O&M Uniforms	259.37					
			55735043	O&M Uniforms	177.30					
			55738030	O&M Uniforms	101.74					
			55738038	O&M Uniforms	265.41					
			55738039	O&M Uniforms	101.74					
			55738228	O&M Uniforms	126.18					
			55738228B	O&M FR Uniforms	673.58					
			55741364	O&M Uniforms	77.29					
			55747491	O&M Uniforms	256.53					
			55747492	O&M Uniforms	263.20					
			55747595	O&M Uniforms	171.72					
			55747595B	O&M FR Uniforms	628.05					
			55756736	O&M FR Uniforms	366.96					
			55758535	O&M Uniforms	244.78					
			55758680	O&M Uniforms	126.23					
			55758680B	O&M FR Uniforms	673.58					
			55768214	O&M Uniforms	149.56					
			55771991	O&M Uniforms	135.57					
			55793926	O&M Uniforms	56.99					
			Check# 26076 Total					6,457.99		
			Shred-It	25993	09/25/2024	8008302466	Shredding Services	131.25		
Check# 25993 Total						131.25				
	26110	10/23/2024	8008585864	Shredding Services - Sept 2024	130.76					
Check# 26110 Total					130.76					
Simi Valley Wholesale Electric	26010	10/02/2024	136658	Electrical Supplies	427.39					
			Check# 26010 Total					427.39		
Southern California Edison	25994	09/25/2024	7002185503400924	Utilities	34.02					
			7005542693600924	WF Pumping Power	18,590.03					
			7005544657840924	WF Pumping Power	26,162.95					
			7009108950150924	Utilities	20.56					
Check# 25994 Total					44,807.56					

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Southern California Edison							
(continued)	26011	10/02/2024	6000015092670924	Utilities	14,401.31		
			7003153544210924	Utilities	139.35		
			7003154081730924	Utilities	155.61		
			7008980270540924	Utilities	48.35		
				Check# 26011 Total	14,744.62		
26077							
	10/16/2024	7003460257201024	Pumping Power Costs	39,080.10			
		7007879066911024	Pumping Power Costs	64,552.96			
				Check# 26077 Total	103,633.06		
26111							
	10/23/2024	7003153544211024	Utilities	62.83			
		7003154081731024	Utilities	72.02			
		700346025720102B	Pumping Power Costs	(17,189.10)			
		7005542693601024	WF Pumping Power	10,991.83			
		7005544657841024	WF Pumping Power	18,812.29			
				Check# 26111 Total	12,749.87		
Spectrum/Charter Communications							
26041	10/09/2024	187756501100124	Internet	1,050.00			
				Check# 26041 Total	1,050.00		
Standard Insurance Company							
26012	10/02/2024	0017126900011024	2024-10 EE Paid Ins	8,041.00			
				Check# 26012 Total	8,041.00		
Sunbelt Rentals, Inc.							
26013	10/02/2024	158572031-0001	Equipment Rental	1,529.68			
				Check# 26013 Total	1,529.68		
The Acorn Newspapers							
26078	10/16/2024	2024ci-12178	September Rain Barrel Sale Ad	2,600.00			
				Check# 26078 Total	2,600.00		
The Gas Company							
25995	09/25/2024	03581318007-0924	Utilities	72.57			
				Check# 25995 Total	72.57		
26112	10/23/2024	03581318007-1024	Utilities	70.82			
				Check# 26112 Total	70.82		
The Regents of the University of California							
26079	10/16/2024	237387	Quagga Testing	700.00			
				Check# 26079 Total	700.00		

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Thermo Orion	26042	10/09/2024	9400554969	Annual Calibration Service	1,649.00		
					Check# 26042 Total	1,649.00	
	26080	10/16/2024	9400555297	Annual Calibration Service	483.00		
			9400555298	Calibration pH monitor	483.00		
				Check# 26080 Total	966.00		
Tony's Tires	25996	09/25/2024	49492	Tire Repair Unit 65	35.00		
					Check# 25996 Total	35.00	
	26113	10/23/2024	49791	Tire Unit 67	140.00		
				Check# 26113 Total	140.00		
Traffic Technologies	25997	09/25/2024	48461	Traffic Control Supplies	1,035.69		
				Check# 25997 Total	1,035.69		
Transcat, Inc	26043	10/09/2024	2239522	Fluke Calibration	325.20		
					Check# 26043 Total	325.20	
	26081	10/16/2024	2246098	Fluke Calibration	3,711.78		
				Check# 26081 Total	3,711.78		
Tripac Fasteners	26114	10/23/2024	5818968	WF Tank - Gaskets	488.17		
				Check# 26114 Total	488.17		
Turning Point Foundation	25998	09/25/2024	22905-14001	Plants for Event	83.75		
				Check# 25998 Total	83.75		
Underground Service Alert	26082	10/16/2024	24-250893	Digalert Fees	93.00		
			920240159	DigAlert Services	182.05		
					Check# 26082 Total	275.05	
US Appliance Repair and Service, Inc.	26083	10/16/2024	1461	Admin Oven Repair	95.00		
					Check# 26083 Total	95.00	
Vantage Air, Inc.	26044	10/09/2024	64022	Lab Refrigerator PM	314.68		
				Check# 26044 Total	314.68		
Ventura County Sheriff's Office	26014	10/02/2024	4811265-0924B	#56-2016-004811265-09/30/24	50.00		
				Check# 26014 Total	50.00		

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Vendor	Ck#	Pmt Date	Invoice #	Invoice Description	Invoice Amt	Proj #	Project Description
Ventura County Sheriff's Office (continued)	26084	10/16/2024	4811265-1024A	#56-2016-004811265-10/15/24	50.00		
				Check# 26084 Total	50.00		
Ventura Steel, Inc.	26045	10/09/2024	308473	Supplies	402.19		
				Check# 26045 Total	402.19		
Verizon Wireless	25999	09/25/2024	9973773185	Signal Channels	4,868.95		
				Check# 25999 Total	4,868.95		
	26085	10/16/2024	9975451825	Telephone	5,622.90		
				Check# 26085 Total	5,622.90		
WageWorks	26015	10/02/2024	INV7015993	2024-09 Admin Fees	220.00		
				Check# 26015 Total	220.00		
Watts Regulator Company	26086	10/16/2024	16888473	Chlorine Analyzer Replacements	47,457.31		
				Check# 26086 Total	47,457.31		
Wells Fargo Bank, N.A.	26046	10/09/2024	44408	2008A Remarket Fee - 3rd Qtr 2024	9,137.50		
				Check# 26046 Total	9,137.50		
Wells Fargo Business Card	26047	10/09/2024	0533-0924	Credit Card Charges - Exec. Strategist	290.00		
				Check# 26047 Total	290.00		
	26048	10/09/2024	0544-0924	Credit Card Charges - Deputy GM	377.21		
				Check# 26048 Total	377.21		
	26049	10/09/2024	1210-0924	Credit Card Charges - HRRM	2,446.12		
				Check# 26049 Total	2,446.12		
	26050	10/09/2024	1973-0924	Credit Card Charges - Finance	64.92		
				Check# 26050 Total	64.92		
	26051	10/09/2024	2101-0924	Credit Card Charges - IT	902.36		
				Check# 26051 Total	902.36		
	26052	10/09/2024	2219-0924	Credit Card Charges - Eng	100.00	450	LVMWD-CMWD Interconnection
				Credit Card Charges - Eng	1,232.84		
				Check# 26052 Total	1,332.84		
	26053	10/09/2024	2468-0924	Credit Card Charges - Ex. Affairs	599.51		
				Check# 26053 Total	599.51		

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Wells Fargo Business Card (continued)	26054	10/09/2024	4124-0924	Credit Card Charges - Water Resources	5,624.46		
					Check# 26054 Total	5,624.46	
	26055	10/09/2024	6787-0924B	Credit Card Charges - GM	271.99		
					Check# 26055 Total	271.99	
	26056	10/09/2024	9869-0924	Credit Card Charges - HRRM	12,085.77		
					Check# 26056 Total	12,085.77	
	26087	10/16/2024	6574-0924	Credit Card Charges - O&M	93.30		
					Check# 26087 Total	93.30	
					Check Total	2,516,465.79	

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A and B Electric Company, Inc.	2792	10/16/2024	96858	Meetings and Training	930.00		
			96859	Inspection & Consulting Services	33,071.59	450	LVMWD-CMWD Interconnection
			96860	Inspection & Consulting Services	465.00	590	TOD Pump Station Rehabilitation
			96861	Inspection & Consulting Services	1,670.30	591	Lake Sherwood Pump Station Rehabilitation
	EFT# 2792 Total					36,136.89	
Ardurra Group, Inc.	2804	10/23/2024	154719	Communications & Graphic Design Services	2,090.00		
				EFT# 2804 Total			
Arellano Associates	2793	10/16/2024	21627	Public Outreach Support - Sep 2024	1,046.38	450	LVMWD-CMWD Interconnection
				EFT# 2793 Total			
Aspen Environmental Group	2771	10/02/2024	3595.001-08	Environmental Services	3,929.86	569	Simi Valley Reservoir
				EFT# 2771 Total			
Bondy Groundwater Consulting, Inc.	2780	10/09/2024	104-03	Groundwater Consulting Services	9,345.27		
				EFT# 2780 Total			
Camrosa Water District	2781	10/09/2024	Aug 2024	2024-08 Round Mountain LRP Credit	14,500.00		
				EFT# 2781 Total			
Chandler Asset Management, Inc.	2756	09/25/2024	2408CMWD	Investment Mgmt Fees - Aug 2024	8,568.77		
				EFT# 2756 Total			
	2805	10/23/2024	2409CMWD	Investment Mgmt Fees - Sep 2024	8,615.33		
EFT# 2805 Total					8,615.33		
Dragon Media Co.	2772	10/02/2024	1340	Media Services	675.00		
			1341	Media Services	300.00		
			1342	Media Services	575.00		
	EFT# 2772 Total					1,550.00	
2806	10/23/2024	1343	Media Services	1,050.00			
			EFT# 2806 Total				
Employment Development Department (EDD)	2766	09/24/2024	2024-09-20	2024-09-20 Payroll Taxes	1.31		
EFT# 2766 Total					1.31		

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Employment Development Department (continued)	2778	10/03/2024	2024-09-30	2024-09-30 Payroll Taxes	25,775.19		
				EFT# 2778 Total	25,775.19		
	2813	10/18/2024	2024-10-15	2024-10-15 Payroll Taxes	26,498.00		
				EFT# 2813 Total	26,498.00		
Fondriest Environmental, Inc.	2782	10/09/2024	91481	Instrument Repair	814.92		
				EFT# 2782 Total	814.92		
Geotab USA, Inc.	2794	10/16/2024	IN401069	Vehicle GPS Service	1,185.00		
				EFT# 2794 Total	1,185.00		
Grainger	2757	09/25/2024	9251777794	Sys. Maint. Supplies	120.48		
				EFT# 2757 Total	120.48		
	2795	10/16/2024	9262160428 9263665219	Dist. Maint. Supplies Sys. Maint. Supplies	122.13 176.19		
				EFT# 2795 Total	298.32		
	2807	10/23/2024	9273288325 9274868158 9276254217 9276581296 9282046714 9282241372	PPE Dist. Supplies Sys. Maint. Supplies PPE Sys. Maint Supplies & PPE Control Supplies	400.26 54.45 215.28 2,075.81 529.86 317.96		
				EFT# 2807 Total	3,593.62		
Hach Company	2783	10/09/2024	14194152 14196577	Turbidity Standard for Calibration 2024 System Analyzers	1,465.15 5,061.83		
				EFT# 2783 Total	6,526.98		
	2808	10/23/2024	14175855	Lab Equipment PM Service	2,836.00		
				EFT# 2808 Total	2,836.00		
HDR Engineering, Inc.	2758	09/25/2024	1200653800	Value Eng. Svs. Conejo PS Rehab	1,107.05	480	Conejo Pump Station Rehabilitation
				EFT# 2758 Total	1,107.05		
ICMA	2776	10/03/2024	304070-457-0924B	2024-09-30 Def Comp	17,709.49		
				EFT# 2776 Total	17,709.49		
	2777	10/03/2024	803371-414-0924B	2024-09-30 RHS Plan	7,744.30		
				EFT# 2777 Total	7,744.30		

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ICMA (continued)	2815	10/24/2024	304070-457-1024A	2024-10-15 Def Comp	19,300.99		
					EFT# 2815 Total		
					<u>19,300.99</u>		
	2816	10/24/2024	803371-414-1024A	2024-10-15 RHS Plan	7,744.30		
					EFT# 2816 Total		
					<u>7,744.30</u>		
Internal Revenue Service (IRS)	2767	09/24/2024	2024-09-20	2024-09-20 Payroll Taxes	141.57		
					EFT# 2767 Total		
					<u>141.57</u>		
	2779	10/03/2024	2024-09-30	2024-09-30 Payroll Taxes	129,060.83		
					EFT# 2779 Total		
					<u>129,060.83</u>		
	2786	10/09/2024	2024-10-07	2024-10-07 Payroll Taxes	122.59		
					EFT# 2786 Total		
					<u>122.59</u>		
	2814	10/18/2024	2024-10-15	2024-10-15 Payroll Taxes	133,118.47		
					EFT# 2814 Total		
					<u>133,118.47</u>		
Kennedy Jenks Consultants	2759	09/25/2024	174258	Prop 1 Round 1 IRWM Grant Administration	2,312.50		
			174259	Prop 1 Round 2 IRWM Grant Administration	4,600.00		
					EFT# 2759 Total		
	2796	10/16/2024	174895	Engineering Consulting	4,360.00	450	LVMWD-CMWD Interconnection
			174899	Engineering Consulting	4,252.30	592	Lindero Pump Station Rehabilitation
					EFT# 2796 Total		
	2809	10/23/2024	174896	Prop 1 Round 2 IRWM Grant Administration	1,875.00		
			174898	Prop 1 Round 1 IRWM Grant Administration	1,437.50		
					EFT# 2809 Total		
Metropolitan Water District	2699	09/30/2024	11553	Water Payment - Jul 2024	10,953,521.74		
					EFT# 2699 Total		
				<u>10,953,521.74</u>			
Mission Uniform Service	2760	09/25/2024	522386416	Mat/Towel Service	121.12		
					EFT# 2760 Total		
					<u>121.12</u>		
	2784	10/09/2024	522432126	Mat/Towel Service	88.16		
					EFT# 2784 Total		
				<u>88.16</u>			

Payment Register

Payment Date 09/24/24 - 10/28/24

Vendor	Ck#	Pmt Date	Invoice #	Invoice Description	Invoice Amt	Proj #	Project Description
Mission Uniform Service (continued)	2797	10/16/2024	522476468	Mat/Towel Service	123.62		
				EFT# 2797 Total	123.62		
	2810	10/23/2024	522526568	Mat/Towel Service	90.66		
			522570205	Mat/Towel Service	126.12		
				EFT# 2810 Total	216.78		
Northern Digital, Inc.	2761	09/25/2024	57975	Turnout Automation Upgrade	7,000.00		
				EFT# 2761 Total	7,000.00		
	2785	10/09/2024	58006	Turnout Automation Upgrade	370.00		
				EFT# 2785 Total	370.00		
	2798	10/16/2024	57992	Control System Integration Services	3,450.00	450	LVMWD-CMWD Interconnection
			58009	Control System Integration Services	956.08	591	Lake Sherwood Pump Station Rehabilitation
				EFT# 2798 Total	4,406.08		
ODP Business Solutions, Inc.	2762	09/25/2024	32128854	Office Supplies	806.20		
				EFT# 2762 Total	806.20		
On-Site Technical Services	2799	10/16/2024	11348	Inspection Services	3,384.12	450	LVMWD-CMWD Interconnection
				EFT# 2799 Total	3,384.12		
Perliter & Ingalsbe	2800	10/16/2024	18895	Engineering Consulting	58,662.50	562	Calleguas-Ventura Interconnection
			18896	Engineering Consulting	2,210.00	590	TOD Pump Station Rehabilitation
			18897	Engineering Consulting	130.00	591	Lake Sherwood Pump Station Rehabilitation
				EFT# 2800 Total	61,002.50		
Pers Health	2787	10/09/2024	17679077	2024-10 Health Premium	192,926.65		
				EFT# 2787 Total	192,926.65		
	2788	10/09/2024	17679098	2024-10 Health Premium	6,463.88		
				EFT# 2788 Total	6,463.88		
Pers Retirement	2768	10/01/2024	2024-09-1	2024-09-1 Classic Contrib	53,290.19		
				EFT# 2768 Total	53,290.19		
	2769	10/01/2024	2024-09-1P	2024-09-1 PEPRA Contrib	27,678.49		
				EFT# 2769 Total	27,678.49		
	2770	10/01/2024	2024-09-1PA	2024-09-1 Adj PEPRA Contrib	159.74		
				EFT# 2770 Total	159.74		

Payment Register

Payment Date 09/24/24 - 10/28/24

Vendor	Ck#	Pmt Date	Invoice #	Invoice Description	Invoice Amt	Proj #	Project Description	
Pers Retirement (continued)	2789	10/16/2024	2024-09-2	2024-09-2 Classic Contrib	52,898.77			
					EFT# 2789 Total	52,898.77		
	2790	10/16/2024	2024-09-2P	2024-09-2 PEPRA Contrib	27,228.42			
					EFT# 2790 Total	27,228.42		
	2791	10/16/2024	2024-09-2PA	2024-09-2 Adj PEPRA Contrib	256.25			
					EFT# 2791 Total	256.25		
Red Wing Business Advantage Account	2763	09/25/2024	20240910028484	Safety Shoes	1,114.60			
					EFT# 2763 Total	1,114.60		
Rincon Consultants, Inc.	2773	10/02/2024	59521	Title XVI Feasibility Study	13,188.50	536	SMP Phase 3	
			59711	Environmental Consulting	3,748.87	536	SMP Phase 3	
				Environmental Consulting	3,748.88	561	SMP Phase 4	
					EFT# 2773 Total	20,686.25		
	2811	10/23/2024	60276	Environmental Consulting	1,089.31	536	SMP Phase 3	
				Environmental Consulting	1,089.32	561	SMP Phase 4	
				EFT# 2811 Total	2,178.63			
SatCom Global Inc.	2801	10/16/2024	AI10240057	Satellite Phone	77.69			
				EFT# 2801 Total	77.69			
Secorp Industries	2802	10/16/2024	I0089938	Monthly SCBA Inspection - Sep 2024	620.00			
				EFT# 2802 Total	620.00			
Water Systems Consulting, Inc.	2764	09/25/2024	9851	Water Resources Implementation Strategy WRIST	26,675.00			
					EFT# 2764 Total	26,675.00		
	2812	10/23/2024	9975	Water Resources Implementation Strategy WRIST	24,652.50			
				EFT# 2812 Total	24,652.50			
Wendelstein Law Group PC	2774	10/02/2024	W 1247-0924	Legal Services	3,050.00	450	LVMWD-CMWD Interconnection	
				Legal Services	915.00	536	SMP Phase 3	
				Legal Services	2,226.50	562	Calleguas-Ventura Interconnection	
				Legal Services	61.00	569	Simi Valley Reservoir	
				Legal Services	20,252.00			
			W 1260-0924	Legal Services	335.50	450	LVMWD-CMWD Interconnection	
					EFT# 2774 Total	26,840.00		

Payment Register

Payment Date 09/24/24 - 10/28/24

Vendor	Ck#	Pmt Date	Invoice #	Invoice Description	Invoice Amt	Proj #	Project Description
Willdan Financial Services	2775	10/02/2024	010-59736	Standby Charge Jul-Sep 2024	2,101.79		
				EFT# 2775 Total	2,101.79		
				EFT Total	11,986,258.38		
				Grand Total	14,502,724.17		



Payment Register - TMDL 09/24/2024 - 10/28/2024

TMDL Operating Cash Account

Total Checks and Electronic Fund Transfers Issued: \$ 111,827.10

Cash in TMDL Bank Account \$844,124.01

Payment Register - TMDL

Payment Date 09/24/24 - 10/28/24

Vendor	Ck#	Pmt Date	Invoice #	Invoice Description	Invoice Amt	Proj #	Project Description
California Conservation Corps	467	09/25/2024	INNU-012520	TMDL - Jul 2024	8,930.00		
			INNU-012582	TMDL- Aug 2024	4,450.00		
						Check# 467 Total	13,380.00
Calleguas Municipal Water District	468	09/25/2024	2025-00000001	TMDL - Jul 2024	767.00		
			2025-00000002	TMDL - Aug 2024	767.00		
						Check# 468 Total	1,534.00
	471	10/23/2024	2025-00000003	TMDL - Sep 2024	767.00		
						Check# 471 Total	767.00
Larry Walker Associates	469	09/25/2024	617.18-30	Salt and Nutrient Mgmt Plan Development	983.50		
			617.40-8	Salts TMDL Final Deadline Communication Tool	3,231.50		
			617.41-1	Regulatory Tracking and as Needed Support	241.00		
			617.42-1	TMDL Program Management & Reporting	1,064.00		
			617.43-1	TMDL Monitoring & Data Management	25,180.19		
			617.44-1	Salts TMDL Monitoring Program	28,613.03		
			617.45-1	Phase 1 MS4 Permittees Exceedance Report	1,124.00		
			617.48-1	VCAILG Exceedance Evaluation Report	1,940.50		
			617.49-1	TMDL Meeting Attendance and Contract Admin	11,832.28		
						Check# 469 Total	74,210.00
UEI, Inc.	470	10/09/2024	537141-8246	TMDL Refund - State Parks	8,424.72		
						Check# 470 Total	8,424.72
Ventura County Farm Bureau	472	10/23/2024	81625	TMDL - Aug 2024	2,684.06		
						Check# 472 Total	2,684.06
Ventura Land Trust	473	10/23/2024	25	CCW-RSBW Trash TMDL MFAC Imp -Sep 2024	10,827.32		
						Check# 473 Total	10,827.32
					Check Total		111,827.10
					Grand Total		111,827.10

SCOTT H. QUADY, PRESIDENT
DIVISION 2

ANDY WATERS, VICE PRESIDENT
DIVISION 3

RAUL AVILA, SECRETARY
DIVISION 1

JACQUELYN MCMILLAN, TREASURER
DIVISION 5

THIBAUT ROBERT, DIRECTOR
DIVISION 4

KRISTINE MCCAFFREY
GENERAL MANAGER



www.calleguas.com

2100 OLSEN ROAD • THOUSAND OAKS, CALIFORNIA 91360-6800 805/526-9323 • FAX: 805/522-5730

BOARD MEMORANDUM

Date: November 6, 2024

To: Board of Directors

From: Dan Smith, Manager of Finance

Subject: Item 5C - Authorize the General Manager to Execute an Agreement with Stradling Yocca Carlson & Rauth to Act as Bond Counsel for the 2010B Bond Refinancing for an Amount Not to Exceed \$160,000

Objective: Accomplish the mission in a cost-effective manner by reducing the risk and potential cost of existing bond debt.

Recommended Action: Authorize the General Manager to Execute an Agreement with Stradling Yocca Carlson & Rauth to Act as Bond Counsel for the 2010B Bond Refinancing for an Amount Not to Exceed \$160,000.

Budget Impact: The legal fees for the refunding of the 2010B Bonds are not anticipated to exceed \$160,000. The funds for the cost of issuing the 2010B bonds included the cost of legal fees and were approved by the Board on August 24, 2024.

Discussion: The District has been represented by Kevin Civale, a partner at Stradling Yocca Carlson & Rauth, on bond-related matters since 2016. He has helped the District refinance two previous bond issues and guided the District through the process of obtaining the revolving loan agreement with Wells Fargo. Stradling Yocca Carlson & Rauth is well-known in the municipal bond market and represents many municipalities, including water districts in California.

The contract is structured with a flat amount of \$110,000 for the refinancing and is contingent on the completion of the new bond financing. There is a \$40,000 non-contingent fee that is part of the \$110,000 that will be paid to Stradling Yocca Carlson & Rauth if the District is unable or unwilling to continue to complete the bond refinancing. The additional \$50,000 provides contingency to deal with any additional legal compliance matters that arise after the issuance of the new bonds. District Counsel has reviewed the retainer agreement.

SCOTT H. QUADY, PRESIDENT
DIVISION 2

ANDY WATERS, VICE PRESIDENT
DIVISION 3

RAUL AVILA, SECRETARY
DIVISION 1

JACQUELYN MCMILLAN, TREASURER
DIVISION 5

THIBAUT ROBERT, DIRECTOR
DIVISION 4

KRISTINE MCCAFFREY
GENERAL MANAGER



BOARD MEMORANDUM

Date: October 16, 2024

To: Board of Directors

From: Charlotte Holifield, Manager of External Affairs

Subject: Item 6A – Discussion Regarding Consideration of a Board Position on Proposition 4, the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024

Objective: To enhance advocacy by considering adoption of a position on Proposition 4, the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024.

Recommended Action: The Board may choose to support or oppose Proposition 4 or take no position.

Budget Impact: None.

Discussion:

On July 3, 2024, the State Legislature passed Senate Bill 867 (Allen), which approved placing a \$10 billion climate resilience bond on the November ballot. Calleguas supported this legislation due to the potential financial benefit that the District and its retail purveyors may realize should the bond pass. This support aligns with the following Board-adopted Legislative Policy Principle: "Support opportunities that allow the District to compete for its fair share of regional, state, and federal funding, including grants and other funding programs" (Finances - 4).

Calleguas has a strong history of bringing state bond money to the District, including funds from Propositions 1, 13, 40, 50, and 84. The largest funding category in Proposition 4, \$3.8 billion for safe drinking water, drought, flood, and water resilience programs, would likely create funding programs that would be a good fit for planned and potential Calleguas and purveyor projects. Other designated funding priorities include wildfire and forest resilience, sea level rise, clean air, and creation of parks. Staff will provide additional detail about the measure's provisions at the Board meeting.

As a public agency, there are special considerations regarding positioning on a ballot measure. Staff will review guidance from the California Special Districts Association at the Board meeting, but to summarize, special districts may adopt positions on ballot measures and may educate the public about the measure and the rationale behind any adopted Board position, but may not expend public funds to support or oppose the proposal.

On September 10, 2024, the Metropolitan Board adopted a “support” position on Proposition 4. The Association of California Water Agencies has taken a neutral position.

Attachment:

Text of Proposition 4, the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024



MEMORANDUM

Via U.S. Mail and Electronic Mail

TO: ACWA Member Agency Board Presidents and General Managers
CC: ACWA Board of Directors
FROM: Dave Eggerton, ACWA Executive Director
DATE: October 8, 2024
SUBJECT: Notice of Membership Meeting — December 4

A Membership Meeting will be held at ACWA's 2024 Fall Conference & Expo to conduct a vote by the membership on proposed Amended and Restated Bylaws of the Association of California Water Agencies. The in-person meeting will be held on **Wednesday, December 4 at 1:30 p.m.** at the Main Stage in the Springs Ballroom F & G at the JW Marriott Desert Springs Resort & Spa, Palm Desert.

Each member agency is entitled to one vote that will be cast by its authorized voting representative. Member agencies must designate their voting representative and alternate by submitting the attached Voting Representative Form by **Monday, November 25**.

Important Next Steps

1. **Designate your voting representative:** Fill out the attached Voting Representative Form by Monday, November 25.
2. **Review the proposed Amended and Restated Bylaws:** These are available online at www.acwa.com.
3. **Have your designated voter pick up their keypad:** During ACWA's Fall Conference & Expo, have your designated voter go to the ACWA Membership Meeting Check-in Desk on **Wednesday, December 4, between 9 a.m. and noon** to sign in and pick up their voting keypad. If your voting representative does not get a keypad by noon, they will not be able to vote. ACWA staff will also be available at the desk to answer questions.
4. **Have your designated voter attend the Membership Meeting:** Make sure your designated voter takes their keypad to the Membership Meeting on December 4 at 1:30 p.m. The voting representative must be present to vote.

More information on the proposed Amended & Restated Bylaws, voting process and next steps is available at www.acwa.com. If you have any questions regarding the proposed Amended and Restated Bylaws or the voting process, please contact Senior Clerk of the Board Donna Pangborn at 916-669-2425 or donnap@acwa.com.



Attachments (Also see website [link](#) for these materials.):

1. Authorized Voting Representative Form
2. Proposed Amendments to ACWA's Bylaws Table
3. Proposed Amended and Restated Bylaws (redline version)
4. Proposed Amended and Restated Bylaws (clean version)



2024 ACWA MEMBERSHIP MEETING AUTHORIZED VOTING REPRESENTATIVE FORM

There will be a Membership Meeting at ACWA's 2024 Fall Conference & Expo.

Date & Time: December 4, 2024, 1:30 p.m.

Location: JW Marriott Desert Springs Resort & Spa, Palm Desert
Main Stage in the Springs Ballroom F & G

The purpose of the meeting is to conduct a vote by the membership on proposed Amended and Restated Bylaws of the Association of California Water Agencies as recommended by the Board of Directors at its meeting on September 20, 2024.

As set forth in Board Policy 2.8.1.5, each authorized voting representative has the responsibility to do the following in order to vote:

- Pick up handheld keypad or other designated voting mechanism prior to the start time of the membership meeting as specified in the meeting notice.
- Be physically present and inside the meeting room at the start of the membership meeting as specified on the meeting agenda.

Pick up Voting Keypad and Ask Questions

ACWA staff will be at the **Membership Meeting Check-In Desk** on **Wednesday, December 4, from 9:00 a.m. to noon.** to answer questions about the membership meeting and voting process. Voters must sign in during this time to pick up their voting keypads. *Note: If you do not have your keypad by noon., you will not be able to vote, consistent with established Board Policy 2.8.1.5.*

The person designated below will attend the Membership Meeting on December 4 as our voting representative. An alternate has also been identified as a backup voter in the event one is needed.

Member Agency's Name		Agency's Phone No.
Authorized Voting Representative's Name	Authorized Voting Representative's Email	Authorized Voting Representative's Phone No.
Alternate Authorized Voting Representative's Name	Alternate Authorized Voting Representative's Email	Alternate Authorized Voting Representative's Phone No.

Member acknowledges that this information has been communicated to their authorized voting representative.

Print Name of Member Agency's Authorized Signatory

Date

Authorized Signatory Signature

SUBMIT YOUR FORM

To: Donna Pangborn, Senior Clerk of the Board

Email: donnap@acwa.com

Fax: 916-669-2425

SUBMISSION DEADLINE

NOVEMBER 25, 2024



Proposed Amendments to the Bylaws of the Association of California Water Agencies

Amendment 1: ARTICLE 3, Officers

Current Bylaw	Proposed Bylaw	Rationale
<p>Section 3.01. (c) Vice President. The vice president shall, in the absence of the president, assume all of the duties of that office and, if a vacancy occurs, succeed thereto for the unexpired term. The vice president shall sit as a member of the Executive Committee of the ACWA Joint Powers Insurance Authority and shall perform such other duties as assigned by the president.</p>	<p>Section 3.01. (c) Vice President. The vice president shall, in the absence of the president, assume all of the duties of that office and, if a vacancy occurs, succeed thereto for the unexpired term. The vice president shall sit as a member of the Executive Committee of the ACWA Joint Powers Insurance Authority and shall perform such other duties as assigned by the president. <u>The vice president shall be a non-voting, ex officio member of each committee, but shall not be an ex officio member of the Election Committee or the region boards.</u></p> <p><u>The vice president may be expelled from office with or without cause, upon the satisfaction of the following two events: (1) a two-thirds vote of the Board of Directors; and (2) a subsequent simple majority vote of the members of the Association during a meeting of the membership.</u></p>	<p>Amendment to add these provisions to the Vice President position, similar to Section 3.01(b) to provide procedural consistency to the two Board Officer positions.</p>

Note: Green text throughout this document reflects edits recommended by the Legal Affairs Committee (LAC) Workgroup in response to its review and analysis of the proposed amendments to the Bylaws, consistent with Section 9.09 of ACWA's Bylaws. The ACWA Board included the LAC Workgroup's recommended edits as part of its recommendation to the members.



Proposed Amendments to the Bylaws of the Association of California Water Agencies

Amendment 2: ARTICLE 4, Board of Directors

Current Bylaw	Proposed Bylaw	Rationale
<p>Section 4.07. Quorum. At any meeting of the Board of Directors, the attendance of 50 percent of the voting members of the Board of Directors, or their permitted alternates as specified in these bylaws, shall constitute a quorum for the transaction of any business. The Board may hold a closed session for discussion of personnel matters or enforcement of violations of the code of conduct.</p>	<p>Section 4.07. Quorum. At any meeting of the Board of Directors, the attendance of 50 percent of the voting members of the Board of Directors, or their permitted alternates as specified in these bylaws, shall constitute a quorum for the transaction of any business. The Board may hold a closed session for discussion of personnel matters; or enforcement of violations of the code of conduct; <u>pending or anticipated litigation or other legal matters, including, but not limited to, considering whether to file or join in an amicus brief; real property negotiations and discussions; and other confidential matters as determined by the Board to the extent permitted by applicable law.</u> (See Board Policy 2.1.8.3.)</p>	<p>Amendment to clarify the scope of issues that can be addressed by the Board in closed session.</p>

Proposed Amendments to the Bylaws of the Association of California Water Agencies

Amendment 3, ARTICLE 3, Board of Directors

Current Bylaw	Proposed Bylaw	Rationale
<p>Section 4.12. Code of Conduct of Board Members.</p> <p>(a) Code of Conduct Purpose and Adoption. The Board of Directors shall establish, and update as appropriate, a code of conduct for its Directors that recognizes the Association’s commitment of integrity, respect, and fair representation to its members and the public they serve and establishes minimum ethical standards for the performance of the duties of office. The code shall be consistent with the procedural processes contained in this section. The code shall be distributed to all new Directors and shall be distributed annually to all members of the Association.</p>	<p>Section 4.12. Code of Conduct of Board Members.</p> <p>(a) Code of Conduct Purpose and Adoption. The Board of Directors shall establish, and update as appropriate, a code of conduct for its Directors that recognizes the Association’s commitment of integrity, respect, and fair representation to its members and the public they serve and establishes minimum ethical standards for the performance of the duties of office. The code shall be consistent with the procedural processes contained in this section. <u>(See Code of Conduct Policy, Board Policy Manual, Policy No. GO-2.1A).</u> The code shall be consistent with the procedural processes contained in <u>the Code of Conduct Policy (See sections 2.1.3A and 2.1.4A of Policy No. GO-2.1A of the Board Policy Manual.)</u> The code shall be distributed to all new Directors and shall be distributed annually to all members of the Association.</p>	<p>Amendment to reflect consistency with recently adopted Board Policy GO-2.1A Code of Code and to delete reference to the Legal Affairs Committee Chair in Section 4.12(b). Amendment reflects deletion to this text to be less prescriptive due to the details in Board Policy GO-2.1A.</p>

Amendment 3 (cont'd), ARTICLE 3, Board of Directors

Current Bylaw	Proposed Bylaw	Rationale
<p>Section 4.12. Code of Conduct of Board Members.</p> <p>(b) Violations and Enforcement Process. A violation of the code of conduct may result in removal, public censure, or private reprimand of a Director, or such other action as contained in the code of conduct. However, removal and public censure shall be reserved only for serious violations. A Director may not be removed or publicly censured absent an affirmative vote of two-thirds of the voting members of the Board of Directors. A Director may be privately reprimanded for a violation of the code of conduct upon the majority vote of the quorum. Complaints of violation of the code of conduct may be filed with the president, or the vice-president if the allegations are made against the president. The president may refer a complaint of violation to the executive director/secretary for investigation. The executive director/secretary may retain a special investigator or special counsel to conduct or assist the investigation. A Director accused of a violation shall be provided a</p>	<p>Section 4.12. Code of Conduct of Board Members.</p> <p>(b) Violation and Enforcement Process. A violation of the code of conduct may result in removal, public censure, or private reprimand of a Director, or such other action as contained in the code of conduct. However, removal and public censure shall be reserved only for serious violations. A Director may not be removed or publicly censured absent an affirmative vote of two-thirds of the voting members of the Board of Directors. A Director may be privately reprimanded for a violation of the code of conduct upon the majority vote of the quorum. Complaints of violation of the code of conduct may be filed with the president, or the vice-president if the allegations are made against the president. The president may refer a complaint of violation to the executive director/secretary for investigation. The executive director/secretary may retain a special investigator or special counsel to conduct or assist the investigation. A Director accused of a violation shall be provided a</p>	<p>Amendment to reflect consistency with recently adopted Board Policy GO-2.1A Code of Code and to delete reference to the Legal Affairs Committee Chair in Section 4.12(b). Amendment reflects deletion to this text to be less prescriptive due to the details in Board Policy GO-2.1A.</p>

Proposed Amendments to the Bylaws of the Association of California Water Agencies

Amendment 4, Article 6, Executive Committee

Current Bylaw	Proposed Bylaw	Rationale
<p>Section 6.02 Powers.</p> <p>Personnel.</p> <p>(a) Subject to the budget adopted by the Board of Directors, the Executive Committee shall perform the following personnel actions: (1) recommend compensation for the executive director/secretary to the Board of Directors for approval; (2) perform annual reviews of the executive director/secretary and submit that review to the Board of Directors; (3) review and approve the classification and compensation plan and publicly posted salary schedule for Association employees submitted by the executive director/secretary, which shall be reviewable by the Board of Directors, in closed session, upon request of the Board of Directors;</p> <p>...</p>	<p>Section 6.02 Powers.</p> <p>Personnel.</p> <p>(a) Subject to the budget adopted by the Board of Directors, the Executive Committee shall perform the following personnel actions: (1) recommend compensation for the executive director/secretary to the Board of Directors for approval; (2) perform annual reviews of the executive director/secretary and submit that review to the Board of Directors; (3) review and approve the classification and compensation plan and publicly posted salary schedule for Association employees submitted by the executive director/secretary, which shall be reviewable <u>approved</u> by the Board of Directors, in closed session, upon request of the Board of <u>Directors</u>;</p> <p>...</p>	<p>Amendment to clarify that the ACWA Board is the approving authority for the public salary schedule, as required by CalPERS. The Executive Committee will review and make a recommendation to the Board.</p>

Proposed Amendments to the Bylaws of the Association of California Water Agencies

Amendment 5, ARTICLE 8, Special Council, Committees, and Task Forces

Current Bylaw	Proposed Bylaw	Rationale
<p>Section 8.01 Council of Past Presidents.</p> <p>There shall be a Council of Past Presidents composed of all past presidents of the Association who serve on the council until each is no longer able to or wishes to serve. The council shall provide a mechanism for past presidents to continue to make valuable contributions to the Association. With approval of the Board of Directors, the president and/or executive director/secretary may assign specific responsibilities to the council from time to time. Members of the Council of Past Presidents are invited to attend and participate in the Association’s Board meetings.</p>	<p>Section 8.01 Council of Past Presidents.</p> <p>There shall be a Council of Past Presidents composed of all past presidents of the Association who serve on the council until each is no longer able to or wishes to serve. The council shall provide a mechanism for past presidents to continue to make valuable contributions to the Association. With approval of the Board of Directors, the president and/or executive director/secretary may assign specific responsibilities to the council from time to time. Members of the Council of Past Presidents are invited to attend and participate in the Association’s Board <u>and Executive Committee meetings, including attending closed sessions. With the exception of the immediate past president, members of the Council of Past Presidents are non-voting.</u></p>	<p>Amendment to clarify that Past Presidents are non-voting representatives on ACWA’s Board and Executive Committee with the ability to participate in the full range of activities, including closed session.</p>

Proposed Amendments to the Bylaws of the Association of California Water Agencies

Amendment 6, ARTICLE 8, Special Council, Committees, and Task Forces

Current Bylaw	Proposed Bylaw	Rationale
<p>Section 8.02 Election Committee.</p> <p>(b) Qualification. In order to serve on the Election Committee, an individual must be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Where an individual ceases to meet these criteria during the election cycle, the individual may not continue to serve. When the disqualified member represented a Region Board, the affected Region Board shall select a replacement representative. When the disqualified member represented the President, the President shall select an alternate representative.</p>	<p>Section 8.02 Election Committee.</p> <p>Qualification. In order to serve on the Election Committee, an individual must be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. <u>Past presidents, who are Honorary Life Members of the Association, may also serve on the Election Committee without meeting stated qualifications unless otherwise disqualified.</u> Where an individual ceases to meet these criteria during the election cycle, the individual may not continue to serve. When the disqualified member represented a Region Board, the affected Region Board shall select a replacement representative. When the disqualified member represented the President, the President shall select an alternate representative.</p>	<p>Amendment to allow unaffiliated Past Presidents to serve on the Election Committee without meeting the stated criteria since they are Honorary Life Members of the Association.</p>

Proposed Amendments to the Bylaws of the Association of California Water Agencies

Amendment 7, ARTICLE 9, Meetings of Members

Current Bylaw	Proposed Bylaw	Rationale
<p>Section 9.06 Voting. Each member of the Association in good standing at the time of the annual or special meeting shall be entitled to one vote that shall be cast by its authorized representative. Each member must designate its authorized representative prior to the annual or special meeting. It is the member’s responsibility to designate or update its authorized representative as needed. The Association may confirm with any member the identify of that member’s authorized representative for the purpose of casting ballots in any election of president and vice president. All questions, except amendments or revisions of these bylaws, shall be determined by a majority of the members present and voting. A roll call may be requested by any authorized representative.</p>	<p>Section 9.06 Voting. Each member of the Association in good standing at the time of the annual or special meeting shall be entitled to one vote that shall be cast by its authorized representative. Each member must designate its authorized representative prior to the annual or special meeting. It is the member’s responsibility to designate or update its authorized representative as needed. The Association may confirm with any member the identity of that member’s authorized representative for the purpose of casting ballots in any election of president and vice president, amendments to these Bylaws, or other Association business that requires a vote. All questions, except amendments or revisions of these bylaws, shall be determined by a majority of the members present and voting. A roll call may be requested by any authorized representative.</p>	<p>Amendment to expand this language to cover additional actions where an authorized representative will need to be confirmed for the purposes of casting a ballot (see newly added Section 9.15).</p>

Proposed Amendments to the Bylaws of the Association of California Water Agencies

Amendment 8, ARTICLE 9, Meetings of Members

Current Bylaw	Proposed Bylaw	Rationale
<p>Section 9.08 Quorums. The presence of the authorized representative of 50 members of the Association at any meeting of the members shall constitute a quorum for transacting business. Written ballots timely received from the authorized representative of 50 members shall constitute a quorum for elections of president and vice president.</p>	<p>Section 9.08 Quorums. The presence of the authorized representatives of at least 50 members of the Association at any meeting of the members shall constitute a quorum for transacting business. Written ballots timely received from the authorized representative of 50 members shall constitute a quorum for elections of president and vice president. <u>Actions taken by written ballot shall require the timely receipt of the written ballot from the authorized representatives of at least 50 members to constitute a quorum.</u></p>	<p>Amendment to clarify the written ballot quorum language to cover other actions besides the elections of president and vice president (see newly added Section 9.15)</p>



Proposed Amendments to the Bylaws of the Association of California Water Agencies

Amendment 9, ARTICLE 9, Meetings of Members

Current Bylaw	Proposed Bylaw	Rationale
<p>Section 9.11. Election of President and Vice President. Each member of the Association in good standing at the time a vote is cast is entitled to one vote for election of the president and vice president that shall be cast by its authorized representative by written ballot. The ballot and any related material may be sent by first class, registered, or certified mail or electronic transmission by the Corporation that meets the requirements of Corporations Code section 20, and responses may be returned to the Corporation by mail or electronic transmission. On any written ballot for the election of president or vice president, an authorized representative acting on behalf of the member may write in a qualified candidate for election.</p>	<p>Section 9.11. Election of President and Vice President. Each member of the Association in good standing at the time a vote is cast is entitled to one vote for election of the president and vice president that shall be cast by its authorized representative by written ballot. The ballot and any related material may be sent by first class, registered, or certified mail or electronic transmission by the Corporation that meets the requirements of Corporations Code section 20, and responses may be returned to the Corporation by mail or electronic transmission. On any written ballot for the election of president or vice president, an authorized representative acting on behalf of the member may write in a qualified candidate for election. <u>Nominating resolutions for write-in candidates must be received by the deadline for the return of ballots.</u></p>	<p>Amendment to clarify that write-in candidates for president or vice presidents must submit a nominating resolution by the election deadline since they did not go through the Election Committee review process.</p>

Proposed Amendments to the Bylaws of the Association of California Water Agencies

Amendment 10, ARTICLE 9, Meeting of Members

Current Bylaw	Proposed Bylaw	Rationale
	<p>Newly Added Section. <u>Section 9.15. Action by Written Ballot.</u> <u>To the extent permitted by applicable law and subject to all applicable requirements, any action that may be taken at a regular or special member meeting of the members may be approved by written ballot if a ballot is sent to each member entitled to vote on the matter. Ballots may be sent and returned by electronic transmission as permitted in the Corporations Code. Ballot format, solicitation and voting thresholds shall meet the requirements of the Corporations Code and be consistent with applicable provisions of these Bylaws.</u></p>	<p>Amendment to allow the flexibility to take action by written ballot beyond the currently approved process of electing the president and vice president by written ballot.</p>

Proposed Amendments to the Bylaws of the Association of California Water Agencies

Amendment 11, Article 11, Definitions

Current Bylaw	Proposed Bylaw	Rationale
<p>Section 11.04. Definitions. As used in these bylaws, the term “notice provided by electronic means” shall refer to notice given by fax or e-mail.</p>	<p>Section 11.04. Definitions. As used in the byBylaws, the terms <u>“electronic transmission” and</u> “notice provided by electronic means” shall refer to notice and <u>other communications</u> given by fax or email.</p>	<p>Amendment to add “electronic transmission,” to clarify the meaning of this term in Section 9.15 and to harmonize this term with currently accepted means of providing notice.</p>
	<p>Newly Added Section. <u>Section 11.05. Conflicts Between Bylaws and Other Association Policies. To the extent permitted by applicable law, these Bylaws shall govern in the event there is a conflict between these Bylaws and another Association policy, rule, or procedure.</u></p>	<p>Amendment to clarify that ACWA’s Bylaws govern in the event there is a conflict with another Association policy, rule, or procedure.</p>

Proposed Amendments to the Bylaws of the Association of California Water Agencies

Amendment 12, VARIOUS, References to ACWA

Current Bylaw	Proposed Bylaw	Rationale
Cleanup amendments:	Change the reference to ACWA to Association in the following Bylaws: Section 5.02 Officers (a) Section 7.01 Qualification. Section 7.05 Agriculture Committee Section 5.02 Officers (a): Delete reference to ACWA before Board of Directors.	Amendment to change references to ACWA to Association to provide consistency throughout the document.



**PROPOSED AMENDED AND
RESTATED BYLAWS of the
Association of California
Water Agencies**

Amended and restated by the ACWA Members: November 30, 2022

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(As amended and restated by the Members on November 30, 2022)

ARTICLE 1 - General

Section 1.01. Name. The name of this California nonprofit corporation shall be the Association of California Water Agencies (hereinafter referred to as the Association).

Section 1.02. Principal Office. The principal office for the transaction of business of the Association shall be located in Sacramento, California.

Section 1.03. Purposes. The purposes of the Association shall be to work together with its members and others for the best interests of California and its citizens and landowners who use, need and depend upon water; to encourage the orderly development of the waters of the state; to seek means of obtaining and making available to all of California a dependable water supply of the best possible quality at the lowest possible cost, giving due consideration to environmental factors involved therein; to provide inspiration and leadership in meeting and solving the water supply problems of this state; to propose and advocate such policies and measures—local, state and federal—that serve the best interests of the Association, opposing those of contrary nature; to assist in promoting the health, safety and welfare of the employees of its members; and to do all other things that are in the best interests of its members.

ARTICLE 2 – Membership and Dues

Section 2.01. Membership.

- (a) **Members.** Only a public district, public agency, or public organization created and operated for the purpose of controlling, treating, developing, acquiring, using or supplying water for any purpose for inhabitants or lands within the state of California, or for the protection, drainage or reclamation of lands within the state of California, may become a member of the Association. Such an entity will become a member upon written application, approval by the Board of Directors, and the payment of the required dues. Acceptance to membership shall authorize full participation in Association activities. Except as otherwise provided in Section 2.01(b) below, in no case may an organization other than a state, a political subdivision (as defined in § 1.103-1(b) of the Income Tax Regulations) of a state or an entity the income of which is excluded from gross income under § 115 of the Internal Revenue Code be a member of the Association. A member of the Association shall be in good standing if in compliance with all bylaws and requirements of membership, including timely payment of annual dues and emergency assessments.
- (b) **Honorary Life Members.** Any person who has rendered conspicuous service in furthering the purposes of the Association may, by vote of the Board of Directors, be granted an honorary life membership in the Association without payment of dues or assessments. All past presidents of the Association shall automatically be honorary life members without vote of the Board of Directors. Honorary life members shall not be entitled to a vote or to hold office automatically because of their status as honorary life members.
- (c) **Termination of Members.** Membership shall cease upon the failure of any member to pay the dues provided for in Section 2.02 of this Article. The membership of any member may be terminated at any time by such member sending written notification of its intention to withdraw to the Association’s principal office. The Board of Directors may terminate the membership of any member upon 30 days’ written notice by first-class mail when it is determined at any regular Board meeting or at any special Board meeting called for that purpose that continuance of such membership would not be in the best interests of the Association. Withdrawal or termination of membership ends any participation in Association activities and shall terminate a member’s interest in the Association’s assets.

Section 2.02. Dues. The annual dues of each member of the Association shall be established by the Board of Directors; provided, however, that any member may apply for a change in its dues because of conditions that differentiate such applicant from other members.

Section 2.03. Liability of Members. No member shall be liable for any obligation incurred by the Association with the following exception: (1) the payment of the annual dues while it remains a member;

and (2) the payment of emergency assessments, which shall not exceed 10 percent of current annual dues for each member in any calendar year while it remains a member. No emergency assessment may be levied against any member during its first two years of membership in the Association.

ARTICLE 3 - Officers

Section 3.01. President and Vice President.

- (a) **General.** The president and vice president of the Association shall be the elected officers of the Association. At the time of their election the president and vice president shall each be an elected or appointed member of the governing body or commission (as appropriate) of a member agency of the Association. The president and vice president shall be elected by the members of the Association by written ballot in each odd-numbered year before the Association's annual meeting, shall be announced at the Association's annual meeting, shall take office on January 1 of the calendar year following election, and shall hold office until such time as their successors take office or are appointed. An elected president shall not be permitted to succeed himself/herself to that office. Except as provided in this Article, should vacancies occur in either office of the president or vice president, the Board of Directors shall appoint persons to fill such offices for the unexpired terms thereof.
- (b) **President.** The president shall preside at all meetings of the Board of Directors, the Executive Committee, and the general membership; shall appoint members of all committees, including the chair and vice chair of each, upon recommendation from members and regions (as communicated by the region chairs), with each such committee chair and vice chair ratified by the Board of Directors; and shall perform all other duties necessary to carry out the functions of the office. The president shall be a non-voting, *ex officio* member of each committee, but shall not be an *ex officio* member of the Election Committee or the region boards.

The president may be expelled from office with or without cause, upon the satisfaction of the following two events: (1) a two-thirds vote of the Board of Directors; and (2) a subsequent simple majority vote of the members of the Association during a meeting of the membership.

- ~~(c)~~ **Vice President.** The vice president shall, in the absence of the president, assume all of the duties of that office and, if a vacancy occurs, succeed thereto for the unexpired term. The vice president shall sit as a member of the Executive Committee of the ACWA Joint Powers Insurance Authority and shall perform such other duties as assigned by the president. The vice president shall be a non-voting, *ex officio* member of each committee, but shall not be an *ex officio* member of the Election Committee or the region boards.

The vice president may be expelled from office with or without cause, upon the satisfaction of the following two events: (1) a two-thirds vote of the Board of Directors; and (2) a subsequent simple majority vote of the members of the Association during a meeting of the membership.

Section 3.02. Executive Director/Secretary and Controller/Treasurer.

- (a) **General.** The executive director/secretary and controller/treasurer of the Association shall also be officers of the Association. The executive director/secretary shall be appointed by and hold office at the pleasure of the Board of Directors of the Association.
- (b) **Executive Director/Secretary.** The executive director/secretary shall: (1) advise and assist the Board of Directors, all committees, the boards of each region, and the workgroups of each region; (2) be responsible for administering the total operations of the Association; (3) employ, direct, and release all employed staff in accordance with the policies adopted by the Board of Directors and consistent with the budget adopted by the Board of Directors; (4) provide relevant information to the Board of Directors needed by the Board to take actions; (5) give members notice and record minutes of all meetings of the membership, Board of Directors, and Executive Committee; and (6) have such other powers and perform such other duties as may be provided and assigned by the Board of Directors directly or through the president of the Board or the Executive Committee. The executive director/secretary, with the assistance of the controller/treasurer, shall render a report to the Board of Directors at the first meeting following the close of each calendar year showing the membership of the Association, the receipts and expenditures during the year, and the work accomplished during the previous year.
- (c) **Controller/Treasurer.** The controller/treasurer shall report to and act under the direction of the executive director/secretary. The controller/treasurer shall be a signatory on all accounts held by the Association and shall act as a fiduciary for all assets of the Association.

ARTICLE 4 – Board of Directors

Section 4.01. Membership. The Board of Directors shall consist of:

- (a) The Association president and vice president.
- (b) The chair and vice chair of each region.
- (c) The chair of each standing committee.
- (d) The most immediate active past president.
- (e) The vice president of the ACWA/Joint Powers Insurance Authority.

Section 4.02. Term of Office. The term of office of all members of the Board of Directors shall commence on January 1 of the calendar year following election of the president and vice president, except for those persons who serve on the Board of Directors by nature of their position as chairs of standing committees, whose terms shall instead commence upon their ratification by the Board of Directors. Except as provided in Article 4, Section 4.11, the term of office for all members of the Board of Directors shall terminate on December 31 of the following odd-numbered year two years later, or until their successors take office.

Section 4.03. Attendance Requirement. Any member of the Board of Directors who misses two consecutive regular Board meetings without being excused by the Board will no longer be a member of the Board of Directors.

Section 4.04. Regular Meetings. Regular meetings of the Board of Directors shall be held bimonthly at such times and places as the Board may determine.

Section 4.05. Special Meetings. Special meetings may be called by the president upon the president's own volition or shall be called by the president when requested in writing by five directors. Prior to conducting such a special meeting, the president shall consult with the Executive Committee to ensure that adequate information is available to the Board of Directors for any necessary decisions; and where such meeting is called upon the president's own volition, the president shall also consult with the Executive Committee as to the necessity of the special meeting. Notice for special meetings shall be provided in the following manner: (1) upon 10 days' written notice sent by mail to each director and addressed to each at the address as shown upon the records of the Association; or (2) upon 48 hours' notice with notice provided by electronic means. When the meeting is called upon the president's own volition, the president shall choose the form of notice; when the meeting is called by a request of five directors, the five directors shall choose the form of notice and the president shall promptly call the meeting. No business except those items described in the notice shall be transacted at any special meeting, except by consent of three-fourths of the members of the Board of Directors present.

Section 4.06. Meetings by Electronic Communication. Any meeting of the Board of Directors, region boards, or any committee may be conducted, in whole or in part, by telephone, electronic transmission, or by electronic video screen communication. A member of the Board of Directors, a region board, or any committee shall be deemed present in person at the meeting if the following apply:

- (a) Each director, region board, or committee member participating in the meeting can communicate concurrently with all other directors, region board, or committee members.
- (b) Each director, region board or, committee member is provided the means of participating in all matters before the board, region board, or committee, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Association.

Section 4.07. Quorum. At any meeting of the Board of Directors, the attendance of 50 percent of the voting members of the Board of Directors, or their permitted alternates as specified in these bylaws, shall

constitute a quorum for the transaction of any business. The Board may hold a closed session for discussion of personnel matters; ~~or enforcement of violations of the code of conduct;~~ pending or anticipated litigation or other legal matters, including, but not limited to, considering whether to file or join in an amicus brief; real property negotiations and discussions; and other confidential matters as determined by the Board to the extent permitted by applicable law. (See Board Policy 2.1.8.3.)

Section 4.08. Alternates. Each region shall designate an alternate for each chair and vice chair, who shall meet the qualification requirements for chair and vice chair, to act at meetings of the Board of Directors when the chair or vice chair is unable to attend. The vice chair of each standing committee will be the alternate to act at meetings of the Board of Directors when the standing committee chair is unable to attend. An alternate may not act or vote on behalf of more than one member of the Board of Directors. A member of the Board of Directors may not act as an alternate for any other member.

Section 4.09. Vacancies for Standing Committee Chairs and Vice Chairs. Should a vacancy occur in the office of any standing committee chair or vice chair before the end of the term, the president shall appoint a new committee chair or vice chair to fulfill the unexpired term of such committee chair or vice chair subject to ratification by the Board of Directors. A vacancy in the office of any such standing committee chair or vice chair as described in the previous sentence shall be deemed to exist when the chair or vice chair: (1) resigns the office; (2) no longer is an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member; or (3) is otherwise removed by a member agency of the Association.

Section 4.10. Duties, Authorities, and Delegation. Subject to the provisions and limitations of California Nonprofit Corporation Law, other applicable laws, and the provisions of these bylaws, the Association's activities and affairs are to be exercised by or under the direction of the Association's Board of Directors. The Board of Directors is responsible for the overall supervision, control, and direction of the Association. The Board of Directors shall: (1) employ and release the executive director/secretary; (2) set performance expectations for the executive director/secretary; (3) receive, review, and consider approval of executive director/secretary recommended compensation, other terms and conditions of employment, and annual evaluations as prepared by the Executive Committee; (4) annually adopt a budget; and (5) set the level of dues for the Association. Except as to the duties listed in the previous sentence, and subject to Article 3, Section 2, the Board of Directors may delegate the supervision, control, and direction of the Association's affairs to any person or group, including a committee, provided the Association Board retains ultimate responsibility for the actions of such person or group. Where such powers are delegated, the delegation shall be documented in writing.

Section 4.11. Immediate Past President. The immediate past president automatically assumes this position after serving as the Association's elected president and is a voting member of the Board of Directors and Executive Committee. The term of office for the immediate past president shall commence on January 1 of the calendar year following election of the president and vice president and shall terminate on December 31 of the following odd-numbered year two years later. In the event the most

immediate active past president is unavailable to serve, the most recent and available active past president in succession shall serve in this capacity.

Section 4.12. Code of Conduct of Board Members.

~~(a) **Code of Conduct: Purpose and Adoption.** The Board of Directors shall establish, and update as appropriate, a code of conduct for its Directors that recognizes the Association's commitment of integrity, respect, and fair representation to its members and the public they serve and establishes minimum ethical standards for the performance of the duties of office. The code shall be consistent with the procedural processes contained in this section. (See Code of Conduct Policy, Board Policy Manual, Policy No. GO-2.1A.) The code shall be consistent with the procedural processes contained in the Code of Conduct Policy. (See sections 2.1.3A and 2.1.4A of Policy GO-2.1A of the Board Policy Manual.) The code shall be distributed to all new Directors and shall be distributed annually to all members of the Association.~~

~~(b) **Violations and Enforcement Process.** A violation of the code of conduct may result in removal, public censure, or private reprimand of a Director, or such other action as contained in the code of conduct. However, removal and public censure shall be reserved only for serious violations. A Director may not be removed or publically censured absent an affirmative vote of two-thirds of the voting members of the Board of Directors. A Director may be privately reprimanded for a violation of the code of conduct upon the majority vote of the quorum. Complaints of violation of the code of conduct may be filed with the president, or the vice-president if the allegations are made against the president. The president may refer a complaint of violation to the executive director/secretary for investigation. The executive director/secretary may retain a special investigator or special counsel to conduct or assist the investigation. A Director accused of a violation shall be provided a copy of the complaint. A Director that takes any hostile or retaliatory action, directly or indirectly, against a complainant is subject to removal from the Board in conformance with the process identified above. Prior to scheduling a Board action on a complaint, the president shall consult with the Executive Committee and the chair of the Legal Affairs Committee. A Director accused of a violation of the code of conduct shall be provided at least 15 days' written notice of any meeting of the Board at which a determination of enforcement will be considered. A determination of enforcement may be made only at a regular meeting of the Board and shall be made in closed session. The determinations of the Board under this section shall not be admissible in any criminal or civil proceeding brought against the Director for conduct that violates any other law.~~

ARTICLE 5-- Regions

Section 5.01. Boundaries of Each Region.

- (a) There shall be a maximum of 10 regions within the state. The Board of Directors shall determine the regional boundaries. Insofar as is practicable, the regions shall have a numerical balance in members of the Association; make geographic sense; and promote regional problem solving.
- (b) A member of the Association may file a written petition to the Board of Directors requesting a change in regions. Such petition shall set forth the reasons for such requested change. The Board shall, within a reasonable time, act upon such petition and set forth the reasons for its action. Such action by the Board shall be based on factors in Section 5.01(a) above, as well as others deemed by the Board of Directors to be relevant to the decision.

Section 5.02. Officers.

- (a) The officers of each region shall be a chair and vice chair and three to five region board members who shall be elected by the region in each odd-numbered year. A region may maintain a board of fewer than five but not less than three members as provided in the region's rules and regulations. The officers of the region board shall take office on January 1 of the calendar year following election and shall hold office for two years, or until their successors take office. Regions shall hold elections by electronic ballot. [ACWA-Association](#) staff shall verify the legitimacy of the ballots.
- (b) The officers of each region shall: (1) exercise the powers and perform duties of the region during the interim between region meetings; and (2) make recommendations to the president regarding appointments to committees. The chair and vice chair shall be the region's representatives to the [ACWA](#) Board of Directors.
- (c) Each officer of a region shall be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Where an individual ceases to meet these criteria during the term of the office, the individual may not serve during the remaining term of that office unless that individual can again meet the criteria for the office and is appointed to complete the term. The region board may adopt more stringent criteria for board member qualifications as part of the region's rules and regulations.
- (d) Should a vacancy occur in any of the region board positions before the end of the term, the remaining members of the region board shall appoint a new member. A vacancy in the office of any region board position shall be deemed to exist when a region board

member: (1) resigns the office; (2) no longer is an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member of the Association to represent that member; or (3) is otherwise removed by a member agency of the Association.

Section 5.03. Nominating Committees. There shall be a nominating committee for each region consisting of three or more designees, each representing a member of the Association located within the region, appointed by the chair of the region and approved by the region board. Nominating committees shall be formed by February 28 of each odd-numbered year.

Section 5.04. Meetings. The meetings of each region shall be held at both the spring and fall conferences and at such other times and places as may be determined by the region chair. Representatives of five or more members of the Association from the region present at any region meeting shall constitute a quorum for purposes of conducting the business of the region. Any meeting, regular or special, may be held in person or by telephone conference, web video conference, or other electronic video screen communication or electronic transmission, as set forth in Section 4.06.

Section 5.05. Workgroups. Workgroups may be appointed by the region chair as needed.

Section 5.06. Rules. Each region shall organize and adopt rules and regulations for the conduct of its meetings and affairs not inconsistent with the Articles of Incorporation or bylaws of the Association. Each region shall abide by the code of conduct adopted by the Board of Directors of the Association.

ARTICLE 6 – Executive Committee

Section 6.01. Membership. There shall be an Executive Committee consisting of the following: the president of the Association, who shall be the chair thereof; the vice president; the most immediate active past president; the chair of the Finance Committee; and three at-large representatives selected from and by the members of the Board of Directors. The election of the three at-large representatives to the Executive Committee shall occur at the first Board of Directors meeting held in each even-numbered year and the elected representatives shall serve immediately following their election and until such time as their successors take office. To the extent practical, the Executive Committee should be constituted so as to reflect the geographic extent of the Association and the functions of the members of the Association.

Section 6.02. Powers. The Executive Committee shall have the following authority:

- (a) **Personnel.** Subject to the budget adopted by the Board of Directors, the Executive Committee shall perform the following personnel actions: (1) recommend compensation for the executive director/secretary to the Board of Directors for approval; (2) perform annual reviews of the executive director/secretary and submit that review to the Board of Directors; (3) review ~~and approve~~ the classification and compensation plan and publicly posted salary schedule for Association employees submitted by the executive director/secretary, which shall be ~~reviewable-approved~~ reviewable-approved by the Board of Directors, ~~in~~

~~closed session, upon request of the Board of Directors;~~ (4) establish personnel policies for the conduct and behavior of employees, which shall be reviewable by the Board of Directors; and (5) undertake such other personnel actions as may be requested by the executive director/secretary in support of his or her oversight of all other personnel matters, which shall be reviewable by the Board of Directors, in closed session, upon request of the Board of Directors.

- (b) **Delegation.** The Executive Committee may act pursuant to any authority specifically delegated to it by the Board of Directors. The delegation shall indicate whether the authority is still subject to the ultimate authority of the Board.
- (c) **Authority to Act Between Meetings.** The Executive Committee may act for the Board of Directors between Board meetings when calling a special meeting of the Board of Directors is impracticable, provided that no such action of the Executive Committee shall be binding on the Board of Directors until authorized or approved by the Board. The Executive Committee has the authority to authorize actions recommended by the Legal Affairs Committee (such as the filing of letter briefs and amicus curiae briefs) by electronic means without the need for an in-person or telephonic meeting, but such actions shall be ratified by the Board of Directors at its next meeting.

Section 6.03. Reporting. The president, or any person designated by the president, shall report to the Board of Directors, at each regular Board meeting, any action taken by the Executive Committee since the last preceding regular Board meeting. The minutes of Executive Committee meetings, which at that time may still be in draft form, shall be mailed (using the U.S. Postal Service, express delivery, electronic means, or otherwise) to each member of the Board of Directors at least five days prior to Board meetings, except in cases in which the Executive Committee meets during or immediately prior to a conference of the Association or immediately prior to a Board meeting, in which case the minutes, which may still be in draft form, shall be mailed to each director promptly thereafter.

Section 6.04. Meetings. The Executive Committee shall hold regularly scheduled meetings as set by the president. Special meetings of the Executive Committee may be called by the president upon notice to the members of that committee or upon written request of three Executive Committee members. Notice for special Executive Committee meetings shall be provided to the entire Board: (1) upon five days' written notice sent by mail, or (2) upon 24 hours' notice with notice provided by electronic means; and all such meetings shall be open to the Board of Directors. Any meeting, regular or special, may be held in person or by telephone conference, web video conference, or other electronic video screen communication or electronic transmission, as set forth in Section 4.06. All members of the Board of Directors may attend any meeting of the Executive Committee. Meetings of the Executive Committee may be closed to others at the discretion of the president or committee. Only members of the Executive Committee are allowed to vote on matters at a meeting of the committee.

Section 6.05. Minutes. The minutes of the Executive Committee meetings shall be kept by the executive director/secretary at the Association's principal office. Actions of the Executive Committee shall

be reported to the Board of Directors as provided in Section 3 of this Article and shall be available to any member of the Board of Directors upon request to the executive director/secretary.

ARTICLE 7 – Standing Committees

Section 7.01. Qualification. In order to serve on any ~~ACWA~~Association standing committee, an individual must be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Where an individual ceases to meet these criteria during the term of the appointment, the individual may not serve during the remaining term of that appointment unless that individual can again meet the criteria for appointment and is appointed to complete the term.

Section 7.02. Term of Office. The term of office of standing committee members shall be two years commencing on January 1 of each even-numbered year. The term of office of standing committee chairs and vice chairs shall be approximately two years and shall commence as soon after January 1 of the even-numbered year as they may be appointed by the president and ratified by the then-seated Board of Directors, and shall terminate on December 31 of the odd-numbered year approximately two years later or until their successors are appointed and ratified.

Section 7.03. Meetings. Meetings of standing committees may be called at such times and places designated by the respective chair thereof except where provided otherwise by these bylaws. Any meetings of standing committees may be conducted, in whole or in part, by electronic transmission or by electronic video screen communication, as set forth in Section 4.06. Subject to the provisions of these bylaws and any actions that may be taken by the Board of Directors, the chairs of each standing committee may establish their own rules for the efficient operation of the committee they each chair. The chairs of each standing committee are authorized to create subcommittees and workgroups in order to complete the work of the committee.

Section 7.04. Committee Composition. Each limited standing committee shall have a membership composition that is comprised of members in the quantity and with qualifications as defined by the provisions of these bylaws. The committee chair position shall not be included in the maximum count for determining the committee composition total of any given limited committee. The committee chair shall, however, be a voting member of their respective committees subject to the rules and procedures of each committee. If the chair is absent, the vice chair shall fill the role of the chair during such absence.

Section 7.05. Agriculture Committee. There shall be an Agriculture Committee whose duty it shall be to recommend Association policy, positions and programs to the Board of Directors, State Legislative Committee, Federal Affairs Committee or other committees, as appropriate, regarding agricultural issues affecting the interests of ~~ACWA~~the Association and its members. The committee shall consist of at least one member from each region.

Section 7.06. Business Development Committee. There shall be a Business Development Committee whose duty it is to develop and recommend to the Board of Directors programs and activities to be

provided or administered by the Association that generate non-dues revenue and provide a service or benefit to member agencies. The committee shall consist of at least one member from each region and may include members from any of the other standing committees.

Section 7.07. Communications Committee. There shall be a Communications Committee whose duty it shall be to develop and make recommendations to the Board of Directors regarding a comprehensive internal and external communications program for the Association and to promote development of sound public information and education programs and practices among member agencies. The committee shall consist of no more than 40 members. The committee shall consist of at least one member from each region.

Section 7.08. Energy Committee. There shall be an Energy Committee whose duty it shall be to recommend policies and programs to the Board of Directors and to the State Legislative Committee and/or Federal Affairs Committee as appropriate. The committee shall consist of at least one member from each region.

Section 7.09. Federal Affairs Committee. There shall be a Federal Affairs Committee whose duty it shall be to review all federal legislative proposals and regulatory proposals affecting member agencies, after consulting with other appropriate committees, and to develop Association positions consistent with existing policy, where it has been established; recommend sponsorship of bills that will resolve problems or improve conditions for member agencies; and assist in the establishment of the Association's federal legislative program. The committee shall consist of at least one, but no more than five members from each region.

Section 7.10. Finance Committee. There shall be a Finance Committee whose duty it shall be to make recommendations to the Board of Directors regarding annual budgets, dues formula and schedules and other revenue-producing income, annual audit and selection of an auditor, and investment strategies. The committee shall consist of the president and vice president of the Association as *ex officio* members, either the chair or vice chair from each of the Association's 10 region boards, and one additional member from each region with experience in financial matters.

Section 7.11. Groundwater Committee. There shall be a Groundwater Committee whose duty it shall be to recommend policies and programs to the Board of Directors and to the State Legislative Committee and/or Federal Affairs Committee as appropriate. The committee shall consist of at least one member from each region.

Section 7.12. Legal Affairs Committee. There shall be a Legal Affairs Committee whose duty it shall be to support the mission of the Association, and more particularly to deal with requests for assistance involving legal matters of significance to member agencies, including but not limited to state and federal court litigation, water rights matters, selected regulatory and resources agency matters, proposed bylaw revisions, review of legislation as requested by the State Legislative Committee, etc. The committee shall consider matters and issues submitted to it in order to determine which ones are of major significance to the member agencies and, assuming a finding of major significance, recommend to the Board of Directors

the position(s) which the committee believes the Association should take with respect thereto. The committee shall be composed of between 34 and 44 attorneys, each of whom shall be a member of the California Bar and shall be, or act as, counsel for a member agency, representing diverse interests within the Association, including but not limited to, different geographical areas throughout the state, large and small agencies, agricultural and urban agencies, agencies created under the various enabling statutes, etc. The committee shall consist of at least one member from each region.

Section 7.13. Local Government Committee. There shall be a Local Government Committee whose duty it shall be to recommend policies to the State Legislative Committee, as appropriate, and Board of Directors on matters affecting water agencies as a segment of local government in California. The committee shall consist of at least one, but no more than three members from each region.

Section 7.14. Membership Committee. There shall be a Membership Committee whose duty it shall be to assist staff in developing membership recruitment and retention programs, make recommendations to the Board of Directors regarding membership policies, eligibility, and applications for membership and review and make recommendations to the Finance Committee regarding an equitable dues structure. The committee shall consist of at least one member from each region.

Section 7.15. State Legislative Committee. There shall be a State Legislative Committee whose duty it shall be to review all state legislative proposals affecting member agencies and to establish Association positions, consistent with existing policy, where it has been established; sponsor bills that will resolve problems or improve conditions for member agencies; and assist in the establishment of the Association's legislative program. The committee shall consist of members representing a variety of types of member agencies and at least one, but no more than four members from each region.

Section 7.16. Water Management Committee. There shall be a Water Management Committee whose duty it shall be to recommend policy and programs to the Board of Directors on any area of concern in water management. The committee shall consist of at least one, but no more than four members from each region.

Section 7.17. Water Quality Committee. There shall be a Water Quality Committee whose duty it shall be to develop and recommend Association policy, positions, and programs to the Board of Directors, to promote cost-effective state and federal water quality regulations that protect the public health, to enable interested member agencies to join together to develop and coordinate with other organizations, and to present unified comments regarding agricultural and domestic water quality regulations. The committee shall consist of at least one member from each region.

ARTICLE 8 – Special Councils, Committees, and Task Forces

Section 8.01. Council of Past Presidents. There shall be a Council of Past Presidents composed of all past presidents of the Association who serve on the council until each is no longer able to or wishes to serve. The council shall provide a mechanism for past presidents to continue to make valuable

contributions to the Association. With approval of the Board of Directors, the president and/or executive director/secretary may assign specific responsibilities to the council from time to time. Members of the Council of Past Presidents are invited to attend and participate in the Association's Board and Executive Committee meetings, including attending closed sessions. With the exception of the immediate past president, members of the Council of Past Presidents are non-voting.

Section 8.02. Election Committee. There shall be an Election Committee consisting of eleven representatives established by February 28 of each odd-numbered year, whose purpose shall be to present qualified individuals for the offices of president and vice president of the Association. The Election Committee shall vet all candidates to determine if the eligibility criteria have been met. The Election Committee will endorse a preferred candidate for president and vice president before presenting an open ballot with all qualifying candidates to the members for a vote in the manner set forth in Section 9.10 and Section 9.11.

(a) **Selection.** The Election Committee shall be selected in the following manner:

(1) Each of the 10 currently seated Region Boards in the odd-numbered year shall appoint a representative from their respective regions to serve on the Election Committee.

(2) One representative appointed by the president in the odd-numbered year shall also serve on the Election Committee. Neither the president nor the vice president qualifies to be appointed to this position.

(b) **Qualification.** In order to serve on the Election Committee, an individual must be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Past presidents, who are Honorary Life Members of the Association, may also serve on the Election Committee without meeting stated qualifications unless otherwise disqualified. Where an individual ceases to meet these criteria during the election cycle, the individual may not continue to serve. When the disqualified member represented a Region Board, the affected Region Board shall select a replacement representative. When the disqualified member represented the President, the President shall select an alternate representative.

Section 8.03. Other Committees and Task Forces. Other committees and task forces may be appointed by the president from time to time as needed, consistent with and supportive of the mission of the Association.

ARTICLE 9 – Meetings of Members

Section 9.01. Meetings. Meetings of the members of the Association shall be held at the Association's conferences to provide a report to the members on the Association's activities during the past year, provide an overview of the Association's finances, announce the newly elected president and vice president of the Association in each odd-numbered year, and to transact such other proper business as may come before the meeting.

Section 9.02. Special Meetings. Special meetings of the members of the Association may be called by the Board of Directors, the president of the Board of Directors, or by 5 percent or more of the members of the Association. Except when called by the Board, a request for a special meeting must be in writing and must be delivered in person or mailed by first-class mail addressed to the president of the Board at the principal office of the Association, with a copy to the executive director/secretary. The request must state the general nature of the business proposed to be transacted at the meeting.

A special meeting that has been called by written request of 5 percent of the member agencies of the Association to the Board of Directors shall be set by the Board of Directors on a date that is not less than 35 or more than 90 days after receipt of the request.

Section 9.03. Meetings by Remote Communication. Any meeting of the members may be conducted, in whole or in part, by electronic transmission by and to the Association or by electronic video screen communication. The member shall be deemed present in person at the meeting if the following apply:

- (a) The Association implements reasonable measures to provide the member a reasonable opportunity to participate in the meeting and to vote on matters submitted to the members, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with those proceedings.
- (b) If any member votes or takes other action at the meeting by means of electronic transmission to the Association or electronic video screen communication, a record of that vote or action is maintained by the Association.
- (c) The Association verifies that each person participating remotely is an authorized representative of a voting member.

Section 9.04. Notice Requirements for Membership Meetings. Written notice of any membership meeting shall be given to each voting member of the Association. The notice shall state the date, time, and place of the meeting; the means by which members may participate; and the general nature of the business to be transacted. The member notification information shall also be posted on the Association's website.

Except as otherwise provided in these bylaws or California law, a written notice of regular membership meetings shall be given not less than 10 or more than 90 days before the date of the meeting to each

member who, on the record date for notice of the meeting, is entitled to vote; provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, that notice shall be given not less than 20 days before the meeting.

Section 9.05. Notice Requirements for Special Meetings. The executive director/secretary shall cause notice to be given to all members of the Association of the date, time, and place of the meeting and the general nature of the business to be transacted at the meeting. No business except that specified in the request and notice may be transacted at said special meeting. If notice of the requested special meeting is not given within 20 days after receipt of the request, the person or persons requesting the meeting may give the notice.

Section 9.06. Voting. Each member of the Association in good standing at the time of the annual or special meeting shall be entitled to one vote that shall be cast by its authorized representative. Each member must designate its authorized representative prior to the annual or special meeting. It is the member's responsibility to designate or update its authorized representative as needed. The Association may confirm with any member the identity of that member's authorized representative for the purpose of casting ballots in any election of president and vice president, [amendments to these Bylaws, or other Association business that requires a vote](#). All questions, except amendments or revisions of these bylaws, shall be determined by a majority of the members present and voting. A roll call may be requested by any authorized representative.

Section 9.07. Amendment of Bylaws. These bylaws may be amended or revised by two-thirds of the member agencies of the Association present and voting at any meeting.

Section 9.08. Quorums. The presence of the authorized representatives of at least 50 members of the Association at any meeting of the members shall constitute a quorum for transacting business. ~~Written ballots timely received from the authorized representative of 50 members shall constitute a quorum for elections of president and vice president.~~ [Actions taken by written ballot shall require the timely receipt of the written ballot from the authorized representatives of at least 50 members to constitute a quorum.](#)

Section 9.09. Amendments, Revisions, and Resolutions. Before any amendments or revisions to the bylaws, or resolutions, may be considered at any meeting of the Association, any such amendment, revision, or resolution shall be submitted to the executive director/secretary at least 90 days prior to the first day of such meeting. The executive director/secretary shall promptly distribute any proposed amendments or revisions to the Legal Affairs Committee for the Legal Affairs Committee to develop an unbiased analysis of the amendments or revisions. Following development of an analysis for the proposed amendments or revisions, the executive director/secretary shall distribute copies of any resolutions, amendments or revisions, including any applicable analyses, to all members of the Association not less than 10 days or more than 90 days prior to presentation at such meeting. The written notice of the membership meeting shall be given to each voting member of the Association consistent with the provisions defined in Section 9.04. The 90-day rule may be suspended at any meeting of the Association

by consent of three-fourths of the members present. Voting on resolutions, amendments, or revisions shall proceed as provided by Sections 9.06 and 9.07.

Section 9.10. Nomination of President and Vice President.

- (a) **Qualification.** At the time of their election, the president and vice president of the Association shall each be an elected or appointed member of the governing body or commission (as appropriate) of a member agency of the Association.
- (b) **Nominating Resolutions.** All nominations for the positions of president and vice president shall be accompanied by an official resolution from the Association member agency on whose board the nominee serves. Said resolution shall be signed by an authorized signatory of the member agency's Board of Directors.

Section 9.11. Election of President and Vice President. Each member of the Association in good standing at the time a vote is cast is entitled to one vote for election of the president and vice president that shall be cast by its authorized representative by written ballot. The ballot and any related material may be sent by first class, registered, or certified mail or electronic transmission by the Corporation that meets the requirements of Corporations Code section 20, and responses may be returned to the Corporation by mail or electronic transmission. On any written ballot for the election of president or vice president, an authorized representative acting on behalf of the member may write in a qualified candidate for election. Nominating resolutions for write-in candidates must be received by the deadline for the return of ballots.

Section 9.12. Write-In Candidates. If a write-in candidate prevails in any election for president or vice president, such individual shall not be officially elected into such position until the Election Committee confirms that the individual meets the eligibility criteria and qualifications requirements.

Section 9.13. Run-off Election for President and Vice President. In the event a nominee does not receive a majority of the votes for president or vice president, a run-off election shall be held for the office or offices for which a majority of the votes have not been received. The run-off election shall only involve the nominees who received the two highest amounts of votes. The run-off election shall be conducted in the same manner as the initial election.

Section 9.14. Additional Procedures for Election of President and Vice President. The Board shall have the authority to adopt policies for elections ("Election Policy") of president and vice president setting forth the details for the election of such positions when not otherwise contrary to or covered by these bylaws.

Section 9.14, Section 9.15. Action by Written Ballot. To the extent permitted by applicable law and subject to all applicable requirements, any action that may be taken at a regular or special member meeting of the members may be approved by written ballot if a ballot is sent to each member entitled to vote on the matter. If approved by the Board, ballots may be sent and returned by electronic transmission

as permitted in the Corporations Code. Ballot format, solicitation and voting thresholds shall meet the requirements of the Corporations Code and be consistent with applicable provisions of these Bylaws.

ARTICLE 10 –Indemnification of Directors, Officers, and Other Agents

Section 10.01. Right of Indemnity. To the fullest extent permitted by law, this Corporation shall indemnify its Directors, Officers, employees, and other persons described in Section 7237(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any “proceeding,” as that term is used in that Section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this bylaw, shall have the same meaning as in Section 7237(a) of the California Corporations Code.

Section 10.02. Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Corporations Code, the Board shall promptly determine under Section 7237(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Board shall authorize indemnification.

Section 10.03. Advancement of Expenses. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these bylaws in defending any proceeding covered by those Sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

Section 10.04. Insurance. The Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its Officers, Directors, employees, and other agents, against any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising out of the officer’s, director’s, employee’s or agent’s status as such.

ARTICLE 11 - Miscellaneous

Section 11.01. Conduct of Meetings. All meetings of the Association shall be conducted in accord with the code of conduct and in substantial accordance with the latest edition of Robert’s Rules of Order Newly Revised unless the Board adopts alternate rules of conduct for itself and/or its committees, region boards, and region workgroups.

Section 11.02. Funds. The funds of the Association shall be used to further the aims and purposes of this Association. They shall be kept by the controller/treasurer and paid out by checks or other electronic means, which shall only be valid with two authorized signatures. The Board of Directors shall designate

by resolution which persons, other than the controller/treasurer, may sign for expenditures. The Finance Committee shall implement procedures to ensure necessary internal controls over the receipt and expenditures of Association funds and arrange for an external audit. Audit reports shall be presented to the Board of Directors.

Section 11.03. Disposition of Assets upon Dissolution. The Association’s properties and assets are irrevocably dedicated to the fulfillment of the Association’s purposes as described in Article 2 of the Articles of Incorporation. No part of the Association’s net earnings, properties and assets, on dissolution or otherwise, may inure to the benefit of any private person. Upon the dissolution of the Association, all debts thereof shall be paid and its affairs settled, and all remaining assets shall be distributed to the Association’s member political subdivisions for a public purpose, consistent with the provisions of the California Nonprofit Corporation Law relating to mutual benefit corporations then in effect and with the Articles of Incorporation.

Section 11.04. Definitions. As used in these ~~b~~Bylaws, the terms “electronic transmission” and “notice provided by electronic means” shall refer to notice and other communications given by fax or e-mail.

~~Section 11.04.~~**Section 11.05. Conflicts Between Bylaws and Other Association Policies.** To the extent permitted by applicable law, these Bylaws shall govern in the event there is a conflict between these Bylaws and another Association policy, rule, or procedure.

Amended comprehensively December 1, 2010

Amended May 9, 2012

Amended May 7, 2014

Amended December 2, 2015

Amended November 29, 2017

Amended & Restated November 30, 2022



AMENDED AND RESTATED
BYLAWS of the Association of
California Water Agencies

Amended and restated by the ACWA Members: November 30, 2022

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BYLAWS OF THE
ASSOCIATION OF CALIFORNIA WATER AGENCIES

(As amended and restated by the Members on November 30, 2022)

ARTICLE 1 - General

Section 1.01. Name. The name of this California nonprofit corporation shall be the Association of California Water Agencies (hereinafter referred to as the Association).

Section 1.02. Principal Office. The principal office for the transaction of business of the Association shall be located in Sacramento, California.

Section 1.03. Purposes. The purposes of the Association shall be to work together with its members and others for the best interests of California and its citizens and landowners who use, need and depend upon water; to encourage the orderly development of the waters of the state; to seek means of obtaining and making available to all of California a dependable water supply of the best possible quality at the lowest possible cost, giving due consideration to environmental factors involved therein; to provide inspiration and leadership in meeting and solving the water supply problems of this state; to propose and advocate such policies and measures—local, state and federal—that serve the best interests of the Association, opposing those of contrary nature; to assist in promoting the health, safety and welfare of the employees of its members; and to do all other things that are in the best interests of its members.

ARTICLE 2 – Membership and Dues

Section 2.01. Membership.

- (a) **Members.** Only a public district, public agency, or public organization created and operated for the purpose of controlling, treating, developing, acquiring, using or supplying water for any purpose for inhabitants or lands within the state of California, or for the protection, drainage or reclamation of lands within the state of California, may become a member of the Association. Such an entity will become a member upon written application, approval by the Board of Directors, and the payment of the required dues. Acceptance to membership shall authorize full participation in Association activities. Except as otherwise provided in Section 2.01(b) below, in no case may an organization other than a state, a political subdivision (as defined in § 1.103-1(b) of the Income Tax Regulations) of a state or an entity the income of which is excluded from gross income under § 115 of the Internal Revenue Code be a member of the Association. A member of the Association shall be in good standing if in compliance with all bylaws and requirements of membership, including timely payment of annual dues and emergency assessments.
- (b) **Honorary Life Members.** Any person who has rendered conspicuous service in furthering the purposes of the Association may, by vote of the Board of Directors, be granted an honorary life membership in the Association without payment of dues or assessments. All past presidents of the Association shall automatically be honorary life members without vote of the Board of Directors. Honorary life members shall not be entitled to a vote or to hold office automatically because of their status as honorary life members.
- (c) **Termination of Members.** Membership shall cease upon the failure of any member to pay the dues provided for in Section 2.02 of this Article. The membership of any member may be terminated at any time by such member sending written notification of its intention to withdraw to the Association’s principal office. The Board of Directors may terminate the membership of any member upon 30 days’ written notice by first-class mail when it is determined at any regular Board meeting or at any special Board meeting called for that purpose that continuance of such membership would not be in the best interests of the Association. Withdrawal or termination of membership ends any participation in Association activities and shall terminate a member’s interest in the Association’s assets.

Section 2.02. Dues. The annual dues of each member of the Association shall be established by the Board of Directors; provided, however, that any member may apply for a change in its dues because of conditions that differentiate such applicant from other members.

Section 2.03. Liability of Members. No member shall be liable for any obligation incurred by the Association with the following exception: (1) the payment of the annual dues while it remains a member;

and (2) the payment of emergency assessments, which shall not exceed 10 percent of current annual dues for each member in any calendar year while it remains a member. No emergency assessment may be levied against any member during its first two years of membership in the Association.

ARTICLE 3 - Officers

Section 3.01. President and Vice President.

(a) **General.** The president and vice president of the Association shall be the elected officers of the Association. At the time of their election the president and vice president shall each be an elected or appointed member of the governing body or commission (as appropriate) of a member agency of the Association. The president and vice president shall be elected by the members of the Association by written ballot in each odd-numbered year before the Association's annual meeting, shall be announced at the Association's annual meeting, shall take office on January 1 of the calendar year following election, and shall hold office until such time as their successors take office or are appointed. An elected president shall not be permitted to succeed himself/herself to that office. Except as provided in this Article, should vacancies occur in either office of the president or vice president, the Board of Directors shall appoint persons to fill such offices for the unexpired terms thereof.

(b) **President.** The president shall preside at all meetings of the Board of Directors, the Executive Committee, and the general membership; shall appoint members of all committees, including the chair and vice chair of each, upon recommendation from members and regions (as communicated by the region chairs), with each such committee chair and vice chair ratified by the Board of Directors; and shall perform all other duties necessary to carry out the functions of the office. The president shall be a non-voting, *ex officio* member of each committee, but shall not be an *ex officio* member of the Election Committee or the region boards.

The president may be expelled from office with or without cause, upon the satisfaction of the following two events: (1) a two-thirds vote of the Board of Directors; and (2) a subsequent simple majority vote of the members of the Association during a meeting of the membership.

(c) **Vice President.** The vice president shall, in the absence of the president, assume all of the duties of that office and, if a vacancy occurs, succeed thereto for the unexpired term. The vice president shall sit as a member of the Executive Committee of the ACWA Joint Powers Insurance Authority and shall perform such other duties as assigned by the president. The vice president shall be a non-voting, *ex officio* member of each committee, but shall not be an *ex officio* member of the Election Committee or the region boards.

The vice president may be expelled from office with or without cause, upon the satisfaction of the following two events: (1) a two-thirds vote of the Board of Directors; and (2) a subsequent simple majority vote of the members of the Association during a meeting of the membership.

Section 3.02. Executive Director/Secretary and Controller/Treasurer.

- (a) **General.** The executive director/secretary and controller/treasurer of the Association shall also be officers of the Association. The executive director/secretary shall be appointed by and hold office at the pleasure of the Board of Directors of the Association.
- (b) **Executive Director/Secretary.** The executive director/secretary shall: (1) advise and assist the Board of Directors, all committees, the boards of each region, and the workgroups of each region; (2) be responsible for administering the total operations of the Association; (3) employ, direct, and release all employed staff in accordance with the policies adopted by the Board of Directors and consistent with the budget adopted by the Board of Directors; (4) provide relevant information to the Board of Directors needed by the Board to take actions; (5) give members notice and record minutes of all meetings of the membership, Board of Directors, and Executive Committee; and (6) have such other powers and perform such other duties as may be provided and assigned by the Board of Directors directly or through the president of the Board or the Executive Committee. The executive director/secretary, with the assistance of the controller/treasurer, shall render a report to the Board of Directors at the first meeting following the close of each calendar year showing the membership of the Association, the receipts and expenditures during the year, and the work accomplished during the previous year.
- (c) **Controller/Treasurer.** The controller/treasurer shall report to and act under the direction of the executive director/secretary. The controller/treasurer shall be a signatory on all accounts held by the Association and shall act as a fiduciary for all assets of the Association.

ARTICLE 4 – Board of Directors

Section 4.01. Membership. The Board of Directors shall consist of:

- (a) The Association president and vice president.
- (b) The chair and vice chair of each region.
- (c) The chair of each standing committee.
- (d) The most immediate active past president.
- (e) The vice president of the ACWA/Joint Powers Insurance Authority.

Section 4.02. Term of Office. The term of office of all members of the Board of Directors shall commence on January 1 of the calendar year following election of the president and vice president, except for those persons who serve on the Board of Directors by nature of their position as chairs of standing committees, whose terms shall instead commence upon their ratification by the Board of Directors. Except as provided in Article 4, Section 4.11, the term of office for all members of the Board of Directors shall terminate on December 31 of the following odd-numbered year two years later, or until their successors take office.

Section 4.03. Attendance Requirement. Any member of the Board of Directors who misses two consecutive regular Board meetings without being excused by the Board will no longer be a member of the Board of Directors.

Section 4.04. Regular Meetings. Regular meetings of the Board of Directors shall be held bimonthly at such times and places as the Board may determine.

Section 4.05. Special Meetings. Special meetings may be called by the president upon the president's own volition or shall be called by the president when requested in writing by five directors. Prior to conducting such a special meeting, the president shall consult with the Executive Committee to ensure that adequate information is available to the Board of Directors for any necessary decisions; and where such meeting is called upon the president's own volition, the president shall also consult with the Executive Committee as to the necessity of the special meeting. Notice for special meetings shall be provided in the following manner: (1) upon 10 days' written notice sent by mail to each director and addressed to each at the address as shown upon the records of the Association; or (2) upon 48 hours' notice with notice provided by electronic means. When the meeting is called upon the president's own volition, the president shall choose the form of notice; when the meeting is called by a request of five directors, the five directors shall choose the form of notice and the president shall promptly call the meeting. No business except those items described in the notice shall be transacted at any special meeting, except by consent of three-fourths of the members of the Board of Directors present.

Section 4.06. Meetings by Electronic Communication. Any meeting of the Board of Directors, region boards, or any committee may be conducted, in whole or in part, by telephone, electronic transmission, or by electronic video screen communication. A member of the Board of Directors, a region board, or any committee shall be deemed present in person at the meeting if the following apply:

- (a) Each director, region board, or committee member participating in the meeting can communicate concurrently with all other directors, region board, or committee members.
- (b) Each director, region board or, committee member is provided the means of participating in all matters before the board, region board, or committee, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Association.

Section 4.07. Quorum. At any meeting of the Board of Directors, the attendance of 50 percent of the voting members of the Board of Directors, or their permitted alternates as specified in these bylaws, shall

constitute a quorum for the transaction of any business. The Board may hold a closed session for discussion of personnel matters; enforcement of violations of the code of conduct; pending or anticipated litigation or other legal matters, including, but not limited to, considering whether to file or join in an amicus brief; real property negotiations and discussions; and other confidential matters as determined by the Board to the extent permitted by applicable law. (See Board Policy 2.1.8.3.)

Section 4.08. Alternates. Each region shall designate an alternate for each chair and vice chair, who shall meet the qualification requirements for chair and vice chair, to act at meetings of the Board of Directors when the chair or vice chair is unable to attend. The vice chair of each standing committee will be the alternate to act at meetings of the Board of Directors when the standing committee chair is unable to attend. An alternate may not act or vote on behalf of more than one member of the Board of Directors. A member of the Board of Directors may not act as an alternate for any other member.

Section 4.09. Vacancies for Standing Committee Chairs and Vice Chairs. Should a vacancy occur in the office of any standing committee chair or vice chair before the end of the term, the president shall appoint a new committee chair or vice chair to fulfill the unexpired term of such committee chair or vice chair subject to ratification by the Board of Directors. A vacancy in the office of any such standing committee chair or vice chair as described in the previous sentence shall be deemed to exist when the chair or vice chair: (1) resigns the office; (2) no longer is an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member; or (3) is otherwise removed by a member agency of the Association.

Section 4.10. Duties, Authorities, and Delegation. Subject to the provisions and limitations of California Nonprofit Corporation Law, other applicable laws, and the provisions of these bylaws, the Association's activities and affairs are to be exercised by or under the direction of the Association's Board of Directors. The Board of Directors is responsible for the overall supervision, control, and direction of the Association. The Board of Directors shall: (1) employ and release the executive director/secretary; (2) set performance expectations for the executive director/secretary; (3) receive, review, and consider approval of executive director/secretary recommended compensation, other terms and conditions of employment, and annual evaluations as prepared by the Executive Committee; (4) annually adopt a budget; and (5) set the level of dues for the Association. Except as to the duties listed in the previous sentence, and subject to Article 3, Section 2, the Board of Directors may delegate the supervision, control, and direction of the Association's affairs to any person or group, including a committee, provided the Association Board retains ultimate responsibility for the actions of such person or group. Where such powers are delegated, the delegation shall be documented in writing.

Section 4.11. Immediate Past President. The immediate past president automatically assumes this position after serving as the Association's elected president and is a voting member of the Board of Directors and Executive Committee. The term of office for the immediate past president shall commence on January 1 of the calendar year following election of the president and vice president and shall terminate on December 31 of the following odd-numbered year two years later. In the event the most

immediate active past president is unavailable to serve, the most recent and available active past president in succession shall serve in this capacity.

Section 4.12. Code of Conduct of Board Members.

- (a) The Board of Directors shall establish, and update as appropriate, a code of conduct for its Directors that recognizes the Association’s commitment of integrity, respect, and fair representation to its members and the public they serve and establishes minimum ethical standards for the performance of the duties of office. (See Code of Conduct Policy, Board Policy Manual, Policy No. GO-2.1A.) The code shall be consistent with the procedural processes contained in the Code of Conduct Policy. (See sections 2.1.3A and 2.1.4A of Policy GO-2.1A of the Board Policy Manual.) The code shall be distributed to all new Directors and shall be distributed annually to all members of the Association.

ARTICLE 5– Regions

Section 5.01. Boundaries of Each Region.

- (a) There shall be a maximum of 10 regions within the state. The Board of Directors shall determine the regional boundaries. Insofar as is practicable, the regions shall have a numerical balance in members of the Association; make geographic sense; and promote regional problem solving.
- (b) A member of the Association may file a written petition to the Board of Directors requesting a change in regions. Such petition shall set forth the reasons for such requested change. The Board shall, within a reasonable time, act upon such petition and set forth the reasons for its action. Such action by the Board shall be based on factors in Section 5.01(a) above, as well as others deemed by the Board of Directors to be relevant to the decision.

Section 5.02. Officers.

- (a) The officers of each region shall be a chair and vice chair and three to five region board members who shall be elected by the region in each odd-numbered year. A region may maintain a board of fewer than five but not less than three members as provided in the region’s rules and regulations. The officers of the region board shall take office on January 1 of the calendar year following election and shall hold office for two years, or until their successors take office. Regions shall hold elections by electronic ballot. Association staff shall verify the legitimacy of the ballots.
- (b) The officers of each region shall: (1) exercise the powers and perform duties of the region during the interim between region meetings; and (2) make recommendations to the

president regarding appointments to committees. The chair and vice chair shall be the region's representatives to the Board of Directors.

- (c) Each officer of a region shall be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Where an individual ceases to meet these criteria during the term of the office, the individual may not serve during the remaining term of that office unless that individual can again meet the criteria for the office and is appointed to complete the term. The region board may adopt more stringent criteria for board member qualifications as part of the region's rules and regulations.
- (d) Should a vacancy occur in any of the region board positions before the end of the term, the remaining members of the region board shall appoint a new member. A vacancy in the office of any region board position shall be deemed to exist when a region board member: (1) resigns the office; (2) no longer is an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member of the Association to represent that member; or (3) is otherwise removed by a member agency of the Association.

Section 5.03. Nominating Committees. There shall be a nominating committee for each region consisting of three or more designees, each representing a member of the Association located within the region, appointed by the chair of the region and approved by the region board. Nominating committees shall be formed by February 28 of each odd-numbered year.

Section 5.04. Meetings. The meetings of each region shall be held at both the spring and fall conferences and at such other times and places as may be determined by the region chair. Representatives of five or more members of the Association from the region present at any region meeting shall constitute a quorum for purposes of conducting the business of the region. Any meeting, regular or special, may be held in person or by telephone conference, web video conference, or other electronic video screen communication or electronic transmission, as set forth in Section 4.06.

Section 5.05. Workgroups. Workgroups may be appointed by the region chair as needed.

Section 5.06. Rules. Each region shall organize and adopt rules and regulations for the conduct of its meetings and affairs not inconsistent with the Articles of Incorporation or bylaws of the Association. Each region shall abide by the code of conduct adopted by the Board of Directors of the Association.

ARTICLE 6 – Executive Committee

Section 6.01. Membership. There shall be an Executive Committee consisting of the following: the president of the Association, who shall be the chair thereof; the vice president; the most immediate active past president; the chair of the Finance Committee; and three at-large representatives selected from and

by the members of the Board of Directors. The election of the three at-large representatives to the Executive Committee shall occur at the first Board of Directors meeting held in each even-numbered year and the elected representatives shall serve immediately following their election and until such time as their successors take office. To the extent practical, the Executive Committee should be constituted so as to reflect the geographic extent of the Association and the functions of the members of the Association.

Section 6.02. Powers. The Executive Committee shall have the following authority:

- (a) Personnel.** Subject to the budget adopted by the Board of Directors, the Executive Committee shall perform the following personnel actions: (1) recommend compensation for the executive director/secretary to the Board of Directors for approval; (2) perform annual reviews of the executive director/secretary and submit that review to the Board of Directors; (3) review the classification and compensation plan and publicly posted salary schedule for Association employees submitted by the executive director/secretary, which shall be approved by the Board of Directors; (4) establish personnel policies for the conduct and behavior of employees, which shall be reviewable by the Board of Directors; and (5) undertake such other personnel actions as may be requested by the executive director/secretary in support of his or her oversight of all other personnel matters, which shall be reviewable by the Board of Directors, in closed session, upon request of the Board of Directors.
- (b) Delegation.** The Executive Committee may act pursuant to any authority specifically delegated to it by the Board of Directors. The delegation shall indicate whether the authority is still subject to the ultimate authority of the Board.
- (c) Authority to Act Between Meetings.** The Executive Committee may act for the Board of Directors between Board meetings when calling a special meeting of the Board of Directors is impracticable, provided that no such action of the Executive Committee shall be binding on the Board of Directors until authorized or approved by the Board. The Executive Committee has the authority to authorize actions recommended by the Legal Affairs Committee (such as the filing of letter briefs and amicus curiae briefs) by electronic means without the need for an in-person or telephonic meeting, but such actions shall be ratified by the Board of Directors at its next meeting.

Section 6.03. Reporting. The president, or any person designated by the president, shall report to the Board of Directors, at each regular Board meeting, any action taken by the Executive Committee since the last preceding regular Board meeting. The minutes of Executive Committee meetings, which at that time may still be in draft form, shall be mailed (using the U.S. Postal Service, express delivery, electronic means, or otherwise) to each member of the Board of Directors at least five days prior to Board meetings, except in cases in which the Executive Committee meets during or immediately prior to a conference of the Association or immediately prior to a Board meeting, in which case the minutes, which may still be in draft form, shall be mailed to each director promptly thereafter.

Section 6.04. Meetings. The Executive Committee shall hold regularly scheduled meetings as set by the president. Special meetings of the Executive Committee may be called by the president upon notice to the members of that committee or upon written request of three Executive Committee members. Notice for special Executive Committee meetings shall be provided to the entire Board: (1) upon five days' written notice sent by mail, or (2) upon 24 hours' notice with notice provided by electronic means; and all such meetings shall be open to the Board of Directors. Any meeting, regular or special, may be held in person or by telephone conference, web video conference, or other electronic video screen communication or electronic transmission, as set forth in Section 4.06. All members of the Board of Directors may attend any meeting of the Executive Committee. Meetings of the Executive Committee may be closed to others at the discretion of the president or committee. Only members of the Executive Committee are allowed to vote on matters at a meeting of the committee.

Section 6.05. Minutes. The minutes of the Executive Committee meetings shall be kept by the executive director/secretary at the Association's principal office. Actions of the Executive Committee shall be reported to the Board of Directors as provided in Section 3 of this Article and shall be available to any member of the Board of Directors upon request to the executive director/secretary.

ARTICLE 7 – Standing Committees

Section 7.01. Qualification. In order to serve on any Association standing committee, an individual must be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Where an individual ceases to meet these criteria during the term of the appointment, the individual may not serve during the remaining term of that appointment unless that individual can again meet the criteria for appointment and is appointed to complete the term.

Section 7.02. Term of Office. The term of office of standing committee members shall be two years commencing on January 1 of each even-numbered year. The term of office of standing committee chairs and vice chairs shall be approximately two years and shall commence as soon after January 1 of the even-numbered year as they may be appointed by the president and ratified by the then-seated Board of Directors, and shall terminate on December 31 of the odd-numbered year approximately two years later or until their successors are appointed and ratified.

Section 7.03. Meetings. Meetings of standing committees may be called at such times and places designated by the respective chair thereof except where provided otherwise by these bylaws. Any meetings of standing committees may be conducted, in whole or in part, by electronic transmission or by electronic video screen communication, as set forth in Section 4.06. Subject to the provisions of these bylaws and any actions that may be taken by the Board of Directors, the chairs of each standing committee may establish their own rules for the efficient operation of the committee they each chair. The chairs of each standing committee are authorized to create subcommittees and workgroups in order to complete the work of the committee.

Section 7.04. Committee Composition. Each limited standing committee shall have a membership composition that is comprised of members in the quantity and with qualifications as defined by the provisions of these bylaws. The committee chair position shall not be included in the maximum count for determining the committee composition total of any given limited committee. The committee chair shall, however, be a voting member of their respective committees subject to the rules and procedures of each committee. If the chair is absent, the vice chair shall fill the role of the chair during such absence.

Section 7.05. Agriculture Committee. There shall be an Agriculture Committee whose duty it shall be to recommend Association policy, positions and programs to the Board of Directors, State Legislative Committee, Federal Affairs Committee or other committees, as appropriate, regarding agricultural issues affecting the interests of the Association and its members. The committee shall consist of at least one member from each region.

Section 7.06. Business Development Committee. There shall be a Business Development Committee whose duty it is to develop and recommend to the Board of Directors programs and activities to be provided or administered by the Association that generate non-dues revenue and provide a service or benefit to member agencies. The committee shall consist of at least one member from each region and may include members from any of the other standing committees.

Section 7.07. Communications Committee. There shall be a Communications Committee whose duty it shall be to develop and make recommendations to the Board of Directors regarding a comprehensive internal and external communications program for the Association and to promote development of sound public information and education programs and practices among member agencies. The committee shall consist of no more than 40 members. The committee shall consist of at least one member from each region.

Section 7.08. Energy Committee. There shall be an Energy Committee whose duty it shall be to recommend policies and programs to the Board of Directors and to the State Legislative Committee and/or Federal Affairs Committee as appropriate. The committee shall consist of at least one member from each region.

Section 7.09. Federal Affairs Committee. There shall be a Federal Affairs Committee whose duty it shall be to review all federal legislative proposals and regulatory proposals affecting member agencies, after consulting with other appropriate committees, and to develop Association positions consistent with existing policy, where it has been established; recommend sponsorship of bills that will resolve problems or improve conditions for member agencies; and assist in the establishment of the Association's federal legislative program. The committee shall consist of at least one, but no more than five members from each region.

Section 7.10. Finance Committee. There shall be a Finance Committee whose duty it shall be to make recommendations to the Board of Directors regarding annual budgets, dues formula and schedules and other revenue-producing income, annual audit and selection of an auditor, and investment strategies. The committee shall consist of the president and vice president of the Association as *ex officio* members,

either the chair or vice chair from each of the Association's 10 region boards, and one additional member from each region with experience in financial matters.

Section 7.11. Groundwater Committee. There shall be a Groundwater Committee whose duty it shall be to recommend policies and programs to the Board of Directors and to the State Legislative Committee and/or Federal Affairs Committee as appropriate. The committee shall consist of at least one member from each region.

Section 7.12. Legal Affairs Committee. There shall be a Legal Affairs Committee whose duty it shall be to support the mission of the Association, and more particularly to deal with requests for assistance involving legal matters of significance to member agencies, including but not limited to state and federal court litigation, water rights matters, selected regulatory and resources agency matters, proposed bylaw revisions, review of legislation as requested by the State Legislative Committee, etc. The committee shall consider matters and issues submitted to it in order to determine which ones are of major significance to the member agencies and, assuming a finding of major significance, recommend to the Board of Directors the position(s) which the committee believes the Association should take with respect thereto. The committee shall be composed of between 34 and 44 attorneys, each of whom shall be a member of the California Bar and shall be, or act as, counsel for a member agency, representing diverse interests within the Association, including but not limited to, different geographical areas throughout the state, large and small agencies, agricultural and urban agencies, agencies created under the various enabling statutes, etc. The committee shall consist of at least one member from each region.

Section 7.13. Local Government Committee. There shall be a Local Government Committee whose duty it shall be to recommend policies to the State Legislative Committee, as appropriate, and Board of Directors on matters affecting water agencies as a segment of local government in California. The committee shall consist of at least one, but no more than three members from each region.

Section 7.14. Membership Committee. There shall be a Membership Committee whose duty it shall be to assist staff in developing membership recruitment and retention programs, make recommendations to the Board of Directors regarding membership policies, eligibility, and applications for membership and review and make recommendations to the Finance Committee regarding an equitable dues structure. The committee shall consist of at least one member from each region.

Section 7.15. State Legislative Committee. There shall be a State Legislative Committee whose duty it shall be to review all state legislative proposals affecting member agencies and to establish Association positions, consistent with existing policy, where it has been established; sponsor bills that will resolve problems or improve conditions for member agencies; and assist in the establishment of the Association's legislative program. The committee shall consist of members representing a variety of types of member agencies and at least one, but no more than four members from each region.

Section 7.16. Water Management Committee. There shall be a Water Management Committee whose duty it shall be to recommend policy and programs to the Board of Directors on any area of concern in

water management. The committee shall consist of at least one, but no more than four members from each region.

Section 7.17. Water Quality Committee. There shall be a Water Quality Committee whose duty it shall be to develop and recommend Association policy, positions, and programs to the Board of Directors, to promote cost-effective state and federal water quality regulations that protect the public health, to enable interested member agencies to join together to develop and coordinate with other organizations, and to present unified comments regarding agricultural and domestic water quality regulations. The committee shall consist of at least one member from each region.

ARTICLE 8 – Special Councils, Committees, and Task Forces

Section 8.01. Council of Past Presidents. There shall be a Council of Past Presidents composed of all past presidents of the Association who serve on the council until each is no longer able to or wishes to serve. The council shall provide a mechanism for past presidents to continue to make valuable contributions to the Association. With approval of the Board of Directors, the president and/or executive director/secretary may assign specific responsibilities to the council from time to time. Members of the Council of Past Presidents are invited to attend and participate in the Association’s Board and Executive Committee meetings, including attending closed sessions. With the exception of the immediate past president, members of the Council of Past Presidents are non-voting.

Section 8.02. Election Committee. There shall be an Election Committee consisting of eleven representatives established by February 28 of each odd-numbered year, whose purpose shall be to present qualified individuals for the offices of president and vice president of the Association. The Election Committee shall vet all candidates to determine if the eligibility criteria have been met. The Election Committee will endorse a preferred candidate for president and vice president before presenting an open ballot with all qualifying candidates to the members for a vote in the manner set forth in Section 9.10 and Section 9.11.

(a) Selection. The Election Committee shall be selected in the following manner:

(1) Each of the 10 currently seated Region Boards in the odd-numbered year shall appoint a representative from their respective regions to serve on the Election Committee.

(2) One representative appointed by the president in the odd-numbered year shall also serve on the Election Committee. Neither the president nor the vice president qualifies to be appointed to this position.

(b) Qualification. In order to serve on the Election Committee, an individual must be an officer, employee, or member of the governing body of a member agency of the Association, or other representative duly designated by a member agency of the Association to represent that member at the time of the appointment. Past presidents,

who are Honorary Life Members of the Association, may also serve on the Election Committee without meeting stated qualifications unless otherwise disqualified. Where an individual ceases to meet these criteria during the election cycle, the individual may not continue to serve. When the disqualified member represented a Region Board, the affected Region Board shall select a replacement representative. When the disqualified member represented the President, the President shall select an alternate representative.

Section 8.03. Other Committees and Task Forces. Other committees and task forces may be appointed by the president from time to time as needed, consistent with and supportive of the mission of the Association.

ARTICLE 9 – Meetings of Members

Section 9.01. Meetings. Meetings of the members of the Association shall be held at the Association's conferences to provide a report to the members on the Association's activities during the past year, provide an overview of the Association's finances, announce the newly elected president and vice president of the Association in each odd-numbered year, and to transact such other proper business as may come before the meeting.

Section 9.02. Special Meetings. Special meetings of the members of the Association may be called by the Board of Directors, the president of the Board of Directors, or by 5 percent or more of the members of the Association. Except when called by the Board, a request for a special meeting must be in writing and must be delivered in person or mailed by first-class mail addressed to the president of the Board at the principal office of the Association, with a copy to the executive director/secretary. The request must state the general nature of the business proposed to be transacted at the meeting.

A special meeting that has been called by written request of 5 percent of the member agencies of the Association to the Board of Directors shall be set by the Board of Directors on a date that is not less than 35 or more than 90 days after receipt of the request.

Section 9.03. Meetings by Remote Communication. Any meeting of the members may be conducted, in whole or in part, by electronic transmission by and to the Association or by electronic video screen communication. The member shall be deemed present in person at the meeting if the following apply:

- (a) The Association implements reasonable measures to provide the member a reasonable opportunity to participate in the meeting and to vote on matters submitted to the members, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with those proceedings.
- (b) If any member votes or takes other action at the meeting by means of electronic transmission to the Association or electronic video screen communication, a record of that vote or action is maintained by the Association.

- (c) The Association verifies that each person participating remotely is an authorized representative of a voting member.

Section 9.04. Notice Requirements for Membership Meetings. Written notice of any membership meeting shall be given to each voting member of the Association. The notice shall state the date, time, and place of the meeting; the means by which members may participate; and the general nature of the business to be transacted. The member notification information shall also be posted on the Association's website.

Except as otherwise provided in these bylaws or California law, a written notice of regular membership meetings shall be given not less than 10 or more than 90 days before the date of the meeting to each member who, on the record date for notice of the meeting, is entitled to vote; provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, that notice shall be given not less than 20 days before the meeting.

Section 9.05. Notice Requirements for Special Meetings. The executive director/secretary shall cause notice to be given to all members of the Association of the date, time, and place of the meeting and the general nature of the business to be transacted at the meeting. No business except that specified in the request and notice may be transacted at said special meeting. If notice of the requested special meeting is not given within 20 days after receipt of the request, the person or persons requesting the meeting may give the notice.

Section 9.06. Voting. Each member of the Association in good standing at the time of the annual or special meeting shall be entitled to one vote that shall be cast by its authorized representative. Each member must designate its authorized representative prior to the annual or special meeting. It is the member's responsibility to designate or update its authorized representative as needed. The Association may confirm with any member the identity of that member's authorized representative for the purpose of casting ballots in any election of president and vice president, amendments to these Bylaws, or other Association business that requires a vote. All questions, except amendments or revisions of these bylaws, shall be determined by a majority of the members present and voting. A roll call may be requested by any authorized representative.

Section 9.07. Amendment of Bylaws. These bylaws may be amended or revised by two-thirds of the member agencies of the Association present and voting at any meeting.

Section 9.08. Quorum. The presence of the authorized representatives of at least 50 members of the Association at any meeting of the members shall constitute a quorum for transacting business. Actions taken by written ballot shall require the timely receipt of the written ballot from the authorized representatives of at least 50 members to constitute a quorum.

Section 9.09. Amendments, Revisions, and Resolutions. Before any amendments or revisions to the bylaws, or resolutions, may be considered at any meeting of the Association, any such amendment,

revision, or resolution shall be submitted to the executive director/secretary at least 90 days prior to the first day of such meeting. The executive director/secretary shall promptly distribute any proposed amendments or revisions to the Legal Affairs Committee for the Legal Affairs Committee to develop an unbiased analysis of the amendments or revisions. Following development of an analysis for the proposed amendments or revisions, the executive director/secretary shall distribute copies of any resolutions, amendments or revisions, including any applicable analyses, to all members of the Association not less than 10 days or more than 90 days prior to presentation at such meeting. The written notice of the membership meeting shall be given to each voting member of the Association consistent with the provisions defined in Section 9.04. The 90-day rule may be suspended at any meeting of the Association by consent of three-fourths of the members present. Voting on resolutions, amendments, or revisions shall proceed as provided by Sections 9.06 and 9.07.

Section 9.10. Nomination of President and Vice President.

- (a) Qualification.** At the time of their election, the president and vice president of the Association shall each be an elected or appointed member of the governing body or commission (as appropriate) of a member agency of the Association.
- (b) Nominating Resolutions.** All nominations for the positions of president and vice president shall be accompanied by an official resolution from the Association member agency on whose board the nominee serves. Said resolution shall be signed by an authorized signatory of the member agency's Board of Directors.

Section 9.11. Election of President and Vice President. Each member of the Association in good standing at the time a vote is cast is entitled to one vote for election of the president and vice president that shall be cast by its authorized representative by written ballot. The ballot and any related material may be sent by first class, registered, or certified mail or electronic transmission by the Corporation that meets the requirements of Corporations Code section 20, and responses may be returned to the Corporation by mail or electronic transmission. On any written ballot for the election of president or vice president, an authorized representative acting on behalf of the member may write in a qualified candidate for election. Nominating resolutions for write-in candidates must be received by the deadline for the return of ballots.

Section 9.12. Write-In Candidates. If a write-in candidate prevails in any election for president or vice president, such individual shall not be officially elected into such position until the Election Committee confirms that the individual meets the eligibility criteria and qualifications requirements.

Section 9.13. Run-off Election for President and Vice President. In the event a nominee does not receive a majority of the votes for president or vice president, a run-off election shall be held for the office or offices for which a majority of the votes have not been received. The run-off election shall only involve the nominees who received the two highest amounts of votes. The run-off election shall be conducted in the same manner as the initial election.

Section 9.14. Additional Procedures for Election of President and Vice President. The Board shall have the authority to adopt policies for elections (“Election Policy”) of president and vice president setting forth the details for the election of such positions when not otherwise contrary to or covered by these bylaws.

Section 9.15. Action by Written Ballot. To the extent permitted by applicable law and subject to all applicable requirements, any action that may be taken at a regular or special member meeting of the members may be approved by written ballot if a ballot is sent to each member entitled to vote on the matter. If approved by the Board, ballots may be sent and returned by electronic transmission as permitted in the Corporations Code. Ballot format, solicitation and voting thresholds shall meet the requirements of the Corporations Code and be consistent with applicable provisions of these Bylaws.

ARTICLE 10 –Indemnification of Directors, Officers, and Other Agents

Section 10.01. Right of Indemnity. To the fullest extent permitted by law, this Corporation shall indemnify its Directors, Officers, employees, and other persons described in Section 7237(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any “proceeding,” as that term is used in that Section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. “Expenses,” as used in this bylaw, shall have the same meaning as in Section 7237(a) of the California Corporations Code.

Section 10.02. Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Corporations Code, the Board shall promptly determine under Section 7237(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Board shall authorize indemnification.

Section 10.03. Advancement of Expenses. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these bylaws in defending any proceeding covered by those Sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

Section 10.04. Insurance. The Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its Officers, Directors, employees, and other agents, against any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising out of the officer’s, director’s, employee’s or agent’s status as such.

ARTICLE 11 - Miscellaneous

Section 11.01. Conduct of Meetings. All meetings of the Association shall be conducted in accord with the code of conduct and in substantial accordance with the latest edition of Robert's Rules of Order Newly Revised unless the Board adopts alternate rules of conduct for itself and/or its committees, region boards, and region workgroups.

Section 11.02. Funds. The funds of the Association shall be used to further the aims and purposes of this Association. They shall be kept by the controller/treasurer and paid out by checks or other electronic means, which shall only be valid with two authorized signatures. The Board of Directors shall designate by resolution which persons, other than the controller/treasurer, may sign for expenditures. The Finance Committee shall implement procedures to ensure necessary internal controls over the receipt and expenditures of Association funds and arrange for an external audit. Audit reports shall be presented to the Board of Directors.

Section 11.03. Disposition of Assets upon Dissolution. The Association's properties and assets are irrevocably dedicated to the fulfillment of the Association's purposes as described in Article 2 of the Articles of Incorporation. No part of the Association's net earnings, properties and assets, on dissolution or otherwise, may inure to the benefit of any private person. Upon the dissolution of the Association, all debts thereof shall be paid and its affairs settled, and all remaining assets shall be distributed to the Association's member political subdivisions for a public purpose, consistent with the provisions of the California Nonprofit Corporation Law relating to mutual benefit corporations then in effect and with the Articles of Incorporation.

Section 11.04. Definitions. As used in these Bylaws, the terms "electronic transmission" and "notice provided by electronic means" shall refer to notice and other communications given by fax or e-mail.

Section 11.05. Conflicts Between Bylaws and Other Association Policies. To the extent permitted by applicable law, these Bylaws shall govern in the event there is a conflict between these Bylaws and another Association policy, rule, or procedure.

Amended comprehensively December 1, 2010

Amended May 9, 2012

Amended May 7, 2014

Amended December 2, 2015

Amended November 29, 2017

Amended & Restated November 30, 2022

SCOTT H. QUADY, PRESIDENT
DIVISION 2

ANDY WATERS, VICE PRESIDENT
DIVISION 3

RAUL AVILA, SECRETARY
DIVISION 1

JACQUELYN MCMILLAN, TREASURER
DIVISION 5

THIBAUT ROBERT, DIRECTOR
DIVISION 4

KRISTINE MCCAFFREY
GENERAL MANAGER



BOARD MEMORANDUM

Date: November 6, 2024

To: Board of Directors

From: Kristine McCaffrey, General Manager

Subject: Item 6.B – Select a Candidate for Local Agency Formation Commission (LAFCo) Special District Regular Member and Authorize the Board President to Complete and Sign the LAFCo Ballot

Objective: Provide regional leadership by participating in and supporting the Local Agency Formation Commission (LAFCo).

Recommended Action: Select a Candidate for LAFCo Special District Regular Member and Authorize the Board President to Complete and Sign the LAFCo Ballot.

Budget Impact: None

Discussion: The following candidates have been nominated by special districts to run in an election to serve as a Special District Regular Member of the Ventura LAFCo to fill the term of January 1, 2025 to December 31, 2028:

- Mohammed Hasan, United Water Conservation District
- Steve Huber, United Water Conservation District
- Chris Stephens, Ventura Port District
- William Ulrich, Ojai Valley Sanitary District

Each special district can vote for one candidate and the ballot must be signed by the President of the Board.

Attachments

- Letter from LAFCo re: Ballot for Election of a Special District Regular Member to the Ventura LAFCo
- Ballot
- Candidate Statements



VENTURA LOCAL AGENCY FORMATION COMMISSION

801 S. VICTORIA AVENUE, SUITE 301 • VENTURA, CA 93003

TEL (805) 654-2576 • FAX (805) 477-7101

VENTURA.LAFCO.CA.GOV

October 22, 2024

President/Chair of the Board
c/o General Manager
Calleguas Municipal Water District
2100 East Olsen Road
Thousand Oaks, CA 91360-6800

RE: Ballot for Election of a Special District Regular Member to the Ventura LAFCo

Dear President/Chair of the Board:

Enclosed please find your Official Ballot for the election of a special district regular member to the Ventura LAFCo for a new, four-year term beginning January 1, 2025, and ending December 31, 2028. This election is being conducted by mail pursuant to California Government Code Section 56332 (or by email, if consent has been provided by your District - see enclosed list of those districts which have consented to email). A total of four candidates have been nominated for the regular member position. The candidates are listed alphabetically on the Official Ballot and a copy of each candidate's statement (if submitted) is enclosed.

INSTRUCTIONS


- **Use the enclosed Official Ballot to vote for only one candidate.**
- **The ballot must be signed and dated by the district president/chair or presiding officer.**
- **All ballots being returned via US Mail must be returned to the Ventura LAFCo at the address listed above. Districts that have previously consented to conduct elections via email can email a copy of the signed ballot to: kai.luoma@ventura.org.**
- **BALLOTS MUST BE RECEIVED BY 5:00 p.m. FRIDAY, DECEMBER 6, 2024. (Ballots received after 5:00 p.m. Friday, December 6, 2024, will not be counted.)**

There are 29 independent special districts eligible to vote in this election. At least 15 districts must return completed/signed ballots to achieve a quorum. If a quorum is achieved, the candidate receiving the most votes will be considered elected. In the event of a tie for the most votes, the outcome will be determined by lot. The election results will be mailed to each district no later than Friday, December 20, 2024. Please let us know if you have questions.

Sincerely,

Kai Luoma
Executive Officer

Enclosures
c: General Manager



OFFICIAL BALLOT - 2024
INDEPENDENT SPECIAL DISTRICTS SELECTION COMMITTEE
Regular Special District Member to the Ventura LAFCo

Calleguas Municipal Water District

This is the Official Ballot for the Independent Special Districts Selection Committee for the purpose of electing the following position to the Ventura LAFCo:

One special district regular member for a four-year term beginning
 January 1, 2025, and ending December 31, 2028.

The election involves four candidates for the special district regular member (listed below in alphabetical order). Please vote for only one candidate. A minimum of 15 qualified ballots must be returned by the deadline to establish a quorum of the independent special districts, pursuant to Government Code Section 56332. The candidate receiving the most votes of the quorum shall be elected. In the event of a tie vote, the outcome will be determined by lot.

PLEASE SIGN AND RETURN THIS BALLOT to the Ventura LAFCo, 801 S. Victoria Avenue, Suite 301, Ventura, CA 93003, or if previous consent has been given to conduct elections via e-mail, send your signed ballot to kai.luoma@ventura.org. All ballots MUST be signed and dated by the district president/chair or presiding officer of the board and received by LAFCo by 5 P.M. Friday, December 6, 2024, to be counted.

As the District President, Chair or Presiding Officer, I duly certify that the Calleguas Municipal Water District does hereby cast its ballot as follows:

REGULAR LAFCo SPECIAL DISTRICT MEMBER FOR A FOUR-YEAR TERM BEGINNING JANUARY 1, 2025		
✓	(vote for one)	
	Mohammed Hasan	United Water Conservation District
	Steve Huber	United Water Conservation District
	Chris Stephens	Ventura Port District
	William Ulrich	Ojai Valley Sanitary District

Board President/Chair/Presiding Officer
Printed Name

Board President/Chair/Presiding Officer
Signature

Date: _____

CANDIDATE STATEMENT

**Ventura LAFCo
Special District Regular Member**

Mohammed A. Hasan, P.E.

Thank you for considering me for the Special District Regular Member of Ventura LAFCo. I have served as the Alternate Special District Member on Ventura LAFCo since 2022. As a 50-year resident of Ventura County where my wife and I raised our children, long ago I came to value the role that LAFCo has played in making our county such a beautiful and thriving place. A place where agriculture and open space are highly valued and protected, where urban sprawl is kept at bay, and where our local governments strive to provide quality and efficient services to our residents.

I have served on the board of directors of United Water Conservation District since 2020 and have an extensive background in water, wastewater, and the environment. I am a civil engineer and surveyor, with a couple of graduate degrees from the University of Iowa. I am the owner and principal engineer of Hasan Consultants, which I founded in 1984. Hasan Consultants, located in Ventura, is a civil/environmental engineering and planning firm. Prior to that, I was head of utilities at the City of Oxnard, and a civil engineer with the Ventura Regional Sanitation District. In these roles, I have had the opportunity to work with Ventura LAFCo in different capacities for over 35 years.

I am a co-founder of Ocean Foresters, which assists local coastal communities establish floating reefs for erosion control; vice president of El Concilio Family Services; a Fellow of two national professional societies; a community college instructor and lecturer; and a Paul Harris fellow of Rotary International. In addition, I have been recognized locally and nationally as a leader in water and wastewater, and authored the water book, *Drought is Not a Four-Letter Word*.

I believe my background and expertise in water and wastewater, the environment, and regional planning gives me a good perspective on the mission and role of LAFCo. That perspective is enhanced by my experience working as a private consultant in land use matters, as well as working for cities and special districts. I believe that I can bring a unique perspective to the Ventura LAFCo and would use that perspective to further the mission of Ventura LAFCO to benefit the entire Ventura County.

It would be a tremendous honor to serve on the Ventura LAFCo as a regular member of the commission, and I would greatly appreciate your support.

Stephen H. Huber

1701 N. Lombard Street, Suite 200
Oxnard, CA 93030
(805) 525-4431
SteveH@unitedwater.org

Subj: Ventura LAFCo Special District Regular Member Candidate Statement

Name: **Steve Huber**

Occupation: Director, United Water Conservation District, Division 5

As the United Water Conservation District representative for LAFCo I will be a transparent member, asking questions, and making suggestions to ensure that we best manage our resources for the present and future.

I have strong relationships with local elected officials, Navy leaders, and business leaders in Oxnard and Ventura County, as well as at the state and national level. As past chair of both the City Planning Commission and the Downtown Oxnard Improvement Association, I understand California Code regarding boundaries, spheres of influence, incorporations, annexations, reorganizations, and other changes of organization. I know the importance of running an efficient, productive meeting within the rules of the Brown Act. I understand the role of a Board member in creating policy that best serves our residents. As a former commanding officer of both a Naval Destroyer and the Naval Surface Warfare Center at Port Hueneme, I have experience in dealing with water issues. My successful 30-year Navy career and membership on several community boards have provided me with the experience for this position.

I would be honored to earn your vote.

Steve Huber

Director, Division 5

United Water Conservation District

CHRIS STEPHENS

Nominated by the Ventura Port District Board of Port Commissioners to be a candidate to serve as Special District's regular member on Ventura County LAFCo.

Chris Stephens was appointed to the Ventura Port District Board effective July 1, 2017. He served as Board Chair from 2019 through 2022. Previously, Chris served on the County Planning Commission, the City of Ventura General Plan Visioning Committee and later its Charter Committee

Stephens served 35 years in a number of local government positions. He served as Ventura County's Planning Director and later as the head of its Resource Management Agency. Prior to that he served as the Deputy Executive Director of the Ventura County Transportation Commission. He has been involved with many community organizations and programs and has served as a member of the Hansen Agricultural Trust Advisory Board, the Ag Futures Alliance, Foothill Little League Board, Ventura YMCA Program Committee, and *House Farm Workers!* Board of Directors.



SCOTT H. QUADY, PRESIDENT
DIVISION 2

ANDY WATERS, VICE PRESIDENT
DIVISION 3

RAUL AVILA, SECRETARY
DIVISION 1

JACQUELYN MCMILLAN, TREASURER
DIVISION 5

THIBAUT ROBERT, DIRECTOR
DIVISION 4

KRISTINE MCCAFFREY
GENERAL MANAGER



www.calleguas.com

2100 OLSEN ROAD • THOUSAND OAKS, CALIFORNIA 91360-6800 805/526-9323 • FAX: 805/522-5730

BOARD MEMORANDUM

Date: November 6, 2024

To: Board of Directors

From: Dan Smith, Manager of Finance

Subject: Item 6C – Adopt Resolution No. 2099, A Resolution of the Board of Directors of the Calleguas Municipal Water District Authorizing the Issuance of Not to Exceed \$72,000,000 Principal Amount of Water Revenue Refunding Bonds, Series 2016A; Authorizing and Directing Execution of an Indenture of Trust, Escrow Instructions, a Continuing Disclosure Agreement and a Bond Purchase Contract; Authorizing the Sale of Bonds; Approving an Official Statement and Providing Other Matters Properly Relating Thereto

Objective: Accomplish the mission in a cost-effective manner by reducing the risk and potential cost of existing bond debt.

Recommended Action: Adopt Resolution No. 2099, A Resolution of the Board of Directors of the Calleguas Municipal Water District Authorizing the Issuance of Not to Exceed \$72,000,000 Principal Amount of Water Revenue Refunding Bonds, Series 2016A; Authorizing and Directing Execution of an Indenture of Trust, Escrow Instructions, a Continuing Disclosure Agreement and a Bond Purchase Contract; Authorizing the Sale of Bonds; Approving an Official Statement and Providing Other Matters Properly Relating Thereto.

Budget Impact: A maximum of \$317,410 in additional costs over the next 15 years. There is also the potential of additional savings depending on market interest rates at the time of pricing for the bonds. Additionally, refunding avoids the potential loss of additional interest subsidies due to potential sequestration actions by Congress, as described below.

Discussion: In accordance with direction from the Calleguas Board, the District has been working with its financial advisor, Jim Bemis with Montague DeRose & Associates, and Bond Counsel, Kevin Civale with Stradling Yocca Carlson & Rauth LLP, to refund the 2010B Bonds, also known as the “Build America Bonds” (BAB). The BAB were issued at a higher taxable rate, but 35% of the interest payments were to be subsidized by the Federal government. In 2013, Congress began to reduce the subsidy through a process called “sequestration.” So far, this reduction has cost the District \$1,360,000 in lost interest

subsidies; it is anticipated that the District will lose at least another \$450,000 based on current Federal government funding levels.

The risk of losing additional BAB subsidy in future years continues to increase. In 2022, the Federal government considered elimination of the subsidy, but funding was included in the Appropriations Act of 2023 protecting the subsidy through 2025. This highlights the risks associated with relying on the subsidy in future years. Also, in November 2023, the U.S. Supreme Court confirmed that Congress had the authority to reduce the BAB subsidy through sequestration. This decision indicates that the District may have no recourse against the Federal government if Congress decides to eliminate or reduce the subsidy in future years. The District still has over \$12.8 million in subsidies at risk from August 1, 2025 to the final maturity of the bonds in 2040. Based on the actual loss of past subsidy amounts, and potential loss of future subsidy amounts, the Calleguas-Las Virgenes Public Financing Authority (PFA) has the authority to determine that an extraordinary event has occurred as outlined in the bond documents and refund the bonds.

On September 3, 2024 the PFA Board passed Resolution 21 declaring that an 'Extraordinary Event' has occurred as the Authority determined that "a material adverse change has occurred to Section 54AA or Section 6431 of the Code or there is any guidance published by the Internal Revenue Service or the United States Treasury with respect to such Sections or any other determination by the Internal Revenue Service or the United States Treasury, which determination is not the result of any act or omission by the Authority or the District to satisfy the requirements to qualify to receive the 35% cash subsidy payment from the United States Treasury, pursuant to which the Authority's 35% cash subsidy payment from the United States Treasury is reduced or eliminated."

Staff is requesting that the Board adopt Resolution No. 2099, authorizing the issuance of bonds to refinance the 2010B bonds and execute all documents necessary to facilitate the issuance. The Resolution does stipulate that the bonds should generate net present value savings but can generate additional net present value costs to the District as long as the additional costs do not exceed \$300,000 over the 17-year life of the new bonds. The maximum cost was determined by calculating the amount the District will lose if the subsidy continues to be sequestered at the current rate of 5.7% through 2040. The current sequestration is set to expire in 2030, but staff believes it is highly likely that the federal government will, at a minimum, continue the sequestration at the current level.

Attachments:

- Resolution No. 2099
- Preliminary Official Statement
- Indenture of Trust
- Continuing Disclosure Agreement
- Bond Purchase Contract

RESOLUTION NO. 2099**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CALLEGUAS MUNICIPAL WATER DISTRICT AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$72,000,000 PRINCIPAL AMOUNT OF WATER REVENUE REFUNDING BONDS, SERIES 2024A; AUTHORIZING AND DIRECTING EXECUTION OF AN INDENTURE OF TRUST, ESCROW INSTRUCTIONS, A CONTINUING DISCLOSURE AGREEMENT AND A BOND PURCHASE CONTRACT; AUTHORIZING THE SALE OF BONDS; APPROVING AN OFFICIAL STATEMENT AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO**

WHEREAS, the Calleguas Municipal Water District (the “District”) is a municipal water district duly organized and existing under the Municipal Water District Law of 1911 of the State of California, being Division 20 of the Water Code of the State of California, as amended (the “Law”), and is authorized pursuant to Articles 10 and 11, Division 2, Title 5 (commencing with Section 53570) of the California Government Code, as amended (the “Refunding Law”) and Resolution No. 823 of the District, adopted November 6, 1991, as amended by that certain Resolution No. 889 of the District, adopted May 12, 1993, and as further amended by that certain Resolution No. 1660 of the District, adopted February 3, 2010 (collectively, the “Master Resolution”) to borrow money for the purpose of refinancing indebtedness of the District; and

WHEREAS, the District has previously entered into an Installment Purchase Agreement, dated as of February 1, 2010 (the “Installment Purchase Agreement”) with the Calleguas-Las Virgenes Public Financing Authority (the “Authority”), payments under which secure the Authority’s Water Revenue Bonds 2010 Series B (Calleguas Municipal Water District Project) (Federally Taxable-Build America Bonds) (the “2010 Bonds”); and

WHEREAS, in order to provide funds to refinance the District’s obligations under the Installment Purchase Agreement, the District proposes to issue its Calleguas Municipal Water District Water Revenue Refunding Bonds, Series 2024A, in the aggregate principal amount of not to exceed \$72,000,000 (the “Bonds”), pursuant to an Indenture of Trust (the “Indenture”), currently dated as of November 1, 2024 between the District and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”); and

WHEREAS, the District proposes to sell the Bonds to Wells Fargo Bank, N.A. (the “Underwriter”) for offer and sale by the Underwriter to customers thereof, and in connection with the offering of the Bonds, the District has caused to be prepared an Official Statement describing, among other things, the District, the Indenture, the Net Operating Revenues and the Bonds, a preliminary form of which is on file with the Secretary of the District; and

WHEREAS, the Bonds will be sold pursuant to the Purchase Contract (the “Purchase Contract”) to be dated the date of sale, between the District and the Underwriter; and

WHEREAS, the District has duly considered such transactions, including, without limitation, the Indenture, the Purchase Contract and the Official Statement, and wishes at this time to approve said transactions in the public interests of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Calleguas Municipal Water District as follows:

Section 1. Issuance of Bonds; Approval of Indenture. The findings set forth in the recitals hereof are true and correct. The District hereby authorizes the issuance of the Bonds under and pursuant to the Refunding Law, the Master Resolution and the Indenture for the purposes hereinbefore described. The District hereby approves the Indenture in substantially the form on file with the Secretary together with any additions thereto or changes therein deemed necessary or advisable by the members of this Board, the duly appointed General Manager, the duly appointed Manager of Finance, or their authorized representatives (collectively, the “Authorized Officers”), upon consultation with District Counsel and Stradling Yocca Carlson & Rauth LLP (“Bond Counsel”), whose execution thereof shall be conclusive evidence of the approval of any such additions and changes. The District hereby authorizes the execution and delivery by the Authorized Officers, and the performance by the District of the Indenture and the issuance of the Bonds, provided that (i) the net present value cost to the District of refunding the 2010 Bonds, as determined by the District’s Municipal Advisor in connection with the Bonds, based on reasonable assumptions and methodologies consistent with standard industry practice, shall not exceed \$300,000, (ii) the maturity of the Bonds does not exceed the current final maturity of the 2010 Bonds, and (iii) the principal amount of the Bonds does not exceed \$72,000,000.

Section 2. Purchase Contract. The District hereby authorizes the sale of the Bonds to the Underwriter pursuant to and in accordance with the Purchase Contract, in substantially the form on file with the Secretary together with any additions thereto or changes therein approved by Authorized Officers, the execution thereof to be conclusive evidence of such approval. The District hereby delegates to each of the Authorized Officers, the authority to accept an offer from the Underwriter to purchase the Bonds from the District pursuant to the Purchase Contract.

Section 3. Approval of Continuing Disclosure Agreement. The form -of Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”), between the District and the Trustee, acting as dissemination agent, as presented to this meeting is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the District, to execute, acknowledge and deliver the Continuing Disclosure Agreement, in substantially the form presented to this meeting, with such changes therein as such Authorized Officer may require or approve, with the advice and approval of District Counsel and Bond Counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. Official Statement. The District hereby approves the preparation of, and hereby authorizes the Authorized Officers to deem final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 except for permitted omissions, a preliminary form of Official Statement describing the Bonds. Distribution of such preliminary Official Statement by the Underwriter to prospective purchasers of the Bonds is hereby approved. Each of the Authorized Officers are hereby authorized to execute the final form of the Official Statement, on behalf of the District, including as it may be modified by such additions thereto and changes therein as the Authorized Officers shall deem necessary, desirable or appropriate, and the execution of the final Official Statement by the Authorized Officers shall be conclusive evidence of the approval of any such additions and changes. The District hereby authorizes the distribution of the final Official Statement by the Underwriter to the purchasers of the Bonds.

Section 5. Good Faith Estimate of Costs. The Board of Directors acknowledges that the good faith estimates required by Section 5852.1 of the California Government Code are disclosed in Exhibit A to this resolution and are available to the public at the meeting at which this resolution is approved.

Section 6. Official Action. The Authorized Officers are hereby authorized and directed, for and in the name and on behalf of the District, to do any and all things and take any and all actions, including purchase of bond insurance resulting in present value savings and execution and delivery of any and all assignments, certificates, requisition, agreements, consents, instruments of conveyance, escrow instruction and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance, sale and delivery of the Bonds and the refunding of the 2010 Bonds.

Section 7. Effective Date. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Calleguas Municipal Water District held on the 6th day of November, 2024, by the following vote, to wit:

Scott Quady, President
Board of Directors

I HEREBY CERTIFY that the foregoing Resolution was adopted at the regularly scheduled meeting of the Board of Directors of Calleguas Municipal Water District held on November 6, 2024.

ATTEST:

Raul Avila, Secretary
Board of Directors

(SEAL)

\$72,000,000
CALLEGUAS MUNICIPAL WATER DISTRICT
WATER REVENUE REFUNDING BONDS
SERIES 2024A

SECRETARY'S CERTIFICATE

The undersigned, Secretary of the Board of Directors of the Calleguas Municipal Water District, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Directors duly called and held on November 6, 2024, at which meeting all of the members of said Board of Directors had due notice and at which a majority thereof was present.

Dated: November 6, 2024

Raul Avila, Secretary
Board of Directors

EXHIBIT A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the District by Montague DeRose and Associates, LLC, the District's municipal advisor in connection with the issuance of the Bonds (the "Municipal Advisor").

Principal Amount. The Municipal Advisor has informed the District that, based on the District's financing plan and current market conditions, its good faith estimate of the aggregate amount of the Bonds to be sold is \$61,530,000.

True Interest Cost of the Bonds. The Municipal Advisor has informed the District that based on the expected interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 3.32%.

Finance Charge of the Bonds. The Municipal Advisor has informed the Bonds that, assuming that the Bonds are executed, their good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$418,456.20.

Amount of Proceeds to be Received. The Municipal Advisor has informed the District that based on estimated interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the amount of proceeds expected to be received by the District for sale of the Bonds, less the finance charge of the Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$69,049,266.30.

Total Payment Amount. The Municipal Advisor has informed the District that based on interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Bonds, plus the finance charge for the Bonds, as described above, paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$89,506,400, which excludes any reserves funded with proceeds of the Bonds (which may offset such total payment amount).

The foregoing estimates constitute good faith estimates only as of October 28, 2024, and are based on information provided in the Indenture at the time of preparation of such estimates and have no bearing on, and should not be misconstrued as, any not-to-exceed financial parameters authorized by the resolution. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of issuing the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the principal amount, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, (f) alterations in the District's financing plan, or a combination of such factors. The actual date of execution of the Bonds and the actual principal amount

of the Bonds sold will be determined by the District based on the timing of the need for proceeds of the Bonds and other factors. Factors such as the final loan repayment schedule, any changes to the interest rate on the Bonds and timing of the execution of the Bonds may be affected by factors beyond the control of the District or the Municipal Advisor.

PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER __, 2024

In the opinion of Stradling Yocca Carlson & Rauth LLP, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described in this Official Statement, interest on the 2024 Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, interest on the 2024 Bonds is exempt from State of California personal income tax. See the caption "TAX MATTERS" herein with respect to the two consequences with respect to the 2024 Bonds, including with respect to the alternative minimum tax imposed on certain large corporations.

§ _____
**CALLEGUAS MUNICIPAL WATER DISTRICT
 WATER REVENUE REFUNDING BONDS
 SERIES 2024A**

Dated: Date of Delivery**Due: July 1, as shown on inside cover**

The Calleguas Municipal Water District Water Revenue Refunding Bonds Series 2024A (the "2024 Bonds") are being issued pursuant to an Indenture of Trust, dated as of November 1, 2024 (the "Indenture") between the District and U.S. Bank Trust Company, National Association (the "Trustee"), and the Master Resolution (as defined herein), and will be secured as described herein. The 2024 Bonds are being issued (i) to provide funds to refund certain obligations of the District relating to the Calleguas-Las Virgenes Public Financing Authority Water Revenue Bonds, 2010 Series B (Calleguas Municipal Water District Project) (Federally Taxable-Build America Bonds) (the "Refunded Bonds"), and (ii) to pay certain costs of issuing the 2024 Bonds. Definitions of certain capitalized terms herein are contained in APPENDIX A hereto, and are incorporated herein by reference.

The 2024 Bonds will be issued in book-entry form, initially registered in the name of Cede & Co., New York, New York, as nominee of The Depository Trust Company ("DTC"), New York, New York. Interest on the 2024 Bonds will be payable on January 1 and July 1 of each year, commencing January 1, 2025, and principal of the 2024 Bonds will be paid on the dates set forth in the Maturity Schedule on inside cover hereof. Purchasers will not receive certificates representing their interest in the 2024 Bonds. Individual purchases will be in principal amounts of \$5,000 or in any integral multiples of \$5,000. Payments of principal and interest will be paid by the Trustee to DTC for subsequent disbursement to DTC Participants who will remit such payments to the beneficial owners of the 2024 Bonds.

Payment of principal of and interest on the 2024 Bonds (the "2024 Debt Service Payments") are payable from Net Operating Revenues of the District's water system (the "System"). The 2024 Debt Service Payments are a special limited obligation of the District, payable from and secured by a pledge of and first lien on all Net Operating Revenues, subject to the parity lien of other Parity Obligations previously issued, or issued from time to time in the future by the District, as provided for in the Indenture (as described herein). The District currently has \$ _____ of Parity Obligations outstanding. The District is not funding a debt service reserve account for the 2024 Bonds.

The 2024 Bonds are subject to redemption prior to maturity as set forth herein. See "THE 2024 Bonds - Redemption of the 2024 Bonds" herein.

THE 2024 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM AND SECURED SOLELY BY THE NET OPERATING REVENUES PLEDGED THEREFOR IN THE INDENTURE AND ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF, OR CHARGE OR LIEN UPON ANY PROPERTY OF THE DISTRICT, OR ANY OF THE DISTRICT'S INCOME OR RECEIPTS, EXCEPT THE NET OPERATING REVENUES. THE 2024 BONDS ARE NOT A DEBT OF THE DISTRICT, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS AND NEITHER THE FAITH AND CREDIT OF THE DISTRICT, THE STATE NOR ANY OF ITS POLITICAL SUBDIVISIONS ARE PLEDGED TO THE PAYMENT OF THE 2024 BONDS, AND THE DISTRICT IS NOT OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION THEREFOR. NEITHER THE 2024 BONDS NOR THE OBLIGATION TO MAKE 2024 DEBT SERVICE PAYMENTS CONSTITUTES AN

INDEBTEDNESS OF THE DISTRICT, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IN CONTRAVENTION OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

This cover page contains information for general reference only. It is not a summary of the security or terms of this issue. Investors must read the entire Official Statement, including the section entitled “RISK FACTORS,” for a discussion of special factors which should be considered, in addition to the other matters set forth herein, in considering the investment quality of the 2024 Bonds. Capitalized terms used on this cover page and not otherwise defined shall have the meanings set forth herein.

The 2024 Bonds are offered when, as and if sold and issued, subject to the approval as to their legality by Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Bond Counsel. Certain legal matters will be passed upon for the District by Wendelstein Law Group, PC, Thousand Oaks, California, its general counsel, and by Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Disclosure Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, Kutak Rock LLP, Irvine, California. It is anticipated that the 2024 Bonds in book-entry form, will be available for delivery through the facilities of DTC, on or about November 25, 2024.

WELLS FARGO SECURITIES

Date: November __, 2024

MATURITY SCHEDULE*

\$_____ Serial Bonds

<u>Maturity Date</u> <u>(July 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP†</u>
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* Preliminary; subject to change.

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CALLEGUAS MUNICIPAL WATER DISTRICT

BOARD OF DIRECTORS AND OFFICERS

Scott H. Quady, President
Andy Waters, Vice President
Jacque McMillian, Treasurer
Raul Avila, Secretary
Thibault Robert, Director

DISTRICT MANAGEMENT

Kristine McCaffery, General Manager
Fernando Baez, Manager of Engineering
Rob Peters, Manager of Operations and Maintenance
Dan Smith, Manager of Finance
Jennifer Lancaster, Manager of Resources
Henry Graumlich, Executive Strategist

SPECIAL SERVICES

District Counsel

Wendelstein Law Group, PC
Thousand Oaks, California

Municipal Advisor

Montague DeRose and Associates, LLC
Westlake Village, California

Bond and Disclosure Counsel

Stradling Yocca Carlson & Rauth LLP
Newport Beach, California

Trustee

U.S. Bank National Association
Los Angeles, California

Verification Agent

No dealer, broker, salesperson or other person has been authorized by the Calleguas Municipal Water District (the "District") or the Underwriter to give any information or to make any representations other than those contained herein and, if given or made, such other information or representations must not be relied upon as having been authorized by the District or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the 2024 Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale. This Official Statement is not to be construed as a contract with the purchasers of the 2024 Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, as amended, and in effect on the date hereof, this Preliminary Official Statement constitutes an official statement of the District that has been deemed final by the District as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

The information set forth herein has been obtained from the District and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Underwriter. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities under federal securities laws, as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there have not been any changes in the affairs of the District since the date hereof. All summaries of the documents are made subject to the provisions of such documents, respectively, and do not purport to be complete statements of any or all of such provisions. This Official Statement is submitted in connection with the sale of the 2024 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

IN CONNECTION WITH THE OFFERING OF THE 2024 BONDS, THE UNDERWRITER MAY EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2024 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE 2024 BONDS TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENT AT PRICES LOWER THAN THE PUBLIC OFFERING PRICE STATED ON THE COVER PAGE HEREOF. THE PUBLIC OFFERING PRICE MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

The District maintains a website. However, the information presented on the website is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the 2024 Bonds.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, Securities Exchange Commission Rule 15c2-12.

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OFFICIAL STATEMENT

\$ _____ *

CALLEGUAS MUNICIPAL WATER DISTRICT WATER REVENUE REFUNDING BONDS SERIES 2024A

INTRODUCTION

General

The purpose of this Official Statement of the Calleguas Municipal Water District (the “District”) is to furnish information regarding the issuance and sale of \$ _____ * principal amount of Calleguas Municipal Water District Water Revenue Refunding Bonds, Series 2024A (the “2024 Bonds”) pursuant to the provisions of an Indenture of Trust, dated as of November 1, 2024 (the “Indenture”) between the District and U.S. Bank Trust Company, National Association (the “Trustee”). The 2024 Bonds will be issued pursuant to the provisions of Articles 10 and 11, Chapter 3, Part 1, Division 2, Title 5 (commencing with Section 53570) of the California Government Code, as amended (the “Bond Law”), and Resolution No. 823 of the District, adopted November 6, 1991, as amended by that certain Resolution No. 889 of the District, adopted May 12, 1993, and as further amended by that certain Resolution No. 1660 of the District, adopted February 3, 2010 (collectively, the “Master Resolution”).

The 2024 Bonds are subject to redemption prior to maturity as described herein. See “THE 2024 Bonds” herein.

The District

The District is a special district created in 1953 pursuant to the Municipal Water District Act of 1911 (the “Water Law”). The District’s purpose is to provide a supplemental water supply to its service area, which includes more than 75% of the residents of Ventura County (the “County”), to augment local water supplies for municipal, industrial, and agricultural users. The District serves approximately 365 square miles within the southeast portion of the County, including the cities of Simi Valley, Moorpark, Thousand Oaks, Camarillo, Oxnard, Port Hueneme and the unincorporated areas of Oak Park, Santa Rosa Valley, Bell Canyon, Lake Sherwood, Somis, Camarillo Estates and Camarillo Heights. Approximately 645,000 residents of these cities and unincorporated communities are served by purveyors within the District, which purchase water and receive certain other services from the District as more particularly described herein.

For other information concerning the District, see “THE DISTRICT” and “DISTRICT SYSTEM REVENUES” herein. For other selected demographic and economic information, see “APPENDIX B - GENERAL DEMOGRAPHIC INFORMATION” hereto. A copy of the audited financial statements of the District for the year ended June 30, 2023 is attached hereto as APPENDIX C.

Purpose

The 2024 Bonds are being issued by the District to (i) [together with other available funds of the District,] prepay the District’s obligations under an Installment Purchase Contract, dated as of February 1, 2010 (the “2010 Installment Purchase Contract”) with the Calleguas-Las Virgenes Public Financing Authority (the “Authority”), which obligations secure the Authority’s Water Revenue Bonds 2010 Series B (Calleguas Municipal Water District Project) (Federally Taxable-Build America Bonds) (the “Refunded Bonds” or the

* Preliminary; subject to change.

“2010B Bonds”), and (ii) to pay certain costs of issuing the 2024 Bonds. See “THE REFUNDING PLAN” and “ESTIMATED SOURCES AND USES OF FUNDS” herein. The Refunded Bonds were issued to finance certain improvements to the water system (the “System”) of the District. See “THE DISTRICT” and “DISTRICT SYSTEM REVENUES” herein for a description of the District’s water system. The District is not funding a debt service reserve account for the 2024 Bonds.

Security for the 2024 Bonds

The 2024 Bonds are payable from, and secured by a lien on, the Net Operating Revenues (as described in “SECURITY FOR THE 2024 Bonds - General” herein), and from certain interest and other income derived from certain funds and accounts held under the Indenture. Under the Indenture and the Master Resolution, the District has irrevocably pledged all Net Operating Revenues to the payment of the 2024 Debt Service Payments and other obligations of the District payable from Net Operating Revenues on a parity with the pledge for the benefit of the 2024 Bonds (“Parity Obligations”). Operating Revenues are held in the Revenue Fund of the District, and Net Operating Revenues required to pay debt service on Parity Obligations (including the 2024 Bonds) are held in the Debt Service Fund of the District, as provide for in the Indenture and the Master Resolution. See “SECURITY FOR THE 2024 Bonds” herein. The District is not funding a debt service reserve account for the 2024 Bonds.

Outstanding Parity Obligation; Additional Parity Obligations

Upon issuance of the 2024 Bonds and the refunding of the Refunded Bonds, payment of the 2024 Debt Service Payments will be on a parity with the Parity Obligations set forth below:

(i) Calleguas-Las Virgenes Public Financing Authority Variable Rate Refunding Revenue Bonds, 2008 Series A (Calleguas Municipal Water District Project), originally issued in the principal amount of \$40,300,000, of which \$37,850,000 is currently outstanding (the “2008A Bonds”),

(ii) Calleguas Municipal Water District Water Revenue Refunding Bonds, Series 2016A, originally issued in the principal amount of \$27,585,000, of which \$16,150,000 is currently outstanding (the “2016 Bonds”).

(iii) Calleguas Municipal Water District Water Revenue Refunding Bonds, Series 2021A (Green Bonds) (Federally Taxable), originally issued in the principal amount of \$39,145,000, of which \$37,215,000 is currently outstanding (the “2021 Bonds” and, with the 2016 Bonds and the 2008A Bonds, the “Parity Bonds”).

In addition, the District is authorized to issue additional Parity Obligations secured by the Net Operating Revenues, provided it complies with certain provisions in the Master Resolution. See “Issuance of Additional Parity Obligations - Issuance of Additional Parity Obligations.”

The lien of the 2024 Bonds is also subject to the parity lien, if any, of any additional obligations as provided for in the Indenture and the Master Resolution. See “SECURITY FOR THE 2024 Bonds” herein.

Subordinate Obligations

In February 2024, the District, the Authority and Wells Fargo Bank, National Association entered into a Revolving Credit Agreement, dated February 29, 2024 (the “Revolving Credit Agreement”), pursuant to which the Authority, on behalf of the District, is permitted to request revolving loans (each a “Revolving Loan”) in aggregate principal amount up to \$20,000,000 to provide for the acquisition and construction of capital improvements to the District’s System. The Authority’s obligations with respect to each Revolving Loan is evidenced by a revolving note (the “Revolving Note”) that was executed and delivered by the Authority. The Revolving Note is payable solely from installment payments made by the District to the Authority pursuant to a Subordinate Installment Purchase Agreement, dated as of February 1, 2024 (the “2024 Subordinate Installment

Purchase Agreement”), by and between the Authority and the District. The installment payments under the 2024 Subordinate Installment Purchase Agreement are payable from Net Revenues on a subordinate basis to the payments with respect to the Parity Obligations. See “DISTRICT FINANCES – Credit Facilities.”

Rate Covenant

Pursuant to the Master Resolution, the District has covenanted to fix, prescribe and collect certain rates and charges for service provided by the System. See “SECURITY FOR THE 2024 BONDS- Rate Covenant” herein.

No Debt Service Reserve Account

The District is not funding a debt service reserve account for the 2024 Bonds, although debt service reserve accounts have previously been established for certain of the currently outstanding Parity Bonds, and may be created with respect to the issuance of future Parity Obligations. The owners of the 2024 Bonds will not be entitled to amounts on deposit in the reserve accounts established for the other Parity Bonds or future Parity Obligations.

Risk Factors

There can be no assurance that the local demand for the services provided by the System will be maintained at levels described in this Official Statement, or that the District’s expenses for operating and maintaining the System will be consistent with the levels described in this Official Statement. Changes in technology, decreased demand, new regulatory requirements, increases in the cost of energy or other expenses would reduce Net Operating Revenues, and could require substantial increases in rates or charges in order to comply with the rate covenant. Such rate increases could increase the likelihood of nonpayment, and could also further decrease demand.

See “RISK FACTORS” herein for a discussion of special factors which should be considered, in addition to the other matters set forth herein, in considering the investment quality of the 2024 Bonds.

Limited Obligations

THE OBLIGATION OF THE DISTRICT TO MAKE PAYMENTS OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE 2024 BONDS IS A SPECIAL OBLIGATION OF THE DISTRICT PAYABLE SOLELY FROM NET OPERATING REVENUES AND OTHER FUNDS PROVIDED FOR IN THE INDENTURE, AND DOES NOT CONSTITUTE A DEBT OF THE DISTRICT OR THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF IN CONTRAVENTION OF ANY STATUTORY OR CONSTITUTIONAL DEBT LIMITATION OR RESTRICTION, OR AN OBLIGATION FOR WHICH THE DISTRICT OR THE STATE OF CALIFORNIA IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE DISTRICT OR THE STATE OF CALIFORNIA HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

Forward-Looking Statements

This Official Statement contains forward-looking statements, including (i) statements containing projections of Net Operating Revenues and other financial items, (ii) statements of future economic performance of the System, and (iii) statements of the assumptions underlying or relating to statements described in (i) and (ii) above, (collectively, the “Forward-Looking Statements”). All statements other than statements of historical facts included in this Official Statement, including without limitation statements under “THE DISTRICT” and “SECURITY FOR THE 2024 BONDS” regarding the financial position, capital resources and status of the District and the System are Forward-Looking Statements. Although the District believes that the expectations reflected in such Forward-Looking Statements are reasonable, no assurance can be given that such expectations

will prove to be correct. Important factors which could cause actual results to differ materially from expectations of the District (collectively, the “Cautionary Statements”) are disclosed in this Official Statement. All Forward-Looking Statements attributable to the District are expressly qualified in their entirety by the Cautionary Statements.

Summaries Not Definitive

Definitions of certain capitalized terms herein are contained in APPENDIX A hereto, and are incorporated herein by reference. Definitions of certain terms used in this Official Statement, and the summaries of and references contained herein to the Indenture, the 2024 Bonds, the Master Resolution, the Escrow Instructions, the Continuing Disclosure Agreement, statutes and other documents do not purport to be comprehensive or definitive and are qualified by reference to each such document, instrument or statute.

THE REFUNDING PLAN

The District is issuing the 2024 Bonds, in part, to provide moneys necessary to refund its obligations under the 2010 Installment Purchase Contract and to redeem the Refunded Bonds, which are described in the table below. On the date of delivery of the 2024 Bonds, a portion of the proceeds of the 2024 Bonds[, together with certain other moneys,] will be applied to redeem all of the outstanding Refunded Bonds. Upon the delivery date of the 2024 Bonds, _____ will deliver a report stating that the firm has verified the mathematical accuracy of certain computations relating to the redemption price of and accrued interest on the Refunded Bonds and the adequacy of the moneys available to pay such redemption price of and accrued interest on the Refunded Bonds on the redemption date therefor. See “VERIFICATION OF MATHEMATICAL ACCURACY” herein.

The Refunded Bonds are being redeemed pursuant to the extraordinary optional redemption provisions of the Indenture pursuant to which the Refunded Bonds were issued (the “Refunded Bonds Indenture”). The Refunded Bonds Indenture provides that the Refunded Bonds are subject to optional redemption by the Authority prior to their stated maturity dates, as a whole or in part (and if in part, pro rata among maturities), upon the occurrence of an Extraordinary Event at the Extraordinary Optional Redemption Price.

Pursuant to the Refunded Bonds Indenture, an “Extraordinary Event” will have occurred if the Authority determines that a material adverse change has occurred to section 54AA or section 6431 of the Code or there is any guidance published by the Internal Revenue Service or the United States Treasury with respect to such sections or any other determination by the Internal Revenue Service or the United States Treasury, which determination is not the result of an act or omission by the Authority or the District to satisfy the requirements to qualify to receive the 35% cash subsidy payment from the United States Treasury, pursuant to which the Authority’s 35% cash subsidy payment from the United States Treasury is reduced or eliminated.

“Extraordinary Optional Redemption Price” means the greater of (i) 100% of the principal amount of the Refunded Bonds to be redeemed, or (ii) the sum of the present value of the remaining scheduled payments of principal of and interest on the Refunded Bonds to be redeemed, discounted to the date on which such Refunded Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate (as defined in the Refunded Bonds Indenture) plus 100 basis points, plus, in each case, accrued interest on the Refunded Bonds to be redeemed to the date fixed for redemption.

The extraordinary optional redemption provisions for the Refunded Bonds are described in the Official Statement for the Refunded Bonds, which can be found at the following link: <https://emma.msrb.org/EA363847-EA286506-EA681837.pdf>. Such link is provided for reference and convenience only. The Official Statement for the Refunded Bonds is not incorporated by reference herein and does not constitute part of this Official Statement.

With respect to the Refunded Bonds, the Authority has determined (as provided pursuant to the Refunded Bonds Indenture) that an “Extraordinary Event” has occurred, pursuant to which the subsidy provided

under the Code for the Refunded Bonds has been reduced, and the extraordinary optional redemption provisions relating to the Refunded Bonds are therefore applicable.

The following table contains certain information relating to the Refunded Bonds.

**Calleguas-Las Virgenes
Public Financing Authority
Water Revenue Bonds, 2010 Series B
(Calleguas Municipal Water District Project)
(Federally Taxable – Build America Bonds)**

Maturity Date) (July 1)	Principal Amount	Interest Rate	CUSIP†
2025	\$ 3,055,000	5.449%	13124JAL6
2030	17,150,000	5.944	13124JAM4
2040	46,010,000	5.944	13124JAN2

CONTINUING DISCLOSURE

The District has covenanted, pursuant to a Continuing Disclosure Agreement, dated as of November 1, 2024, for the benefit of holders and beneficial owners of the 2024 Bonds to provide, or cause to be provided, certain financial information and operating data relating to the District by not later than March 1 in each year following the end of the District’s Fiscal Year (which currently would be June 30), commencing with the report for the Fiscal Year ended [June 30, 2024] (the “Annual Report”), and to provide notices of the occurrence of certain listed events. The Annual Report and notices of listed events will be filed by the District with the Municipal Securities Rulemaking Board (the “MSRB”). The specific nature of the information to be contained in the Annual Report or the notices of listed events is summarized below in “APPENDIX E.” These covenants have been made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5) (the “Rule”).

[With respect to its prior undertakings under the Rule, within the past five years the District has filed its annual reports in a timely manner. However, it failed to include in such reports certain information relating to the largest customers of the District. In March 2021, the District made a corrective filing which included the required information for the last five years.]

THE 2024 BONDS

Description of the 2024 Bonds

The 2024 Bonds shall be delivered in the form of fully registered Bonds, without coupons, in denominations of \$5,000 or any integral multiple thereof, and shall be dated the date of initial delivery thereof. The 2024 Bonds will mature on the dates and in the amounts set forth on the front cover of this Official Statement. The 2024 Bonds, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York (“DTC”). So long as DTC, or Cede & Co. as its nominee, is the registered owner of all Bonds, all payments on the 2024 Bonds will be made directly to DTC, and disbursement of such payments to the DTC Participants (defined below) will be the responsibility of DTC,

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and disbursement of such payments to the Beneficial Owners (defined below) will be the responsibility of the DTC Participants, as more fully described hereinafter. See “Book-Entry Only System” below.

Interest on the 2024 Bonds shall be payable on January 1 and July 1 of each year, commencing January 1, 2025, and continuing to and including the date of maturity or prior redemption, whichever is earlier. Principal of the 2024 Bonds shall become payable on July 1 in each of the years and in the amounts set forth on the inside cover page of this Official Statement. Principal and premium, if any, of the 2024 Bonds shall be payable upon presentation and surrender thereof at the corporate trust office of the Trustee in Los Angeles, California. Interest on the 2024 Bonds shall be based on a 360-day year composed of twelve 30-day months and shall be payable by check from the Trustee mailed on each Interest Payment Date by first class mail to the registered Owners as of the close of business on the 15th day of the calendar month (whether or not such day is a Business Day) preceding an Interest Payment Date (the “Record Date”) at their addresses shown on the registration books maintained by the Trustee: Upon the written request from any Owner of Bonds aggregating at least \$1,000,000 in principal amount, received on or prior to the fifteenth day of the month preceding an applicable Interest Payment Date, by wire in Federal Reserve funds to an account within the United States on the Interest Payment Date, with regard to which such payment is made. See “Book-Entry Only System” below for a description of how interest and principal will be paid while the Book-Entry System is in effect.

Redemption of the 2024 Bonds

Optional Redemption

The 2024 Bonds maturing on or before July 1, 20__ shall not be subject to optional redemption prior to their respective stated maturities. The 2024 Bonds maturing on or after July 1, 20__ shall be subject to optional redemption from any source of available funds, prior to maturity in whole, or in part among maturities as shall be specified in a Certificate of the District filed with the Trustee and randomly by lot within a maturity, on any date on or after July 1, 20__, at a redemption price equal to the principal amount of the 2024 Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

Extraordinary Redemption

The 2024 Bonds are subject to redemption, in whole or in part on any date, from the Net Proceeds of insurance or condemnation with respect to the System, which Net Proceeds are deposited in the Payment Fund and credited towards the prepayment of the Debt Service Payments, at a redemption price equal to the principal amount of the 2024 Bonds to be redeemed, together with accrued interest to the date fixed for redemption, without premium.

Purchase in Lieu of Redemption. In lieu, or partially in lieu, of such call and redemption, moneys of the District may be used to purchase Outstanding 2024 Bonds prior to the selection of 2024 Bonds for redemption by the Trustee, at public or private sale as and when and at such prices as the District may in its discretion determine but only at prices (including brokerage or other expenses) of not more than par plus applicable accrued interest and redemption premiums, and any accrued interest payable upon the purchase of 2024 Bonds may be paid from the amount in the Payment Fund for payment of interest on the following Interest Payment Date.

Selection of Bonds for Redemption. In the event that part, but not all, of the 2024 Bonds are to be redeemed, the 2024 Bonds to be redeemed shall be selected by the Trustee among maturities as designated in writing by the District and by lot within a maturity; provided, however, that, as shall be set forth in a Certificate of the District; the 2024 Bonds may be redeemed by any maturity or maturities selected by the District, and by lot within a maturity. For the purpose of such selection, all Bonds registered in the name of the same Owner shall be aggregated and treated as a single Bond held by such Owner. Notwithstanding any of the foregoing, in any such partial redemption the Trustee shall call the 2024 Bonds in integral multiples of \$5,000. In the event of a redemption for which the Trustee does not have monies available to redeem the entire amount scheduled for

redemption, the Trustee shall redeem Bonds of the applicable maturity or maturities by lot up to a- principal amount equal to the available monies.

Notice of Redemption; Rescission. The Trustee shall give notice (the “Redemption Notice”), at the expense of the District, of the redemption of the 2024 Bonds. Such Redemption Notice shall specify: (a) the 2024 Bonds or designated portions thereof (in the case of redemption of the 2024 Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of any paying agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the 2024 Bonds to be redeemed, (f) if less than all the 2024 Bonds of a maturity are to be redeemed, the certificate numbers of the 2024 Bonds to be redeemed and, in the case of any 2024 Bond to be redeemed in part only, the amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each 2024 Bond or portion thereof being redeemed the redemption price, together with interest accrued to the redemption date, and that from and after such date interest with respect thereto shall cease to accrue and be payable.

At least thirty (30) but not more than sixty (60) days prior to the redemption date, the Trustee shall cause Redemption Notices to be given to the respective Owners of 2024 Bonds designated for redemption by first class mail, postage prepaid, at their addresses appearing on the Bond Register maintained by the Trustee. Neither failure to receive any Redemption Notice nor any defect in such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of such 2024 Bonds.

The District shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption shall be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the 2024 Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The District and the Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent.

Effect of Redemption. If, on said redemption date, moneys sufficient for the redemption of all the 2024 Bonds to be redeemed, together with interest to said redemption date shall be held by the Trustee so as to be available therefor on such redemption date, and, if notice of redemption thereof shall have been given as aforesaid, then, from and after said redemption date, interest with respect to the portion of 2024 Bonds to be redeemed shall cease to accrue and become payable. If said moneys shall not be so available on said redemption date, interest with respect to such portion of 2024 Bonds shall continue to be payable until paid at the same rates as they would have been payable had they not been called for redemption.

Book-Entry Only System

DTC will act as securities depository for the 2024 Bonds. The 2024 Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC’s partnership nominee). One fully-registered Bond will be issued for each maturity of the 2024 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See “APPENDIX F - BOOK ENTRY PROVISIONS” herein.

Neither the District nor the Trustee can and do not give any assurances that DTC, DTC Participants or others will distribute payments of principal, interest or premium with respect to the 2024 Bonds paid to DTC or its nominee as the registered owner, or will distribute any redemption notices or other notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. Neither the District nor the Trustee are responsible or liable for the failure of DTC or any DTC Participant to make any payment or give any notice to a Beneficial Owner with respect to the 2024 Bonds or an error or delay relating thereto.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds received from the sale of the 2024 Bonds and other available funds are to be applied as follows:

Sources of Funds:

Principal Amount of Bonds	\$
[Debt Service Fund]	
[District Contribution]	
TOTAL SOURCES	\$

Uses of Funds:

Redemption of the Refunded Bonds ⁽¹⁾	\$
Costs of Issuance ⁽²⁾	
TOTAL USES	\$

⁽¹⁾ See "THE REFUNDING PLAN" above.

⁽²⁾ Includes fees of the Municipal Advisor, Bond Counsel, Disclosure Counsel, Trustee and Verification Agent, Underwriter's discount and other costs of issuing the 2024 Bonds.

DEBT SERVICE

The following table shows annual debt service for the outstanding Parity Bonds as of July 1 of each year and the aggregate annual debt service on the Parity Bonds assuming no early redemption. The following table does not reflect the issuance of the 2024 Bonds and the refunding of the Refunded Bonds.

Year Ending (July 1)	2008A Bonds⁽¹⁾	2010B Bonds⁽²⁾	2016 Bond	2021 Bonds	2024 Bonds		Total
					Principal	Interest	
2025	\$ 2,602,191	\$ 6,975,697	\$ 2,446,100	\$ 3,311,848			\$ 15,335,836
2026	2,607,875	6,924,230	2,451,850	3,313,796			15,297,751
2027	2,609,750	6,860,806	2,453,100	3,320,328			15,243,984
2028	2,611,701	6,794,951	2,449,850	3,326,878			15,183,380
2029	2,606,507	6,726,369	2,457,100	3,323,757			15,113,733
2030	2,604,875	6,654,762	2,464,100	3,328,122			15,051,859
2031	2,624,750	6,579,834	2,460,600	3,333,692			14,998,876
2032	2,618,476	6,501,288	2,459,600	3,338,837			14,918,201
2033	5,406,120	6,418,825	--	3,334,713			15,159,658
2034	5,423,250	6,337,149	--	3,341,305			15,101,704
2035	5,432,875	6,250,665	--	3,339,645			15,023,185
2036	5,436,957	6,164,077	--	3,348,850			14,949,884
2037	5,433,454	6,066,789	--	3,348,747			14,848,990
2038	--	5,968,802	--	--			5,968,802
2039	--	5,869,522	--	--			5,869,522
2040	--	5,763,354	--	--			5,763,354
TOTALS	\$ 48,018,781	\$ 102,857,120	\$ 19,642,300	\$ 43,310,518			\$ 213,828,719

(1) Variable rate. Assumed interest rate of 3.5%.

(2) Does not reflect receipt of Build America Bond federal subsidy. Does not reflect refunding of the 2010B Bonds.

SECURITY FOR THE 2024 BONDS

General

THE 2024 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM AND SECURED SOLELY BY THE NET OPERATING REVENUES PLEDGED THEREFOR IN THE INDENTURE AND ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF, OR CHARGE OR LIEN UPON ANY PROPERTY OF THE DISTRICT, OR ANY OF THE DISTRICT'S INCOME OR RECEIPTS, EXCEPT THE NET OPERATING REVENUES. THE 2024 BONDS ARE NOT A DEBT OF THE DISTRICT, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS AND NEITHER THE FAITH AND CREDIT OF THE DISTRICT, THE STATE NOR ANY OF ITS POLITICAL SUBDIVISIONS ARE PLEDGED TO THE PAYMENT OF THE 2024 BONDS, AND THE DISTRICT IS NOT OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION THEREFOR. NEITHER THE 2024 BONDS NOR THE OBLIGATION TO MAKE 2024 DEBT SERVICE PAYMENTS CONSTITUTES AN INDEBTEDNESS OF THE DISTRICT, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IN CONTRAVENTION OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

Pledge of Net Operating Revenues

The 2024 Bonds are secured by a pledge of the Net Operating Revenues received by the District from the operation of the System, as those terms are defined below and upon all money and securities on deposit in certain accounts under the Indenture. The Indenture provides that the obligations of the District to make the 2024 Debt Service Payments from the Net Operating Revenues and to perform and observe the other agreements contained in the Indenture shall be absolute and unconditional and shall not be subject to any defense or any right of setoff, counterclaim or recoupment arising out of any breach of the District or the Trustee of any obligation to the District or otherwise with respect to the System, or out of indebtedness or liability at any time owing to the District by the Trustee. The District acknowledges in the Indenture that its obligation to make 2024 Debt Service Payments is absolute and unconditional, free of deductions and without abatement, offset, recoupment, diminution or set-off whatsoever. The Indenture provides that until such time as all of the 2024 Debt Service Payments and all other amounts coming due and payable under the Indenture shall have been fully paid or prepaid, the District (a) will not suspend or discontinue payment of any 2024 Debt Service Payments or such other amounts with respect to the 2024 Bonds, (b) will perform and observe all other agreements contained in the Indenture, and (c) will not terminate the Indenture for any cause, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the System, sale of the System, the taking by eminent domain of title to or temporary use of any component of the System, commercial frustration of purpose, any change in the tax or other laws of the United States of America or the State or any political subdivision of either thereof or any failure of the Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Indenture.

All Net Operating Revenues are irrevocably pledged by the District to the payment of the 2024 Debt Service Payments and debt service on Parity Obligations (including payments securing the Parity Bonds) as provided in the Indenture and the Master Resolution, and the Net Operating Revenues shall not be used for any other purpose while any of the 2024 Bonds remain Outstanding; provided, however, that out of the Net Operating Revenues, there may be apportioned such sums for such purposes as are expressly permitted by the Indenture or the Master Resolution, including payment of debt service on any Parity Obligations. This pledge shall constitute a first lien on the Net Operating Revenues for the payment of the 2024 Debt Service Payments and debt service on any Parity Obligations in accordance with the Indenture and Master Resolution. **The 2024 Bonds are not secured by a lien on the System or any other property of the District.**

In the Indenture and Master Resolution, the District covenants that, so long as any Bonds are outstanding, the District will not issue or incur any obligations payable from Net Operating Revenues superior

to the payment of the 2024 Debt Service Payments. The District is authorized to issue additional Parity Obligations secured by Net Operating Revenues with a lien on a parity basis with the lien of the 2024 Bonds, provided it complies with certain provisions in the Indenture and Master Resolution. See “THE 2024 Bonds - Issuance of Parity Obligations” herein. The District is also authorized to issue subordinate debt secured by Net Operating Revenues.

“Net Operating Revenues” are Operating Revenues less the Operation and Maintenance Expenses, as such terms are defined below. The “System” means the properties, works and facilities of the District. See “THE DISTRICT” and “DISTRICT SYSTEM REVENUES” herein for a description of the System.

The District has covenanted to fix, prescribe and collect rates and charges for the System sufficient to annually provide Net Operating Revenues equal to 125% of the 2024 Debt Service Payments and the payment of debt service on any Parity Obligations, plus certain reserves. See “Rate Covenant” below.

“Operation and Maintenance Expenses” means the necessary expenses for operating and maintaining the properties, works, and facilities of the District and shall include (i) any necessary contributions to medical, health, retirement or other similar benefits of District employees and annuitants and (ii) such other expenses of the District generally classified as operating and maintenance expenses, excluding any charges for depreciation or amortization.

“Operating Revenues” means all (i) revenues received by the District from charges for the sale or availability of water and electricity and any annexation, developer or other fees or charges received by the District and shall include all interest and profits, (ii) other income received from investment of any moneys of the District (but only to the extent available to pay principal and accreted value, if any, of and interest on or with respect to the Parity Obligations during the period of calculation), (iii) all *ad valorem* taxes received by the District, and (iv) interest on Parity Obligations reimbursed to or on behalf of the District by the United States of America pursuant to Section 54AA of the Internal Revenue Code of 1986, as amended (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009), or any future similar program.

2024 Debt Service Payments

The Indenture requires the District to pay all 2024 Debt Service Payments directly to the Trustee on the applicable Due Date. The District is required to pay 2024 Debt Service Payments without offset or deduction of any kind[, subject to the receipt of certain federal subsidy payments with respect to the 2010B Bonds]. “Due Date” means the fifteenth (15) day of the month prior to an Interest Payment Date. See APPENDIX A hereto. See also “Pledge of Net Operating Revenues” above.

The District’s obligation to make 2024 Debt Service Payments is a special obligation of the District payable solely from the Net Operating Revenues and other funds provided for in the Indenture and the Master Resolution. Neither the 2024 Bonds nor the obligation of the District to make 2024 Debt Service Payments constitutes a debt of the District or of the State of California or of any political subdivision thereof in contravention of any constitutional or statutory debt limit or restriction or an obligation for which the District or the State of California is obligated to levy or pledge any form of taxation or for which the District or the State of California has levied or pledged any form of taxation.

Rate Covenant

The District has covenanted in the Master Resolution that it shall prescribe, revise and collect such rates and charges for the service, facilities, availability and water of the System which, after making allowances for contingencies and error in the estimates, shall provide Net Operating Revenues at least sufficient to pay 1.25 times the 2024 Debt Service Payments and the principal and accreted value of, if any, and interest on the Outstanding Parity Obligations as the same shall become due and payable.

The District may make adjustments from time to time in such rates and charges and may make such classification thereof as it deems necessary, but may not reduce the rates and charges then in effect unless the Net Operating Revenues from such reduced rates and charges will at all times be sufficient to meet the requirements set forth in the Master Resolution.

After the time that the 2008 Bonds (as defined in “INTRODUCTION -Security for the 2024 Bonds” herein) are no longer outstanding (or consent of a majority of the owners of such Parity Bonds has been obtained), for purposes of calculating the interest on any Outstanding Parity Obligations, if interest on any Parity Obligations is reasonably anticipated to be reimbursed to or on behalf of the District by the United States of America pursuant to Section 54AA of the Internal Revenue Code of 1986, as amended (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009), or any future similar program, then interest on such Parity Obligations shall be excluded to the extent such interest is reasonably anticipated to be paid or reimbursed by the United States of America, and such reimbursements will not be included as Operating Revenues for purposes of the coverage calculations.

No Debt Service Reserve Account

The District is not funding a debt service reserve account for the 2024 Bonds, although debt service reserve accounts have previously been established for certain of the Parity Bonds, and may be created with respect to the issuance of future Parity Obligations. The owners of the 2024 Bonds will not be entitled to amounts on deposit in the reserve accounts established for the other Parity Bonds or future Parity Obligations.

Application of Operating Revenues

Payments from Revenue Fund. The District has covenanted that all Operating Revenues, when and as received, will be received and held by the District in trust for the benefit of Bondholders and payments with respect to Parity Obligations, and will be deposited by the District immediately upon receipt in the Revenue Fund, which the District has covenanted in the Master Resolution to establish and maintain throughout the term of the 2024 Bonds. All Operating Revenues shall be disbursed, allocated and applied solely to the uses and purposes set forth in the Indenture and the Master Resolution, and shall be accounted for separately and apart from all other money, funds, accounts or other resources of the District.

All Operating Revenues in the Revenue Fund shall be set aside by the District and applied in the following order of priority:

(1) **Operation and Maintenance Expenses.** To the District’s General Fund, amounts sufficient for the payment of the estimated Operation and Maintenance Expenses during the current calendar month and the succeeding calendar month to the extent such amounts are to be paid from Operating Revenues.

(2) **2024 Debt Service Payments.** For deposit in the Debt Service Fund, amounts sufficient to satisfy the funding requirements of such fund (including amounts sufficient to provide for the 2024 Debt Service Payments and payments of principal and interest due on Parity Obligations).

(3) **Reserve Funds.** To any reserve fund or account established for any Parity Obligations, upon the occurrence of any deficiency therein, one-sixth of the aggregate amount of each unreplenished prior withdrawal and the full amount of any deficiency due to the required valuations of the investments in such reserve fund or account until the balance in such reserve fund or account is at least equal to the amount required to be on deposit in such fund or account. (The 2024 Bonds are not secured by a Reserve Fund.)

(4) **Rebate Funds.** To any excess earnings or rebate fund or account established for any Parity Obligations such amounts at such times as shall be required pursuant to the document creating such fund or account.

(5) **Subordinate Obligations.** In each calendar month, the District shall make any required transfer or deposit for the payments of any obligation with a lien on, or payable from Net Operating Revenues junior to the lien thereon of the Parity Obligations.

(6) **Capital Expenditures.** In each calendar month, the District shall transfer such amount as the District shall determine for deposit in the District's Construction Fund.

(7) **General Expenditures.** Any moneys remaining in the Revenue Fund after the above transfers may be transferred and deposited in such other funds or accounts of the District and used for any lawful purpose.

Payment of 2024 Debt Service Payments. On or before each Due Date, the District shall withdraw from the Debt Service Fund established under the Master Resolution an amount sufficient to the aggregate amount of the 2024 Debt Service Payments coming due on the next succeeding Interest Payment Date, and transfer the same to the Trustee for deposit into the Payment Fund on the following dates and in the following amounts:

(1) **Interest Component.** On or before the fifteenth day of each June and December, an amount which is equal to the amount to become due on such Bonds on the next succeeding Interest Payment Date; provided, however, that the District may be entitled to certain credits on such payments to the extent funds for such purpose are on deposit in the Payment Fund.

(2) **Principal Component.** On or before the fifteenth day of June of each year, an amount which, together with any moneys already on deposit with the Trustee and available to make such payment, is not less than the entire amount of the next succeeding maturing principal or mandatory sinking account payment coming due on the 2024 Bonds after such date; provided, however, that the District may be entitled to certain credits on such payments to the extent funds for such purpose are on deposit in the Payment Fund.

Issuance of Additional Parity Obligations

The District has covenanted in the Master Resolution that no additional indebtedness payable out of its Operating Revenues shall be issued having any priority in payment of principal and accreted values, premium (if any), or interest over any Outstanding Parity Obligations, including the 2024 Bonds. The District has covenanted in the Master Resolution that, except for refunding Parity Obligations to the extent incurred to pay or discharge Outstanding Parity Obligations and which do not result in an increase in the average annual debt service on all Parity Obligations to be Outstanding after the issuance or incurrence of such refunding Parity Obligations, no additional Parity Obligations shall be created or incurred unless:

- (1) The District is not in default under the terms of the Master Resolution.
- (2) Either (i) the Net Operating Revenues as shown by the books and records of the District for the latest fiscal year or for any 12 consecutive month period within the last completed 18-month period ended not more than one month before the issuance of or incurrence of such additional Parity Obligations as set forth in a certificate of a firm of nationally recognized independent consulting engineers, or (ii) the estimated Net Operating Revenues for the first complete fiscal year when the improvements to the System financed with the proceeds of the additional Parity Obligations shall be in operation as estimated by and set forth in a certificate of a firm of nationally recognized independent consulting engineers, plus, at the option of the District, any or all of the items designated (a),(b) and (c) below, shall have amounted to not less than 1.25 times the maximum annual debt service (as determined pursuant to the Master Resolution) in any fiscal year thereafter on all Parity Obligations to be Outstanding immediately subsequent to the incurring of such additional Parity Obligations.

- (3) On the date of delivery or incurrence of such additional Parity Obligations, the amount in any reserve fund or account for any Parity Obligation heretofore established shall be not less than an amount required to be maintained in such fund pursuant to the document creating such fund.

The items, any or all of which may be added to such Net Operating Revenues for the purpose of meeting the requirement set forth in this covenant, are the following:

- (a) An allowance for any increase in Net Operating Revenues (including, without limitation, a reduction in Operation and Maintenance Expenditures) which may arise from any additions to and extensions and improvements of the System to be made or acquired with the proceeds of such additional Parity Obligations or with the proceeds of bonds or other obligations previously issued or incurred, and also for net revenues from any such additions, extensions or improvements which have been made or acquired with moneys from any source but which, during all or any part of such fiscal year or such 12 consecutive month period within the last completed 18- month period, were not in service, all in an amount equal to the estimated additional average annual net revenues to be derived from such additions, extensions and improvements for the first 36-month period in which each addition, extension or improvement is respectively to be in operation, all as shown by the certificate of a firm of nationally recognized independent consulting engineers.

- (b) An allowance for earnings arising from any increase in the charges made for the use of the System which has become effective prior to the incurring of such additional Parity Obligations but which, during all or any part of such fiscal year or such 12 consecutive month period within the last completed 18-month period, was not in effect, in an amount equal to the amount by which the Net Operating Revenues would have been increased if such increase in charges had been in effect during the whole of such fiscal year or such 12 consecutive month period within the last completed 18-month period, as shown by the certificate of a firm of nationally recognized independent consulting engineers.

- (c) Any other moneys of the District reasonably expected to be available to pay principal and Accreted Value (as defined in the Master Resolution) of and interest on the Parity Obligations, as evidenced by a certificate of an authorized representative of the District.

After the time that the 2008 Bonds (as defined in “INTRODUCTION- Security for the 2024 Bonds” herein) are no longer outstanding, if interest on any Parity Obligation is reasonably anticipated to be reimbursed to or on behalf of the District by the United States of America pursuant to Section 54AA of the Internal Revenue Code of 1986, as amended (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009), or any future similar program, then interest payments with respect to such Parity Obligations shall be excluded by the amount of such interest reasonably anticipated to be paid or reimbursed by the United States of America, and such reimbursements will not be included as Operating Revenues for purposes of the coverage calculations.

Subordinate Obligations.

Notwithstanding the foregoing, nothing in the Indenture shall be construed as prohibiting the issuance by the District of obligations secured by Net Operating Revenues on a subordinate basis to the 2024 Bonds.

No Amendments to Master Resolution

So long as the 2024 Bonds are Outstanding, the District has covenanted to not amend or supplement the Master Resolution, except as provided for in the Master Resolution. See APPENDIX A hereto.

THE DISTRICT

General

The District is a special district created in 1953 pursuant to the Municipal Water District Act of 1911 (the “Water Law”). The District’s purpose is to provide a supplemental water supply to the 19 retailer water suppliers, or “purveyors,” within its service area, which includes more than 75% of the residents of Ventura County (the “County”), to augment local water supplies for municipal, industrial and agricultural users. The District serves approximately 365 square miles within the southeast portion of the County, including the cities of Simi Valley, Moorpark, Thousand Oaks, Camarillo, Oxnard, and Port Hueneme, and the unincorporated areas of Oak Park, Santa Rosa Valley, Bell Canyon, Lake Sherwood, Somis, Camarillo Estates, and Camarillo Heights. Approximately 660,000 residents of these cities and unincorporated communities are served by purveyors within the District. For selected demographic and economic information, see “APPENDIX B - GENERAL DEMOGRAPHIC INFORMATION” hereto.

The Water Law enables the District to levy taxes on property within the District (subject to State constitutional restraints), establish water rates, impose a water standby or service availability charge, incur bonded indebtedness and issue revenue bonds, issue notes and short-term revenue certificates, execute contracts, and exercise the power of eminent domain for the purpose of acquiring property. The Board of Directors of the District (the “Board”) is also authorized to establish terms and conditions under which additional areas may be annexed to the District.

The District does not provide retail service, but instead wholesales water to the following purveyors in Ventura County: Berylwood Heights Mutual Water Company, Brandeis Mutual Water Company, Butler Ranch Mutual Water Company, California American Water, California Water Service Company, City of Camarillo, Camrosa Water District, Crestview Mutual Water Company, Golden State Water Company, Triunfo Water and Sanitation District (formerly known as Oak Park Water Service), City of Oxnard, Port Hueneme Water Agency, Pleasant Valley Mutual Water Company, Solano Verde Mutual Water Company, City of Thousand Oaks, City of Simi Valley (VCWWD #8), Ventura County Water Works District #1, Ventura County Waterworks District #17, Ventura County Water Works District #19, Ventura County Waterworks District #38, and Zone Mutual Water Company.

The purveyors provide water on a retail basis to residents within their respective service areas. For the services providers the purveyors impose services charges on their customers. Charges imposed by municipal providers are set by the respective governing boards. Such charges are subject to the provisions of Proposition 218, the so-called “Right to Vote on Taxes Act.” Proposition 218 added Articles XIIC and XIID to the State Constitution, which affect the ability of local governments to levy and collect both existing and future taxes, assessments, and property-related fees and charges. Proposition 218, which generally became effective on November 6, 1996, changed, among other things, the procedure for the imposition of any new or increased property-related “fee” or “charge,” which is defined as “any levy other than an ad valorem tax, a special tax or an assessment, imposed by a [local government] upon a parcel or upon a person as an incident of property ownership, including user fees or charges for a property related service. Proposition 218 requires municipal purveyors to undertake certain procedural steps in connection with the imposition of rates. Non-municipal private water purveyors are subject to regulation by the State Public Utilities Commission.

The District is a member agency of Metropolitan Water District of Southern California (“MWD”). MWD is a consortium of 26 cities and water districts that cooperatively plan and manage water supply resources for approximately 19 million people in parts of Los Angeles, Orange, San Diego, Riverside, San Bernardino and Ventura counties. The District is the fifth largest customer of MWD, and accounts for approximately 5.8% of MWD’s water sales (by volume) and approximately 5.9% of MWD’s water sale revenues in Fiscal Year 2022-23.

Board of Directors; Management

Administration of the District is under the direction of a five-member Board. Directors are elected for staggered four-year terms. Below are brief biographies of the current members of the Board.

Scott H. Quady, President. Mr. Quady was elected to the Board in 2008. He received his Bachelor of Science degree in biochemistry from California Polytechnic State University – San Luis Obispo and a Master of Science degree in environmental science from Loyola Marymount University – Los Angeles. He also holds an Engineering Fundamentals certificate from the California Department of Consumer Affairs – Board of Registration for Professional Engineers (EIT). He has over 30 years of experience in the water and wastewater field as a chemist and environmental resource analyst responsible for regulatory and water conservation reporting, industrial source control, and statistical water quality evaluations of groundwater wells. He is Chair of the Water Supply, Storage, and Partnership Development Committee and a member of the Operations & Organization Committee. His term of office expires in December 2024.

Andy Waters, Vice President. Mr. Waters was elected to the Board in 2012. Mr. Waters is a fourth-generation farmer at Waters Ranches, which owns and leases property throughout Ventura County, specializing in blueberries and avocados. He is a member of the Water Supply, Storage, and Partnership Development and Finance Committees. His term of office expires in December 2024.

Raul Avila, Secretary. Mr. Avila was elected to the Board in 2020. He is a Navy Veteran and currently works as a civilian in the Naval Surface Warfare Center, Port Hueneme Division. His experience includes managing the inspection and testing of components necessary for Naval Reconnaissance and combat systems. He is Chair of the Sponsorship Committee and a member of the Public Engagement, Communication, & Legislation and Engineering & Construction Committees. His term of office expires in December 2024.

Jacque McMillan, Treasurer. Mrs. McMillan was elected to the Board in 2022. She received her master's degree in business from California State University – Northridge and a bachelor's degree in Petroleum Land Management from the University of Houston. She retired from MWD after 31 years, most recently as a principal government and regional affairs representative. She serves as the Calleguas representative on the MWD Board. She is chair of the Finance and Public Engagement, Communication, & Legislation Committees, as well as a member of the Sponsorship Committee. Her term of office expires in December 2026.

Thibault Robert, Director. Mr. Robert was elected to the Board in 2022. He received his Bachelor's degree in Physics from Virginia Commonwealth University and has a background in rapid prototype engineering and manufacturing optimization and logistics. Since 2019 he's been the Naval Systems Safety Lead for the Navy's major caliber weapons systems at the Naval Surface Warfare Center. He serves as the chair of the Engineering & Construction Committee. His term of office expires in December 2026.

Management of the District is under the direction of its General Manager, Kristine McCaffrey, who serves at the pleasure of the Board. Below are brief biographies of Ms. McCaffrey and other members of the senior management team.

Kristine McCaffrey, P.E., General Manager. Ms. McCaffrey joined Calleguas as a Project Manager in 2004 and has held various key positions, including Project Manager, Manager of Engineering, and Deputy General Manager. She became General Manager in 2024. Ms. McCaffrey has dual Bachelors' degrees in Environmental Engineering and Planning from the Massachusetts Institute of Technology, and a Master's degree in Construction Management from the University of Washington. She is registered as a civil engineer in the State, certified as a Grade 3 Water Treatment Operator, and has over 25 years experience working in the water industry.

Ian Prichard, Deputy General Manager. Mr. Prichard joined the District in 2023. He was educated at the University of Virginia, where he earned Bachelors' degrees in English Literature and American

Studies and a Master's degree in English Literature, and Chapman University, where he completed a Master of Fine Arts degree in Creative Writing. He has been working in water resource management and public policy since 2010.

Fernando Baez, P.E., Manager of Engineering. Mr. Baez joined the District in 2013. He has the responsibility of organizing, planning, and supporting and supervising the engineering and construction operations and functions of the District. He received his Bachelor of Science degree in Civil Engineering from California State University – Northridge and is a registered civil engineer in California. He has been working in engineering for 17 years.

Grant Burton, Manager of Human Resources and Risk Management. Mr. Burton joined the District in 2021. He is responsible for recruitment and selection, human resources information technology, employee relations and recognition, workplace investigations, training, performance evaluation, benefits and risk management, including safety and emergency preparedness. Grant has also worked at Cohen & Burge where he focused on employment issues and advised other California Water District in Labor and Employment Law matters. Grant also worked at MWD for 23 years first as a Senior Deputy General Counsel, and then as a Human Resources Manager. Grant is a member of the State Bar Labor and Employment Law Section, and a former member, and Chair, of the Ventura Water Commission.

Henry Graumlich, Executive Strategist. Mr. Graumlich joined the District in 2007. He represents and advocates the District's strategic interests at local, regional, and statewide forums with special emphasis on MWD, regional collaboration, and strategic initiatives. Mr. Graumlich received a Bachelor's degree in English from Oberlin College, where he was inducted into Phi Beta Kappa. He holds a Master of Public Administration degree, with distinction, from California State University – Northridge. He has over 30 years' experience in water resources, inter-governmental affairs, and strategic planning.

Charlotte Holifield, Manager of External Affairs, Public Information Officer. Ms. Holifield joined the District in 2023. She engages with media outlets and the public about the District's programs, events, and policies, as well as managing the District's legislative program, including analyzing legislation and serving as the District's liaison to local, state, and federal policymakers. She earned a Bachelor's degree in Political Science from the University of California – Berkeley and a Master's degree in Public Policy from California Polytechnic State University – San Luis Obispo. She has worked in water policy, legislative affairs, and public outreach for more than 15 years.

Jennifer Lancaster, Manager of Water Resources. Ms. Lancaster joined the District in 2019. She oversees the District's water use efficiency and conservation programs, annexations of new territory, environmental planning and permitting, and communications activities. She joined Calleguas as a Principal Water Resources Specialist and, prior to that, worked for over 12 years in environmental consulting. She holds a Master of Science degree in Biology from California State University – Northridge and a Bachelor of Science degree in Biology, with an emphasis on conservation biology, from the University of California – Riverside.

Wes Richardson, Manager of Information Technology. Mr. Richardson joined the District in 2000. He has a Bachelor of Science degree in Information Technology from Colorado State University and worked extensively in the development of the District's Supervisory Control and Data Acquisition network prior to taking the role of Manager of IT. He holds a D5 State Water Resources Control Board Water Distribution license and a T4 Water Treatment license. He has worked in the water industry for over 25 years.

Dan Smith, Manager of Finance. Mr. Smith joined the District in 2011. He is responsible for providing financial support services to the District's departments. These services include accounting, budget administration, debt management, financial reporting, payroll, setting of rates and fees, and managing cash and investments. Mr. Smith has a Bachelor's degree in Business Administration with an emphasis in accounting from California State University – Fullerton. He has worked in governmental accounting for over 23 years.

Population

Over 75% of the total population of the County resides within the District’s service area. Based on the most recent data sources, the District has estimated that the population of its service areas as of 2020 was approximately 660,000. For additional demographic and economic information relating to the County, see APPENDIX B – “GENERAL DEMOGRAPHIC INFORMATION.”

The following table provides historical and projected population for the District’s service area through the year 2035.

TABLE 1
CALLEGUAS MUNICIPAL WATER DISTRICT
HISTORICAL AND PROJECTED POPULATION
(Years 2020-2035)

<u>Year</u>	<u>Estimated Population</u>
2020	661,736
2025	643,463
2030	643,609
2035	644,369

Sources: California Department of Finance, Demographic Research Unit - Report P-2A: County Population Projections 2020-2070, Total Population for CA and Counties, 9/23/2024.

The District’s service area population is approximately 78% of the total population of Ventura County. CA Dept. of Finance County-wide population projections were adjusted to reflect the District’s proportional population.

Capital Improvement Program

The District’s Capital Improvement Program (“CIP”) is continually being reviewed and updated by staff. Implementation and construction of specific elements of the CIP are subject to Board approval, and the amount and timing of borrowing will depend upon, among other factors, capital market conditions, status of construction activity and water demands within the District’s service area. In addition to revenue bonds, funding sources are anticipated to include water rates, discharge rates for use of the Salinity Management Pipeline, Standby Charge, and state and federal grants.

The information concerning the CIP is based in part on projections developed by the District in connection with the District’s update of its Urban Water Management Plan, as described in “THE DISTRICT – Historical and Projected Water Deliveries,” as well as the Potable Water Master Plan, Water Supply Alternatives Study, and Water Resources Implementation Strategy.

The current CIP reflects that the District has been working to develop storage and alternative supplies for use during imported water outages. As such, the District’s CIP is designed to ensure a reliable water supply to the purveyors in the District’s service area. Major components of the CIP through 2025 include: outage storage and supplies; rehabilitation, replacement, and relocation projects; and continued construction of the Salinity Management Pipeline. The District plans to develop an interconnection with City of Ventura as well as develop another storage tank located in the City of Simi Valley to facilitate operational storage, particularly for short-term outages. The District is nearing completion on an interconnection with Las Virgenes Municipal Water District to have access to additional water supplies during imported water outages.

While the District is planning to fund future capital projects with significant pay-as-you-go contributions, it has secured the \$20 million Revolving Credit Agreement to fund the construction of additional maintenance facilities. See “INTRODUCTION – Subordinate Obligations.” The District anticipates that

incurring additional Parity Obligations will be necessary to refinance the revolving credit agreement and fund additional projects beginning in 2027. The current components of the CIP as well as currently contemplated funding sources are set forth in the table below. (The costs set forth in the table are based on current planning and will be refined as particular projects proceed through further planning, design and contract award.) The District regularly reviews and revises the CIP, and the actual costs of the CIP, as well as the timing and sources of funding of such costs, is subject to change. Additional CIP expenditures will continue after the projection periods and the District may decide to incur additional Parity Obligations during the projection period in amounts sufficient to fund CIP costs expected to be expended in subsequent fiscal years. Any issuance of additional Parity Obligations would be subject to satisfaction of the requirements of the Master Resolution. See “SECURITY FOR THE 2024 Bonds - Issuance of Additional Parity Obligations.”

TABLE 2
CALLEGUAS MUNICIPAL WATER DISTRICT
CAPITAL IMPROVEMENT PROGRAM
PROJECTED EXPENDITURES
(in Millions)
(Fiscal Year Ended June 30)

<u>Category of Capital Improvement</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Improvements to Existing Facilities	\$10.25	\$8.70	\$9.10	\$3.60	\$1.10
Rehabilitation, Replacement, Relocation	8.68	6.00	8.60	6.60	6.23
Salinity Management Pipeline	2.20	2.10	5.50	6.50	8.00
Outage Water Supply Reliability	15.33	16.37	11.66	19.20	8.90
Total Expenditures	<u>\$36.44</u>	<u>\$33.17</u>	<u>\$34.86</u>	<u>\$36.30</u>	<u>\$27.63</u>
Sources:					
Pay as you go	\$36.44	\$33.17	\$14.86	\$26.30	\$17.63
Additional Parity Obligations			\$20.00	\$10.00	\$10.00

Source: the District.

⁽¹⁾ Figures are in current dollars. Grants and other outside funding are not shown.

Water Supply

Imported Water

The District’s surface potable water supply is purchased from the Metropolitan Water District of Southern California (“MWD”), formed in 1928. The District has access to MWD water as a “member agency.” MWD depends on the State Water Project and the Colorado River for supply and delivers those sources to its member agencies via a network of reservoirs, aqueducts and pumping facilities. Calleguas has a single connection to MWD, at the “East Portal” in Chatsworth. From there, water is conveyed through the 1.3-mile Santa Susana Tunnel to the “West Portal” in Simi Valley, where it branches into a pipeline distribution system. The District’s supply typically comes from the State Water Project because there is limited MWD infrastructure in place to deliver Colorado River water to Ventura County. Due to shortages of State Project Water in 2021 and 2022, however, 16–29% of the District’s supply during that time came from the Colorado River Aqueduct System delivered through MWD’s Greg Avenue Pump Station in Burbank and through pipelines owned and operated by MWD in the San Fernando Valley.

In 2003, the District and MWD entered into a 10-year purchase order for imported water supply (the “MWD Purchase Order”), pursuant to which the District agreed to purchase a minimum of 60% of the previous ten years’ water purchases. The MWD Purchase Order was renewed in 2014 and currently expires on December 31, 2024. In return for entering into the current MWD Purchase Order, the District is entitled to receive up to 118,228 acre-feet per year from MWD at the Tier 1 rate (\$1,256 per acre-foot as of January 1,

2024). If the District purchases more than its prescribed amount of 118,228 acre-feet per year, it is charged the MWD Full-Service Tier 2 Rate for such water (\$1,455 per acre foot as of January 1, 2024).

The MWD Tier 1 rate effective January 1, 2025 rate will be \$1,395 per acre-foot. MWD did not adopt a Tier 2 rate for the biennial budget starting January 1, 2025 and will discontinue with the purchase order process. See Table 8 for recent historical MWD rates and charges.

MWD imposes transmission costs, debt service allocation, and other costs on the imported water supply, which are passed on by the District to its customers. (See “DISTRICT SYSTEM REVENUES -Water Rates and Charges” below.)

MWD faces a number of challenges in providing a reliable and high-quality water supply for its members, including the District. These include, among others: (1) the impact of drought conditions and a changing climate on MWD’s principal sources of water, the State Water Project and the Colorado River; (2) reduced deliveries from the Sacramento Delta resulting from environmental laws, regulations, and court orders, including those relating to the protection of sensitive species and habitat; (3) the increased competition for low-cost water supplies; (4) increased environmental regulations for clean and safe drinking water; and (5) potential adverse impacts of climate change. A description of the challenges faced by MWD as well as a variety of other operating information with respect to MWD is included in certain disclosure documents prepared by MWD. MWD has entered into certain continuing disclosure agreements pursuant to which it is contractually obligated, for the benefit of owners of certain of its outstanding obligations, to file certain annual reports, notices of certain events as defined under Rule 15c2-12 of the Exchange Act (“Rule 15c2-12”) and annual audited financial statements with the Electronic Municipal Market Access website (“EMMA”) maintained by the Municipal Securities Rulemaking Board at emma.msrb.org. *This Internet address is included for reference only and the information on such Internet site is not a part of this Official Statement or incorporated by reference into this Official Statement. No representation is made in this Official Statement as to the accuracy or adequacy of the information contained on any Internet site.*

MWD HAS NOT ENTERED INTO A CONTRACTUAL COMMITMENT WITH THE DISTRICT, THE TRUSTEE OR THE OWNERS OF THE 2024 BONDS TO PROVIDE INFORMATION TO THE DISTRICT OR THE OWNERS OF THE 2024 BONDS.

MWD HAS NOT REVIEWED THIS OFFICIAL STATEMENT AND MWD HAS NOT MADE REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED OR INCORPORATED HEREIN. MWD IS NOT CONTRACTUALLY OBLIGATED, AND HAS NOT UNDERTAKEN, TO UPDATE SUCH INFORMATION FOR THE BENEFIT OF THE DISTRICT OR THE OWNERS OF THE 2024 BONDS UNDER RULE 15c2-12.

Groundwater Supplies

Seven groundwater basins underlie the District’s service area: the Oxnard, Pleasant Valley, West Las Posas, East Las Posas, Santa Rosa, Simi Valley, and Conejo Basins. Several District purveyors produce groundwater from these basins, depending on imported water supplied by Calleguas to supplement supplies to meet demands and/or to blend with groundwater supplies to control water quality. Calleguas does not currently produce any local groundwater as part of its supply portfolio.

The District does, however, maintain significant water supplies in long-term storage across the Oxnard, Pleasant Valley, and East and West Las Posas Basins. These stored water supplies, referred to as “groundwater credits,” resulted from two types of in-lieu programs. The first set of credits are tied to programs in which Calleguas purveyors, including Oxnard, Camrosa, and the Ventura County Waterworks Districts in Moorpark, reduced groundwater pumping and took additional imported MWD supplies to bank groundwater. The second are tied to the Conejo Creek Pumping Program. In the late 1990s, Calleguas helped construct, with Bureau of

Reclamation funding, the Conejo Creek Diversion Facility, which diverts water off the effluent-dominated Conejo Creek for nonpotable irrigation (municipal and agricultural) overlying the Pleasant Valley Basin. For each acre-foot of Conejo Creek water that offsets pumping in an adversely-impacted area of the Pleasant Valley Basin, Calleguas was credited with an acre-foot of credit in a less-impacted area. These credits do not currently form a working part of the District’s supply portfolio, but they are preserved within the framework of the Fox Canyon Groundwater Management Agency, which regulates extractions in the basins in which these credits sit. See “- Groundwater Management” for a discussion of the Sustainable Groundwater Management Act for a discussion of regulations concerning the District’s groundwater basin.

The District also operates an aquifer storage and recovery wellfield (“Wellfield”) in the East Las Posas Basin. The District operates the Wellfield as an emergency storage supply and for operational supply ahead of planned shutdowns of major water supply facilities. See “ASR Project” in the “Storage” section below for more detail.

Per- and polyfluoroalkyl substances (“PFAS”), are a group of thousands of human-made chemicals that resist heat, oils, stains, and water. They have been widely used in consumer products like nonstick cookware, stain-resistant carpets and fabrics, waterproof clothing, and food packaging. They have also been used in industrial processes and firefighting foams. PFAS are often called “forever chemicals” because they break down very slowly and can accumulate in humans, animals, and the environment. PFAS have been found in water, air, and soil worldwide. Perfluorooctanoic acid (“PFOA”) and perfluorooctane sulfonic acid (“PFOS”) are two common PFAS chemicals.

PFAS have been detected in the groundwater supplies of certain of the District’s purveyors. Such sources do not contribute to the District’s water supply; rather, as described above, District purveyors often blend their local groundwater with imported water from Calleguas to meet demands or improve water quality prior to delivery to their end-user customers. Purveyors are responsible for monitoring and reporting the quality of the water they serve.

The District is required to perform initial monitoring for PFAS in its supplies by 2027. All 18 groundwater wells at the Wellfield and Lake Bard will be sampled quarterly. The District currently expects to commence testing in 2025.

Water Shortage Contingency Plan

The District has developed a water shortage contingency plan in the event that MWD significantly reduces deliveries to its member agencies due to severe water shortage conditions or in the event of a catastrophic interruption of water supply. The contingency plan includes stages of actions (as set forth in the table below) and is consistent with MWD’s Water Surplus and Drought Management (“WSDM”) Plan.

In addition, the District’s Ordinance No. 12 gives the Board of Directors authority to take actions necessary to manage available supplies, including passing through to member agencies allocations and penalties for exceeding allocated deliveries.

**TABLE 3
CALLEGUAS MUNICIPAL WATER DISTRICT
WATER SHORTAGE CONTINGENCY PLAN STAGES**

<u>Resource Stage</u>	<u>Actions</u>
Surplus	Metropolitan to store imported supplies in accordance to its WSDM Plan.
Supply = Demand	No action required ⁽¹⁾

Stage 1 through 6
Shortage⁽³⁾

Expand public information campaign, call on purveyors to maximize local supplies, promote voluntary conservation, provide rebates, moratorium on new annexations, reduce system water loss, implement allocation program in accordance with MWD's WSDM Plan.

⁽¹⁾ Deliveries will consist of purveyor demands, filling Lake Bard, and storing of water in the Las Posas Wellfield.

⁽²⁾ District will monitor consumption and assess penalties for excessive use.

Recent Droughts

Starting in 2013, a severe drought in California led to significant water use restrictions implemented by the State, MWD, the District, and the purveyors to which the District supplies water. In 2014, the District embarked on a conservation campaign to inform customers of the drought conditions and offer programs to promote the conservation of water. Due to the implementation of conservation during the drought and the resultant demand hardening in the District and the state, the District saw a decrease in year-to-year water sales from 112,116 acre feet ("AF") in Fiscal Year 2013-14 to 95,466 AF in Fiscal Year 2014-15, a decline of 15%. Since that time through fiscal year 2021-22, water sales continue to be depressed from previous drought levels with water sales peaking at 94,628 AF in Fiscal Year 2021-22.

Beginning in water year 2020-21, California again experienced a severe drought. The State Water Project (SWP) had issued a 5% allocation to all its members, including MWD, for water years 2020-21 and 2021-22. The District is heavily reliant on water from the State Water Project as it is unable to receive more than 30% of its water needs from MWD's other water sources such as the Colorado River and Diamond Valley Lake reservoir. In 2021, the District again began implementing water use restrictions encouraging residents to conserve water. In 2022, the District was placed on mandatory water restrictions by MWD requiring conservation including reduction in outdoor watering to one day a week. During this time of limited supply from MWD, the District supplemented its water supply by utilizing the imported water stored in the local water basin. The District pumped approximately 3,800 A.F. of stored imported water from its Las Posas Aquifer Storage and Recovery Project in the East Las Posas Basin to meet demands. In Fiscal Year 2022-23, water sales decreased to 59,759 AF.

By the end of 2023, rainfall exceeded expectations and allocations on the State Water Project returned to normal. However, water sales continue to be depressed due to less demand for outdoor irrigation during wet years as well as continued conservation. The District had water sales of 65,254 AF in Fiscal Year 2023-24 and budgeted sales of 73,000 AF anticipated in Fiscal Year 2024-25.

Water System Operation

The System is operated by monitoring and controlling the distribution and quality of water throughout the System from a supervisory control and data acquisition ("SCADA") system switchboard located at the Control Building of the Lake Bard Water Filtration Plant. The SCADA system consists of a central computer system with programmable logic controllers used for local control functions. The instrumentation measures various water levels, flows and pressures for distribution of information, measurement of chlorine residual and turbidity for water quality control; and an operational control system for the control of various remote pump stations and flow regulating stations, as well as levels of the District's reservoirs. The operation of the District's hydroelectric plants is also monitored and controlled from this location.

The District owns and operates 150 miles of water conveyance pipelines, 6 pumping plants and 12 reservoirs to supply water to the 19 retail purveyors within its service area. The primary source of the District's imported water supply is State Water Project water delivered to MWD at Lake Castaic, terminus for the California Aqueduct system. The water is then transported through MWD's system to their Joseph Jensen Filtration Plant, where it is treated and sent, via the West Valley Feeder system, to the District's East Portal facility (described below).

Water Quality Compliance

Imported water from MWD is provided to the District already treated. However, water that is stored for later use must be treated again. Water stored in Lake Bard is treated at the District's Lake Bard Water Filtration Plant (the "Lake Bard Plant"), which uses ozone, coagulation, deep bed filtration and chlorination to comply with drinking water regulations. The Lake Bard Plant has a capacity of 100 cubic feet per second ("cfs"), or approximately 76% of the average daily demand of the System. The plant is used during planned or emergency outages of imported supplies. The District also disinfects water stored underground at its Las Posas Wellfield facility, which has a capacity of approximately 55 cfs, or 42% of the average daily demand.

The type and degree of water treatment which is implemented through the District's facilities is regulated by the State and federal governments. Clean water standards set forth in the Safe Drinking Water Act and the Environmental Protection Act continue to set standards for the operations of the System and to mandate its use of technology. In the event that the California State Water Resources Control Board Division of Drinking Water ("SWRCB DDW") or the federal government, by adoption of additional legislation, should impose stricter quality standards upon the System, its expenses would increase accordingly, and rates and charges would have to be increased to offset those expenses. The District's water treatment facilities are operated under a Domestic Water Supply Permit from the SWRCB DDW. This permit does not expire but would be amended if applicable regulations change.

Transmission and Distribution

The District owns and operates 150 miles of water conveyance pipeline facilities. The East Portal facility is located in Chatsworth and is the beginning of the District's distribution system. Water is supplied to the East Portal by MWD's West Valley Feeder No. 2, with a capacity of 300 cfs. A second feeder, West Valley Feeder No. 1, which has a 100 cfs capacity, was originally constructed by the District and later sold to MWD at the time West Valley Feeder No. 2 was completed. Although this feeder is available to supplement water to the District, it is currently being leased (the "DWP Lease") to the Los Angeles Department of Water and Power (the "DWP"). Pursuant to the DWP Lease, the DWP is required to provide the District with up to an average daily flow of 60 cfs in the event the West Valley Feeder No. 2 is not in operation. The DWP Lease expired in July 2012 and the lease is continuing via short term extensions as negotiations take place between MWD and DWP for a new lease. MWD executive management staff has assured District staff that the requirement for delivery of water to the District will not change in the new lease. If the parties do not enter into a new lease, MWD would resume operational control of the pipeline and it would thus be available to supply water to the District if West Valley Feeder No. 2 were out of service.

The Santa Susana tunnel is eight feet in diameter and 7,002 feet long and has a capacity of approximately 325 cfs. The tunnel was constructed through the Santa Susana Mountains to bring imported water for the District from the East Portal in the San Fernando Valley in Los Angeles County to Simi Valley in Ventura County. In 2024, the District conducted a study of the tunnel to determine the overall condition of the tunnel structure. The results indicated that the tunnel was in good condition and no improvements to the tunnel were necessary at this time. The tunnel will continue to have a detailed inspection every 5 years and District staff will begin to investigate options for reinforcing a few specific areas in the future.

The West Portal of the tunnel is provided with two overflow structures, one for each of the two feeders which convey water into and through Simi Valley. These overflow structures were constructed to prevent pressurizing the tunnel when downstream flows are modulated to values less than the delivery from MWD.

Storage

Storage has been provided for the existing water transmission and distribution system to reduce peak flows in the pipelines, provide uniform pressure regulation and deliver a continuous water supply for periods when imported supplies are interrupted for routine maintenance or an emergency such as an earthquake. The

Lake Bard Reservoir has a storage capacity of approximately 10,500 acre-feet, of which 7,500 acre-feet of treated water is readily available with existing facilities. The reservoir provides reserve water storage for the District for use when imported water supplies are limited due to scheduled maintenance shutdowns, earthquake, or other emergency.

The Las Posas Aquifer Storage and Recovery (“ASR”) Project stores surplus water underground so that it will be available for later use, a practice known as conjunctive use. The project provides a reliable source of water for District customers when imported water supplies are limited due to scheduled maintenance shutdowns, earthquake, or other emergency. Since 2007, the ASR Project has provided additional water storage for use when imported supplies are reduced or interrupted. During planned and emergency shutdowns of imported supply, the ASR Project and Lake Bard have provided reliable and sufficient supplies to the service area.

The ASR Project consists of 18 dual-purpose wells which can inject water into the groundwater basin for storage when excess supplies are available and extract water for use when imported supplies are curtailed. The ASR Project was initiated in 1995 pursuant to an agreement between the District and MWD, with both agencies contributing to construction and operating costs, and was intended to meet the needs of both agencies. For the District, it would provide a reliable source of water for its customers when imported water supplies were limited due to scheduled maintenance shutdowns, earthquake, or other emergency. For MWD, it would provide a source of water for the District during droughts, allowing scarce imported supplies to be delivered to other customers throughout much of Southern California.

In 2011, the District purchased MWD’s rights and ownership in the ASR Project which removed requirements for the District to store and extract water for the benefit of the entire MWD service area, and enables the District to store water when it is operationally or economically advantageous to do so. It also allows the District to extract water from the ASR Project for its own purposes when supplies from MWD are curtailed.

The District participates in Metropolitan’s Cyclic Storage Program, whereby Metropolitan suspends the Capacity Charge (May 1 – September 30) during years with a surplus of imported water for water to be stored. This program encourages its member agencies to purchase surplus water when available. In 2019, surplus SWP water was available and Calleguas signed a purchase order for 3,000 AF to be injected into the Las Posas ASR Wellfield. Additional surplus water was available after Calleguas met its initial commitment, and Metropolitan approved additional cyclic storage deliveries. Calleguas injected a total of approximately 7,500 AF in 2019, including nearly 6,000 AF under the Cyclic Storage Program.

During the last drought period, the District pumped approximately 3,800 AF from the basins. The District has already returned some of the pumped water back to the basin through purchases from MWD and has prepaid MWD at 2023 rates for the rest of the pumped water through MWD’s Reverse Cyclic Program. This water will be sent to the District by 2027. Presently, the District has approximately 22,344 AF of water stored in East Las Posas Groundwater Basin and accessible to the ASR Project.

In addition to the water stored in Lake Bard and the Las Posas Groundwater Basin the District has approximately 83,5350 AF stored in other groundwater basins which could be produced by purveyors in the District’s service area in the event of an outage of imported supplies.

Other reservoirs in the System are covered, serve to regulate pressure and flows, and serve to balance daily fluctuations in water supplies and deliveries. The capacity of this covered storage is currently 57 million gallons in 11 different locations. These reservoirs are constructed of either welded steel or reinforced concrete. The District has performed seismic analysis on all of these reservoirs according to the latest design standards. As a result, three reservoirs have been replaced and another has been seismically strengthened. All reservoirs comply with current seismic standards.

The following table illustrates the District’s storage capacity and the amount in storage as of September 30, 2024.

TABLE 4
CALLEGUAS MUNICIPAL WATER DISTRICT
STORAGE CAPACITY⁽¹⁾
(As of September 30, 2024)

<u>Facility</u>	<u>Capacity</u>	<u>Amount in Storage</u>
Covered Reservoirs	175	175 ⁽²⁾
Lake Bard	10,500	9,900 ⁽³⁾
East Las Posas Basin	50,000	22,344
Other Basins ⁽⁴⁾	No Limit	<u>83,535</u>
TOTAL		115,954

Source: The District.

(1) In acre feet.

(2) Fluctuates daily.

(3) Due to physical limitations, approximately 3,000 acre-feet of Lake Bard storage is not available for production. See “Emergency Supplies” below.

(4) Basins in which District has stored water but does not have direct pumping access.

Pump Stations

The majority of the District’s potable water distribution system is gravity operated. The West Portal of the System is at an elevation of 1,136 feet above sea level, with the lowest point in the System located in the City of Camarillo at a 236-foot elevation. The terrain located in the District’s service area requires numerous pressure reducing stations to provide water at acceptable minimum and maximum pressures.

The District is required to pump approximately 10% of its normal water delivery from MWD to areas that are above the District’s gravity system. The pump stations range in sizes from 3.1 cfs to 85 cfs. Conejo Pump Station and Grandsen Pump Station are standby facilities which supply water when water service to the District from MWD is interrupted for any reason. Conejo Pump Station delivers water from Lake Bard Water Filtration Plant to Simi Valley, Thousand Oaks, and Newbury Park. Grandsen Pump Station Phase 1 delivers water from the ASR Project to Camarillo, Moorpark, Oxnard, and Port Hueneme. Grandsen Pump Station Phase 2 delivers water from the ASR Project to Simi Valley, Thousand Oaks, and Newbury Park.

Hydroelectric Power Generation

The District operates five hydroelectric power generators. The District has contracts with Southern California Edison (SCE), with expiration dates ranging from 2032 to 2035, for sale of power from four of these facilities. The Grandsen Hydro operates under a tariff called Renewable Energy Self-Generation Bill Credit Transfer that does not require a power purchase agreement. Their respective capacities are as follows:

TABLE 5
CALLEGUAS MUNICIPAL WATER DISTRICT
HYDROELECTRIC RATING CAPACITY

<u>Generator</u>	<u>Capacity</u>
East Portal	1,250 kW
Conejo	550 kW
Santa Rosa	250 kW
Springville	1,000 kW
Grandsen	<u>330 kW</u>
Total	3,380 kW

Brine Disposal Facilities

The Salinity Management Pipeline (“SMP”) is a regional pipeline that collects salty water generated by groundwater desalting facilities and excess recycled water and conveys that water for discharge. The SMP improves water supply reliability by facilitating the development of water sources that would otherwise be unavailable due to poor water quality. Salt is removed from groundwater and the concentrate from the treatment process is sent to the SMP. Highly treated wastewater which is too saline for discharge to local streams is sent to the SMP during wet periods when it is not needed for irrigation.

The SMP is being constructed in phases, generally extending from the ocean in Port Hueneme, through Oxnard, across the unincorporated Oxnard Plain, through Camarillo, Somis, Moorpark, and into Simi Valley. The SMP will be 38 miles long when completed, with pipe diameters ranging from 48 inches at the ocean to 12 inches at the points farthest inland. Construction is complete on a mile long ocean outfall and 16 miles of pipe extending from the ocean to through the cities of Port Hueneme, Oxnard, and Camarillo. Design of the next phase is anticipated to begin in the current fiscal year. Triunfo Water and Sanitation District has signed an agreement with the intent of discharging to the SMP pipeline in the Santa Rosa Valley. The Santa Rosa Valley phase of the SMP is expected to be completed by 2029.

Ventura County has abundant sources of groundwater, but much of the water is too high in salts for municipal and agricultural use. These brackish groundwater sources have been underutilized to date because disposal of the brine generated from the desalination treatment process was historically infeasible. By providing a brine disposal mechanism, the SMP enables local water suppliers, including Calleguas purveyors, other regional partners, and potentially the District itself, to develop reliable local water supplies at a cost potentially competitive with imported water from MWD.

Dischargers to the SMP pay a unit price per acre-foot for discharge of brine or recycled water. Current dischargers include Camrosa Water District, the City of Camarillo, and Port Hueneme Water Agency. Camrosa discharges the brine from its 1 MGD brackish groundwater reverse-osmosis treatment plant and has the ability to discharge surplus recycled water, but rarely does. The City of Camarillo discharges brine from its 5 MGD brackish groundwater reverse-osmosis desalination facility. Port Hueneme Water Agency discharges brine from its reverse-osmosis/nanofiltration treatment plant. Future dischargers may include water suppliers providing indirect potable reuse water to their customers and agricultural entities treating brackish groundwater to remove salts for improved crop yields and reduced water usage. The District’s current policy is to postpone design work on additional sections of the SMP until potential users of those sections complete applications for service. See “DISTRICT SYSTEM REVENUES - SMP Revenues” herein.

There are three financial pressures that are driving customers to connect to the SMP. The first is that water suppliers wish to reduce the cost of their water supplies. Local water suppliers who buy imported water have a financial incentive to build desalters and discharge the brine to the SMP. The salinity of the shallow groundwater is approximately one-tenth that of ocean water, so the cost to remove the salts through this reverse osmosis process is substantially less expensive than seawater desalination, potentially less than the current cost of imported water, and is expected to increase at a slower rate than imported water. Furthermore, the supply is less vulnerable to drought than the imported supplies.

Secondly, agricultural entities are finding that the groundwater they used throughout much of the twentieth century has become increasingly scarce and higher in salinity. High-value berry crops have become prevalent in the area over the past decade, and high-tech greenhouse and hydroponic farming are becoming increasingly prevalent. Berries require water low in salinity but provide enough profit that growers can afford to remove salt from their supplies through reverse osmosis or other technologies. In addition, much of the water used in berry farming is used to leach salt from the soil, so if water is less saline, less of it is needed for irrigation.

New, high-tech greenhouse and hydroponic farming processes recycle water multiple times so it must start the process with very low salinity.

Finally, wastewater plant operators in the District's service area are currently under a regulatory order from the State Water Resources Control Board to reduce salinity in their discharges to local creeks (the "Salts TMDL"). The City of Camarillo has already incurred fines for discharge of salinity from its plant, and other wastewater plants in the District's service area will be subject to fines over the next few years if they continue to discharge to creeks. Regulatory compliance dates for the plants are tied to anticipated dates of completion of various phases of the SMP. The plant operators plan to deliver as much of the wastewater as possible to customers for irrigation purposes, but during wet seasons there will be more wastewater than demand for the water, so they plan to discharge the excess to the SMP in order to avoid discharge to creeks.

Groundwater Management

In 2014, the state legislature passed a series of bills that cumulatively make up the Sustainable Groundwater Management Act ("SGMA"). This action established a timeline by which pumpers in groundwater basins must (1) establish a plan to operate the aquifers sustainably (by 2020 or 2022) and (2) pump at rates that achieve that sustainability (by 2040 or 2042). The aquifers in Ventura County with high-quality water have historically been pumped more rapidly than they have been recharged, resulting in widespread chronic declines in groundwater levels and saline intrusion, both from the ocean, in basins along the coast, and from overlying saline aquifers. The Groundwater Sustainability Plans (GSP) that the FCGMA has developed for these basins contemplate reductions in groundwater pumping of 40-60 percent, without projects to bring in new water, to meet sustainability targets.

The largest groundwater basins within the District's service area are managed by the Fox Canyon Groundwater Management Agency ("FCGMA"), which was established by the state legislature in 1982 to halt and reverse seawater intrusion. To date, the FCGMA's primary method of accomplishing its mission was regulating extractions. Over time, municipal and industrial pumpers within the FCGMA service area have been required to reduce pumping, at various times temporarily and at others permanently (agricultural users have committed to various "efficiency" programs). Those municipal and industrial customers within the District service area have compensated for reduced groundwater extraction with increased purchases of imported water. These additional purchases have so far been masked by the overall decrease in water demands due to continuing water efficiency measures, but as demand hardens, the District anticipates conservation gains slowing. As the GSPs are implemented and groundwater extractions are ramped down, the region may further increase its reliance on imported water to meet demands, which, in combination with hardened demand, may result in increased imports.

The District is party to a settled adjudication in the Las Posas Basin (the "Judgment"). The Judgment describes four use scenarios for which the District can operate the Wellfield as a supply source: maintenance outages; as part of its state-sanctioned Water Shortage Contingency Plan; catastrophic system outages; and regular Wellfield operation and maintenance. The Judgment prescribes an "ASR Project Operations Plan," which is intended to provide an adaptive management plan for operating the Wellfield under these scenarios; a monitoring plan; a mitigation plan to avoid material injury resulting from operating the Wellfield; an analysis of the potential for optimizing in-lieu deliveries of imported water to achieve basin-management objectives; an analysis of the appropriateness of a leave-behind; and analysis of what, if any, circumstances under which the District can "borrow" water from the basin. The outcome of this and other studies proscribed by the Judgment will inform the District's use of a reliance on the Wellfield as an emergency and/or operational supply source. Although the Judgment has been appealed by several of the litigants, the appeal is based on restrictions placed on the litigants and does not affect the use of the basin by the District. The District does not believe that any outcome of the appeal will materially affect the District's operations at their wellfield.

Emergency Supplies

One of the objectives in planning and operating the District's distribution system is to minimize potential effects on service availability and financial resources arising from natural disasters such as earthquakes and droughts. The District's water conveyance facilities have been designed to either withstand a maximum probable seismic event or to minimize potential repair time and costs in the event of damage and have been constructed in compliance with applicable uniform building code seismic standards. In 2012, the District spent over \$7 million to purchase and store large diameter pipes and connection pieces so that every one of its potable water system pipes can be repaired quickly and reduce the duration of outages for emergency repairs. The impact of lesser magnitude events is expected by the District to be temporary, localized and repairable; however, major damage to the Santa Susana Tunnel facility could prevent the District from receiving water from MWD. In addition, almost every winter (December through March) MWD ceases deliveries to the District for extended periods of time in order to perform system maintenance or repairs. During these periods, the District has met its potable water demands using supplemental and emergency sources of water.

When the imported water supply from MWD is interrupted, the District could draw water from the Lake Bard Reservoir, the Las Posas Wellfield, and the Los Angeles Department of Water and Power ("LADWP"). The District has an integrated water delivery system which allows all areas in its service territory to receive water from alternative sources of water. Lake Bard currently contains approximately 7,500 acre feet of usable water, and with its associated water filtration plant, is able to supply up to 100 cfs of water. While Lake Bard contains a total capacity of 10,500 acre-feet, the water at the bottom of the lake cannot be treated at the filtration plant. The Las Posas Wellfield currently contains approximately 21,000 acre feet of stored groundwater and, with its eighteen (18) wells, is able to supply up to 55 cfs. In addition to Lake Bard, the District has eleven (11) reservoirs that have a combined storage of fifty-seven million gallons. The LADWP is required under a contract with MWD to provide a supplemental supply of 60 cfs to the District, which is 46% of the District's average daily demand, and 29% of its peak daily demand. LADWP has routinely provided this supplemental supply water through the West Valley Feeder 1 pipeline during MWD shutdowns. The water is generated from a LADWP filtration plant that is primarily supplied by the Los Angeles Aqueduct. Another emergency source is from MWD's Greg Avenue Pump Station, which can deliver 55 cfs from the eastern portion of the MWD system fed primarily from the Colorado River system. In addition, MWD can wheel approximately 50 cfs of Colorado River water to the District through LADWP's water distribution system. The District estimates that its current emergency supplies could provide approximately four (4) months of deliveries. See "RISK FACTORS - Geologic, Topographic and Climatic Conditions" and "- Environmental Considerations" herein.

Historical and Projected Water Deliveries

Since water was first delivered by the District to the purveyors in the District's service area in 1963, there has been a substantial increase in water deliveries. The amount of water delivered by the District has grown from 10,931 acre-feet in 1965 to a peak of 128,616 acre feet sold in 2007-08. It is estimated that the District's system is capable of delivering 140,000 acre feet of water in a single year. All of the purveyors within the District are reliant on imported water from the District for all or a portion of their water supply. Beginning January 1, 2013, Tier 1 supplies have been allocated to the purveyors calculated on 90% of the higher of a base demand (established as a ten year rolling average in 2002) or a ten year rolling average of demands. Any water purchased above the Tier 1 allocation is sold at a higher Tier 2 rate. The total Tier 1 allocations are consistent with the allocations the District is entitled to under the agreement with MWD.

The following table sets forth a summary of the District's water sales for the fiscal years ended June 30, 2020 through June 30, 2024, and the projected water sales out to fiscal year 2034-35. The water demand projections were originally developed by the District in connection with the process of updating its Urban Water Management Plan ("UWMP"), and are based on an aggregate of forecasts provided to the District by individual member purveyors. The projections consider expected population growth, planned land use and water use trends. The UWMP projections have been modified to reflect a reduction in water use throughout the District due to the conservation programs that were implemented with the last drought.

TABLE 6
CALLEGUAS MUNICIPAL WATER DISTRICT
HISTORICAL AND PROJECTED WATER SALES⁽¹⁾
(As of June 30)

<u>Purveyors</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025⁽²⁾</u>	<u>2030</u>	<u>2035</u>
<u>City of Simi Valley</u>								
Ventura County Water Works District #8	\$18,693	\$20,968	\$18,630	\$13,043	\$14,370	15,894	16,292	16,706
Golden State Water	<u>5,228</u>	<u>5,492</u>	<u>4,896</u>	<u>3,477</u>	<u>4,160</u>	<u>4,312</u>	<u>4,420</u>	<u>4,532</u>
Subtotal	23,921	26,460	23,526	16,520	18,530	20,206	20,712	21,238
<u>City of Thousand Oaks</u>								
City of Thousand Oaks	9,854	10,957	9,854	6,661	7,687	8,347	8,557	8,774
California-American Water Company	14,341	15,869	14,657	10,685	11,499	12,434	12,746	13,070
California Water Service Company	<u>6,888</u>	<u>7,424</u>	<u>6,673</u>	<u>4,597</u>	<u>5,169</u>	<u>5,703</u>	<u>5,846</u>	<u>5,994</u>
Subtotal	31,083	34,250	31,184	21,943	24,355	26,484	27,149	27,838
<u>City of Moorpark</u>								
Ventura County Water Works District #1	7,112	8,044	6,849	5,193	5,763	6,112	6,266	6,425
<u>City of Camarillo</u>								
City of Camarillo	4,358	5,321	5,693	2,976	2,191	3,809	3,904	4,003
Camrosa County Water District	<u>5,589</u>	<u>6,416</u>	<u>5,152</u>	<u>3,225</u>	<u>3,355</u>	<u>4,402</u>	<u>4,512</u>	<u>4,627</u>
Subtotal	9,947	11,737	10,845	6,201	5,546	8,211	8,416	8,630
<u>City of Oxnard</u>								
City of Oxnard	10,154	8,807	10,040	6,909	7,807	8,107	8,310	8,521
<u>Unincorporated</u>								
Berylwood Heights Mutual Water Co.	-	-	6	-	-	1	1	1
Brandeis Mutual Water Company	54	54	49	25	39	41	42	43
Butler Ranch Mutual Water Company	-	-	-	-	-	-	-	-
Crestview Mutual Water Company	40	328	218	-	-	109	111	114
Triunfo Water and Sanitation District	2,056	2,255	1,973	1,396	1,594	1,720	1,763	1,808
Pleasant Valley Mutual Water Company	397	430	243	40	84	221	227	233
Solano Verde Mutual Water Company	265	351	337	218	191	253	259	265
Ventura County Water Works District #19	368	10	10	169	21	107	110	113
Ventura County Water Works District #38	<u>1,620</u>	<u>1,902</u>	<u>1,710</u>	<u>1,145</u>	<u>1,324</u>	<u>1,428</u>	<u>1,464</u>	<u>1,501</u>
Subtotal	4,800	5,330	4,546	2,993	3,253	3,880	3,977	4,078
TOTAL	87,017	94,628	86,990	59,759	65,254	73,000	74,830	76,730

Source: The District

(1) In acre-feet.

(2) Estimated.

The following table illustrates the ten largest customers of the District in Fiscal Year 2023-24, and the estimated revenues received from such purveyors. The four largest customers accounted for approximately 64.9% of total water volume in Fiscal Year 2023-24, and approximately 62.6% of System water sale revenues for the year. The table also shows the percentage of total water supplies that the individual customers are provided by the District.

TABLE 7
CALLEGUAS MUNICIPAL WATER DISTRICT
TEN LARGEST CUSTOMERS
(Fiscal Year 2023-24)

<u>Purveyors</u>	<u>Water Sales⁽¹⁾</u>	<u>Percentage of Total⁽²⁾</u>	<u>Water Revenue</u>	<u>Percentage of Total⁽³⁾</u>	<u>% of Water Provided by District</u>
City of Simi Valley	14,370	22.0%	\$27,375,581	21.8%	97%
California American Water	12,434	19.1	21,725,903	17.3	100
City of Oxnard	7,807	12.0	14,973,763	11.9	43
City of Thousand Oaks	7,687	11.8	14,585,456	11.6	100
Ventura County Waterworks District #1	5,763	8.8	11,197,428	8.9	77
California Water Service	5,169	7.9	10,342,925	8.2	92
Golden State Water	4,160	6.4	7,836,112	6.2	89
Camrosa Water District	3,355	5.1	6,511,485	5.2	32
City of Camarillo	2,191	3.4	4,586,132	3.6	59
Triunfo Water and Sanitation District	<u>1,594</u>	<u>2.4</u>	<u>3,347,986</u>	<u>2.7</u>	<u>100</u>
TOTAL	64,530	98.9%	\$122,482,751	97.4%	

Source: The District

(1) In acre-feet.

(2) Based on total Fiscal Year 2023-24 water sales of 65,254 acre-feet.

(3) Based on Fiscal Year 2023-24 water sale revenues of \$125,706,405

Retirement Benefits

This section contains certain information relating to District's contributions to the California Public Employees Retirement System ("CalPERS"). Much of the information is primarily derived from information produced by CalPERS, its independent accountants and actuaries. The District has not independently verified the information provided by CalPERS and neither makes any representations nor expresses any opinion as to the accuracy of the information provided by CalPERS.

The comprehensive annual financial reports of CalPERS are available on its website at www.calpers.ca.gov. The CalPERS website also contains CalPERS' most recent actuarial valuation reports and other information concerning benefits and other matters. The reference to such website is provided for convenience only. None of the information on such website is incorporated by reference herein. The District cannot guarantee the accuracy of such information. Actuarial assessments are forward-looking statements that reflect the judgment of the fiduciaries of the pension plans, and they are based upon a variety of assumptions, one or more of which may not materialize or be changed in the future. Actuarial assessments will change with the future experience of the pension plans.

The District contributes to the California Public Employees' Retirement Systems ("PERS"), an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. PERS acts as

a common investment and administrative agent for participating public entities within the State. For a description of the District’s benefit plan, actuarial assumptions, and funding status see Note 9 in Appendix C – “AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR FISCAL YEAR 2022-23.”

For the fiscal years ended June 30, 2021, 2022 and 2023, the District’s contributions for pension obligations for full-time employees amounted to \$1,216,247, \$1,368,001 and \$1,611,371. In 2018 and 2019 the District made one-time payments of \$2,683,000 and \$1,200,000 to reduce its unfunded pension liability. The current unfunded pension liability is \$9.1 million and is 83.8% funded as of the June 30, 2023 financial statements

Other Post-Employment Benefits

The Governmental Accounting Standards Board (“GASB”) has issued Statement No. 75, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions (“GASB 75”), which addresses how state and local governments must account for and report their obligations related to post-employment healthcare and other non-pension benefits (“OPEB”). GASB 45 requires that local governments account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner as they currently do for pensions. The District initiated implementation of the reporting requirements of GASB 75 for its Fiscal Year ending June 30, 2018. For a description of the District’s other post-employment benefits, actuarial assumptions, and funding status see Note 8 in Appendix C – “AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR FISCAL YEAR 2022-23.”

For employees hired prior to January 1, 2013, the District provides continued health insurance coverage (the “Health Plan”) for retired District employees and officials who meet PERS eligibility requirements and have been employed by the District for a minimum of 12 years. For qualifying employees hired prior to July 1, 1995, medical coverage is extended to the employee and family. For qualifying employees hired on or after July 1, 1995, medical coverage is extended only to the employee. For employees hired after January 1, 2013, the District contributes a pre-determined amount into a defined contribution plan. The employee is entitled to these funds after their first year of employment with the District and will retain these funds upon separation or retirement from the District.

As of June 30, 2023, the District had 36 eligible retirees in the Health Plan. The District has made contributions to the OPEB trust annually. In fiscal years ended June 30, 2021, 2022 and 2023, the District contributed approximately \$786,810, \$740,878 and \$793,679, respectively. The District also paid out \$325,810, \$356,878, \$403,095 for these benefits to retirees during the respective fiscal years. The retiree health benefits are the District’s only OPEB. With its implementation of GASB 75 for the Fiscal Year ended June 30, 2018, the District reports an annual OPEB cost based on actuarially determined amounts that, if paid on an ongoing basis, will provide sufficient resources to pay these benefits as they come due. The current unfunded OPEB liability is \$2.0 million and is 81.4% funded as of June 30, 2023.

For a description of the District’s other post-employment benefits, actuarial assumptions, and funding status, see Note 8 in Appendix C – “AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR FISCAL YEAR 2022-23.”

Insurance; Risk Management

The District is exposed to various risks of loss related to the design, construction, treatment and delivery of water. The District is a member of the Association of California Water Agencies Joint Powers Insurance Authority. The Joint Power Insurance Authority provides insurance coverage for liability including pollution and errors and omissions, property, workers’ compensation, and public employee fidelity. The District self-insures the deductible of \$2,500 for property and \$1,000 for public employee fidelity. Insurance coverage through the Joint Powers Insurance Authority is \$60 million liability including pollution and errors and omissions, \$100 million property, \$2 million workers’ compensation and employer’s liability, and \$1 million public employee fidelity.

DISTRICT FINANCES

General

The District's principal source of revenues is from water sales. Additional operating revenues include, among other things, capital construction charges, standby charges, income from the sale of energy from the District's hydroelectric power generators, and certain property tax revenues. The District staff provides estimates of revenues and expenditures for operations for the upcoming fiscal year in June of each year to the District's Board. The District receives confirmation from the County regarding the current assessed values and the expected tax levy in the District's service area in August of each year. Based on information provided by the County, the District may then decide to amend its budget.

Water Rates and Charges

General. Rates and charges are set on an annual basis by action of the Board. The District is not subject by statute to the jurisdiction of, or regulation by, the California Public Utilities Commission or any other regulatory body. The District staff annually determines, at the direction of the Board, the adequacy of the District water rate structure after full consideration of expected operations, maintenance and capital costs. The District has historically set water charges to pay water costs for water purchased from MWD, to recover District operating expenses, and to provide for a portion of the costs of the District's CIP. The rates are set in conjunction with the annual budget and the long range finance plan to ensure that the long term financial goals of the District are being met.

The budget and rates are prepared in spring of each year. The budget is for the following fiscal year and the rates are for the following calendar year. The budget, rates and 5 year financial projections are first presented to the purveyors for questions and input and then to the Board for questions, input and ultimate approval of the budget and rates.

Since the largest single component of the District's rates is the cost of water purchased from MWD, the District has adjusted and expects to continue to adjust its water rates as the cost of water purchased from MWD changes. The District also passes through a MWD "Readiness-to-Serve Charge," which is a fixed charge, based on a ten year rolling average of water demand, which recovers the cost of the portion of MWD's system capacity that is on standby to provide emergency service and operational flexibility. The District also passes through a MWD "Capacity Reservation Charge," as well as its own "Capacity Reservation Charge" which recovers the cost of facilities required to meet new demand and increase system reliability. This charge is based upon the peak week demand on the System between May 1 and September 30, for the prior calendar year.

The table below sets forth rates through 2025, of the District's per acre-foot water rates and charges to the purveyors and a history of MWD's and the District's respective water rates.

TABLE 8
CALLEGUAS MUNICIPAL WATER DISTRICT
ANNUAL WATER RATES⁽¹⁾
(As of January 1)

Domestic and Municipal

<u>Year</u>	<u>MWD Charge</u>	<u>O&M</u>	<u>Capital Charge</u>	<u>Total Charge</u>	<u>Percent Change</u>
2016	\$ 942	\$ 75	\$ 240	\$ 1,257	3.9
2017	979	77	244	1,300	3.4
2018	1,015	77	283	1,375	5.8
2019	1,050	79	294	1,423	3.5
2020	1,078	82	312	1,472	3.4
2021	1,104	84	319	1,507	2.4
2022	1,143	89	329	1,561	3.6
2023	1,209	123	300	1,632	4.5
2024	1,256	202	272	1,730	6.0
2025	1,395	214	286	1,895	9.5

Source: The District.

⁽¹⁾ Per acre-foot.

Table 8 above reflects the changes to the Tier 1 water rate only and does not include the Readiness to Serve or the Capacity Reservation Charge. Including those two fees in the overall calculation would result in total actual increases of 9.2%, 5.16%, 7.69% for years 2023, 2024 and 2025 respectively.

The Projected Operating Results assume that the District will raise overall rates (taking into account all of the various components of the rates) by approximately __% each year during the projection period.

Customer Metering Stations. At present, there are 96 potable meter stations, six recycled water customer metering stations and two SMP discharge metering stations installed throughout the District’s Water System. The stations typically consist of Venturi-type or ultrasonic meters provided with a computer which continuously sends metering data to the District’s control room and to the internet over a cellular phone system. Customers have on-line access to current flows through the meters as well as historical metering and billing information. Metering data is automatically downloaded into an automated billing system.

Billing Procedures and Delinquencies. The purveyors are billed on a monthly basis after the District reviews their respective water usage meters on the last day of each month. The purveyors remit payment to the District by the last business day of the month. There is a 1% penalty applied if payment is not received by the due date. The COVID-19 pandemic has not affected the collection of water charges billed by the District to the purveyors.

The purveyors generally consist of retail providers which supply water to residences and commercial establishments with their respective service areas. It is the District’s understanding that, as is the case with many water retailers throughout the State, late payment and nonpayment of bills rendered by the purveyors to their respective customers have increased from historical levels as a result of the COVID-19 pandemic. However, none of the purveyors to which the District supplies water have indicated that increased delinquencies in their collections will materially impact the ability of the purveyors to pay District invoices on a timely basis.

As described above, in the District’s rates, the District passes through to the purveyors the cost of water which the District purchases from MWD, as well as certain other MWD imposed charges. Although MWD provides projections of expected costs, the actual costs may differ from the MWD projections, requiring the District to make adjustment to its rates charged to purveyors. It is the District’s understanding that five of its

top ten customers (representing approximately 55% of annual water sales revenues in Fiscal Year 2023-24) have the ability, within their respective rate setting methodologies, to pass through any District rate increases to their respective customers without a vote of their respective governing bodies. In addition, three other of the District's top ten customers (representing approximately 33% of annual water sales revenues in Fiscal Year 2023-24) are subject to California Public Utilities Commission overview.

Property Tax Revenues; Assessed Valuations

Receipt of a share of the County's levy and collection of ad valorem property taxes provides a source of funds for the District. Property taxes received by the District represent the District's share of the \$1 per \$100 county-wide ad valorem property tax levy collected by the County. The taxes collected are allocated to taxing agencies within the County, including the District, on the basis of a formula established by State law enacted in 1979. Under this formula, the County and all other taxing entities receive a base year allocation plus an allocation on the basis of growth in assessed value (new construction, change of ownership and inflation) prorated among the jurisdictions which serve the tax rate areas within which the growth occurs. Tax rate areas are specifically-defined geographic areas which were developed to permit the levying of taxes for less than county-wide or less than city-wide special districts. See Table 9 below for a summary of recent property tax collections by the District.

There can be no assurance that the allocation formula currently established by State law will continue in the future. If the formula is changed in the future, it could have a material adverse effect on the receipt of property tax revenue of the District. The District does not anticipate, however, that potential changes in the allocation formula would have a material impact on its ability to meet its obligations. For further information concerning the continued receipt by the District of a share of the 1% county-wide ad valorem property tax, see "RISK FACTORS – Impact of State Budget" herein.

The County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"), as provided for in Section 4701 et seq. of the State Revenue and Taxation Code. Under the Teeter Plan, each participating local agency levying property taxes in the County receives the amount of uncollected taxes credited to its fund in the same manner as if the amount credited had been collected. In return, the County receives and retains delinquent payments, penalties and interest, as collected, that would have been due to the local agency. However, the District has elected not to participate in the Teeter Plan.

The following table provides a record of the secured and unsecured assessed valuation and property tax receipts for the District during the ten most recent Fiscal Years.

TABLE 9
ASSESSED VALUATION AND SECURED TAX LEVY⁽¹⁾
(As of June 30)

<u>Fiscal Year</u>	<u>Assessed Valuation Within District⁽²⁾</u>	<u>Percent Change</u>	<u>Property Tax Receipts⁽³⁾</u>	<u>Percent Change</u>
2015	81,710,493	3.0	6,054,333	3.4
2016	86,590,685	6.0	6,433,015	6.3
2017	90,722,781	4.8	6,754,044	5.0
2018	91,778,094	1.2	7,051,746	4.4
2019	100,662,215	9.7	7,732,107	9.6
2020	104,311,428	3.6	8,057,156	4.2
2021	108,290,803	3.8	8,379,333	4.0
2022	112,701,593	4.1	8,645,821	3.2
2023	120,594,600	7.0	9,265,577	7.2
2024	127,100,841	5.4	9,765,467	5.4

Source: Office of the County Auditor-Controller, County of Ventura.

(1) Excludes amounts collected for general obligation bond debt service.

(2) 000's omitted.

(3) Excludes interest, penalties, redevelopment agency payments, and supplemental assessments received by the District.

SMP Revenues

On September 7, 2011 the District Board adopted Ordinance No. 19 covering the rules and regulations for the use of the Salinity Management Pipeline (SMP). As part of this ordinance the Board authorized the rate structure governing the use of the SMP. The current rates are \$683.90 per acre foot for brine discharge and \$54.80 per acre foot for non-brine discharge for dischargers located within the District's service area. For dischargers outside the service area which discharge to the SMP, Ordinance No. 19 provides a rate of 150% of the rates established for dischargers within the service area, resulting in a rate of \$1,025.90 for brine discharge and \$82.20 for non-brine discharge.

Ordinance No. 19 also established that dischargers are to be billed for maintenance of the connection to the SMP. The resolution establishes that the maintenance costs will be billed to dischargers retroactively and be based on the actual costs incurred by the District over the previous calendar year.

The District has included in its revenue projections for the SMP the discharge from the Round Mountain desalter which began discharging to the SMP pipeline in 2014 and the North Pleasant Valley Desalter which began discharging in 2023. The rates for the SMP are projected to be increased at the same rate as the projected water rates, an average of 8.5%. The District also collects a Maintenance fee and a capital replacement fee for each discharge station connected to the SMP pipeline. Total annual revenues from the SMP are expected to increase from approximately \$674,000 in Fiscal Year 2024-25 to approximately \$938,910 in Fiscal Year 2028-29.

District Reserves

The District has an adopted reserve policy to designate its unrestricted reserves and ensure a minimum amount of funds are set aside for potential emergencies and capital construction. To ensure that the local water is available and usable in case of a prolonged shutdown of imported water supply, the District maintains a water replacement reserve to be able to pump and treat groundwater used in an emergency. The maximum reserve capacity will be based on the storage capacity of 7,500 acre feet in Lake Bard and the ability to pump water for six months from Las Posas or 20,000 acre feet. The reserve amount will be based upon current estimated pumping and treatment costs, updated on an annual basis. This results in a current water replacement reserve of approximately \$9.1 million. The District policy also calls for maintaining a 6 month reserve based on its

administrative operating costs, or \$13.6 million. These reserves will be used to cover cash flow deficiencies, smooth rate increases and ensure there is sufficient cash to continue operations in an emergency situation.

The District has also designated \$22.6 million of its capital reserve to be held for any potential emergency repairs that may result from a natural disaster or unexpected loss. The emergency construction reserve is increased annually based on the Engineering News Record Construction Cost Index. All remaining funds, \$119.6 million, have been designated for current and future capital construction. In total the District maintains unrestricted reserves, including designated reserves as described herein, in the amount of approximately \$164.9 million. Current reserve levels may be modified by the Board of Directors at their sole discretion.

TABLE 10
CALLEGUAS MUNICIPAL WATER DISTRICT
HISTORICAL UNRESTRICTED RESERVES
(In Millions)

	2020	2021	2022	2023	2024
Unrestricted Reserves	\$149.5	\$173.0	\$177.5	\$161.5	\$164.9

Source: The District

Historical Operating Results

The table below summarizes the District’s Operating Revenues, Operation and Maintenance Expenses and Net Operating Revenues for the past five fiscal years. The amounts shown in each fiscal year are derived from the audited financial statements of the District. The decline in 2022-23 water revenues was due to the historic drought that California was experiencing during the fiscal year. In that fiscal year, the District sold 59,759 A.F. of water, the lowest water sales since 1980. In 2023 & 2024, the District increase their water rate for its operations and maintenance by 38% and 64%. The increased rates will ensure the District has the appropriate funding available for the anticipated ongoing reduction in water sales due to the States continuing conservation efforts. See APPENDIX C hereto for a copy of the District’s audited financial statements for the year ended June 30, 2023.

TABLE 11
CALLEGUAS MUNICIPAL WATER DISTRICT
HISTORICAL OPERATING RESULTS
(Fiscal Year Ended June 30)

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Operating Revenues					
Water Sales ⁽¹⁾	\$ 118,158,991	\$ 125,807,108	\$ 140,946,567	\$ 133,290,274	\$ 95,175,211
Capacity Reservation Charge	6,732,324	6,216,468	6,429,822	7,233,510	7,348,086
Readiness to Serve – Purveyors	6,273,480	6,168,036	6,295,572	6,519,444	7,582,728
Pumping Power Revenue	766,292	750,523	906,801	925,223	838,817
Water Standby Charges	1,399,910	1,350,698	1,442,109	1,420,806	1,381,714
Power Sales ⁽²⁾	579,061	664,212	673,427	464,238	171,588
Interest ⁽³⁾	3,536,323	3,751,825	2,601,655	1,423,406	3,048,694
Taxes ⁽⁴⁾	8,775,866	9,088,083	9,865,259	10,222,205	11,100,420
SMP Revenues	182,167	167,790	164,211	197,706	335,969
Other Revenues ⁽⁵⁾	129,070	85,153	190,103	168,036	184,877
Build America Bond Subsidy ⁽⁶⁾	<u>1,486,855</u>	<u>1,484,951</u>	<u>1,495,182</u>	<u>1,435,134</u>	<u>1,363,563</u>
Total	\$148,020,339	\$155,534,847	\$171,010,708	\$163,299,982	\$128,531,667
Operation and Maintenance Expenses⁽⁷⁾					
Cost of Water ⁽⁸⁾	\$86,825,950	\$92,372,026	\$103,248,802	\$98,598,641	\$69,658,983
Capacity Reservation Charge-MWD	1,849,430	1,622,550	1,818,375	2,124,445	2,131,550
Readiness to Serve – MWD	6,218,205	6,235,811	6,227,586	6,567,393	7,408,276
Pumping Power	1,520,636	1,123,090	1,455,952	1,617,340	2,787,501
O & M Expenses	<u>15,805,195</u>	<u>22,771,485</u>	<u>19,269,435</u>	<u>12,818,528</u>	<u>25,915,245</u>
Total	<u>\$112,219,416</u>	<u>\$124,124,962</u>	<u>\$132,020,150</u>	<u>\$121,726,347</u>	<u>\$107,901,555</u>
Net Operating Revenues	\$35,800,923	\$31,409,885	\$38,990,558	\$41,573,635	\$20,630,112
Debt Service on Parity Obligations					
Debt Service Coverage ⁽⁹⁾	2.06	1.84	2.29	3.44	1.41
Cash Balance ⁽¹⁰⁾ – End of Year	\$168,664,325	\$169,086,493	\$186,315,054	\$191,531,795	\$174,709,500

Source: The District.

- (1) The District's Board sets the water rates in annually to become effective on the succeeding January 1.
- (2) Revenue from the sale of power to Southern California Edison from four hydroelectric power generating plants owned and operated by the District. Audit includes this amount in the Pumping Power Revenue category.
- (3) Represents annual interest income net of all realized gains/losses.
- (4) Primarily reflects the District's share of the County's 1% general property tax levy.
- (5) Includes Annexation Fees on properties that are approved for annexation to the District and rental income.
- (6) See "RISK FACTORS - Impact of Federal Sequestration" herein.
- (7) Represents the District's General Fund expenditures for administering and operating the District's facilities.
- (8) Purchase of treated water from the Metropolitan Water District of Southern California. Audit includes the MWD Readiness to Serve Charge and Capacity Reservation Charge in this category.
- (9) Calculated in accordance with the Master Resolution.
- (10) Consists of unrestricted cash fund balance as of June 30 of each year.

Projected Financial Operations

The District's estimated projected operating results for the fiscal years ending June 30, 2024 through June 30, 2028 are set forth below, and reflect certain significant assumptions concerning future events and circumstances. The financial forecast represents the current projections of the financial results for the period.

Significant Assumptions

For estimating water sale revenues and water cost expense, the Projected Operating Results reflect the adopted operating budgets for fiscal years 2023-24 and 2024-25 as well as actual MWD adopted rates for calendar years 2024, 2025 and 2026. The Projected Operating Results incorporate the MWD projected increases of 11.5% in the tier 1 water rate for 2027 and 2028, with estimated increases of 5.0% for each year thereafter. In addition, Operations and Maintenance Expenses are assumed to increase by 1.5% in 2026, 3.2% in 2027 and 3.9% in Fiscal Year 2028 due to expected increases in supplies and wages. The capital rate component is projected to increase 5.0% in 2025, with subsequent increases of 6.0% in the following years.

The MWD component of the capital reservation charge is projected to increase between 2.7% and 3.25% each year, and the District's component is projected to increase an average of 2.5% during the projection period. The average overall rate increase each year is approximately 9.0%. The large increases in the next 5 years are due to the increases passed on from MWD to the District. The District Board has historically passed these increases on through the District rates.

Other expenses are projected to increase between 2.2% and 3.0% a year. Additional assumptions are set forth in the footnotes to the table below.

All of such assumptions are material in the development of the Projected Operating Results. While the District believes these assumptions are reasonable, actual conditions may differ from the assumptions, and there can be no assurances that such differences will not be material and adverse.

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TABLE 12
CALLEGUAS MUNICIPAL WATER DISTRICT
PROJECTED OPERATING RESULTS
(Year Ending June 30)

	<u>2024⁽¹¹⁾</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Operating Revenues					
Water Sales ⁽¹⁾	\$ 109,741,686	\$ 132,241,410	\$ 144,935,280	\$ 159,087,870	\$ 175,882,750
Pumping Power Revenue	1,199,649	1,200,000	1,224,000	1,248,480	1,273,450
Capacity Reservation Charge	7,409,256	7,856,090	7,937,290	8,134,140	8,400,140
Readiness to Serve – Purveyors	8,358,300	9,096,290	9,725,400	10,155,970	11,215,840
Water Standby Charges	1,377,102	1,350,000	1,350,000	1,350,000	1,350,000
Power Sales ⁽²⁾	537,043	600,000	600,000	600,000	600,000
Interest ⁽³⁾	5,541,361	3,700,000	4,534,010	4,119,730	3,710,070
Taxes ⁽⁴⁾	11,886,702	11,500,000	11,730,000	11,964,600	12,203,890
Build America Bond Subsidy ⁽⁵⁾	1,288,018	534,652	-	-	-
Other Revenues	73,444	374,400	216,900	279,170	281,520
SMP Revenues ⁽⁶⁾	<u>553,051</u>	<u>664,017</u>	<u>722,367</u>	<u>787,297</u>	<u>864,127</u>
Total	147,965,612	169,116,859	182,975,247	197,727,257	215,781,787
Operation and Maintenance Exp⁽⁷⁾					
Cost of Water ⁽⁸⁾	80,239,021	96,327,490	106,807,110	118,562,860	132,866,740
Capacity Reservation Charge– MWD	2,066,640	2,294,160	2,428,650	2,425,500	2,491,500
Readiness to Serve – MWD	8,377,792	9,096,290	9,725,400	10,155,970	11,215,840
Pumping Power	2,142,534	2,200,000	2,244,000	2,288,880	2,334,660
O&M Expenses	<u>26,494,963</u>	<u>27,799,330</u>	<u>28,227,502</u>	<u>29,142,056</u>	<u>30,284,030</u>
Total	119,320,950	137,717,270	149,432,662	162,575,266	179,192,770
Net Operating Revenues	<u>28,644,662</u>	<u>31,399,589</u>	<u>33,542,585</u>	<u>35,151,991</u>	<u>36,589,017</u>
Debt Service on Parity Obligations ⁽⁹⁾					
Debt Service Coverage ⁽¹⁰⁾	1.91	2.18	2.28	2.59	2.68
Projected Water Sales (Acre Feet)	64,783	73,000	73,360	73,720	74,090

Source: The District.

(1) The District’s Board sets the water rates annually to become effective on the succeeding January 1.

(2) Generated from the sale of power to Southern California Edison from four hydroelectric power generating plants owned and operated by the District. Audit includes this amount in the Pumping Power Revenue category.

(3) Represents annual interest income, net of realized gains/losses.

(4) Primarily reflects the District’s share of the County’s 1% general property tax levy.

(5) See “RISK FACTORS - Impact of Federal Sequestration” herein.

(6) See “THE DISTRICT - Brine Disposal Facilities” and “- SMP Revenues.”

(7) Represents the District’s General Fund expenditures for administering and operating the District’s facilities.

(8) Purchase of treated water from The Metropolitan Water District of Southern California. Audit includes the MWD Readiness to Serve and Capacity Reservation Charge in this category.

(9) Includes projected debt service on the variable rate Series 2008A Bonds increasing from 1.0% to 2.5% over the projection period. See “THE DISTRICT – Capital Improvement Program” above for a discussion of future capital needs of the District.

(10) Calculated in accordance with the Master Resolution

(11) Estimates from 2024 unaudited financial statements.

Credit Facilities

Following is a discussion of outstanding credit facilities of the District.

Letter of Credit in Connection with the Series 2008A Bonds. In connection with the issuance of the Series 2008A Bonds, the District arranged for the issuance of an irrevocable direct-pay of \$40,300,000, plus interest coverage). In connection with the issuance of the letter of credit, the District entered into reimbursement agreements with Wells Fargo Bank, National Association (the “Credit Issuer”). Unless extended at the option of the Credit Issuer, the letter of credit relating to the Series 2008A Bonds expires in April 2025. If the letter of credit expires, and the District is unable to secure a replacement letter of credit, the Series 2008A Bonds will be

subject to mandatory tender for purchase by the holders thereof upon such expiration and the related letter of credit drawn upon to pay the purchase price of such tendered bonds.

Under the reimbursement agreement, the District is generally required to reimburse the Credit Issuer for any amounts paid by the Credit Issuer under the letter of credit on the same day the amount is paid. Amounts owed to the Credit Issuer bear interest at a specified rate. The District is also required to pay certain fees to the Credit Issuer, including establishment, facility, drawing and transfer fees, in addition to the Credit Issuer's costs, expenses and certain taxes.

In the event that there is a drawing on any letter of credit to purchase any Series 2008A Bonds which are tendered for purchase by the holders thereof, the reimbursement agreement generally provides that the Credit Issuer becomes the holder of such bonds ("Bank Bonds"), and the District is required to repay such Bank Bonds over a period that is less than the remaining term to maturity of the related bonds (generally five years or less and in some circumstances immediately upon the purchase of such bonds by the Credit Issuer), at an increased interest rate.

The reimbursement agreement contains a number of covenants and agreements on the part of the District, and specify events of default, and remedies. Remedies of the Credit Issuer generally include the right to cause a mandatory tender of the Series 2008A Bonds, as applicable. The obligations of the District pursuant to the reimbursement agreement constitutes a Parity Obligation of the District.

Revolving Credit Agreement. As described in "INTRODUCTION – Subordinate Obligations," the District has entered into the Revolving Credit Agreement in the amount of \$20 million. As of November 1, 2024, the District has drawn \$ _____ under the Revolving Credit Agreement.

Amounts payable by the District pursuant to the Revolving Credit Agreement bear interest at a SOFR-based rate, as well as other rates to be applicable upon the occurrence of certain events, including a determination of taxability of interest and specified events of default. The Revolving Credit Facility provides that, assuming there is no event of default and certain other conditions are satisfied, principal of draws will be payable over a five year period.

Events of default under the Revolving Credit Agreement include failure to repay principal or interest when due, and reduction of any of the District's Parity Obligation credit ratings below specified levels. Upon the occurrence and continuing of an event of default, Wells Fargo Bank, National Association may declare all amounts due under the Revolving Credit Agreement to be immediately due and payable. The Revolving Credit Agreement constitutes a Subordinate Obligation of the District.

RISK FACTORS

The following factors, along with other information in this Official Statement, should be considered by potential investors in evaluating the risks in the purchase of the 2024 Bonds.

System Demand

There can be no assurance that the local demand for the services provided by the System will be maintained at levels described in this Official Statement under the heading "THE DISTRICT" and "DISTRICT SYSTEM REVENUES." Demand for water services could be reduced as a result of hydrological conditions, conservation efforts (including in response to the most recent drought as described herein or future droughts) and other factors. Reduction in the level of demand could require an increase in rates or charges in order to produce Net Operating Revenues sufficient to comply with the District's rate covenant in the Indenture and Master Resolution. Such rate increases could increase the likelihood of nonpayment, and could also further decrease demand. There can be no assurance that any other entity with regulatory authority over the System will not adopt further restrictions on operation of the System.

System Expenses

There can be no assurance that the District's expenses for the System will be consistent with the levels described in this Official Statement. Continuing increase in purchased water costs, changes in technology, new regulatory requirements, increases in the cost of energy or other expenses would reduce Net Operating Revenues, and could require substantial increases in rates or charges in order to comply with the rate covenant. Such rate increases could increase the likelihood of nonpayment, and could also decrease demand.

Additional Parity Obligations

Although the District has covenanted not to issue additional obligations payable from Net Operating Revenues senior to the 2024 Debt Service Payments, the Master Resolution and the Indenture permit the issuance by the District of certain indebtedness which may have a lien upon the Net Operating Revenues which is on a parity basis to the lien which secures the 2024 Debt Service Payments, if certain coverage and other tests are met (see "THE 2024 BONDS - Issuance of Parity Obligations" herein). These coverage tests involve, to some extent, projections of Net Operating Revenues. If such indebtedness is issued or incurred, the debt service coverage for the 2024 Debt Service Payments securing the 2024 Bonds will be diluted below what it otherwise would be subject to under the coverage tests. Moreover, there is no assurance that the assumptions which form the basis of such projections, if any, will be actually realized subsequent to the date of such projections. If such assumptions are not realized, the amount of future Net Operating Revenues may be less than projected, and the actual amount of Net Operating Revenues may be insufficient to provide for the payment of the 2024 Debt Service Payments and such additional indebtedness.

Proposition 218

On November 5, 1996, the voters of the State approved Proposition 218, the "Right to Vote on Taxes Act." Proposition 218 added Articles XIII C and XIII D to the State Constitution, which contain a number of provisions affecting the ability of the District to levy and collect both existing and future taxes, assessments, fees and charges. Proposition 218 also extends the initiative power to reducing or repealing any local taxes, assessments, fees and charges. This extension of the initiative power is not limited to taxes, assessments, fees and charges imposed on or after November 6, 1996, the effective date of Proposition 218, and could result in retroactive repeal or reduction in any existing taxes, assessments, fees or charges, except those which are pledged to the repayment of debt. If such a repeal or reduction in District fees or charges were to occur, and it was held that any such taxes, assessments, fees or charges were not pledged to any debt repayment, the District's ability to make 2016 Debt Service Payments could be adversely affected.

In addition, while the matter is not free from doubt, Proposition 218 imposed restrictions on the levy of charges for "property-related services." In July 2006 the California Supreme Court confirmed that a public agency's charges for ongoing water delivery are "fees and charges" within the meaning of Proposition 218. As a result, voters within the boundaries of the District could adopt an initiative measure that reduced or repealed water rates and charges levied by the District, although it is not clear (and has not been determined by State courts) whether such action would be enforceable where such fees and charges are pledged as coverage to the repayment of indebtedness.

The District believes that its fees for water service will not be adversely affected by the application of the procedural requirements of Proposition 218, and that Proposition 218 would not have any immediate adverse effect on its ability to operate its System, since the District is a wholesale provider. However, there can be no assurance of the availability of remedies to protect fully the interest of the holders of the 2024 Bonds. In addition, Proposition 218 affects the levy of rates and charges of certain public agency customers of the District.

Constitutional Limit on Appropriations, Fees and Charges

If a portion of the System rates or connection charges were determined by a court to exceed the reasonable costs of providing service, any fee which the District charges may be considered to be a "special tax,"

which under Articles XIII A or XIII D of the California Constitution must be authorized by a two-thirds vote of the affected electorate. This requirement is applicable to the District's rates for service provided by the System. The reasonable cost of service provided by the System has been determined by the State Controller to include depreciation and allowance for the cost of capital improvements. In addition, the State courts have determined that fees such as connection fees (capacity charges) will not be special taxes if they approximate the reasonable cost of constructing System improvements contemplated by the local agency imposing the fee. Such court determinations have been codified in the Government Code of the State of California (Section 66000 *et seq.*).

Under Article XIII B of the California Constitution, state and local government entities have an annual "appropriations limit" which limits their ability to spend certain moneys called "appropriations subject to limitation," which consists of tax revenues, certain state subventions and certain other moneys, including user charges to the extent they exceed the costs reasonably borne by the entity in providing the service for which it is levying the charge. In general terms, the "appropriations limit" is to be based on certain Fiscal Year 1978-79 expenditures, and is to be adjusted annually to reflect changes in the consumer price index, population and services provided by these entities. Among other provisions of Article XIII B, if an entity's revenues in any year exceed the amount permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years.

The District is of the opinion that the rates and use charges imposed by the District in connection with the System do not exceed the costs it reasonably bears in providing such services.

Limited Recourse on Default

If the District defaults on its obligation to make 2024 Debt Service Payments, the Trustee has the right to accelerate the total unpaid principal amounts of the 2024 Debt Service Payments. However, in the event of a default and such acceleration there can be no assurance that the District will have sufficient Net Operating Revenues to pay the accelerated 2024 Debt Service Payments and payments with respect to Parity Obligations.

No Debt Service Reserve Account

The District is not funding a debt service reserve account for the 2024 Bonds, although debt service reserve accounts have previously been established for certain of the Parity Bonds, and may be created with respect to the issuance of future Parity Obligations. The owners of the 2024 Bonds will not be entitled to amounts on deposit in the reserve accounts established for the other Parity Bonds or future Parity Obligations.

Limitations on Remedies Available; Bankruptcy

The enforceability of the rights and remedies of the Owners and the obligations of the District may become subject to the following: the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors rights generally, now or hereafter in effect; equitable principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the Federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of servicing a significant and legitimate public purpose. Bankruptcy proceedings, or the exercising of powers by the federal or State government, if initiated, could subject the Owners to judicial discretion and interpretation of their rights in bankruptcy or otherwise, may entail risks of delay, limitation, or modification of their rights and may otherwise materially adversely effect the payment of debt service on the 2024 Bonds.

No Obligation to Tax

The obligation of the District to pay the 2024 Debt Service Payments does not constitute an obligation of the District for which the District is obligated to levy or pledge any form of taxation or for which the District has levied or pledged any form of taxation. The obligation of the District to pay 2024 Debt Service Payments

does not constitute a debt or indebtedness of any District, the State or any of its political subdivisions, in contravention of any constitutional or statutory debt limitation or restriction.

Nonpayment by Customers

The District's ability to generate Net Revenues in the amounts required by the Indenture depends primarily on payment to the District by the purveyors to which the District provides water of amounts billed by the District. Although the District has historically collected significantly all of the amounts billed to such customers, in the event that the District's customers fail to make payments in a timely manner in the future could materially adversely effect the payment of debt service on the 2024 Bonds.

Change in Law

In addition to the other limitations described herein, the State electorate or Legislature could adopt a constitutional or legislative property tax decrease or an initiative with the effect of reducing revenues payable to or collected by the District. There is no assurance that the State electorate or Legislature will not at some future time approve additional limitations that could have the effect of reducing the Net Operating Revenues and adversely affecting the security of the 2024 Bonds.

Geologic, Topographic and Climatic Conditions

The value of the System, and the ability to generate Revenues, is contingent upon the ability of the District to deliver water to its customers. The financial stability of the District can be adversely affected by a variety of factors, particularly those which may affect infrastructure and other public improvements and private improvements and the continued habitability and enjoyment of such private improvements. Such additional factors include, without limitation, geologic conditions (such as earthquakes), topographic conditions (such as earth movements and floods) and climatic conditions (such as droughts and tornadoes). The District is in an active geological area.

Engineering standards require that some of these factors be taken into account, to a limited extent, in the design of improvements, including the System. Some of these factors may also be taken into account, to a limited extent, in the design of other infrastructure and public improvements neither designed nor subject to design approval by the District. Design criteria in any of these circumstances are established upon the basis of a variety of considerations and may change, leaving previously-designed improvements unaffected by more stringent subsequently established criteria. In general, design criteria reflect a balance at the time of protection and the future costs of lack of protection, based in part upon a present perception of the probability that the condition will occur and the seriousness of the condition should it occur. Conditions may occur which may result in damage to improvements in varying degrees, and such damage may entail significant repair or replacement costs, and there can be no assurance that such repair or replacement will occur. Under any of these circumstances, the public and private improvements within the District in general may well depreciate or disappear, notwithstanding the establishment of design criteria for any such condition.

Major portions of the California State Water Project (the "State Water Project") delivery system are located parallel to and near the San Andreas Fault and other faults. The occurrence of earthquakes could cause an interruption of deliveries of water to and from the District until repairs could be made, thus possibly diminishing the value of the System and the amount of Revenues.

Certain of the District's facilities are exposed to a variety of wildfire hazard conditions ranging from very low levels of risk to extreme hazards. Currently, fire hazard severity is a function of fuel conditions, climate, wind conditions, and topography. While wildfires over the past few years have threatened facilities, there has not been any material damage. The District's facilities are fire-proofed, and are either provided with back-up power supplies or such supplies are in the process of being installed under the capital improvement plan.

Interruption of delivery of water for any reason will not alter the legal obligation of the District to pay 2024 Debt Service Payments. However, a reduction in the availability of water could materially adversely affect the Revenues. See “THE DISTRICT – Emergency Supplies” herein.

Climate Change

Climate change, including change caused by human activities, may have adverse effects on the District and its operations and finances. Climate change can also result in more variable weather patterns throughout the State, which can lead to longer and more severe droughts as well as increased risk of flooding and a rise in sea levels. The District considers the potential effects of climate change in its planning.

Climate change adds uncertainties to the challenges of water supply planning. Dramatic shifts in temperature and precipitation may affect the District’s water supply. While the exact timing, magnitude, and regional impacts of climate change to the District’s water supply are unknown, several areas of concern for the District include:

- Reduction in Sierra Nevada snowpack;
- Increased intensity and frequency of extreme weather events;
- Prolonged drought periods;
- Water quality issues associated with increase in wildfires;
- Changes in runoff pattern and amount; and
- Rising sea levels.

There can be no assurances that the future impacts of climate change will not adversely impact the District’s operations and finances.

Cybersecurity

Municipal agencies, like other business entities, face significant risks relating to the use and application of computer software and hardware. As with many industries, cybersecurity is an ongoing area of concern for the water community. The District has implemented a variety of cybersecurity measures, and provides training for employees on cybersecurity topics and how to mitigate risk.

Environmental Considerations

Most of California’s developed water supply flows into or is exported through the Sacramento-San Joaquin River Delta/San Francisco Bay Estuary (the “Delta”). Human activity and changing environmental conditions coupled with a complex framework of federal and state laws administered by numerous agencies have made management of the Delta challenging. Water deliveries from MWD are also impacted by a variety of local, state and federal legal and operational considerations. Significant factors which may have material impacts on the delivery of water to the District include the following:

A variety of legal, policy, environmental, litigation and other factors could adversely affect State Water Project and/or MWD operations in the future. The District cannot predict the ultimate outcome of any of the litigation or regulatory processes described above at this time or whether such outcome will result in any materially adverse impact on the operation of the State Water Project pumps, MWD’s State Water Project supplies or reserves, or MWD’s deliveries to the District.

Global Health Emergencies; COVID-19 Pandemic

A pandemic, epidemic or outbreak of an infectious disease can have significant adverse health and financial impacts on global and local economies. For example, beginning in 2020, the COVID 19 pandemic negatively affected economic activity throughout the world, including the United States and the State of California. The initial impacts of stay-at-home orders globally was unprecedented, with commerce, travel, asset

values and financial markets experiencing disruptions worldwide. Due to the essential nature of the services provided by the District's Water System, the District's ability to treat and deliver water was not interrupted or impaired as a result of the COVID-19 pandemic. The District's ability to pay debt service on its bonds or other obligations was not materially adversely affected by the COVID 19 pandemic.

Future pandemics and other widespread public health emergencies may arise from time to time and can impact broader economic conditions in the affected region. Reduced economic activity and its associated impacts, including as a result of the outbreak of infectious disease, such as job losses, income losses, business closures and housing foreclosures or vacancies, and any prolonged recession that may occur, could have a variety of adverse effects on the District and in the region. Declines in assessed valuations in the District's service area and/or increases in property tax delinquencies or non-payment resulting from the economic disruption may negatively affect property tax collections and reduce tax levy receipts. Economic conditions affect aggregate levels of retail water use and may reduce demands in the region and the District's water transactions and revenues. A protracted disruption in the manufacturing or construction industry may affect supply chains or delay construction schedules for, or the implementation of, the District's capital improvement programs and projects, and may increase the costs of such projects or program or the District's operations. A sustained deterioration in global stock market values may impact the market value of assets held to fund the District's pension and other post-employment benefit plans, which could result in future increases in required plan contributions. The District cannot predict whether another national or localized outbreak of highly contagious or epidemic disease in the future could negatively impact the District's operations and finances and/or the economy of the regions it serves.

Impact of State Budget

The State has experienced serious budgetary shortfalls from time to time. In the event the State faces financial pressures in the future, there can be no assurances that measures implemented by the State Legislature will not impact adversely impact revenues of local agencies, including the District.

Renewal of Credit Facilities

As described herein in "DISTRICT FINANCES - Credit Facilities," in connection with the Series 2008A Bonds, the District has obtained a letter of credit, which currently expires in 2025. If the letter of credit expires, and the District is unable to secure replacement letters of credit, the Series 2008A Bonds will be subject to mandatory tender for purchase by the holders thereof upon such expiration and the letter of credit drawn upon to pay the purchase price of such tendered bonds. In such circumstances, the District is required to repay such tendered bonds over a period that is less than the remaining term to maturity of the Series 2008A Bonds (generally five years or less and in some circumstances immediately upon the purchase of such bonds by the Credit Issuer), at an increased interest rate.

As described herein in "INTRODUCTION – Revolving Credit Agreement," the Revolving Credit Agreement currently expires in 2027. If the Revolving Credit Agreement expires, and the District is unable to secure an extension or replace, or to issue additional Parity Obligations to provide for payments of amounts outstanding the Revolving Credit Agreement will be subject to repay over a **year period** at an increased interest rate.

Secondary Market for Bonds

There can be no guarantee that there will be a secondary market for the 2024 Bonds or, if a secondary market exists, that any Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

TAX MATTERS

In the opinion of Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the 2024 Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. However, it should be noted that for tax years beginning after December 31, 2022, with respect to applicable corporations as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the “Code”), generally certain corporations with more than \$1,000,000,000 of average annual adjusted financial statement income, interest (and original issue discount) with respect to the 2024 Bond might be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed by Section 55 of the Code on such corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the 2024 Bonds is exempt from State of California personal income tax.

The excess of the stated redemption price at maturity of a 2024 Bond over the issue price of a 2024 Bond (the first price at which a substantial amount of the 2024 Bonds of a maturity is to be sold to the public) constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to an Owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by the Owner will increase the Owner’s basis in the applicable 2024 Bond.

Bond Counsel’s opinion as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on the 2024 Bonds is based upon certain representations of fact and certifications made by the District and others and is subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the 2024 Bonds to assure that interest (and original issue discount) on the 2024 Bonds will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the 2024 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the 2024 Bonds. The District has covenanted to comply with all such requirements.

In the opinion of Bond Counsel, the difference between the issue price of a 2024 Bond (the first price at which a substantial amount of the 2024 Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity of such 2024 Bond constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to an Owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by an Owner will increase the Owner’s basis in the applicable 2024 Bond. The amount of original issue discount that accrues to the Owner of a 2024 Bond is excluded from the gross income of such Owner for federal income tax purposes, is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, and is exempt from State of California personal income tax.

The amount by which a Owner’s original basis for determining loss on sale or exchange in the applicable 2024 Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which must be amortized under Section 171 of the Code; such amortizable bond premium reduces the Owner’s basis in the applicable 2024 Bond (and the amount of tax-exempt interest received with respect to the 2024 Bonds), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of bond premium may result in an Owner realizing a taxable gain when a 2024 Bond is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the 2024 Bond to the Owner. Purchasers of the 2024 Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable bond premium.

The IRS has initiated an expanded program for the auditing of tax exempt bond issues, including both random and targeted audits. It is possible that the 2024 Bonds will be selected for audit by the IRS. It is also possible that the market value of the 2024 Bonds might be affected as a result of such an audit of the 2024 Bonds

(or by an audit of similar municipal obligations). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, Congress or the IRS might not change the Code (or interpretation thereof) subsequent to the issuance of the 2024 Bonds to the extent that it materially adversely affects the exclusion from gross income of interest (and original issue discount) on the 2024 Bonds or their market value.

SUBSEQUENT TO THE ISSUANCE OF THE 2024 BONDS THERE MIGHT BE FEDERAL, STATE OR LOCAL STATUTORY CHANGES (OR JUDICIAL OR REGULATORY CHANGES TO OR INTERPRETATIONS OF FEDERAL, STATE OR LOCAL LAW) THAT AFFECT THE FEDERAL, STATE OR LOCAL TAX TREATMENT OF THE 2024 BONDS, INCLUDING THE IMPOSITION OF ADDITIONAL FEDERAL INCOME OR STATE TAXES BEING IMPOSED ON OWNERS OF TAX-EXEMPT STATE OR LOCAL OBLIGATIONS, SUCH AS THE 2024 BONDS. THESE CHANGES COULD ADVERSELY AFFECT THE MARKET VALUE OR LIQUIDITY OF THE 2024 BONDS. NO ASSURANCE CAN BE GIVEN THAT SUBSEQUENT TO THE ISSUANCE OF THE OBLIGATIONS STATUTORY CHANGES WILL NOT BE INTRODUCED OR ENACTED OR JUDICIAL OR REGULATORY INTERPRETATIONS WILL NOT OCCUR HAVING THE EFFECTS DESCRIBED ABOVE. BEFORE PURCHASING ANY OF THE 2024 BONDS, ALL POTENTIAL PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING POSSIBLE STATUTORY CHANGES OR JUDICIAL OR REGULATORY CHANGES OR INTERPRETATIONS, AND THEIR COLLATERAL TAX CONSEQUENCES RELATING TO THE 2024 BONDS.

Bond Counsel's opinions may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. Bond Counsel has not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Indenture and the Tax Certificate relating to the 2024 Bonds permit certain actions to be taken or to be omitted if a favorable opinion of Bond Counsel is provided with respect thereto. Bond Counsel expresses no opinion as to the effect on the exclusion from gross income of interest (and original issue discount) for federal income tax purposes with respect to any Obligation if any such action is taken or omitted based upon the advice of counsel other than Stradling Yocca Carlson & Rauth LLP.

Although Bond Counsel has rendered an opinion that interest (and original issue discount) on the 2024 Bonds is excluded from gross income for federal income tax purposes provided that the District continues to comply with certain requirements of the Code, the ownership of the 2024 Bonds and the accrual or receipt of interest (and original issue discount) on the 2024 Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences. Accordingly, before purchasing any of the 2024 Bonds, all potential purchasers should consult their tax advisors with respect to collateral tax consequences relating to the 2024 Bonds.

Should interest (and original issue discount) on the Obligations become includable in gross income for federal income tax purposes, the 2024 Bonds are not subject to early redemption and will remain outstanding until maturity or until redeemed in accordance with the Indenture.

A copy of the proposed form of opinion of Bond Counsel with respect to the 2024 Bonds is set forth in Appendix D.

NO LITIGATION

There is no action, suit or proceeding known to be pending or threatened, restraining or enjoining the issuance or delivery of 2024 Bonds or the Indenture or in any way contesting or affecting the validity of the foregoing or any proceedings of the District taken with respect to any of the foregoing. The District is not aware of any litigation pending or threatened questioning the existence or powers of the District or the ability of the District to pay principal or interest on the 2024 Bonds.

Although the District is subject to a number of lawsuits in the ordinary conduct of its affairs, there are no claims or actions, threatened or pending, which, if determined against the District, either individually or in

the aggregate, would have a material adverse effect on the financial conditions of the District, Net Operating Revenues or the Revenue Fund.

RATINGS

Moody's Investors Service ("Moody's") and S&P Global Ratings, a division of Standard & Poor's Financial Services LLC ("S&P") have assigned their municipal bond ratings of "___" and "___," respectively, to the 2024 Bonds as of the Closing Date.

The ratings reflect only the views of such organization, and an explanation of the significance of such ratings may be obtained from S&P and Moody's. There is no assurance that either rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if, in the judgment of such rating agency, circumstances so warrant. The District undertakes no responsibility to oppose any downward revision or withdrawal of any rating obtained. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the 2024 Bonds.

MUNICIPAL ADVISOR

The District has retained Montague DeRose and Associates, LLC, Westlake Village, California, as Municipal Advisor for the sale of the 2024 Bonds. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. Montague DeRose and Associates, LLC is an independent advisory firm and is not engaged in the business of underwriting, trading, or distributing municipal or other public securities.

FINANCIAL STATEMENTS

The audited financial statements of the District for the year ended June 30, 2023 are included in Appendix C attached hereto. The audited financial statements referred to in the preceding sentence have been audited by Nigro & Nigro PC, independent auditors, as stated in its Independent Auditor's Report included in Appendix C. Nigro & Nigro PC has not undertaken to update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by Nigro & Nigro PC with respect to any event subsequent to its report dated December 20, 2023.

VERIFICATION OF MATHEMATICAL ACCURACY

Upon delivery of the 2024 Bonds, _____, will deliver its independent certified public accountants' verification report on the mathematical accuracy of the redemption price of and accrued interest on the Refunded Bonds and the adequacy of the moneys available to pay such redemption price of and accrued interest on the Refunded Bonds upon the redemption date therefor. See "THE REFUNDING PLAN" above.

The report of _____ will include the statement that the scope of its engagement is limited to verifying the mathematical accuracy of the computations contained in such schedules provided to them, and that it has no obligation to update its report because of events occurring, or data or information coming to its attention, subsequent to the date of its report.

CERTAIN LEGAL MATTERS

Upon the delivery of the 2024 Bonds, Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Bond Counsel, will issue its opinion approving the validity of the 2024 Bonds, the form of which opinion is set forth in APPENDIX D hereto. Certain legal matters will be passed upon for the District by Wendelstein Law Group, P.C., its general counsel, and by Stradling Yocca Carlson & Rauth LLP, as Disclosure Counsel. Certain legal matters will be passed upon for the Underwriter by Kutak Rock LLP, Irvine, California.

UNDERWRITING

The District has agreed to sell the 2024 Bonds to Wells Fargo Bank, National Association, as underwriter (the “Underwriter”), and the Underwriter has agreed, subject to certain conditions, to purchase the 2024 Bonds at a purchase price of \$ _____ (representing the principal amount of the 2024 Bonds of \$ _____, less an underwriter’s discount of \$ _____, and plus [net] original issue premium). The obligations of the Underwriter are subject to certain conditions precedent, and it will be obligated to purchase all such Bonds if any such 2024 Bonds are purchased. The Underwriter intends to offer the 2024 Bonds to the public initially at the prices and/or yield set forth on the cover page of this Official Statement, which prices or yields may subsequently change without any requirement of prior notice.

The Underwriter reserves the right to join with dealers and other underwriters in offering the 2024 Bonds to the public. The Underwriter may offer and sell 2024 Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the public offering prices, and such dealers may reallow any such discounts on sales to other dealers. In reoffering Bonds to the public, the Underwriter may overallocate or effect transactions which stabilize or maintain the market prices for 2024 Bonds at levels above those which might otherwise prevail. Such stabilization, if commenced, may be discontinued at any time.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Finance Group (“WFBNA”), the sole underwriter of the 2024 Bonds, has entered into an agreement (the “WFA Distribution Agreement”) with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name “Wells Fargo Advisors”) (“WFA”), for the distribution of certain municipal securities offerings, including the 2024 Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the 2024 Bonds with WFA. WFBNA has also entered into an agreement (the “WFSLLC Distribution Agreement”) with its affiliate Wells Fargo Securities, LLC (“WFSLLC”), for the distribution of municipal securities offerings, including the 2024 Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC’s expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

ADDITIONAL INFORMATION

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or Owners of any of the 2024 Bonds.

The execution and delivery of this Official Statement have been authorized by the members of the District.

CALLEGUAS MUNICIPAL WATER DISTRICT

By: _____
Manager of Administrative Services

APPENDIX A

SUMMARY OF THE INDENTURE

Definitions

“Authority” means the Calleguas-Las Virgenes Public Financing Authority, a joint powers authority, operating and acting pursuant to the laws of the State of California duly organized and existing under and by virtue of the Constitution and laws of the State of California, and its successors and assigns.

“Authorized Officer” means, with respect to the District, its President, General Manager, Secretary or any other person designated as an Authorized Representative of the District by a Written Certificate of the District signed by its President, General Manager or Secretary and filed with the Trustee.

“Bond Counsel” means any other attorney or firm of attorneys appointed by and acceptable to the District, of nationally-recognized experience in the execution and delivery of obligations the interest in which is excludable from gross income for federal income tax purposes under the Code.

“Bond Year” means the period from the Closing Date through July 1, 2025, and thereafter the twelve-month period commencing on July 2 of each year through and including July 1 of the following year.

“Business Day” means any day other than a Saturday, Sunday or legal holiday or a day on which banks are authorized to be closed for business in California or on which the Trust Office is authorized to be closed.

“Certificate of the District” means an instrument in writing signed by an Authorized Officer.

“Code” means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code in the Indenture shall be deemed to include the United States Treasury Regulations, including temporary and proposed regulations relating to such section which are applicable to the Certificates or the use of the proceeds thereof.

“Debt Service” means, during any period of computation, the amount obtained for such period by totaling the following amount--

(a) The principal amount of all Outstanding serial Bonds and Parity Obligations coming due and payable by their terms in such period (except to the extent that such principal has been fully capitalized and is held uninvested in cash or invested in Federal Securities which mature at times and in such amounts as are necessary to pay the principal to which such amounts are pledged);

(b) The minimum principal amount of all Outstanding term Bonds and Parity Obligations scheduled to be redeemed by operation of mandatory sinking fund deposits in such period, together with any premium thereon (except to the extent that such principal has been fully capitalized and is held uninvested in cash or invested in Federal Securities which mature at times and in such amounts as are necessary to pay the principal to which such amounts are pledged); and

(c) The interest which would be due during such period on the aggregate principal amount of Bonds and Parity Obligations which would be Outstanding in such period if the Bonds or Parity Obligations are retired as scheduled (except to the extent that such interest has been fully capitalized and is invested in Federal Securities which mature at times and in such amounts as are necessary to pay the interest to which such amounts are pledged), but deducting and excluding from such aggregate amount the amount of Bonds and Parity Obligations no longer Outstanding; provided that, whenever interest as described herein accrues at other than a fixed rate, such interest shall be assumed to be a rate equal to the greater of (i) the actual rate on the date of calculation, or if the Parity Obligation is not yet outstanding, the initial rate (if established and binding), (ii) if

the Parity Obligation has been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation, and (iii) (x) if interest on the Parity Obligation is excludable from gross income under the applicable provisions of the Internal Revenue Code, the most recently published The Bond Buyer Bond Revenue Index (or comparable index if no longer published) plus fifty (50) basis points, or (y) if interest is not so excludable, the interest rate on direct U.S. Treasury Obligations with comparable maturities, plus fifty (50) basis points.

“Debt Service Payments” mean the payments of Debt Service on the Bonds due under the Indenture.

“Due Date” means the fifteenth day of the month prior to each Interest Payment Date. “Event of Default” means an event of default described in the Indenture.

“Federal Securities” mean (a) direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America, (b) obligations fully and unconditionally guaranteed as to timely payment of the interest and principal by the United States of America, (c) obligations of any agency or instrumentality of the United States of America as to which the timely payment of the interest on and the principal of such obligations is backed by the full faith and credit of the United States of America, or (d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

“Fiscal Year” means the twelve calendar month period terminating on June 30 of each year, or any other annual accounting period hereafter selected and designated by the District as its Fiscal Year in accordance with applicable law.

“Generally Accepted Accounting Principles” mean the uniform accounting and reporting procedures prescribed by the California State Controller or his successor for municipal water districts in the State of California, or failing the prescription of such procedures means generally accepted accounting principles as presented and recommended by the American Institute of Certified Public Accountants or its successor, or by the National Council on Governmental Accounting or its successor, or by any other generally accepted authority on such principles.

“Independent Certified Public Accountant” means any certified public accountant or firm of certified public accountants duly licensed and entitled to practice, and practicing as such, under the laws of the State of California, appointed and paid by the District, and each of whom--

1. is in fact independent and not under the domination of the District;
2. does not have a substantial financial interest, direct or indirect, in the operations of the District; and
3. is not connected with the District as a board member, officer or employee of the District or the Authority, but may be regularly retained to audit the accounting records of and make reports thereon to the District.

“Interest Payment Date” means January 1, 2025, and each January 1 and July 1 thereafter.

“Law” means the Municipal Water District Law of 1911 of the State of California, being Division 20 of the Water Code of the State of California, as amended.

“Master Resolution” means Resolution No. 823 of the District, adopted November 6, 1991, as amended by that certain Resolution No. 889 of the District, adopted May 12, 1993, and as further amended by that certain Resolution No. 1660 of the District, adopted February 3, 2010, authorizing the issuance by the District of Parity Obligations (as defined therein) in the form of the Bonds.

“Moody’s” means Moody’s Investors Service, Inc., its successors and assigns.

“Net Proceeds” means, when used with respect to any insurance or condemnation award, the proceeds from such insurance or condemnation award remaining after payment of all reasonable expenses (including attorneys’ fees) incurred in the collection of such proceeds.

“Outstanding” when used as of any particular time with reference to Bonds, means all Bonds except:

- (1) Bonds canceled by the Trustee;
- (2) Bonds paid or deemed to have been paid; and
- (3) Bonds in lieu of or in substitution for which replacement Bonds shall have been executed and delivered under the Indenture.

“Owner” or “Bondowner” means the registered owner of any Outstanding Bond. “Parity Obligations” shall have the meaning set forth in the Master Resolution.

“Permitted Investments” mean any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein (the Trustee is entitled to conclusively rely upon any direction of the District as a certification that such investment constitutes a Permitted Investment):

1. Direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury, but excluding CATS and TIGRS) or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

2. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

Farmers Home Administration (FmHA)

Certificates of beneficial ownership

Federal Housing Administration Debentures (FHA)

General Services Administration

Participation certificates

Government National Mortgage Association (GNMA or “Ginnie Mae”)

GNMA – guaranteed mortgage-backed bonds

GNMA – guaranteed pass-through obligations (participation certificates)
(not acceptable for certain cash-flow sensitive issues.)

U.S. Maritime Administration

Guaranteed Title XI financing

U.S. Department of Housing and Urban Development (HUD)

Project Notes

Local District Bonds

New Communities Debentures – U.S. Government guaranteed debentures

U.S. Public Housing Notes and Bonds – U.S. Government guaranteed public housing notes and bonds

3. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

Federal Home Loan Bank System

Senior debt obligations

Federal Home Loan Mortgage Corporation (FHLMC or “Freddie Mac”)

Participation certificates

Senior debt obligations

Federal National Mortgage Association (FNMA or “Fannie Mae”)

Mortgage-backed securities and senior debt obligations

Resolution Funding Corp. (REFCORP) obligations

Farm Credit System

Consolidated system-wide bonds and notes

Federal Agriculture Mortgage Association

Tennessee Valley District

4. Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of “AAA-m-G,” “AAA-m,” or “AA-m” and if rated by Moody’s rated “Aaa,” “Aa1” or “Aa2,” including funds for which the Trustee, its parent holding company, if any, or any affiliates or subsidiaries of the Trustee provide investment advisory or other management services.

5. Certificates of deposit secured at all times by collateral described in 1 and/or 2 above. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks including the Trustee and its affiliates. The collateral must be held by a third party and the Owners must have a perfected first security interest in the collateral.

6. Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BIF and SAIF.

7. Investment agreements, including GIC’s, forward purchase agreements and reserve fund put agreements.

8. Commercial paper rated, at the time of purchase, “Prime -1” by Moody’s and “A-1” or better by S&P.

9. Bonds or notes issued by any state or municipality which are rated by Moody’s and S&P in one of the two highest rating categories assigned by such agencies.

10. Bank deposits, accounts, federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of “Prime -1” or “A2” or better by Moody’s and “A-1” or “A” or better by S&P.

11. Repurchase agreements for 30 days or less must follow the following criteria:

(i) Repurchase agreements that provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the Trustee (buyer/lender), and the transfer of cash from the Trustee to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the Trustee in exchange for the securities at a specified date.

12. Asset-backed Securities: As authorized in Government Code Section 53601(n), investment in any equipment lease-backed certificate, consumer receivable pass-through certificate or consumer receivable-backed bond with a maximum remaining final maturity of five years. Purchases will be restricted to securities with an expected weighted average life not to exceed three years. Securities eligible for investment under this subdivision shall be rated “AAA” by a nationally recognized rating service.

13. Mortgage-backed Securities: As authorized in Government Code Section 53601(n), investment in any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, with a maximum remaining final maturity of five years. Purchases will be restricted to securities with an expected weighted average life not to exceed three years. Securities eligible for investment under this subdivision shall be rated “AAA” by a nationally recognized rating service. Purchases of asset-backed and mortgage-backed securities may not exceed 20% of the District’s portfolio in total.

14. Medium-term Notes: Corporate notes issued by corporations organized and operating within the United States with a rating of “A” or higher at the time of purchase by a nationally recognized rating service and with a maximum remaining maturity of no more than three (3) years after the date of purchase.

15. The Local Agency Investment Fund created pursuant to Section 16429.1 of the California Government Code, to the extent the Trustee is authorized to register such investment in its name.

16. Shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California which invests exclusively in investments permitted by Section 53601 of Title 5, Division 2, Chapter 4 of the Government Code of California, as it may be amended.

17. The Ventura County Pooled Treasury Portfolio.

“Principal Office” means the corporate trust office of the Trustee currently located in Los Angeles, California, or such other office designated by the Trustee from time to time.

“Prior Indenture” means the Indenture of Trust relating to the Calleguas-Las Virgenes Public Financing Authority Water Revenue Bonds 2010 Series B (Calleguas Municipal Water District Project) (Federally Taxable-Build America Bonds), dated as of February 1, 2010, between the District Authority and the Prior Trustee.

“Prior Obligations” means the District’s obligations under the Installment Purchase Agreement, as evidenced by the Calleguas-Las Virgenes Public Financing Authority Water Revenue Bonds 2010 Series B (Calleguas Municipal Water District Project) (Federally Taxable-Build America Bonds).

“Record Date” means the fifteenth day of the calendar month prior to an Interest Payment Date.

“Responsible Officer” means any officer of the Trustee assigned by the Trustee to administer the trusts established under the Indenture.

“Revenue Fund” means the fund of the District into which it deposits Operating Revenues.

“S&P” means Standard & Poor’s Ratings Service, and its successors and assigns.

“State” means the State of California.

“System” means the District’s water and supply, treatment, storage and distribution system, as defined in the Master Resolution.

“Trust Office” means the office of the Trustee designated in Section 10.13 of the Indenture, and such other offices as the Trustee may designate from time to time.

“2010 Bonds” means the Calleguas-Las Virgenes Public Financing Authority Water Revenue Bonds 2010 Series B (Calleguas Municipal Water District Project)(Federally Taxable Build America Bonds)

Transfer and Exchange of Bonds

Subject to the Indenture, each Bond shall be transferable only upon a register of the names of each Owner (the “Bond Register”), which shall be kept for that purpose at the Trust Office, by the Owner thereof in person or by his or her attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the Owner or his or her duly authorized attorney. Upon the transfer of any such Bond, the Trustee shall provide in the name of the transferee, a new Bond or Bonds, of the same aggregate principal amount, interest rate and maturity as the surrendered Bonds (unless there has occurred a partial redemption of such Bond, in which case the principal amount of the new Bond shall be equal to the unredeemed principal amount of the Bond submitted for transfer).

Bonds Mutilated, Destroyed, Lost or Stolen

If any Bond shall become mutilated, the Trustee, at the expense of the Owner of said Bond, shall authenticate and deliver a new Bond of like tenor in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft shall be submitted to the Trustee, and, if such evidence is satisfactory to the Trustee and if an indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Owner, shall authenticate and deliver a new Bond of like tenor and numbered as the Trustee shall determine in lieu of and in substitution for the Bond so lost, destroyed or stolen.

Payment of Debt Service

All of the Net Operating Revenues have been pledged under the Master Resolution for the payment of Parity Obligations, including the Bonds, and all moneys on deposit in the Payment Fund established under the Indenture are irrevocably pledged, charged and assigned to the punctual payment of the Bonds, and except as otherwise provided in the Indenture, the Net Operating Revenues and such other funds shall not be used for any other purpose so long as any of the Bonds remain Outstanding. Such pledge, charge and assignment shall constitute a first lien on the Net Operating Revenues and such other moneys for the payment of the Debt Service Payments, the Bonds and any Parity Obligations. The District’s obligation to pay the Debt Service Payments and any other amounts coming due and payable shall be a special obligation of the District limited solely to the Net Operating Revenues. Under no circumstances shall the District be required to advance moneys derived from any source of income other than the Net Operating Revenues and other sources specifically identified in the Indenture for the payment of the Debt Service Payments and the Bonds, nor shall any other funds or property of the District be liable for the payment of the Debt Service Payments, the Bonds or any other amounts coming due and payable.

The obligations of the District to make the Debt Service Payments from the Net Operating Revenues and to perform and observe the other agreements shall be absolute and unconditional and shall not be subject to

any defense or any right of setoff, counterclaim or recoupment arising out of any breach of the District or the Trustee of any obligation to the District or otherwise with respect to the System, or out of indebtedness or liability at any time owing to the District by the Trustee. Until such time as all of the Debt Service Payments and all other amounts coming due and payable shall have been fully paid or prepaid, the District (a) will not suspend or discontinue payment of any Debt Service Payments or such other amounts with respect to the Bonds, (b) will perform and observe all other agreements contained in the Indenture, and (c) will not terminate the Indenture for any cause, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the System, sale of the System, the taking by eminent domain of title to or temporary use of any component of the System, commercial frustration of purpose, any change in the tax or other laws of the United States of America or the State or any political subdivision of either thereof or any failure of the Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Indenture.

Deposit of Debt Service Payments

All Debt Service Payments with respect to the Bonds shall be paid directly by the District to the Trustee on the applicable Due Date. Such payments received by the Trustee shall be held in trust by the Trustee under the terms of the Indenture and shall be deposited by it as and when received in the Debt Service Account of the Payment Fund, which fund the Trustee by the Indenture agrees to establish and maintain so long as any Bonds are Outstanding. The Net Operating Revenues of the System shall be received and deposited by the District in accordance with the terms of the Master Resolution. On or before each Due Date, the District shall withdraw from the Debt Service Fund established under the Master Resolution an amount, together with the balance then on deposit in the Payment Fund, if any (other than amounts held for the defeasance of Bonds and any amounts required for payment of principal or of interest on any Bonds which have matured or been called for redemption but which have not yet been presented for payment), equal to the aggregate amount of the Debt Service Payments coming due on the next succeeding Interest Payment Date, and transfer the same to the Trustee for deposit into the Payment Fund on the following dates and in the following amounts:

- (1) Interest Component. On or before the fifteenth day of each June and December, an amount which is equal to the amount to become due on such Bonds on the next succeeding Interest Payment Date; provided, however, that the District may be entitled to certain credits on such payments as set forth above.
- (2) Principal Component. On or before the fifteenth day of June of each year, an amount which, together with any moneys already on deposit with the Trustee and available to make such payment, is not less than the entire amount of the next succeeding maturing principal or mandatory sinking account payment coming due on the Bonds after such date; provided, however, that the District may be entitled to certain credits on such payments as set forth above.

Liability of District Limited

Notwithstanding anything contained in the Indenture, the District shall not be required to advance any moneys derived from any source of income other than Net Operating Revenues legally available therefor in the Revenue Fund and the other funds provided in the Indenture for the payment of the Debt Service Payments or for the performance of any agreements or covenants contained in the Indenture required to be performed by it. The District may, however, but shall not be required to, advance moneys for any such purpose so long as such moneys are derived from a source legally available for such purpose and may be legally used by the District for such purpose. The obligation of the District to make the Debt Service Payments and the other amounts due under the Indenture is a special obligation of the District payable solely from the moneys legally available therefor under the Indenture, and does not constitute a debt of the District or of the State of California or of any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

Compliance with Indenture

The District will not suffer or permit any material default by it to occur under the Indenture, but will faithfully comply with, keep, observe and perform all the agreements, conditions, covenants and terms of the Indenture required to be complied with, kept, observed and performed by it.

Observance of Laws and Regulations

The District will faithfully comply with, keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States of America or of the State of California, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of each and every franchise, right or privilege now owned or hereafter acquired by it, including their right to exist and carry on their respective businesses, to the end that such franchises, rights and privileges shall be maintained and preserved and shall not become abandoned, forfeited or in any manner impaired.

Prosecution and Defense of Suits

The District will promptly, upon request of the Trustee or any Owner, take such action from time to time as may be necessary or proper to remedy or cure any cloud upon or defect in the title to the System or any part thereof, whether now existing or hereafter developing, will prosecute all actions, suits or other proceedings as may be appropriate for such purpose and will indemnify and save the Trustee and every Owner harmless from all cost, damage, expense or loss, including reasonable attorneys' fees, which they or any of them may incur by reason of any such cloud, defect, action, suit or other proceeding.

Accounting Records and Statements

The Trustee will keep proper accounting records in which accurate entries shall be made of all transactions made by the Trustee relating to the receipt, deposit and disbursement of the Debt Service Payments, and such accounting records shall be available for inspection by the District or any Owner or his or her agent duly authorized in writing on any Business Day upon reasonable notice at reasonable hours and under reasonable conditions prescribed by the Trustee.

Further Assurances

Whenever and so often as requested to do so by the Trustee or any Owner, the District will promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the Owners all advantages, benefits, interests, powers, privileges and rights conferred or intended to be conferred upon them by the Indenture.

Against Encumbrances

The District covenants that there is no pledge of or lien on Net Operating Revenues senior to the pledge and lien securing the Bonds. The District will not make any pledge of or place any lien on the Net Operating Revenues, provided that the District may at any time, or from time to time, pledge or encumber the Net Operating Revenues in connection with the issuance or execution of Parity Obligations or other obligations permitted by the Master Resolution, or subordinate to the pledge of Net Operating Revenues in the Indenture.

Against Sale or Other Disposition of Property

Except as provided in the Indenture, the District covenants that the System shall not be encumbered, sold, leased, pledged, any charge placed thereon, or otherwise disposed of, as a whole or substantially as a whole.

Neither the Net Operating Revenues nor any other funds pledged or otherwise made available to secure payment of the Debt Service Payments shall be mortgaged, encumbered, sold, leased, pledged, any charge placed thereon, or disposed or used except as authorized by the terms of the Indenture or the Master Resolution. The District shall not enter into any agreement which impairs the operation of the System or any part of it necessary to secure adequate Net Operating Revenues to pay the Debt Service Payments, or which otherwise would materially impair the rights of the Owners and the owners of any Parity Obligations with respect to the Net Operating Revenues. If any substantial part of the System shall be sold, the payment therefor shall either (a) be used for the acquisition or construction of improvements, extensions or replacements of facilities constituting part of the System, or (b) to the extent not so used, be paid to the Trustee to be applied to pay or redeem the Bonds or any Parity Obligations, in accordance with written instructions of the District filed with the Trustee.

Against Competitive Facilities

Except for any utility system existing as of the date of the Indenture, the District will not, to the extent permitted by law, acquire, maintain or operate and will not, to the extent permitted by law and within the scope of its powers, permit any other public or private agency, authority, city or political subdivision or any person whomsoever to acquire, maintain or operate within the District any utility system competitive with the System; provided, however, that the District may assign all or a portion of the System to another entity upon delivery to the Trustee of an opinion of nationally recognized bond counsel that such assignment will not adversely affect the tax- exempt status of the Bonds, and provided such entity assumes the obligations of the District under the Indenture.

Operation of the System

The District covenants and agrees to operate the System in an efficient and economical manner and to operate, maintain and preserve the System in good repair and working order, as provided in the Master Resolution.

Payment of Claims

The District will pay and discharge any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien on the Net Operating Revenues or any part thereof or on any funds in the control of the District or the Trustee prior or superior to the lien of the Bonds or which might impair the security of the Bonds; provided the District shall not be obligated to make such payment so long as the District contracts such payment in good faith.

Compliance with Contracts

The District will comply with, keep, observe and perform all agreements, conditions, covenants and terms, expressed or implied, required to be performed by it contained in all contracts for the use of the System and all other contracts affecting or involving the System to the extent that the District is a party thereto.

Insurance

So long as the Bonds are Outstanding, the District shall maintain or cause to be maintained, but only if and to the extent available at reasonable cost from reputable insurers, a standard comprehensive general insurance policy or policies in protection of the District and its members, officers, agents and employees. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the System. Said policy or policies shall provide coverage with such liability limits and shall be subject to such deductibles as shall be customary with respect to works and property of a like character. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried by the District, and may be maintained in whole or in part in the form of self-insurance by the District, subject to the provisions

of the Indenture, or in the form of the participation by the District in a joint powers agency or other program providing pooled insurance. The proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which such proceeds shall have been paid.

So long as the Bonds are Outstanding, the District shall procure and maintain, or cause to be procured and maintained, but only in the event and to the extent available from reputable insurers at reasonable cost, casualty insurance against loss or damage to any improvements constituting any part of the System, covering such hazards as are customarily covered with respect to works and property of like character. Such insurance may be subject to deductible clauses which are customary for works and property of a like character. Such insurance may be maintained as part of or in conjunction with any other casualty insurance carried by the District and may be maintained in whole or in part in the form of self-insurance by the District, subject to the provisions of the Indenture, or in the form of the participation by the District in a joint powers agency or other program providing pooled insurance. All amounts collected from insurance against accident to or destruction of any portion of the System shall be used to repair, rebuild or replace such damaged or destroyed portion of the System, and to the extent not so applied, shall be paid to the Trustee to be applied to redeem the Bonds or any Parity Obligations, in accordance with written instructions of the District filed with the Trustee.

Books and Accounts; Financial Statements

The District shall keep proper books of record and accounts of the System, separate from all other records and accounts, in which complete and correct entries shall be made of all transactions relating to the System. Said books shall, upon prior request, be subject to the reasonable inspection by the Owners of not less than ten percent (10%) in aggregate principal amount of the Outstanding Bonds, or their representatives authorized in writing. The District shall cause the books and accounts of the System to be audited annually by an Independent Accountant, not more than one hundred eighty (180) days after the close of each Fiscal Year, and shall make a copy of such report available for inspection by the Owners at the office of the District.

Payment of Taxes and Compliance with Governmental Regulations

The District will pay and discharge all taxes, assessments and other governmental charges, if any, which may hereafter be lawfully imposed upon the System or any part thereof or upon the Net Operating Revenues when the same shall become due. The District will duly observe and conform with all valid regulations and requirements of any governmental authority relative to the operation of the System or any part thereof, but the District shall not be required to make such payments, or to comply with any regulations or requirements, so long as the payment or validity or application thereof shall be contested in good faith.

Amendments to Master Resolution

So long as the Bonds are Outstanding, the District covenants and agrees not to amend or supplement the Master Resolution, except as provided for in the Master Resolution.

The Master Resolution provides that the rights and obligations of the District and the Owners thereunder may be modified or amended from time to time and at any time by filing with each Fiscal Agent for outstanding Parity Obligations (or if such modification or amendment is only applicable to a particular Parity Obligation, to the applicable Fiscal Agent) a Supplemental Resolution, adopted by the Board with the written consent of the Owners of a majority in aggregate amount of principal and Accreted Value of the Parity Obligations (or, if such Supplemental Resolution is only applicable to a particular Parity Obligation, such Parity Obligation) then Outstanding; provided that if such modification or amendment will, by its terms, not take effect so long as any Parity Obligations of any particular maturity remain Outstanding, the consent of the owners of such Parity Obligations shall not be required and such Parity Obligations shall not be deemed to be Outstanding for the purpose of any calculation of Parity obligations Outstanding under the Master Resolution.

No modification or amendment to the Master Resolution may reduce the percentage of principal or Accreted Value the consent of the owners of which is required to effect any such modification or amendment, or permit the creation of any lien on the Net Operating Revenues and other assets pledged under the Resolution prior to or on a parity with the lien created by the Master Resolution, or deprive the Owners of the lien created by the Master Resolution on such Net Operating Revenues and other assets (in each case, except as expressly provided in the Master Resolution), without the consent of all the owners of all of the Parity Obligations then outstanding.

The Master Resolution provides that it may also be modified or amended from time to time and at any time by a supplemental Resolution, which the Board may adopt without the consent of any Owner but only to the extent permitted by law and only for any one or more of the following purposes:

(1) to add to the covenants and agreements of the District in the Master Resolution thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the District, in each case which shall not materially and adversely affect the interests of any of the Owners;

(2) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in the Master Resolution, or in regard to matters or questions arising under the Master Resolution, as the Board may deem necessary or desirable, and which shall not materially and adversely affect the interests of any of the Owners;

(3) to modify, amend or supplement the Master Resolution in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute, and which shall not materially and adversely affect the interests of any of the Owners; and

(4) for any other purpose that does not materially and adversely affect the interests of any of the Owners.

Collection of Rates and Charges

The District will have in effect at all times rules and regulations requiring all users of the Water Service to pay the rates, fees and charges applicable to the Water Service provided or made available to such users. Such rules and regulations shall also provide for the billing thereof and for a due date and a delinquency date for each bill. In each case where such bill remains unpaid in whole or in part after such bill becomes delinquent, the District may refuse to provide or make available Water Service to such premises until all delinquent rates, fees and charges and penalties have been paid in full. Except in connection with the receipt of federal or State funding, the District will not permit any part of either System, or any facility thereof, to be used, or taken advantage of, free of charge by any person, firm or corporation, or by any public agency (including the United States of America, the State of California and any public corporation, political subdivision, city, county, district or agency of any thereof), excepting only that the District may without charge use the services and facilities of the System.

Eminent Domain Proceeds

Any amounts received as awards as a result of the taking of all or any part of the System by the lawful exercise of eminent domain, at the election of the District (evidenced by a Written Certificate of the District filed with the Trustee) shall either (a) be used for the acquisition or construction of improvements and extension of the System, or (b) be paid to the Trustee to be applied to redeem the Bonds or any Parity Obligations, in accordance with written instructions of the District filed with the Trustee.

Rebate of Excess Investment Earnings to United States

The District shall calculate or cause to be calculated, and shall provide, or cause to be provided, written notice to the Trustee of the excess investment earnings (as defined in the Code, "Excess Investment Earnings") at such times and in such manner as may be required pursuant to the Code. The District shall inform the Trustee how frequently calculations are to be made, and shall ensure that a copy of all such calculations is given promptly to the Trustee. The District agrees to deposit with the Trustee, promptly upon the receipt of any such calculations, the amount of Excess Investment Earnings so calculated. The Trustee shall deposit all amounts paid to it for such purpose by the District in the Rebate Fund, and shall pay to the United States of America from the amounts on deposit in the Rebate Fund such amounts as shall be identified pursuant to written notice filed with the Trustee by the District for such purpose from time to time.

Events of Default and Events of Mandatory Acceleration; Acceleration of Maturities

If one or more of the following Events of Default shall happen:

- (a) default shall be made in the due and punctual payment by the District of any Debt Service Payment when and as the same shall become due and payable;
- (b) default shall be made by the District in the performance of any of the agreements or covenants contained in the Indenture required to be performed by it, and such default shall have continued for a period of sixty (60) days after the District shall have been given notice in writing of such default by the Trustee;
- (c) the District shall file a petition seeking arrangement or reorganization under federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if a court of competent jurisdiction shall approve a petition filed with the consent of the District seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property; or
- (d) an event of default shall have occurred with respect to any Parity Obligations;

If an Event of Default shall occur, then, and in each and every such case during the continuance of such Event of Default, the Trustee may, subject to the provisions of the Indenture, exercise any remedies available to the Trustee and the Bondowners in law or at equity.

Upon the occurrence of an Event of Default under the Indenture, the Trustee may declare the principal and interest with respect to all such Bonds immediately due and payable and such principal and interest shall thereupon be due and payable immediately. The Trustee shall apply amounts on deposit in the funds and accounts in accordance with the Indenture. This provision, however, is subject to the condition that, except with respect to an Event of Default under subsection (c) above, if at any time after such Outstanding principal amount of the Bonds and the accrued interest thereon shall have been so declared due and payable and before the acceleration date or the date of any judgment or decree for the payment of the money due shall have been obtained or entered, the District shall deposit with the Trustee a sum sufficient to pay such amount due prior to such date and the accrued interest thereon, with interest on such overdue payments at the rate on such Bonds, and the reasonable fees and expenses of the Trustee, including those of its attorneys, and any and all other defaults known to the District (other than in the payment of such principal amount of the Bonds and the accrued interest thereon due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then and in every such case the Trustee, by written notice to the District, may rescind and annul such declaration and its consequences; but no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Other Remedies of the Trustee

The Trustee may (subject to the receipt of indemnity as provided in the Indenture):

- (a) by mandamus or other action or proceeding or suit at law or in equity enforce its rights against the District, or any board member, officer or employee thereof, and compel the District or any such board member, officer or employee to perform and carry out its or his or her duties under applicable law and the agreements and covenants contained in the Indenture required to be performed by it or him;
- (b) by suit in equity enjoin any acts or things which are unlawful or violate the rights of the Trustee or the Bondowners under the Indenture;
- (c) intervene in judicial proceedings that affect the Bonds or the security therefor or under the Indenture; or
- (d) by suit in equity upon the happening of an Event of Default require the District and its officers and employees to account as the trustee of an express trust.

Non-Waiver

A waiver of any default or breach of duty or contract by the Trustee or the Owners shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Trustee or the Owners to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Trustee or the Owners may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee. If any action, proceeding or suit to enforce any right or to exercise any remedy is abandoned or determined adversely to the Trustee or the Owners, the Trustee, the Owners and the District shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

Remedies Not Exclusive

No remedy in the Indenture conferred upon or reserved to the Trustee is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given under the Indenture or now or hereafter existing in law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by any other law.

No Liability by the Trustee to the Owners

Except for the duty of the Trustee to make payments of principal, redemption premiums and interest with respect to the Bonds from moneys received from the District, the Trustee will not have any obligation or liability to the Owners with respect to the payment when due of the Debt Service Payments by the District, or with respect to the performance by the District of the other agreements and covenants required to be performed by it contained in the Indenture.

Limitation on Owners' Right to Bring Suit

No Owner of any Bond shall have any right to institute any proceeding, judicial or otherwise, under or with respect to the Indenture, or for the appointment of a receiver or trustee or for any other remedy under the Indenture, at law or in equity, unless:

- (1) such Owner has previously given written notice to the Trustee of a continuing Event of Default;

(2) the owners of not less than a majority in principal amount of the Bonds Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee under the Indenture;

(3) such Owner or Owners have offered to the Trustee reasonable indemnity, satisfactory to the Trustee, against the costs, expenses and liabilities to be incurred in compliance with such request; and

(4) the Trustee for sixty (60) days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding.

It being understood and intended that no one or more Owners shall have any right in any manner whatever by virtue of, or by availing of, any provision of the Indenture to affect, disturb or prejudice the lien of the Indenture or the rights of any other Owners or to obtain or to seek to obtain priority or preference over any other Owners or to enforce any right under the Indenture, except in the manner in the Indenture provided and for the equal and ratable benefit of all Bonds and Parity Obligations. Notwithstanding the foregoing, the Owner of any Bond shall have the right which is absolute and unconditional to receive payment of interest on such Bond when due in accordance with the terms thereof and of the Indenture and the principal of such Bond at the stated maturity thereof and to institute suit for the enforcement of any such payment in accordance with the provisions of the Indenture and such rights shall not be impaired without the consent of such Owner.

Application of Funds Upon Default

All monies received by the Trustee or by any receiver pursuant to any right given or action taken shall, after payment of the reasonable costs and fees of, and the reasonable fees, expenses, liabilities and advances incurred or made by the Trustee, be deposited in the Debt Service Account and all moneys so deposited during the continuance of an Event of Default (other than moneys for the payment of Bonds which have previously matured or otherwise become payable prior to such Event of Default or for the payment of interest due prior to such Event of Default), together with all moneys in the funds and accounts maintained by the Trustee under Article III of the Indenture, shall be applied as follows:

(a) Unless the principal of all Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

First: To the payment to the persons entitled thereto of all installments of interest then due on the Bonds and any Parity Obligations, with interest on overdue installments, if lawful, at the rate per annum borne by the Bonds, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment ratably according to the amounts due on such installment, to the persons entitled thereto without any discrimination or privilege; and

Second: To the payment to the persons entitled thereto of the unpaid principal of any of the Bonds and any Parity Obligations which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture), with interest on such Bonds at their rate from the respective dates upon which they became due, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full Bonds and any Parity Obligations due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal and interest due on such date, to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds and any Parity Obligations, with interest on overdue interest and principal, as aforesaid, without preference or priority over interest or of interest over principal or of any installment of interest over any other

installment of interest, or of any Bonds over any other Bonds or any Parity Obligations, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

Rights of the Owners of Parity Obligations

Notwithstanding anything to the contrary, it is acknowledged and agreed that the rights of the Trustee and the Owners under the Indenture in and to the Net Operating Revenues and the System shall be exercised on a parity and proportionate basis with the rights of the owners of any Parity Obligations and any fiduciary acting for the benefit of such owners.

The Trustee

The District, in its sole discretion, or the Owners of a majority in aggregate principal amount of all Bonds Outstanding may, by thirty (30) days prior written request, remove the Trustee initially a party hereto, and any successor thereto, and in such event, or in the event the Trustee resigns, the District shall appoint a successor Trustee, but any such successor shall be a bank, national banking association or trust company in good standing doing business and having an office in Los Angeles or San Francisco, California, having (or if such bank, national banking association or trust company is a member of a bank holding company system, its bank holding company shall have) a combined capital (exclusive of borrowed capital) and surplus of at least Fifty Million Dollars (\$50,000,000) and subject to supervision or examination by federal or state authority; provided, however, that the District shall not remove the Trustee if the District is in default under the Indenture. The Trustee may at any time resign by giving written notice to the District and by giving to the Bond Owners notice by mailing a notice of such resignation to their addresses appearing in the Bond Register. Upon receiving any such notice of resignation, the District shall promptly appoint a successor Trustee by an instrument in writing; provided, however, that in the event that the District does not appoint a successor Trustee within thirty (30) days following receipt of such notice of resignation, the resigning Trustee may petition at the expense of the District an appropriate court having jurisdiction to appoint a successor Trustee or to resign.

Whenever in the administration of its duties under the Indenture, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Indenture, such matter (unless other evidence in respect thereof be specifically prescribed in the Indenture) may, in the absence of negligence or willful misconduct on the part of the Trustee, be deemed to be conclusively proved and established by the certificate of an Authorized Officer of the District and such certificate shall be full warranty to the Trustee for any action taken or suffered under the provisions of the Indenture upon the faith thereof, but in its discretion the Trustee may, in lieu thereof (but shall not be obligated to), accept other evidence of such matter.

The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds issued pursuant to the Indenture, and may join in any action which any Owner may be entitled to take with like effect as if the Trustee were not a party to the Indenture. The Trustee and its affiliates, either as sponsor, advisor, principal or agent, may also engage in or be interested in any financial or other transaction with the District, and may act as depository, trustee, or agent for any committee or body of Owners of Bonds or other obligations of the District as freely as if it were not Trustee under the Indenture.

The Trustee may execute any of the trusts or powers of the Indenture and perform the duties required of it under the Indenture by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty under the Indenture. The Trustee shall be fully reimbursed by the District for reasonable expenses incurred in connection with the performance of its obligations under the Indenture. Upon any default by, or misconduct of, any agent, attorney or receiver appointed by the Trustee, the Trustee shall fully pursue all remedies available to it against such attorney, agent or receiver, and the proceeds of the exercise of such remedies shall be used to reimburse the District for any loss it may have suffered as a result of the default or misconduct of such agent, attorney or receiver. Before taking any remedial action under

the Indenture the Trustee may require that a satisfactory indemnity bond or other indemnity satisfactory to the Trustee be furnished for the reimbursement of all reasonable expenses to which it may be put and to protect it against all liability which may be incurred in connection with the taking of such action, except liability which is adjudicated to have resulted from its negligence or willful misconduct; provided, however, the Trustee shall not seek such indemnity prior to making payments on the Bonds.

The Trustee, prior to the occurrence of an Event of Default, and after the curing or waiving of all Events of Default which may have occurred, undertakes to perform only such duties as are specifically set forth in the Indenture. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill in their exercise, as a reasonable person would exercise or use in the conduct of such person's own affairs. The Trustee shall not be deemed to have knowledge of an Event of Default (except in connection with a failure of the District to make Debt Service Payments when due) until a Responsible Officer has actual knowledge thereof, or until notified in writing of such Event of Default. No provision of the Indenture or any other document related hereto shall require the Trustee to risk or advance its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of its rights under the Indenture. The Trustee shall not be liable for any action taken or not taken by it in accordance with the direction of a majority (or other percentage provided for in the Indenture) in aggregate principal amount of Bonds outstanding relating to the exercise of any right, power or remedy available to the Trustee.

The Trustee shall not be liable to the parties or deemed in breach or default under the Indenture if and to the extent its performance under the Indenture is prevented by reason of *force majeure*. The term "*force majeure*" means an occurrence that is beyond the control of the Trustee and could not have been avoided by exercising due care. *Force majeure* shall include but not be limited to acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

The Trustee shall not be liable in connection with the performance of its duties under the Indenture, except for its own negligence or willful misconduct.

Amendment or Supplement by Consent of Owners

The Indenture may be amended in writing by agreement between the District and the Trustee, but no such amendment or supplement shall (i) reduce the rate of interest evidenced by the Bonds or extend the time of payment of such interest or reduce the amount of principal thereof or extend the Maturity Date thereof without the prior written consent of the Owner thereof, or (ii) reduce the percentage of Owners of Bonds whose consent is required for the execution of any amendment of or supplement to the Indenture, or (iii) modify any rights or obligations of the Trustee without its prior written consent thereto.

The Indenture and the rights and obligations of the District, of the Trustee and the Owners of the Bonds may also be modified or amended from time to time and at any time by a Supplemental Indenture which the District and the Trustee may enter into, but without the consent of any Bond Owners, if the Trustee determines that the provisions of such Supplemental Indenture shall not materially adversely affect the interests of the Owners of the Bonds, including, without limitation, for any one or more of the following purposes:

(a) to add to the covenants and agreements of the District other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power in the Indenture reserved to or conferred upon the District;

(b) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in the Indenture, or in regard to matters or questions arising under the Indenture, as the District or the Trustee may deem necessary or desirable;

(c) to modify, amend or supplement the Indenture in such manner as to permit the qualification of the Indenture under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute;

(d) to make such additions, as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds; or

(e) to authorize the issuance of Parity Obligations.

Defeasance

Any Outstanding Bonds shall be paid and discharged in any one or more of the following ways:

(a) by paying or causing to be paid the principal of and interest on such Bonds Outstanding, as and when the same become due and payable;

(b) by depositing with the Trustee, in trust, before maturity, money which, together with the amounts which are then on deposit in the Payment Fund and available therefor, is fully sufficient to pay such Bonds, including all principal and interest; or

(c) by depositing with the Trustee, (or such other fiduciary as determined by the District) under an escrow deposit and trust agreement, cash, non-callable Federal Securities or pre-refunded non-callable municipal obligations rated “AAA” and “Aaa” by S&P and Moody’s, respectively (or any combination thereof) (the “Defeasance Obligations”) in such amount as an Independent Certified Public Accountant shall determine will, together with the interest to accrue thereon and moneys then on deposit (or a pro rata share thereof) in the Payment Fund available therefor, together with the interest to accrue thereon, be fully sufficient to pay and discharge such Bonds (including all principal and interest) at or before their respective maturity dates.

Notwithstanding that some Bonds may not have been surrendered for payment, all obligations of the District and the Trustee under the Indenture with respect to such defeased Bonds shall cease and terminate, except only the obligation of the Trustee to pay or cause to be paid to the Owners of such Bonds all sums due thereon.

Unclaimed Moneys

Anything contained in the Indenture to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or principal of the Bonds which remains unclaimed for the lesser of the period ending one day prior to the date such money would escheat to the State or two (2) years after the date when the payments evidenced and represented by such Bonds have become payable, if such money was held by the Trustee at such date, or for the lesser of the period ending one day prior to the date such money would escheat to the State or two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest and principal evidenced and represented by such Bonds have become payable, the Trustee shall pay such amounts to the District as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the District for interest and principal represented by such Bonds.

Benefits of Indenture Limited to Parties

Nothing contained in the Indenture, expressed or implied, is intended to give to any person other than the District, the Trustee and the Owners any claim, remedy or right under or pursuant hereto, and any agreement, condition, covenant or term contained in the Indenture required to be observed or performed by or on behalf of the District shall be for the sole and exclusive benefit of the Trustee and the Owners.

Waiver of Personal Liability

No board member, officer or employee of the District shall be individually or personally liable for the payment of the interest or principal the Bonds, but nothing contained in the Indenture shall relieve any board member, officer or employee of the District from the performance of any official duty provided by any applicable provisions of law or by the Indenture.

Investments

Amounts on deposit in any fund or account created pursuant to the Indenture shall be invested in Permitted Investments which will, as nearly as practicable, mature on or before the dates when such money is anticipated to be needed for disbursement under the Indenture, in accordance with such written directions as the District may from time to time provide to the Trustee. The Trustee and any affiliates may act as sponsor, advisor, principal or agent in the acquisition or disposition of any such investment. The Trustee shall not be liable or responsible for any loss suffered in connection with any such investment made by it under. Interest or profit received on such investments shall be deposited to the Debt Service Account. In computing the amount in any fund or account, Permitted Investments shall be valued at market value, exclusive of accrued interest. Except for investment agreements and repurchase agreements, if at any time after investment therein a Permitted Investment ceases to meet the criteria set forth in the definition of Permitted Investments and such obligation, aggregated with other non- conforming investments, exceeds ten percent (10%) of invested funds, such Permitted Investment shall be sold or liquidated.

California Law

The Indenture shall be construed and governed in accordance with the laws of the State of California.

Payments Due on Days that are not Business Days

In any case where the date fixed for payment of principal or interest on the Bonds or the date fixed for redemption of Bonds shall not be a Business Day, then payment of such principal or interest or redemption price shall be made on the next succeeding Business Day, with the same force and effect as if made on such non-Business Day and no interest shall accrue on such amounts from and after such non-Business Day.

APPENDIX B

GENERAL DEMOGRAPHIC INFORMATION

The following material is descriptive of the Calleguas Municipal Water District and the surrounding areas of Ventura County (the “County”). It has been prepared by or excerpted from sources as noted herein, and has not been independently verified by Bond Counsel, Disclosure Counsel or the Underwriter.

General

The County was incorporated as a general law county on March 22, 1872, with the City of Ventura (legally, San Buenaventura) as the County seat. The County covers 1,873 square miles. It is bounded on the northwest by Santa Barbara County, on the north by Kern County, on the east and south by Los Angeles County, and on the southwest by 42 miles of Pacific Ocean shoreline. The County is a growing area closely allied with the economy of Southern California.

Population

As of January 1, 2024 Ventura County’s population was approximately 823,863 which represents a -2.67% decrease below the 2014 population.

The following table shows a history of the County’s population trends since 2019.

POPULATION ESTIMATES (As of January 1)

City/Area	2019	2020	2021	2022	2023	2024
Camarillo	70,391	70,695	70,550	69,851	69,256	69,014
Fillmore	16,498	16,480	16,754	16,513	16,965	17,061
Moorpark	36,605	36,244	35,895	35,527	35,286	35,114
Ojai	7,698	7,680	7,690	7,609	7,537	7,533
Oxnard	202,020	201,765	200,887	200,037	197,737	197,536
Port Hueneme	22,296	22,325	21,901	21,259	21,077	20,916
San Buenaventura	110,309	109,971	109,802	107,894	107,780	107,569
Santa Paula	30,716	30,560	30,886	31,118	31,400	31,355
Simi Valley	126,647	126,256	126,124	124,264	124,165	124,029
Thousand Oaks	<u>127,935</u>	<u>126,894</u>	<u>126,298</u>	<u>124,525</u>	<u>123,111</u>	<u>122,643</u>
Total Incorporated	751,115	748,870	746,787	738,597	734,314	732,770
Unincorporated	<u>95,949</u>	<u>95,469</u>	<u>93,129</u>	<u>92,934</u>	<u>91,646</u>	<u>91,093</u>
Total County	847,064	844,339	839,916	831,531	825,960	823,863
Percentage Change	-0.41%	-0.32%	-0.52%	-1.00%	-0.67%	-0.25%
California	39,503,656	39,535,623	39,327,868	39,114,785	39,061,058	39,128,162
Percentage Change	0.18%	0.08%	-0.53%	-0.54%	-0.14%	0.17%

Source: California Department of Finance, Demographic Research Unit, years 2019-2020 with 2010 Benchmark and years 2021-2024 with 2020 Benchmark.

Population centers in the County first developed in the Cities of Ventura, Santa Paula, Oxnard, Fillmore and Ojai. Agriculture and mineral production provided the major impetus for population growth. The spread of subdivisions and industries in the western San Fernando Valley area of Los Angeles stimulated growth in the Cities of Thousand Oaks, Simi Valley, Camarillo and Moorpark.

The Cities of Camarillo, Thousand Oaks, Oxnard and Simi Valley grew rapidly during the period from the 1960's to the 1990's. Moderate growth in most cities is expected to continue and the County's population is expected to approach 855,000 by the year 2025.

Industry and Employment

The following table contains certain information concerning employment in Ventura County.

**VENTURA COUNTY
INDUSTRY EMPLOYMENT
(in thousands)**

Industry	2019	2020	2021	2022	2023
Total All Industries	336,800	315,300	323,100	336,300	338,100
Total Farm	24,700	25,000	23,500	24,700	24,100
Total Nonfarm	312,100	290,300	299,600	311,600	314,000
Total Private	265,000	245,600	255,100	265,500	266,900
Goods Producing	44,600	43,500	44,500	46,000	45,800
Construction	17,100	16,800	17,100	17,800	18,000
Manufacturing	26,600	25,800	26,500	27,300	26,800
Service Providing	267,500	246,800	255,100	265,600	268,200
Trade Transportation & Utilities	57,100	53,000	55,700	57,300	56,600
Financial Activities	15,900	15,700	16,100	16,100	15,300
Professional & Business Services	44,400	42,600	43,600	44,300	43,600
Government	47,100	44,700	44,500	46,100	47,100
Leisure and Hospitality	38,500	30,200	32,800	37,200	38,300

Source: State Department of Employment Development, Employment Data and Research Division, March 23 Benchmark. As of July 11, 2024.

- (1) Industry employment is reported by place of work, rather than place of residence. It does not include self-employed persons, volunteer workers, unpaid family workers, farmers, private household workers or persons involved in labor-management disputes.
- (2) Totals may not add due to rounding.
- (3) Includes all civilian employees regardless of the activity in which the employee is engaged.

Large manufacturing employers, some of which are identified in the following table, are located throughout the County. They include companies involved in electronic and scientific research and design, aerospace systems and support and other manufacturing. Other large employers are state and local governmental entities, insurance services and providers of health care.

Commercial Activity

Commercial activity is an important part of the County’s economy. As the table indicates, taxable retail sales reported for 2023 increased by approximately 31.8% from the 2019 amounts. The following table shows the County’s taxable transactions for 2019 through 2023. Annual data for 2024 is not yet available. Through the first three quarters of 2020, Ventura County saw a decline in its taxable sales of 4.4% due to COVID related shutdowns. The hardest hit sectors were Gasoline Stations, Clothing and Clothing Accessories Stores and Food Service and Beverage Stores.

VENTURA COUNTY TAXABLE TRANSACTIONS (in millions)

	2019	2020	2021	2022	2023
Motor Vehicle and Parts Dealers	\$ 2,211,647	\$ 2,217,785	\$ 2,631,821	\$ 2,761,857	\$ 2,638,666
Furniture and Home Furnishings Stores	520,303	558,101	716,186	747,864	535,360
Bldg. Matrl. And Garden Equip. and Supplies	939,435	1,074,760	1,223,712	1,184,780	1,123,184
Food and Beverage Stores	704,664	762,991	771,318	808,635	815,584
Gasoline Stations	1,096,729	756,127	1,131,534	1,428,800	1,296,274
Clothing and Clothing Accessories Stores	990,589	709,440	1,001,272	1,017,453	1,015,681
General Merchandise Stores	1,185,469	1,128,643	1,290,885	1,344,395	1,284,894
Food Services and Drinking Places	1,686,467	1,360,740	1,773,096	1,985,266	2,063,902
Other Retail Group	1,360,897	2,060,056	2,051,943	2,621,513	3,582,430
Total Retail and Food Services	10,696,199	10,628,642	12,591,767	13,900,564	14,355,974
All Other Outlets	4,104,085	3,909,652	4,738,870	5,239,696	5,150,807
Total All Outlets	\$14,800,284	\$14,538,294	\$17,330,637	\$19,140,259	\$19,506,781

Source: California Department of Tax and Fee Administration, updated as of September 11, 2024.

(1) Totals may not add due to rounding.

Agriculture

The County has rich soil, enjoys a year-round growing season and currently ranks 10th among California counties in agricultural production. The following table shows estimated county crop values by crop category for the calendar years 2019 to 2023. Annual crop reports for 2024 are not yet available.

COUNTY OF VENTURA AGRICULTURE PRODUCTION (in millions)

	2019	2020	2021	2022	2023
Fruit and Nut Crops	1,104.7	1,240.8	1,387.0	1,379.8	1,379.1
Vegetable Crops	601.4	497.1	398.4	460.7	486.1
Nursery Products	187.5	193.1	213.9	193.6	208.1
Flowers (cut)	46.2	33.9	34.1	31.4	30.5
Livestock and Poultry	6.5	5.2	37.0	43.3	43.3
Sustainable Agriculture	1.7	1.9	2.7	5.7	7.6
Apiary Products	4.8	5.8	7.9	9.6	9.4
Field Crops	37.3	7.5	4.9	3.6	6.0
Total	\$1,990.1	\$1,985.4	\$2,086.0	\$2,127.7	\$2,170.2

Source: Ventura County Agricultural Commissioner Annual Crop Reports.

(1) Totals may not add due to rounding.

Transportation

Access to job opportunities in Los Angeles County and Santa Barbara Counties have been one of the major factors in the County’s employment and population growth. Several major freeways and highways provide access between the County and all parts of Southern California. U.S. Highway 101 extends through the southwestern portion of the County and links the major cities in the County to the Los Angeles metropolitan area and to Santa Barbara County. Running easterly from U.S. 101, State Highway 126 passes through Santa Paula and Fillmore to connect with Interstate 5 in Los Angeles County. State Highway 118 extends between U.S. 101 and Interstate 5 and provides access between Simi Valley and the San Fernando Valley. The Pacific Coast Highway (State Highway 1) follows the coastline from Oxnard south towards Los Angeles.

The County seat in the City of Ventura is within a 90-minute drive of Santa Barbara Airport, the Bob Hope Airport in Burbank and the Los Angeles International Airport (“LAX”). The County itself has three smaller airports. The County operates two of these: Oxnard Airport and Camarillo Airport, which serve as a general aviation field. The Santa Paula Airport is a privately-owned facility.

The Port of Hueneme (the “Port”) is the gateway for the U.S. Customs Port of Entry serving the California Central Coast, a Foreign Trade Zone under the U.S. Department of Defense and Transportation and is the only commercial deep-draft harbor between Los Angeles and San Francisco. The Port is owned and operated by the Oxnard Harbor District, an independent special district which was formed for the purpose of developing and operating the commercial terminal facilities at the Port. The Harbor District is also the local World Trade Center license holder. Port operations are self-sustaining and are supported by revenues derived from operations and tenant activities. Major imports through the Port include eleven brands of automobiles, bananas and other fresh fruit, liquid fertilizers and heavy equipment. The global economic downturn has decreased the volume of these imports, and has decreased exports as well.

Major truck lines serve the County, making available overnight delivery service to major California cities.

APPENDIX C
AUDITED FINANCIAL STATEMENTS OF THE DISTRICT
FOR FISCAL YEAR 2022-23

APPENDIX D
FORM OF FINAL OPINION OF BOND COUNSEL

APPENDIX E
FORM OF CONTINUING DISCLOSURE AGREEMENT

APPENDIX F

BOOK ENTRY PROVISIONS

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the District and the Underwriter believe to be reliable, but none of the District or the Underwriter takes any responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, premium, if any, accreted value, if any, and interest on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond will be issued for each annual maturity of the Bonds, each in the aggregate principal amount of such annual maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual

Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Bond Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Trustee's DTC account. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, bonds will be printed and delivered to DTC.

THE TRUSTEE, AS LONG AS A BOOK-ENTRY ONLY SYSTEM IS USED FOR THE BONDS, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES TO OWNERS ONLY TO DTC. ANY FAILURE OF DTC TO ADVISE ANY DTC PARTICIPANT, OR OF ANY DTC PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OF SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF

THE BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.

INDENTURE OF TRUST

between the

CALLEGUAS MUNICIPAL WATER DISTRICT

and

U.S. BANK NATIONAL ASSOCIATION, as Trustee

RELATING TO THE

**§ _____
CALLEGUAS MUNICIPAL WATER DISTRICT
WATER REVENUE REFUNDING BONDS
SERIES 2024A**

Dated as of November 1, 2024

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INDENTURE OF TRUST

This INDENTURE OF TRUST (the “Indenture”), dated as of November 1, 2024, between the CALLEGUAS MUNICIPAL WATER DISTRICT, a municipal water district duly organized and validly existing under and by virtue of the Constitution and laws of the State of California (the “District”) and U.S. BANK NATIONAL ASSOCIATION, a national banking association, duly organized and existing under and by virtue of the laws of the United States of America, as trustee (the “Trustee”).

WITNESSETH:

WHEREAS, WHEREAS, the District has previously entered into an Installment Purchase Agreement, dated as of October 1, 2006 (the “Installment Purchase Agreement”) with the Calleguas-Las Virgenes Public Financing Authority (the “Authority”). Pursuant to an Indenture of Trust, dated as of February 1, 2010 (the “Prior Indenture”) among the District, the Authority and The Bank of New York Mellon Trust Company, N.A., as successor in interest to the trustee named therein (the “Prior Trustee”), the Authority delivered its Calleguas-Las Virgenes Public Financing Authority Water Revenue Bonds 2010 Series B (Calleguas Municipal Water District Project) (Federally Taxable-Build America Bonds), secured, in part, by payments made by the District pursuant to the Installment Purchase Agreement; and

WHEREAS, the District is authorized pursuant to Articles 10 and 11, Division 2, Title 5 (commencing with Section 53570) of the California Government Code, as amended (the “Refunding Law”), and the District’s Master Resolution No. 823, adopted November 6, 1991, as amended (the “Master Resolution”), to issue revenue bonds to provide funds to refund its outstanding indebtedness which is payable from Net Operating Revenues (as defined herein); and

WHEREAS, in order to refund the District’s obligations pursuant to the Installment Purchase Agreement, the District has decided to issue its Water Revenue Refunding Bonds, Series 2024A, in an aggregate principal amount of \$ _____, secured by Net Operating Revenues as provided herein; and

WHEREAS, the District hereby certifies that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Indenture by such party does exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Indenture;

NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

ARTICLE I

DEFINITIONS; EQUAL SECURITY

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall for all purposes hereof, and of any amendment hereof or supplement hereto, of the Bonds and of any certificate, opinion, request or other document mentioned herein or therein have the meanings defined herein or in the Master Resolution, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein or in the Master Resolution:

“Authority” means the Calleguas-Las Virgenes Public Financing Authority, a joint powers authority, operating and acting pursuant to the laws of the State of California duly organized and existing under and by virtue of the Constitution and laws of the State of California, and its successors and assigns.

“Authorized Officer” means, with respect to the District, its President, General Manager, Manager of Finance, Secretary or any other person designated as an Authorized Representative of the District by a Written Certificate of the District signed by its President, General Manager, Manager of Finance or Secretary and filed with the Trustee.

“Bond Year” means the period from the Closing Date through July 1, 2025, and thereafter the twelve-month period commencing on July 2 of each year through and including July 1 of the following year.

“Bonds” means the \$ _____ principal amount of Water Revenue Refunding Bonds, Series 2024 authorized hereby and at any time Outstanding hereunder that are issued by the District under and pursuant to Article II of this Indenture.

“Bond Counsel” means Stradling Yocca Carlson & Rauth LLP, or any other attorney or firm of attorneys appointed by and acceptable to the District, of nationally-recognized experience in the execution and delivery of obligations the interest in which is excludable from gross income for federal income tax purposes under the Code.

“Business Day” means any day other than a Saturday, Sunday or legal holiday or a day on which banks are authorized to be closed for business in California or on which the Trust Office is authorized to be closed.

“Certificate of the District” means an instrument in writing signed by an Authorized Officer.

“Closing Date” means the date on which the Bonds are delivered to the original purchasers thereof, which date is _____, 2024.

“Code” means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein shall be deemed to include the United States Treasury Regulations, including temporary and proposed regulations relating to such section which are applicable to the Bonds or the use of the proceeds thereof.

“Continuing Disclosure Agreement” shall mean the agreement by that name, dated as of November 1, 2024, between the District and the dissemination agent named therein.

“Debt Service” means, during any period of computation, the amount obtained for such period by totaling the following amount--

(a) The principal amount of all Outstanding serial Bonds and Parity Obligations coming due and payable by their terms in such period (except to the extent that such principal has been fully capitalized and is held uninvested in cash or invested in Federal Securities which mature at times and in such amounts as are necessary to pay the principal to which such amounts are pledged);

(b) The minimum principal amount of all Outstanding term Bonds and Parity Obligations scheduled to be redeemed by operation of mandatory sinking fund deposits in such period, together with any premium thereon (except to the extent that such principal has been fully capitalized and

is held uninvested in cash or invested in Federal Securities which mature at times and in such amounts as are necessary to pay the principal to which such amounts are pledged); and

(c) The interest which would be due during such period on the aggregate principal amount of Bonds and Parity Obligations which would be Outstanding in such period if the Bonds or Parity Obligations are retired as scheduled (except to the extent that such interest has been fully capitalized and held uninvested in cash or is invested in Federal Securities which mature at times and in such amounts as are necessary to pay the interest to which such amounts are pledged), but deducting and excluding from such aggregate amount the amount of Bonds and Parity Obligations no longer Outstanding; provided that, whenever interest as described herein accrues at other than a fixed rate, such interest shall be assumed to be a rate equal to the greater of (i) the actual rate on the date of calculation, or if the Parity Obligation is not yet outstanding, the initial rate (if established and binding), (ii) if the Parity Obligation has been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation, and (iii) (x) if interest on the Parity Obligation is excludable: from gross income under the applicable provisions of the Internal Revenue Code, the most recently published The Bond Buyer Bond Revenue Index (or comparable index if no longer published) plus fifty (50) basis points, or (y) if interest is not so excludable, the interest rate on direct U.S. Treasury Obligations with comparable maturities, plus fifty (50) basis points.

“Debt Service Account” means the account of that name established by the Trustee pursuant to Section 3.04 hereof.

“Debt Service Payments” mean the payments of Debt Service on the Bonds due hereunder.

“Delivery Costs” means all items of expense directly or indirectly payable by or reimbursable to the District relating to the refunding of the Prior Obligations, including but not limited to filing costs, settlement costs, printing costs, reproduction and binding costs, initial fees and charges of the Trustee and its counsel, financing discounts, legal fees and charges, financial and other professional consultant fees, costs of rating agencies for credit ratings, fees for execution, transportation and safekeeping of Bonds and charges and fees in connection with the foregoing.

“Delivery Costs Fund” means the fund of that name established by Section 3.02 hereof.

“Depository” means (a) initially, DTC, and (b) any other qualified securities depository acting as Depository pursuant to Section 2.11 hereof.

“Depository System Participant” means any participant in the Depository’s book entry system.

“District” means the Calleguas Municipal Water District, a special district duly organized and existing under its charter and the Constitution and laws of the State of California, and its successors and assigns.

“DTC” means The Depository Trust Company, New York, New York, and its successors and assigns.

“Due Date” means the fifteenth day of the month prior to each Interest Payment Date.

“Event of Default” means an event of default described in Section 6.01 hereof.

“Federal Securities” mean (a) direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America, (b) obligations fully and unconditionally guaranteed

as to timely payment of the interest and principal by the United States of America, (c) obligations of any agency or instrumentality of the United States of America as to which the timely payment of the interest on and the principal of such obligations is backed by the full faith and credit of the United States of America, or (d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

“Fiscal Year” means the twelve calendar month period terminating on June 30 of each year, or any other annual accounting period hereafter selected and designated by the District as its Fiscal Year in accordance with applicable law.

“Generally Accepted Accounting Principles” mean the uniform accounting and reporting procedures prescribed by the California State Controller or his successor for municipal water districts in the State of California, or failing the prescription of such procedures means generally accepted accounting principles as presented and recommended by the American Institute of Certified Public Accountants or its successor, or by the National Council on Governmental Accounting or its successor, or by any other generally accepted authority on such principles.

“Indenture” means this Indenture of Trust by and between the Trustee and the District, dated as of _____ 1, 2024 as originally executed and entered into and as it may from time to time be amended or supplemented in accordance herewith.

“Independent Certified Public Accountant” means any certified public accountant or firm of certified public accountants duly licensed and entitled to practice, and practicing as such, under the laws of the State of California, appointed and paid by the District, and each of whom--

1. is in fact independent and not under the domination of the District;
2. does not have a substantial financial interest, direct or indirect, in the operations of the District; and
3. is not connected with the District as a board member, officer or employee of the District, but may be regularly retained to audit the accounting records of and make reports thereon to the District.

“Interest Payment Date” means January 1, 2025, and each January 1 and July 1 thereafter.

“Law” means the Municipal Water District Law of 1911 of the State of California, being Division 20 of the Water Code of the State of California, as amended.

“Master Resolution” means Resolution No. 823 of the District, adopted November 6, 1991, as amended by that certain Resolution No. 889 of the District, adopted May 12, 1993, and as further amended by that certain Resolution No. 1660 of the District, adopted February 3, 2010, authorizing the issuance by the District of Parity Obligations (as defined therein) in the form of the Bonds.

“Moody’s” means Moody’s Investors Service, Inc., its successors and assigns.

“Net Operating Revenues” shall have the meaning set forth in the Master Resolution.

“Net Proceeds” means, when used with respect to any insurance or condemnation award, the proceeds from such insurance or condemnation award remaining after payment of all reasonable expenses (including attorneys’ fees) incurred in the collection of such proceeds.

“Nominee” means (a) initially, Cede & Co., as nominee of DTC, and (b) any other nominee of a Depository designated pursuant to Section 2.11 hereof.

“Operating Revenues” shall have the meaning set forth in the Master Resolution.

“Outstanding” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 8.02) all Bonds except:

- (1) Bonds canceled by the Trustee;
- (2) Bonds paid or deemed to have been paid within the meaning of Section 9.01; and
- (3) Bonds in lieu of or in substitution for which replacement Bonds shall have been executed and delivered hereunder.

“Owner” or “Bondowner” means the registered owner of any Outstanding Bond. “Parity Obligations” shall have the meaning set forth in the Master Resolution. “Payment Fund” means the fund by that name established in Section 3.03 hereof.

“Permitted Investments” mean any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein (the Trustee is entitled to conclusively rely upon any direction of the District as a certification that such investment constitutes a Permitted Investment):

1. Direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury, but excluding CATS and TIGRS) or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.
2. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

Farmers Home Administration (FmHA)
Certificates of beneficial ownership

Federal Housing Administration Debentures (FHA)

General Services Administration
Participation certificates

Government National Mortgage Association (GNMA or “Ginnie Mae”)
GNMA - guaranteed mortgage-backed bonds
GNMA- guaranteed pass-through obligations (participation certificates)
(not acceptable for certain cash-flow sensitive issues.)

U.S. Maritime Administration
Guaranteed Title XI financing

U.S. Department of Housing and Urban Development (HUD)
Project Notes
Local District Bonds
New Communities Debentures- U.S. Government guaranteed debentures
U.S. Public Housing Notes and Bonds- U.S. Government guaranteed
public housing notes and bonds

3. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities. are only permitted if they have been stripped by the agency itself):

Federal Home Loan Bank System
Senior debt obligations

Federal Home Loan Mortgage Corporation (FHLMC or “Freddie Mac”)
Participation certificates
Senior debt obligations

Federal National Mortgage Association (FNMA or “Fannie Mae”)
Mortgage-backed securities and senior debt obligations

Resolution Funding Corp. (REFCORP) obligations

Farm Credit System
Consolidated system-wide bonds and notes

Federal Agriculture Mortgage Association

Tennessee Valley District

4. Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of “AAAm-G,” “AAA-m,” or “AA-m” and if rated by Moody’s rated “Aaa,” “Aa1” or “Aa2,” including funds for which the Trustee, its parent holding company, if any, or any affiliates or subsidiaries of the Trustee provide investment advisory or other management services.

5. Certificates of deposit secured at all times by collateral described in 1 and/or 2 above. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks including the Trustee and its affiliates. The collateral must be held by a third party and the Owners must have a perfected first security interest in the collateral.

6. Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BIF and SAIF.

7. Investment agreements, including GIC’s, forward purchase agreements and reserve fund put agreements.

8. Commercial paper rated, at the time of purchase, “Prime -1” by Moody’s and “A-1” or better by S&P.

9. Bonds or notes issued by any state or municipality which are rated by Moody’s and S&P in one of the two highest rating categories assigned by such agencies.

10. Bank deposits, accounts, federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of “Prime -1” or “A2” or better by Moody’s and “A-1” or “A” or better by S&P.

11. Repurchase agreements for 30 days or less must follow the following criteria:

(i) Repurchase agreements that provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the Trustee (buyer/lender), and the transfer of cash from the Trustee to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the Trustee in exchange for the securities at a specified date.

12. Asset-backed Securities: As authorized in Government Code Section 53601(n), investment in any equipment lease-backed certificate, consumer receivable pass-through certificate or consumer receivable-backed bond with a maximum remaining final maturity of five years. Purchases will be restricted to securities with an expected weighted average life not to exceed three years. Securities eligible for investment under this subdivision shall be rated “AAA” by a nationally recognized rating service.

13. Mortgage-backed Securities: As authorized in Government Code Section 53601(n), investment in any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, with a maximum remaining final maturity of five years. Purchases will be restricted to securities with an expected weighted average life not to exceed three years. Securities eligible for investment under this subdivision shall be rated “AAA” by a nationally recognized rating service. Purchases of asset-backed and mortgage-backed securities may not exceed 20% of the District’s portfolio in total.

14. Medium-term Notes: Corporate notes issued by corporations organized and operating within the United States with a rating of “A” or higher at the time of purchase by a nationally recognized rating service and with a maximum remaining maturity of no more than three (3) years after the date of purchase.

15. The Local Agency Investment Fund created pursuant to Section 16429.1 of the California Government Code, to the extent the Trustee is authorized to register such investment in its name.

16. Shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California which invests exclusively in investments permitted by Section 53601 of Title 5, Division 2, Chapter 4 of the Government Code of California, as it may be amended.

17. The Ventura County Pooled Treasury Portfolio.

“Principal Office” means the corporate trust office of the Trustee currently located in Los Angeles, California, or such other office designated by the Trustee from time to time.

“Prior Trustee” means Computershare Trust Company, National Association, as trustee for the 2010 Bonds.

“Record Date” means the fifteenth day of the calendar month prior to an Interest Payment Date.

“Redemption Account” means the account of that name established by the Trustee pursuant to Section 3.04 hereof.

“Responsible Officer” means any officer of the Trustee assigned by the Trustee to administer the trusts established hereunder.

“Revenue Fund” means the fund of the District into which it deposits Operating Revenues.

“S&P” means Standard & Poor’s Ratings Services, its successors and assigns.

“Securities Depositories” mean The Depository Trust Company, 55 Water Street, 50th Floor, New York, New York 10041-0099, Attention: Call Notification Department, Fax (212) 855-7232; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the District may designate in writing to the Trustee.

“State” means the State of California.

“System” means the District’s water and supply, treatment, storage and distribution system, as defined in the Master Resolution.

“Trust Office” means the office of the Trustee designated in Section 10.13 hereof, and such other offices as the Trustee may designate from time to time.

“Trustee” means U.S. Bank National Association, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, or its successor or any other bank or trust company which may at any time be substituted in its place as provided in Section 7.01.

“2010 Bonds” means the Calleguas-Las Virgenes Public Financing Authority Water Revenue Bonds 2010 Series B (Calleguas Municipal Water District Project)(Federally Taxable Build America Bonds),

Section 1.02. Equal Security. In consideration of the acceptance of the Bonds by the Owners, this Indenture shall be deemed to be and shall constitute a contract by and among the Trustee, the District and the Owners to secure the full and final payment of the interest and principal and redemption premiums, if any, to be made by the District on the Bonds, subject to the agreements, conditions, covenants and terms contained herein; and all agreements, conditions, covenants and terms contained herein required to be observed or performed by or on behalf of the Trustee shall be for the equal and proportionate benefit, protection and security of all Owners without distinction, preference or priority as to benefit, protection or security of any Bonds over any other Bonds by reason of the number or date thereof or the time of execution or delivery thereof or otherwise for any cause whatsoever, except as expressly provided herein or therein.

ARTICLE II

TERMS AND CONDITIONS OF BONDS

Section 2.01. Authorization of Bonds. The District hereby authorizes the issuance of the Bonds in the aggregate principal amount of \$ _____. The Bonds shall be designated “Calleguas Municipal Water District Water Revenue Refunding Bonds, Series 2024A.”

Section 2.02. Denominations, Medium, Method and Place of Payment and Dating of Bonds. The Bonds shall be issued in the form of fully registered Bonds in denominations of five thousand dollars (\$5,000) or any integral multiple thereof. Subject to the provisions of Section 2.11 hereto, the interest, principal and redemption premiums, if any, on the Bonds shall be payable by check in lawful money of the United States of America. Subject to the provisions of Section 2.11 hereof, interest on the Bonds shall be payable on their Interest Payment Dates by check mailed via first class mail on the Interest Payment Date by the Trustee to the respective Owners thereof as of the Record Date at their addresses as they appear in the books required to be kept by the Trustee pursuant to the provisions of Section 2.07 hereof or, upon the written request from any Owner of Bonds aggregating at least \$1,000,000 in principal amount, received on or prior to the fifteenth day of the month preceding an applicable Interest Payment Date, by wire in Federal Reserve funds to an account within the United States on the Interest Payment Date, with regard to which such payment is made. The principal of the Bonds shall be payable on July 1 in each of the years and in the principal amounts as follows, or on redemption prior thereto, upon surrender thereof at the Trust Office of the Trustee.

Year (July 1)	Principal Amount	Interest Rate
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The Bonds shall be dated as of the Closing Date, and bear interest from the Interest Payment Date immediately preceding the date of authentication thereof by the Trustee, unless such date of authentication is on or after the fifteenth (15th) day of the calendar month prior to an Interest Payment Date, in which case they shall bear interest from such Interest Payment Date, or unless such date of authentication is on or before December 15, 2024, in which case they shall bear interest from the Closing Date.

Section 2.03. Interest on the Bonds. Interest on the Bonds shall be paid on each Interest Payment Date at the rates per annum set forth in Section 2.02 hereof, calculated on the basis of a 360-day year consisting of twelve 30-day months.

Section 2.04. Form of Bonds. The Bonds and the assignment to appear thereon shall be in substantially the form set forth in Appendix A hereto with appropriate or necessary insertions, omissions and variations as permitted or required hereby.

Section 2.05. Execution of Bonds. The Bonds shall be executed by the manual or facsimile signature of the President or General Manager of the District, or their authorized representatives and shall

be attested to by the manual or facsimile signature of the District Secretary or Assistant District Secretary. The Bonds shall be authenticated by the manual signature of an authorized officer of the Trustee.

Section 2.06. Transfer and Exchange of Bonds. Subject to the provisions of Section 2.11 hereof, (a) each Bond shall be transferable only upon a register of the names of each Owner (the "Bond Register"), which shall be kept for that purpose at the Trust Office, by the Owner thereof in person or by his or her attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the Owner or his or her duly authorized attorney. Upon the transfer of any such Bond, the Trustee shall provide in the name of the transferee, a new Bond or Bonds, of the same aggregate principal amount, interest rate and maturity as the surrendered Bonds (unless there has occurred a partial redemption of such Bond pursuant to Section 4.01 hereof, in which case the principal amount of the new Bond shall be equal to the unredeemed principal amount of the Bond submitted for transfer).

(b) The Trustee shall deem and treat the person in whose name any Outstanding Bond shall be registered upon the Bond Register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such Owner or upon his or her order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the District nor the Trustee shall be affected by any notice to the contrary. The District agrees to indemnify and save the Trustee harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence or willful misconduct under the Indenture, in so treating such Owner.

In all cases in which the privilege of exchanging or transferring Bonds is exercised, the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Article. All Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Trustee. For every such exchange or transfer of Bonds, whether temporary or definitive, the District and the Trustee may make a charge sufficient to reimburse any of them for any tax, fee or other governmental charge, other than one imposed by the District, required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provision hereof, the cost of preparing each new Bond and any other expenses of the District or the Trustee incurred in connection therewith (except any applicable tax, fee or other governmental charge other than one imposed by the District) shall be paid by the District. The Trustee shall not be obliged to effect any exchange or transfer of any Bond during the period after the mailing of notice calling such Bond or a portion thereof for redemption, nor during the fifteen (15) days preceding the giving of such notice of redemption.

Section 2.07. Bond Registration Books. The Trustee shall keep or cause to be kept at its Principal Office sufficient records for the registration and registration of transfers of the Bonds, which shall, during normal business hours upon reasonable prior written notice be open to inspection by the District; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations consistent herewith as it may prescribe, register or transfer or cause to be registered or transferred, on the Bond Register, Bonds as herein before provided.

Section 2.08. Temporary Bonds. Pending preparation of the definitive Bonds, any Bonds delivered under the Indenture may be initially delivered in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the District, shall be without coupons and may contain such reference to any of the provisions hereof as may be appropriate. Every temporary Bond shall be authenticated by the Trustee and be delivered by the Trustee upon the same conditions and in substantially

the same manner as definitive Bonds. If the Trustee delivers temporary Bonds, it shall authenticate and furnish definitive Bonds without delay and, thereupon, the temporary Bonds shall be surrendered for cancellation at the Principal Office of the Trustee and the Trustee shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations of the same interest rate or rates and maturity or maturities. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under the Indenture as definitive Bonds delivered pursuant hereto.

Section 2.09. Bonds Mutilated, Destroyed, Lost or Stolen. If any Bond shall become mutilated, the Trustee, at the expense of the Owner of said Bond, shall authenticate and deliver a new Bond of like tenor in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it and destroyed or redelivered to, or upon the order of, the District. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft shall be submitted to the Trustee, and, if such evidence is satisfactory to the Trustee and if an indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Owner, shall authenticate and deliver a new Bond of like tenor and numbered as the Trustee shall determine in lieu of and in substitution for the Bond so lost, destroyed or stolen. The Trustee may require payment of a reasonable fee for each new Bond delivered under this Section and of the reasonable expenses which may be incurred by the Trustee in carrying out the duties under this Section 2.09. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits hereof with all other Bonds secured by the Indenture. The Trustee shall not be required to treat both the original Bond and any replacement Bond as being outstanding for the purpose of determining the principal amount of Bonds which may be issued under the Indenture or for the purpose of determining any percentage of Bonds Outstanding under the Indenture, but both the original and replacement Bond shall be treated as one and the same. Notwithstanding any other provision of this Section 2.09, in lieu of delivering a new Bond for a Bond which has been mutilated, lost, destroyed or stolen and which has matured, the Trustee may make payment of such Bond upon receipt of indemnification satisfactory to the Trustee.

Section 2.10. Evidence of Signatures of Bond Owners and Ownership of Bonds. Any request, direction, consent, revocation of consent, or other instrument in writing required or permitted by the Indenture to be signed or executed by Bond Owners may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such Bond Owners in person or by their attorneys or agents appointed by an instrument in writing for that purpose. Proof of the execution of any such instrument, or of any instrument appointing any such attorney or agent, and of the holding and ownership of Bonds shall be sufficient for any purpose hereof (except as otherwise herein provided), if made in the Form of the Assignment attached to the Bond in Appendix A hereto.

Nothing contained in this Article shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which to the Trustee may seem sufficient. Any request or consent of the Owner of any Bond shall bind every future Owner of the same Bond in respect of anything done or suffered to be done by the District or the Trustee in pursuance of such request or consent.

Section 2.11. Book Entry System.

(a) Original Delivery. The Bonds shall be initially delivered in the form of a separate single fully registered Bond (which may be typewritten) for each maturity. Upon initial delivery, the ownership of each such Bond shall be registered on the Bond Register kept by the Trustee in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Bonds shall be registered in the name of the Nominee.

With respect to Bonds the ownership of which shall be registered in the name of the Nominee, the District and the Trustee shall have no responsibility or obligation to any Depository System Participant or to any person on behalf of which the District holds an interest in the Bonds. Without limiting the generality of the immediately preceding sentence, the District and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Depository System Participant or any other person, other than a Bond Owner as shown in the Bond Register, or any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the Bonds to be redeemed in the event the District elects to redeem the Bond in part, (iv) the payment to any Depository System Participant or any other person, other than a Bond Owner as shown in the Bond Register, of any amount with respect to principal, premium, if any, or interest on the Bonds, or (v) any consent given or other action taken by the Depository as Owner of the Bonds. The District and the Trustee may treat and consider the person in whose name each Bond is registered as the absolute owner of such Bonds for the purpose of payment of principal of, premium, if any, and interest on such Bonds for the purpose of giving notices of redemption and other matters with respect to such Bonds, for the purpose of registering transfers of ownership of such Bonds, and for all other purposes whatsoever. The Trustee shall pay the principal of and the interest and premium, if any, on the Bonds only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest and premium, if any, on the Bonds to the extent of the sum or sums so paid. No person other than an Owner shall receive a Bond evidencing the obligation of the District to make payments of principal, interest and premium, if any, pursuant to this Indenture. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new Nominee in its place, and subject to the provisions herein with respect to Record Dates, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice of the District shall promptly, but in no event later than two (2) Business Days after receipt thereof, deliver a copy of the same to the Trustee.

(b) Representation Letter. In order to qualify the Bonds for the Depository's book-entry system, to the extent it has not already done so the District shall execute and deliver to such Depository a letter (the "Letter of Representations") representing such matters as shall be necessary to so qualify the Bonds. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the District or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Bond Owners. In addition to the execution and delivery of such letter, the District may take any other actions, not inconsistent with this Indenture, to qualify the Bonds for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. In the event that either (i) the Depository determines not to continue to act as Depository for the Bonds, or (ii) the District determines to terminate the Depository as such, then the District shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the District and the Trustee in the issuance of replacement Bonds by providing the Trustee with a list showing the interests of the Depository System Participants in the Bonds, and by surrendering the Bonds, registered in the name of the Nominee, to the Trustee on or before the date such replacement Bonds are to be issued. The Depository, by accepting delivery of the Bonds, agrees in the Letter of Representations to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository acting as such, the District fails to identify another qualified securities depository to replace the Depository, then the Bonds shall no longer be required to be registered in the Bond Register in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Section 2.11 hereof.

In the event the District determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain Bonds, the District may notify the Depository System Participants of the availability of such Bond through the Depository. In such event, the Trustee will, at the expense of the District, authenticate, transfer and exchange Bonds as required by the Depository and others in appropriate amounts; and whenever the Depository so requests, the District shall cooperate with the Depository in taking appropriate action (i) to make available one or more separate Bonds evidencing the Bonds to any Depository System Participant having Bonds credited to its account with the Depository, or (ii) to arrange for another qualified securities depository to maintain custody of a single Bond evidencing such Bonds, all at the District's expense.

(d) Payments to the Nominee. Notwithstanding any other provision of the Indenture to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to principal of and interest and premium, if any, on such Bonds and all notices with respect to such Bonds shall be made and given, respectively, as provided in the Letter of Representations or as otherwise instructed in writing by the Depository.

Section 2.12. Parity Obligations. The District hereby warrants that the Bonds are a Parity Obligation, as defined in the Master Resolution and, as such, the Debt Service Payments are payable out of Net Operating Revenues on a parity with all other Parity Obligations heretofore or hereafter issued or incurred. As of the date hereof, the existing Parity Obligations, in addition to the Bonds, are described on Appendix B hereto. Nothing contained herein shall preclude the District from issuing additional Parity Obligations under the Master Resolution.

ARTICLE III

PROCEEDS OF BONDS; PLEDGE OF NET OPERATING REVENUES

Section 3.01. Delivery of Bonds; Payment of Debt Service. The Trustee is hereby authorized to authenticate the Bonds and upon receipt of the proceeds of sale thereof deliver the Bonds to the initial purchaser thereof upon receipt of a Certificate of the District.

All of the Net Operating Revenues have been pledged under the Master Resolution for the payment of Parity Obligations, including the Bonds and those obligations listed on Appendix B hereto, and all moneys on deposit in the Payment Fund established under the Indenture are hereby irrevocably pledged, charged and assigned to the punctual payment of the Bonds, and except as otherwise provided herein, the Net Operating Revenues and such other funds shall not be used for any other purpose so long as any of the Bonds remain Outstanding. Such pledge, charge and assignment shall constitute a first lien on the Net Operating Revenues and such other moneys for the payment of the Debt Service Payments, the Bonds and any Parity Obligations in accordance with the terms hereof.

The District's obligation to pay the Debt Service Payments and any other amounts coming due and payable hereunder shall be a special obligation of the District limited solely to the Net Operating Revenues. Under no circumstances shall the District be required to advance moneys derived from any source of income other than the Net Operating Revenues and other sources specifically identified herein for the payment of the Debt Service Payments and the Bonds, nor shall any other funds or property of the District be liable for the payment of the Debt Service Payments, the Bonds or any other amounts coming due and payable hereunder.

The obligations of the District to make the Debt Service Payments from the Net Operating Revenues and to perform and observe the other agreements contained herein shall be absolute and unconditional and shall not be subject to any defense or any right of setoff, counterclaim or recoupment

arising out of any breach of the District or the Trustee of any obligation to the District or otherwise with respect to the System, whether hereunder or otherwise, or out of indebtedness or liability at any time owing to the District by the Trustee. The District hereby acknowledges that its obligation to make Debt Service Payments hereunder is absolute and unconditional, free of deductions and without abatement, offset, recoupment, diminution or set-off whatsoever. Until such time as all of the Debt Service Payments and all other amounts coming due and payable hereunder shall have been fully paid or prepaid, the District (a) will not suspend or discontinue payment of any Debt Service Payments or such other amounts with respect to the Bonds, (b) will perform and observe all other agreements contained in this Indenture, and (c) will not terminate this Indenture for any cause, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the System, sale of the System, the taking by eminent domain of title to or temporary use of any component of the System, commercial frustration of purpose, any change in the tax or other laws of the United States of America or the State or any political subdivision of either thereof or any failure of the Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Indenture.

Nothing contained in this Section shall be construed to release the Trustee from the performance of any of the agreements on its part contained herein, and in the event the Trustee shall fail to perform any such agreements, the District may institute such action against the Trustee as the District may deem necessary to compel performance so long as such action does not abrogate the obligations of the District contained in the preceding paragraph. The District may, however, at the District's own cost and expense and in the District's own name prosecute or defend any action or proceeding or take any other action involving third persons which the District deems reasonably necessary in order to secure or protect the District's rights hereunder.

Section 3.02. Deposit of Proceeds of Bonds and Other Amounts. On the Closing Date the Trustee shall receive \$_____ (representing the principal amount of the Bonds of \$_____, less an underwriter's discount of \$_____) as the purchase price of the Bonds. The Trustee shall deposit \$_____ of the Bond proceeds to the Delivery Costs Fund, which fund is hereby established and shall be held hereunder. The Trustee shall transfer \$_____ of the Bond proceeds to the Prior Trustee for deposit in the Escrow Fund established pursuant to the Escrow Instructions. The Trustee may establish a temporary fund or account in its records to facilitate such deposits or transfers.

Section 3.03. Deposit of Debt Service Payments. All Debt Service Payments with respect to the Bonds shall be paid directly by the District to the Trustee on the applicable Due Date. Such payments received by the Trustee shall be held in trust by the Trustee under the terms hereof and shall be deposited by it as and when received in the Debt Service Account of the Payment Fund, which fund the Trustee hereby agrees to establish and maintain as provided in Section 3.04 so long as any Bonds are Outstanding.

The Net Operating Revenues of the System shall be received and deposited by the District in accordance with the terms of the Master Resolution. On or before each Due Date, the District shall withdraw from the Debt Service Fund established under the Master Resolution an amount, together with the balance then on deposit in the Payment Fund, if any (other than amounts held for the defeasance of Bonds pursuant to Article IX and any amounts required for payment of principal of or interest on any Bonds which have matured or been called for redemption but which have not yet been presented for payment), equal to the aggregate amount of the Debt Service Payments coming due on the next succeeding Interest Payment Date, and transfer the same to the Trustee for deposit into the Payment Fund on the following dates and in the following amounts:

- (1) Interest Component. On or before the fifteenth day of each June and December, an amount which is equal to the amount to become due on such Bonds on the next

succeeding Interest Payment Date; provided, however, that the District may be entitled to certain credits on such payments as set forth above.

- (2) Principal Component. On or before the fifteenth day of June of each year, an amount which, together with any moneys already on deposit with the Trustee and available to make such payment, is not less than the entire amount of the next succeeding maturing principal or mandatory sinking account payment coming due on the Bonds after such date; provided, however, that the District may be entitled to certain credits on such payments as set forth above.

Section 3.04. Payment Fund. Within the Payment Fund the Trustee shall establish a Debt Service Account and a Redemption Account. Debt Service Payments made by the District shall be deposited by the Trustee in the Debt Service Account. Such payments shall be net of amounts already on deposit therein that are in excess of the amount required to pay Debt Service Payments pursuant to Section 3.01. The Trustee shall transfer the money contained in the Debt Service Account and the Redemption Account at the following respective times in the following respective accounts in the following order of priority in the manner hereinafter provided, each of which accounts the Trustee hereby agrees to establish and maintain so long as any Bonds are Outstanding, and the money in each of such accounts shall be disbursed only for the purposes and uses hereinafter authorized:

- (a) Debt Service Account. All moneys in the Debt Service Account shall be used and withdrawn by the Trustee solely for the purpose of paying principal of and interest on the Bonds on each Interest Payment Date or mandatory redemption dates, as applicable.

- (b) Redemption Account. The Trustee, on the optional redemption date specified in the Certificate of the District filed with the Trustee at the time that any moneys to accomplish any such optional redemption are paid to the Trustee, shall deposit in the Redemption Account the amount of such payment. All money in the Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest and principal on the Bonds to be optionally redeemed on their respective redemption dates.

Section 3.05. Use of Money in the Delivery Costs Fund.

- (a) The Trustee shall disburse funds from the Delivery Costs Fund to pay Delivery Costs only upon receipt of a Certificate of the District (stating the amount to be disbursed and the party or parties being paid) and accompanied by an invoice or statement for each such amount.

- (b) Upon payment of all Delivery Costs, which shall be determined by a Certificate of the District to that effect delivered to the Trustee, or upon the date occurring four (4) months after the Closing Date, whichever occurs first, the Trustee shall transfer all funds remaining in the Delivery Costs Fund to the Debt Service Account, and the Delivery Costs Fund shall thereupon be closed.

Section 3.06. Held in Trust. The moneys and investments held by the Trustee under Sections 3.03, 3.04 and 3.05 are irrevocably held in trust for the benefit of the Owners, and for the purposes herein specified, and such moneys, and any income or interest earned thereon, shall be expended only as provided in this Indenture, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of the Trustee or the District.

Section 3.07. Commingling of Moneys in Funds. The Trustee is directed by the District to commingle any of the funds held by it pursuant to this Indenture into a separate fund or funds for investment

purposes only; provided, however, that all funds or accounts held by the Trustee hereunder shall be accounted for separately notwithstanding such commingling by the Trustee.

Section 3.08. Liability of District Limited. Notwithstanding anything contained herein, the District shall not be required to advance any moneys derived from any source of income other than Net Operating Revenues legally available therefor in the Revenue Fund and the other funds provided herein for the payment of the Debt Service Payments or for the performance of any agreements or covenants contained herein required to be performed by it. The District may, however, but shall not be required to, advance moneys for any such purpose so long as such moneys are derived from a source legally available for such purpose and may be legally used by the District for such purpose.

The obligation of the District to make the Debt Service Payments and the other amounts due hereunder is a special obligation of the District payable solely from the moneys legally available therefor hereunder, and does not constitute a debt of the District or of the State of California or of any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

ARTICLE IV

REDEMPTION OF BONDS

Section 4.01. Terms of Redemption.

(a) Optional Redemption. The Bonds maturing on or before July 1, 20__ shall not be subject to optional redemption prior to their respective stated maturities. The Bonds maturing on or after July 1, 20__ shall be subject to optional redemption from any source of available funds, prior to maturity in whole, or in part among maturities as shall be specified in a Certificate of the District filed with the Trustee and randomly by lot within a maturity, on any date on or after July 1, 20__, at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

(b) Extraordinary Redemption. The Bonds are subject to redemption, in whole or in part on any date, from the Net Proceeds of insurance or condemnation with respect to the System, which Net Proceeds are deposited in the Payment Fund and credited towards the prepayment of the Debt Service Payments, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest to the date fixed for redemption, without premium.

(c) Purchase in Lieu of Redemption. In lieu, or partially in lieu, of such call and redemption, moneys of the District may be used to purchase Outstanding Bonds in the manner hereinafter provided. Purchases of Outstanding Bonds may be made by the District prior to the selection of Bonds for redemption by the Trustee, at public or private sale as and when and at such prices as the District may in its discretion determine but only at prices (including brokerage or other expenses) of not more than par plus applicable accrued interest and redemption premiums, and any accrued interest payable upon the purchase of Bonds may be paid from the amount in the Payment Fund for payment of interest on the following Interest Payment Date.

Section 4.02. Selection of Bonds for Redemption. In the event that part, but not all, of the Bonds are to be redeemed, the Bonds to be redeemed shall be selected by the Trustee among maturities as designated in writing by the District and by lot within a maturity; provided, however, that, as shall be set forth in a Certificate of the District, the Bonds may be redeemed by any maturity or maturities selected by the District, and by lot within a maturity. For the purpose of the selection described in this Section, all Bonds registered in the name of the same Owner shall be aggregated and treated as a single Bond held by

such Owner. Notwithstanding any of the foregoing, in any such partial redemption the Trustee shall call the Bonds in integral multiples of \$5,000.

In the event of a redemption for which the Trustee does not have monies available to redeem the entire amount scheduled for redemption, the Trustee shall redeem Bonds of the applicable maturity or maturities by lot up to a principal amount equal to the available monies.

Section 4.03. Notice of Redemption; Rescission. When redemption is authorized or required pursuant to this Article, the Trustee shall give notice (the “Redemption Notice”), at the expense of the District, of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of any paying agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) if less than all the Bonds of a maturity are to be redeemed, the certificate numbers of the Bonds to be redeemed and, in the case of any Bond to be redeemed in part only, the amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed the redemption price, together with interest accrued to the redemption date, and that from and after such date interest with respect thereto shall cease to accrue and be payable. Such notice in respect of optional redemption shall not be provided unless there has been deposited with the Trustee funds sufficient to pay such redemption price (except in the case of redemption resulting from the issuance of refunding obligations).

Subject to the provisions stated above, the Trustee shall take the following actions with respect to such Redemption Notice:

(a) At least thirty (30) but not more than sixty (60) days prior to the redemption date, the Trustee shall cause Redemption Notices to be given to the respective Owners of Bonds designated for redemption by first class mail, postage prepaid, at their addresses appearing on the Bond Register maintained by the Trustee.

(b) At least thirty (30) days prior to the redemption date, such Redemption Notice shall be given to each of the Securities Depositories.

The District shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption shall be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under this Indenture. The District and the Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent.

Neither failure to receive any Redemption Notice nor any defect in such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of such Bonds. Each check or other payment method used by the Trustee for the purpose of redeeming Bonds shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Section 4.04. Partial Redemption of Bonds. Upon surrender of any Bond redeemed in part only, the Trustee shall authenticate and deliver to the Owner thereof a new Bond or Bonds equal to the unredeemed principal amount of the Bond surrendered.

Section 4.05. Effect of Redemption. Notice having been given as aforesaid, and the moneys for the redemption, including interest to the applicable redemption date of the Bonds to be redeemed, having been set aside in the Redemption Account or Payment Account, the portion of Bonds to be redeemed shall become due and payable on said redemption date, and, upon presentation and surrender thereof at the office or offices specified in said notice, said Bonds shall be paid at the unpaid principal amount and premium, if any, with respect thereto, plus any unpaid and accrued interest to said redemption date.

If, on said redemption date, moneys sufficient for the redemption of all the Bonds to be redeemed, together with interest to said redemption date shall be held by the Trustee so as to be available therefor on such redemption date, and, if notice of redemption thereof shall have been given as aforesaid, then, from and after said redemption date, interest with respect to the portion of Bonds to be redeemed shall cease to accrue and become payable. If said moneys shall not be so available on said redemption date, interest with respect to such portion of Bonds shall continue to be payable until paid at the same rates as they would have been payable had they not been called for redemption. All moneys held by or on behalf of the Trustee for the redemption of particular Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed for the lesser of two (2) years or the period ending one day prior to the date such moneys would escheat to the State. Subject to any applicable escheat laws, after the earlier of two (2) years or the period ending one day prior to the date such moneys would escheat to the State, the Trustee will pay over to the District the unclaimed money for the years to which such money applies, if any, and thereafter the Owners of such Bonds shall be entitled to payment on their Bonds only from the District and only from the amounts so paid to the District. The Trustee shall have no obligation to determine what applicable escheat law applies, but shall only be required to follow the District's written instructions to comply with this Section.

ARTICLE V

COVENANTS OF THE DISTRICT AND THE TRUSTEE

Section 5.01. Compliance with Indenture. The District will not suffer or permit any material default by it to occur hereunder, but will faithfully comply with, keep, observe and perform all the agreements, conditions, covenants and terms hereof required to be complied with, kept, observed and performed by it.

Section 5.02. Observance of Laws and Regulations. The District will faithfully comply with, keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States of America or of the State of California, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of each and every franchise, right or privilege now owned or hereafter acquired by it, including their right to exist and carry on their respective businesses, to the end that such franchises, rights and privileges shall be maintained and preserved and shall not become abandoned, forfeited or in any manner impaired.

Section 5.03. Prosecution and Defense of Suits. The District will promptly, upon request of the Trustee or any Owner, take such action from time to time as may be necessary or proper to remedy or cure any cloud upon or defect in the title to the System or any part thereof, whether now existing or hereafter developing, will prosecute all actions, suits or other proceedings as may be appropriate for such purpose and will indemnify and save the Trustee and every Owner harmless from all cost, damage, expense or loss, including reasonable attorneys' fees, which they or any of them may incur by reason of any such cloud, defect, action, suit or other proceeding.

Section 5.04. Accounting Records and Statements. The Trustee will keep proper accounting records in which accurate entries shall be made of all transactions made by the Trustee relating to the

receipt, deposit and disbursement of the Debt Service Payments, and such accounting records shall be available for inspection by the District, or any Owner or his or her agent duly authorized in writing on any Business Day upon reasonable notice at reasonable hours and under reasonable conditions prescribed by the Trustee. So long as any Bonds are Outstanding, the Trustee will furnish each month to the District and any Owner who may so request in writing (at the expense of such Owner) a statement covering the receipts, deposits and disbursements of the Debt Service Payments for the preceding monthly period; provided, that the Trustee shall not be obligated to deliver an accounting for any fund or account that (i) has a balance of zero, or (ii) has not had any activity since the last reporting date.

Section 5.05. Further Assurances. Whenever and so often as requested to do so by the Trustee or any Owner, the District will promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the Owners all advantages, benefits, interests, powers, privileges and rights conferred or intended to be conferred upon them by this Indenture.

Section 5.06. Against Encumbrances. The District hereby covenants that there is no pledge of or lien on Net Operating Revenues senior to the pledge and lien securing the Bonds. The District will not make any pledge of or place any lien on the Net Operating Revenues, provided that the District may at any time, or from time to time, pledge or encumber the Net Operating Revenues in connection with the issuance or execution of Parity Obligations or other obligations permitted by the Master Resolution, or subordinate to the pledge of Net Operating Revenues herein.

Section 5.07. Against Sale or Other Disposition of Property. Except as provided herein, the District covenants that the System shall not be encumbered, sold, leased, pledged, any charge placed thereon, or otherwise disposed of, as a whole or substantially as a whole. Neither the Net Operating Revenues nor any other funds pledged or otherwise made available to secure payment of the Debt Service Payments shall be mortgaged, encumbered, sold, leased, pledged, any charge placed thereon, or disposed or used except as authorized by the terms hereof or the Master Resolution. The District shall not enter into any agreement which impairs the operation of the System or any part of it necessary to secure adequate Net Operating Revenues to pay the Debt Service Payments, or which otherwise would materially impair the rights of the Owners and the owners of any Parity Obligations with respect to the Net Operating Revenues. If any substantial part of the System shall be sold, the payment therefor shall either (a) be used for the acquisition or construction of improvements, extensions or replacements of facilities constituting part of the System, or (b) to the extent not so/used, be paid to the Trustee to be applied to pay or redeem the Bonds or any Parity Obligations, in accordance with written instructions of the District filed with the Trustee.

Section 5.08. Against Competitive Facilities. Except for any utility system existing as of the date hereof, the District will not, to the extent permitted by law, acquire, maintain or operate and will not, to the extent permitted by law and within the scope of its powers, permit any other public or private agency, authority, city or political subdivision or any person whomsoever to acquire, maintain or operate within the District any utility system competitive with the System; provided, however, that the District may assign all or a portion of the System to another entity upon delivery to the Trustee of an opinion of nationally recognized bond counsel that such assignment will not adversely affect the tax-exempt status of the Bonds, and provided such entity assumes the obligations of the District hereunder.

Section 5.09. Tax Covenants. Notwithstanding any other provision of this Indenture, absent an opinion of Bond Counsel that the exclusion from gross income of interest on the Bonds will not be adversely affected for federal income tax purposes, the District covenants to comply with all applicable requirements of the Code necessary to preserve such exclusion from gross income and specifically covenants, without limiting the generality of the foregoing, as follows:

(i) The District hereby covenants that it shall not make or permit any use of the proceeds of the Bonds that may cause the Bonds to be “arbitrage bonds” within the meaning of the Code.

(ii) The District covenants that the proceeds of the Bonds will not be used as to cause the proceeds on the Bonds to satisfy the private business tests of Section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

(iii) The District covenants not to take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

Section 5.10. Operation of the System. The District covenants and agrees to operate the System in an efficient and economical manner and to operate, maintain and preserve the System in good repair and working order, as provided in the Master Resolution.

Section 5.11. Payment of Claims. The District will pay and discharge any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien on the Net Operating Revenues or any part thereof or on any funds in the control of the District or the Trustee prior or superior to the lien of the Bonds or which might impair the security of the Bonds; provided the District shall not be obligated to make such payment so long as the District contracts such payment in good faith.

Section 5.12. Compliance with Contracts. The District will comply with, keep, observe and perform all agreements, conditions, covenants and terms, expressed or implied, required to be performed by it contained in all contracts for the use of the System and all other contracts affecting or involving the System to the extent that the District is a party thereto.

Section 5.13. Insurance. (a) So long as the Bonds are Outstanding, the District shall maintain or cause to be maintained, but only if and to the extent available at reasonable cost from reputable insurers, a standard comprehensive general insurance policy or policies in protection of the District and its members, officers, agents and employees. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the System. Said policy or policies shall provide coverage with such liability limits and shall be subject to such deductibles as shall be customary with respect to works and property of a like character. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried by the District, and may be maintained in whole or in part in the form of self-insurance by the District, subject to the provisions hereof, or in the form of the participation by the District in a joint powers agency or other program providing pooled insurance. The proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which such proceeds shall have been paid.

So long as the Bonds are Outstanding, the District shall procure and maintain, or cause to be procured and maintained, but only in the event and to the extent available from reputable insurers at reasonable cost, casualty insurance against loss or damage to any improvements constituting any part of the System, covering such hazards as are customarily covered with respect to works and property of like character. Such insurance may be subject to deductible clauses which are customary for works and property of a like character. Such insurance may be maintained as part of or in conjunction with any other casualty insurance carried by the District and may be maintained in whole or in part in the form of self-insurance by the District, subject to the provisions hereof, or in the form of the participation by the District in a joint powers agency or other program providing pooled insurance. All amounts collected from insurance against accident to or destruction of any portion of the System shall be used to repair, rebuild or replace such damaged or destroyed portion of the System, and to the extent not so applied, shall be paid to the Trustee

to be applied to redeem the Bonds under Section 4.01(b) hereof or any Parity Obligations, in accordance with written instructions of the District filed with the Trustee.

The District shall pay or cause to be paid when due the premiums for all insurance policies required by this Indenture. The Trustee shall not be responsible for the sufficiency of any insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss. In the event that any insurance required pursuant hereto shall be provided in the form of self-insurance, the District shall file with the Trustee annually, within ninety (90) days following the close of each Fiscal Year, a statement of an independent actuarial consultant identifying the extent of such self-insurance and stating the determination that the District maintains sufficient reserves with respect thereto. In the event that any such insurance shall be provided in the form of self-insurance by the District, the District shall not be obligated to make any payment with respect to any insured event except from Net Operating Revenues or such reserves. On or before July 1 of each year, the District shall provide a Certificate of the District to the Trustee that all policies of insurance are in conformance with the requirements hereof and the Trustee shall be entitled to rely on such Certificate of the District without independent investigation.

Section 5.14. Books and Accounts; Financial Statements. The District shall keep proper books of record and accounts of the System, separate from all other records and accounts, in which complete and correct entries shall be made of all transactions relating to the System. Said books shall, upon prior request, be subject to the reasonable inspection by the Owners of not less than ten percent (10%) in aggregate principal amount of the Outstanding Bonds, or their representatives authorized in writing. The District shall cause the books and accounts of the System to be audited annually by an Independent Accountant, not more than one hundred eighty (180) days after the close of each Fiscal Year, and shall make a copy of such report available for inspection by the Owners at the office of the District.

The Trustee shall not be required to review, and shall not be deemed to have notice of, the contents of the books and records of the District, any financial statement or statement of insurance coverage delivered to the Trustee hereunder, it being expressly understood that the Trustee shall only receive and hold such documents as repository for examination and copying by any Owner at such Owner's expense during business hours on Business Days.

Section 5.15. Payment of Taxes and Compliance with Governmental Regulations. The District will pay and discharge all taxes, assessments and other governmental charges, if any, which may hereafter be lawfully imposed upon the System or any part thereof or upon the Net Operating Revenues when the same shall become due. The District will duly observe and conform with all valid regulations and requirements of any governmental authority relative to the operation of the System or any part thereof, but the District shall not be required to make such payments, or to comply with any regulations or requirements, so long as the payment or validity or application thereof shall be contested in good faith.

Section 5.16. No Amendments to Master Resolution. So long as the Bonds are Outstanding, the District covenants and agrees not to amend or supplement the Master Resolution, except as provided for in the Master Resolution.

Section 5.17. Collection of Rates and Charges. The District will have in effect at all times rules and regulations requiring all users of the Water Service to pay the rates, fees and charges applicable to the Water Service provided or made available to such users. Such rules and regulations shall also provide for the billing thereof and for a due date and a delinquency date for each bill. In each case where such bill remains unpaid in whole or in part after such bill becomes delinquent, the District may refuse to provide or make available Water Service to such premises until all delinquent rates, fees and charges and penalties have been paid in full.

Except in connection with the receipt of federal or State funding, the District will not permit any part of either System, or any facility thereof, to be used, or taken advantage of, free of charge by any person, firm or corporation, or by any public agency (including the United States of America, the State of California and any public corporation, political subdivision, city, county, district or agency of any thereof), excepting only that the District may without charge use the services and facilities of the System.

Section 5.18. Eminent Domain Proceeds. Any amounts received as awards as a result of the taking of all or any part of the System by the lawful exercise of eminent domain, at the election of the District (evidenced by a Written Certificate of the District filed with the Trustee) shall either (a) be used for the acquisition or construction of improvements and extension of the System, or (b) be paid to the Trustee to be applied to redeem the Bonds under Section 4.01(b) hereof or any Parity Obligations, in accordance with written instructions of the District filed with the Trustee.

Section 5.19. Continuing Disclosure to Owners. The District and the Trustee shall comply with and carry out all of their respective duties under the Continuing Disclosure Agreement. Notwithstanding any other provisions of this Indenture, failure of the District or the Trustee to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; provided, however, that the Trustee shall, at the written direction of any Participating Underwriter (as defined in the Continuing Disclosure Agreement) or the holders of at least 25% aggregate principal amount of Outstanding Bonds, but only to the extent indemnified for its fees and expenses, including those of its attorneys, or any holder or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

ARTICLE VI

DEFAULT AND LIMITATIONS OF LIABILITY

Section 6.01. Events of Default and Events of Mandatory Acceleration; Acceleration of Maturities. If one or more of the following Events of Default shall happen:

(a) default shall be made in the due and punctual payment by the District of any Debt Service Payment when and as the same shall become due and payable;

(b) default shall be made by the District in the performance of any of the agreements or covenants contained herein required to be performed by it, and such default shall have continued for a period of sixty (60) days after the District shall have been given notice in writing of such default by the Trustee;

(c) the District shall file a petition seeking arrangement or reorganization under federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if a court of competent jurisdiction shall approve a petition filed with the consent of the District seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property; or

(d) an event of default shall have occurred with respect to any Parity Obligations; If an Event of Default shall occur, then, and in each and every such case during the continuance of such Event of Default, the Trustee may, subject to the provisions of Section 6.02, exercise any remedies available to the Trustee and the Bondowners in law or at equity.

The Trustee shall notify the District promptly of any default under Section 6.01(a) hereof. Upon the occurrence of an Event of Default hereunder, the Trustee may declare the principal and interest with respect to all such Bonds immediately due and payable and such principal and interest shall thereupon be due and payable immediately. The Trustee shall apply amounts on deposit in the funds and accounts in accordance with Section 6.07 hereof.

This provision, however, is subject to the condition that, except with respect to an Event of Default under subsection (c) above, if at any time after such Outstanding principal amount of the Bonds and the accrued interest thereon shall have been so declared due and payable and before the acceleration date or the date of any judgment or decree for the payment of the money due shall have been obtained or entered, the District shall deposit with the Trustee a sum sufficient to pay such amount due prior to such date and the accrued interest thereon, with interest on such overdue payments at the rate on such Bonds, and the reasonable fees and expenses of the Trustee, including those of its attorneys, and any and all other defaults known to the District (other than in the payment of such principal amount of the Bonds and the accrued interest thereon due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then and in every such case the Trustee, by written notice to the District, may rescind and annul such declaration and its consequences; but no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Section 6.02. Other Remedies of the Trustee. The Trustee may (subject to the receipt of indemnity as provided herein):

(a) by mandamus or other action or proceeding or suit at law or in equity enforce its rights against the District, or any board member, officer or employee thereof, and compel the District or any such board member, officer or employee to perform and carry out its or his or her duties under applicable law and the agreements and covenants contained herein required to be performed by it or him;

(b) by suit in equity enjoin any acts or things which are unlawful or violate the rights of the Trustee or the Bondowners hereunder;

(c) intervene in judicial proceedings that affect the Bonds or the security therefor or hereunder; or

(d) by suit in equity upon the happening of an Event of Default require the District and its officers and employees to account as the trustee of an express trust.

Section 6.03. Non-Waiver. A waiver of any default or breach of duty or contract by the Trustee or the Owners shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Trustee or the Owners to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Trustee or the Owners by law or by this Article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee.

If any action, proceeding or suit to enforce any right or to exercise any remedy is abandoned or determined adversely to the Trustee or the Owners, the Trustee, the Owners and the District shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

Section 6.04. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by any other law.

Section 6.05. No Liability by the Trustee to the Owners. Except for the duty of the Trustee to make payments of principal, redemption premiums, if any, and interest with respect to the Bonds from moneys received from the District, the Trustee will not have any obligation or liability to the Owners with respect to the payment when due of the Debt Service Payments by the District, or with respect to the performance by the District of the other agreements and covenants required to be performed by it contained herein.

Section 6.06. Limitation on Owners' Right to Bring Suit. No Owner of any Bond shall have any right to institute any proceeding, judicial or otherwise, under or with respect to this Indenture, or for the appointment of a receiver or trustee or for any other remedy hereunder, at law or in equity, unless:

(1) such Owner has previously given written notice to the Trustee of a continuing Event of Default;

(2) the owners of not less than a majority in principal amount of the Bonds Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Owner or Owners have offered to the Trustee reasonable indemnity, satisfactory to the Trustee, against the costs, expenses and liabilities to be incurred in compliance with such request; and

(4) the Trustee for sixty (60) days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding.

It being understood and intended that no one or more Owners shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the lien of this Indenture or the rights of any other Owners or to obtain or to seek to obtain priority or preference over any other Owners or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all Bonds and Parity Obligations. Notwithstanding the foregoing, the Owner of any Bond shall have the right which is absolute and unconditional to receive payment of interest on such Bond when due in accordance with the terms thereof and hereof and the principal of such Bond at the stated maturity thereof and to institute suit for the enforcement of any such payment in accordance with the provisions of this Indenture and such rights shall not be impaired without the consent of such Owner.

Section 6.07. Application of Funds Upon Default. All monies received by the Trustee or by any receiver pursuant to any right given or action taken under the provisions of this Article VI, and any other funds then held by the Trustee, shall, after payment of the reasonable costs and fees of, and the reasonable fees, expenses, liabilities and advances incurred or made by the Trustee (including fees and expenses of its attorneys and advisors), be deposited in the Debt Service Account and all moneys so deposited during the continuance of an Event of Default (other than moneys for the payment of Bonds which have previously matured or otherwise become payable prior to such Event of Default or for the payment of interest due prior to such Event of Default), together with all moneys in the funds and accounts maintained by the Trustee under Article III hereof, shall be applied as follows:

(a) Unless the principal of all Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

First: To the payment to the persons entitled thereto of all installments of interest then due on the Bonds and any Parity Obligations, with interest on overdue installments, if lawful, at the rate per annum borne by the Bonds, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment ratably according to the amounts due on such installment, to the persons entitled thereto without any discrimination or privilege; and

Second: To the payment to the persons entitled thereto of the unpaid principal of any of the Bonds and any Parity Obligations which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), with interest on such Bonds at their rate from the respective dates upon which they became due, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full Bonds and any Parity Obligations due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal and interest due on such date, to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds and any Parity Obligations, with interest on overdue interest and principal, as aforesaid, without preference or priority over interest or of interest over principal or of any installment of

interest over any other installment of interest, or of any Bonds over any other Bonds or any Parity Obligations, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

Whenever the Trustee shall apply such moneys (which shall not include the application of moneys upon the occurrence of any acceleration pursuant to the provisions hereof), it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which date such application is to commence and upon such date interest on the amounts of principal and interest to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date and of the special record date in accordance with Article II hereof. The Trustee shall not be required to make payment to the Owner of any unpaid Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 6.08. Rights of the Owners of Parity Obligations. Notwithstanding anything in this Article VI to the contrary, it is hereby acknowledged and agreed that the rights of the Trustee and the Owners hereunder in and to the Net Operating Revenues and the System shall be exercised on a parity and proportionate basis with the rights of the owners of any Parity Obligations and any fiduciary acting for the benefit of such owners. The provisions of this Article VI, and the provisions of any instruments authorizing the issuance of any Parity Obligations, shall be construed in accordance with the foregoing sentence.

ARTICLE VII

THE TRUSTEE

Section 7.01. Trustee; Duties, Removal and Resignation. By executing and delivering the Indenture, the Trustee accepts the duties and obligations of the Trustee provided in the Indenture, but only upon the terms and conditions set forth in the Indenture.

The District, in its sole discretion, or the Owners of a majority in aggregate principal amount of all Bonds Outstanding may, by thirty (30) days prior written request, remove the Trustee initially a party hereto, and any successor thereto, and in such event, or in the event the Trustee resigns, the District shall appoint a successor Trustee, but any such successor shall be a bank, national banking association or trust company in good standing doing business and having an office in Los Angeles or San Francisco, California, having (or if such bank, national banking association or trust company is a member of a bank holding company system, its bank holding company shall have) a combined capital (exclusive of borrowed capital) and surplus of at least Fifty Million Dollars (\$50,000,000) and subject to supervision or examination by federal or state authority; provided, however, that the District shall not remove the Trustee if the District is in default under this Indenture. If such bank, national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section the combined capital and surplus of such bank, national banking association or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of conditions so published.

The Trustee may at any time resign by giving written notice to the District and by giving to the Bond Owners notice by mailing a notice of such resignation to their addresses appearing in the Bond Register. Upon receiving any such notice of resignation, the District shall promptly appoint a successor Trustee by an instrument in writing; provided, however, that in the event that the district does not appoint a successor Trustee within thirty (30) days following receipt of such notice of resignation, the resigning Trustee may petition at the expense of the District an appropriate court having jurisdiction to appoint a

successor Trustee or to resign. Subject to the prior sentence, any resignation or removal of the Trustee shall not become effective until written acceptance of appointment by the successor Trustee under the Indenture.

Any Trustee which shall resign or be removed pursuant to this Section shall be entitled to compensation in accordance with Section 7.02 and to reimbursement for all reasonable and proper expenses and advances incurred and not previously reimbursed for its activities in connection with the Indenture and for any indemnification due pursuant to the Indenture and not previously paid. Any Trustee which resigns or is removed, upon payment of its unpaid compensation and expenses hereunder, shall fully discharge all the right, title and interest of the retiring Trustee and amounts on deposit hereunder shall vest in said successor Trustee, and such retiring Trustee shall promptly pay over, assign and deliver to the successor Trustee any money or other property on deposit pursuant hereto then held by such Trustee, and deliver any and all records, or copies thereof, in respect of the Trustee which it may have.

Section 7.02. Compensation of the Trustee. The District shall pay from time to time, upon receipt of a statement, to the Trustee reasonable compensation for the Trustee's services and shall reimburse the Trustee for all its reasonable advances and expenditures incurred by it in the exercise and performance of its powers and duties under the Indenture. The lien of the Trustee on amounts held by it under the Indenture for its services rendered under the Indenture shall be superior to the rights of the Bond Owners to receive scheduled payments of principal and interest with respect to their Bonds; provided that the Trustee shall have no lien on moneys in the Redemption Account.

The District shall hold harmless and indemnify the Trustee for all costs, claims, expenses and liabilities incurred by or asserted against the Trustee in the performance of its duties under this Indenture or any related document, including any such reasonable costs, claims, expenses (including legal fees and expenses) and liabilities incurred in the course of defending itself against any claims or actions or enforcing any remedies under this Indenture or any related document. Any such indemnity shall not extend to any costs, claims, expenses or liabilities adjudicated to have been caused by the negligence or willful misconduct of the Trustee. The indemnification of the Trustee under this Indenture shall extend to its directors, officers, employees and agents. The obligations of the District under this Section shall survive the payment of the Bonds and the discharge of this Indenture, and the resignation or removal of the Trustee.

Section 7.03. Protection to Trustee. The District shall indemnify, protect and hold the Trustee harmless and the Trustee shall incur no liability for acting upon any notice, resolution, consent, order, certificate, report, certificate or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee, in its discretion, may consult with counsel, who may be counsel to the District, with regard to legal questions, and the advice or opinion of such counsel, in the absence of negligence or willful misconduct on the part of the Trustee, shall be full and complete authorization and protection in respect of any action taken or suffered by it under the Indenture in good faith in accordance therewith.

Whenever in the administration of its duties under the Indenture, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Indenture, such matter (unless other evidence in respect thereof be specifically prescribed in the Indenture) may, in the absence of negligence or willful misconduct on the part of the Trustee, be deemed to be conclusively proved and established by the certificate of an Authorized Officer of the District and such certificate shall be full warranty to the Trustee for any action taken or suffered under the provisions of the Indenture upon the faith thereof, but in its discretion the Trustee may, in lieu thereof (but shall not be obligated to), accept other evidence of such matter.

The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds issued pursuant to the Indenture, and may join in any action which any Owner may be entitled to take with like effect as if the

Trustee were not a party to the Indenture. The Trustee and its affiliates, either as sponsor, advisor, principal or agent, may also engage in or be interested in any financial or other transaction with the District, and may act as depository, trustee, or agent for any committee or body of Owners of Bonds or other obligations of the District as freely as if it were not Trustee under the Indenture.

The recitals, statements and representations contained in this Indenture or in the Bonds, save only the Trustee's authentication of the Bonds, shall be taken and construed as made by and on the part of the District, and not by the Trustee, and the Trustee does not assume, and shall not have, any responsibility or obligation for the correctness of any thereof. The Trustee shall not be deemed to make any representations with respect to the security afforded by this Indenture.

The Trustee may execute any of the trusts or powers hereof and perform the duties required of it under the Indenture by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty under the Indenture. The Trustee shall be fully reimbursed by the District for reasonable expenses incurred in connection with the performance of its obligations under the Indenture. Upon any default by, or misconduct of, any agent, attorney or receiver appointed by the Trustee, the Trustee shall fully pursue all remedies available to it against such attorney, agent or receiver, and the proceeds of the exercise of such remedies shall be used to reimburse the District for any loss it may have suffered as a result of the default or misconduct of such agent, attorney or receiver.

Before taking any remedial action hereunder the Trustee may require that a satisfactory indemnity bond or other indemnity satisfactory to the Trustee be furnished for the reimbursement of all reasonable expenses to which it may be put and to protect it against all liability which may be incurred in connection with the taking of such action, except liability which is adjudicated to have resulted from its negligence or willful misconduct; provided, however, the Trustee shall not seek such indemnity prior to making payments on the Bonds.

The Trustee, prior to the occurrence of an Event of Default, and after the curing or waiving of all Events of Default which may have occurred, undertakes to perform only such duties as are specifically set forth in this Indenture. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a reasonable person would exercise or use in the conduct of such person's own affairs.

The Trustee shall not be deemed to have knowledge of an Event of Default (except in connection with a failure of the District to make Debt Service Payments when due) until a Responsible Officer has actual knowledge thereof, or until notified in writing of such Event of Default.

The Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds.

No provision of this Indenture or any other document related hereto shall require the Trustee to risk or advance its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of its rights hereunder.

The immunities extended to the Trustee also extend to its directors, officers, employees and agents.

The Trustee shall not be liable for any action taken or not taken by it in accordance with the direction of a majority (or other percentage provided for herein) in aggregate principal amount of Bonds outstanding relating to the exercise of any right, power or remedy available to the Trustee.

The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty.

The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Trustee shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the District elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The District agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

The Trustee shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of *force majeure*. The term "*force majeure*" means an occurrence that is beyond the control of the Trustee and could not have been avoided by exercising due care. *Force majeure* shall include but not be limited to acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

The Trustee shall not be concerned with or accountable to anyone for the subsequent use or application of any moneys which shall be released or withdrawn in accordance with the provisions hereof.

The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct.

The Trustee's rights to immunities and protection from liability hereunder and its rights to payment of its fees and expenses shall survive its resignation or removal and final payment or defeasance of the Bonds. All indemnifications and releases from liability granted herein to the Trustee shall extend to the directors, officers and employees of the Trustee.

Section 7.04. Payment Limited. All payments to be made by the Trustee under and pursuant to this Indenture shall be made only from the corpus, income and proceeds of the amounts on deposit pursuant hereto and only to the extent that the Trustee shall have received sufficient contribution, income and proceeds in accordance with the terms of this Indenture.

Section 7.05. Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the

Trustee may sell or transfer all or substantially all of its corporate trust business, provided that such company shall be eligible under Section 7.01 hereof, shall be the successor to the Trustee without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Section 7.06. Funds and Accounts. The Trustee may establish such funds and accounts as it reasonably deems necessary or appropriate to perform its obligations hereunder.

ARTICLE VIII

AMENDMENT OF OR SUPPLEMENT TO INDENTURE

Section 8.01. Amendment or Supplement by Consent of Owners. The Indenture may be amended in writing by agreement between the District and the Trustee, but no such amendment or supplement shall (i) reduce the rate of interest evidenced by the Bonds or extend the time of payment of such interest or reduce the amount of principal thereof or extend the Maturity Date thereof without the prior written consent of the Owner thereof, or (ii) reduce the percentage of Owners of Bonds whose consent is required for the execution of any amendment of or supplement to the Indenture, or (iii) modify any rights or obligations of the Trustee without its prior written consent thereto.

This Indenture and the rights and obligations of the District, of the Trustee and the Owners of the Bonds may also be modified or amended from time to time and at any time by a Supplemental Indenture which the District and the Trustee may enter into, but without the consent of any Bond Owners, if the provisions of such Supplemental Indenture shall not materially adversely affect the interests of the Owners of the Bonds, including, without limitation, for any one or more of the following purposes:

(a) to add to the covenants and agreements of the District other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the District;

(b) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in this Indenture, or in regard to matters or questions arising under this Indenture, as the District or the Trustee may deem necessary or desirable;

(c) to modify, amend or supplement this Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute;

(d) to make such additions, as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds; or

(e) to authorize the issuance of Parity Obligations.

In the event of any such amendment or supplement, copies of such amendment or supplement and any other documents relating thereto shall be provided by the District to Moody's and S&P (provided such rating agencies are currently rating the Bonds, or any Parity Obligations) at least fifteen (15) days prior to the effective date thereof.

Section 8.02. Disqualified Bonds. Bonds owned or held by or for the account of the District shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided in this Article VIII, and shall not be entitled to consent to or take any other action provided in this Article VIII, and the Trustee may adopt appropriate regulations to require each Owner, before his or her consent provided for herein shall be deemed effective, to reveal if the Bonds as to which such consent is given are disqualified as provided in this Section 8.02. Upon request of the Trustee, the District shall specify in a certificate to the Trustee those Bonds disqualified pursuant to this Section and the Trustee may conclusively rely on such certificate.

ARTICLE IX

DEFEASANCE

Section 9.01. Defeasance. Any Outstanding Bonds shall be paid and discharged in any one or more of the following ways:

(a) by paying or causing to be paid the principal of and interest on such Bonds Outstanding, as and when the same become due and payable;

(b) by depositing with the Trustee, in trust, before maturity, money which, together with the amounts which are then on deposit in the Payment Fund and available therefor, is fully sufficient to pay such Bonds, including all principal and interest; or

(c) by depositing with the Trustee, (or such other fiduciary as determined by the District) under an escrow deposit and trust agreement, (i) cash or (ii) non-callable Federal Securities (or any combination thereof) (the "Defeasance Obligations") in such amount as an Independent Certified Public Accountant shall determine will, together with the interest to accrue thereon and moneys then on deposit (or a pro rata share thereof) in the Payment Fund available therefor, together with the interest to accrue thereon, be fully sufficient to pay and discharge such Bonds (including all principal and interest) at or before their respective maturity dates.

In the event of a refunding as described in paragraph (c) above (i) the District shall cause to be delivered, on the deposit date and upon any reinvestment of the defeasance amount, a report of an Independent Certified Public Accountant verifying the sufficiency of the escrow established to pay such Bonds in full on the maturity or redemption date (the "Verification"), (ii) the escrow instructions shall provide that (A) substitution of a Defeasance Obligation shall not be permitted except with another Defeasance Obligation and upon delivery of a new Verification and (B) reinvestment of a Defeasance Obligation shall not be permitted except as contemplated by the original Verification or upon delivery of a new Verification, and (iii) there shall be delivered an opinion of nationally recognized bond counsel to the effect that such Bonds are no longer "Outstanding" under the Indenture. Each Verification and defeasance opinion shall be addressed to the District, the Trustee, the escrow agent, if any, and any other parties as are deemed appropriate by the District at the time of such refunding. In the event a forward purchase agreement will be employed in the refunding, such agreement shall be accompanied by such opinions of counsel.

Notwithstanding that some Bonds may not have been surrendered for payment, all obligations of the District and the Trustee under the Indenture with respect to such defeased Bonds shall cease and terminate, except only the obligation of the Trustee to pay or cause to be paid to the Owners of such Bonds all sums due thereon and the obligation of the District to indemnify and pay the Trustee in accordance with Sections 7.02 and 7.03 hereof.

Any funds held by the Trustee, at the time of one of the events described above in subsections (a), (b) or (c), which are not required for the payment to be made to Owners, or for payments to be made to the Trustee by the District, shall be paid over to the District pursuant to written instruction from an Authorized Officer of the District and delivery of a certificate of a certified public accountant that such funds are not required to be paid to the Owners.

Section 9.02. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or principal of the Bonds which remains unclaimed for the lesser of the period ending one day prior to the date such money would escheat to the State or two (2) years after the date when the payments evidenced and represented by

such Bonds have become payable, if such money was held by the Trustee at such date, or for the lesser of the period ending one day prior to the date such money would escheat to the State or two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest and principal evidenced and represented by such Bonds have become payable, the Trustee shall pay such amounts to the District as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the District for interest and principal represented by such Bonds; provided, however, that before being required to make any such payment to the District, the Trustee may, at the expense of the District, cause to be published once a week for two (2) successive weeks in a financial newspaper a notice that such money remains unclaimed and that after a date named in such notice, which date shall not be less than thirty (30) days after the date of the first publication of such notice, the balance of such money then unclaimed will be returned to the District.

ARTICLE X

MISCELLANEOUS

Section 10.01. Benefits of Indenture Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the District, the Trustee and the Owners any claim, remedy or right under or pursuant hereto, and any agreement, condition, covenant or term contained herein required to be observed or performed by or on behalf of the District shall be for the sole and exclusive benefit of the Trustee and the Owners.

Section 10.02. Successor Deemed Included in all References to Predecessor. Whenever either the District, the Trustee or any officer thereof is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the District, the Trustee or such officer, and all agreements, conditions, covenants and terms required hereby to be observed or performed by or on behalf of the District, the Trustee or any officer thereof shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 10.03. Execution of Documents by Owners. Any declaration, request or other instrument which is permitted or required herein to be executed by Owners may be in one or more instruments of similar tenor and may be executed by Owners in person or by their attorneys appointed in writing. The fact and date of the execution by any Owner or his or her attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state or territory in which she purports to act, that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer, or by such other proof as the Trustee or the paying agent, as the case may be, may accept which it may deem sufficient.

Any declaration, request or other instrument in writing of the Owner of any Bond shall bind all future owners of such Bond with respect to anything done or suffered to be done by the District or the Trustee in good faith and in accordance therewith.

Section 10.04. Waiver of Personal Liability. No board member, officer or employee of the District shall be individually or personally liable for the payment of the interest or principal the Bonds, but nothing contained herein shall relieve any board member, officer or employee of the District from the performance of any official duty provided by any applicable provisions of law or hereby.

Section 10.05. Acquisition of Bonds by the District. All Bonds acquired by the District, whether by purchase or gift or otherwise, shall be surrendered to the Trustee for cancellation.

Section 10.06. Content of Certificates. Every Certificate of the District with respect to compliance with any agreement, condition, covenant or term contained herein shall include (a) a statement that the person or persons making or giving such certificate have read such agreement, condition, covenant or term and the definitions herein relating thereto; (b) a statement that, in the opinion of the signers they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such agreement, condition, covenant or term has been complied with; and (c) a statement as to whether, in the opinion of the signers, such agreement, condition, covenant or term has been complied with.

Any Certificate of the District may be based, insofar as it relates to legal matters, upon an opinion of counsel unless the person making or giving such certificate knows that the opinion of counsel with

respect to the matters upon which such certificate may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous. Any opinion of counsel may be based, insofar as it relates to factual matters or information with respect to which is in the possession of the District, upon a representation by an officer or officers of the District unless the counsel executing such opinion of counsel knows that the representation with respect to the matters or upon which his or her opinion may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous.

Section 10.07. Notice by Mail. Any notice required to be given hereunder by mail to any Owners of Bonds shall be given by mailing a copy of such notice, first class postage prepaid, to the Owners of such Bonds at their addresses appearing in the books required to be kept by the Trustee pursuant to the provisions of Section 2.07 not less than thirty (30) days nor more than sixty (60) days following the action or prior to the event concerning which notice thereof is required to be given unless this Indenture expressly provides a different provision; provided, that receipt of any such notice shall not be a condition precedent to the effect of such notice and failure to receive any such notice shall not affect the validity of the proceedings taken in connection with the action or the even concerning which such notice was given.

Section 10.08. Funds. Any fund or account required to be established and maintained herein by the Trustee may be established and maintained in the accounting records of the Trustee either as an account or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund; but all such records with respect to all such funds shall at all times be maintained in accordance with industry practice and with due regard for the protection of the security of the Bonds and the rights of the owners.

Section 10.09. Investments.

(a) Amounts on deposit in any fund or account created pursuant to this Indenture shall be invested in Permitted Investments which will, as nearly as practicable, mature on or before the dates when such money is anticipated to be needed for disbursement hereunder, in accordance with such written directions as the District, may from time to time provide to the Trustee. Investment directions shall be received at least two (2) Business Days prior to the date of making the investment. If no such direction has been received by the Trustee in sufficient time, in the judgment of the Trustee to comply with such instructions the Trustee may invest such amounts in Permitted Investments of the type described in paragraph (4) of the definition thereof; provided, however, that any such investment shall be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee shall have received investment directions from the District, specifying a specific money market fund and, if no such written investment directions is so received, the Trustee shall hold such moneys uninvested. The Trustee and any affiliates may act as sponsor, advisor, principal or agent in the acquisition or disposition of any such investment. The Trustee shall not be liable or responsible for any loss suffered in connection with any such investment made by it under the terms of and in accordance with this Section 10.09, The Trustee may sell or present for redemption any obligations so purchased whenever it shall be necessary in order to provide moneys to meet any payment of the funds so invested, and the Trustee shall not be liable or responsible for any losses resulting from any such investment sold or presented for redemption. To the extent possible, the Trustee shall provide notice to the District prior to any such sale. Interest or profit received on such investments shall be deposited to the Debt Service Account.

The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive brokerage confirmations of security transactions as they occur, the District will not receive confirmations to the extent permitted by law. The Trustee will furnish the District periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

The Trustee may make any investments hereunder through its own bond or investment department or trust investment department, or those of its parent or any affiliate.

(b) In computing the amount in any fund or account, Permitted Investments shall be valued at market value, exclusive of accrued interest. The Trustee shall perform such valuation in no event less often than once a year or more frequently than monthly. In making any valuations hereunder, the Trustee may utilize any securities pricing services that maybe available to it, including those within its regular accounting system, and conclusively rely thereon.

(c) Except for investment agreements and repurchase agreements, if at any time after investment therein a Permitted Investment ceases to meet the criteria set forth in the definition of Permitted Investments and such obligation, aggregated with other non-conforming investments, exceeds ten percent (10%) of invested funds, such Permitted Investment shall be sold or liquidated upon the written direction of the District.

Section 10.10. Article and Section Headings, Gender and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof, and words of any gender shall be deemed and construed to include all genders. All references herein to “Articles,” “Sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words “hereby,” “herein,” “hereof,” “hereto,” “herewith,” “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular article, section, subdivision or clause hereof.

Section 10.11. Partial Invalidity. If any one or more of the agreements, conditions, covenants or terms contained herein required to be observed or performed by or on the part of the District or the Trustee shall be contrary to law, then such agreement or agreements, such condition or conditions, such covenant or covenants or such term or terms shall be null and void and shall be deemed separable from the remaining agreements, conditions, covenants and terms hereof and shall in no way affect the validity hereof or of the Bonds, and the Owners shall retain all the benefit, protection and security afforded to them under any applicable provisions of law.

Section 10.12. California Law. This Indenture shall be construed and governed in accordance with the laws of the State of California.

Section 10.13. Notices. All written notices to be given hereunder shall be given by certified mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time.

If to the District: Calleguas Municipal Water District
2100 Olsen Road
Thousand Oaks, California 91360-6800
Attention: District Manager

If to the Trustee: U.S. Bank National Association
633 W. Fifth Street, 24th Floor
Los Angeles, CA 90071
Attn: Global Corporate Trust

Section 10.14. Effective Date. This Indenture shall become effective upon its execution and delivery.

Section 10.15. Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument. ·

Section 10.16. Payments Due on Days that are not Business Days. In any case where the date fixed for payment of principal or interest on the Bonds or the date fixed for redemption of Bonds shall not be a Business Day, then payment of such principal or interest or redemption price shall be made on the next succeeding Business Day, with the same force and effect as if made on such non-Business Day and no interest shall accrue on such amounts from and after such non-Business Day.

IN WITNESS WHEREOF, the parties hereto have executed this Indenture by their officers thereunto duly authorized as of the day and year first written above.

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Officer

**CALLEGUAS MUNICIPAL WATER
DISTRICT**

By: _____
Manager of Administrative Services

**APPENDIX A
(FORM OF BOND)**

NO. ___

\$ _____

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA
CALLEGUAS MUNICIPAL WATER DISTRICT
WATER REVENUE REFUNDING BONDS
SERIES 2024A**

Rate of Interest	Maturity Date	Dated Date	CUSIP

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

DOLLARS

The Calleguas Municipal Water District, a municipal water district and public entity duly created and lawfully existing under the laws of the State of California (the “District”), for value received, hereby promises to pay (but only out of the Net Operating Revenues hereinafter referred to) to the registered owner specified above or registered assigns on the maturity date specified above (subject to any right of prior redemption provided for) the principal sum specified above, together with interest thereon from the Interest Payment Date (defined below) next preceding the date of authentication her of (unless such date of authentication is during the period commencing after the fifteenth day of the month preceding an Interest Payment Date (the “Record Date”) through and including the next succeeding Interest Payment Date, in which event this Bond shall bear interest from such Interest Payment Date, or unless such date of authentication is on or prior to the first Record Date, in which event it shall bear interest from the Dated Date until the principal hereof shall have been paid at the interest rate per annum specified above, payable on January 1, 2025, and semiannually thereafter on January 1 and July 1 in each year (each, an “Interest Payment Date”); provided, however, that if on the date of authentication of this Bond, interest is then in default on this Bond, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment.

The principal of this Bond shall be payable in lawful money of the United States of America at the Principal Office (as provided in the Indenture, defined below) of U.S. Bank National Association (the “Trustee”), upon presentation and surrender of this Bond.

Payment of interest on this Bond due on or before the maturity or prior redemption thereof shall be made to the person in whose name such Bond is registered, as of the Record Date preceding the applicable Interest Payment Date, on the registration books kept by the Trustee at its Trust Office, such interest to be paid by check mailed by first class mail on such interest payment date to the registered owner at his or her address as it appears on such books, or, upon the written request from any Owner of Bonds aggregating, at least \$1,000,000, received on or prior to the applicable Record Date, by wire transfer to an account within the United States.

Interest on this Bond shall be payable in lawful money of the United States of America and shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

This Bond is one of a duly authorized issue of bonds of the District designed as its “Calleguas Municipal Water District Water Revenue Refunding Bonds, Series 2024A” (the “Bonds”), in the aggregate principal amount of _____ Million _____ Thousand Dollars (\$ _____), all of like tenor and date (except for such variations, if any, as may be required to designate varying numbers, maturities and interest rates), and is issued under and pursuant to the provisions of an indenture of trust, dated as of April 1, 2021 (the “Indenture”), between the District and the Trustee.

The Bonds are issued to provide funds to refinance certain outstanding obligations of the District. The Bonds are limited obligations of the District and are payable, as to interest thereon and principal solely from Net Operating Revenues (as defined in the Indenture). All the Bonds are equally and ratably secured in accordance with the terms and conditions of the Indenture by a pledge of the Net Operating Revenues, which Net Operating Revenues shall be held in trust for the security and payment of the interest on, principal of and redemption premiums, if any, on the Bonds as provided in the Indenture. Neither the faith and credit of the District; the State of California, nor any of its political subdivisions are pledged to the payment of the principal of or interest on the Bonds.

Copies of the Indenture are on file at the Principal Office of the Trustee. Reference is hereby made to the Indenture and to any and all amendments thereof and supplements thereto for a description of the agreements, conditions, covenants and terms securing the Bonds, for the nature, extent and manner of enforcement of such agreements, conditions, covenants and terms, for the rights and remedies of the Owners of the Bonds with respect thereto and for the other agreements, conditions, covenants and terms upon which the Bonds are executed and delivered thereunder.

To the extent and in the manner permitted by the terms of the Indenture, the provisions of the Indenture may be amended or supplemented in writing by the parties thereto (in certain instances without the consent of the Owners of Bonds), but no such amendment or supplement shall (i) reduce the rate of interest evidenced hereby or extend the time of payment of such interest or reduce the amount of principal hereof or extend the Maturity Date hereof without the prior written consent of the Owner hereof, or (ii) reduce the percentage of Owners of Bonds whose consent is required for the execution of any amendment of or supplement to the Indenture, or (iii) modify any rights or obligations of the Trustee without its prior written consent thereto.

The Bonds are authorized to be executed and delivered in the form of fully registered Bonds in denominations of five thousand dollars (\$5,000) or any integral multiple thereof.

This Bond is transferable or exchangeable by the Owner hereof in person or by the Owner’s attorney duly authorized in writing, at the Principal Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender of this Bond for cancellation accompanied by delivery of a duly executed written instrument of transfer or exchange in a form approved by the Trustee. Upon such transfer or exchange, a new Bond or Bonds of authorized denominations of the same Maturity Date and interest rate and in the same aggregate principal amount hereof will be executed and delivered by the District and authenticated by the Trustee to the Owner thereof in exchange therefor. The Trustee shall require the payment by the Owner requesting such transfer or exchange of any tax or other governmental charge required to be paid with respect to such transfer or exchange. The Trustee may treat the Owner hereof as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the interest and principal and redemption premium, if any, evidenced by this Bond shall be made only to such Owner, which payments shall be valid and effectual to satisfy and discharge liability evidenced by this Bond to the extent of the sum or sums so paid.

The Trustee shall not be obligated to make any such registration of transfer or exchange of Bonds during the fifteen (15) day period prior to the date on which notice of redemption must be mailed pursuant to the Indenture, or with respect to any Bond which has been selected for redemption pursuant to the Indenture (except any unredeemed portion thereof).

The Bonds shall be subject to redemption as set forth in the Indenture.

As provided in the Indenture, notice of redemption hereof shall be mailed, first class postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date, to the Owner of this Bond at such Owner's address as it appears in the registration books maintained by the Trustee, but failure to give any such notice or any defect therein shall not affect the validity of the proceedings for the redemption of this Bond. If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, the interest evidenced hereby shall cease to accrue from and after the date fixed for redemption.

The Trustee has no obligation or liability to the Owners of the Bonds for the payment of the interest or principal or redemption premiums, if any, on the Bonds; but rather the Trustee's sole obligations are to administer, for the benefit of the District and the Owners of the Bonds, the various funds established under the Indenture.

This Bond shall not be entitled to any benefit, protection or security under the Indenture or become valid or obligatory for any purpose until certificate of authentication and registration hereon endorsed shall have been manually executed and dated by the Trustee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the District or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof Cede & Co., has an interest herein.

It is hereby certified that all acts and proceedings required by law necessary to make this Bond, when executed by the District, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal limited obligation of the District have been done and taken, and have been in all respects duly authorized.

IN WITNESS WHEREOF, the Calleguas Municipal Water District has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its General Manager and attested to by the manual or facsimile signature of its Secretary, and has caused this Bond to be dated as of the dated date set forth above.

CALLEGUAS MUNICIPAL WATER DISTRICT

[Seal]

By: _____
General Manager

ATTEST:

By: _____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bonds described in the within mentioned Indenture which has been authenticated and registered on the date set forth below.

Date:

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Signatory

ASSIGNMENT

For value received, the undersigned does hereby sell, assign and transfer unto the within Bonds and does) hereby irrevocably constitute and appoint attorney to transfer such Bond on the register of the Trustee, with full power of substitution in the premises.

Dated: _____

Signature: _____

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed by: _____

Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

APPENDIX B

LIST OF PARITY OBLIGATIONS

(i) Calleguas-Las Virgenes Public Financing Authority Variable Rate Refunding Revenue Bonds, 2008 Series A (Calleguas Municipal Water District Project), originally issued in the principal amount of \$40,300,000, of which \$40,300,000 is currently outstanding (the “2008 Bonds”),

(ii) Calleguas Municipal Water District Taxable Water Revenue Refunding Bonds, Series 2014A, originally issued in the principal amount of \$46,660,000, of which \$6,865,800 is currently outstanding (the “2014 Bonds”),

(iii) Calleguas Municipal Water District Taxable Water Revenue Refunding Bonds, Series 2016A, originally issued in the principal amount of \$27,585,000, of which \$22,160,000 is currently outstanding (the “2016 Bonds” and, with the 2014 Bonds, the 2010B Bonds, and the 2008 Bonds, the “Parity Bonds”), and

(iv) Calleguas Municipal Water District Water Revenue Refunding Bonds Series 2021A (Green Bonds) (Federally Taxable), originally issued in the principal amount of \$39,145,000, of which \$39,145,000 is currently outstanding (the “2021 Bonds”)

(v) Calleguas Municipal Water District Water Revenue Refunding Bonds Series 2025A, originally issued in the principal amount of \$_____, of which \$_____ is currently outstanding (the “2025 Bonds”)

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Disclosure Agreement”), dated as of November 1, 2024, is executed and delivered by the Calleguas Municipal Water District (“District”) and U.S. Bank Trust Company, National Association (the “Trustee”), as Dissemination Agent in connection with the execution and delivery of the Calleguas Municipal Water District Water Revenue Refunding Bonds, Series 2024A (the “Bonds”). The Bonds are being executed and delivered pursuant to an Indenture of Trust, dated as of November 1, 2024 (the “Indenture”) between the District and the Trustee. The District covenants and agrees as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the District for the benefit of the Owners of the Bonds and in order to assist the Participating Underwriter (as defined herein) in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Reports provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Disclosure Representative” shall mean the General Manager or Manager of Finance of the District, or his or her designee, or such other officer or employee as the District shall designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” shall mean U.S. Bank Trust Company, National Association, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation.

“Financial Obligation” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities (as defined in the Rule) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Fiscal Year” shall mean the twelve month period beginning on July 1 of each year and ending on June 30 of the following year.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board and any successor entity designated under the Rule as the repository for filings made pursuant to the Rule.

“Participating Underwriter” shall mean Wells Fargo Bank, National Association, the original underwriter of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Repository” shall mean the MSRB.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, annually not later than March 1 in each year following the end of the District’s Fiscal Year, commencing with the report for Fiscal Year ending June 30, 2024, provide to each Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. Not later than fifteen (15) Business Days prior to said date, the District shall provide the Annual Report to the Dissemination Agent. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement. The information contained or incorporated in each Annual Report shall be for the Fiscal Year which ended on the preceding June 30. The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Dissemination Agent may conclusively rely upon such certifications of the District and shall have no liability, duty or obligation whatsoever to review any such Annual Report. Further, the Dissemination Agent shall have no liability for the contents of any such annual report.

(b) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the Repository by the date specified in subsection (a), the Dissemination Agent shall send a notice in a timely manner to the MSRB, in substantially the form attached as Attachment A.

(c) The Dissemination Agent shall:

(i) determine each year prior to the Annual Report date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) provide notice to the District that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided to the MSRB.

Section 4. Content of Annual Reports. The District’s Annual Report shall contain or incorporate by reference the most recent audited financial statements of the District prepared in accordance with generally accepted accounting principles promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District’s audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available. In addition, the Annual Report shall contain an annual updating of the tables and information of the type contained in the Official Statement identified below. Such updating shall consist of updating of information as of the end of the fiscal year to which the Annual Report relates; projections do not have to be updated.

(i) Historic and Projected Water Sales (Table 6);

(ii) Ten Largest Customers (Table 7)

(iii) Annual Water Rates (Table 8);

- (iv) Assessed Valuation and Secured Tax Levy (Table 9); and
- (v) Historical Operating Results (Table 11).

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the District or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Significant Events.

(a) The District shall give or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than 10 business days after the occurrence of the event:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);
6. Tender offers;
7. Defeasances;
8. Rating changes; or
9. Bankruptcy, insolvency, receivership or similar event of the obligated person.

For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

10. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material, in a timely manner not later than ten business days after the occurrence of the event:

1. Unless described in paragraph 5(a)(5), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

2. Modifications to rights of Bond holders;

3. Bond calls;

4. Release, substitution, or sale of property securing repayment of the Bonds;

5. Non-payment related defaults;

6. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; or

7. Appointment of a successor or additional trustee or the change of name of a trustee

8. Incurrence of a Financial Obligation of the obligated person, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect holders of the Bonds.

(c) The District shall give, or cause to be given, in a timely manner, notice of a failure to provide the annual financial information on or before the date specified in Section 4, as provided in Section 4(b).

(d) Whenever the District obtains knowledge of the occurrence of a Listed Event described Section 5(b), the District shall determine if such event would be material under applicable federal securities laws.

(e) If the District learns of the occurrence of a Listed Event described in Section 5(a), or determines that knowledge of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, the District shall within ten business days of occurrence file a notice of such occurrence with the MSRB in electronic format, accompanied by such identifying information as is prescribed by the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in subsections (a)(7) or (b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Indenture.

(f) If the Dissemination Agent has been instructed by the District to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB. Notwithstanding the foregoing:

(i) Notice of the occurrence of a Listed Event described in subsections (a)(1), (4) or (5) shall be given by the Dissemination Agent to the extent it has knowledge thereof, unless the District gives the Dissemination Agent affirmative instructions not to disclose such occurrence; and

(ii) Notice of Listed Events described in subsections (a)(4) and (5) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Owners of the affected Bonds pursuant to the Indenture.

Section 6. Termination of Reporting Obligation. The District's obligations under this Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign by providing thirty (30) days written notice to the District. If at any time there is no designated Dissemination Agent appointed by the District, or if the Dissemination Agent so appointed is unwilling or unable to perform the duties of the Dissemination Agent hereunder, the District shall be the Dissemination Agent and undertake or assume its obligations hereunder.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the District may amend this Disclosure Agreement (and the Dissemination Agent shall agree to any amendment requested by the District, provided the Dissemination Agent shall not be obligated to enter into any amendment increasing or affecting its duties or obligations), and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities law, acceptable to the District and the Dissemination Agent, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

Section 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the District shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the District or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Dissemination Agent, at the written request of any Participating Underwriter or the Owners of at least 25% of the aggregate principal amount of the outstanding Bonds, shall (but only to the extent funds in any amount satisfactory to the Dissemination Agent have been provided to it or it has been otherwise indemnified to its satisfaction from any cost, liability, expense or additional charges whatsoever related thereto, including without limitation, fees and expenses of its attorneys), or any Bond owner may, take such actions as may be

necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an event of default under the Indenture and the sole remedy under this Disclosure Agreement in the event of any failure of the District or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of the Dissemination Agent. The Indenture is hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were (solely for this purpose) contained in the Indenture. The Dissemination Agent shall be entitled to the protections and limitations afforded to the Trustee under said Indenture. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the District agree to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall be paid compensation by the District for its services provided hereunder in accordance with its schedule of fees as amended from time to time and shall be reimbursed by the District all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall not have any duty or obligation to review any information provided to it hereunder or shall be deemed to be acting in any fiduciary capacity for the District, the owners of the Bonds or any other party. The obligations of the District under this section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. Any company succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor to the Dissemination Agent hereunder without the execution or filing of any document or any further act.

Section 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and the Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

CALLEGUAS-MUNICIPAL WATER DISTRICT

By: _____
Manager of Finance

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Dissemination Agent**

By: _____
Authorized Officer

EXHIBIT A

**NOTICE OF MUNICIPAL SECURITIES RULEMAKING BOARD
OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: Calleguas Municipal Water District

Name of Issue: Calleguas Municipal Water District Water Revenue Refunding Bonds, Series 2024A

Date of Issuance: _____, 2024

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement. The District anticipates that the Annual Report will be filed by _____.

Dated: _____

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as
Dissemination Agent**

By: _____
Authorized Officer

cc: District

PURCHASE CONTRACT

§ _____
**CALLEGUAS MUNICIPAL WATER DISTRICT
WATER REVENUE REFUNDING BONDS
SERIES 2024A**

_____, 2024

Calleguas Municipal Water District
2100 Olsen Road
Thousand Oaks, CA 91360-6800

Ladies and Gentlemen:

The undersigned, as underwriter (the “**Underwriter**”), offers to enter into this Purchase Contract (the “**Purchase Contract**”) with the Calleguas Municipal Water District (the “**District**”), which, upon acceptance by the District will be binding upon the District and the Underwriter. This offer is made subject to the District’s acceptance hereof by execution of this Purchase Contract and delivery to the Underwriter on or before 11:59 p.m. California time on the date hereof, and if not so accepted will be subject to withdrawal by the Underwriter upon written notice delivered to the District at any time prior to the acceptance hereof by the District. Any terms used but not defined herein shall have the meaning set forth in the Indenture (defined below).

The primary role of the Underwriter, acting through the Wells Fargo Bank, NA Municipal Finance Group, which conducts municipal securities sales, trading and underwriting operations on behalf of the Underwriter, is to purchase the Bonds (defined herein), for resale to investors, in an arm’s-length commercial transaction between the District and the Underwriter. The Underwriter, as underwriter, has financial and other interests that differ from those of the District. The District acknowledges and agrees that: (i) the purchase and sale of the Bonds (as defined below) pursuant to this Purchase Contract is an arm’s length commercial transaction between the District and the Underwriter in which the Underwriter is acting solely as a principal and not as an agent of the District and the Underwriter is not acting as a municipal advisor, financial advisor or fiduciary to the District; (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the District with respect to the transaction contemplated by the Purchase Contract and the discussions, undertakings or procedures leading thereto (irrespective of whether the Underwriter, or any affiliate of the Underwriter have provided other services or is currently providing other services to the District on other matters); (iii) the only obligations the Underwriter has to the District with respect to the transaction contemplated by this Purchase Contract are expressly set forth in this Purchase Contract; and (iv) the District has consulted the District’s own financial and/or municipal legal, accounting, tax and other advisors, as applicable, to the extent the District has deemed appropriate. The District acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the Municipal Securities Rulemaking Board (the “**MSRB**”).

1. Purchase, Sale and Delivery of the Bonds.

(a) Subject to the terms and conditions, and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase, and the District agrees to cause U.S. Bank Trust Company, National Association, as trustee (the “**Trustee**”), to authenticate and deliver to the Underwriter all (but not less than all) of the Calleguas Municipal Water District Water Revenue Refunding Bonds, Series 2024A (the “**Bonds**”), in the aggregate principal amount of \$_____ to be dated the date of Closing (as defined below).

The Bonds will be issued pursuant to the Master Resolution (the “**Master Resolution**”) as defined in the Indenture of Trust, dated as of _____ 1, 2024 (the “**Indenture**”), between the District and the Trustee and the Indenture. The Underwriter shall have no obligation under this Purchase Contract to purchase less than all of the aggregate principal amount of Bonds. The Board of Directors of the District has adopted a resolution (the “**District Resolution**”) relating to the Bonds.

The purchase price for the Bonds shall be \$_____ (the “**Purchase Price**”) (consisting of the principal amount of the Bonds, plus original issue premium of \$_____, less \$_____ of Underwriter’s discount). The Bonds shall be payable in the principal amounts, shall bear interest at the rates and shall be subject to redemption as set forth in Exhibit A hereto. The Purchase Price for the Bonds shall be payable by the Underwriter to the District on the date of Closing.

The Bonds shall be substantially in the form described in, shall be issued under the provisions of, and shall be payable as provided in, the Indenture, all as described in the Official Statement relating to the Bonds dated the date hereof.

The Bonds are being issued by the District (i) to provide funds to refund certain obligations of the District relating to the Calleguas-Las Virgenes Public Financing Authority Water Revenue Bonds, 2010 Series B (Calleguas Municipal Water District Project) (Federally Taxable-Build America Bonds) (the “**Refunded Bonds**”), and (ii) to pay certain costs of issuing the Bonds.

The obligation of the District to pay the principal of and interest on Bonds is a special obligation of the District, payable solely from Net Operating Revenues (as defined in the Indenture), and certain other amounts held under the Indenture. The principal of and interest on the Bonds are not required to be paid from any other funds of the District, including any proceeds of any taxes, and does not constitute a debt or pledge of the faith and credit of the District or the State of California (the “**State**”) or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

(b) The District hereby ratifies the use by the Underwriter of the Preliminary Official Statement, dated _____, 2024 relating to the Bonds, (together with the cover page and all appendices thereto, the “**Preliminary Official Statement**”), and authorizes the Underwriter to use and distribute the Preliminary Official Statement, the Official Statement (as defined below), the Master Resolution, the Indenture, the District Resolution, the Continuing Disclosure Agreement (as defined below) and this Purchase Contract and all information contained therein, and all other documents, certificates and statements furnished by the District to the Underwriter in connection with the offer and sale of the Bonds by the Underwriter.

(c) The Underwriter agrees to offer all the Bonds to the public initially at the prices (or yields) set forth on the cover page of the Official Statement of the District pertaining to the

Bonds, dated [BPA Date] (such Official Statement, together with all appendices thereto, and with such changes therein and supplements thereto as are consented to in writing by the Underwriter, and with the Preliminary Official Statement, are herein called the “**Official Statement**”). Subsequent to the initial public offering of the Bonds, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices. “Public Offering” shall include an offering to a representative number of institutional investors or registered investment companies, regardless of the number of such investors to which the Bonds are sold. The Underwriter agrees that prior to the time the final Official Statement relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail or electronic distribution (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

(d) The District shall also deliver a sufficient number of copies of the Official Statement to enable the Underwriter to distribute a single copy of each Official Statement to any potential customer of the Underwriter requesting an Official Statement during the time period beginning when the Official Statement becomes available and ending on the last day of the Underwriting Period as determined in accordance with 2(j) below. The Official Statement shall be provided for distribution, at the expense of the District, in such quantity as may be requested by the Underwriter no later than the earlier of (i) seven (7) business days after the date of this Purchase Contract or (ii) one (1) business day prior to the Closing Date, in order to permit the Underwriter to comply with Rule 15c2-12 of the Securities and Exchange Commission (the “**Rule**”), and the applicable rules of the MSRB, with respect to distribution of the Official Statement. The District shall prepare the Official Statement, including any amendments thereto, in word-searchable PDF format as described in the MSRB’s Rule G-32 and shall provide the electronic copy of the word-searchable PDF format of the Official Statement to the Underwriter no later than one (1) business day prior to the Closing Date to enable the Underwriter to comply with MSRB Rule G-32. The District further agrees to provide the Underwriter with the advance refunding documents (as defined in MSRB Rule G-32) in a word-searchable PDF format as described in the MSRB’s Rule G-32 and shall provide such electronic copy of the word-searchable PDF format of the advance refunding documents to the Underwriter no later than four (4) business days after the Closing Date to enable the Underwriter to comply with MSRB Rule G-32. The Underwriter shall inform the District in writing of the date which is twenty-five (25) days following the end of the Underwriting Period (as hereinafter defined), and covenants to file the Official Statement with the MSRB on a timely basis.

(e) At 8:30 a.m., Pacific Time, on _____, 2024, or at such other time or business date as shall be agreed upon by the Underwriter and the District (such time and date being herein referred to as the “**Closing Date**”), the District will deliver to the Underwriter:

(i) the Bonds, in book-entry form, through the facilities of the Depository Trust Company or its agent, (all Bonds having had the CUSIP numbers assigned to them thereon), duly executed by an authorized officer of the District as provided in the Indenture; and

(ii) the other documents herein mentioned at the offices of Stradling Yocca Carlson & Rauth LLP, Newport Beach, California (“**Bond Counsel**”) or another place

to be mutually agreed to by the District and the Underwriter and the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in paragraph (a) of this section in immediately available funds (such delivery and payment being herein referred to as the “**Closing**”).

Upon initial issuance, the ownership of such Bonds shall be registered in the registration books kept by the Trustee in the name of Cede & Co., as the nominee of The Depository Trust Company.

(f) The Underwriter represents to and agrees with the District that, as of the date hereof and as of the Closing Date:

(i) The Underwriter is duly authorized to execute this Purchase Contract and to take any action under this Purchase Contract required to be taken by it;

(ii) The Underwriter is in compliance with MSRB Rule G-37 with respect to the District, and is not prohibited thereby from acting as the underwriter with respect to securities of the District;

(iii) The Underwriter has, and has had, no financial advisory relationship, as that term is defined in California Government Code Section 53590 (c) or MSRB Rule G-32, with the District with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship; and

(iv) The Underwriter has reasonably determined that the District’s undertaking to provide continuing disclosure with respect to the Bonds pursuant to Section 10(e)(10) hereof is sufficient to effect compliance with the Rule.

2. Representations, Warranties and Agreements of the District. The District hereby represents and warrants to and agrees with the Underwriter that:

(a) The District is duly organized and validly existing as a municipal water district organized and existing under and by virtue of the Constitution and the laws of the State;

(b) The Board of Directors of the District has duly and validly adopted the Master Resolution and the District Resolution, entered into this Purchase Contract, the Indenture, [the Escrow Instructions dated as of _____ 1, 2024 (the “**Escrow Agreement**”) from the District to U.S. Bank Trust Company, National Association, as escrow agent (the “**Escrow Agent**”)] and the Continuing Disclosure Agreement, currently dated as of _____ 1, 2024, as required by the Rule, and substantially in the form of Appendix E to the Official Statement (the “**Continuing Disclosure Agreement**”), between the District and U.S. Bank Trust Company, National Association, acting as dissemination agent thereunder (such resolutions and agreements being collectively referred to as the “**District Documents**”) and has duly authorized and approved the delivery and use of the Preliminary Official Statement, the execution, delivery and use of the Official Statement, the execution and delivery of the other District Documents, the Bonds and the performance by the District of its obligations contained therein, and the taking of any and all action on its part as may be necessary to carry out, give effect to and consummate the transactions on the part of the District contemplated by each of said documents;

(c) At the date hereof, the District has the full legal right, power and authority (i) to execute, deliver and perform its obligations under this Purchase Contract and the other District Documents and to carry out all other transactions on its part contemplated hereby and under the Master Resolution and the Indenture, (ii) to sell and deliver the Bonds to the Underwriter pursuant to this Purchase Contract and the Indenture as provided herein, and (iii) to carry out, give effect to and consummate the transactions on its part contemplated by the District Documents;

(d) The District is, and at the Closing Date will be, in compliance, in all respects, with its obligations under the District Documents;

(e) The District, to the best of its knowledge, is not in breach of or in default under any applicable law or administrative rule or regulation of the State or the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the District is a party (including but not limited to the Master Resolution and the Parity Obligations (as such term is defined in the Master Resolution)), or is otherwise subject or bound, which breach or default could have a material adverse effect on the ability of the District to perform its obligations under the Bonds or the District Documents;

(f) The adoption by the Board of Directors of the District of the District Resolution, the delivery of the Bonds, and the execution and delivery by the District of the District Documents, any other applicable agreements and the other instruments contemplated by any of such documents to which the District is a party, and compliance with the provisions of each thereof and of the Master Resolution, will not, to the best of the knowledge of the District, conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State or the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the District is a party or is otherwise subject or bound, including but not limited to the Master Resolution and the Parity Obligations;

(g) All approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to the performance of, or the absence of which would materially adversely affect the District's ability to perform, its obligations hereunder, or under the other District Documents or the Bonds, have been obtained and are in full force and effect; provided that no representation is made as to any necessary "blue sky" filings;

(h) The Bonds, the District Documents and other applicable documents conform as to form and tenor to the descriptions thereof contained in the Official Statement and when executed by the Trustee in accordance with the Indenture and delivered to and paid for by the Underwriter on the Closing date as provided herein the Bonds will be validly executed, delivered and entitled to all the benefits of the Indenture;

(i) The District has deemed the Preliminary Official Statement to be final as of the date of the Preliminary Official Statement, as required by the Rule. As of its date and as of the date hereof, the information contained in the Preliminary Official Statement is true and correct in all material respects and the Preliminary Official Statement does not contain any untrue or

misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. As of the date thereof and at all times up to the Closing Date, the information contained in the Official Statement is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(j) If between the date of this Purchase Contract and until the earlier of (i) ninety (90) days after the end of the “underwriting period” (as defined in Rule 15c2-12) (the “**Underwriting Period**”), or (ii) twenty-five (25) days following the end of the Underwriting Period if the Official Statement is available to any person from the MSRB as contemplated by Rule 15c2-12(b)(4) an event occurs, of which the District has knowledge, which might or would cause the information relating to the District or the District’s functions, duties and responsibilities contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such statements, in the light of the circumstances under which they were made, not misleading, the District will notify the Underwriter, and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the District will cooperate with the Underwriter in the preparation of an amendment or supplement to the Official Statement in a form and in a manner approved by the Underwriter, provided all expenses thereby incurred for such preparation will be paid for by the District;

(k) No action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body is pending or to the knowledge of the officers of the District executing this Purchase Contract, is threatened in any way, affecting the existence of the District or the titles of the District’s officers to their respective offices or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, the application of the proceeds thereof in accordance with the Master Resolution, the Indenture, or the collection or application of the Revenues or the proceeds thereof pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the District Documents, or any action of the District contemplated by any of said documents relating to the Bonds or the Revenues, or in any way contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or the powers of the District or its authority with respect to the Bonds, the District Documents, or any action of the District contemplated by any of said documents, or which would adversely affect the exemption of interest paid on the Bonds from gross income for federal income tax purposes or which would adversely affect the exemption of interest paid on the Bonds from California personal income taxation, nor to the knowledge of the officer of the District executing this Purchase Contract is there any basis therefor;

(l) The District will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order for the Underwriter to qualify the Bonds for offer and sale under the “blue sky” or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; provided, however, the District shall not be required to register as a dealer or a broker of securities or consent to service of process or register as a foreign corporation in any such state or jurisdiction;

(m) Any certificate signed by any official of the District authorized to do so and delivered by the District to the Underwriter shall be deemed a representation and warranty by the District to the Underwriter as to the statements made therein;

(n) The District is not in default, nor has it been in default at any time, as to the payment of principal or interest with respect to an obligation of the District (including but not limited to the Parity Obligations) or on an obligation guaranteed by the District as guarantor or successor of a guarantor, which default has or could have a material adverse affect on the ability of the District to perform its obligations under the Bonds or the District Documents;

(o) The District is not presently and as a result of the execution of the Indenture and the sale of the Bonds will not be in violation of any debt limitation, appropriation limitation or any other provision of the California Constitution or statutes or any additional debt or similar provision of any bond, note, contract or other evidence of indebtedness to which the District is a party or to which the District is bound (including but not limited to the Parity Obligations);

(p) The financial statements of, and other financial information regarding the District in the Official Statement fairly present the financial position and results of the operations of the District as of the dates and for the periods therein set forth and the audited financial statements have been prepared in accordance with generally accepted accounting principles applicable to water districts; and

(q) Except as disclosed in the Official Statement, the District has not, in the last five years, failed to comply in any material respect in its obligations under any continuing disclosure undertaking entered into pursuant to Rule 15c2-12. The District will undertake, pursuant to the Continuing Disclosure Agreement to provide annual reports and notices of certain events in accordance with the requirements of Rule 15c2-12. A form of the Continuing Disclosure Agreement is set forth as Appendix E to the Official Statement.

3. Conditions to the Obligations of the Underwriter.

(a) The Underwriter has entered into this Purchase Contract in reliance upon the representation and warranties, and agreements of the District herein and in the documents and instruments to be delivered at the Closing and upon the performance by the District of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriter's obligations under this Purchase Contract to purchase and pay for the Bonds shall be subject to the performance by the District of its obligations to be performed hereunder and under such documents and instruments referenced herein to be delivered at or prior to the Closing, and shall also be subject to the following conditions (the "**Closing Conditions**"):

(b) The Underwriter shall have received at the Closing counterpart originals, or certified copies, of the following documents, in each case satisfactory in form and substance to the Underwriter:

(i) the Official Statement, executed on behalf of the District by the General Manager or such other official as may be authorized by the District Resolution;

(ii) the Master Resolution and the District Resolution, together with certificates of the Secretary and of the District dated as of the Closing Date, to the effect that the Master Resolution and the District Resolution, as the case may be, is a true, correct and complete copy of the one duly adopted by the District and that it has not

been amended, modified or rescinded (except as may have been agreed to by the Underwriter) and is in full force and effect as of the Closing Date;

(iii) a copy of each District Document, executed by the parties thereto;

(iv) one counterpart original or copy certified by a duly authorized officer of the District of a complete transcript of all proceedings of the District relating to the approval of the District Documents and the authorization, issuance, sale and delivery of the Bonds;

(v) an approving opinion, dated the date of Closing and addressed to the District, of Bond Counsel, in form and substance as attached as “APPENDIX D” to the Official Statement, together with a reliance letter addressed to the Underwriter;

(vi) the opinion, dated the date of Closing, and addressed to the Underwriter, of General Counsel to the District, substantially in the form attached hereto as Exhibit B;

(vii) the opinion, dated the date of Closing and addressed to the District and the Underwriter, of counsel to the Trustee, in form and substance satisfactory to the Underwriter and Bond Counsel;

(viii) a certificate of the Trustee, dated the date of Closing to the effect that:

(a) the Trustee is duly organized and validly existing as a national banking association in good standing under the laws of the United States, having the full power and authority to enter into and perform its duties under the Indenture and the Continuing Disclosure Agreement (collectively, the “**Trustee Documents**”) and to authenticate and deliver the Bonds to the Underwriter pursuant to the Indenture;

(b) the Trustee is duly authorized to enter into the Trustee Documents, and when the Indenture is duly executed and delivered by the respective parties thereto, to authenticate and deliver the Bonds to the Underwriter pursuant to the Indenture;

(c) to the best of the knowledge of the Trustee, no consent, approval, authorization or other action by any governmental or regulatory agency having jurisdiction over the Trustee that has not been obtained is or will be required for the execution and delivery of the Bonds or the performance by the Trustee of its duties under the Trustee Documents, except as such may be required under the state securities or “blue sky” laws in connection with the distribution of the Bonds by the Underwriter;

(d) to the best of the knowledge of the Trustee, the execution and delivery by the Trustee of the Trustee Documents and the authentication and delivery of the Bonds, and compliance with the terms thereof will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Trustee is a party or by which it is bound, or any law

or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties (except that no representation, warranty or agreement is made by the Trustee with respect to any Federal or state securities or “blue sky” laws or regulations), or (except with respect to the lien of the Indenture) result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Trustee;

(e) to the best of the knowledge of the Trustee, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or governmental agency, public board or body served upon or threatened against or affecting the existence of the Trustee or seeking to prohibit, restrain or enjoin the authentication and delivery of the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Trustee Documents or contesting the powers of the Trustee to enter into and perform its obligation under any of the foregoing, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby, or which, in any way, would adversely affect the validity of the Bonds, the Trustee Documents or any agreement or instrument to which the Trustee is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby; and

(f) subject to the provisions of the Indenture, the Trustee will apply the proceeds from the Bonds to the purposes specified in the Indenture;

(ix) evidence of compliance with the additional debt test provisions contained in the Master Resolution;

(x) evidence that the Bonds have been rated as set forth in the Official Statement and that such ratings continue in effect as of the Closing;

(xi) a copy of the Report of Proposed Debt Issuance and Report of Final Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 53583 of the Government Code and Section 8855(g) of the Government Code;

(xii) [a defeasance opinion of Bond Counsel, dated the date of Closing, with respect to the Refunded Bonds;]

(xiii) an opinion of Kutak Rock LLP, counsel to the Underwriter (“**Underwriter’s Counsel**”), dated the date of the Closing in the form satisfactory to the Underwriter;

(xiv) an opinion, dated the date of the Closing and addressed to the Underwriter, of counsel to the Escrow Agent, in such form as may be acceptable to the Underwriter and Bond Counsel;

(xv) a supplemental opinion and a disclosure counsel opinion, both dated the Closing Date and addressed to the Underwriter, of Bond Counsel, to the collective effect that:

(a) The statements contained in the Official Statement under the captions “INTRODUCTION – General,” and “– Security for the 2024 Bonds,” “THE 2024 BONDS,” “SECURITY FOR THE 2024 BONDS and “TAX MATTERS” and in APPENDIX A – “SUMMARY OF THE INDENTURE,” insofar as such statements purport to summarize certain provisions of the Bonds and certain provisions of the Master Resolution and the Indenture and the opinion of such counsel with respect to certain federal and state income tax matters related to the Bonds, are accurate in all material respects;

(b) The Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

(c) The Purchase Contract has been duly authorized, executed and delivered by the District and (assuming due authorization, execution and delivery by the Underwriter) constitutes a valid and binding agreement of the District enforceable according to its terms, subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other law affecting the enforcement of creditors’ rights generally; and

(d) Based upon their participation in conferences in the course of preparation of the Official Statement, and in reliance on such conferences and on the Bonds, opinions and other documents mentioned in such opinion, no facts came to the attention of the attorneys in such firm rendering legal services in connection with such representation which caused them to believe that the Official Statement as of its date and as of the Closing Date (except for any CUSIP numbers, financial, statistical or economic or engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about feasibility, valuation, appraisals, technology, real estate or environmental matters, the appendices thereto or any information about The Depository Trust Company and the Book-Entry System, and the District’s compliance with its prior continuing disclosure undertakings which such firm expressly excludes from the scope of this paragraph and as to which such firm need express no opinion or view) contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(xvi) a nonarbitrage and tax certificate of the District in form satisfactory to Bond Counsel;

(xvii) a certificate, dated the Closing Date and signed by an authorized officer of the District, certifying that (i) the representations and warranties of the District contained herein are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (ii) to the best of his or her knowledge, no event has occurred since the date of the Official Statement affecting the District which should be disclosed in the Official Statement for the purposes for which it is to be used in order to make the statements and information contained in the Official Statement not misleading in any material respect; (iii) the District has complied with

all the agreements and has satisfied all the conditions on its part to be performed or satisfied under this Purchase Contract, the Master Resolution and the Indenture at and prior to the Closing; and (iv) certifying that the District has authorized and consented to the inclusion in the Official Statement of the District's financial report and accountant's opinion for the year ended June 30, 2020, and no further consent of any party is required for such inclusion;

(xviii) a verification report of _____ as described in the Official Statement;

(xix) [a certificate of the Escrow Agent, dated the date of Closing to the effect that:

(a) The Escrow Agent is duly organized and existing as a national banking association in good standing under the laws of the United States, having the full power and authority to accept and perform its duties under the Escrow Instructions;

(b) Subject to the provisions of the Escrow Instructions, the Escrow Agent will apply the funds held thereunder to the purposes specified in the Escrow Instructions; and

(c) The Escrow Agent has duly authorized and executed the Escrow Instructions.

(xx) the opinion of counsel to the Escrow Agent, dated the Closing Date in form and substance satisfactory to the Underwriter and Bond Counsel, and addressed to the District and the Underwriter]; and

(xxi) such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the statements and information contained in the Official Statement, of the District's representations and warranties contained herein and the due performance or satisfaction by the District at or prior to the Closing Date of all agreements then to be performed and all conditions then to be satisfied by the District in connection with the transactions contemplated on its part hereby and by the Indenture and the Official Statement.

If any of the conditions to the obligations of the Underwriter contained in this section or elsewhere in this Purchase Contract shall not have been satisfied when and as required herein, all obligations of the Underwriter hereunder may be terminated by the Underwriter at, or at any time prior to, the Closing Date by written notice to the District.

(c) Termination.

The Underwriter may terminate its obligation to purchase the Bonds at any time before the Closing date if the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds shall be materially adversely affected in the reasonable judgment of the Underwriter by the occurrence of any of the following:

(i) Legislation shall be enacted by or introduced in the Congress of the United States or recommended to the Congress for passage by the President of the United States, or the Treasury Department of the United States or the Internal Revenue Service or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or of the State or the United States Tax Court shall be rendered, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed, the effect of any or all of which would be to alter, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the Bonds, or the interest on the Bonds as described in the Official Statement, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions contemplated herein; or

(ii) Legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Master Resolution or the Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amend, or that the issuance, offering, or sale of obligations of the general character of the Bonds, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect; or

(iii) A general suspension of trading in securities on the New York Stock Exchange or any other national securities exchange, the establishment of minimum or maximum prices on any such national securities exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, or any material increase of restrictions now in force (including, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter); or

(iv) A general banking moratorium shall have been established by federal, New York or California authorities; or

(v) Establishment of any new restrictions in securities materially affecting the free market for securities of the same nature as the Bonds (including the imposition of any limitations on interest rates) or the charge to the net capital requirements of the Underwriter established by the New York Stock Exchange, the Securities and Exchange Commission, any other Federal or state agency or the Congress of the United States, or by Executive Order; or

(vi) A decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued

or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Purchase Contract or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act of 1933, as amended, the Exchange Act of 1934, as amended and the Trust Indenture Act of 1939, as amended; or

(vii) Any amendment to the federal or California Constitution or action by any federal or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the District, its property, income or securities (or interest thereon), or the ability of the District to issue the Bonds and pledge the Net Operating Revenues as contemplated by the Master Resolution and the Indenture and the Official Statement; or

(viii) There shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis; or

(ix) Any rating of the Bonds or other obligations of the District by a national rating agency shall have been withdrawn or downgraded or placed on negative outlook or negative watch; or

(x) A material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or

(xi) Any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement, as of its date or the Official Statement, or results in the Preliminary Official Statement, as of its date, or the Official Statement containing any untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

4. Conditions to Obligations of the District. The performance by the District of its obligations is conditioned upon (i) the performance by the Underwriter of its obligations hereunder; and (ii) receipt by the District and the Underwriter of opinions and certificates being delivered at the Closing by persons and entities other than the District.

5. Establishment of Issue Price.

A. The Underwriter agrees to assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit C, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

B. Except as otherwise set forth in Exhibit A attached hereto, the District will treat the first price at which 10% of each maturity of the Bonds (the “**10% test**”) is sold to the public as the

issue price of that maturity. At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of the Bonds. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

C. The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the “**initial offering price**”), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Bonds for which the Underwriter represents that (i) the 10% test has been satisfied (assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Contract) and (ii) the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “**hold-the-offering-price rule**”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- a. the close of the fifth (5th) business day after the sale date; or
- b. the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the District promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

D. The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is

a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

The Underwriter shall promptly advise the District or the District's municipal advisor when the Underwriter has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

E. The District acknowledges that, in making the representation set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires.

F. The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

a. "public" means any person other than an underwriter or a related party;

b. "underwriter" means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public);

c. a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

d. "sale date" means the date of execution of this Purchase Contract by all parties.

6. Expenses.

(a) The Underwriter shall be under no obligation to pay, and the District shall pay or cause to be paid out of the proceeds of the Bonds, all expenses incident to the performance of the District's obligations hereunder, including but not limited to: the cost of photocopying and delivering the Bonds to the Underwriter; the cost of preparing, printing (and/or word processing and reproducing), distributing and delivering the District Documents, and the cost of printing, distributing and delivering the Preliminary Official Statement and the Official Statement; the cost of preparation of any "blue sky" or legal investment memoranda; and the fees and disbursements of Bond Counsel, Disclosure Counsel, [Underwriter's Counsel], any accountants, financial advisors or other engineers or experts or consultants the District has retained in connection with the Bonds and expenses (included in the expense component of the Underwriter's spread) incurred on behalf of the District's officers or employees which are incidental to implementing this Purchase Contract.

(b) Whether or not the Bonds are delivered to the Underwriter as set forth herein, the District shall be under no obligation to pay, and the District shall not pay, any expenses incurred by the Underwriter in connection with its public offering and distribution of the Bonds (except those specifically enumerated in paragraph (a) of this section), including any advertising expenses and the fees of the California Debt and Investment Advisory Commission.

(c) The District has agreed to pay the Underwriter's discount set forth in Section 1 of this Purchase Contract, and inclusive in the expense component of the Underwriter's discount are expenses incurred or paid for by the Underwriter on behalf of the District in connection with the marketing, issuance, and delivery of the Bonds, including, but not limited to, advertising expenses, [fees and expenses of Underwriter's Counsel], the costs of any Preliminary and Final Blue Sky Memoranda, CUSIP fees, and transportation, lodging, and meals for the District's employees and representatives.

(d) The District and Underwriter acknowledge that expenses included in the expense component of the Underwriter's discount are based upon estimates. The District and Underwriter agree that in the event the aggregate estimated expenses exceed the aggregate actual expenses incurred by the Underwriter in an amount equal to or greater than [\$1,000] (the "**Reimbursement Threshold**"), the Underwriter shall reimburse to the District the amount that the aggregate estimated expenses exceed the aggregate actual expenses. For the avoidance of doubt, the District acknowledges and agrees that in the event the aggregate estimated expenses exceed the aggregate actual expenses incurred by the Underwriter in an amount less than the Reimbursement Threshold, no reimbursement will be made by the Underwriter to the District. The District acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

7. Notices.

Any notices, requests, directions, instruments or other communications required or permitted to be given hereunder shall be in writing and shall be given when delivered, against a receipt, or mailed

certified or registered, postage prepaid, to the District and the Underwriter at their respective addresses below:

If to the District: Calleguas Municipal Water District
2100 Olsen Road
Thousand Oaks, CA 91360-6800
Attention: General Manager

If to the Underwriter: Wells Fargo Bank, N.A.
333 S Grand Avenue, 5th Floor
Los Angeles, CA 90071
Attention: Public Finance Department

provided, however, that all such notices, requests or other communications may be made by telephone and promptly confirmed by writing. The District and the Underwriter may, by notice given as aforesaid, specify a different address for any such notices, requests or other communications.

8. Parties in Interest.

This Purchase Contract is made solely for the benefit of the District and the Underwriter (including successors of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof.

9. Survival of Representations and Warranties.

The representations and warranties of the District set forth in or made pursuant to this Purchase Contract shall not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing or termination of this Purchase Contract and regardless of any investigations made by or on behalf of the Underwriter (or statements as to the results of such investigations) concerning such representations and warranties of the District and regardless of delivery of and payment for the Bonds.

10. Effective Date.

This Purchase Contract shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the District and the Underwriter and shall be valid and enforceable as of the time of such acceptance.

11. Applicable Law; Nonassignability; Venue

This Purchase Contract shall be governed by the laws of the State of California. This Purchase Contract shall not be assigned by either party hereto.

Any and all disputes or legal actions or proceedings arising out of, under and/or pertaining to this Purchase Contract, the Preliminary Official Statement or the final Official Statement or any document relating hereto or thereto shall be brought in the courts of the State located in the County of Ventura and, by execution and delivery of this Purchase Contract, the parties hereto consent to and hereby accept for themselves and in respect of their property, generally and unconditionally, the jurisdiction of the aforesaid courts. To the extent permitted by law, the parties hereto irrevocably waive any objection, including, without limitation, any objection to the laying of venue or based on the grounds of forum nonconveniens, which they may now or hereafter have to the bringing of any such action or proceedings in such jurisdiction.

12. Execution of Counterparts.

This Purchase Contract may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same.

13. No Prior Agreements.

This Purchase Contract supersedes and replaces all prior negotiations, agreements and understandings between the parties hereto in relation to the sale of Bonds by the District and represents the entire agreement of the parties as to the subject matter herein.

14. Partial Unenforceability.

Any provision of this Purchase Contract which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Purchase Contract or affecting the validity or enforceability of such provision in any other jurisdiction.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Very truly yours,

WELLS FARGO BANK, N.A.

By: _____

Title: _____

The foregoing is hereby agreed to and
accepted as of the date first above written:

**CALLEGUAS MUNICIPAL WATER
DISTRICT**

By: _____
Authorized Officer

Time of Execution: _____ p.m. California time

**[SIGNATURE PAGE OF PURCHASE CONTRACT – CALLEGUAS MUNICIPAL WATER
DISTRICT WATER REVENUE REFUNDING BONDS, SERIES 2024A]**

EXHIBIT A

\$ _____
CALLEGUAS MUNICIPAL WATER DISTRICT
WATER REVENUE REFUNDING BONDS
SERIES 2024A

<i>Maturity (July 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>10% Test Satisfied*</i>	<i>10% Test Not Satisfied</i>	<i>Subject to Hold-The- Offering- Price Rule</i>
2026							
2027							
2028							
2029							
2030							
2031							
2032							
2033							
2034							
2035							
2036							
2037							
2038							
2039							
2040							

^(C) Priced to first optional redemption date of July 1, 20__ at [par].

* At the time of execution of this Purchase Contract and assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Contract.

REDEMPTION PROVISIONS

Optional Redemption. The Bonds maturing on or before July 1, 20__ shall not be subject to optional redemption prior to their respective stated maturities. The Bonds maturing on or after July 1, 20__ shall be subject to optional redemption from any source of available funds, prior to maturity in whole, or in part among maturities as shall be specified in a Certificate of the District filed with the Trustee and randomly by lot within a maturity, on any date on or after July 1, 20__, at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

Extraordinary Redemption. The Bonds are subject to redemption, in whole or in part on any date, from the Net Proceeds of insurance or condemnation with respect to the System, which Net Proceeds are deposited in the Payment Fund and credited towards the prepayment of the Debt Service Payments, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest to the date fixed for redemption, without premium.

EXHIBIT B

[Form Opinion of District Counsel]
[Place on District Counsel Letterhead]

[Closing Date]

Calleguas Municipal Water District
2100 Olsen Road
Thousand Oaks, CA 91360-6800

Wells Fargo Bank, N.A.
707 Wilshire Blvd., 17th Floor
Los Angeles, CA 90017

Re: \$ _____ Calleguas Municipal Water District Water Revenue
Refunding Bonds, Series 2024A

Ladies and Gentlemen:

We serve as District Counsel for the Calleguas Municipal Water District (the “District”). This letter (the “Opinion”) is delivered pursuant to the Purchase Contract, dated [BPA Date] (the “Purchase Contract”), between the District and Wells Fargo Bank, N.A. (the “Underwriter”), providing for the purchase of the above-entitled bonds (the “Bonds”). All capitalized terms not otherwise defined herein shall have the meaning given in the Indenture of Trust, dated as of _____ 1, 2024 (the “Indenture”), between the District and U.S. Bank Trust Company, National Association (the “Trustee”), as trustee.

In our capacity as general counsel to the District, we have examined originals, or copies certified or otherwise identified to our satisfaction, of such documents, records and proceedings as we have deemed necessary or appropriate for the purposes of this Opinion.

Whenever our opinion or any statement herein is qualified by the phrase “to our knowledge,” “to the best of our knowledge,” or words of similar import, such phrase signifies that, in the course of our representation of the District, no facts or information have come to our attention that would give us actual knowledge or actual notice that any such statement, opinion, or other matter is not accurate. Except as otherwise stated in this Opinion, we have undertaken no investigation or verification to determine the existence or absence of such facts, and no inference as to our knowledge of the existence or absence of such facts should be drawn from the fact of our representation or any other matter. Further, any such phrases as used in this Opinion are intended to be limited to our actual knowledge. As to questions of fact material to this Opinion, we have relied upon representations of the District contained in the District Documents and in the certified proceedings and other certifications of public officials and of the District, furnished to us, without undertaking to verify the same by independent investigation.

In connection with the issuance of the Bonds, it is our opinion that:

(i) the District is a municipal water district, duly organized and validly existing under the laws of the State of California;

(ii) the preparation and distribution of the Preliminary Official Statement and the Official Statement have been duly approved by the District;

(iii) the resolution of the District approving and authorizing the execution and delivery of the Official Statement, the Indenture, the Purchase Contract, [the Escrow Instructions dated as of _____ 1, 2024 from the District to U.S. Bank Trust Company, National Association, as escrow agent] and the Continuing Disclosure Agreement, dated as of _____ 1, 2024 (collectively, the “District Documents”), and the Official Statement relating to the Bonds, and the Master Resolution (as defined in the Purchase Contract), have been duly adopted at meetings of the governing body of the District which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout and such resolutions are in full force and effect and have not been amended, modified or rescinded;

(iv) except as disclosed in the Preliminary Official Statement and Official Statement, no litigation or other proceedings are pending or, to our actual knowledge, threatened in any way or manner (1) restraining or enjoining, or seeking to restrain or enjoin, the sale, issuance or delivery of any of the Bonds; (2) contesting or affecting the validity or enforceability of the District Documents, the Bonds, the pledge by the District of the Revenues under the Master Resolution, or other security provided under the Master Resolution or the Indenture, any proceedings of or on behalf of the District taken with respect to the sale, execution or delivery of the Bonds, the execution of the District Documents or the adoption of the Master Resolution or the Resolution, the existence or powers of the District relating to the sale, execution or delivery of the Bonds; (3) questioning (a) the proceedings or authority for the authorization, sale, execution or delivery of the Bonds; (b) any provision made or authorized for the payment of the Bonds; (c) the organization or corporate existence or operations of the District, or the title of its officers to their respective offices; or (d) the power of the District to undertake any other transactions contemplated by the Official Statement; or (4) which would have a material adverse effect upon the District relating to the Master Resolution, the Indenture or the Bonds, to the contemplated use of the proceeds thereof or the transactions contemplated by the Official Statement;

(v) to the best of our knowledge, the execution and delivery of the District Documents and the approval of the Official Statement, and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the District a breach of or default under any agreement or other instrument to which the District is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the District is subject;

(vi) the District Documents have been duly authorized, executed and delivered by the District, and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the District enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws affecting the enforcement of creditors’ rights generally and by the application of equitable principles if sought and by the limitations on legal remedies imposed on actions against public agencies in the State of California;

(vii) the System charges and fees were duly approved and adopted by the District, and are valid and enforceable at the current levels levied by the District; and

(viii) nothing has come to our attention which would lead us to believe that the information relating to the District or the System (other than any financial or statistical information, with respect to which no opinion is being given) contained in the Official Statement contains an untrue statement or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

The opinions expressed herein are subject to all of the following assumptions, limitations and qualifications, all of which we understand are satisfactory to you:

1. Our opinions are qualified by the effect of general principles of equity, whether applied by a court of law or equity. We express no opinion as to whether any particular provisions of the District Documents, or any other agreement or instrument, will be enforceable by a decree of specific performance or other equitable relief.

2. Our opinions are qualified to the extent that the enforcement of any particular provision may be limited or otherwise affected by the exercise of judicial discretion in appropriate cases and the limitations on legal remedies against public agencies in the State of California.

3. Any opinions given regarding enforceability of contracts and obligations are subject to the effect of bankruptcy, insolvency, moratorium, reorganization, receivership, fraudulent conveyance, and other laws affecting the rights of creditors generally. We also express no opinions as to any indemnity, forfeiture, penalty, choice of law, choice of forum or waiver provisions contained in any document or instrument.

4. Our opinions are specifically qualified by reference to, and are based solely upon, laws, rulings and regulations in effect on the date hereof, and are subject to modification to the extent that such laws, rulings and regulations may be changed in the future (provided, however, that we undertake no duty or obligation to modify or supplement this Opinion or notify you of any changes to such laws, rulings and regulations).

5. Our opinions are limited to matters governed by the laws of the State of California, and, with respect to the opinion in subparagraph (viii) above, federal securities law of the United States, and we assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

6. As to any facts material to this Opinion which we did not independently establish or verify, we have relied upon statements and representations of officers and other representatives of the District, and others (including those set forth in the Closing Certificate of the District delivered on the date hereof).

7. We have assumed, for all parties other than the District, (i) the genuineness of all signatures on behalf of such parties, (ii) that such parties have all legal power and authority to enter into and perform all obligations thereunder; (iii) the due authorization by all requisite action of the execution and delivery of such documents by all such parties, and the validity and binding effect thereof on such parties.

8. We have assumed (i) the authenticity of all documents submitted to us as originals and of the originals of all documents submitted to us as copies, (ii) the conformity to original documents of all documents submitted to us as copies, (iii) the legal capacity of all natural persons; and (iv) that the documents that we have examined are complete and that no modifications to any thereof exist.

9. We have assumed that each party (other than the District) is in material compliance with all applicable laws, rules and regulations governing the conduct of its business with respect to this transaction.

10. We have assumed that, except for the District Documents, there are and will be no other documents or agreements which would expand or otherwise modify the obligations of the parties and would have an affect on the opinions rendered herein.

As general counsel to the District, our opinions are limited to the specific opinions expressed herein, and no further opinions are intended to be, or should be, inferred therefrom. This Opinion is delivered and effective only as of the date hereof, and we expressly decline any undertaking to advise you of any matters arising subsequent to the date hereof which would cause us to modify or amend the foregoing opinions, in whole or in part.

This Opinion is furnished by us solely for your benefit, upon the understanding that we are not hereby assuming any professional responsibility to any other person whatsoever other than the addressees hereto. This Opinion is not to be used, circulated, quoted or otherwise referred to for any other purpose without our express written permission; provided, however, a copy may be included in the transcript of the proceedings for the Bonds.

Very truly yours,

EXHIBIT C

§ _____
**CALLEGUAS MUNICIPAL WATER DISTRICT
WATER REVENUE REFUNDING BONDS
SERIES 2024A**

FORM OF ISSUE PRICE CERTIFICATE

The undersigned, on behalf of WELLS FARGO BANK, NATIONAL ASSOCIATION (“Wells Fargo”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Defined Terms.***

(a) ***General Rule Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) ***Issuer*** means Calleguas Municipal Water District.

(c) ***Maturity*** means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(d) ***Public*** means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(e) ***Underwriter*** means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

3. ***Yield.*** Wells Fargo has provided the schedule attached in Schedule B with respect to the arbitrage yield on the Bonds.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Wells Fargo’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Stradling Yocca Carlson & Rauth LLP

in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

WELLS FARGO BANK, NATIONAL
ASSOCIATION

By: _____

—

Name: _____

—

Dated: [Closing Date]

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES
(Attached)

SCHEDULE B
ARBITRAGE YIELD PROOF

(Attached)

General Manager's Monthly Status Report to the Board of Directors



At the October 2, 2024 Board meeting, the Board proclaimed October 5 – 13 as Water Professionals Appreciation Week. Honored Calleguas Supervisors included Ebe Guerrero, General Services Supervisor; Amy Mueller, Regulatory Compliance Supervisor; Mark Pattison, Distribution System Supervisor; Julio Reyes, Operations Supervisor; and Matt Gomez, System Maintenance Supervisor. Not pictured: Mike Kidd, Control System Supervisor.

Report for October 2024 Activities

Water Resources Implementation Strategy (WRIST)

1. The third partner workshop was held on October 1. There were approximately 25 attendees representing the following retail and regional partners:

- California-American Water Co.
- City of Camarillo
- Golden State Water Co.
- Las Virgenes Municipal Water District (LVMWD)
- City of Oxnard
- City of Simi Valley
- City of Thousand Oaks
- Triunfo Water and Sanitation District (TWSD)
- City of Ventura
- Ventura County Waterworks Districts (VCWWD)

The consultant team presented the draft preferred portfolio options and no regrets actions. The workshop attendees discussed whether any projects or actions appeared to be missing and brainstormed potential implementation frameworks for the projects in the preferred portfolio and options. The report out from the workshop is attached to the MSR. The consultant team is preparing the draft report.



Water Policy and Strategy

2. In October, the Metropolitan Water District of Southern California (Metropolitan) Board of Directors considered the following issues of particular relevance to the District. Agendas, background materials, live streaming meetings, and video archives for all of the Metropolitan Board and Committee meetings may be accessed through the Metropolitan website, <https://mwdh2o.legistar.com/Calendar.aspx>.

- **Delta Conveyance Project (DCP)** — On October 7, the One Water and Stewardship Committee discussed climate, seismic, and regulatory risks to State Water Project (SWP) reliability related to conveyance. The discussion was part of a series of conversations leading up to the Metropolitan Board's consideration of funding to complete necessary work to evaluate water rights and project consistency with the Delta Plan. The Department of Water Resources (DWR) estimates the DCP's total cost over fiscal years (FY) 2025-26 through 2027-28 at \$300 million. Metropolitan's share of the cost would be 47.2% of the total or \$141.6 million. This is proportional to Metropolitan's share of the SWP's yield.

The Board vote will not be a decision on whether to build the DCP; rather, the Board will consider whether to complete the work necessary to properly evaluate that decision. The committee pressed the Interim General Manager on how the proposed funding request related to \$200 million identified in a Metropolitan audit of costs owed to Metropolitan by DWR related to the operation of the SWP. The committee also expressed concerns about how DWR plans to cover any shortfall in planning funding apart from Metropolitan's share, as well as future funding for DCP construction. In an October 24 letter from Metropolitan's

Interim General Manager to the DWR Director (which is included in the Written Communication section of the Board Packet), Metropolitan requested clarification on these issues as well as DWR's plans to improve SWP reliability pending the completion of the proposed conveyance improvements.

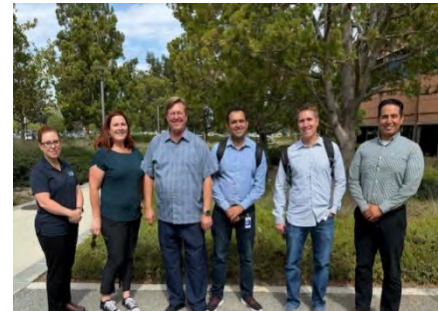
Metropolitan has scheduled a joint committee and Board workshop for November 18 to receive additional public comment and to hear from panelists representing environmental, Delta, agricultural, and business interests.

- SWP Dependent (SWP-D) Area Water Reliability — Metropolitan continues to design and construct projects to address water supply reliability in the SWP-D areas. The Sepulveda Feeder Pump Station Phase 1 is a critical project for the West Branch member agencies of Calleguas, LVMWD, and the Los Angeles Department of Water and Power (LADWP). With anticipated completion of that project at the end of 2026, there continues to be a window of potential vulnerability for the West Branch agencies. On October 8, to help address this vulnerability, the Metropolitan Board approved a purchase option for 2025-2027 to receive supplemental SWP supplies from two agricultural water agencies in the Feather River watershed.
- Business Model — The Climate Adaptation Master Plan for Water (CAMP4W) Task Force has grappled with basic issues regarding Metropolitan's business model for over a year. Reduced sales, erosion of imported water supply reliability, and major investments to adapt to climate change have challenged the value proposition and financial basis that served Metropolitan through the last century. Metropolitan's Member Agency General Managers have taken the initiative to review and provide recommendations to the CAMP4W Task Force for Metropolitan's business model refinement. On October 10-11, the District's General Manager and 23 of the 26 member agency general managers convened to hold their first working retreat to discuss the business model. The District's Executive Strategist, along with other member agency support staff, followed the meeting by video teleconferencing. After addressing procedural issues and objectives, the group conducted a Strengths, Weaknesses, Opportunities, and Threats analysis. The group will continue to meet with the expectation of providing recommendations ahead of the 2025 budget and rate process.
- Investigation Concerning Equal Employment Opportunity (EEO) Act Violations — In the ongoing investigation into General Manager Adel Hagekhalil, on October 21, the Metropolitan Board met in closed session to receive a report on the status of investigations into two cases of alleged EEO violations and retaliation. Prior to October's closed session, there were over two hours of public comment, with approximately 50 speakers supportive of Mr. Hagekhalil based on their personal knowledge of his character and performance; many advocated for his immediate reinstatement. Approximately six speakers favored the Board's independent outside investigation of the allegations. After 3.5 hours in closed session, the Board extended Mr. Hagekhalil's administrative leave until the investigation is completed and the findings are reported for the Board's consideration. Deven Upadhyay continues as Interim General Manager.

External Affairs

Partnerships

3. On October 3, the General Manager was interviewed on local radio station 99.1FM The Ranch by host J Perez. Conversation topics included general information about Calleguas, water use efficiency programs, and upcoming District events.
4. On October 4, the General Manager, Manager of Engineering, Manager of External Affairs, and Manager of Water Resources visited Amgen headquarters in Thousand Oaks for a briefing and tour. Amgen participants included the Senior Environmental Programs Manager and Engineering staff. The discussion focused on Amgen's sustainability successes and goals, as well as the potential for future collaboration with the District.
5. On October 7, the Manager of External Affairs and the Principal Water Resources Specialist attended a Latino History Month event sponsored by State Senator Monique Limón. As invited guests, Calleguas staff had the opportunity to hear legislative updates from Senator Limón, as well as U.S. Congressman Salud Carbajal and Assemblymember Steve Bennett. Attendees of the event included numerous elected officials and staff, County leaders, and other stakeholders.
6. On October 10, the Manager of External Affairs attended the annual dinner of the Coalition of Labor, Agriculture and Business (CoLAB), themed "The Magic of Collaboration." The CoLAB Executive Director's remarks focused on the importance of agriculture in the County and the need for policy discussions around its continued prosperity. The approximately 200 attendees represented various industries. Several elected officials were in attendance.
7. On October 11, the Deputy General Manager traveled to Coalinga for the Association of California Water Agencies (ACWA) Regions 6 and 7 San Joaquin Valley Water Forum. The forum consisted of panels, one regarding the degradation of water supply reliability due to regulatory reductions of Delta exports and another concerning options for funding capital projects. In addition, the keynote speaker from the Public Policy Institute of California discussed the practical implications of reduced snowpack and increased runoff on Central Valley water supplies. A primary takeaway was the growing acknowledgment that urban and agricultural interests are more aligned than not and that, in order to preserve those dual economies, quality of life, and food security, these two main sectors of the water industry would be better served by partnering on legislative and regulatory advocacy.



Presentations

8. On October 14, the Manager of External Affairs presented to the monthly West Ventura County Business Alliance's (WVCBA) Business Advocacy Committee virtual meeting. The mission of the Business Advocacy Committee is to carry out an advocacy program on behalf of WVCBA's membership and business community within the governmental and political arenas to foster effective working relationships. This was the first time the Manager of External Affairs had presented to this group, so the focus was on a general overview of the District, as well as upcoming Board items and water use efficiency events.
9. On October 15, the Manager of External Affairs presented to the Association of Water Agencies of Ventura County (AWA) Water Issues Committee meeting. Along with providing a watershed update on behalf of the Executive Strategist, topics covered included a preview of upcoming Calleguas Board agenda items, including consideration of a position on Proposition 4; a WRIST process update; and financial assistance for purveyor compliance with the newly-adopted Conservation as a California Way of Life regulations.

10. On October 17, the General Manager participated in the annual Water Sustainability Summit sponsored by United Water Conservation District (UWCD). This was the first time in the Summit's five-year history that Calleguas has been invited to present. The General Manager's remarks focused primarily on the WRIST process and the need for ongoing collaboration to achieve regional goals of water reliance and resilience. Approximately 100 individuals representing various stakeholders attended.



11. On October 25, the Manager of External Affairs presented to the Simi Valley Chamber of Commerce's monthly virtual Legislative Advocacy Forum. Topics included an update on the WRIST process, upcoming Calleguas events, and the joint Metropolitan-Calleguas-LADWP Colorado River Tour scheduled for Nov. 1 - 3, which Chamber staff has registered to attend.

12. On October 28, three staff members from Assemblymember Jacqui Irwin's office visited District headquarters. The General Manager, Deputy General Manager, and Manager of External Affairs provided a briefing about Calleguas, and the Operations Supervisor led the group on a tour of the Lake Bard Water Filtration Plant (LBWFP).



State Advocacy

13. On October 24, the Manager of External Affairs attended the California Special Districts Association (CSDA) Legislative Committee annual planning meeting in Sacramento. Participation in this event is required for all members of the CSDA Legislative Committee. The event included presentations regarding state and federal legislation, committee votes on various topics, and strategic planning for the upcoming 2025-26 state legislative session.

Water Resources

Public Outreach and Engagement

14. On September 28, staff hosted an information booth at the Conejo Open Space Foundation's Native Plantpalooza & Eco Fest, held at Conejo Creek North Park in Thousand Oaks. Booth materials for visitors included the District's "Building Resilience" flyers, the "Garden Landscapes for Ventura County" guide, and landscape transformation rebate information.



15. On October 5, the Senior Communications Specialist attended the Oak Park Fire Station 36 Open House, alongside TWSD, to distribute information and answer questions about the status of the Calleguas-LVMWD Interconnection (Project No. 450). The event, hosted by Ventura County District 2 Supervisor Jeff Gorell and the Oak Park Fire Safe Council, invited the public to meet elected officials, learn about safety resources, and offered hands-on activities for kids, including a "Touch a Truck" experience, plus fire station tours.



16. On October 9, Calleguas staff participated in the Fall 2024 Career & Internship Fair at California State University, Channel Islands to promote the student internship position in Water Resources and External Affairs. District staff included representatives from Operations, Engineering, Information Technology, and Water Resources.



17. On October 24, the District held its monthly Purveyor Manager meeting, with presentations from Calleguas staff covering the winter shutdown schedule, a regional or shared 2025 Urban Water Management Plan option, a legislative end-of-year review, findings from the WRIST, and updates on Metropolitan activities. The meeting concluded with a roundtable discussion focused on cross-connection testing.

18. On October 26, staff hosted an informational booth at the biannual Simi Valley Street Fair, sponsored by the Simi Valley Chamber of Commerce. Educational materials and handouts were distributed to attendees, including the District's "Building Resilience" flyers, the "Garden Landscapes for Ventura County" guide, and landscape transformation rebate information.
19. Staff continues to work with L.A. Design Studio to redesign the District website to create a modern, user-friendly, and accessible website that effectively communicates information about water services, promotes public engagement, and complies with industry regulations and standards.



Water Use Efficiency and Conservation

20. On September 28, the District hosted a rain barrel sale in partnership with Rain Barrels International. Eighty-three 50- and 65-gallon barrels were sold at discounted prices and distributed at District headquarters.
21. On October 12, the UC Master Gardeners of Ventura County held their monthly Calleguas-sponsored drip irrigation workshop. This hands-on class teaches participants how to convert their existing sprinkler systems to drip irrigation. There were 16 attendees. Workshops will begin again in January and continue the second Saturday of every month until June.



22. On October 17, the Manager of Water Resources, Principal Water Resource Specialist, and Senior Communications Specialist attended Metropolitan's monthly Water Use Efficiency group meeting. Meeting topics included updates about Metropolitan Board meeting actions, the Municipal Leak Detection and Repair grant program, and External Affairs activities. The meeting ended with a member agency roundtable discussion.
23. On October 22, the Manager of Water Resources, Principal Water Resource Specialist, and Senior Communications Specialist attended a joint meeting of the Regional Water Efficiency Program of Santa Barbara and Ventura Counties, hosted by the City of Ventura. Event speakers included Sheri Trapp, Communications Director for the Arizona Municipal Water Users Association, who presented strategies for improving regional collaboration. Also featured was Marielle Rhoderio, Data Specialist from the State Water Resources Control Board (SWRCB), who shared tips for using the Urban Water Use Objective Exploration Tool. The meeting also included a roundtable discussion on implementing the statewide non-functional turf ban and concluded with a field trip to the Ventura WaterPure demonstration facility for a tour.
24. On October 23, the Manager of Water Resources attended Metropolitan's Conservation Program Advisory Committee meeting. The committee meets quarterly to discuss the Regional Conservation Program, including new water use efficiency technologies and potential revisions to the Program.

25. Staff continues to work with Inland Empire Utilities Agency, which is managing the administration of the Turnkey Turf Transformation Project grant received through the DWR Urban Community Drought Relief Grant Program.
26. In October, there were 73 applications with approved reservations under the Turf Replacement Program (TRP) for a total reserved amount of \$704,146 in Metropolitan funding and \$27,002 in Calleguas supplemental funding. Another 12 applications are in the pre-approval stage, awaiting a confirmed reservation. These applications total \$317,217 in requested Metropolitan funding, although funds are not committed until an application is approved. A small percentage of applications typically drop out at this stage. Only funding remaining available within the supplemental budget will be committed. Since July 1, 2024, there have been 53 TRP rebates paid, totaling \$690,843 in Metropolitan funding and \$15,131 in Calleguas supplemental funding. For FY 2024-2025, under the Device Rebate Program, there are currently 121 applications in good standing (i.e., rebate applications that have not been denied or expired due to inactivity) totaling \$7,598 in reserved Metropolitan funding and \$1,448 in Calleguas supplemental funding. An additional 177 rebates have been paid, totaling \$14,934 in Metropolitan funding and \$3,700 in Calleguas supplemental funding.

Upcoming Events

27. Rain Barrel Sale and Distribution Event – Saturday, December 14, 10 a.m. – 12 p.m.

Calleguas is hosting a rain barrel sale and distribution event in partnership with Rain Barrels International at Calleguas headquarters. Rain barrels are available for preorder, which is highly encouraged, at <https://www.rainbarrelsintl.com/events/calleguas-mwd-12-24>. A small quantity will be available for purchase at the event. A \$35-per-barrel rebate, with a limit of two per household, is available through bewaterwise.com after purchase. Customers can choose from rain barrels ranging in size from 50 to 65 gallons, with prices from \$75 to \$100, plus tax.

Groundwater Resources

Fox Canyon Groundwater Management Agency (FCGMA)/Las Posas Valley (LPV) Basin Watermaster

28. On October 14, the FCGMA Executive Committee held a regular committee meeting. Jim Beck of the Hallmark Group, who the FCGMA retained to do a staffing analysis, presented interim findings. The Hallmark Group determined that the FCGMA needs approximately 20 full-time equivalents (FTEs) to complete all the work currently required by its enabling legislation, current resolutions and ordinances, and various legal proceedings, including the LPV Watermaster. The FCGMA currently employs approximately 12 FTEs (much of the work is met by a variety of County staff comprising several FTEs). Next steps include refining the analysis to include indirect costs and preparing a report that identifies total costs for operation of the FCGMA.

The committee also discussed a draft job description for Executive Director of the FCGMA. Arne Anselm, who currently occupies the role of Interim Executive Director, has indicated that he is not interested in occupying the role permanently and the FCGMA intends to advertise shortly. Currently, the Executive Director reports to the Ventura County CEO, Dr. Sevet Johnson; the Executive Director's performance is not reviewed by the FCGMA Board. Committee members Kelly Long and Gene West both affirmed support from Dr. Johnson that the next Executive

Director would serve at the FCGMA’s discretion, receive direction from the Board, and be subject to annual performance reviews by the Board.

29. On October 23, the FCGMA/Watermaster held its regular Board meeting. Among other routine items, the Board received an update on the five-year Groundwater Sustainability Plan (GSP) updates for the Las Posas, Oxnard, and Pleasant Valley Basins; received updates from participants in the DWR Sustainable Groundwater Management Act Implementation Grant; adopted a Resolution 2024-06 to update the definition of the Executive Director in keeping with the findings of the Executive Committee at its October 4 meeting; authorized Dudek to prepare the LPV Basin 2025 Optimization Yield Study; and authorized a contract with UWCD to perform modeling to support the LPV Basin 2025 Optimization Yield Study.

LPV Watermaster Policy Advisory Committee (PAC) and Technical Advisory Committee (TAC)

30. On October 17, the PAC met for a regular meeting. The main topic of discussion was the five-year GSP update for the LPV Basin. In September, the PAC appointed an ad hoc committee, comprised of the Deputy General Manager, David Schwabauer (“large agriculture” representative for the East Las Posas), Rob Grether (“large agriculture” representative for the West Las Posas), and Richard Cavaletto (“small agriculture” representative in the West Las Posas), to develop draft recommendations for the PAC’s consideration. The committee presented initial concepts to the PAC for a recommendation report. Tony Morgan, of Daniel B. Stephen and Associates, who sits on the LPV Watermaster TAC, executed a contract with the Watermaster to serve as the PAC Administrator. He is in the process of compiling ad hoc comments and PAC feedback into a recommendation report, which is due to the Watermaster by November 11. The PAC meets the first and third Thursdays at 3:00 p.m. in the Calleguas Board room.

Groundwater Storage

31. Groundwater storage totals through the end of September include 0 acre-feet (AF) of well production and 5.75 AF of well injection.

Groundwater storage totals through September are as follows:

East Las Posas Wellfield Injection	6 acre-feet
East Las Posas Wellfield Allocation	0 acre-feet
East Las Posas In Lieu	6,348 acre-feet
West Las Posas In Lieu	25,192 acre-feet
Conejo Creek Project	23,453 acre-feet
United Storage	10,482 acre-feet
Oxnard In Lieu	18,060 acre-feet

Engineering

Construction

32. *Calleguas-LVMWD Interconnection (450)* – Calleguas O&M staff flushed and refilled Calleguas’s segment of the Interconnection pipeline and the underground Pump Station (PS)/Pressure Reducing Station (PRS). LVMWD O&M staff also flushed and refilled their segment of the Interconnection pipeline. The contractor, Kiewit Infrastructure West Co. (Kiewit), successfully

completed startup of the PRS in the presence of Calleguas and LVMWD O&M staff. Kiewit also continued addressing items on the list of deficiencies in preparation for the upcoming Pump Station startup activities. Kiewit completed the final site grading and access road construction at the PS/PRS and continued general site cleanup. Kiewit also completed landscape restoration at the TWSD Meter Station.

Staff continued to coordinate with the City of Thousand Oaks, City of Westlake Village, and County of Ventura regarding encroachment permit requirements. Staff continued to coordinate with LVMWD staff in anticipation of the remaining startup and testing activities. *(CIP Priority: High)*

33. *Lake Sherwood Pump Station Rehabilitation (591)* – The pump station asphalt pavement access road reconstruction was completed. The electrical equipment manufacturer completed corrections to the new electrical gear and Southern California Edison (SCE) installed the new permanent transformer. *(CIP Priority: High)*

Design

34. *Conejo Pump Station Rehabilitation (480)* – Engineering, O&M, HRRM, and IT staff participated in a multiday Value Engineering Workshop with HDR Engineering and Kennedy Jenks Consultants (KJ) to explore opportunities to increase the performance and reduce project costs associated with the project. A number of promising concepts were considered. *(CIP Priority: High)*
35. *Salinity Management Pipeline (SMP), Phase 3 (536)* – The deposit for design of the discharge station was received from the LVMWD–TWSD Joint Powers Authority, the District’s first customer applying for service from the SMP 3. Perliter & Ingalsbe (P&I) began work. The U.S. Bureau of Reclamation (USBR) confirmed receipt of the District’s Title XVI grant application. *(CIP Priority: Low)*
36. *Calleguas-Ventura Interconnection (562)* – The design consultant, P&I, continued working on the pipeline design and proposed easement documents. *(CIP Priority: High)*
37. *Simi Valley Tank (569)* – The District is obtaining an updated appraisal of the project property. The environmental consultant, Aspen Environmental Group, submitted a report documenting the findings of their site visit, to support California Environmental Quality Act documentation. The design consultant, P&I, continued with project design. *(CIP Priority: High)*
38. *Oxnard-Santa Rosa Feeder and Santa Rosa Hydro Improvements (582)* – Staff continues review of the revised 90% instrumentation plans and specifications. (No change.) *(CIP Priority: Medium)*
39. *Crestview Well No. 8 (585)* – The General Manager met with Crestview Mutual Water Company’s (MWC’s) General Manager and Board President to discuss potential modifications to the agreement to better meet both organizations’ needs. *(CIP Priority: Not Evaluated)*
40. *Lake Bard Pump Station, Lake Bard Water Filtration Plant (LBWFP) Flowmeter, and Lake Bard Outlet Tower Improvements (587)* – KJ is preparing 100% plans and specifications. *(CIP Priority: High)*

41. *Fairview Well Rehabilitation (589)* – The design consultant, MKN, and staff worked to finalize the disinfection strategy for the well. After confirming the disinfection strategy, MKN is focusing their efforts on completing the preliminary design report. *(CIP Priority: High)*
42. *Lindero Pump Station Rehabilitation (592)* – The design consultant, KJ, is incorporating the new, larger generator footprint into the design. A larger footprint generator is required due to the Ventura County Air Pollution Control District's requirements for a unit that meets Tier 4 (more stringent) emission standards and the emission equipment increases the size of the generator. *(CIP Priority: High)*
43. *Calleguas Conduit North Branch (CCNB) Broken Back Rehabilitation, Phase 4 (598)* – Staff continued to investigate potential technologies for locating the precise extents of pipeline encasements. (No Change.) *(CIP Priority: High)*
44. *Crew Building Expansion and Networking Center Relocation (603)* – Staff are reviewing draft bid documents for the first of four bid packages identified in the Value Engineering Workshop: Networking Center Relocation and Administrative Building Storage Room Addition. KJ is preparing Bid Documents for the second package, LBWFP Roof Replacements. *(CIP Priority: High)*
45. *Somis Farmworker Housing SMP Discharge Station (607)* – The District continues to wait for the developer, Amcal, to obtain temporary and permanent construction easements and to submit the construction deposit. *(CIP Priority: Medium)*
46. *Wellfield No. 2 Solar System (613)* – Engineering staff met with TerraVerde Energy to discuss potential alternative procurement methods for the proposed photovoltaic system. *(CIP Priority: Low)*
47. *CCSB Strengthening for Metrolink SCORE Improvements (614)* – The District and its design consultant, Phoenix Civil Engineering, worked with Metrolink and Southern California Regional Rail Authority staff to address Union Pacific's questions about the District's application to perform the improvements. *(CIP Priority: High)*

Studies & Planning

48. *Analysis of Wood Ranch Dam and Dikes* – Laboratory testing results for permeability of soil materials were received from the consultant for submittal to the California Division of Safety of Dams. The consultant is reviewing the data and preparing preliminary findings and recommendations.
49. *Pipeline Condition Assessment Program* – Engineering and O&M staff conducted a SmartBall inspection of the Oxnard-Santa Rosa Feeder Units 1 and 2 with the support of V&A Consulting Engineers and Xylem/Pure Technologies. V&A Consultants is preparing a report to combine the findings from the SmartBall inspection with the previous pipe-to-soil potential and close-interval (cell-to-cell method) surveys.
50. *Study of Seismic Impacts to the Santa Susana Tunnel* – Brierley Associates submitted the final report and electronic data collected during the inspection.

51. *LBWFP Secondary Access* – The consultant, MNS Engineers, Inc. identified six potential alternatives for a secondary access road to LBWFP, which are under review by District staff.

Grants & Funding Opportunities

52. *Proposition 1, Round 1 Integrated Regional Water Management (IRWM) Implementation Grant Funding* – Project proponents are preparing progress reports and invoices for the third quarter of 2024. DWR continues to evaluate the request for amendment to the grant agreement to reallocate the funding from the City of Camarillo’s Recycled Water Reservoir, which is not proceeding, to the remaining three projects in the agreement (Calleguas–LVMWD Interconnection [Project No. 450], UWCD Iron and Manganese Removal Project Phase 1, and City of Ventura Eastside to Westside Waterline Interconnection Project Phase 2).
53. *Proposition 1, Round 2 IRWM Implementation Grant Funding and Urban Community Drought Relief Grant* – Project proponents are preparing progress reports and invoices for the third quarter of 2024.
54. *USBR Title XVI (Water Reclamation and Reuse) Feasibility Report* – The revised Feasibility Report was submitted to USBR, addressing their minor comments.
55. *Training* – The Manager of Engineering and two of the Project Managers attended a two-day workshop at Metropolitan’s headquarters on alternative delivery methods for capital projects. The Operations Supervisor provided a tour and presentation about the operations of the Las Posas Aquifer Storage and Recovery Wellfield to Engineering staff.

Miscellaneous Engineering Activities

56. *Advanced Clean Fleet (ACF) Regulations and Compliance*– Staff participated in a public meeting to discuss proposed amendments to the ACF regulations that implement the requirements of Assembly Bill (AB) 1594 (Garcia).

Operations and Maintenance

System Operations

57. Camrosa’s Round Mountain Water Treatment Plant, the City of Camarillo’s North Pleasant Valley Desalter, and Port Hueneme Water Agency’s water treatment plant are currently online and discharging brine into the SMP.
58. Control Systems staff continues to remove old communication circuits. Staff supported electrical work on the Calleguas-LVMWD Interconnection (Project No. 450). Repairs were made at the Wellfield standby generator to improve reliability and communications during power outages. Control Systems performed repairs to valve actuators and control systems in the LBWFP to prepare for the upcoming plant run.
59. Control Systems staff performed preventative maintenance and routine inspection on:
- LBWFP
 - Headquarters

- East Portal Hydroelectric Generator
- Santa Rosa Hydroelectric Generator
- Conejo Pump Station
- Fairview Pump Station
- Grandsen Pump Station
- Lake Sherwood Pump Station
- TOD Pump Station
- Pressure Regulating Stations Nos. 3, 7 and 9
- Conejo Standby Generators
- Lindero Reservoir
- California Water Service Turnouts
- City of Camarillo Turnouts
- City of Simi Valley Turnouts
- City of Thousand Oaks Turnouts
- VCWWD Turnouts
- Grimes Canyon Disinfection Facility (GCDF)
- Well Nos. 2, 5, and 7

60. Distribution Systems staff participated in the first stage of startup at the Calleguas-LVMWD Interconnection (Project No. 450) and commissioned the new TWSD Lindero Turnout. In addition, they made repairs to the sand separator at Well No. 1. A replacement of the unit would have cost approximately \$28,000 with a 40-week lead time. Crews have also been preparing for upcoming LBWFP operations by completing maintenance and repairs to sample pumps and chemical pumps.

61. Distribution System staff performed preventative maintenance and routine inspection on:

- LBWFP
- Conejo Hydroelectric Generator
- East Portal Hydroelectric Generator
- Santa Rosa Hydroelectric Generator
- Springville Hydroelectric Generator
- Conejo Pump Station
- Fairview Pump Station
- Grandsen Pump Station
- Lake Sherwood Pump Station
- Lindero Pump Station
- TOD Pump Station
- Pressure Regulating Station Nos. 3, 4, 6, 6A, 7, 8 and 9
- SMP Pressure Regulating Station
- Mesa Pressure Relief Station
- CCNB Pressure Relief Station
- Camrosa SMP Discharge Station
- Conejo Standby Generators
- Conejo Reservoir
- Grimes Canyon Reservoir

- Lake Sherwood Reservoir
- Newbury Park Reservoir
- SMP Control Tank
- Springville Reservoir
- Thousand Oaks Reservoir
- Crestview MWC Turnout
- California American Water Turnouts
- City of Camarillo Turnouts
- City of Thousand Oaks Turnouts
- VCWWD Turnouts
- Well Nos. 1-4, 6-7, 17
- Wellfield No. 2 Monitoring Wells
- GCDF

62. System Maintenance crews flushed and recharged the Calleguas-LVMWD Interconnection pipeline in preparation for testing of the Pump Station. Staff applied copper sulfate to Lake Bard to improve water quality in preparation for the upcoming LBWFP run. System Maintenance provided support during the smart ball inspection of the Oxnard-Santa Rosa Feeder Unit 1 and 2. Preventative maintenance began on the CCNB Unit 2. System Maintenance staff continue to work on the Lake Bard Dedication Site.



63. System Maintenance staff performed preventative maintenance and routine inspection on:

- LBWFP
- Lake Bard
- East Portal Hydroelectric Generator
- Santa Rosa Hydroelectric Generator
- Springville Hydroelectric Generator
- Pressure Regulating Station Nos. 6 and 9
- CCNB Pipeline Nos. 1, 2 and 5
- Mesa Feeder Pipeline
- Oxnard Santa Rosa Feeder Nos. 1 and 5
- Fairview Pump Station
- Grandsen Pump Station
- Pressure Regulating Station No. 4
- Grimes Canyon Reservoir
- Lake Sherwood Reservoir
- SMP Control Tank
- Springville Reservoir
- Thousand Oaks Reservoir
- Westlake Reservoir
- Berylwood Turnout
- Butler Ranch Turnout

- California American Water Turnouts
- City of Camarillo Turnouts
- City of Simi Valley Turnouts
- City of Thousand Oaks Turnouts
- Golden State Water Turnouts
- Pleasant Valley MWC Turnouts
- Solano Verde MWC Turnouts
- VCWWD Turnouts
- Wells Nos. 5, 8, 10, 12, 14, and 17
- Wellfield Site Maintenance

64. Water quality met all SWRCB Division of Drinking Water standards for the month of October.

65. The Conejo, East Portal, Grandsen, Springville, and Santa Rosa Hydroelectric Generators are currently available for operation and are online as flow conditions permit.

Miscellaneous Operations and Maintenance Activities

66. O&M staff provided design review and other support to the Engineering Department on various projects, including:

- Calleguas-LVMWD Interconnection (Project No. 450)
- Lindero No. 2 (TOD) Pump Station Rehabilitation (Project No. 590)
- Lake Sherwood Pump Station Rehabilitation (Project No. 591)
- Crew Building Improvements and Networking Center Relocation (Project No. 603)

67. The District measured 0.00 inches of rainfall from October 1 to October 25 at the Lake Bard site. Measurable rainfall for the current water year, beginning October 1, is 0.00 inches.

Human Resources and Risk Management (HRRM)

Human Resources

68. On October 5, the Second Annual Employee Appreciation BBQ was held to honor the District's hardworking staff. This event coincided with Water Professionals Appreciation Week and was well-attended by staff and their families.



69. On October 22, interviews for the Senior Control Systems Technician recruitment were completed. Three candidates were interviewed and an offer was made to the top-ranking candidate.

70. On October 23, staff attended a tour of Metropolitan's headquarters, organized by the Metropolitan Board Executive Officer, Margie Wheeler. Staff visited the Board Room, committee rooms, Human Resources department, Wellness Center, and 12th floor, which includes the offices of the Board Chair, General Manager, and General Counsel. The purpose of the visit was to understand the scope of administrative operations at Metropolitan.



71. On October 28, staff coordinated an All-Employee Meeting focused on team building. It included a pumpkin-decorating contest and a pizza lunch. The Water Resources and External Affairs departments teamed up and took home the pennant with their Dodger-inspired display.



72. On October 28-30, the Assistant Manager of HRRM attended the California Public Employees' Retirement System (CalPERS) Annual Conference. This three-day conference provided valuable training and resources for the management of the District's CalPERS benefits.

73. On October 30-31, interviews were conducted with five candidates for the Management Analyst position in the External Affairs Department.

74. Open enrollment for CalPERS medical benefits and supplemental benefits closed in October.

Risk Management

75. The Ventura County Fire Department continued work at the Helispot site at Wellfield No. 2, including removing an old and unused above-ground irrigation pipe on the adjacent hillside that was determined to be hazardous to air traffic.

76. On October 9-10, District employees assigned to wear respiratory protective equipment received required annual medical evaluations and respirator fit tests. Medical evaluations were performed by a licensed healthcare provider and fit testing was conducted by the Emergency Response Coordinator. Medical evaluations and fit testing are required annually for employees to be authorized to wear respiratory protective equipment in accordance with their assigned duties and safety procedures.

77. From October 15-18, the Emergency Response Coordinator monitored notifications from SCE regarding a Public Safety Power Shutoff event and coordinated with O&M staff to ensure system readiness. In total, 18 District facilities on nine different circuits were at risk of being de-energized due to weather conditions; however, there were no outages during the event.

78. On October 17, the District participated in the Great Shakeout Earthquake Exercise in coordination with Metropolitan, the City of Long Beach Utilities Department, Foothill Municipal Water District, and SCE. The exercise simulated two magnitude 7+ earthquakes near the Ports of Los Angeles and Long Beach and tested emergency communications systems, including Metropolitan's Member Agency Response System (MARS) radio and virtual Emergency Operations Center (EOC). The District exercised procedures to identify hazards, assess damages to facilities, and communicate with Metropolitan staff and other member agencies utilizing the MARS radio and virtual EOC systems.
79. On October 22, the Assistant Manager of HRRM attended an emergency management course. This training provided valuable insight and best practices for emergency planning to keep essential functions operating during times of crisis. It also provided opportunities to network with other emergency response staff across Ventura County.
80. The Environmental Health and Safety Specialist attended the following training courses:
- ACWA Joint Powers Insurance Authority (JPIA) Risk Transfer
 - ACWA JPIA Policy and Procedures
 - California Department of Toxic Substances Control Generator Improvement Rule
 - U.S. Department of Transportation for Signing Manifests
81. The Environmental Health and Safety Specialist provided the following training to District employees:
- Hazard Communication and Chemical Leak and Spill Prevention for Operators
 - Respirator and Air Monitoring for O&M
 - New employee safety training for System Maintenance Worker Eric Meza
82. The Environmental Health and Safety Specialist participated in the first day of the Conejo Pump Station Rehabilitation (Project. 480) Value Engineering Workshop. This project includes changes and upgrades to the chlorine facility that will impact the LBWFP Risk Management Plan. The Environmental Health and Safety Specialist answered safety and regulatory questions regarding District facilities, participated in the facility walk-through, provided a list of requested upgrades to the chlorine facilities, and attended the presentation of the workshop's findings.
83. The Environmental Health and Safety Specialist continues to work on updating the district Heat Illness Prevention Plan. The District currently has a Heat Illness Prevention Plan for outdoor work. New regulations have passed in California that require employers to develop heat illness prevention plans for indoor work when temperatures indoors reach 82°F. Indoor work includes cars, confined spaces, vaults, and reservoirs.
84. The Environmental Health and Safety Specialist is working with a consultant on updating the Electrical Safety Plan. This plan is required to be updated every three years to comply with updates to NFPA 70E standard changes. Affected staff are reviewing a draft version of the new plan.

Finance

85. Staff processed and paid 323 invoices, totaling approximately \$14.5 million, between September 24 and October 28. Staff also processed 17 invoices, totaling \$111,827, on behalf of the Total Maximum Daily Load parties.
86. Staff prepared purveyor invoices for water sales in September totaling \$14,838,586.95. Metropolitan invoiced the District for the same period a total of \$11,037,243.07.
87. The Metropolitan invoice for water purchased in August and paid in October is \$10,998,851.76.
88. The balance in the LAIF account as of September 30 was \$2,859,022.81. The monthly effective yield is at 4.575% for September.
89. The Los Angeles-Long Beach-Anaheim Consumer Price Index for September was up 0.2% over the past month and up 2.8% from a year ago.
90. Staff attended the annual New World Southern California Users Group meeting in Montebello. The workshop is a valuable resource for learning about new software enhancements and networking with other local users.
91. Preliminary audit requests have been provided to the District's auditors. Staff is preparing the final audit schedules and documentation.
92. Staff has been working to update the portion of the Preliminary Official Statement related to the District's operations and financial information that will be issued in conjunction with the refinancing of the 2010B Bonds. Staff is also working with Bond Counsel and their financial advisor to review the other legal documents needed to facilitate the refinancing.

Information Technology

Cybersecurity

93. October is Cybersecurity Awareness Month and staff attended several virtual meetings regarding new threats, methods of detection, and software innovation.
94. Staff began documenting new procedures for staff to utilize a new email spam-filtering system. Once in place, the new system will offer ease of use and more features than the previous system.
95. During the month of September, the District's phishing campaign resulted in a 36% reporting rate and a 0% click rate. The security awareness training resulted in an 86% completion rate with an average score of 93%.

Training

96. The Manager of IT attended a meeting with ECS Imaging, Inc. regarding utilization of the District's Laserfiche software for records retention.

Hardware & Software

97. Staff installed new servers and storage devices in the Networking Center. These new servers will be used to upgrade the existing administrative server infrastructure that has reached end of support.
98. Staff have begun tracking all active and inactive network cables in the Administrative Building to quickly facilitate the upcoming cubicle replacement work.
99. Staff continues to work with Control Systems staff to procure and install new internet connections at remote locations, making communications for the SCADA system more reliable.
100. The Manager of IT successfully negotiated with AVEVA regarding the SCADA software requirements for the Turnout Automation upgrade. The upcoming three-year contract will be less expensive than the previous contract.
101. Staff continues the process of replacing computers (desktops and laptops) that have reached or are about to reach end-of-life status.
102. Staff continues to provide help desk functions. There were 46 tickets closed that included the following requests:
 - a. Set up and support audiovisual needs in Board and conference rooms for various meetings
 - b. Updating of documents on the intranet and website
 - c. Research and ordering parts for installation of new servers in the data center
 - d. Workstation software updates and troubleshooting
 - e. Adding applications for users in the mobile device management software
 - f. Preparation of new devices for new employees
 - g. Troubleshooting VPN software warnings
 - h. Reviewing board agenda packets and recordings before posting to the District's website and YouTube
 - i. Troubleshooting and repairing SCADA turnout computers
 - j. Researching and adjusting spam filtering software



Partner Workshop #4

Water Resources Implementation Strategy



October 01, 2024



MEETING PURPOSE

To continue engagement with the retail and regional partner water organizations in a collaborative forum to present the WRISt analysis methodology and findings, receive feedback on the draft Preferred Portfolio and Options and “No Regret” Actions, and to obtain input and perspectives on the conceptual implementation framework for the draft Preferred Portfolio.

Desired Outcomes

- Review the portfolio analysis methodology, development of hybrid portfolios, performance simulation results relative to the Status Quo Analysis, and overall portfolio scoring.
- Discuss and obtain feedback and comments regarding the draft Preferred Portfolio and Options and “No Regret” actions.
- Provide collaborative input on the draft Preferred Portfolio conceptual implementation framework.

Attendees

Calleguas Staff:

Kristine McCaffrey
Ian Prichard
Henry Graumlich
Charlotte Holifield

Consultant Team:

Paul Jones (D&W)
Jeff Szytel (WSC)
Heather Freed (WSC)
Jon Wells (D&W)

Name	Organization
Michael Wolfe	City of Oxnard
Tim Beaman	City of Oxnard
Ken Matsuoka	City of Camarillo
Scott Rigg	Golden State Water Company
Wanda Moyer	City of Simi Valley
Dave Klotzle	City of Camarillo
Norman Huff	Camrosa Water District
Jacob Quick	California American Water
Cliff Finley	City of Thousand Oaks
Nader Heydari	City of Thousand Oaks
Akbar Alikhan	City of Thousand Oaks
Dave Rydman	Triunfo Water & Sanitation District
Ann DeMartini	Crestview Mutual Water Company
Sean Hanley	Ventura County Public Works Agency
Jenny Tribo	City of Ventura
Eric Schlageter	Las Virgenes Municipal Water District
Chris Oberender	City of Simi Valley
Michel Kadah	City of Simi Valley

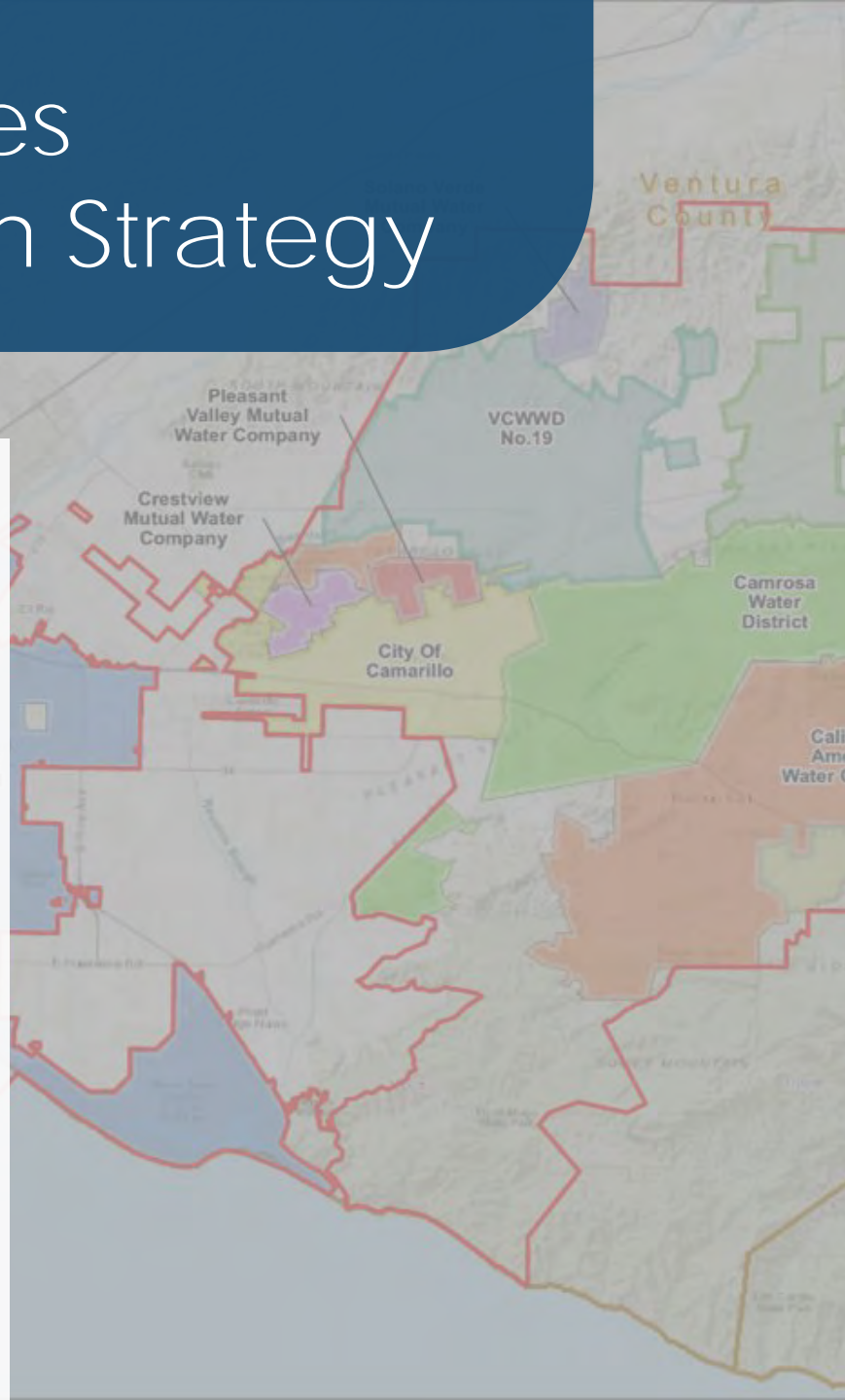
Project Overview

WATER RESOURCES IMPLEMENTATION STRATEGY

Water Resources Implementation Strategy

PURPOSE

Water Resources Implementation Strategy (WRIS) will engage regional, wholesale and retail partners in a collaborative process to develop a preferred portfolio of projects and options to support long-term supply reliability and resiliency, including delivering sufficient supplies during imported water supply outages.



APPROACH

- Build on the Water Supply Alternatives Study (WSAS)
- Develop and analyze portfolios
- Collaborate to establish an adaptive portfolio of assets, resources, systems and strategies
- Incorporate extensive regional engagement to align with stakeholders in ways that fit their needs, including peer-to-peer partnerships and co-investment
- Develop an adaptive management plan to address risks and uncertainties

Multi-phased Process

This scope is structured in multiple phases to allow an assessment of the results of Phase 1 to better inform the breadth and specific needs for subsequent implementation support.

We are here



PHASE 1

Water Resource Portfolio
Development &
Regional Alignment

- Establish common goals, desired outcomes, success criteria
- Development of an adaptive preferred portfolio and options
- Delivery framework

PHASE 2

Regional
Implementation
Framework
& Engagement

- Continued development of preferred projects
- Roadmap and strategies for engagement with governing bodies, regulatory agencies, and the community

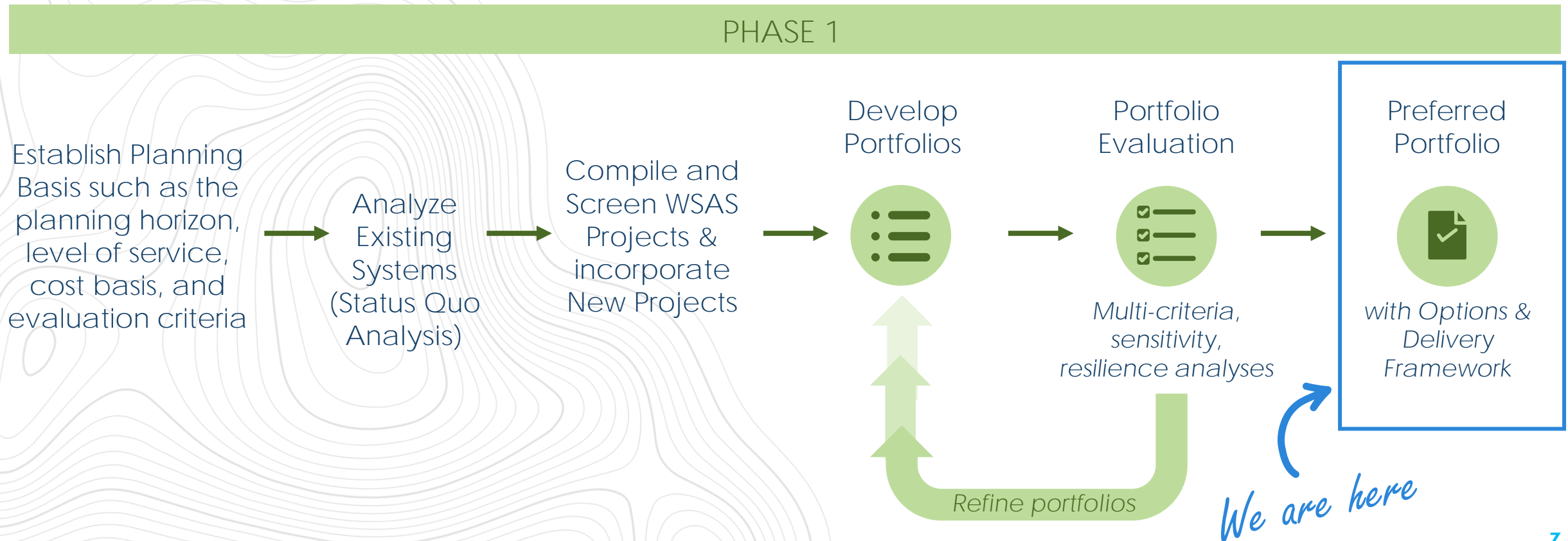
PHASE 3

Program Delivery &
Adaptive
Management

- Multi-agency program implementation
- Funding and financing mechanisms
- Adaptive management

PHASE 1

Water Resource Portfolio Development & Regional Alignment



Workshop #3 Recap

WATER RESOURCES IMPLEMENTATION STRATEGY

WRISt Partner Workshop #3

April 30, 2024

Key Outcomes

1. Reviewed updated WRISt project list, thematic portfolios, and thematic portfolio performance simulation relative to the Status Quo Analysis.
2. Discussed how portfolios mitigate Risk and Uncertainties.
3. Discussed potential approaches to costs and benefits sharing of regional projects.



Report-out Document



Portfolio Themes

1. Lowest Cost: Lowest lifecycle cost to meet minimum level of service.
2. Local Supply and Control: Maximizes local supply, treatment, and infrastructure; minimizes dependence on imported water.
3. Imported Water System Optimization: Augments imported system and supplies, internal and external storage, and maximizes utilization of existing imported water infrastructure.
4. Reliability and Resilience: Enhances level of service performance, less sensitivity to costs and other criteria.
5. Adaptability Emphasis: Readily adapts over time and under changing demand conditions, less sensitivity to costs and other criteria.
6. Groundwater Sustainability and Recycled Water Emphasis: Increases supply reliability while also supporting groundwater sustainability and recycled water utilization.

List of Projects

Background

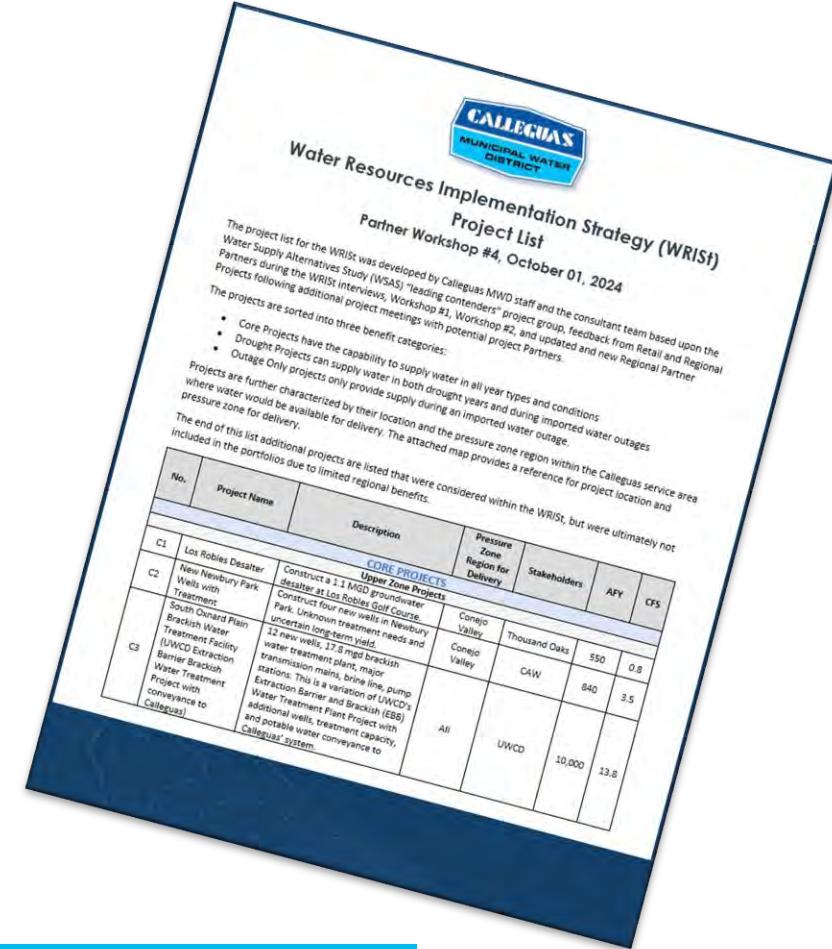
- Initially developed from WSAS “leading contender” group of projects with refinement.
- Additional conceptual projects added based on feedback from previous Workshops, Partner Interviews, and follow-up meetings with Regional Partners
- Categorized by benefit:

Core Projects
- All conditions

Drought and Outage Projects
- Dry year/outages

Outage Only
- Imported water outages

- Sorted by Pressure Zone Region (see map)
- 27+ projects considered
- 23 projects grouped into portfolios



PORTFOLIO THEMES

Project Map

Map provides location of projects, benefit category, and Pressure Zone Region



Thematic Portfolio Findings

- Investment in local supply projects provides greater reliability at a lower long-term cost relative to the Status Quo, while significantly reducing demand for imported water.
- Investment in local supplies and local storage provides the greatest reliability and resilience but will require West to East Transmission to fully utilize all supplies, which increases portfolio costs.
- Local projects can be adaptively phased to incrementally increase reliability while moderating cost impacts.

Portfolio Risk & Uncertainty Mitigation

- Brainstormed how each thematic portfolio mitigated risks and uncertainty
- Incorporated Partners' feedback to develop an approach to incorporate risks and uncertainties into the portfolio simulation



How does the Portfolio Mitigate Risk and Uncertainty?

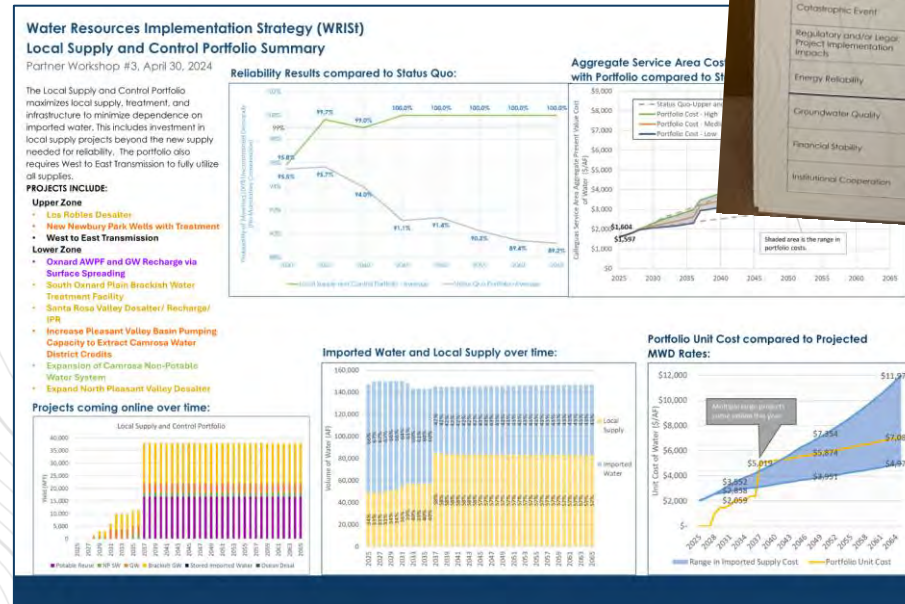
PORTFOLIO PERFORMANCE KEY

- Green circle: Portfolio provides high mitigation
- Yellow circle: Portfolio provides moderate mitigation
- Red circle: Portfolio provides low mitigation

Emphasis: Groundwater Sustainability and Recycled Water supply reliability while also supporting groundwater sustainability and the utilization of recycled water.

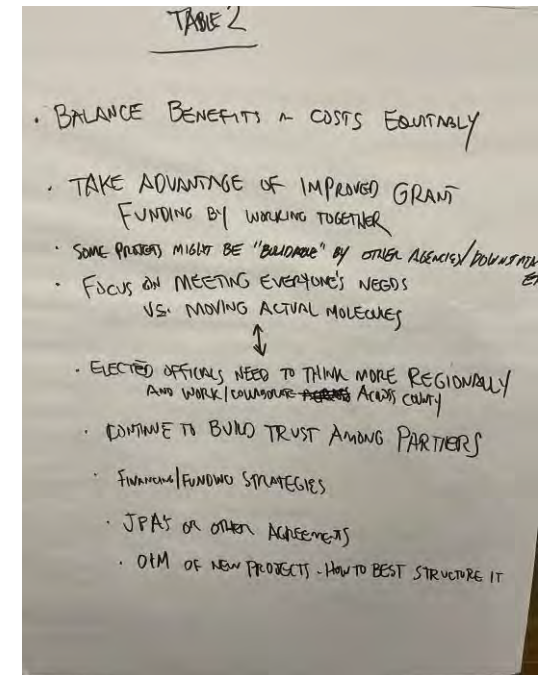
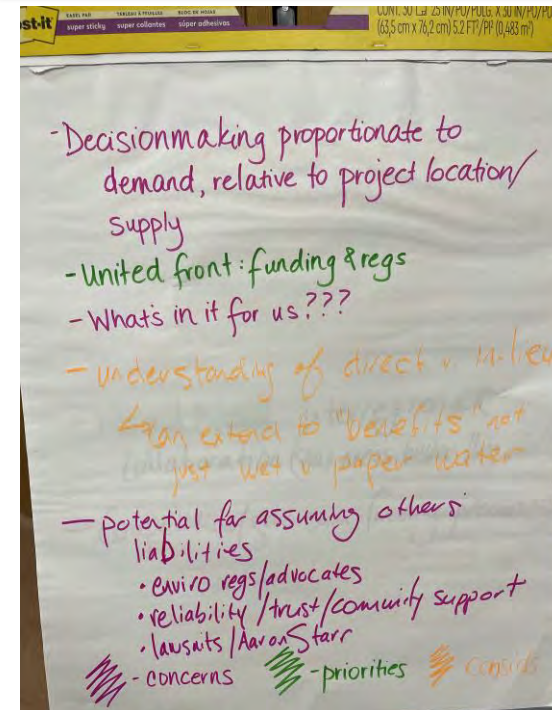
Use the provided colored dot stickers to rank the performance of the portfolio on how it mitigates against each risk and uncertainty. Add additional clarifying notes, comments, questions, and concerns for each risk and uncertainty using the provided markers and sticky notes.

Risk/Uncertainty	Portfolio Performance	Notes
Climate Variability: Impaired Supply Impacts	Green, Yellow	Moderate and yield
Regulatory and/or Legal: Supply Impacts	Yellow, Red	IPR/DPR & Unadj. basin
Climate Variability: Local Demand Impacts	Green	use of underutilized local supply
Groundwater Yield	Green	"
Regulatory and/or Legal: Demand Impacts	Green, Yellow	working-through permitting - unknown at this time emissions
Climate Variability: Local Supply Impacts	Green	yield is relatively low
Energy Cost	Red	highly dependent on local power and fuel sources
Catastrophic Event	Green	unless EMP
Regulatory and/or Legal: Project Implementation Impacts	Yellow	public perception (permitting challenges)
Energy Reliability	Red	.. but SMP will have need - 21-22?
Groundwater Quality	Green	expensive but reliable (how to construct work later)
Financial Stability	Yellow	
Institutional Cooperation	Yellow	



Regional Cost and Benefit Sharing

- Discussed your organizations' considerations, priorities, and concerns related to sharing cost and benefits of local projects on a regional basis
- Partners' feedback informs the preferred portfolio implementation framework



Portfolio Analysis and Recommendations

WATER RESOURCES IMPLEMENTATION STRATEGY

Portfolio Analysis and Performance Simulation Agenda

1. Purpose and Scope
2. Status Quo Results
3. Portfolio Analysis Methodology
4. Portfolios Summary Results and Recommendations

Purpose and Scope

- Evaluate different supply and storage project investment strategies (Portfolios) to improve District-wide reliability and resilience while managing long-term costs
- Portfolios of supply and storage projects are analyzed on a Retail Partner, pressure zone region, and a regional, aggregate basis to meet District-wide demands considering system configuration and delivery constraints
- Portfolios are then compared to the Status Quo

Status Quo Portfolio

WATER RESOURCES IMPLEMENTATION STRATEGY

Status Quo



Local supplies prioritized



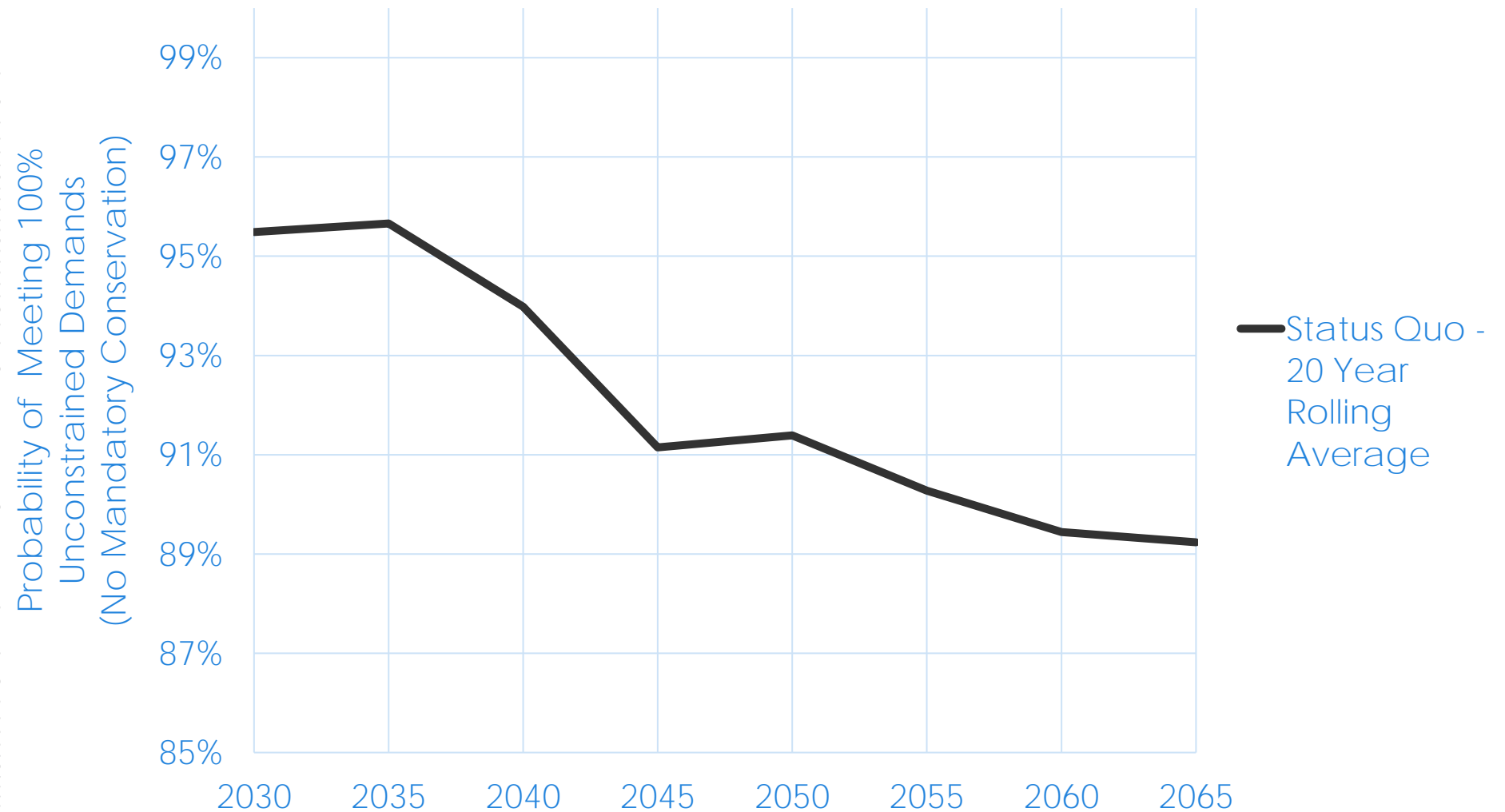
Planned projects included



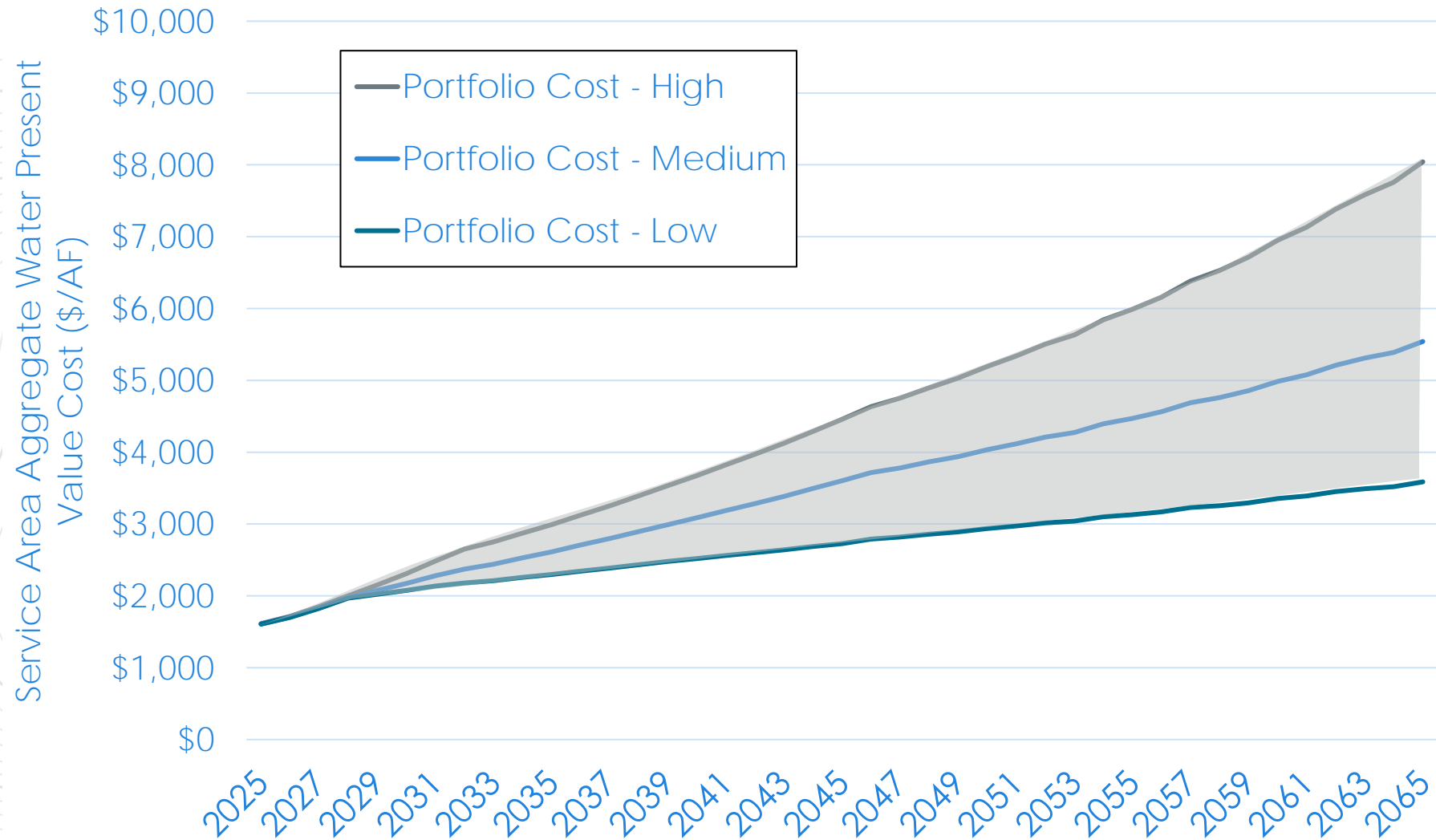
Imported water used to meet remaining demands

Status Quo - Reliability

Overall decline in reliability over time



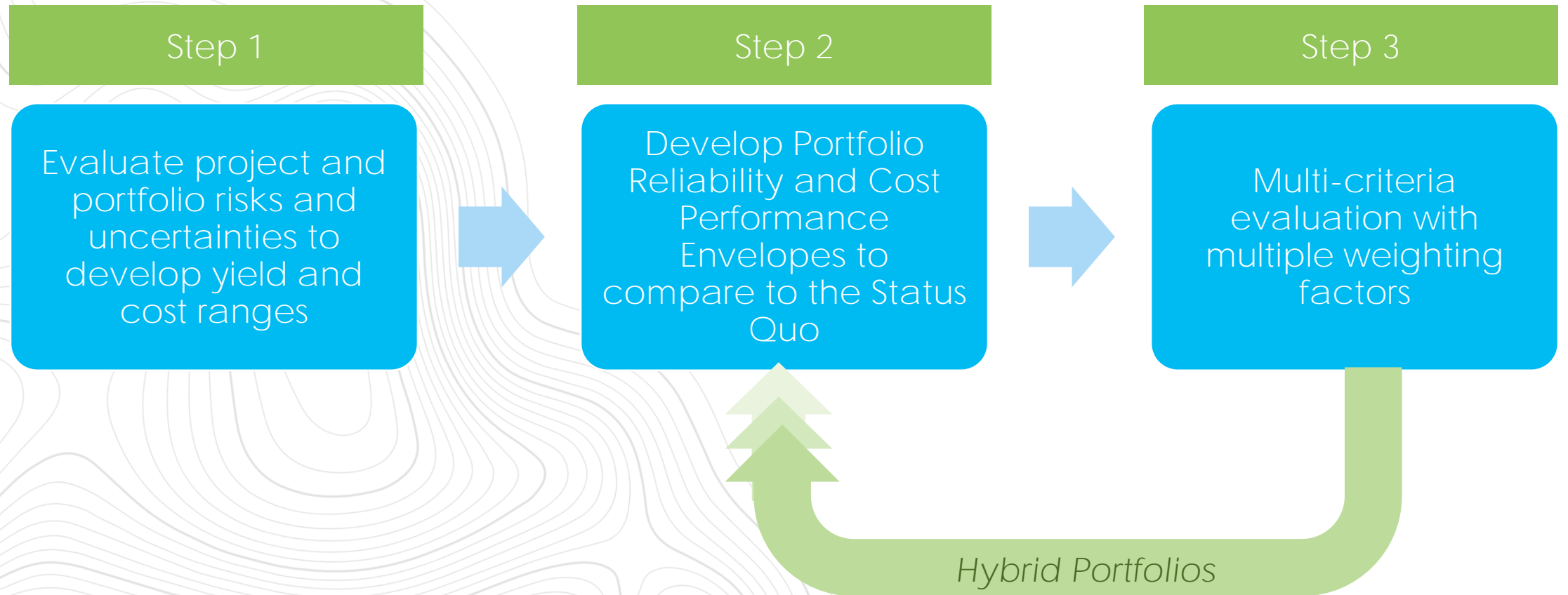
Status Quo - Costs



Portfolio Analysis Methodology

WATER RESOURCES IMPLEMENTATION STRATEGY

Portfolio Analysis Methodology



Portfolio Analysis Methodology

Evaluate Project Risk and Uncertainties

- Feasibility Risks & Uncertainties
 - **Technical Complexity** around project construction and operation
 - **Institutional Complexity** focuses on institutional relationships needed for project implementation
 - **Permitting & Regulatory Complexity** considers regulatory and permitting pathway for implementation
- **Reliability Risk** evaluates the project's source of supply and its reliability
- For each category, projects are scored as **high**, **medium**, or low

Projects Risk Score

Step 1

Project	Technical Complexity	Institutional Complexity	Permitting/Regulatory Complexity	Reliability Risk	Risk Score
Ocean Desalination	●	●	●		High
In-Lieu Storage in Lake Casitas and Groundwater Exchange		●	●	●	High
Oxnard Plain Basin Program		●	●	●	High
South Oxnard Plain Brackish Water Treatment Facility	●	●	●		High
New Newbury Park Wells	●	●	●	●	High
IPR-GWR in Simi Valley Basin	●	●	●		Med
OH System Fe/Mn Treatment			●	●	Med
Simi Valley Desalter		●	●		Med
Oxnard AWPf and GW Injection	●		●		Med
Oxnard AWPf and GW Recharge via Surface Spreading		●	●		Med
Increase Pleasant Valley Basin Pumping Capacity to Extract Camrosa Water District Credits			●	●	Med
Alternative Delivery of Imported Water – Pipeline from Castaic Lake & WTP	●		●		Med
LACWWD 29 Interconnection through LVMWD	●	●		●	Med
Additional Pumping by Oxnard Wells			●	●	Med
New Springville Area Well and Agreement to Deliver Water During an Outage		●		●	Med
Los Robles Desalter	●			●	Med
Expansion of Camrosa Non-Potable Water System				●	Med
Expand North Pleasant Valley Desalter		●			Med
Moorpark Desalter		●			Med
Additional Aquifer Storage and Recovery – Santa Paula Basin		●		●	Med
In-Lieu Storage in Lake Casitas and Delivery		●	●		Med
Santa Rosa Valley Desalter/ Recharge/ IPR			●		Low
West - East Transmission	●				Low
External Groundwater Bank		●			Low

● = High Risk/Complexity ● = Med Risk/Complexity None = Low Risk/Complexity

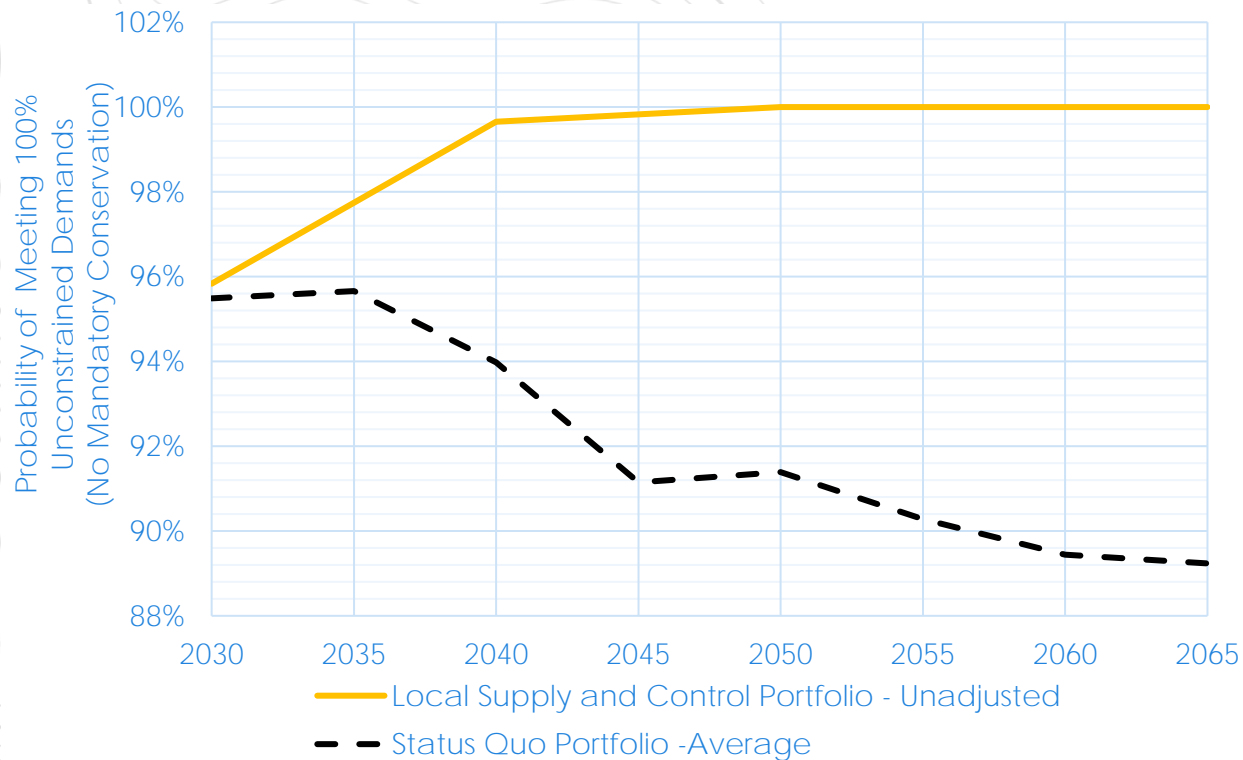
Portfolio Envelope Adjustment Rubric

- Extended timeline based on feasibility risk score
- Reduced yield based on reliability risk score
- Increased capital and O&M costs for all projects based on level of conceptual development

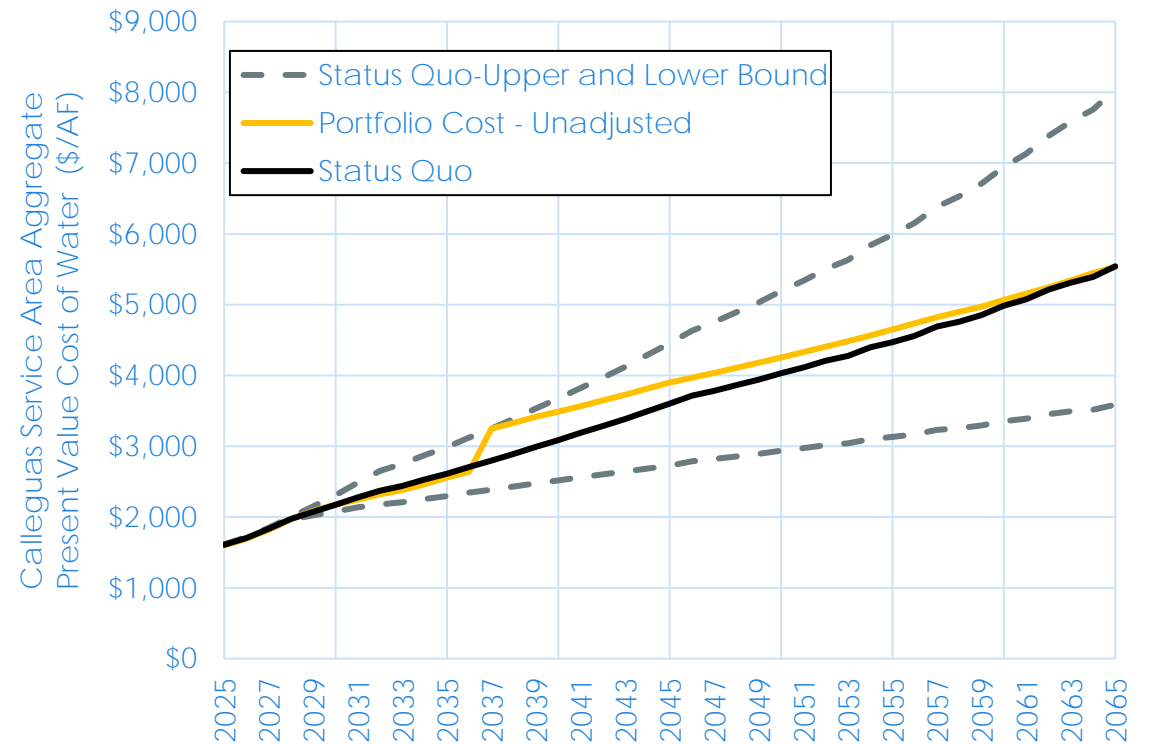
Portfolio Analysis Methodology

Example: Local Supply and Control Portfolio

Reliability Envelope



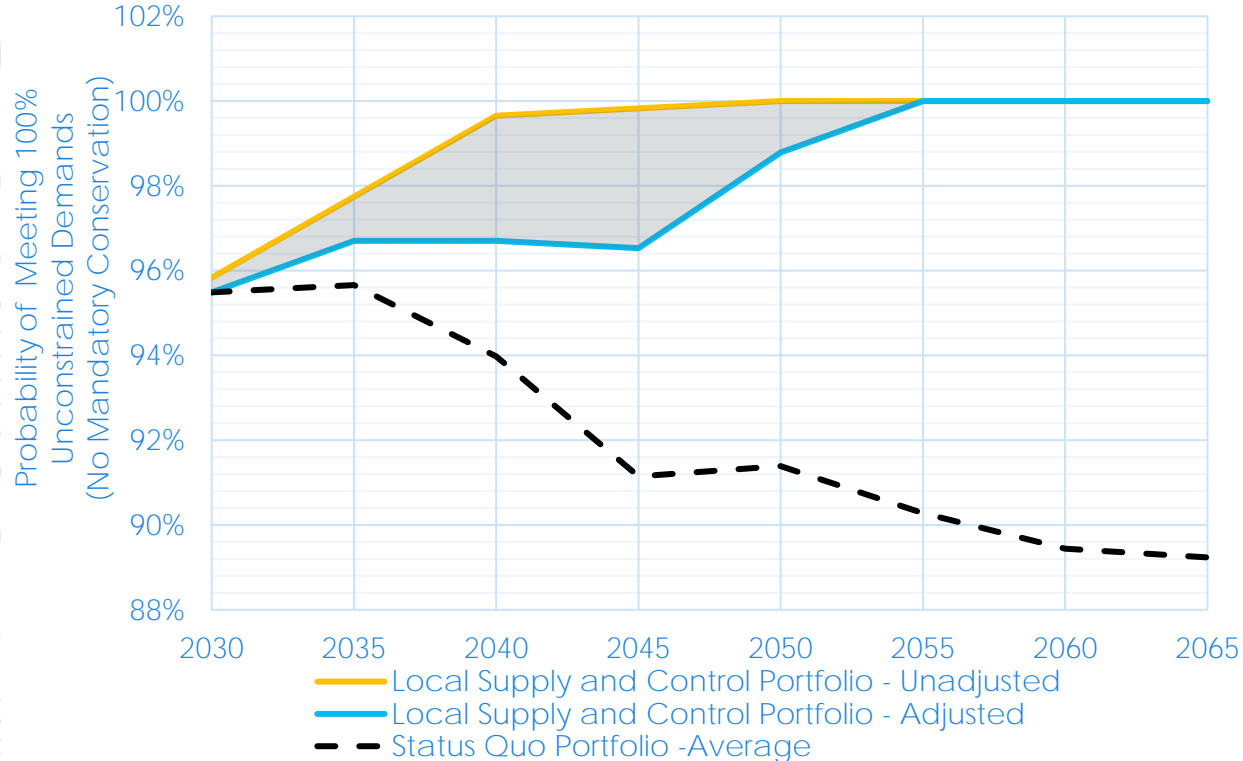
Cost Envelope



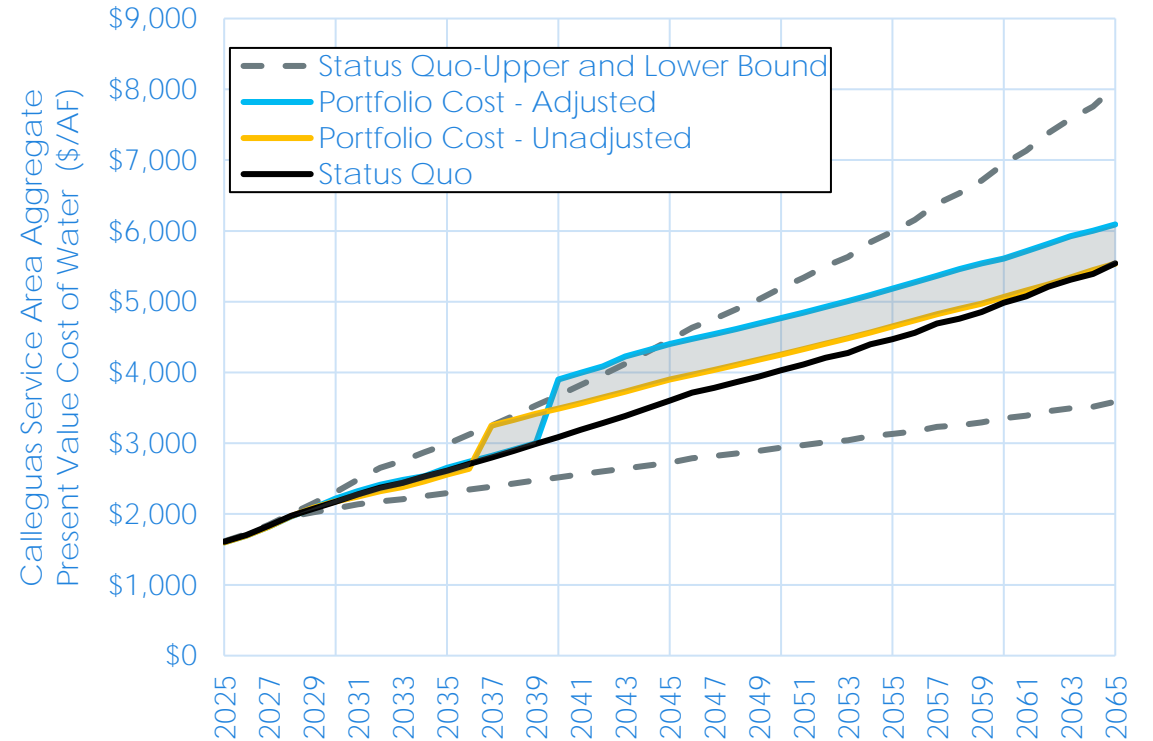
Portfolio Analysis Methodology

Example: Local Supply and Control Portfolio

Reliability Envelope



Cost Envelope



Multi-Criteria Evaluation

- Lifecycle Costs (\$/AF)
- Capacity Costs (\$/CFS)
- Reliability: Average reliability over the planning period
- Resilience: Conservation required during a 6-month imported system outage
- Adaptability: Scored based on the number of projects that can be phased

Multiple weighting factors were applied to the evaluation criteria

Thematic Portfolio Analysis

WATER RESOURCES IMPLEMENTATION STRATEGY

Portfolio Themes

1. Lowest Cost: Lowest lifecycle cost to meet minimum level of service.
2. Local Supply and Control: Maximizes local supply, treatment, and infrastructure; minimizes dependence on imported water.
3. Imported Water System Optimization: Augments imported system and supplies, internal and external storage, and maximizes utilization of existing imported water infrastructure.
4. Reliability and Resilience: Enhances level of service performance, less sensitivity to costs and other criteria.
5. Adaptability Emphasis: Readily adapts over time and under changing demand conditions, less sensitivity to costs and other criteria.
6. Groundwater Sustainability and Recycled Water Emphasis: Increases supply reliability while also supporting groundwater sustainability and recycled water utilization.

Thematic Portfolios

Project Name	Lowest Cost Portfolio	Local Supply and Control	Imported Water System Optimization	Reliability and Resilience	Adaptability Emphasis	GW Sustainability and RW Emphasis
Los Robles Desalter	X	X				X
New Newbury Park Wells with Treatment	X	X		X		
Oxnard AWWP and GW Recharge via Surface Spreading	X	X		X	X	X
South Oxnard Plain Brackish Water Treatment Facility (UWCD Extraction Barrier Brackish Water Treatment Project with conveyance to Calleguas)		X			X	X
Santa Rosa Valley Desalter/ Recharge/ IPR	X	X		X	X	X
Increase Pleasant Valley Basin Pumping Capacity to Extract Camrosa Water District Credits	X	X				
Expansion of Camrosa Non-Potable Water System	X	X				
West - East Transmission		X	X	X	X	X
Ocean Desalination					X	
Expand North Pleasant Valley Desalter Capacity		X		X		X
Simi Valley Desalter	X					
External Groundwater Bank			X		X	
Oxnard Plain Basin Program			X	X	X	X
Additional Aquifer Storage and Recovery – Santa Paula Basin			X			

Core Projects

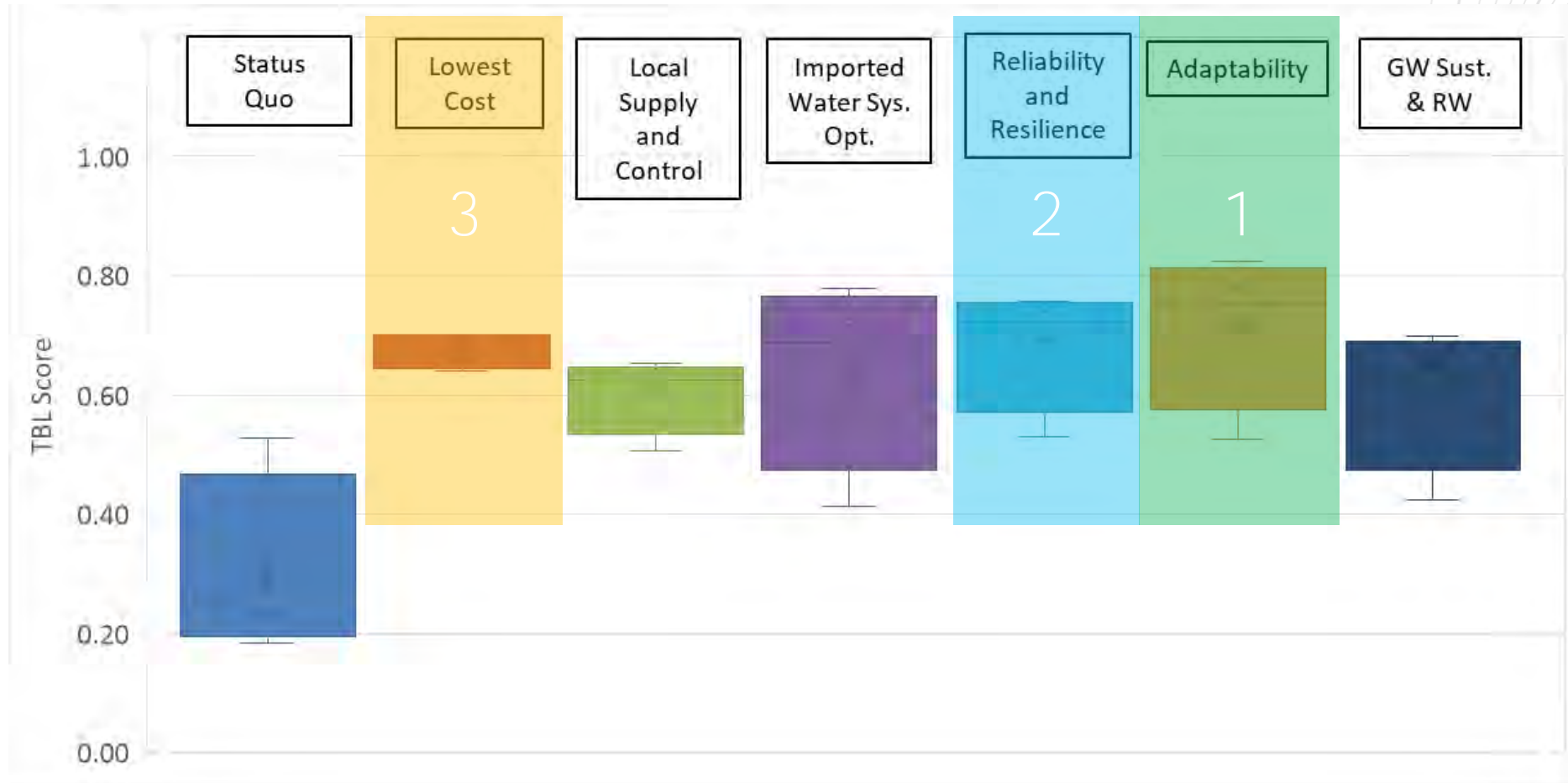
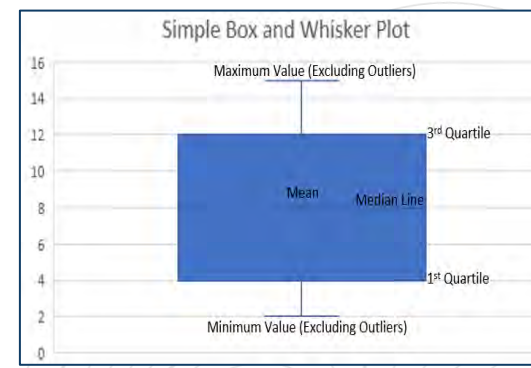
Drought & Outage Projects

Thematic Portfolio Multi-Criteria Scoring

CRITERIA	Status Quo	Lowest Cost	Local Supply and Control	Imported Water Optimization	Reliability and Resilience	Adaptability Emphasis	GW Sustainability and RW Emphasis
Average Lifecycle Cost (\$/AF)	\$3,566	\$3,448	\$3,871	\$4,219	\$3,937	\$4,048	\$4,174
Portfolio Capacity Cost (\$M/CFS)	\$0.0	\$21.9	\$31.6	\$42.1	\$31.6	\$35.9	\$31.2
Reliability (Average over 40-yr Planning Period)	92.1%	97.6%	98.6%	97.9%	98.5%	98.2%	97.6%
Resilience (Total conservation needed for a 6-month outage)	180 AF	79 AF	64 AF	0 AF	0 AF	0 AF	0 AF
Adaptability	Low	Medium	Medium	High	Medium	High	Medium

Thematic Portfolio Scoring

Higher scores are better



Hybrid Portfolios

WATER RESOURCES IMPLEMENTATION STRATEGY

Rationale for Hybrid Portfolios

Adaptability Emphasis Portfolio



Reduce Portfolio Costs

Reliability & Resilience Portfolio



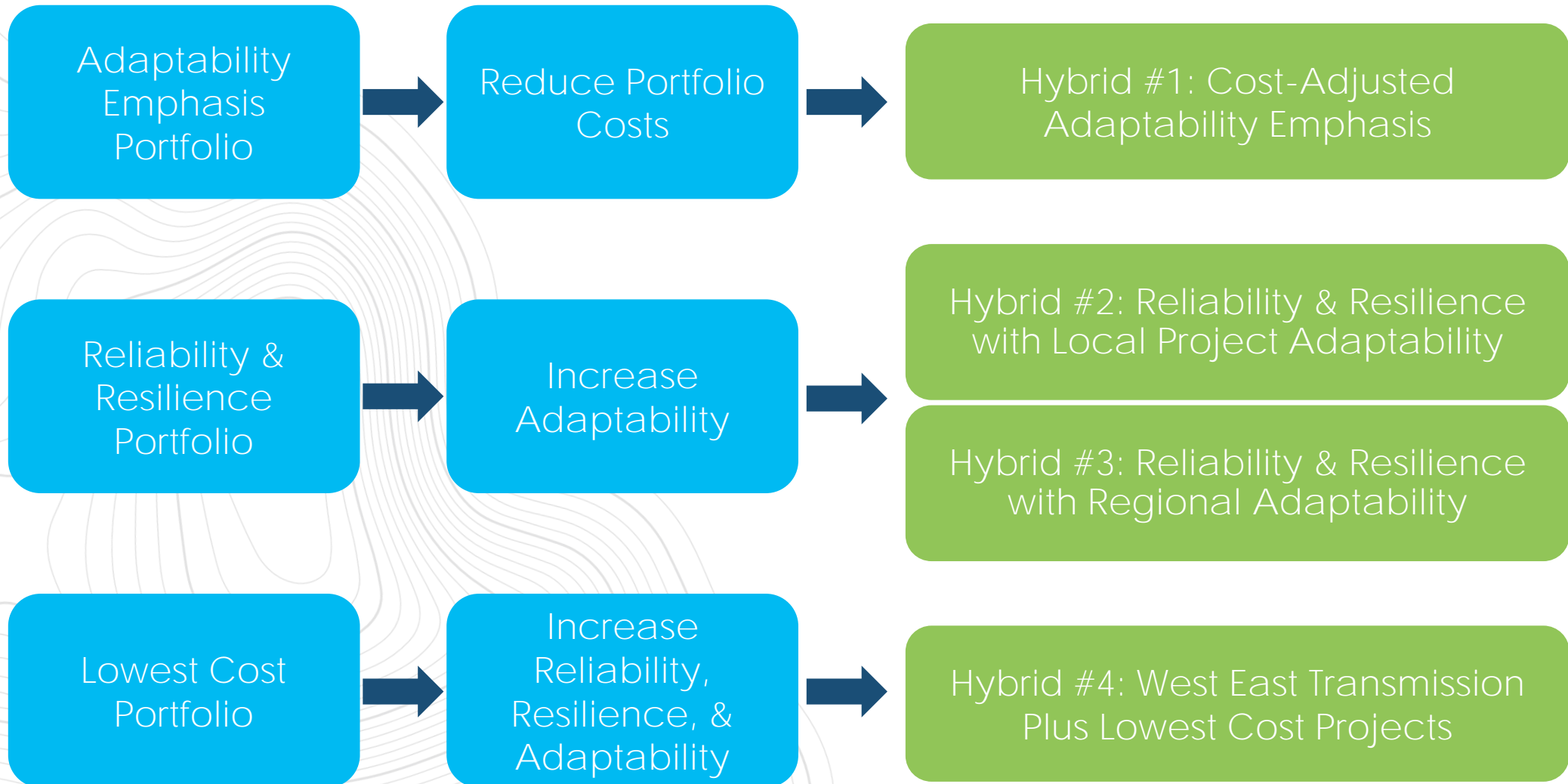
Increase Adaptability

Lowest Cost Portfolio



Increase Reliability, Resilience,
& Adaptability

Hybrid Portfolios



Portfolios

Project Name	Hybrid #1: Cost Adjusted Adaptability Emphasis	Hybrid #2: Reliability and Resilience With Local Project Adaptability	Hybrid #3: Reliability and Resilience With Regional Project Adaptability	Hybrid #4: WET plus Low Cost Projects
New Newbury Park Wells with Treatment	X	X	X	X
Oxnard AWPf and GW Recharge via Surface Spreading	X	X	X	X
South Oxnard Plain Brackish Water Treatment Facility (UWCD Extraction Barrier Brackish Water Treatment Project with conveyance to Calleguas)	X	X		X
Santa Rosa Valley Desalter/ Recharge/ IPR	X	X	X	X
Increase Pleasant Valley Basin Pumping Capacity to Extract Camrosa Water District Credits	X	X	X	X
Expansion of Camrosa Non-Potable Water System		X		X
West - East Transmission	X	X	X	X
Expand North Pleasant Valley Desalter Capacity	X	X	X	X
External Groundwater Bank	X		X	
Oxnard Plain Basin Program	X	X	X	
Additional Aquifer Storage and Recovery – Santa Paula Basin				X

Core Projects

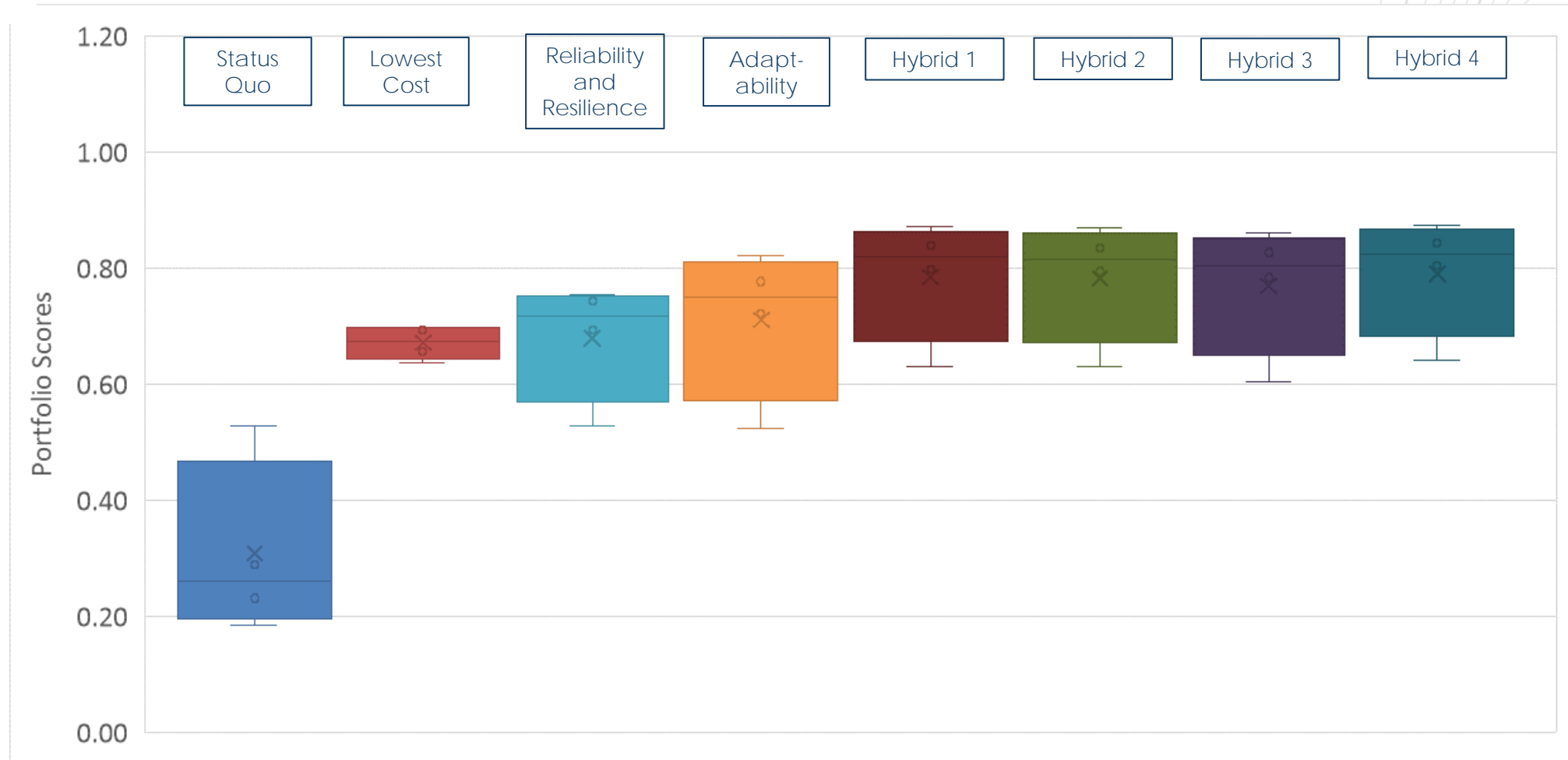
Drought & Outage Projects

Portfolio Scoring

CRITERIA	Status Quo	Lowest Cost	Local Supply and Control	Imported Water Optimization	Reliability and Resilience	Adaptability Emphasis	GW Sustainability and RW Emphasis	Hybrid 1	Hybrid 2	Hybrid 3	Hybrid 4
Average Lifecycle Cost (\$/AF)	\$3,566	\$3,448	\$3,871	\$4,219	\$3,937	\$4,048	\$4,174	\$3,957	\$3,941	\$3,960	\$3,919
Portfolio Capacity Cost (\$M/CFS)	\$0.0	\$21.9	\$31.6	\$42.1	\$31.6	\$36.0	\$29.0	\$26.6	\$27.3	\$30.4	\$27.2
Reliability (Average over 40-yr Planning Period)	92.1%	97.6%	98.6%	97.9%	98.5%	98.2%	97.6%	98.7%	98.6%	98.7%	98.7%
Resilience (Total conservation needed for a 6-month outage)	180	79	64	0	0	0	0	0	0	0	0
Adaptability	Low	Medium	Medium	High	Medium	High	Medium	High	High	High	High

Portfolio Scoring

Higher scores are better



Recommendations

WATER RESOURCES IMPLEMENTATION STRATEGY

Draft Preferred Portfolio

Common to all Hybrid Portfolios

- Oxnard AWPf Expansion and IPR Project
- Northern Reach of Calleguas Creek Watershed Desalter Project
- Santa Rosa Valley Desalter/ Recharge
- West-East Transmission
- New Newbury Park Wells with Treatment
- Increase Pleasant Valley Basin Pumping Capacity to Extract Camrosa Water District Credits

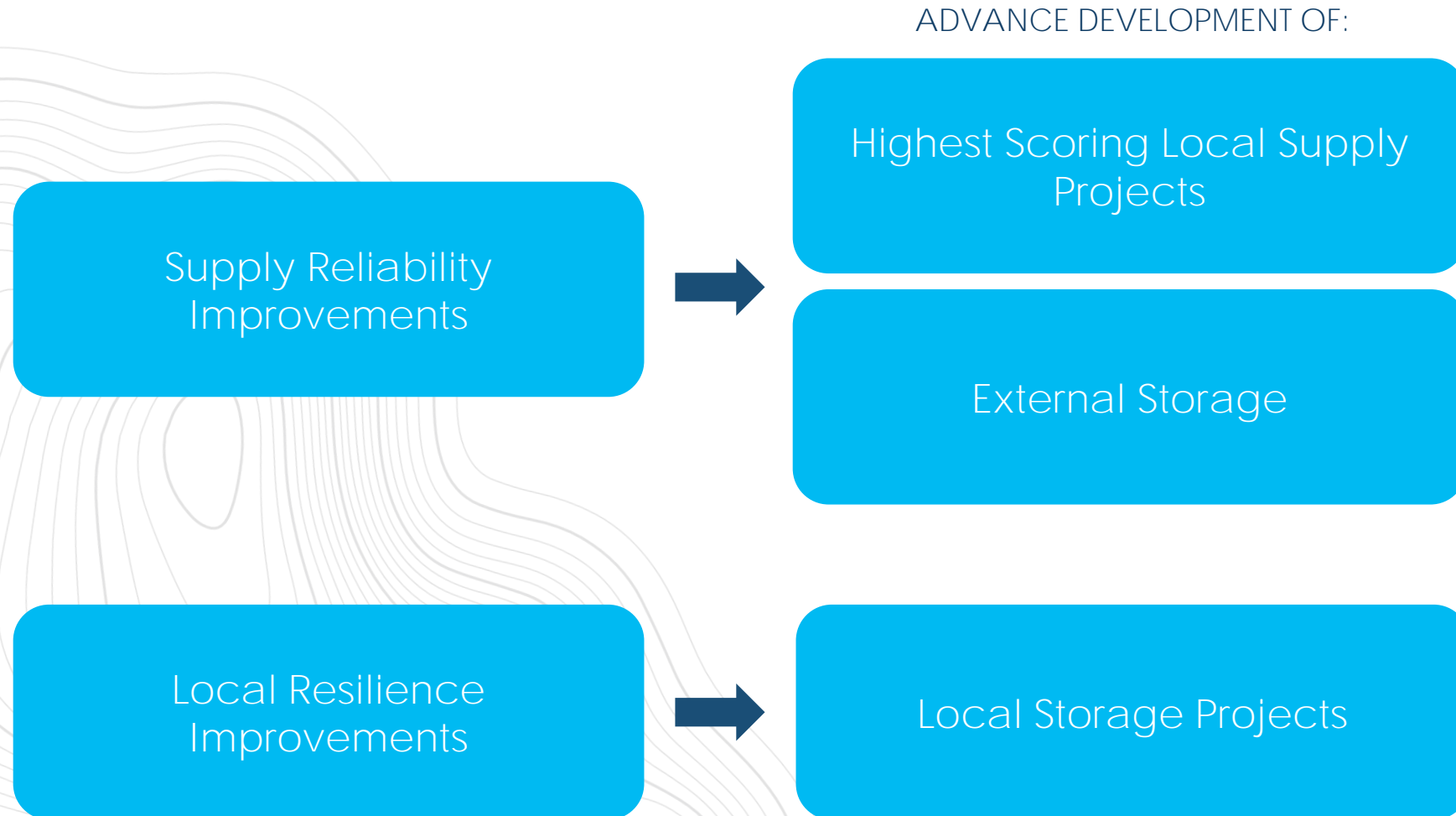
Other Top Performing Projects from Hybrid Portfolios

- Additional ASR in Santa Paula Basin
- Oxnard Plain Program
- South Oxnard Plain Brackish Water Treatment Facility (UWCD Extraction Barrier Brackish Water Treatment Project with conveyance to Calleguas)
- External Groundwater Bank
- Expansion of Camrosa Non-Potable Water System

Draft Preferred Portfolio and Options

Project	Risk	Optional Projects
Oxnard AWPf Expansion and IPR Project	Med	
Northern Reach of Calleguas Creek Watershed Desalter Project (NPV, Moorpark, Simi Desalter)	Med	
Santa Rosa Valley Desalter/ Recharge/ IPR	Low	
West-East Transmission	Low	
New Newbury Park Wells with Treatment	High	Los Robles Desalter
Increase Pleasant Valley Basin Pumping Capacity to Extract Camrosa Water District Credits	Med	
Oxnard Plain Program	High	Lake Casitas Storage
Additional ASR in Santa Paula Basin	Low	
South Oxnard Plain Brackish Water Treatment Facility	High	Ocean Desalination
External Groundwater Bank	Low	
Expansion of Camrosa Non-Potable Water System	Med	

Rationale for No Regret Actions



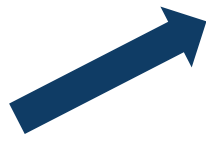
No Regret Actions

ADVANCE DEVELOPMENT OF:

Supply Reliability Improvements



Highest Scoring Local Supply Projects

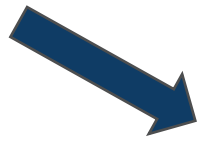


Oxnard AWP Expansion and IRP Project

Santa Rosa Valley Desalter/Recharge Project

Develop a Wheeling and Exchange Framework with Retail Partner Agencies

External Storage



Evaluate and select the preferred Northern Reach of the Calleguas Creek desalter project



Evaluate and select the preferred External Groundwater Bank alternative

Local Resilience Improvements



Local Storage Projects



Work with FCGMA and interested parties to develop a banking framework within the Oxnard Plain

Work with Santa Paula TAC to develop and implement an ASR project in the Santa Paula Basin

PROJECT AND PARTNERSHIP DEVELOPMENT:

PLANNING STUDIES:

INTERAGENCY COORDINATION:

Adaptive Management Approach

- Implement No Regret Actions first
- At future decision points, evaluate then-current conditions to determine:
 - The need and timing of additional projects from the Preferred Portfolio
 - Optional projects should Preferred Portfolio projects not come to fruition

Activity 1: Discussion of Portfolio Analysis and Recommendations

WATER RESOURCES IMPLEMENTATION STRATEGY

Portfolio Analysis and Recommendations Discussion

Purpose

Gather feedback and insight from the Regional and Retail Partners on the:

- Preferred Portfolio and Options
- No Regret Actions

Handouts

Water Resources Implementation Strategy (WRIS) Portfolio Scoring Results
Partner Workshop #4, October 1, 2024

Portfolio Results:
Higher scores are better.

Water Resources Implementation Strategy (WRIS) Portfolio Scoring Results
Partner Workshop #4, October 1, 2024

Criteria	0	1	2	3	4	5	6	7	8	9	10	
Average Lifecycle Cost (\$/AF)	Negative	\$5,546	\$3,648	\$3,873	\$4,078	\$3,937	\$4,060	\$4,476	\$3,957	\$3,941	\$3,966	\$3,919
Portfolio Capacity & Cost (MCF/yr)	Negative	\$0.0	\$21.9	\$31.6	\$42.1	\$51.6	\$56.6	\$29.0	\$26.6	\$27.3	\$26.4	\$27.2
Reliability & Energy (see also in Planning Profile)	Positive	87.7%	97.6%	98.0%	97.0%	96.9%	98.2%	97.0%	98.7%	98.0%	98.9%	98.7%
Resilience (final comment should be a 4-month output)	Negative	100	75	64	0	0	0	0	0	0	0	0
Adaptability	Positive	Low	Medium	Medium	High	Medium	High	Medium	High	High	High	High

Water Resources Implementation Strategy (WRIS) Draft Preferred Portfolio and Options and No Regret Actions
Partner Workshop #4, October 01, 2024

Project	Risk	Optimal Projects
Oxnard AWWP Expansion and IPR Project	Med	
Northern Reach of Calleguas Creek Watershed Desalter Project (IPV, Moorpark, Simi Desalter)	Med	
Santa Rosa Valley Desalter/ Recharge/ IPR	Low	
West-East Transmission	Low	
New Necessary Park Wells with Treatment	High	Lake Castitas Desalter
Increase Pleasant Valley Basin Pumping Capacity to Extract Camrose Water District Credits	Med	
Oxnard Plain Program	High	Lake Castitas Storage
Additional ADR in Santa Paula Basin	Low	
South Oxnard Plain Brackish Water Treatment Facility	High	Ocean Desalination
External Groundwater Bank	Low	
Expansion of Camrose Non-Potable Water System	Med	

No Regret Actions:

ADVANCE DEVELOPMENT OF:
 - Improved Existing Local Storage
 - External Storage
 - Water Storage Project

PROJECT AND RESILIENCE EVALUATION:
 - Ground AWW Expansion and IPR Project
 - Santa Rosa Valley Desalter/ Recharge Project
 - Increase a Desalter and Storage Project with Other Assets
 - Increase Pleasant Valley Basin Pumping Capacity to Extract Camrose Water District Credits
 - Increase Capacity of Pleasant Valley Basin Pumping Station

Portfolio Analysis and Recommendations

Small Group Discussion

- In your group, discuss the portfolio analysis and recommendations. Use the following questions to guide your discussion:
 1. Preferred Portfolio and Options: Are there any projects that appear to be missing from the draft Preferred Portfolio? Are there other considerations relative to the projects included in the draft Preferred Portfolio?
 2. No Regret Actions: Are there any No Regret actions missing? Are there additional considerations relative to the No Regret actions?
- Nominate a spokesperson for the group to report out discussion highlights.
- For the report out we will go around to each group and ask to share in 5 minutes the highlights of your group's discussion of the portfolio analysis including the key items that your group agrees with pertaining to the preferred portfolio and no regret actions, and what you would change.



Activity 1 Participants

Table	Attendee and Organization
1	Ann DeMartini - Crestview Mutual Water Company Michael Wolfe - City of Oxnard Tim Beaman - City of Oxnard Ian Prichard - Calleguas MWD
2	Chris Oberender - City of Simi Valley Michel Kadah - City of Simi Valley Scott Rigg - Golden State Water Company Wanda Moyer - City of Simi Valley
3	Eric Schlageter - Las Virgenes Municipal Water District Nader Heydari - City of Thousand Oaks Norman Huff - Camrosa Water District
4	Akbar Alikhan - City of Thousand Oaks Cliff Finley - City of Thousand Oaks Dave Rydman - Triunfo Water & Sanitation District Jacob Quick - California American Water
5	Jenny Tribo - City of Ventura Sean Hanley - Ventura County Public Works Agency Henry Graumlich - Calleguas MWD

Reported Portfolio Analysis Comments

Table	Comments, Questions, and Notes
1	<ul style="list-style-type: none"> • For the Oxnard Plain Program, the risk is unknown due to the adjudication but currently perceived as high. • Coordination with FCGMA on the Oxnard Plain Program is an important component of the No Regret Actions. • For the Oxnard Plain Program's PUT operation, there is potential to convey water down the Santa Clara River for diversion at UWCD's facilities instead of wheeling through MWD's system. • An alternative to the South Oxnard Plain Brackish Water Treatment Project could be a seawater intrusion barrier project.
2	<ul style="list-style-type: none"> • Are there other recharge/banking opportunities in other basins in the region? • A potential project could include capturing losses in the shallow aquifer of the North Oxnard Plain and reinjecting in deeper aquifers in South Oxnard Plain. In wet years there are losses in the shallow aquifer from 10,000 to 20,000 acre-feet. • There may be the potential for a desalter project at the Tapo Canyon well field in Simi Valley. • Some concern about water quality impacts with west to east transmission. • City of Simi Valley is interested in compensation for the effluent/groundwater discharges to the Arroyo Simi
3	<ul style="list-style-type: none"> • The ocean desalination optional project has multiple alternatives to consider. • Potential to expand South Oxnard Plain Brackish WTP instead of ocean desalination for potential cost and seawater intrusion benefits • A Regional Water Management/Allocation Master Plan could help identify other opportunities and support the wheeling & exchange framework • Is there a regional stormwater recharge/diversion project that could be considered?

Reported Portfolio Analysis Comments

Table	Comments, Questions, and Notes
4	<ul style="list-style-type: none"> The Las Virgenes-Triunfo PureWater Project should be further considered. Direct potable reuse could be a potential project or project alternative to the Oxnard IPR Project.
5	<ul style="list-style-type: none"> Seasonal considerations supported by wheeling and banking Water quality considerations – how do salts move through the watershed? Oxnard has a significant amount of water from its project. Can the project be optimized for the right amount of water and project cost? The cost and benefits of an upper zone project (Simi Valley) should be compared to a lower zone project with conveyance to serve the upper zone.

Activity 2: Implementation Framework

WATER RESOURCES IMPLEMENTATION STRATEGY

Background & Handout

Conceptual Implementation Framework Activity

Each table is assigned a project from the preferred portfolio and given a project summary handout.



- Table 1: Oxnard Plain Program
- Table 2: Northern Reach of Calleguas Creek Watershed Desalter Project
- Tables 3 & 4: Santa Rosa Valley Desalter, New Newbury Park Wells, and/or Los Robles Desalter
- Table 5: Santa Paula ASR Project

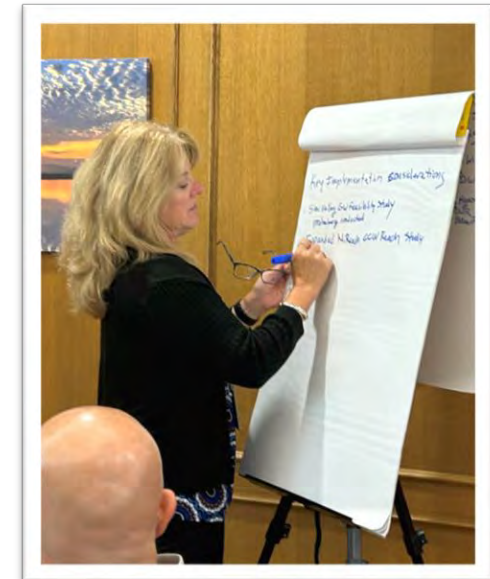
Project Description Handouts



Conceptual Implementation Framework

Small Group Brainstorm Activity

- In your group, discuss your assigned project and brainstorm the following:
 - Stakeholders: Who are the potential stakeholders that should be considered for the project and their potential role(s)? Are there stakeholders for certain project components?
 - Key Implementation Considerations: What are the key implementation considerations for specific project components? [e.g., further studies/ investigations, agreements, regulatory requirements, permitting needs.]
 - Highest Priority Actions: What are the key actions and next steps needed for project implementation?
- Nominate a spokesperson for the group to report out what is discussed.
- For the report out we will go around to each group and ask to share in 5 minutes the highlights of **your group's** identification of **your project's** key stakeholders, implementation considerations, and highest priority action.



Activity 2 Participants

Table	Project(s)	Attendee and Organization
1	Oxnard Plain Program	Ann DeMartini - Crestview Mutual Water Company Michael Wolfe - City of Oxnard Tim Beaman - City of Oxnard Ian Prichard - Calleguas MWD
2	Northern Reach of Calleguas Creek Watershed Desalter Project / Simi Valley Desalter	Chris Oberender - City of Simi Valley Michel Kadah - City of Simi Valley Scott Rigg - Golden State Water Company Wanda Moyer - City of Simi Valley Kristine McCaffrey - Calleguas MWD
3	Newbury Park Wells & Los Robles Desalter	Eric Schlageter - Las Virgenes Municipal Water District Nader Heydari - City of Thousand Oaks Norman Huff - Camrosa Water District
4	Santa Rosa Desalter & Newbury Park Wells	Akbar Alikhan - City of Thousand Oaks Cliff Finley - City of Thousand Oaks Dave Rydman - Triunfo Water & Sanitation District Jacob Quick - California American Water
5	Santa Paula ASR	Jenny Tribo - City of Ventura Sean Hanley - Ventura County Public Works Agency Henry Graumlich - Calleguas MWD

Report Out

Table	Project	Stakeholders and Key Implementation Considerations
1	Oxnard Plain Program	<ul style="list-style-type: none"> Stakeholders: Water consumers and supplies: Ventura, Mutuals, Oxnard, Camarillo, Camrosa; Consumers only: Agricultural pumpers, PVCWD, VCWW; Suppliers only: Calleguas, UWCD, Watershed Protection District; FCGMA as a regulator Implementation Considerations: Develop a banking framework Highest Priority Action: Settle the adjudication to include storage and transfer provisions
2	Northern Reach of Calleguas Creek Watershed Desalter Project / Simi Valley Desalter	<ul style="list-style-type: none"> Stakeholders: Calleguas, Simi Valley, VCWWD, GSWC, CPUC, Watershed Protection District, schools/park district, regulatory agencies, funding agencies Implementation Considerations: Well and desalter siting, SMP extension, treated water conveyance, interagency agreements, existing well consideration. The Simi Valley Basin is unadjudicated, which presents different challenges compared to an adjudicated basin. Local projects in Simi Valley provide upper zone reliability and resilience, which may reduce the timing or sizing for west east transmission. There are stormwater capture benefits with higher groundwater use in the Simi Valley Basin due to current artesian conditions.
3	Newbury Park Wells & Los Robles Desalter	<ul style="list-style-type: none"> Stakeholders: LVMWD (brine), City of Thousand Oaks, California American Water Implementation Consideration: Limited studies, water quality concerns, brine disposal, the Los Robles Desalter can only serve a small portion of Thousand Oaks' service area currently but could serve more as a regional project. Highest priority actions: Newbury Park Well siting study and water quality evaluation.

Report Out

Table	Project	Stakeholders and Key Implementation Considerations
4	Santa Rosa Desalter & Newbury Park Wells	<p>Santa Rosa Valley Stakeholders: Camrosa, Thousand Oaks, Calleguas, Agricultural pumpers in the basin.</p> <p>Implementation Considerations: Santa Rosa Valley water supply/project yield and costs for a Camrosa only project or a larger regional project. A retail only project versus a larger regional project depends on costs and who is benefiting.</p> <p>Highest Priority Action: Coordination with stakeholders to determine if this a regional project and how do the parties share the costs and benefits.</p> <p>Newbury Park Wells Implementation Considerations: The project has an unknown yield that has historically been low. Based on project size, does it qualify as a regional project?</p>
5	Santa Paula ASR	<p>Stakeholders: SPBPA (entity), other pumpers not parties in the adjudication, City of Ventura, UWCD, MWD</p> <p>Implementation Considerations: MWD considerations for place of use if banking MWD supply, need approval from Santa Paula Basin parties, potential project/partnership with the City of Ventura, project's future use and cost considerations for the interconnection, LAFCo coordination/considerations, UWCD turnout conversion for another connection to the interconnection.</p> <p>Top Priority Action: Relationship building with Santa Paula Pumpers</p>

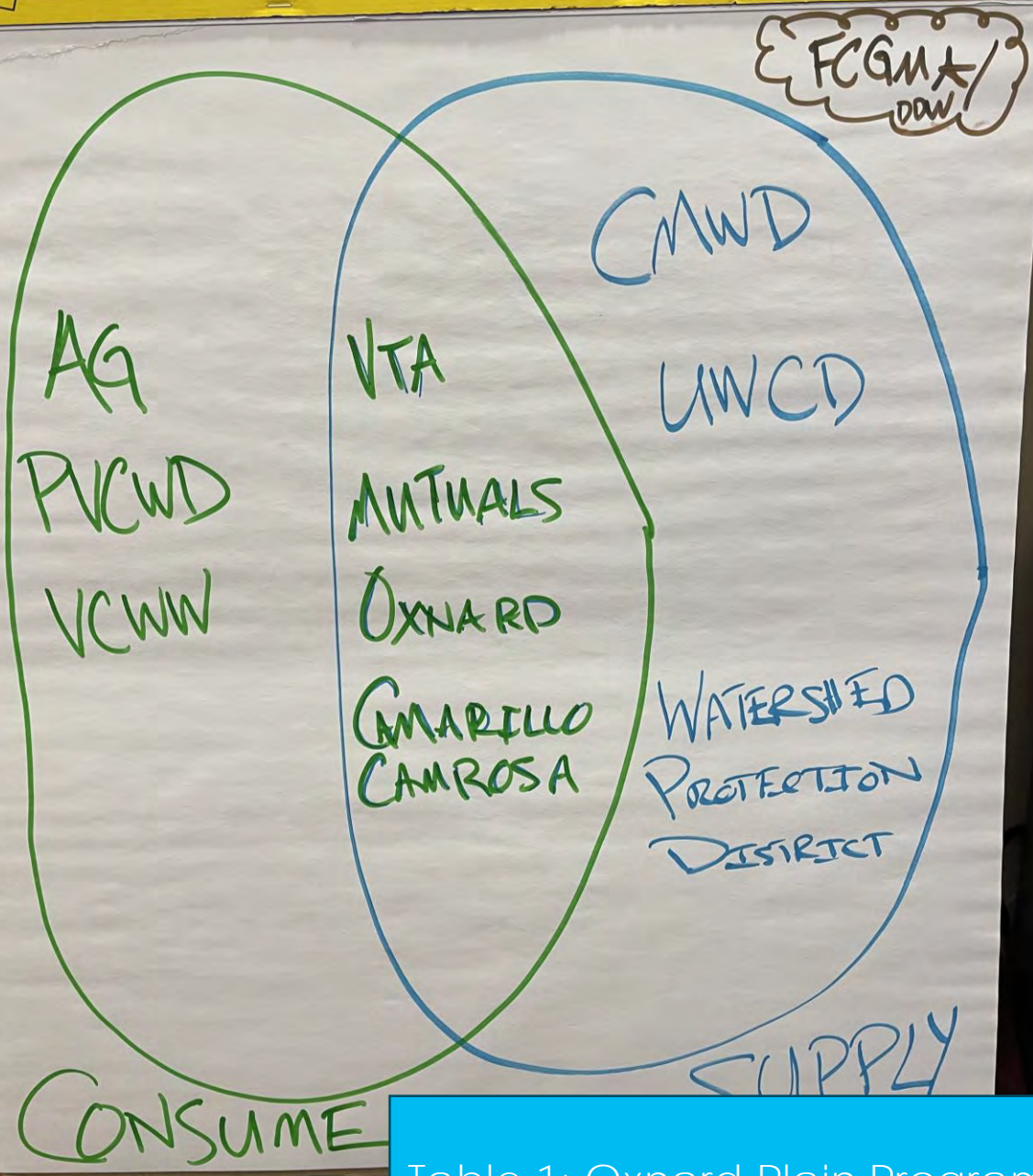


Table 1: Oxnard Plain Program

- ## Calleguas
- Key stakeholder
- City of Simi Valley
 - Ventura County WWD #8
 - Golden State Water Co.
 - PUC
 - VCWPD
 - WWD #17
 - LVMWD
- SVUSD
 - RSR PD
 - SWRCB
 - RWQCB
 - LA Region
 - Envir. NGOs
 - SSFL
 - Activists
 - D. Fish & Wildlife
 - EPA/DWR
 - ↳ Funding Agencies of DWR Bureau Reclamation

Table 2: Northern Reach of Calleguas Creek Watershed Desalter Project/Simi Desalter

Key Implementation Considerations

- Simi Valley GW Feasibility Study preliminary conducted
- Expanded N. Reach CCW Reach Study For centralized wells + desalter + SMP + treated conveyance
- Formal Agency Agreements
 - Private-Investor owned Utility & Municipal Gov't
 - existing + new wells for potable use
 - existing wells to reduce artesian condition of property damage
- Political Considerations
- SV GW Basin is unjudicated
 - Local Simi Valley Resource if Santa Susana Tunnel is compromised
 - Reduced Potential Reduced Volume Req'd for West to East Transmission
 - Naturally allows for Stormwater Capture & Recharge as the need for Dewatering is minimized

Table 2: Northern Reach of Calleguas Creek Watershed Desalter Project/ Simi Desalter

SP Basin ASR

Stakeholders

SP Basin Pumpers (entity)
own Board

Other pumpers (non-party and/or independent)

City of Ventura (San Geronimo)

United WCD

Metropolitan (?) as envisioned, other options

Table 5: Santa Paula ASR Project

Additional Considerations (5)

- Temporal (seasonal) considerations?
(banking) → storage
- Water quality (?)
- Oxnard supply is large!
- how much water are we looking for?
- how much do we spend?
- more details on SP Basin wells?
- Clarifications on Northern Reaches desalters combination infrastructure & institutional considerations.

Table 5: Santa Paula ASR Project

Implementation

Met consideration S

City of V. storage - SWP issues

use of interconnection

future cost consideration

funding partners welcome

EIR limitations / LAFCO
reliability
climate

{ SP Basin Parties
interconnection (UWCD)
metropolitan connection -
limited partner

Table 5: Santa Paula ASR Project

Next Steps

Next Steps



Through 2024

Wrap up Phase 1 WRIST
Report



2025

Initiate Phase 2:

- Engage Partners
- Further Develop Projects
- Adaptive Management

Questions?



June 30, 2024
Financial Statements

Calleguas Municipal Water District
Statement of Net Assets
as of June 30, 2024

	<u>ASSETS</u>	<u>06/30/24</u>
Current Assets:		
Unrestricted Assets		
Cash		\$ 4,099,008
Investments		168,479,539
Accounts Receivable		24,056,461
Interest Receivable		1,333,297
Inventory		62,417,917
Prepaid Expenses		3,085,082
Restricted Current Assets		
Restricted Cash & Investments		11,486,063
Total Current Assets		274,957,368
 Capital Assets:		
Land & Improvements		22,830,247
CIP		48,068,640
Distribution Facilities		595,693,099
Buildings & Improvements		29,181,270
Equipment		28,662,364
Total Capital Assets		724,435,619
Accumulated Depreciation		(256,370,406)
Capital Assets (Net of Accumulated Depreciation)		468,065,213
Total Assets		\$ 743,022,581
 Deferred Outflows - Bond Refunding		
		4,163,631
Deferred Outflows - Pensions		
		6,327,947
Deferred Outflows - OPEB		
		1,514,149
Total Deferred Outflows		\$ 12,005,727
Total Assets & Deferred Outflows		\$ 755,028,309

Calleguas Municipal Water District
Statement of Net Assets
as of June 30, 2024

<u>LIABILITIES AND NET ASSETS</u>	<u>06/30/24</u>
Current Liabilities:	
Accounts Payable	\$ 19,823,660
Accrued Expenses	295,281
Interest Payable	2,963,027
Retention Payable	1,625,887
Deposits	90,293
Compensated Absences	335,727
Current portion of bonds payable	8,340,000
Total Current Liabilities	33,473,874
Long-Term Liabilities:	
Bonds payable, net of current portion	158,941,771
Compensated Absences	860,483
OPEB Liability	442,959
Pension Liability	10,429,667
Total long-term liabilities	170,674,880
Total Liabilities	204,148,754
Deferred Inflows - Pensions	1,057,322
Deferred Inflows - OPEB	994,558
Total Deferred Inflows	\$ 2,051,880
Total Liabilities & Deferred Inflows	\$ 206,200,634
Net Assets:	
Invested in capital assets, net of related debt	280,002,359
Restricted	9,744,423
Unrestricted	259,080,893
Total Net Assets	548,827,675
Total Liabilities, Deferred Inflows and Net Assets	\$ 755,028,309

Calleguas Municipal Water District
Income Statement
Comparison for Twelve Months of Budget

	Twelve Months of FY 2023-24 Budget	Twelve Months Ended 06/30/24	\$ Variance	%
Water Sales	\$ 122,352,360	\$ 109,108,142	\$ (13,244,218)	89.2%
Other Water Revenues	60,000	553,343	493,343	922.2%
Capacity Charge	7,465,390	7,409,256	(56,134)	99.2%
Readiness to serve-purveyors	8,358,310	8,358,300	(10)	100.0%
Recycled Water	107,800	80,201	(27,599)	74.4%
Pumping Power Revenue	1,000,000	1,199,649	199,649	120.0%
Power Generation	300,000	537,043	237,043	179.0%
SMP Fees	958,910	553,051	(405,859)	57.7%
Total Operating Revenues	<u>140,602,770</u>	<u>127,798,985</u>	<u>(12,803,785)</u>	<u>90.9%</u>
Cost of Water	89,799,540	80,173,892	9,625,648	89.3%
Capacity Reservation Charge-MWD	2,066,640	2,066,640	0	100.0%
Readiness to serve-MWD	8,358,310	8,377,792	(19,482)	100.2%
Recycled Water	89,240	65,129	24,111	73.0%
Pumping Power	1,800,000	2,142,534	(342,534)	119.0%
Total Cost of Water	<u>102,113,730</u>	<u>92,825,987</u>	<u>9,287,743</u>	<u>90.9%</u>
Salaries	11,168,010	10,972,689	195,321	98.3%
Benefits	5,248,480	7,017,407	(1,768,927)	133.7%
Fuel and vehicle exp	244,380	178,214	66,166	72.9%
Utilities	355,000	307,366	47,634	86.6%
Operations & Maintenance Supplies	1,230,896	831,286	399,610	67.5%
Office Supplies	310,600	156,784	153,816	50.5%
Outside services	3,291,911	2,421,473	870,438	73.6%
Consultants/Studies	2,944,000	1,276,784	1,667,216	43.4%
Permits, Leases and fees	289,500	328,460	(38,960)	113.5%
Travel & Training	185,400	170,517	14,883	92.0%
Memberships	202,180	208,468	(6,288)	103.1%
Insurance	387,000	379,992	7,008	98.2%
Legal	1,250,000	618,126	631,874	49.5%
Election Costs	0	0	0	N/C
Conservation	1,172,115	550,283	621,832	46.9%
Miscellaneous	2,000	3,214	(1,214)	160.7%
Capital Contributions	0	0	0	N/C
Total Operating Administration Expenses	<u>28,281,472</u>	<u>25,421,066</u>	<u>2,860,406</u>	<u>89.9%</u>
Operating Income	<u>\$ 10,207,568</u>	<u>\$ 9,551,933</u>	<u>\$ (655,635)</u>	<u>93.6%</u>

Calleguas Municipal Water District
Income Statement
Comparison for Twelve Months of Budget

	Twelve Months of FY 2023-24 Budget	Twelve Months Ended 06/30/24	\$ Variance	%
Operating Income	\$ 10,207,568	\$ 9,551,933	\$ (655,635)	93.6%
Interest Income	3,125,000	5,541,361	2,416,361	177.3%
G/L on Investments	0	2,769,676	2,769,676	N/C
Water standby charges	1,400,000	1,377,102	(22,898)	98.4%
Tax Revenue	10,950,000	11,886,702	936,702	108.6%
Tax Collection, Bank & Bond Fees	(735,000)	(520,213)	214,787	70.8%
Other Income	72,720	73,444	724	101.0%
Interest and redemption expense	(7,066,400)	(6,904,239)	162,161	97.7%
Bond Premium/Discount Amortization	(239,600)	(239,600)	(0)	100.0%
Build America Bond Subsidy	1,391,340	1,288,018	(103,322)	92.6%
Total non-operating revenue/Expenses	8,898,060	15,272,250	6,374,190	
Income before Capital, Contributions, & Depreciation	19,105,628	24,824,183	5,718,555	129.9%
Depreciation	(15,300,000)	(13,784,451)	1,515,549	90.1%
Capital Equipment > \$5,000	(865,532)	0	865,532	0.0%
Project Expense	0	(553,685)	(553,685)	N/C
Gain/(Loss) on Sale of Capital Assets	0	11,100	11,100	N/C
Grant/Capital Contribution Revenue	0	6,048,120	6,048,120	N/C
Capital Related Expenses	(16,165,532)	(8,278,916)	7,886,616	51.2%
Changes in Net Assets	\$ 2,940,096	\$ 16,545,267	\$ 13,605,171	
Net Assets, beginning of year		532,282,408		
Net Assets, end of year		\$ 548,827,675		



**September 30, 2024
Financial Statements**

Calleguas Municipal Water District
Statement of Net Assets
as of September 30, 2024

<u>ASSETS</u>	<u>09/30/24</u>
Current Assets:	
Unrestricted Assets	
Cash	\$ 10,941,110
Investments	173,251,725
Accounts Receivable	24,624,467
Interest Receivable	1,273,634
Inventory	62,565,894
Prepaid Expenses	3,071,517
Restricted Current Assets	
Restricted Cash & Investments	291,710
Total Current Assets	<u>276,020,059</u>
Capital Assets:	
Land & Improvements	22,830,247
CIP	50,520,513
Distribution Facilities	595,693,099
Buildings & Improvements	29,181,270
Equipment	28,662,364
Total Capital Assets	<u>726,887,493</u>
Accumulated Depreciation	<u>(259,849,363)</u>
Capital Assets (Net of Accumulated Depreciation)	<u>467,038,129</u>
Total Assets	<u>\$ 743,058,188</u>
Deferred Outflows - Bond Refunding	4,074,966
Deferred Outflows - Pensions	6,327,947
Deferred Outflows - OPEB	1,514,149
Total Deferred Outflows	<u>\$ 11,917,062</u>
Total Assets & Deferred Outflows	<u>\$ 754,975,250</u>

Calleguas Municipal Water District
Statement of Net Assets
as of September 30, 2024

<u>LIABILITIES AND NET ASSETS</u>	<u>09/30/24</u>
Current Liabilities:	
Accounts Payable	\$ 24,111,780
Accrued Expenses	(433,834)
Interest Payable	1,355,913
Retention Payable	2,158,580
Deposits	105,573
Compensated Absences	346,055
Current portion of bonds payable	8,340,000
Total Current Liabilities	<u>35,984,066</u>
Long-Term Liabilities:	
Bonds payable, net of current portion	150,545,492
Compensated Absences	860,483
OPEB Liability	442,959
Pension Liability	10,429,667
Total long-term liabilities	<u>162,278,601</u>
Total Liabilities	198,262,667
Deferred Inflows - Pensions	1,057,322
Deferred Inflows - OPEB	994,558
Total Deferred Inflows	<u>\$ 2,051,880</u>
Total Liabilities & Deferred Inflows	<u>\$ 200,314,547</u>
Net Assets:	
Invested in capital assets, net of related debt	280,002,359
Restricted	9,744,423
Unrestricted	264,913,922
Total Net Assets	<u>554,660,704</u>
Total Liabilities, Deferred Inflows and Net Assets	<u>\$ 754,975,250</u>

Calleguas Municipal Water District
Income Statement
Comparison for Three Months of Budget

	Three Months of FY 2024-25 Budget	Three Months Ended 09/30/24	\$ Variance	%
Water Sales	\$ 39,653,798	\$ 41,127,422	\$ 1,473,624	103.7%
Other Water Revenues	110,878	99,093	(11,785)	89.4%
Capacity Charge	1,956,166	1,923,789	(32,377)	98.3%
Readiness to serve-purveyors	2,101,246	2,089,575	(11,671)	99.4%
Recycled Water	34,359	46,437	12,078	135.2%
Pumping Power Revenue	352,800	288,073	(64,727)	81.7%
Power Generation	205,800	189,662	(16,138)	92.2%
SMP Fees	169,153	159,685	(9,468)	94.4%
Total Operating Revenues	<u>44,584,200</u>	<u>45,923,736</u>	<u>1,339,536</u>	<u>103.0%</u>
Cost of Water	28,778,743	30,414,145	(1,635,402)	105.7%
Capacity Reservation Charge-MWD	536,837	530,880	5,957	98.9%
Readiness to serve-MWD	2,183,111	2,171,328	11,783	99.5%
Recycled Water	28,601	38,381	(9,780)	134.2%
Pumping Power	616,000	488,187	127,813	79.3%
Total Cost of Water	<u>32,143,292</u>	<u>33,642,921</u>	<u>(1,499,629)</u>	<u>104.7%</u>
Salaries	3,023,350	2,806,747	216,603	92.8%
Benefits	1,444,082	1,282,627	161,455	88.8%
Fuel and vehicle exp	68,504	81,799	(13,295)	119.4%
Utilities	88,762	101,867	(13,105)	114.8%
Operations & Maintenance Supplies	344,615	250,194	94,421	72.6%
Office Supplies	206,790	39,528	167,262	19.1%
Outside services	1,314,972	529,368	785,604	40.3%
Consultants/Studies	458,259	152,421	305,838	33.3%
Permits, Leases and fees	14,047	27,208	(13,161)	193.7%
Travel & Training	61,690	35,930	25,760	58.2%
Memberships	147,671	168,640	(20,969)	114.2%
Insurance	192,700	199,666	(6,966)	103.6%
Legal	151,256	160,826	(9,570)	106.3%
Election Costs	0	0	0	N/C
Conservation	93,750	14,609	79,141	15.6%
Miscellaneous	628	362	266	57.6%
Capital Contributions	0	0	0	N/C
Total Operating Administration Expenses	<u>7,611,076</u>	<u>5,851,792</u>	<u>1,759,284</u>	<u>76.9%</u>
Operating Income	<u>\$ 4,829,832</u>	<u>\$ 6,429,023</u>	<u>\$ 1,599,191</u>	<u>133.1%</u>

Calleguas Municipal Water District
Income Statement
Comparison for Three Months of Budget

	Three Months of FY 2024-25 Budget	Three Months Ended 09/30/24	\$ Variance	%
Operating Income	\$ 4,829,832	\$ 6,429,023	\$ 1,599,191	133.1%
Interest Income	1,121,259	1,691,555	570,296	150.9%
G/L on Investments	0	3,048,135	3,048,135	N/C
Water standby charges	0	0	0	N/C
Tax Revenue	100,000	0	(100,000)	0.0%
Tax Collection, Bank & Bond Fees	(71,031)	(38,129)	32,902	53.7%
Other Income	93,609	19,452	(74,157)	20.8%
Interest and redemption expense	(1,798,228)	(1,547,354)	250,874	86.0%
Bond Premium/Discount Amortization	(32,385)	(32,386)	(1)	100.0%
Build America Bond Subsidy	0	0	0	N/C
Total non-operating revenue/Expenses	(586,776)	3,141,272	3,728,048	
Income before Capital, Contributions, & Depreciation	4,243,056	9,570,295	5,327,239	225.6%
Depreciation	(3,636,253)	(3,478,957)	157,296	95.7%
Capital Equipment > \$5,000	(441,915)	(278,175)	163,740	62.9%
Project Expense	0	0	0	N/C
Gain/(Loss) on Sale of Capital Assets	0	17,386	17,386	N/C
Grant/Capital Contribution Revenue	175,003	2,480	(172,523)	1.4%
Capital Related Expenses	(3,903,165)	(3,737,266)	165,899	95.7%
Changes in Net Assets	\$ 339,891	\$ 5,833,029	\$ 5,493,138	
Net Assets, beginning of year		548,827,675		
Net Assets, end of year		\$ 554,660,704		



INVESTMENT REPORT

Calleguas Municipal Water District | As of September 30, 2024

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact clientservice@chandlerasset.com

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ECONOMIC UPDATE

ACCOUNT PROFILE

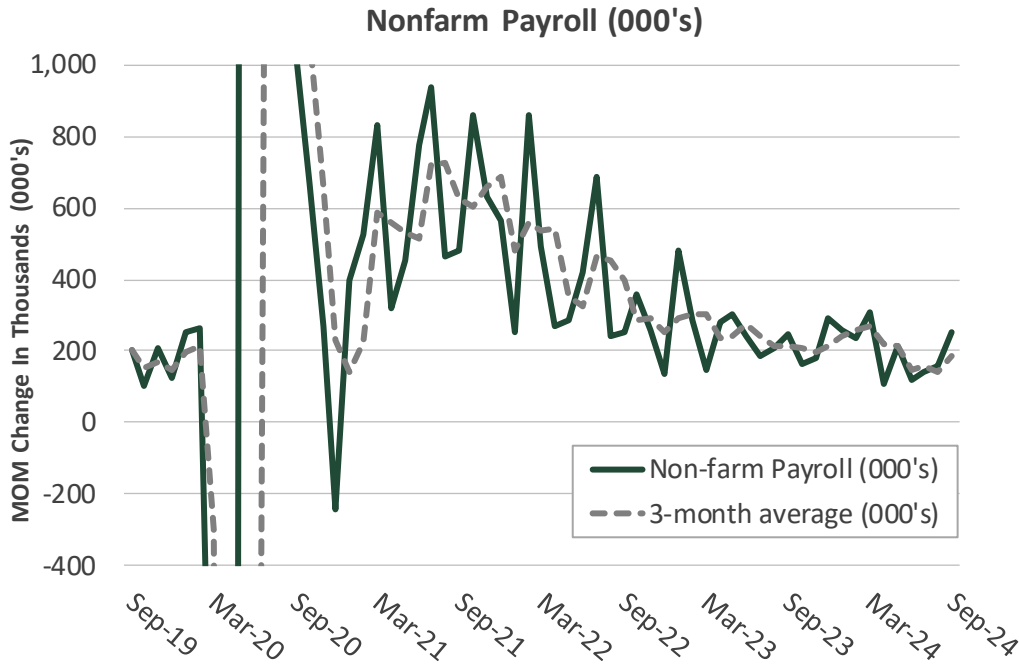
CONSOLIDATED INFORMATION

PORTFOLIO HOLDINGS

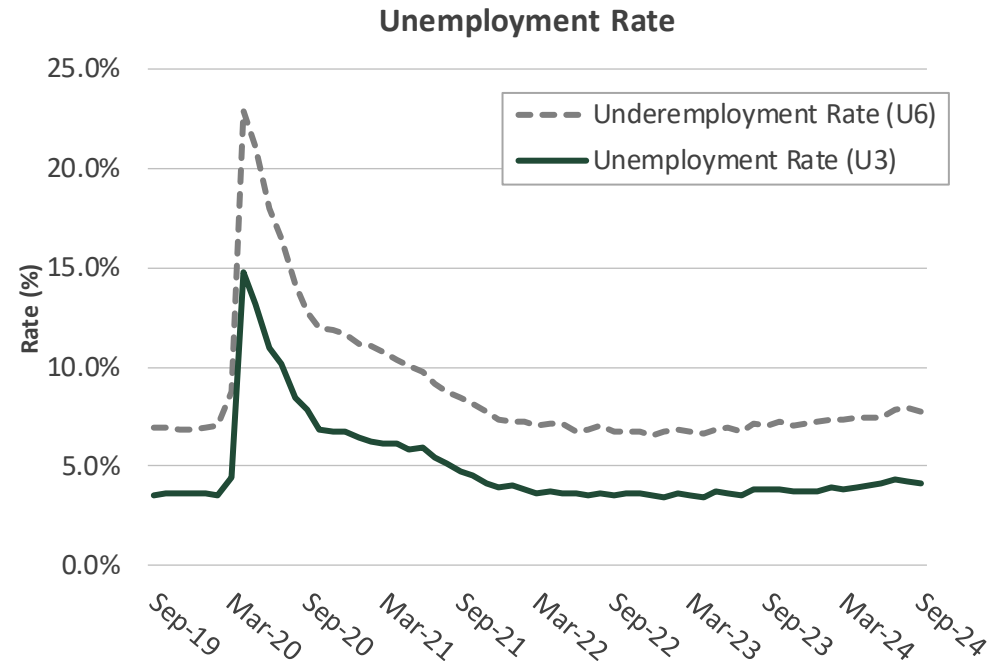
TRANSACTIONS

ECONOMIC UPDATE

- Recent economic data suggests positive but slower growth this year fueled by consumer spending. While the consumer has been resilient, declining savings rates, growing credit card debt, higher delinquencies, and a moderating labor market pose potential headwinds to future economic growth. Inflationary trends are subsiding, but core levels remain above the Fed's target. The labor market is showing signs of cooling, reflecting an improved balance between supply and demand for workers. Given the cumulative effects of restrictive monetary policy and tighter financial conditions, we believe the economy will gradually soften and the Fed will continue to lower rates at a measured pace through this year with the ability to move more aggressively should the employment data warrant.
- The Federal Open Market Committee (FOMC) delivered the first rate cut of the easing cycle at the September meeting. Although a reduction in the Fed Funds Rate was widely anticipated, the magnitude was somewhat of a surprise, as market participants were split between whether the FOMC would cut by 25 basis points or 50 basis points. Chair Jerome Powell reiterated previous statements acknowledging that monetary policy has shifted into a more balanced approach addressing price stability and full employment in tandem. The Fed released the quarterly Summary of Economic Projections (SEP) which now forecasts a substantially lower median Fed Funds Rate expectation among Fed Governors in 2025 due to lower inflation expectations and a higher projected unemployment rate. We believe the Fed will continue to lower rates at a measured pace through this year with the ability to move more aggressively should the employment data warrant.
- The US Treasury yield curve shifted lower in September following the 50 basis points rate cut by the FOMC mid-month. The 2-year Treasury yield fell 28 basis points to 3.64%, the 5-year Treasury dropped 15 basis points to 3.56%, and the 10-year Treasury yield declined 12 basis points to 3.78%. The 2-year and 10-year Treasury yield points on the curve began to normalize to +14 basis points at September month-end versus -2 basis points at August month-end. The spread between the 2-year Treasury and 10-year Treasury yield one year ago was -47 basis points. The inversion between 3-month and 10-year Treasuries ended the month of September at -85 basis points.



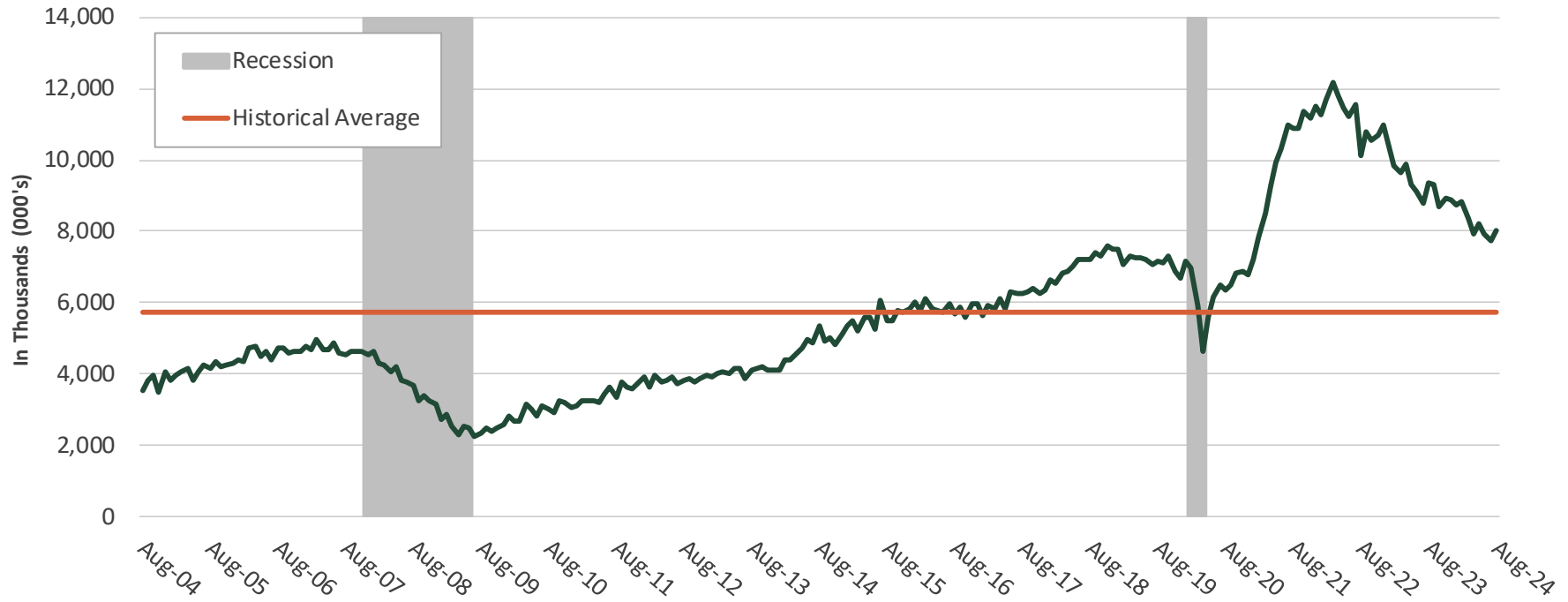
Source: US Department of Labor



Source: US Department of Labor

The U.S. economy added 254,000 jobs in September, well above expectations of 150,000. The three-month moving average and six-month moving average payrolls continued to trend weaker to 186,000 and 167,000 respectively. The unemployment rate declined to 4.1% in September, and the labor participation rate remained at 62.7%, remaining below the pre-pandemic level of 63.3%. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons declined to 7.7% from 7.9%. Average hourly earnings rose 4.0% year-over-year in September. U.S. labor market data from September surprised to the upside, with strong job growth and a sharper-than-expected drop in unemployment, suggesting the economy may be more resilient than anticipated. The Federal Reserve’s view is that there has been “substantial” progress towards better balance in the labor market between demand and supply for workers.

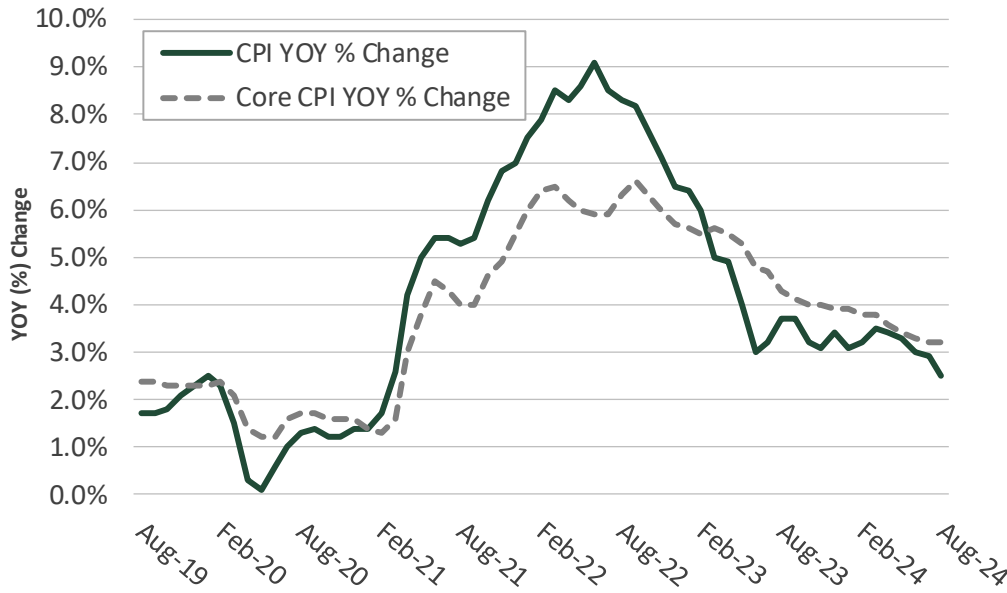
Job Openings



Source: US Department of Labor

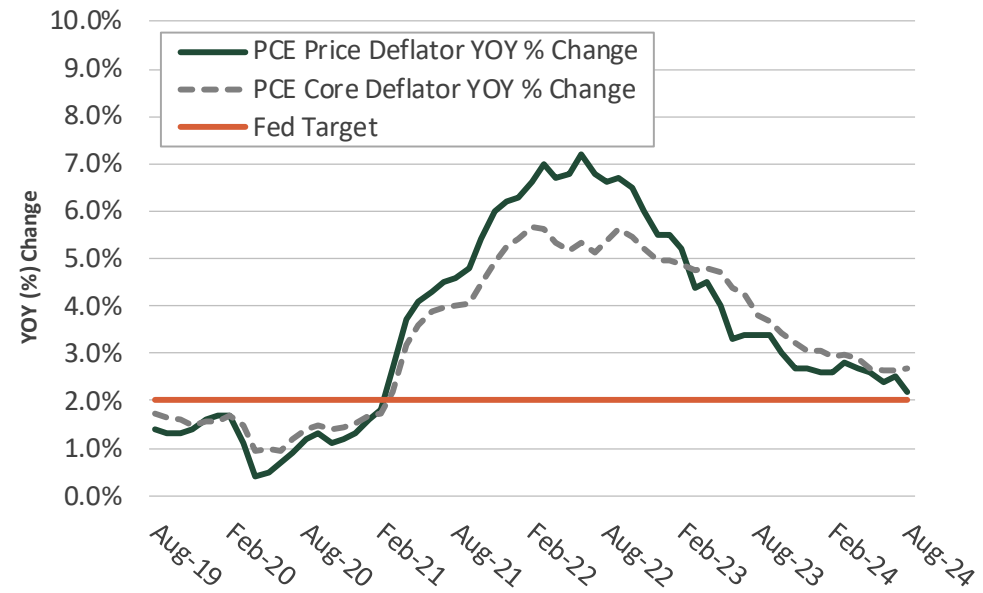
The Labor Department’s Job Openings and Labor Turnover Survey (JOLTS) increased to 8.04 million job openings in August from an upwardly revised 7.71 million in July. Job openings have increased to a ratio of 1.13 jobs for each unemployed individual. The quits rate, an indicator of job availability, declined to 1.9% from downwardly revised 2.0% in July. That is the lowest level since 2020. While the current level of job openings remains elevated from a historical perspective, the trend is decelerating.

Consumer Price Index (CPI)



Source: US Department of Labor

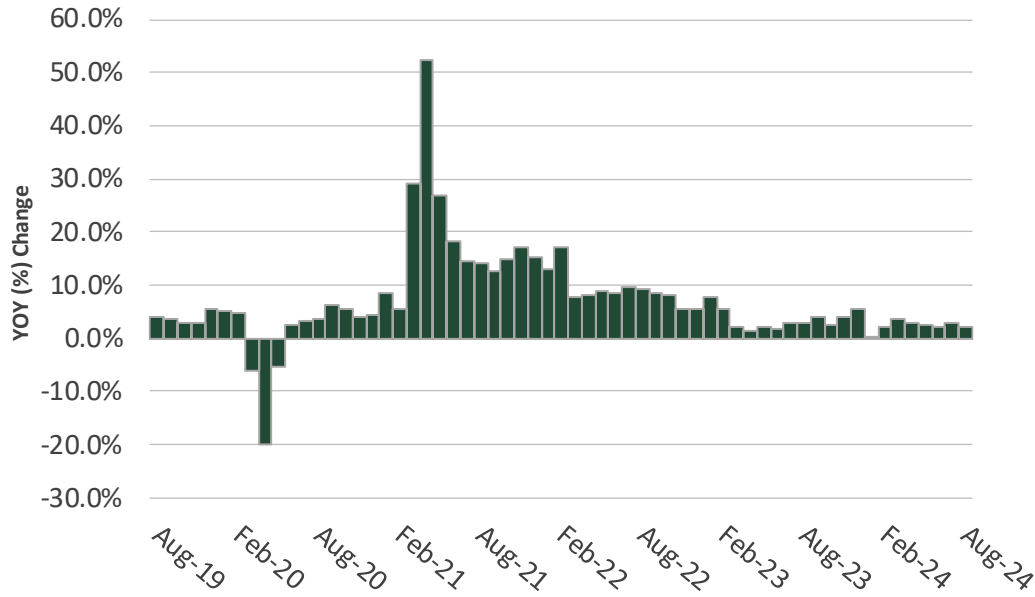
Personal Consumption Expenditures (PCE)



Source: US Department of Commerce

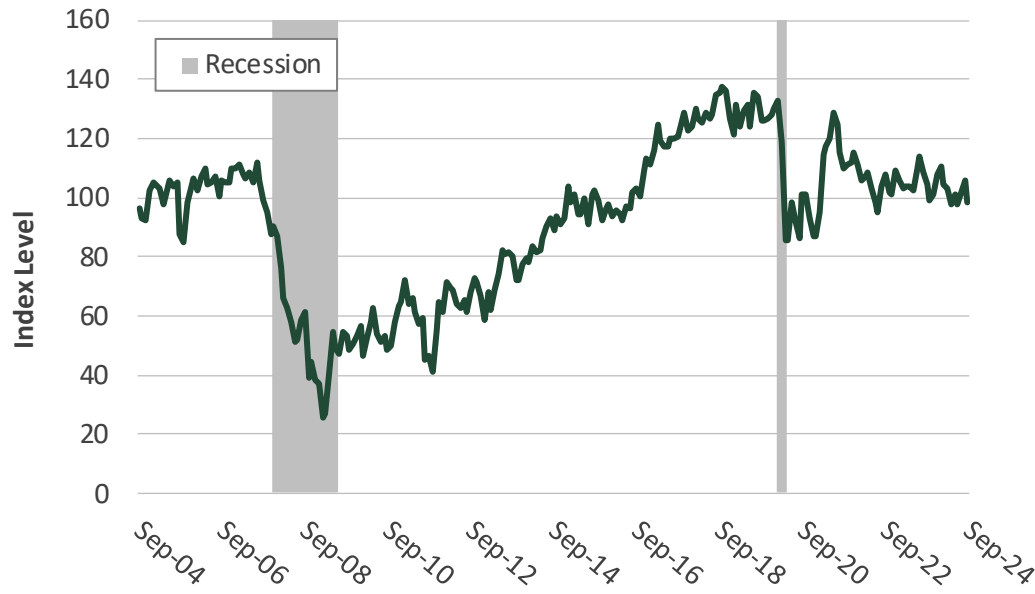
In August, the Consumer Price Index (CPI) rose 0.2% month-over-month and 2.5% year-over-year, down from 2.9% in July, largely due to a drop in gasoline prices. The Core CPI, which excludes volatile food and energy components, rose more than expected in August by 0.3% month-over-month and 3.2% year-over-year. The Personal Consumption Expenditures (PCE) Index rose 0.1% from the previous month and 2.2% year-over-year in August. The Core PCE deflator (the Fed’s preferred gauge) increased 0.1% month-over-month and 2.7% over the past year, still above the Fed’s 2% inflation target. Much of the lingering inflation has been driven by shelter costs and demand for services, but recent data provide confirmation that inflation is moderating.

Retail Sales YOY % Change



Source: US Department of Commerce

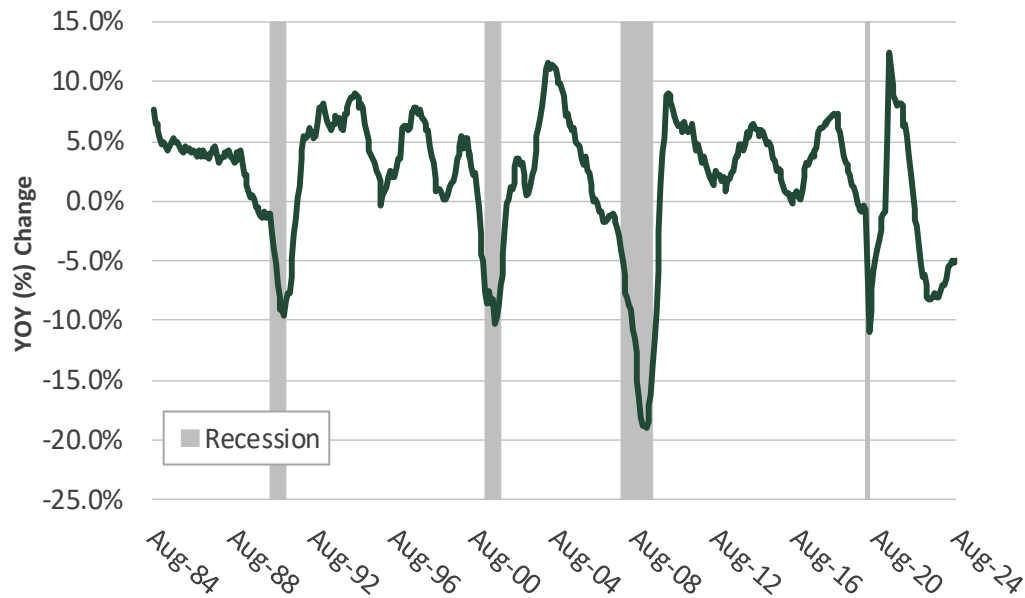
Consumer Confidence



Source: The Conference Board
All time high is 144.70 (1/31/00); All time low is 25.30 (2/28/09)

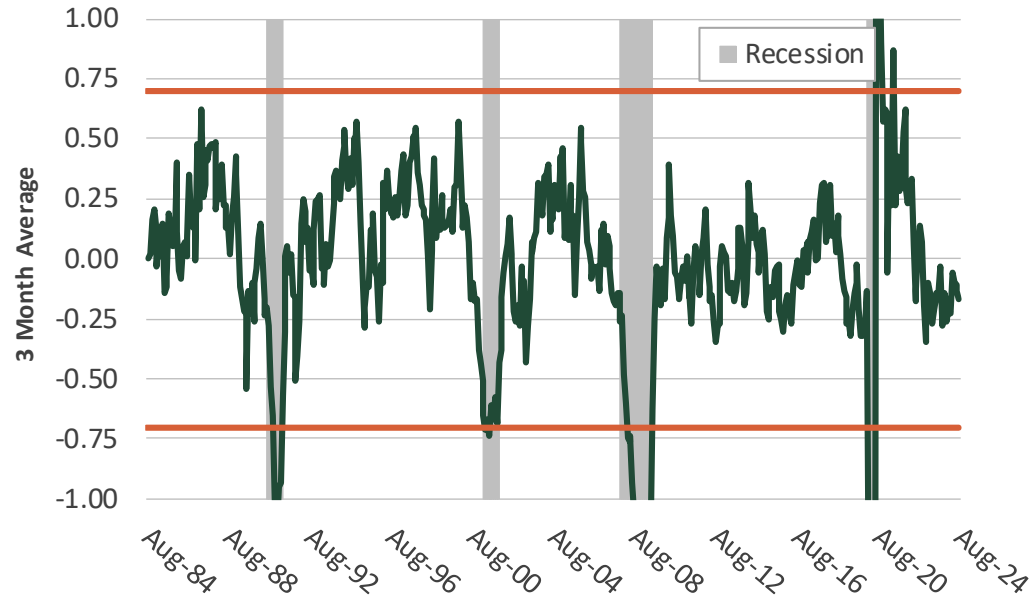
Retail Sales grew more than expected month-over-month in August at 0.1% after growth of 1.1% in July. On a year-over-year basis, Retail Sales grew 2.1% in August versus 2.9% in July. Control-group sales, which are used to calculate gross domestic product, rose 0.3% month-over-month in August after last month’s data was revised higher to an increase of 0.4%. E-commerce contributed the most to the increase. The Conference Board’s Consumer Confidence Index for September came in below expectations, contracting to 98.7 after an upward revision to 105.6 in August. The decline reflects recent softening in labor market conditions, and less optimism about the job market and income growth. While the consumer has been resilient, consumption has begun to moderate in the face of declining savings rates, growing credit card debt, higher delinquencies, and a moderating labor market.

Leading Economic Indicators (LEI)



Source: The Conference Board

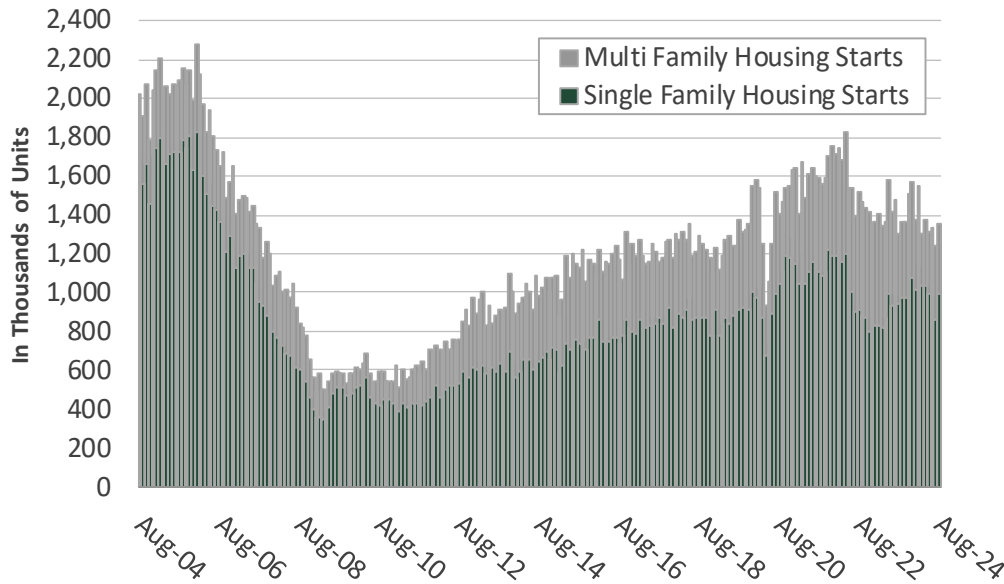
Chicago Fed National Activity Index (CFNAI)



Source: Federal Reserve Bank of Chicago

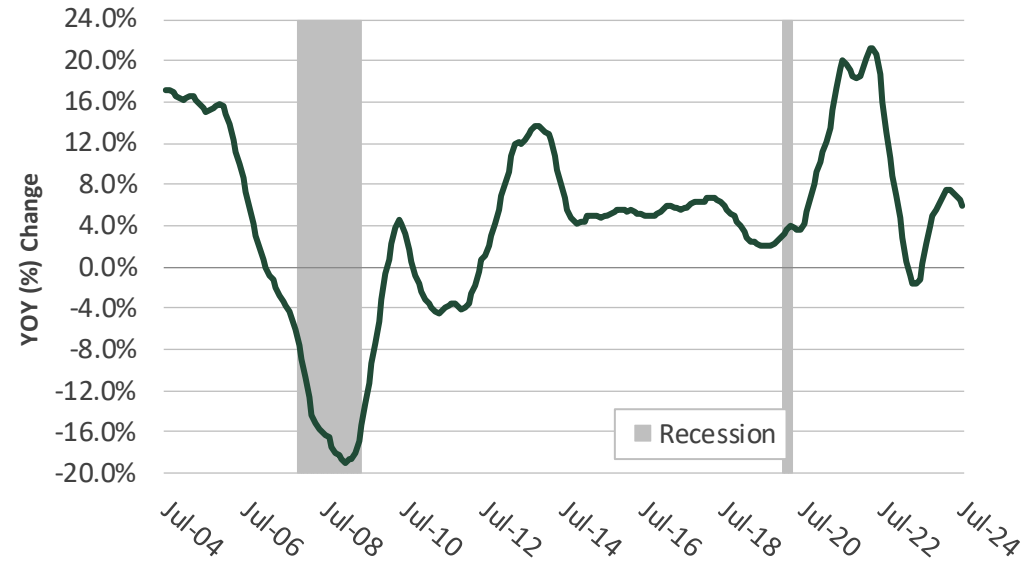
The Conference Board’s Leading Economic Index (LEI) remained in negative territory at -0.2% in August, improving from -0.6% in July. The index dropped 5.0% year-over-year. The improvement can be attributed to a decrease in the yield curve inversion, an increase in building permits, and stock market performance. The Chicago Fed National Activity Index (CFNAI) increased to 0.12 in August from a downwardly revised -0.42 in July, which was above consensus expectations. The three-month moving average fell to -0.17 in August from -0.13 in July, indicating below-trend growth expectations for the economy.

Annualized Housing Starts



Source: US Department of Commerce

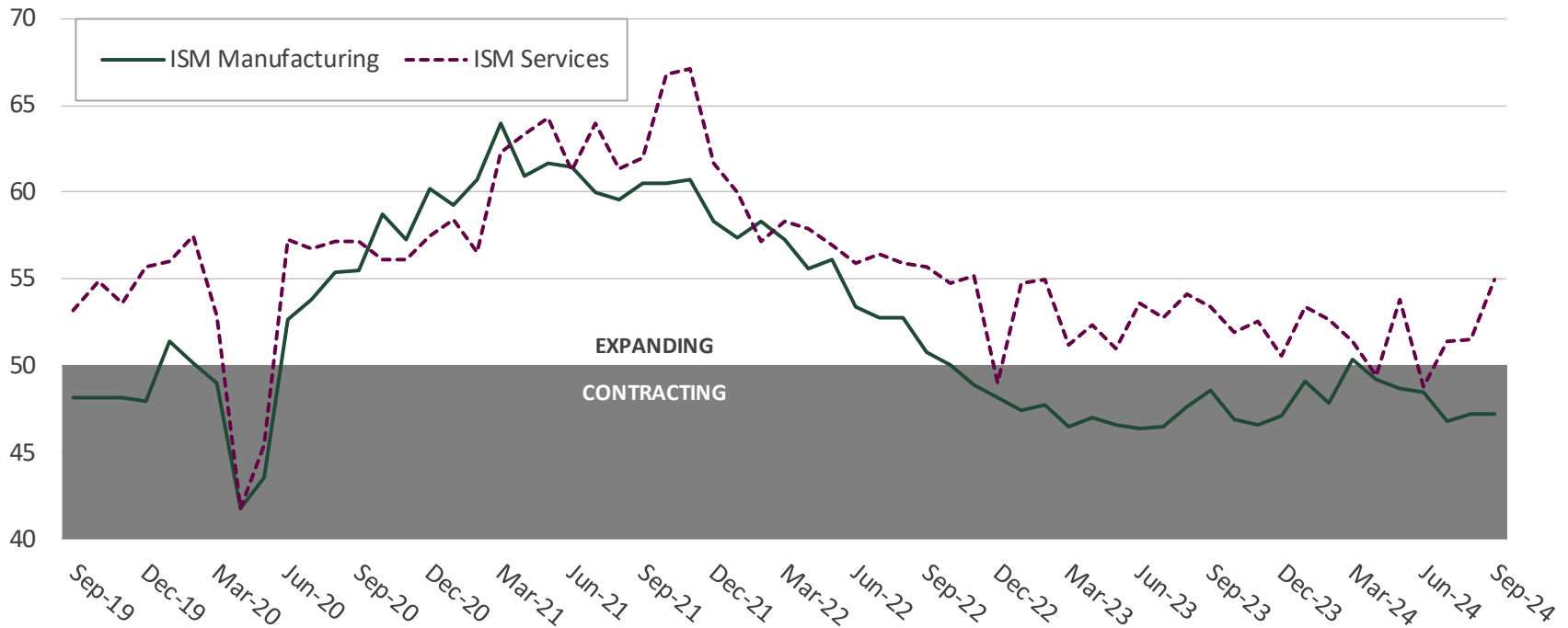
S&P/Case-Shiller 20 City Composite Home Price Index



Source: S&P

Housing starts surprised to the upside on a month-over-month basis in August, increasing 9.6% to 1.356 million units versus the previous decline of 6.9% the prior month. Starts were led by the single-family home sector. Total starts were up 3.9% year-over-year. The Freddie Mac average rate for a 30-year fixed mortgage edged down to 6.35% in August from 6.85% in July. According to the Case-Shiller 20-City Home Price Index, housing prices rose 5.9% year-over-year in July, decelerating from 6.5% reported in the previous month. Although the trend is gradually improving, tight inventories and higher mortgage rates continue to impact affordability.

Institute of Supply Management (ISM) Surveys



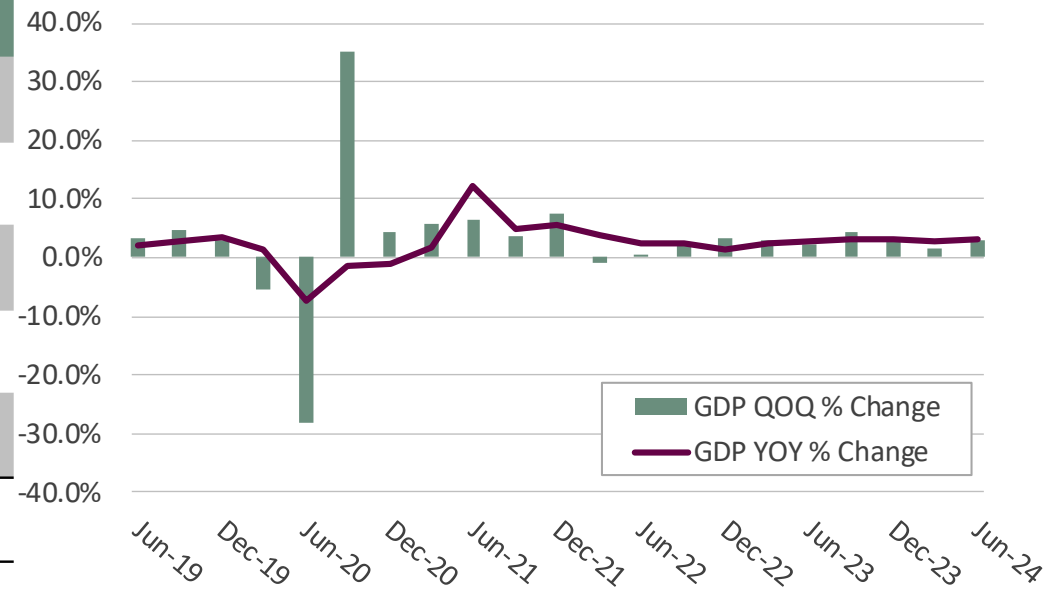
Source: Institute for Supply Management

The Institute for Supply Management (ISM) Manufacturing index contracted at a slower rate of 47.2 in September compared to 47.5 in August. Demand remains subdued and companies are continuing to reduce head counts through layoffs, attrition and hiring freezes. The ISM Services Index increased to 54.9 in September, increasing from 51.7 in August, due stronger production and new orders. A reading over 50 indicates expansion, while a reading under 50 indicates contraction.

Components of GDP	9/23	12/23	3/24	6/24
Personal Consumption Expenditures	1.7%	2.3%	1.3%	1.9%
Gross Private Domestic Investment	1.8%	0.2%	0.6%	1.5%
Net Exports and Imports	-0.1%	0.1%	-0.6%	-0.9%
Federal Government Expenditures	0.3%	0.0%	0.0%	0.3%
State and Local (Consumption and Gross Investment)	0.6%	0.6%	0.3%	0.3%
Total	4.4%	3.2%	1.6%	3.0%

Source: US Department of Commerce

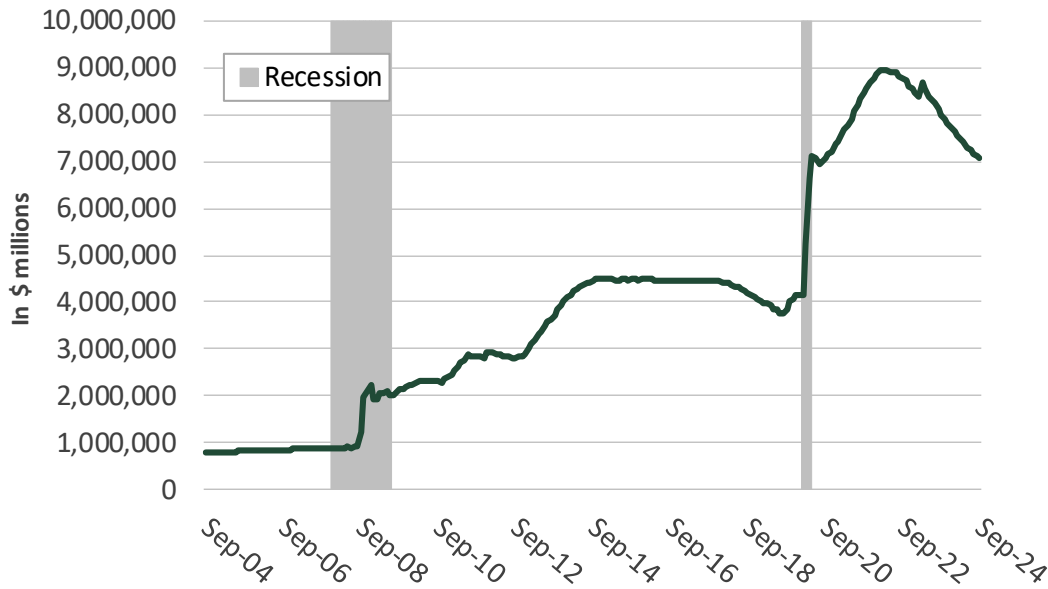
Gross Domestic Product (GDP)



Source: US Department of Commerce

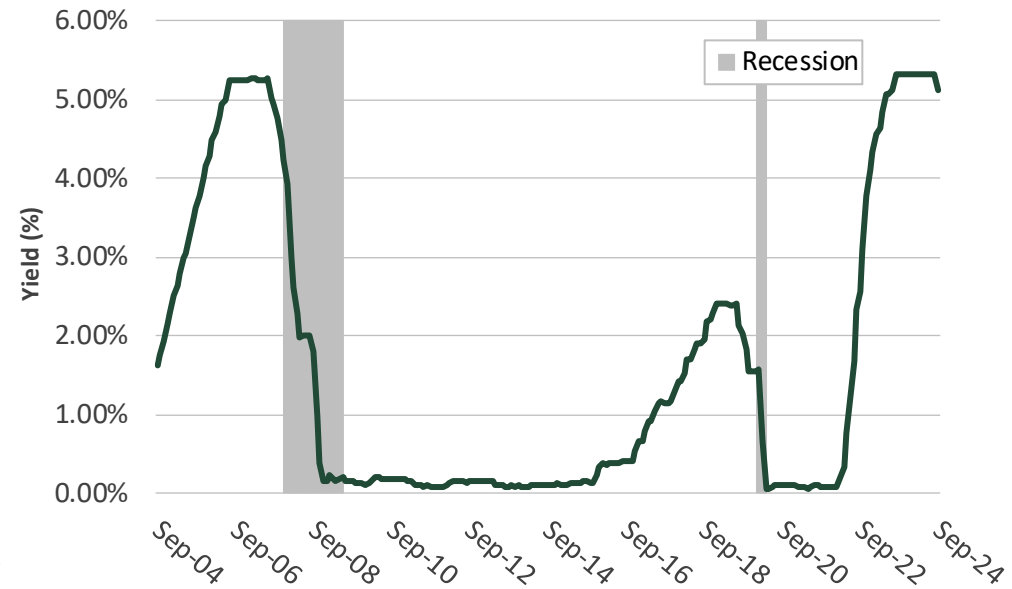
According to the third estimate, second quarter GDP increased at an annualized rate of 3.0%, unchanged from the prior estimate. Growth continues to be powered by personal consumption expenditures. Gross fixed investment, government consumption expenditures, and inventories also had positive contributions, with a negative offset by net exports. The consensus projection calls for 2.0% growth in the third quarter and 2.6% growth for the full year 2024.

Federal Reserve Balance Sheet Assets



Source: Federal Reserve

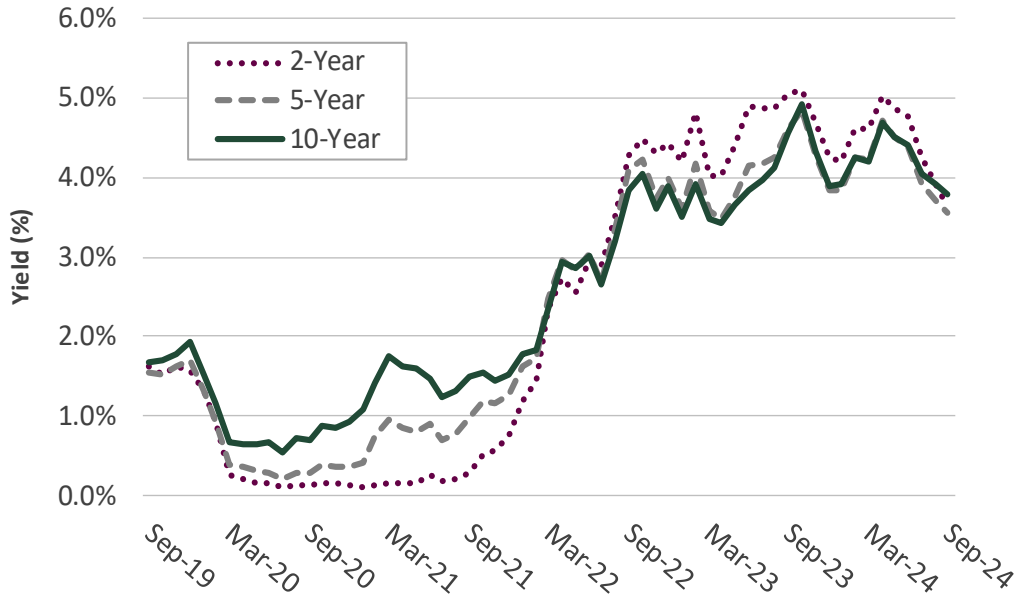
Effective Federal Funds Rate



Source: Bloomberg

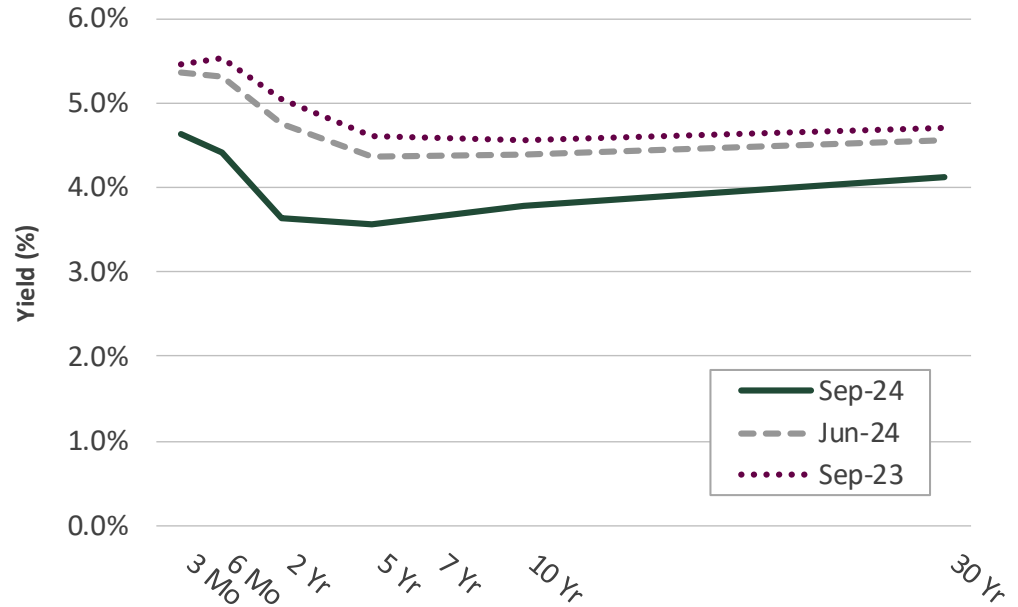
The Federal Open Market Committee (FOMC) delivered the first rate cut of the easing cycle at the September meeting. Although a reduction in the Fed Funds Rate was widely anticipated, the magnitude was somewhat of a surprise, as market participants were split between whether the FOMC would cut by 25 basis points or 50 basis points. Chair Jerome Powell reiterated previous statements acknowledging that monetary policy has shifted into a more balanced approach addressing price stability and full employment in tandem. The Fed released the quarterly Summary of Economic Projections (SEP) which now forecasts a substantially lower median Fed Funds Rate expectation among Fed Governors in 2025 to 3.1 – 3.6%. The Fed continues to reduce its holdings of U.S. Treasury securities and agency mortgage-backed securities as per its predefined schedule of \$25 billion and \$35 billion per month. Since the Fed began its Quantitative Tightening campaign in June 2022, securities holdings have declined by approximately \$1.8T to approximately \$7.1T.

US Treasury Note Yields



Source: Bloomberg

US Treasury Yield Curve



Source: Bloomberg

At the end of September, the 2-year Treasury yield was 140 basis points lower, and the 10-Year Treasury yield was 79 basis points lower, year-over-year. The 2-year and 10-year Treasury yield points on the curve began to normalize to +14 basis points at September month-end versus -2 basis points at August month-end. The yield curve inversion which began in July 2022 was historically long. The average historical spread (since 2003) is about +110 basis points. The inversion between 3-month and 10-year Treasuries tightened to -85 basis points in September from -121 basis points in August.

ACCOUNT PROFILE

Investment Objectives

Calleguas Municipal Water District's investment objectives, in order of priority, are to provide safety to ensure the preservation of capital in the overall portfolio, provide sufficient liquidity for cash needs and a market rate of return consistent with the investment program.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

Strategy

In order to achieve this objective, the portfolio invests in high-quality fixed income securities that comply with the investment policy and all regulations governing the funds.

STATEMENT OF COMPLIANCE



CMWD Cons | Account #10936 | As of September 30, 2024

Rules Name	Limit	Actual	Compliance Status	Notes
AGENCY MORTGAGE SECURITIES (CMOS)				
Max % (MV)	20.0	0.6	Compliant	
Max % Issuer (MV)	5.0	0.6	Compliant	
Max Maturity (Years)	5.0	2.1	Compliant	
Min Rating (AA by 1)	0.0	0.0	Compliant	
ASSET-BACKED SECURITIES (ABS)				
Max % (MV)	20.0	6.6	Compliant	
Max % Issuer (MV)	5.0	1.1	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
BANKERS' ACCEPTANCES				
Max % (MV)	40.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	180	0.0	Compliant	
COLLATERALIZED BANK DEPOSITS				
Max % (MV)	100.0	0.0	Compliant	
COLLATERALIZED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (BV)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (AA- by 2)	0.0	0.0	Compliant	
COMMERCIAL PAPER				
Max % (MV)	40.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	270	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
CORPORATE MEDIUM TERM NOTES				

STATEMENT OF COMPLIANCE



CMWD Cons | Account #10936 | As of September 30, 2024

Rules Name	Limit	Actual	Compliance Status	Notes
Max % (MV)	30.0	25.9	Compliant	
Max % Issuer (MV)	5.0	1.9	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (A by 1)	0.0	0.0	Compliant	
FDIC INSURED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (BV)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
FEDERAL AGENCIES				
Max % (MV; Agencies & Agency CMOs)	100.0	28.5	Compliant	
Max % Issuer (MV; Agencies & Agency CMOs)	30.0	14.6	Compliant	
Max Callables (MV)	20.0	3.6	Compliant	
Max Maturity (Years)	5	4	Compliant	
LOCAL AGENCY INVESTMENT FUND (LAIF)				
Max % (MV)	15.0	1.6	Compliant	
LOCAL GOVERNMENT INVESTMENT POOL (LGIP)				
Max % (MV)	15.0	0.0	Compliant	
MONEY MARKET MUTUAL FUNDS				
Max % (MV)	20.0	0.2	Compliant	
Max % Issuer (MV)	5.0	0.2	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
MORTGAGE-BACKED SECURITIES (NON-AGENCY)				
Max % (MV)	20.0	0.6	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	

STATEMENT OF COMPLIANCE



CMWD Cons | Account #10936 | As of September 30, 2024

Rules Name	Limit	Actual	Compliance Status	Notes
Min Rating (AA- by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, LOCAL AGENCY)				
Max % (MV)	100.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (A by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, OTHER STATES)				
Max % (MV)	100.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (A by 1)	0.0	0.0	Compliant	
NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)				
Max % (BV)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (AA- by 2 if > FDIC Limit)	0.0	0.0	Compliant	
SUPRANATIONAL OBLIGATIONS				
Max % (BV)	10.0	2.0	Compliant	
Max % Issuer (MV)	5.0	2.0	Compliant	
Max Maturity (Years)	5	1	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
U.S. TREASURIES				
Max % (MV)	100.0	36.2	Compliant	
Max Maturity (Years)	5	4	Compliant	

SECTOR DISTRIBUTION

Calleguas Municipal Water District | Account #10934 | As of September 30, 2024

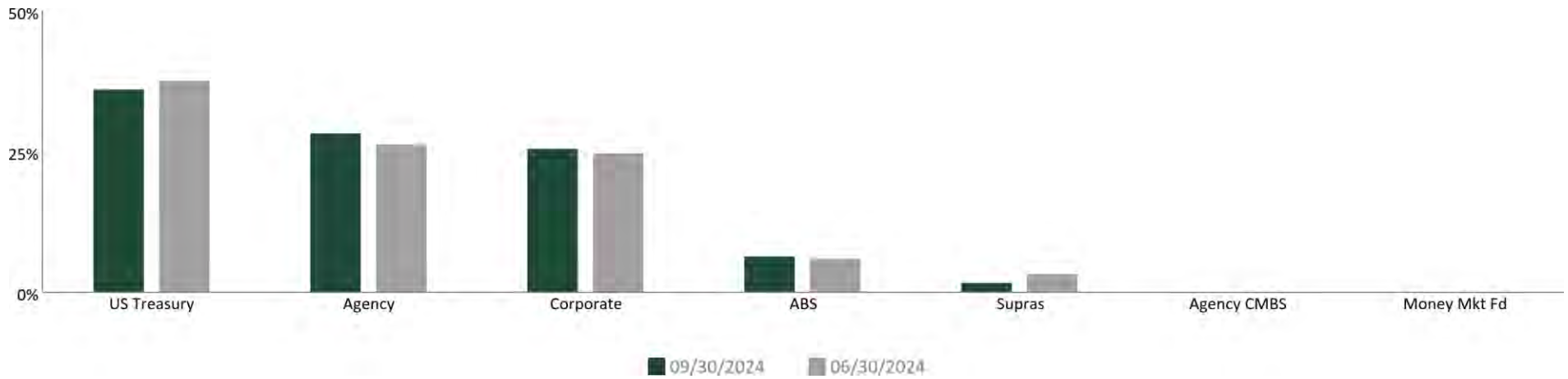
	Benchmark*	9/30/2024 Portfolio	6/30/2024 Portfolio
Average Maturity (yrs)	1.85	2.11	2.02
Average Modified Duration	1.77	1.83	1.77
Average Purchase Yield		4.01%	3.93%
Average Market Yield	3.71%	4.03%	4.98%
Average Quality**	AA+	AA	AA
Total Market Value		171,629,747	166,942,485

*Benchmark: ICE BofA 1-3 Year US Treasury Index

**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

Calleguas Municipal Water District | Account #10934 | As of September 30, 2024



Sector as a Percentage of Market Value

Sector	09/30/2024	06/30/2024
US Treasury	36.17%	37.77%
Agency	28.49%	26.75%
Corporate	25.93%	24.93%
ABS	6.63%	6.34%
Supras	2.02%	3.55%
Agency CMBS	0.57%	0.57%
Money Mkt Fd	0.18%	0.05%

ISSUERS

Calleguas Municipal Water District | Account #10934 | As of September 30, 2024

Issuer	Investment Type	% Portfolio
United States	US Treasury	36.17%
Farm Credit System	Agency	14.60%
Federal Home Loan Banks	Agency	12.23%
Inter-American Development Bank	Supras	2.02%
The Home Depot, Inc.	Corporate	1.95%
PACCAR Inc	Corporate	1.82%
Cisco Systems, Inc.	Corporate	1.80%
FHLMC	Agency	1.66%
Toyota Motor Corporation	Corporate	1.57%
Deere & Company	Corporate	1.52%
Morgan Stanley	Corporate	1.47%
Northwestern Mutual Global Funding	Corporate	1.41%
Caterpillar Inc.	Corporate	1.36%
JPMorgan Chase & Co.	Corporate	1.31%
UnitedHealth Group Incorporated	Corporate	1.28%
PepsiCo, Inc.	Corporate	1.27%
Mastercard Incorporated	Corporate	1.21%
Massachusetts Mutual Life Insurance	Corporate	1.18%
Chase Issuance Trust	ABS	1.13%
BNY Mellon Corp	Corporate	1.12%
Amazon.com, Inc.	Corporate	1.09%
Honeywell International Inc.	Corporate	1.02%
American Express Credit Master Trust	ABS	0.98%
Bank of America Corporation	Corporate	0.98%
MERCEDES-BENZ AUTO RECEIVABLES TRUST	ABS	0.95%
National Rural Utilities Cooperative	Corporate	0.87%
John Deere Owner Trust	ABS	0.70%
Honda Auto Receivables Owner Trust	ABS	0.68%
Eli Lilly and Company	Corporate	0.64%
Honda Auto Receivables 2024-3 Owner	ABS	0.62%

ISSUERS



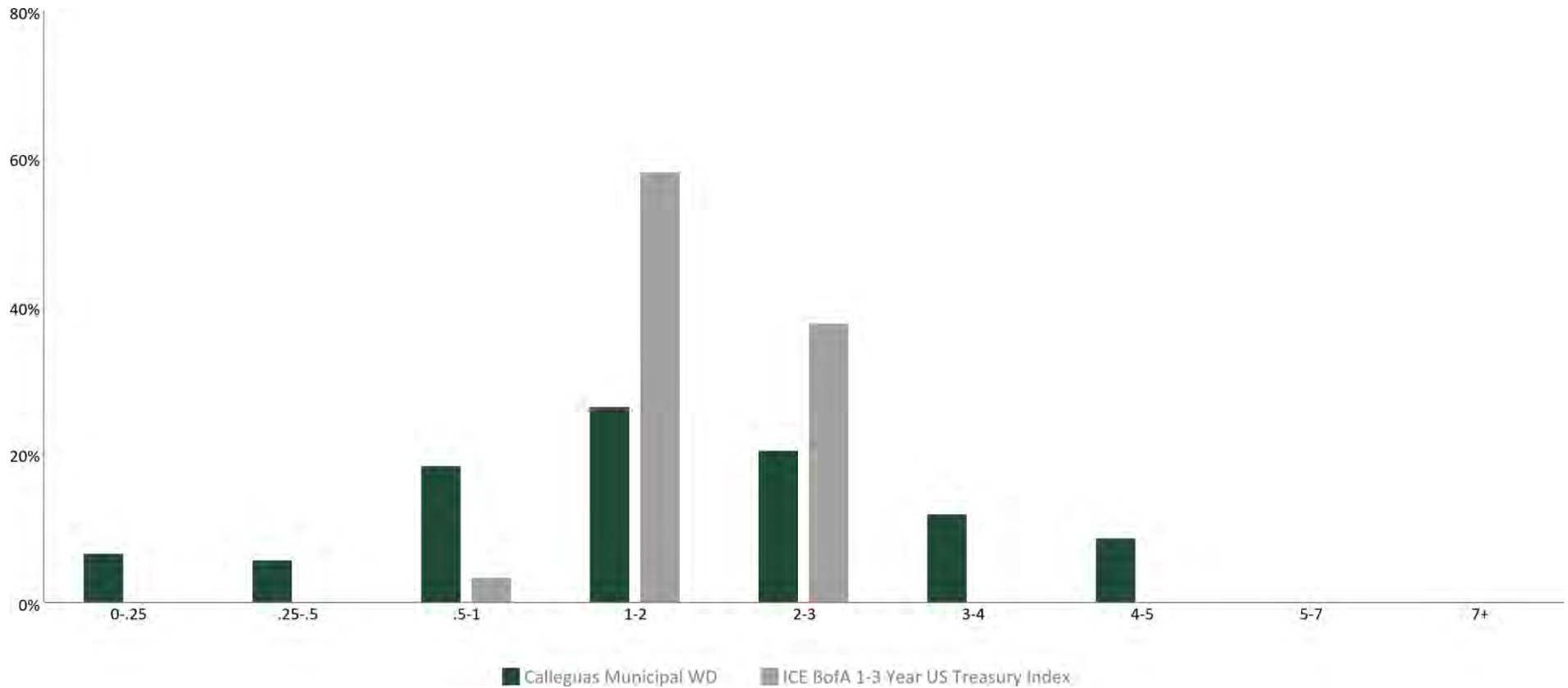
Calleguas Municipal Water District | Account #10934 | As of September 30, 2024

Issuer	Investment Type	% Portfolio
Prologis, Inc.	Corporate	0.58%
FHLMC	Agency CMBS	0.57%
Hyundai Auto Receivables Trust	ABS	0.53%
Northern Trust Corporation	Corporate	0.48%
Hyundai Auto Receivables Trust 2024-	ABS	0.28%
GM Financial Automobile Leasing Trus	ABS	0.24%
GM Financial Securitized Term	ABS	0.21%
BMW Vehicle Owner Trust	ABS	0.20%
Allspring Group Holdings LLC	Money Mkt Fd	0.18%
BMW Vehicle Lease Trust	ABS	0.08%
CNH Equipment Trust	ABS	0.03%
Cash	Cash	0.00%
TOTAL		100.00%

DURATION DISTRIBUTION

Calleguas Municipal Water District | Account #10934 | As of September 30, 2024

Portfolio Compared to the Benchmark

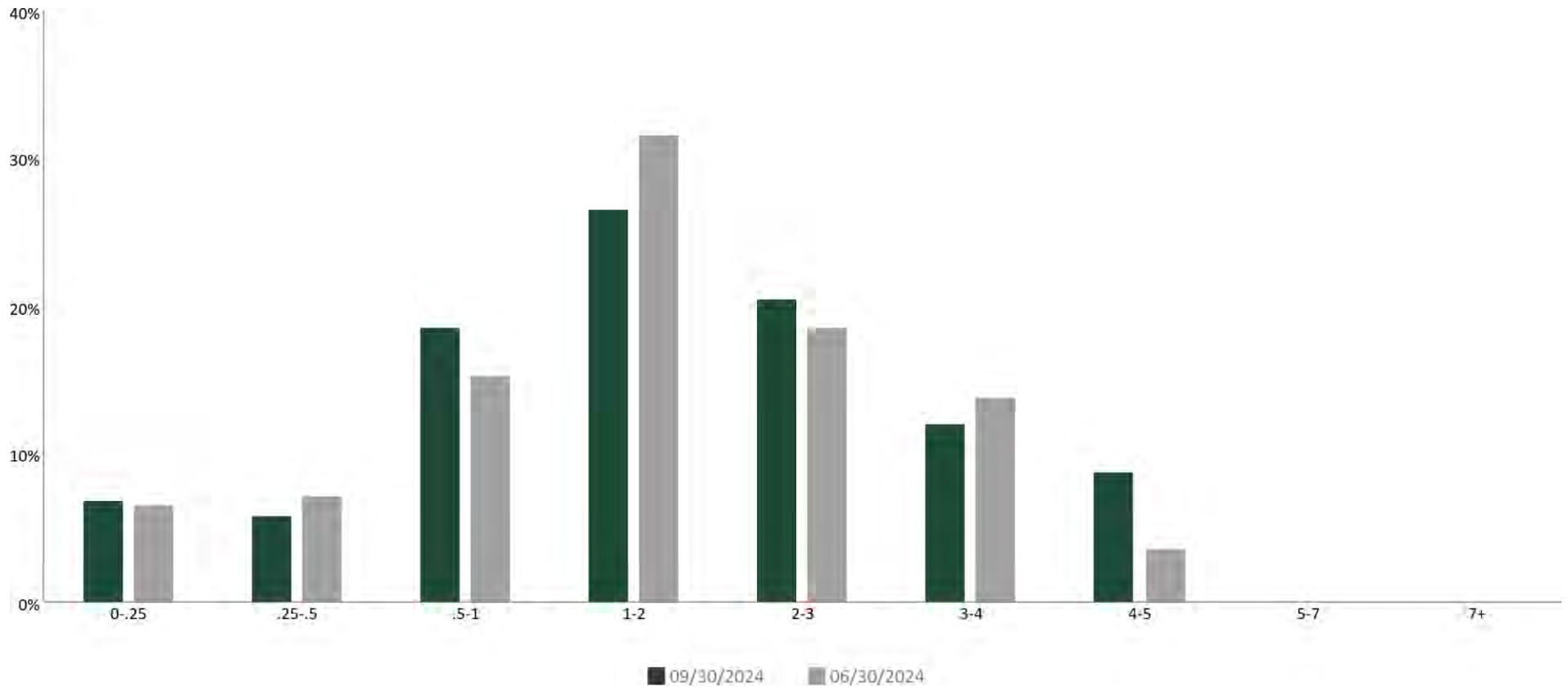


	0-0.25	0.25-0.5	0.5-1	1-2	2-3	3-4	4-5	5-7	7+
Portfolio	7.0%	6.0%	18.7%	26.7%	20.7%	12.2%	8.9%	0.0%	0.0%
ICE BofA 1-3 Year US Treasury Index	0.0%	0.0%	3.6%	58.4%	38.0%	0.0%	0.0%	0.0%	0.0%

DURATION DISTRIBUTION

Calleguas Municipal Water District | Account #10934 | As of September 30, 2024

Portfolio Compared to Prior Quarter



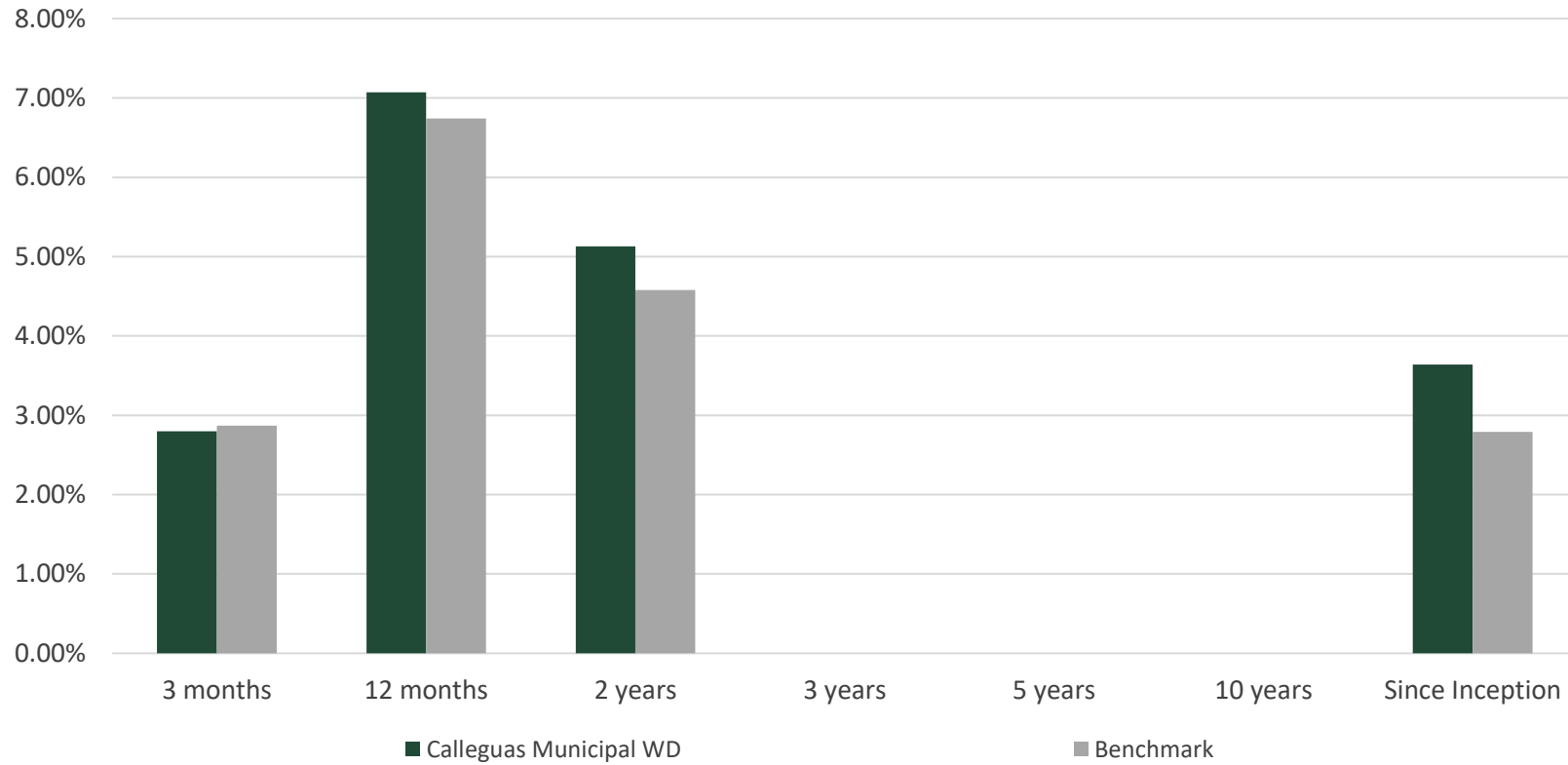
Date	0-.25	.25-.5	.5-1	1-2	2-3	3-4	4-5	5-7	7+
09/30/2024	7.0%	6.0%	18.7%	26.7%	20.7%	12.2%	8.9%	0.0%	0.0%
06/30/2024	6.7%	7.3%	15.4%	31.6%	18.7%	13.9%	3.6%	0.0%	0.0%

INVESTMENT PERFORMANCE



Calleguas Municipal Water District | Account #10934 | As of September 30, 2024

Total Rate of Return : Inception | 04/01/2022



	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception
TOTAL RATE OF RETURN							
Calleguas Municipal WD	2.80%	7.07%	5.13%				3.64%
Benchmark	2.87%	6.74%	4.58%				2.79%

*Periods over 1 year are annualized.

Benchmark: ICE BofA 1-3 Year US Treasury Index

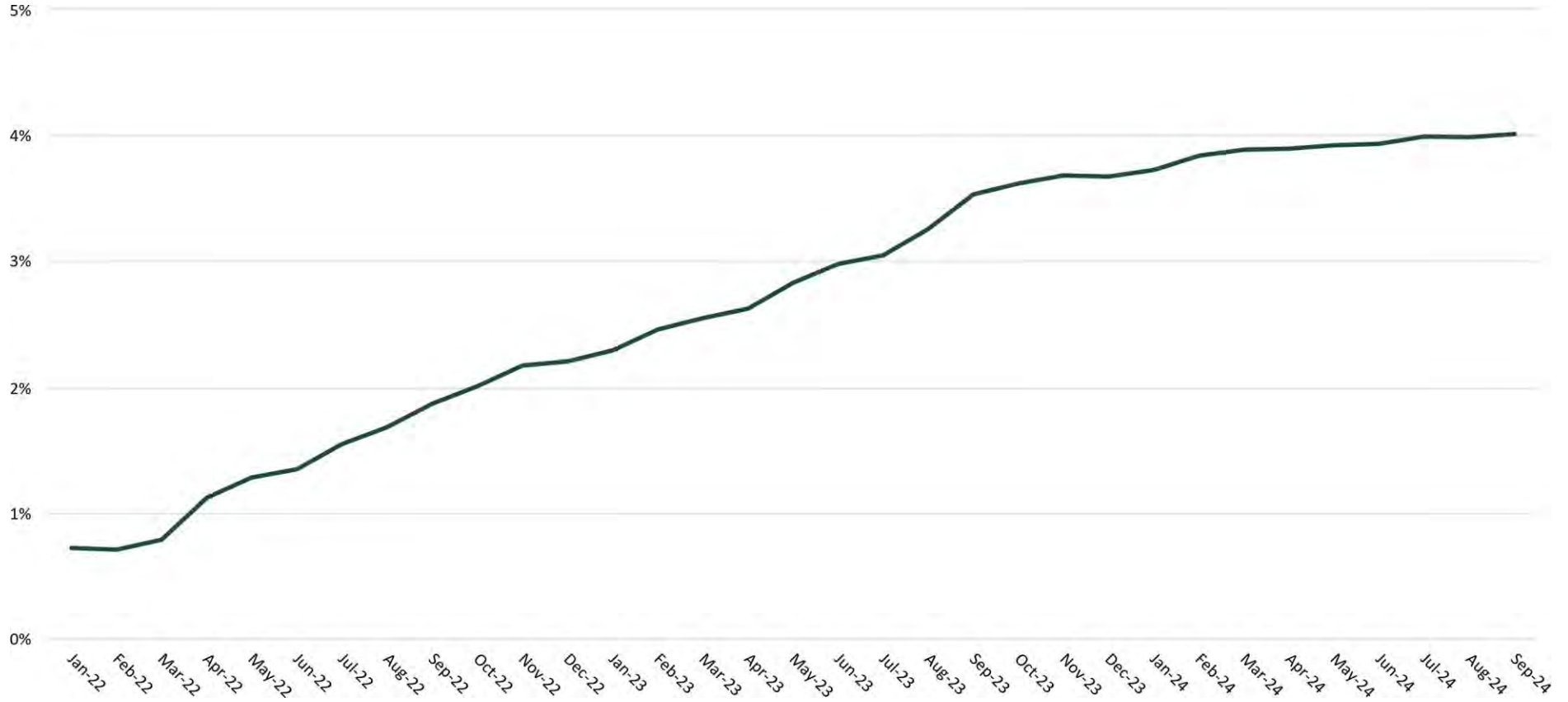
Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending market value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

HISTORICAL AVERAGE PURCHASE YIELD



Calleguas Municipal Water District | Account #10934 | As of September 30, 2024

Purchase Yield as of 09/30/24 = 4.01%



PORTFOLIO CHARACTERISTICS



CMWD Reporting | Account #10935 | As of September 30, 2024

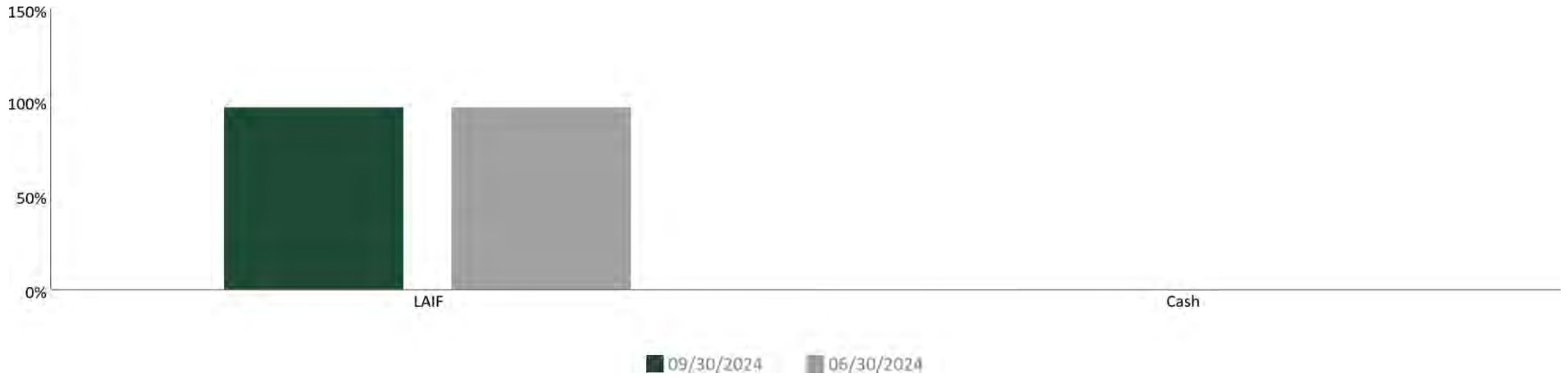
	9/30/2024 Portfolio	6/30/2024 Portfolio
Average Maturity (yrs)	0.00	0.00
Average Modified Duration	0.00	0.00
Average Purchase Yield	4.52%	4.50%
Average Market Yield	4.52%	4.50%
Average Quality**	AAA	AAA
Total Market Value	2,891,801	2,857,514

*Benchmark: NO BENCHMARK REQUIRED

**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

CMWD Reporting | Account #10935 | As of September 30, 2024



Sector as a Percentage of Market Value

Sector	09/30/2024	06/30/2024
LAIF	98.87%	98.66%
Cash	1.13%	1.34%

CONSOLIDATED INFORMATION

PORTFOLIO CHARACTERISTICS



CMWD Cons | Account #10936 | As of September 30, 2024

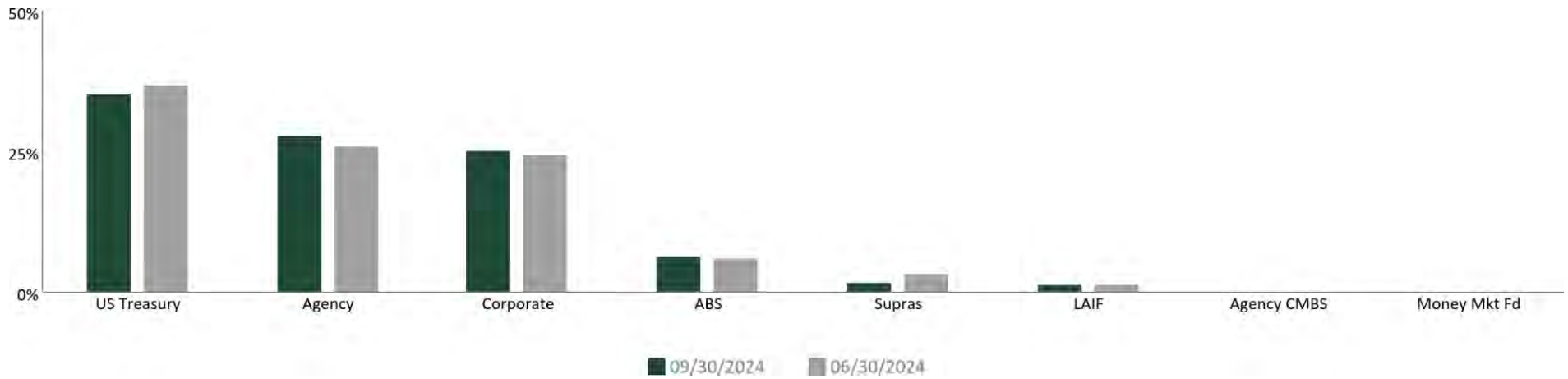
	9/30/2024 Portfolio	6/30/2024 Portfolio
Average Maturity (yrs)	2.08	1.99
Average Modified Duration	1.80	1.74
Average Purchase Yield	4.02%	3.94%
Average Market Yield	4.04%	4.97%
Average Quality**	AA	AA
Total Market Value	174,521,548	169,799,999

*Benchmark: NO BENCHMARK REQUIRED

**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

CMWD Cons | Account #10936 | As of September 30, 2024



Sector as a Percentage of Market Value

Sector	09/30/2024	06/30/2024
US Treasury	35.57%	37.13%
Agency	28.02%	26.30%
Corporate	25.50%	24.51%
ABS	6.51%	6.23%
Supras	1.99%	3.49%
LAIF	1.65%	1.67%
Agency CMBS	0.56%	0.56%
Money Mkt Fd	0.18%	0.05%

PORTFOLIO HOLDINGS

HOLDINGS REPORT



Calleguas Municipal Water District | Account #10934 | As of September 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
ABS									
47788UAC6	JDOT 2021 A3 0.36 09/15/2025	7,349.09	03/02/2021 0.37%	7,347.68 7,348.85	99.81 5.41%	7,334.86 1.18	0.00% (13.99)	Aaa/NA AAA	0.96 0.04
43815EAC8	HAROT 2021-3 A3 0.41 11/18/2025	54,621.42	03/29/2022 3.00%	52,624.32 54,071.12	99.26 5.18%	54,216.33 8.09	0.03% 145.21	NA/AAA AAA	1.13 0.15
05593AAC3	BMWLT 2023-1 A3 5.16 11/25/2025	140,631.35	02/07/2023 5.43%	140,628.00 140,629.96	100.08 4.88%	140,747.41 120.94	0.08% 117.45	Aaa/AAA NA	1.15 0.25
12598AAC4	CNH 2021-A A3 0.4 12/15/2025	43,092.14	03/09/2021 0.62%	43,082.06 43,090.18	99.81 3.54%	43,012.05 7.66	0.03% (78.13)	NA/AAA AAA	1.21 0.06
379929AD4	GMALT 2023-3 A3 5.38 11/20/2026	400,000.00	08/08/2023 5.38%	399,952.04 399,968.62	100.76 4.56%	403,036.64 657.56	0.24% 3,068.02	NA/AAA AAA	2.14 0.86
362585AC5	GMCAR 2022-2 A3 3.1 02/16/2027	357,985.18	04/05/2022 3.13%	357,910.36 357,951.51	99.15 4.69%	354,957.34 462.40	0.21% (2,994.17)	Aaa/AAA NA	2.38 0.54
448979AD6	HART 2023-A A3 4.58 04/15/2027	905,000.00	04/04/2023 5.14%	904,911.67 904,944.13	100.11 4.47%	905,996.59 1,842.18	0.53% 1,052.46	NA/AAA AAA	2.54 0.73
43815JAC7	HAROT 2023-1 A3 5.04 04/21/2027	500,000.00	02/16/2023 5.09%	499,907.10 499,942.93	100.51 4.49%	502,528.10 700.00	0.29% 2,585.18	Aaa/NA AAA	2.56 0.84
02582JIT8	AMXCA 2022-2 A 3.39 05/17/2027	1,690,000.00	05/17/2022 3.42%	1,689,626.17 1,689,889.74	99.28 4.61%	1,677,833.69 2,546.27	0.98% (12,056.05)	NA/AAA AAA	0.62 0.60
47800BAC2	JDOT 2022-C A3 5.09 06/15/2027	1,181,365.54	10/12/2022 5.15%	1,181,273.87 1,181,313.28	100.44 4.58%	1,186,622.03 2,672.51	0.70% 5,308.75	Aaa/NA AAA	2.71 0.79
58768PAC8	MBART 2022-1 A3 5.21 08/16/2027	1,606,281.06	11/15/2022 5.28%	1,605,963.34 1,606,091.16	100.50 4.50%	1,614,333.67 3,719.43	0.95% 8,242.51	Aaa/AAA NA	2.88 0.65
05592XAD2	BMWOT 2023-A A3 5.47 02/25/2028	335,000.00	07/11/2023 5.47%	334,940.64 334,956.19	101.24 4.43%	339,152.36 305.41	0.20% 4,196.16	NA/AAA AAA	3.41 1.12
438123AC5	HAROT 2023-4 A3 5.67 06/21/2028	585,000.00	11/01/2023 5.74%	584,896.98 584,917.01	102.32 4.18%	598,592.65 921.38	0.35% 13,675.64	Aaa/NA AAA	3.73 1.47
161571HT4	CHAIT 2023-1 A 5.16 09/15/2028	1,885,000.00	09/07/2023 5.17%	1,884,477.48 1,884,586.73	102.17 4.04%	1,925,912.79 4,322.93	1.13% 41,326.06	NR/AAA AAA	3.96 1.82
44934QAD3	HART 2024-B A3 4.84 03/15/2029	470,000.00	07/16/2024 4.90%	469,929.08 469,931.97	101.71 4.12%	478,018.39 1,011.02	0.28% 8,086.42	NA/AAA AAA	4.45 2.19

HOLDINGS REPORT



Calleguas Municipal Water District | Account #10934 | As of September 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
43813YAC6	HAROT 2024-3 A3 4.57 03/21/2029	1,045,000.00	08/09/2024 4.62%	1,044,835.83 1,044,839.85	100.97 4.15%	1,055,093.86 1,326.57	0.62% 10,254.01	Aaa/NA AAA	4.47 2.07
Total ABS		11,206,325.78	4.81%	11,202,306.62 11,204,473.24	100.73 4.39%	11,287,388.76 20,625.52	6.63% 82,915.52	Aaa/AAA AAA	2.86 1.12

AGENCY									
3133ENZ94	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.5 11/18/2024	880,000.00	11/15/2022 4.55%	879,067.20 879,938.75	99.94 4.89%	879,458.73 14,630.00	0.52% (480.02)	Aaa/AA+ AA+	0.13 0.13
3133ENKS8	FEDERAL FARM CREDIT BANKS FUNDING CORP 1.125 01/06/2025	1,000,000.00	01/06/2022 1.20%	997,750.00 999,799.95	99.09 4.60%	990,911.63 2,656.25	0.58% (8,888.32)	Aaa/AA+ AA+	0.27 0.26
3133EPBJ3	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.375 02/23/2026	3,500,000.00	02/24/2023 4.62%	3,476,513.00 3,489,030.80	100.65 3.89%	3,522,860.95 16,163.19	2.07% 33,830.15	Aaa/AA+ AA+	1.40 1.34
3130ALHH0	FEDERAL HOME LOAN BANKS 0.96 03/05/2026	3,500,000.00	04/18/2022 2.88%	3,251,500.00 3,408,742.94	95.87 3.97%	3,355,290.09 2,426.67	1.97% (53,452.85)	Aaa/AA+ AA+	1.43 1.39
3133EP7C3	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.625 04/01/2026	4,200,000.00	04/29/2024 5.02%	4,169,928.00 4,176,534.40	101.18 3.81%	4,249,716.49 97,125.00	2.49% 73,182.09	Aaa/AA+ AA+	1.50 1.44
3133EPQC2	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.625 07/17/2026	1,750,000.00	07/28/2023 4.64%	1,749,160.00 1,749,493.68	101.57 3.71%	1,777,439.60 16,637.15	1.04% 27,945.92	Aaa/AA+ AA+	1.79 1.70
3133ENV72	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.5 07/27/2026	3,100,000.00	10/31/2022 4.50%	3,099,845.00 3,099,924.60	101.29 3.76%	3,139,994.50 24,800.00	1.84% 40,069.89	Aaa/AA+ AA+	1.82 1.73
3134GW4C7	FEDERAL HOME LOAN MORTGAGE CORP 0.8 10/27/2026	3,000,000.00	09/28/2022 4.24%	2,614,500.00 2,804,272.66	94.11 3.78%	2,823,354.42 10,266.67	1.66% 19,081.76	Aaa/AA+ AA+	2.07 2.01
3133EPBM6	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.125 08/23/2027	3,500,000.00	02/24/2023 4.35%	3,468,430.00 3,479,647.18	101.33 3.63%	3,546,635.40 15,239.58	2.08% 66,988.22	Aaa/AA+ AA+	2.90 2.70

HOLDINGS REPORT



Calleguas Municipal Water District | Account #10934 | As of September 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3133EPDJ1	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.375 09/15/2027	3,600,000.00	03/28/2023 3.90%	3,668,976.00 3,645,631.58	102.02 3.65%	3,672,774.97 7,000.00	2.16% 27,143.39	Aaa/AA+ AA+	2.96 2.75
3130ATUS4	FEDERAL HOME LOAN BANKS 4.25 12/10/2027	3,500,000.00	01/30/2023 3.75%	3,576,580.00 3,550,290.70	101.97 3.59%	3,569,028.75 45,864.58	2.09% 18,738.05	Aaa/AA+ AA+	3.19 2.93
3130ATS57	FEDERAL HOME LOAN BANKS 4.5 03/10/2028	3,600,000.00	03/28/2023 3.89%	3,697,488.00 3,667,723.96	102.91 3.59%	3,704,848.38 9,450.00	2.17% 37,124.42	Aaa/AA+ AA+	3.44 3.17
3130AEB25	FEDERAL HOME LOAN BANKS 3.25 06/09/2028	4,000,000.00	06/28/2023 4.04%	3,858,720.00 3,894,685.02	98.89 3.57%	3,955,486.92 40,444.44	2.32% 60,801.90	Aaa/AA+ AA+	3.69 3.41
3133EPUN3	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.5 08/28/2028	3,000,000.00	08/30/2023 4.32%	3,022,140.00 3,017,321.15	103.26 3.60%	3,097,870.59 12,375.00	1.82% 80,549.44	Aaa/AA+ AA+	3.91 3.56
3130AXQK7	FEDERAL HOME LOAN BANKS 4.75 12/08/2028	3,000,000.00	01/29/2024 4.05%	3,090,990.00 3,078,423.74	104.35 3.62%	3,130,379.25 44,729.17	1.84% 51,955.51	Aaa/AA+ AA+	4.19 3.73
3130B1BC0	FEDERAL HOME LOAN BANKS 4.625 06/08/2029	3,000,000.00	07/30/2024 4.10%	3,068,460.00 3,066,066.02	104.30 3.62%	3,128,928.84 57,041.67	1.84% 62,862.82	Aaa/AA+ AA+	4.69 4.13
Total Agency		48,130,000.00	4.10%	47,690,047.20 48,007,527.14	100.94 3.74%	48,544,979.50 416,849.38	28.49% 537,452.36	Aaa/AA+ AA+	2.70 2.49
AGENCY CMBS									
3137FQXJ7	FHMS K-737 A2 2.525 10/25/2026	1,000,000.00	08/22/2022 3.61%	958,398.44 979,726.87	97.33 3.90%	973,330.50 2,104.17	0.57% (6,396.37)	Aaa/AA+ AAA	2.07 1.85
Total Agency CMBS		1,000,000.00	3.61%	958,398.44 979,726.87	97.33 3.90%	973,330.50 2,104.17	0.57% (6,396.37)	Aaa/AA+ AAA	2.07 1.85
CASH									
CCYUSD	Receivable	7,039.04	-- 0.00%	7,039.04 7,039.04	1.00 0.00%	7,039.04 0.00	0.00% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		7,039.04	0.00%	7,039.04	1.00 0.00%	7,039.04 0.00	0.00% 0.00	Aaa/AAA AAA	0.00 0.00

HOLDINGS REPORT



Calleguas Municipal Water District | Account #10934 | As of September 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
CORPORATE									
69371RR73	PACCAR FINANCIAL CORP 2.85 04/07/2025	1,810,000.00	03/31/2022 2.86%	1,809,529.40 1,809,919.28	99.11 4.60%	1,793,959.16 24,932.75	1.05% (15,960.11)	A1/A+ NA	0.52 0.50
023135CE4	AMAZON.COM INC 3.0 04/13/2025	1,865,000.00	-- 2.98%	1,865,844.65 1,865,153.01	99.19 4.55%	1,849,921.87 26,110.00	1.09% (15,231.14)	A1/AA AA-	0.53 0.51
437076CM2	HOME DEPOT INC 2.7 04/15/2025	985,000.00	03/24/2022 2.76%	983,276.25 984,696.72	98.94 4.71%	974,584.94 12,263.25	0.57% (10,111.78)	A2/A A	0.54 0.52
24422EWF2	JOHN DEERE CAPITAL CORP 3.4 06/06/2025	520,000.00	06/01/2022 3.41%	519,880.40 519,972.94	99.29 4.46%	516,333.99 5,647.78	0.30% (3,638.95)	A1/A A+	0.68 0.66
66815L2J7	NORTHWESTERN MUTUAL GLOBAL FUNDING 4.0 07/01/2025	2,410,000.00	06/27/2022 4.01%	2,409,180.60 2,409,795.90	99.65 4.47%	2,401,556.71 24,100.00	1.41% (8,239.19)	Aaa/AA+ AAA	0.75 0.72
14913R2Z9	CATERPILLAR FINANCIAL SERVICES CORP 3.65 08/12/2025	2,335,000.00	08/08/2022 3.69%	2,332,174.65 2,334,187.97	99.51 4.23%	2,323,463.14 11,600.41	1.36% (10,724.83)	A2/A A+	0.87 0.84
89236TKF1	TOYOTA MOTOR CREDIT CORP 3.65 08/18/2025	910,000.00	08/15/2022 3.68%	909,181.00 909,760.13	99.58 4.14%	906,147.42 3,967.35	0.53% (3,612.70)	A1/A+ A+	0.88 0.85
637432NG6	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 3.25 11/01/2025	1,505,000.00	-- 4.04%	1,485,082.00 1,492,709.12	98.90 4.30%	1,488,416.65 20,380.21	0.87% (4,292.47)	A1/A- A+	1.09 1.04
06406RAQ0	BANK OF NEW YORK MELLON CORP 0.75 01/28/2026	2,000,000.00	03/23/2022 2.79%	1,850,460.00 1,948,485.86	95.66 4.15%	1,913,299.52 2,625.00	1.12% (35,186.34)	A1/A AA-	1.33 1.29
713448FQ6	PEPSICO INC 4.55 02/13/2026	475,000.00	02/13/2023 4.57%	474,724.50 474,874.09	100.80 3.94%	478,786.79 2,881.67	0.28% 3,912.70	A1/A+ NA	1.37 1.23
57629W6F2	MASSMUTUAL GLOBAL FUNDING II 4.5 04/10/2026	2,000,000.00	04/04/2023 4.52%	1,998,620.00 1,999,298.65	100.65 4.06%	2,013,010.84 42,750.00	1.18% 13,712.19	Aa3/AA+ AA+	1.53 1.43
74340XBU4	PROLOGIS LP 3.25 06/30/2026	1,000,000.00	11/03/2022 5.52%	925,320.00 964,259.08	98.57 4.10%	985,699.82 8,215.28	0.58% 21,440.74	A3/A NA	1.75 1.67
61747YET8	MORGAN STANLEY 4.679 07/17/2026	2,500,000.00	07/27/2022 4.32%	2,525,350.00 2,506,758.44	99.86 5.78%	2,496,474.73 24,044.86	1.47% (10,283.72)	A1/A- A+	1.79 0.76

HOLDINGS REPORT



Calleguas Municipal Water District | Account #10934 | As of September 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
437076CV2	HOME DEPOT INC 4.95 09/30/2026	2,300,000.00	12/27/2023 4.32%	2,336,179.00 2,325,873.92	101.98 3.91%	2,345,449.04 316.25	1.38% 19,575.12	A2/A A	2.00 1.81
713448FW3	PEPSICO INC 5.125 11/10/2026	680,000.00	11/08/2023 5.13%	679,816.40 679,871.01	102.56 3.85%	697,423.61 13,649.58	0.41% 17,552.60	A1/A+ NA	2.11 1.88
91324PCW0	UNITEDHEALTH GROUP INC 3.45 01/15/2027	2,200,000.00	02/27/2024 4.80%	2,121,196.00 2,137,316.70	98.96 3.93%	2,177,143.78 16,023.33	1.28% 39,827.08	A2/A+ A	2.29 2.16
17275RBQ4	CISCO SYSTEMS INC 4.8 02/26/2027	3,000,000.00	02/27/2024 4.82%	2,998,410.00 2,998,722.76	102.19 3.84%	3,065,653.77 14,000.00	1.80% 66,931.01	A1/AA- NA	2.41 2.17
665859AW4	NORTHERN TRUST CORP 4.0 05/10/2027	820,000.00	05/05/2022 4.03%	818,671.60 819,308.16	100.16 3.93%	821,334.16 12,846.67	0.48% 2,026.01	A2/A+ A+	2.61 2.34
69371RT30	PACCAR FINANCIAL CORP 4.45 08/06/2027	1,290,000.00	08/01/2024 4.50%	1,288,284.30 1,288,372.04	101.57 3.86%	1,310,301.93 8,770.21	0.77% 21,929.89	A1/A+ NA	2.85 2.64
532457CP1	ELI LILLY AND CO 4.15 08/14/2027	1,085,000.00	08/12/2024 4.18%	1,084,121.15 1,084,159.67	100.93 3.80%	1,095,134.57 5,878.59	0.64% 10,974.90	A1/A+ NA	2.87 2.60
06051GGA1	BANK OF AMERICA CORP 3.248 10/21/2027	1,700,000.00	07/30/2024 4.71%	1,626,373.00 1,630,251.40	97.74 4.04%	1,661,615.34 24,540.44	0.98% 31,363.95	A1/A- AA-	3.06 2.83
438516CJ3	HONEYWELL INTERNATIONAL INC 4.95 02/15/2028	1,675,000.00	02/14/2023 4.52%	1,706,758.00 1,696,260.51	103.50 3.83%	1,733,698.87 10,594.38	1.02% 37,438.36	A2/A A	3.38 3.00
713448FL7	PEPSICO INC 3.6 02/18/2028	1,000,000.00	03/27/2024 4.49%	968,490.00 972,633.72	99.33 3.81%	993,333.96 4,300.00	0.58% 20,700.24	A1/A+ NA	3.39 3.14
57636QAW4	MASTERCARD INC 4.875 03/09/2028	2,000,000.00	03/27/2024 4.46%	2,029,460.00 2,025,561.19	103.30 3.84%	2,066,048.12 5,958.33	1.21% 40,486.93	Aa3/A+ NA	3.44 3.07
24422EXB0	JOHN DEERE CAPITAL CORP 4.95 07/14/2028	2,000,000.00	10/23/2023 5.57%	1,948,660.00 1,958,844.62	103.32 4.00%	2,066,370.78 21,175.00	1.21% 107,526.16	A1/A A+	3.79 3.40
46647PDG8	JPMORGAN CHASE & CO 4.851 07/25/2028	2,200,000.00	10/23/2023 6.30%	2,095,060.00 2,121,275.84	101.74 4.84%	2,238,364.48 19,565.70	1.31% 117,088.64	A1/A- AA-	3.82 2.59
89236TMF9	TOYOTA MOTOR CREDIT CORP 5.05 05/16/2029	1,700,000.00	06/14/2024 4.86%	1,713,821.00 1,713,004.37	103.74 4.15%	1,763,605.45 32,193.75	1.04% 50,601.07	A1/A+ A+	4.62 4.03
Total Corporate		43,965,000.00	4.34%	43,503,923.90 43,671,327.09	100.52 4.23%	44,177,133.43 399,330.78	25.93% 505,806.35	A1/A+ A+	2.15 1.87

HOLDINGS REPORT



Calleguas Municipal Water District | Account #10934 | As of September 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
MONEY MARKET FUND									
94975P405	ALLSPRING:GOVT MM I	310,910.74	-- 4.82%	310,910.74 310,910.74	1.00 4.82%	310,910.74 0.00	0.18% 0.00	Aaa/AAAm NA	0.00 0.00
Total Money Market Fund		310,910.74	4.82%	310,910.74 310,910.74	1.00 4.82%	310,910.74 0.00	0.18% 0.00	Aaa/ AAAm NA	0.00 0.00
SUPRANATIONAL									
4581X0EKO	INTER-AMERICAN DEVELOPMENT BANK 4.5 05/15/2026	3,410,000.00	06/27/2023 4.53%	3,407,374.30 3,408,513.61	101.03 3.84%	3,445,140.49 57,970.00	2.02% 36,626.88	Aaa/AAA NA	1.62 1.53
Total Supranational		3,410,000.00	4.53%	3,407,374.30 3,408,513.61	101.03 3.84%	3,445,140.49 57,970.00	2.02% 36,626.88	Aaa/AAA NA	1.62 1.53
US TREASURY									
91282CDB4	UNITED STATES TREASURY 0.625 10/15/2024	3,000,000.00	04/18/2022 2.61%	2,855,976.56 2,997,784.25	99.84 4.89%	2,995,096.05 8,657.79	1.76% (2,688.20)	Aaa/AA+ AA+	0.04 0.04
91282CDH1	UNITED STATES TREASURY 0.75 11/15/2024	3,700,000.00	03/22/2022 2.37%	3,546,074.22 3,692,844.36	99.50 4.84%	3,681,524.16 10,481.66	2.16% (11,320.20)	Aaa/AA+ AA+	0.13 0.12
91282CDN8	UNITED STATES TREASURY 1.0 12/15/2024	3,800,000.00	09/28/2022 4.17%	3,546,320.31 3,776,453.00	99.27 4.60%	3,772,093.75 11,213.11	2.21% (4,359.25)	Aaa/AA+ AA+	0.21 0.20
91282CDS7	UNITED STATES TREASURY 1.125 01/15/2025	1,500,000.00	01/25/2022 1.28%	1,493,378.91 1,499,353.15	99.01 4.59%	1,485,175.79 3,576.77	0.87% (14,177.36)	Aaa/AA+ AA+	0.29 0.28
91282CDZ1	UNITED STATES TREASURY 1.5 02/15/2025	3,000,000.00	04/18/2022 2.67%	2,903,789.06 2,987,240.17	98.89 4.52%	2,966,689.44 5,747.28	1.74% (20,550.73)	Aaa/AA+ AA+	0.38 0.37
91282CED9	UNITED STATES TREASURY 1.75 03/15/2025	3,000,000.00	04/18/2022 2.67%	2,922,421.88 2,987,935.54	98.85 4.31%	2,965,576.17 2,320.44	1.74% (22,359.37)	Aaa/AA+ AA+	0.45 0.45
912828XB1	UNITED STATES TREASURY 2.125 05/15/2025	4,000,000.00	04/28/2022 2.80%	3,920,468.75 3,983,836.27	98.70 4.27%	3,947,890.64 32,105.98	2.32% (35,945.63)	Aaa/AA+ AA+	0.62 0.60

HOLDINGS REPORT



Calleguas Municipal Water District | Account #10934 | As of September 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CEU1	UNITED STATES TREASURY 2.875 06/15/2025	3,100,000.00	-- 3.31%	3,077,078.13 3,091,081.24	99.10 4.17%	3,072,178.71 26,299.18	1.80% (18,902.53)	Aaa/AA+ AA+	0.71 0.68
91282CAB7	UNITED STATES TREASURY 0.25 07/31/2025	3,000,000.00	04/28/2022 2.80%	2,760,351.56 2,938,928.95	96.90 4.08%	2,907,023.43 1,263.59	1.71% (31,905.52)	Aaa/AA+ AA+	0.83 0.81
91282CFK2	UNITED STATES TREASURY 3.5 09/15/2025	3,800,000.00	09/28/2022 4.19%	3,726,968.75 3,776,443.71	99.54 3.99%	3,782,692.18 5,878.45	2.22% 6,248.47	Aaa/AA+ AA+	0.96 0.93
9128285J5	UNITED STATES TREASURY 3.0 10/31/2025	3,650,000.00	06/22/2022 3.27%	3,618,490.23 3,639,848.00	99.02 3.94%	3,614,070.31 45,823.37	2.12% (25,777.68)	Aaa/AA+ AA+	1.08 1.04
91282CFW6	UNITED STATES TREASURY 4.5 11/15/2025	3,600,000.00	11/30/2022 4.31%	3,618,843.75 3,607,147.03	100.64 3.91%	3,623,062.50 61,190.22	2.13% 15,915.47	Aaa/AA+ AA+	1.13 1.07
91282CGA3	UNITED STATES TREASURY 4.0 12/15/2025	4,900,000.00	-- 4.63%	4,836,246.09 4,864,801.97	100.16 3.86%	4,907,847.64 57,836.07	2.88% 43,045.67	Aaa/AA+ AA+	1.21 1.15
912828YQ7	UNITED STATES TREASURY 1.625 10/31/2026	4,000,000.00	-- 3.36%	3,738,945.31 3,865,862.57	95.98 3.65%	3,839,375.00 27,201.09	2.25% (26,487.57)	Aaa/AA+ AA+	2.08 2.00
91282CEF4	UNITED STATES TREASURY 2.5 03/31/2027	4,000,000.00	10/23/2023 4.91%	3,698,593.75 3,781,035.81	97.43 3.59%	3,897,187.52 274.73	2.29% 116,151.71	Aaa/AA+ AA+	2.50 2.39
9128286B1	UNITED STATES TREASURY 2.625 02/15/2029	4,000,000.00	-- 4.24%	3,717,953.13 3,746,455.95	96.15 3.58%	3,846,093.76 13,410.33	2.26% 99,637.81	Aaa/AA+ AA+	4.38 4.07
91282CKT7	UNITED STATES TREASURY 4.5 05/31/2029	2,700,000.00	-- 3.82%	2,778,679.69 2,777,635.34	104.00 3.56%	2,808,000.00 40,831.97	1.65% 30,364.66	Aaa/AA+ AA+	4.67 4.13
91282CLK5	UNITED STATES TREASURY 3.625 08/31/2029	3,500,000.00	09/26/2024 3.55%	3,511,074.22 3,511,049.60	100.30 3.56%	3,510,390.63 10,864.99	2.06% (658.97)	Aaa/AA+ AA+	4.92 4.45
Total US Treasury		62,250,000.00	3.52%	60,271,654.30 61,525,736.92	99.02 4.07%	61,621,967.67 364,976.99	36.17% 96,230.76	Aaa/AA+ AA+	1.52 1.42
Total Portfolio		170,279,275.56	4.01%	167,351,654.55 169,115,254.64	99.92 4.03%	170,367,890.14 1,261,856.83	100.00% 1,252,635.49	Aa2/AA- AA	2.11 1.83
Total Market Value + Accrued						171,629,746.97			

HOLDINGS REPORT



CMWD Reporting | Account #10935 | As of September 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
CASH									
CCYUSD	Receivable	32,778.12	-- 0.00%	32,778.12 32,778.12	1.00 0.00%	32,778.12 0.00	1.13% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		32,778.12	0.00%	32,778.12	0.00%	32,778.12	0.00	Aaa/AAA	0.00
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	2,859,022.81	-- 4.57%	2,859,022.81 2,859,022.81	1.00 4.57%	2,859,022.81 0.00	98.87% 0.00	NA/NA NA	0.00 0.00
Total LAIF		2,859,022.81	4.57%	2,859,022.81	4.57%	2,859,022.81	0.00	NA/NA	0.00
Total Portfolio		2,891,800.93	4.52%	2,891,800.93	4.52%	2,891,800.93	0.00	Aaa/AAA	0.00
Total Market Value + Accrued						2,891,800.93			

TRANSACTIONS

TRANSACTION LEDGER



Calleguas Municipal Water District | Account #10934 | 07/01/2024 Through 09/30/2024 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	07/24/2024	44934QAD3	470,000.00	HART 2024-B A3 4.84 03/15/2029	99.985	5.45%	(469,929.08)	0.00	(469,929.08)	0.00
Purchase	07/31/2024	3130B1BC0	3,000,000.00	FEDERAL HOME LOAN BANKS 4.625 06/08/2029	102.282	4.10%	(3,068,460.00)	(33,916.67)	(3,102,376.67)	0.00
Purchase	07/31/2024	06051GGA1	1,700,000.00	BANK OF AMERICA CORP 3.248 10/21/2027	95.669	4.71%	(1,626,373.00)	(15,337.78)	(1,641,710.78)	0.00
Purchase	08/06/2024	69371RT30	1,290,000.00	PACCAR FINANCIAL CORP 4.45 08/06/2027	99.867	4.50%	(1,288,284.30)	0.00	(1,288,284.30)	0.00
Purchase	08/14/2024	532457CP1	1,085,000.00	ELI LILLY AND CO 4.15 08/14/2027	99.919	4.18%	(1,084,121.15)	0.00	(1,084,121.15)	0.00
Purchase	08/21/2024	43813YAC6	1,045,000.00	HAROT 2024-3 A3 4.57 03/21/2029	99.984	4.66%	(1,044,835.83)	0.00	(1,044,835.83)	0.00
Purchase	08/30/2024	91282CKT7	900,000.00	UNITED STATES TREASURY 4.5 05/31/2029	103.492	3.69%	(931,429.69)	(10,069.67)	(941,499.36)	0.00
Purchase	09/27/2024	91282CLK5	3,500,000.00	UNITED STATES TREASURY 3.625 08/31/2029	100.316	3.55%	(3,511,074.22)	(9,463.05)	(3,520,537.27)	0.00
Purchase	09/27/2024	91282CKT7	1,000,000.00	UNITED STATES TREASURY 4.5 05/31/2029	104.031	3.56%	(1,040,312.50)	(14,631.15)	(1,054,943.65)	0.00
Total Purchase								(83,418.32)	(14,148,238.09)	0.00
TOTAL ACQUISITIONS								(83,418.32)	(14,148,238.09)	0.00

TRANSACTION LEDGER



Calleguas Municipal Water District | Account #10934 | 07/01/2024 Through 09/30/2024 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Maturity	07/01/2024	4581X0EE4	2,500,000.00	INTER-AMERICAN DEVELOPMENT BANK 3.25 07/01/2024	100.000	3.25%	2,500,000.00	0.00	2,500,000.00	0.00
Maturity	07/30/2024	91159HHX1	2,000,000.00	US BANCORP 2.4 07/30/2024	100.000	2.40%	2,000,000.00	0.00	2,000,000.00	0.00
Maturity	09/15/2024	91282CCX7	4,000,000.00	UNITED STATES TREASURY 0.375 09/15/2024	100.000	0.38%	4,000,000.00	0.00	4,000,000.00	0.00
Total Maturity								0.00	8,500,000.00	0.00
Sale	08/06/2024	912797GK7	2,500,000.00	UNITED STATES TREASURY 08/08/2024	99.971	5.35%	2,499,281.28	0.00	2,499,281.28	(5.39)
Sale	08/14/2024	91282CAB7	1,000,000.00	UNITED STATES TREASURY 0.25 07/31/2025	96.094	2.80%	960,937.50	95.11	961,032.61	(15,480.61)
Total Sale								95.11	3,460,313.89	(15,486.00)
TOTAL DISPOSITIONS								95.11	11,960,313.89	(15,486.00)

TRANSACTION LEDGER



CMWD Reporting | Account #10935 | 07/01/2024 Through 09/30/2024 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	07/15/2024	90LAIF\$00	39,727.32	Local Agency Investment Fund State Pool	1.000	4.53%	(39,727.32)	0.00	(39,727.32)	0.00
Total Purchase			39,727.32				(39,727.32)	0.00	(39,727.32)	0.00
TOTAL ACQUISITIONS			39,727.32				(39,727.32)	0.00	(39,727.32)	0.00

IMPORTANT DISCLOSURES



2024 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by ICE Data Services Inc (“IDS”), an independent pricing source. In the event IDS does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client’s Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody’s, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities (“MBS”) reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody’s and Fitch respectively.

Benchmark	Disclosure
ICE BofA 1-3 Yr US Treasury Index	The ICE BofA 1-3 Year US Treasury Index tracks the performance of US dollar-denominated sovereign debt publicly issued by the US government in its domestic market. Qualifying securities must have at least one year remaining term to final maturity and less than three years remaining term to final maturity, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion. Qualifying securities must have at least 18 months to final maturity at the time of issuance.

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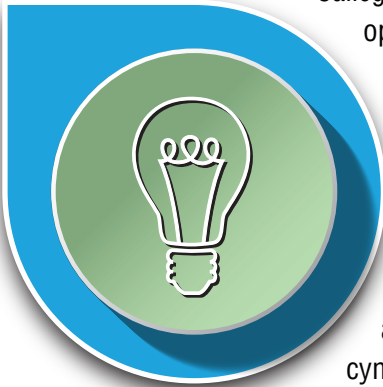
7A5 REPORTS



2024 STRATEGIC COMMUNICATIONS PLAN



Plan Purpose



Calleguas has a story to tell—a story about its New Model for Resilience. It’s an optimistic story about taking a more active leadership role in the region and entering into transformational partnerships to build a better future. The District will need help to make this future a reality from local partners, elected officials, and the community at large and soliciting that help starts with sharing, as widely as possible, who Calleguas is and what its future looks like.

But the world is noisy. The 24/7 news cycle, streaming video, the ubiquitous podcast, intrusive social media, ads, ads, ads—everything is vying for our attention all the time. The noise is, by and large, distracting, pessimistic, and cynical. That’s what sells.

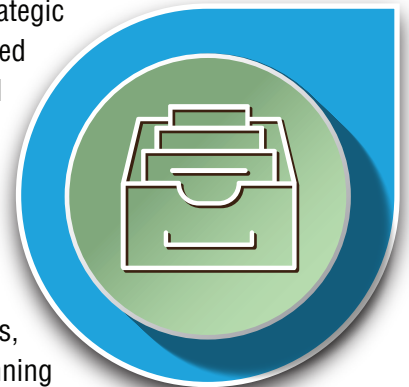
How does Calleguas break through the noise to compete for a portion of the service area’s attention? How does the District get its positive, optimistic— but by necessity complicated—message across in a way ratepayers and elected officials can adopt as a priority of their own?

The answers to these questions form the substance of this Strategic Communications Plan.

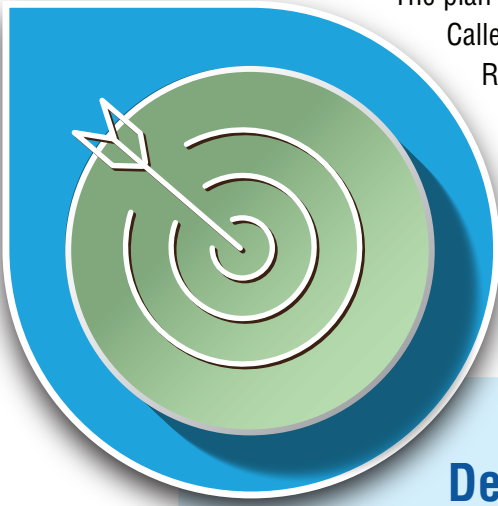
Calleguas’s 2023 Strategic Plan defined the District’s New Model for Resilience as looking to local and regional supplies and new types of transformative partnerships to ensure water resilience and financial stability. It called for, among other Objectives, elevating the District’s profile through impactful communications, increasing partnerships and collaboration, effecting positive changes in the water industry, and enhancing legislative and regulatory advocacy. To determine what those goals look like in action, the District’s Public Engagement, Communications, and Legislative Affairs committee held several discussions about strategic communications and the Board held a two-hour workshop, in February 2024, to provide guidance on critical audiences and develop key messaging priorities. This document is the result of that effort.

Plan Organization

The plan is organized around three main ideas: what the District wants to say, who it wants to say it to, and how it’s going to say it. During its strategic communications planning workshop, the Calleguas Board identified critical audiences, from local residents to state regulators to federal representatives and everyone in between. The Board also discussed the different “channels” the District can use to communicate with these audiences, which range from social media to coalition letters to in-person visits by the Board. These are brought together in eight Audience Profiles demonstrating how the District tailors its messages and engagement strategy based on the audience. The plan gets precise on Key Messages, using language gathered from current Board members during the planning workshop. Key Messages are expected to be refreshed most frequently; the rest of the plan is expected to be updated at the same interval as the District’s Strategic Plan.



Communication Objectives



The plan takes as its organizing principle the three Priorities developed in the Calleguas 2023 Strategic Plan: Delivering Reliable Service, Improving Resilience, and Providing Regional Leadership. The following Objectives illustrate how communications can support implementation of the District's strategic priorities. Through targeted messaging and engagement strategies, the District aims to strengthen trust, enhance awareness, and foster collaboration throughout the Ventura County region and beyond.

Delivering Reliable Service

- **Emphasize Safe and Clean Water:** Communicate the District's commitment to consistently delivering safe, high-quality water that meets or exceeds regulatory standards, fostering public confidence.
- **Strengthen Community Connection:** Engage with local residents to underscore the District's significance, emphasizing that employees are community members invested in the well-being of the region.
- **Demonstrate Financial Transparency:** Convey prudent fiscal management to assure stakeholders of the District's long-term stability and reliability.
- **Highlight Historical Reliability:** Share stories and updates to showcase the District's 70-year history of reliability, emphasizing its commitment to continuous improvement through new projects and collaborations and establishing the District as a trusted entity in water.
- **Showcase Critical Infrastructure:** Highlight key projects such as the Salinity Management Pipeline, Las Posas Aquifer Storage and Recovery Wellfield, Santa Susana Tunnel, and Lake Bard, as well as proactive maintenance, to minimize down time and extend the lifespan of these investments.
- **Promote Water Use Efficiency:** Demonstrate Calleguas's ongoing commitment to water use efficiency by providing regular workshops, classes, and rebates to residents, businesses, and institutions in our service area.

Improving Resilience

- **Impact Through Adaptability:** Raise awareness about the District's resilience strategies for changing hydrological, regulatory, and political climates, including diversification of the District's water portfolio, organizational agility, and working collaboratively at the regional level to address weather whiplash.
- **Manage Risk:** Inform and educate audiences throughout the service area about the District's approach to emergency preparedness and cybersecurity threats.
- **Promote the Workforce of the Future:** Highlight the programs, policies, and exemplary culture that make Calleguas an employer of choice for the Ventura County region and collaborate with regional partners on requisite competencies and training programs for the next generation of water professionals.

Providing Regional Leadership

- **Position Calleguas as an Industry Leader:** Feature efforts and create spaces to promote the District as an organization developing modern, innovative solutions to California's emergent water resources challenges.
- **Drive Advocacy Initiatives:** Communicate advocacy efforts to local, regional, state, and federal entities on key issues, such as Metropolitan Water District of Southern California (Metropolitan) rates, Delta Conveyance Project, and regional legislative advocacy, demonstrating leadership in shaping policies for the region's benefit.
- **Amplify Public Engagement:** Enhance outreach efforts to bolster confidence in Calleguas and elevate public understanding of the District's resilience strategies, including projects and programs emerging from regional and statewide planning efforts.
- **Foster Transformative Partnerships:** Identify opportunities to collaborate with a wide array of regional and local organizations to help promote District projects, programs, and initiatives and identify cross-promotional efforts. Highlight collaborative efforts to address water challenges.
- **Highlight Successful Funding Efforts:** Underscore achievements in obtaining funding to support regional initiatives, demonstrating a proactive approach to securing resources for the region's benefit.

Board Key Messaging Priorities: 2024



At the Board’s February 2024 Strategic Communications Plan workshop, Board members shared their views about the District’s mission, history, and vision for the future. The concepts and ideas discussed in that setting are outlined below.

1. Regional Supply Diversification: Similar to diversification of a financial portfolio, diversification of water supply is an important strategy in seeking water reliability solutions. Depending upon one source is an outdated approach with inherent risk when that sole source cannot deliver with consistency—as Ventura County learned during the 2022 drought. Calleguas is leading a collaborative regional effort to develop a portfolio of potential water resource enhancement strategies aimed at improving water supply for Ventura County.

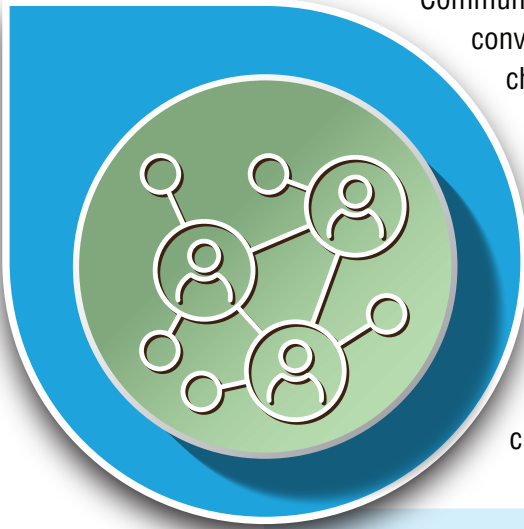
2. Fiscal Responsibility: Calleguas’s primary mission is to deliver safe and reliable water in an economically responsible manner. This includes maintaining aging infrastructure as well as judicious planning for both long-term water supply reliability and interruptions resulting from planned outages or natural disaster.

3. A 21st Century Calleguas: The Board-adopted Strategic Plan in August 2023 is a statement of the District’s identity, goals, and priorities. While paying homage to the District’s longstanding Guiding Principles, the Plan is also future-focused, providing context and deliverables for the New Model for Resilience, which stemmed from the realization that “business as usual” was no longer viable. Between decreasing or flattening demands, increasing Metropolitan rates, and economic volatility, water continues to cost more every year. Through advocacy, water resource development, and community engagement, Calleguas strives to maximize ratepayers’ returns on these investments.

4. Partnerships for Mutual Benefit: As outlined in the Strategic Plan, providing reliable water supply and improving resilience requires leadership to explore partnerships: in some cases, transformative ones that have never been explored. As we work to preserve and protect this precious resource, it must be with the recognition on the part of all participants that cooperation and collaboration are essential for success.

5. Our Future Legacy: The District’s New Model for Resilience builds on a commitment to resilience, reliability, and high-quality water spanning the seven decades since the District’s formation. This commitment guides our work for present and future generations, inspiring innovation, collaboration, and exploration to work toward ensuring a water resilient future for Ventura County residents for decades to come.

Communication Channels



Communication channels are the various platforms and methods used to convey messages and information to different audience types. These channels are crucial for ensuring that the District's messages reach the intended audiences effectively and efficiently. They encompass traditional media like print and broadcast, digital platforms such as social media and email, and interpersonal methods including meetings and community events. The strategic selection and utilization of these channels enable the District to build and maintain relationships, enhance engagement, and achieve communication objectives. By leveraging a mix of channels, messages can be tailored to different audience segments, ensuring clarity, consistency, and maximum impact.

Examples of communication channels:

Meetings/ Briefings

Print Media

- News stories/News releases/Op-eds
- Notices of upcoming events
- Newsletter
- Briefing papers/Talking points
- Media kits
- Flyers/Signage/Brochures
- Reports

Electronic Media

- Social media
- Email blasts
- Radio
- Video

Community Engagement

- District programs
- Speaker presentations
- Trainings
- Conferences
- Promotional giveaways
- Word of mouth



Audience Profiles

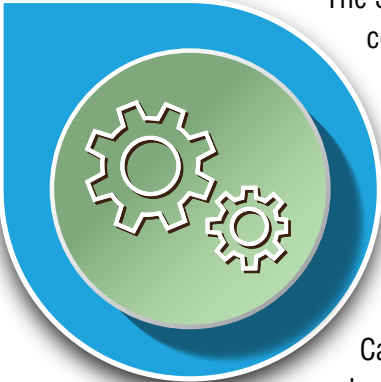
Calleguas engages with different types of audiences in a variety of ways. From ratepayers to purveyors to legislators (and more), each audience has distinct characteristics, interests, knowledge, and goals that require thorough understanding, thoughtful interaction, and tailored messaging.

Eight key audiences were identified as critical to the District's communications strategy:

- 
- ▶ **Community Members**
 - ▶ **Purveyors**
 - ▶ **Regional Partners**
 - ▶ **Associations**
 - ▶ **Metropolitan Water District of Southern California**
 - ▶ **Elected Officials**
 - ▶ **Regulators**
 - ▶ **Media**

Each of these is elaborated on below in an “Audience Profile,” providing an example of how the District modifies key messaging priorities and engagement strategies for different audience types. The “Themes” provide a general tone and level of detail audience members can expect. “Potential Channels” highlight options for Board member interaction; Calleguas staff will employ additional channels as necessary. Both the Board and staff will adapt messages, style, and delivery methods as appropriate. This set of profiles is intended to be illustrative, not exhaustive, and will be reassessed when the plan is updated.

The Plan In Action



The Strategic Communications Plan is a cooperative effort and executing its components will require ongoing coordination between Calleguas Board members and staff. While the plan contains recommended strategies and tactics, communications is a dynamic enterprise and implementing the plan will require adaptation to conditions in the environment and to the District's priorities over time.

Through clear, concise, and deliberate messaging targeted at specific groups, advancing the District's communications, as described in this plan, will support Calleguas's strategic priorities of delivering reliable service, improving resilience, and providing regional leadership.

Community Members

Also called “end users,” these are the customers of Calleguas’s purveyors who use water at their homes, businesses, hospitals, farms, schools, institutions, and parks throughout the service area.



Themes

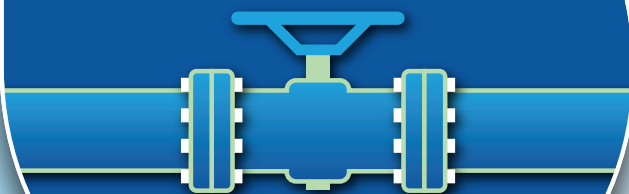
- Calleguas is a crucial link in an intricate, statewide supply chain, distributing water derived from snowmelt from the Sierra Nevada, via Metropolitan, to 19 retail water suppliers across southeastern Ventura County. Approximately three-quarters of the population in Ventura County is either wholly or partially served by Calleguas.
- At Calleguas, we’re committed to being transparent about the cost of water and how we’re working to keep water affordable through smart investments and advocacy.
- Calleguas ensures the delivery of safe and clean water. Our highly trained staff works diligently 24/7 to ensure that your water supply meets or exceeds all state and federal water quality standards, so you can trust every drop.
- Calleguas champions water use efficiency through regular workshops, classes, rebates, and partnerships with purveyors.

Potential Channels

- Board meetings
- Community events
- Media stories
- Public outreach

Purveyors

The 19 retail water providers that distribute water within the Calleguas service area.



Themes

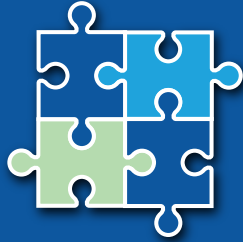
- Our strategic investments in infrastructure and proactive maintenance ensure that you can depend on a steady water supply for your customers.
- We value your partnership. By understanding your unique challenges, we foster a collaborative approach to water management that benefits the region.
- We advocate for policies that ensure your interests are represented.
- Part of the New Model for Resilience is positioning Calleguas as a hub for water resource planning. What that means for your customers is essential to developing projects and programs that meet our regional needs.

Potential Channels

- Monthly purveyor meetings
- Purveyor elected legislative bodies
- Individual meetings
- Public events

Regional Partners

Organizations with similar perspectives and/or shared goals within the region that aren't Calleguas purveyors. These include water suppliers, cities and counties, and other water-related institutions, but could expand to include other like-minded organizations both public and private.



Themes

- Calleguas is leading a collaborative effort to address the challenges of water supply reliability and resilience in our region.
- We are actively pursuing transformative partnerships with organizations seeking ways for the public sector to support a thriving economy and invest in our communities for generations to come.
- Our track record as a regional leader provides the foundation to expand collaborations and develop innovative water supply solutions.
- We aim to add value across the region and are open to new ideas about how we manage and distribute water for greater regional benefit.

Potential Channels

- One-on-one interaction
- Informal gatherings
- Formal interagency meetings
- Calleguas tours/briefings

Associations

Organizations that provide advocacy, training, education, networking, and platforms for collaboration.



Themes

- Calleguas collaborates and aligns advocacy efforts with associations to address water challenges and promote water supply reliability in Ventura County, Southern California, and across the state, leveraging collective expertise and resources.
- Understanding the power of a collective voice, Calleguas participates in industry groups to promote a unified approach to relevant issues.
- Calleguas has some of the best water professionals in the business and we take an active role in the associations we're a part of, contributing our depth of experience to shape regulation and policy, locally, statewide, and federally.

Potential Channels

- Events of local water, public works, and similarly-focused organizations and local chapters of larger organizations
- Networking opportunities
- Working groups
- Committees
- Conferences

Metropolitan Water District of Southern California

Comprised of 26 member agencies providing water to 19 million Southern Californians from the Mexican border to the Calleguas service area, Metropolitan has served as the water wholesaler for Calleguas for six decades, playing a crucial role in the District's, and Ventura County's, development.



Themes

- Our relationship with Metropolitan is dual purpose: we are a member agency relying exclusively on Metropolitan for water supply and a representative and advocate for our 19 retailers.
- Calleguas is committed to being an engaged and productive member of the Metropolitan policymaking process at both the Board and staff levels.
- Calleguas has a fiduciary responsibility to our purveyors to advocate for both cost-effectiveness and fairness in Metropolitan fees and charges.
- Our relationship with Metropolitan requires collaboration in numerous areas, including operational issues, policy development, and funding for purveyor programs.

Potential Channels

- Metropolitan Board and Committee meetings
- Inspection trips
- Special events
- Informal gatherings
- Calleguas Board meetings/tours
- Correspondence

Elected Officials

Representatives at the federal, state, and local levels who have jurisdiction over the areas served by Calleguas



Themes

- Our collective experience across water disciplines makes us a trusted resource for elected officials on all aspects of water management.
- Calleguas is engaging in a deliberative, robust, and interactive process with partners across geographical, jurisdictional, and political boundaries to develop a platform for regional resilience.
- Generational investments in water infrastructure are necessary to continue and improve water supply reliability. We are seeking innovative funding mechanisms to reduce our exposure to future uncertainties and the accelerating rate of regulatory and hydrological change.

Potential Channels

- Calleguas tours/briefings
- Individual meetings in Sacramento/Washington, D.C.
- Correspondence
- Coalition efforts
- Special events
- Metropolitan inspection trips

Media

Radio, television, print, social media platforms, and online sources of news and information to Ventura County and beyond.



Themes

- We welcome opportunities to share the stories, achievements, and challenges that are important to Ventura County residents to foster dialogue and promote transparency.
- Water is full of interesting angles that deeply affect every corner of Ventura County society. Water stories aren't just pumps and pipes—they are about people, history, innovation, politics, and more. We will strive to highlight the human relevance of water-related stories to media audiences.
- The changing climate is frontpage news and water is central to that story. From socioeconomic equity to tribal rights to how we plan for water resilience in our hotter, drier future, every climate-related issue has some nexus to water.

Potential Channels

- Press releases
- Media events
- Interviews
- Videos
- Podcasts
- Social media engagement
- Editorial board meetings

Regulators

Local, state, and federal agency staff responsible for enforcing regulations regarding water quality, environmental compliance, water supply, and land use planning, and more. Engagement in regulatory processes to advance Calleguas's viewpoints, and those of our purveyors, is an essential piece of the District's overall advocacy program.



Themes

- We reject a "one-size-fits-all" approach to water management and instead support adaptable and flexible means to achieve overall policy goals, with implementation left to local decision-makers.
- As a region, we consistently demonstrate that collaborative self-regulation can make meaningful progress towards statewide and regional regulatory goals.
- Calleguas supports regulatory frameworks based on reconciliation ecology. Unlike restoration ecology, which seeks to return ecosystems to a historical state, reconciliation ecology offers a pragmatic approach to regulations by promoting coexistence between human activities and ecological functions.
- Ever-expanding regulations compound the challenges posed by a changing climate, aging infrastructure, and other economic pressures. The costs of regulations should be borne equitably across sectors.

Potential Channels

- Correspondence
- Board actions
- Invited testimony
- Public comments

DRAFT



For More Information...
Call: **805.526.9323**
Email: **Info@calleguas.com**
Visit: **Calleguas.com**

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RAUL AVILA, SECRETARY
DIVISION 1

THIBAUT ROBERT, DIRECTOR
DIVISION 4



ANDY WATERS, VICE PRESIDENT
DIVISION 3

JACQUELYN MCMILLAN, TREASURER
DIVISION 5

KRISTINE MCCAFFREY
GENERAL MANAGER

BOARD MEMORANDUM

Date: November 6, 2024
To: Board of Directors
From: Fernando Baez, Manager of Engineering
Subject: Item 7.A.7 – Third Quarter 2024 Change Order Summary Report

Objective: To provide information on change orders that have been executed through the third quarter of 2024.

Discussion: Change Order summaries are provided for the following projects:

- LVMWD-CMWD Interconnection (Project No. 450)
- TOD Pump Station Rehabilitation (Project No. 590) (completed)
- Lake Sherwood Pump Station Rehabilitation (Project No. 591)

The projects did not have any new change orders during the reporting period.

Attachments

- Change Order summary for LVMWD-CMWD Interconnection (Project No. 450)
- Change Order summary for TOD Pump Station Rehabilitation (Project No. 590)
- Change Order summary for Lake Sherwood Pump Station Rehabilitation (Project No. 591)

**LVMWD-CMWD Interconnection
(Project No. 450)
Summary of Change Orders**

Description of work	Reason	Cost (Credit) to Calleguas
Change Order No. 1 (approved by Senior Project Manager November 22, 2021)		
1-1 Pothole one sewer pipeline and delete requirement to pothole several other utilities	As required in the Contract Documents, the Contractor performed extensive utility potholing at the intersection of Lindero Canyon and Kanan Roads which is the location of the Interconnection Pipeline and Triunfo Water & Sanitation District Meter Station pipeline connections to Calleguas' existing Lindero Feeder. In an effort to streamline the potholing effort and minimize further disruption to the intersection and the local community during the night work required for potholing, it was determined that alternative approaches to design and construction would allow several potholes to be deleted. In lieu of these potholes, staff negotiated with the Contractor to pothole one sewer pipeline which was omitted from the Contract Documents. <i>(Requested during construction)</i>	No Cost
Change Order No. 2 (approved by the Board January 5, 2022)		
2-1 Modify the alignment and profile of the Interconnection Pipeline and appurtenances to accommodate actual utility locations.	<p>Upon review of the Contractor's potholing report, it was determined that multiple utility conflicts exist along the pipeline alignment shown in the Drawings and the alignment must be modified to avoid the noted utility conflicts. The additional work primarily includes:</p> <ul style="list-style-type: none"> • Increasing the depth of the Interconnection Pipeline and its blow-off structures at three deep large diameter storm drain under-crossings. • Increasing the depth of the Interconnection Pipeline and its access manholes along more than half of the alignment to avoid conflicts with existing shallow utilities. • Decreasing the depth of the Interconnection Pipeline in one short segment to avoid conflicts with existing utilities and requiring installation of a reinforced concrete cap to protect the pipeline due to shallow cover. • Increasing the requirements for restrained joint lengths along the Interconnection Pipeline due to the above changes. • 62 days of extended contractor overhead due to the impact of these changes on the overall project critical path. <p><i>(Could not reasonably have been anticipated during design)</i></p>	\$770,986.22

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
Change Order No. 3 (approved by Acting Manager of Engineering February 9, 2022)		
3-1 Perform exploratory pothole at dip in roadway	The City of Thousand Oaks requested that Calleguas perform an exploratory pothole at a dip within the northbound lanes of Lindero Canyon Road, north of Blackbird Avenue, during the utility potholing effort. The potholing confirmed that there was an existing cracked sewer pipe. The owner of the sewer pipe (Triunfo Water and Sanitation District) will repair the dip in the roadway and sewer pipe when their work will not interfere with construction of this project. <i>(Requested during construction)</i>	\$4,472.55
3-2 Prepare modified shop drawings for VFD sections of the Switchboard	The Contract Documents require installation of Switchboards and variable frequency drives (VFDs) within the PS/PRS Electrical Room. Switchboards are electrical distribution equipment and VFDs are controllers used to vary pump motor speed. The sizes of these equipment were based on information provided by the design-basis manufacturer during design. However, during construction, it was discovered that the manufacturer had provided incorrect information and VFD sections in the Switchboard did not have enough space to accommodate all equipment, including circuit breakers. In order to accommodate all the required equipment, modifications to the Switchboard, including relocating circuit breakers, are required. The additional work includes preparing modified shop drawings to address these changes. A separate change order item will be required for the physical changes to the Switchboard. <i>(Could not reasonably have been anticipated during design)</i>	\$9,639.62
3-3 Postpone potholing work one night and consolidate into a contiguous block the following week	As indicated in Item 1-1, the Contractor performed extensive utility potholing at the intersection of Lindero Canyon and Kanan Roads. Following successive nights of potholing at this intersection, staff determined it was necessary to postpone potholing work from a Friday night to consolidate the remaining potholing into a contiguous block the following week to facilitate addressing noise concerns in the community. The additional work includes costs the Contractor incurred associated with the postponed work and extended Contractor overhead. <i>(Requested during construction)</i>	\$7,004.82
3-4 Pothole two electrical conduits not marked via the DigAlert utility notification process	The Contractor followed the DigAlert process as required by the Contract Documents and the law; however, two 5-inch electrical conduits shown on the Drawings were not marked by the utility owner. The Contractor attempted to pothole these conduits at the locations shown on the Drawings, but was not successful in finding them. The additional work included initiating a second utility notification and marking	\$2,527.26

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
	request and successfully potholing and locating the two 5-inch conduits. <i>(Could not reasonably have been anticipated during design)</i>	
3-5 Pothole 42-inch Lindero Feeder No. 2 pipeline within North Ranch Country Club	The Contract Documents require the Contractor to pothole points of connection to existing pipelines and the nearest existing joints to those points of connection along existing pipelines. The nearest existing joints are potholed to verify there is adequate clearance from the point of connection and the nearest pipe joint. The Contractor attempted to pothole existing joints on both sides of a planned connection to Lindero Feeder No. 2, but was unsuccessful in locating the joints at locations shown in the Drawings. Additional potholing was required to ensure there are no existing joints too close to where the new tee connection will be installed. <i>(Could not reasonably have been anticipated during design)</i>	\$4,410.35
Change Order No. 4 <i>(approved by Manager of Engineering April 4, 2022)</i>		
4-1 Remove existing timber bollard and cable fence at the PS/PRS site and reinstall at the end of construction	Once the Contractor mobilized to the Pump Station (PS)/Pressure Reducing Station (PRS) site, it was discovered that approximately 125 linear feet of an existing timber bollard and cable fence at the site conflicted with the required site work and needed to be removed and relocated. The additional work includes removing existing timber bollards, concrete foundations, and cables and relocating the timber bollard and cable fence along a new 150 linear foot boundary using 5 new and 4 salvaged 13-inch diameter timber bollards cast in concrete foundations at the end of construction. <i>(Design Omission)</i>	\$15,319.71
4-2 Modify two angled pipe penetrations through the floor in the PRS Room	The Contract Documents required construction of angled pipe penetrations through the concrete floor into the Pressure Regulation Station Room (PRS Room) of the PS/PRS using a modular pipe sealing system and sleeves for wall penetrations. To improve constructability and the quality of the final work product, the angled pipe penetrations will be cast in place using steel collars/rings instead. The additional work also includes modifications to the structural concrete design at the penetrations. <i>(Design Omission)</i>	\$2,152.30
4-3 Modify the ladder into the Service Equipment Room to include lateral bracing	The Contract Documents require installation of a ladder into the Service Equipment Room at the PS/PRS. During review of structural steel submittals, it was determined that additional lateral bracing of the ladder was required to increase stability. <i>(Design Omission)</i>	\$989.25

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
4-4 Modify the concrete stairs, cheek wall, and related reinforcement requirements in the PS/PRS	During review of reinforcing steel submittals, it was determined that minor modifications to the concrete stair, cheek wall, and related reinforcing steel construction requirements were necessary, including additional reinforcing steel and adjustments to concrete dimensions. <i>(Design Omission)</i>	\$2,249.75
4-5 Pothole existing electrical conduits and water pipe under the LPS1 Reverse Flow Valve Modifications	The Lindero Pump Station No. 1 (LPS1) Reverse Flow Valve modifications include removal and replacement of existing aboveground piping/fittings and a reverse flow valve along with construction of new concrete foundations and pipe supports. During construction, it was discovered that several utilities were located beneath the existing LPS1 Reverse Flow Valve footprint that could conflict with construction of the new concrete foundations. Additional effort was required to positively locate (via potholing) the existing utilities to verify the extents of any conflicts with the required concrete foundations. <i>(Design Omission)</i>	\$3,922.19
Change Order No. 5 <i>(approved by Manager of Engineering June 29, 2022)</i>		
5-1 Modify requirements for installation of LVMWD's Service Connection Cabinet (PRSTC) and Pressure Regulating Station Control Panel	The Contract Documents require the installation of an internet service connection cabinet inside the PRS Room for LVMWD. During construction, LVMWD requested an equipment change for their PRSTC resulting in a larger wall-mounted unit and the need for changes to the equipment layout to accommodate the larger PRSTC. In accordance with the requirements of the Interconnection Agreement, LVMWD will pay for this additional cost as part of the cost for PRS construction. <i>(Requested during construction)</i>	\$2,826.92
5-2 Cross under and support existing traffic signal conduits and cross and restore existing traffic inductive loop detectors at the intersections of Lindero Canyon Road with Lakeview Canyon Road and Kanan Road	During a site visit with City of Thousand Oaks staff to discuss upcoming construction activities, city staff identified the presence of an existing underground 2.5-inch traffic signal conduit across Lindero Canyon Road at the Lakeview Canyon Road intersection and a 3-inch traffic signal conduit across the Kanan Road intersection. These two conduits and traffic inductive loop detectors were not shown on the Drawings. It is anticipated that these conduits are relatively shallow when compared to the new 30-inch diameter Interconnection pipeline and so the decision was made not to pothole them. The additional work includes carefully excavating using hand tools to expose the conduits, crossing under and supporting these conduits during pipeline installation, and carefully backfilling the trench excavation with cement-sand slurry up to the springline of the existing conduits, as well as restoring the inductive loop detectors that will need to be cut during pipeline trench excavation. <i>(Design Omission)</i>	\$18,568.39

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
5-3 Modify requirements for installation of LPS1 Reverse Flow Valve Modifications	The LPS1 Reverse Flow Valve modifications include removal of existing aboveground piping/fittings and a reverse flow valve and replacement with larger piping/fittings and a larger reverse flow valve along with construction of new concrete foundations and pipe supports. During construction, it was determined that changes to the design were necessary to accommodate existing conditions at LPS1, including changes to piping/fitting layout and end connections, changes to the concrete foundation for pipe supports, and changes to and resubmittal of shop drawings. <i>(Design Omission)</i>	\$23,912.57
5-4 Provide a handrail mounted to the guardrail at the Electrical Room concrete stairway	The Contract Documents require installation of a guardrail along the concrete stairway to the Electrical Room inside the PS/PRS. During the submittal review process, it was determined that a handrail needs to be mounted to the guardrail to meet Occupational Safety and Health Administration requirements due to the concrete stair width. <i>(Design Omission)</i>	\$1,598.54
5-5 Provide additional pipe supports inside the North PS/PRS Bypass Vault and inside the South PS/PRS Bypass Vault	The Contract Documents require installation of one pipe support each inside the North and South PS/PRS Bypass Vaults. During construction, it was determined that a second pipe support is required to support the second butterfly valve in each Bypass Vault. <i>(Design Omission)</i>	\$4,291.54
5-6 Relocate two plumbing piping vertical drops/cleanouts	The PS/PRS includes a storm water drainage system in the event rainwater enters the PS/PRS and a nuisance water drainage system in the event the piping inside the PS/PRS leaks. These drainage systems include underground drainage piping, vertical drops, cleanouts, drainage fixtures, and sump pumps. The Contractor installed two vertical drops at locations indicated in the Drawings; however, those locations were later found to conflict with concrete wall and reinforcement locations. The additional work includes relocating the two vertical drops/cleanouts away from the adjacent vertical wall to allow for concrete wall construction. <i>(Design Omission)</i>	\$1,532.42
Change Order No. 6 <i>(approved by the Board August 17, 2022)</i>		
6-1 Modify circuit breaker locations for VFD and active harmonic filter equipment and install mechanical kirk-key interlocks	As indicated in Item 3-2, the Contract Documents require installation of Switchboards and VFDs within the PS/PRS Electrical Room. The sizes and configurations of these equipment and their circuit breakers were based on information provided by the design-basis manufacturer during design. However, during construction, it was discovered that the manufacturer had provided incorrect information and VFD sections/cabinets (and the related active harmonic filter) in the Switchboard SBB did not have enough	\$596,217.16

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
	<p>space to accommodate all equipment, including circuit breakers. To accommodate all the required equipment, modifications to the Switchboard SBB, including relocating circuit breakers, were required. The additional work includes physical changes to the Switchboard SBB and primarily includes:</p> <ul style="list-style-type: none"> • Relocating the circuit breakers for the VFDs and the active harmonic filter equipment to a separate cabinet within switchboard SBB to provide additional space for the VFD and active harmonic filter equipment within their respective cabinets. • Installing mechanical kirk-key interlocks between the relocated circuit breakers and their respective VFD/active harmonic filter cabinet doors to prevent access to energized parts behind cabinet doors unless the circuit breaker is de-energized. • 64 days of extended contractor overhead due to the impact of these changes on the overall project critical path. <p><i>(Could not reasonably have been anticipated during design)</i></p>	
<p>Change Order No. 7 <i>(approved by the General Manager October 04, 2022)</i></p>		
<p>7-1 Cross under and support five existing unknown and unmarked PVC utilities (ranging in size from 1.5" to 6")</p>	<p>The Drawings show known locations of existing utility crossings along the Interconnection pipeline alignment based on utility potholing and design phase utility research; additionally, as required by law, the Contractor notifies Digalert so that utilities in the work area can be marked ahead of construction. During construction, five unknown PVC conduits (ranging in size from 1.5" to 6") and at different locations were discovered that were not marked by the utility owner or shown on the Drawings. The additional work includes protecting these previously unknown utilities in place, supporting them, and crossing under them during installation of the Interconnection pipeline. <i>(Could not reasonably have been anticipated during design)</i></p>	<p>\$6,987.15</p>
<p>7-2 Modify grating support in the suction valve pit</p>	<p>The Contract Documents require construction of a suction valve pit within the PS/PRS, with a grated cover for personnel access. During construction, it was determined that it was necessary to modify the design for the suction valve pit grating supports. The additional cost includes procurement of the modified grating supports. <i>(Design Omission)</i></p>	<p>\$3,230.68</p>

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
7-3 Relocate concrete slab construction joint in Pump Room	During construction, it was determined that a construction joint in the concrete slab needed to be relocated to avoid conflicts with columns within the Pump Room in the PS/PRS. The Contractor incurred additional cost to modify the previously procured rebar and related materials to implement the change. <i>(Design Omission)</i>	\$2,270.29
7-4 Install valve position transmitters with limit switches on the vertical turbine pump check valves	The Contract Documents require installation of a check valve downstream of each vertical turbine pump within the Pump Room to prevent reverse flow through the pumps. During review of the vertical turbine pump submittals, staff determined that valve position transmitters with limit switches needed to be added to the pump check valves to provide valve positions to calculate and automate flowrate and VFD speed control of the pumps during operation. The additional work includes installation of the limit switches with valve position transmitters and related wiring. <i>(Requested during construction)</i>	\$24,310.18
7-5 Install a P-Trap and related work at seven plumbing drain fixtures located within the PS/PRS	The Contract Documents require the installation of seven plumbing drain fixtures to drain nuisance water from the floor within the PS/PRS. The Contract Documents do not provide specific requirements for installing P-Traps and trap prime piping at these drain fixtures, although P-Traps and trap prime piping are necessary for proper operation of the drain system and to prevent odors. The additional work includes temporarily removing installed rebar, excavating in the vicinity of installed drain fixtures, and installing P-traps and trap prime piping based on additional design requirements. <i>(Design Omission)</i>	\$37,641.56
7-6 Cross under and support three existing unknown and unmarked PVC utilities (ranging in size from 4" to 6")	Similar to item 7-1 above, three additional unknown PVC conduits (ranging in size from 4" to 6") were discovered during construction that were not marked by the utility owner or shown on the Drawings. The additional work includes protecting these previously unknown utilities in place, supporting them, and crossing under them during installation of the Interconnection pipeline. This required significantly more effort than Item 7-1 due to soil conditions, the size of these conduits, and the fact they were all clustered within close proximity to each other. <i>(Could not reasonably have been anticipated during design)</i>	\$9,591.19

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
Change Order No. 8 (approved by the General Manager October 27, 2022)		
<p>8-1 Install cement-sand slurry backfill instead of a reinforced concrete cap over a segment of the Interconnection pipeline</p>	<p>As indicated in Item 2-1, the depth of the Interconnection pipeline in one segment was decreased to avoid conflicts with existing utilities, requiring the installation of a reinforced concrete cap to protect the pipeline due to shallow cover. As pipeline construction progressed to the location where the concrete cap was to be installed, it was discovered that the pipeline would have less than the minimum required earth cover at either end of the concrete cap thus requiring an extension at both ends as well as widening of the concrete cap beyond the requirements in Item 2-1.</p> <p>The revised design extended the length of the concrete cap from 85 feet to 115 feet and required it to be 3 feet wider than the existing trench width. The Contractor indicated that the estimated additional cost for the longer and wider concrete cap was on the order of several hundred thousand dollars.</p> <p>In an effort to mitigate this additional cost and find a more cost-effective solution, the District determined that backfilling the pipeline with a two-sack cement-sand slurry mix would provide the necessary protection for the shallow portions of the Interconnection pipeline.</p> <p>Due to the fact that resolution of this issue required some time and Interconnection pipeline installation in this area was interrupted during this time, procurement and restocking of materials for the concrete cap which was ultimately deleted, and modifications to traffic control required for the work, there is a net cost increase for this item. However, this cost increase is substantially smaller than it would have been if the cap had been enlarged instead. <i>(Could not reasonably have been anticipated during design)</i></p>	<p>\$59,186.82</p>
Change Order No. 9 (approved by the Manager of Engineering March 01, 2023)		
<p>9-1 Cross under and support one existing 3" unmarked traffic signal conduit at the intersection of Lindero Canyon Road with Rockfield Street</p>	<p>During discussions with City of Thousand Oaks staff, City staff identified the presence of an existing underground 3" traffic signal conduit across Lindero Canyon Road at the Rockfield Street intersection. This conduit was not shown in the Drawings. The additional work includes carefully excavating using hand tools to expose the conduit, crossing under and supporting this conduit during pipeline installation, and carefully backfilling the trench excavation with cement-sand slurry up to the springline of the existing conduit. <i>(Could not reasonably have been anticipated during design)</i></p>	<p>\$8,683.50</p>

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
9-2 Modify the square wet well covers for the Nuisance Water Pumps and Storm Water Drainage Pumps	The Contract Documents require installation of two separate floor drainage systems within the PS/PRS: one for Nuisance Water and one for Storm Water. During construction, it was discovered that modifications to the wet well covers for both drainage systems were necessary to accommodate conduits serving the pumps located inside the wet wells. <i>(Requested during construction)</i>	No Cost
9-3 Modify the Generator Cable Grate and its padlock hasp assembly	The Contract Documents require installation of a Generator Cable Grate (hinged grate) above the Service Equipment Room at the PS/PRS. The hinged grate includes multiple ports to accommodate cables for connection of aboveground portable backup generators to the underground PS/PRS electrical power distribution system in the event of loss of utility power. During construction, it was discovered that the construction details were not complete and required additional design effort to clarify and specify the requirements for construction of the hinged grate and its padlock hasp assembly and for preparation of shop drawings and fabrication of the unit. <i>(Design Omission)</i>	\$13,601.30
9-4 Modify conductors within two conduits for Nuisance Water and Storm Water Drainage pump motors	During construction it was discovered that two electrical conduits from the Nuisance Water and Storm Water drainage pump motors to their respective control panels are susceptible to transmitting moisture that could potentially damage equipment within the control panels. To prevent the entrance of moisture into the control panels, the electrical conductors inside these conduits were changed to a non-wicking type and the conduit entrances into their respective control panels will be sealed. <i>(Design Omission)</i>	\$1,123.12
9-5 Cross under and support three existing unknown and unmarked PVC utilities (ranging in size from 4" to 6")	Similar to items 7-1 and 7-6, three additional unknown PVC conduits (ranging in size from 4" to 6") were discovered during construction that were not marked by the utility owner or shown on the Drawings. The additional work includes protecting these previously unknown utilities in place, supporting them, and crossing under them during installation of the Interconnection pipeline. <i>(Could not reasonably have been anticipated during design)</i>	\$3,782.28
9-6 Provide additional rebar detailing for the portions of the PS/PRS concrete roof between the pump and check valve hatches	The PS/PRS concrete roof includes multiple hatches, including those above the vertical turbine pumps and the pump check valves. During construction, it was discovered that additional work is required for the Contractor to provide additional rebar between the pump and check valve hatches. The additional work included adding additional rebar detailing to the rebar shop drawings. <i>(Design Omission)</i>	\$2,015.20

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
Change Order No. 10 (approved by the Manager of Engineering March 31, 2023)		
10-1 Cross under and support two existing unknown and unmarked PVC utilities (4" and 6" diameters)	Similar to items 7-1, 7-6, and 9-5, two additional unknown PVC conduits (4" and 6") were discovered during construction that were not marked by the utility owner or shown on the Drawings. The additional work includes protecting these previously unknown utilities in place, supporting them, and crossing under them during installation of the Interconnection pipeline. <i>(Could not reasonably have been anticipated during design)</i>	\$4,320.96
10-2 Modify routing of the hydronic and plumbing piping and modify ventilation duct sizes and routing	The Contract Documents require installation of hydronic and cold water plumbing system piping within the PS/PRS including near the Electrical Room's window. The Contract Documents also require installation of ventilation system ducts throughout the PS/PRS including the Pump Room. During construction, it was discovered that modifications to the routing of the hydronic and cold water plumbing system piping were necessary to accommodate the location of the Electrical Room window. It was also discovered that changes to the routing and sizes of ventilation ducts were required near the Electrical Room to accommodate structural concrete beams and the PS/PRS roof. <i>(Design Omission)</i>	\$21,908.07
10-3 Support the 42" Lindero Feeder No. 2 pipeline at the North Ranch Country Club (NRCC) controlled venting vacuum relief valve location and modify trench backfilling requirements	The Contract Documents require installation of a new 42"x4" cut-in tee on Lindero Feeder No. 2 located within the NRCC to install a new 4-inch controlled venting vacuum relief valve. The work was performed, in part, during a shutdown which occurred during extremely wet weather in January 2023. The resulting surface stormwater flows near the tie-in location resulted in extremely muddy conditions within the excavation and caused the development of voids along the existing pipeline outside of the shoring system. To fill these voids and provide a more efficient pipe bedding and excavation backfill process, the existing Lindero Feeder No. 2 was supported in place and was backfilled with two sack cement-sand slurry instead of compacted sand. <i>(Could not reasonably have been anticipated during design)</i>	\$8,044.76

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
<p>10-4 Modify the extent of the Work Area along the east side of the PS/PRS site</p>	<p>The Contract Documents define the Work Area at the PS/PRS site, including the areas available for equipment and material laydown and storage. To maximize the area available for construction operations, the contractor located their field office and various materials and equipment along the eastern side of the Work Area adjacent to Lindero Creek. However, the extremely wet weather during January – March 2023 resulted in slope erosion along the bank of Lindero Creek and within feet of the Work Area. Out of an abundance of caution and after consulting with the design team, an exclusion zone was established to provide a minimum of 25 feet clearance from the top edge of the erosion feature resulting in the reduction of the Work Area. The additional work included relocating construction material, a large equipment storage shed, and temporary construction fences, and implementing Stormwater Pollution Prevention Plan Best Management Practices outside of the exclusion zone. <i>(Could not reasonably have been anticipated during design)</i></p>	<p>\$21,258.15</p>
<p>10-5 Provide stormwater management through and around the NRCC Shutdown Work Area</p>	<p>As indicated in Item 10-3, work related to the shutdown at NRCC was performed during extremely wet weather in January 2023. To manage surface stormwater flows, including related overflows from NRCC’s upstream reservoir and to prevent these flows from flooding the Work Area, additional work was required to deploy two surface dewatering pumps and multiple dewatering hoses and pipes in advance of the pipeline tie-in work. <i>(Could not reasonably have been anticipated during design)</i></p>	<p>\$18,490.34</p>

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
10-6 Provide additional filler plates to use at butt strap locations during the Kanan Shutdown tie-in work	As part of the Kanan Shutdown tie-in work, the Contract Documents require installation of one new 30"x30" cut-in tee, one new 30"x20" cut-in tee, and three isolation butterfly valves along Lindero Feeder No. 2 within the Lindero Canyon Road/Kanan Road Intersection. The cut-in tees are connected to the existing pipeline using welded steel butt straps. In an effort to proactively plan for the possibility that the existing pipeline's outside diameter was different from that shown on the pipeline record drawings, additional filler plates of different thicknesses were procured in advance of the tie-in work. As part of the tie-in work, several of these filler plates were necessary and used to complete the pipeline connections because the outside pipeline diameter varied. Having these additional filler plates on site allowed for the shutdown work to be completed on schedule and return the pipeline to service without delay. The remaining filler plates will be stored with the other emergency repair supplies at Wellfield No. 1. <i>(Requested during construction)</i>	\$10,788.86
Change Order No. 11 <i>(approved by the General Manager May 30, 2023)</i>		
11-1 Modify hydronic system piping to facilitate compliance with ANSI/NSF-61 requirements	The Contract Documents require that materials in contact with potable water be ANSI/NSF-61 certified. This requirement includes hydronic system piping and appurtenances. During review of hydronic system submittals and requests for information, it was discovered that several components of the hydronic system piping for the Condenser Water HVAC Pump were not readily available with NSF-61 certification in the size required. To address this issue, the design was modified to provide for use of more readily available NSF-61 certified components and a resubmittal was required. <i>(Design Omission)</i>	\$7,889.39

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
<p>11-2 Support the 30" Lindero Feeder No. 2 pipeline at the Kanan Shutdown tie-in location, install foundation stabilization material, and modify backfilling requirements</p>	<p>As indicated in Item 10-6, the Kanan shutdown tie-in work was completed on schedule and the pipeline was returned to service without delay in February 2023. However, the large pipe excavation (approximately 14' wide x 16' long x 20' deep) was not immediately backfilled due to extremely wet weather that followed completion of the shutdown tie-in work and schedule constraints regarding partial closures of the Kanan/Lindero Canyon Road intersection. The pipe excavation remained shored, covered with traffic-rated steel plates, and the intersection remained open to traffic for several weeks following the shutdown tie-in work. After several heavy rainstorms had passed, the steel plates were removed, and it was discovered that rainwater entered the excavation resulting in several feet of standing water and muddy conditions at the bottom of the excavation.</p> <p>To help ensure a proper subgrade and firm foundation for the pipe prior to placing up to 17 feet of cement sand slurry of backfill material over the top of it, it was determined that additional effort was required to modify the pipe bedding due to the wet and muddy conditions. The additional work included removing soft saturated materials from under the pipe and replacing them with crushed rock wrapped in geotextile fabric, temporarily supporting the pipe on blocks, placing 3-sack cement sand slurry bedding under the haunches of the pipe, and placing the contractually-required 1-sack cement sand slurry backfill a week later via a second mobilization to ensure that bedding placed the week prior had sufficiently hardened. <i>(Could not reasonably have been anticipated during design)</i></p>	<p>\$91,010.93</p>
<p>11-3 Continue installation of the Interconnection pipeline north of the Bowfield Street / Lindero Canyon Road intersection</p>	<p>Groundwater seepage into the Interconnection pipeline trench was encountered south of the Bowfield Street/ Lindero Canyon Road intersection, creating construction and trench dewatering issues. To continue forward progress with pipeline construction, the Contractor mobilized north of the affected area and resumed pipeline construction in dry trench conditions. The additional work includes installation of an additional welded steel butt strap connection, deployment of additional traffic control measures, and mobilization of equipment and workforce to north of the Bowfield Street/Lindero Canyon Road intersection. <i>(Could not reasonably have been anticipated during design)</i></p>	<p>\$88,524.52</p>
<p>Change Order No. 12 <i>(approved by the Manager of Engineering July 11, 2023)</i></p>		

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
12-1 Reimburse the District for costs to repair a damaged Southern California Edison conduit	During trench excavation, Kiewit damaged a Southern California Edison (SCE) electrical conduit. SCE made the necessary repair and submitted an invoice to the District for the costs. To reimburse the District, the contract amount was reduced by the SCE invoice amount. <i>(Could not reasonably have been anticipated during design)</i>	(\$6,409.09)
12-2 Install a crystalline waterproofing admixture added to the concrete for exterior waterproofing at the TWSD meter station vault	Kiewit requested the replacement of the specified waterproofing membrane system around the exterior of the new TWSD meter station vault with a crystalline waterproofing admixture added to the concrete mix. The alternative approach provides a comparable level of waterproofing. <i>(Requested during construction)</i>	(\$2,989.26)
12-3 Modify the pipeline alignment from Sta 1+90 to Sta 3+00 to allow for the pipeline to be installed at a shallower depth	The pipeline alignment was redesigned to cross over instead of below an existing 72-inch diameter storm drain and 8-inch sanitary sewer within Lindero Canyon Road. The design modification avoids the need to perform deep trench excavation and support of the storm drain and sewer during pipeline construction. <i>(Requested during construction)</i>	(\$77,313.30)
12-4 Stop work to allow District to investigate potential hazardous materials within the trench near Sta 40+90	During trench excavation, Kiewit observed discolored soil and an oily sheen. Staff ordered stoppage of the pipeline construction at this location to allow the District to investigate the potential for hazardous materials. The District and its materials consultant collected samples and analyzed them, determining that the materials were not hazardous. The work stoppage lasted a total of 2 Working Days. <i>(Could not reasonably have been anticipated during design)</i>	\$23,144.87
12-5 Delete the requirement to restore traffic loop detectors at Lakeview Canyon and Lindero Canyon Roads	The Contract Documents require the Contractor to repair traffic loop detectors damaged during construction. The City of Thousand Oaks determined that the traffic loop detectors at the intersection of Lakeview Canyon and Lindero Canyon Roads did not have to be restored, as the City recently replaced the traffic loops with traffic detection cameras. <i>(Could not reasonably have been anticipated during design)</i>	(\$12,774.32)

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
Change Order No. 13 <i>(approved by the Deputy General Manager July 28, 2023)</i>		
<p>13-1 Prepare submittals for and refabricate pipeline sections to allow for the pipeline to be installed at a shallower depth from Sta 42+45 to 45+30</p>	<p>Heavy groundwater seepage into the pipeline trench in the vicinity of Sta 40+90 and north of that location along Lindero Canyon Road (likely the result of the recent heavy rainfalls, relatively shallow bedrock in the area, and a relic streambed crossing the pipeline alignment) was encountered. The District determined that it's necessary to modify approximately 285 linear feet of the pipeline profile to elevate the pipeline above the perched groundwater conditions to minimize the extents of construction dewatering. The additional work includes preparation of pipeline shop drawings and refabrication of select pipeline sections for the modified pipeline alignment. This work was authorized ahead of other work associated with the groundwater due to its lead time and the need to maintain progress to minimize additional cost impacts. <i>(Could not reasonably have been anticipated during design)</i></p>	<p>\$38,310.12</p>
<p>13-2 Prepare a modified deep shoring plan submittal to allow for construction of the Interconnection pipeline and appurtenances through and in the vicinity of the Bowfield Street and Lindero Canyon Road intersection in the event SoCal Gas does not relocate their gas line in a timely manner</p>	<p>Pipeline construction through the persistent high groundwater conditions near the intersection of Bowfield Street and Lindero Canyon Road will be challenging and will require different shoring systems than those typically used in dry conditions. To safely install the Interconnection pipeline and appurtenances, construction trench dewatering is required to lower the groundwater level below the bottom of trench. After dewatering, the trench walls may remain saturated and unstable requiring a shoring system that involves the installation of steel beams, extending from several feet below the bottom of the trench to near the top of the excavation, connected by steel plates. The District directed Kiewit to design a modified deep shoring system and submit it for review in case groundwater conditions persist or the pipeline alignment through the intersection cannot be redesigned and installed at a shallower depth above the groundwater level. District staff continue to coordinate with SoCal Gas to relocate a 3-inch diameter gas line to allow for the modified shallower pipeline profile to be installed. If SoCal Gas is not able to complete their relocation in a timely manner, the Interconnection pipeline will need to be installed deep across the intersection requiring use of the modified deep shoring system. Completing the design and submittal review process in advance of determining if it is needed allows for a shorter timeline for procuring and delivering the beam and plate system, reducing potentially costly delays if it is ultimately needed. <i>(Could not reasonably have been anticipated during design)</i></p>	<p>\$27,412.81</p>

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
Change Order No. 14 (approved by the Deputy General Manager August 15, 2023)		
14-1 Prepare submittals for and refabricate pipeline sections to allow for the pipeline to be installed at a shallower depth from Sta 46+12 to 48+38 (through the Bowfield Street and Lindero Canyon Road intersection)	Due to shallow groundwater, Kiewit installed monitoring wells to determine its level and extent. After several months of monitoring groundwater, the groundwater conditions remained static, so the District determined it necessary to redesign the Interconnection pipeline to install it at a shallower depth to minimize construction dewatering, attempt to avoid the need for a costly beam and plate shoring system whose submittal was previously addressed in Item 13-2, and attempt to avoid the associated schedule impacts and delays. District staff continue to coordinate with SoCal Gas to relocate a 3-inch diameter gas line to allow for the modified shallower pipeline profile to be installed. <i>(Could not reasonably have been anticipated during design)</i>	\$39,001.07
Change Order No. 15 (approved by the Board October 04, 2023)		
15-1 Compensation for impacts to progress as a result of groundwater seepage into the pipeline trench from Sta 40+12 to Sta 42+11.25	Installation of the Interconnection pipeline was slowed by the presence of shallow groundwater entering the trench excavation for approximately 200 linear feet from March 6, 2023 through April 28, 2023. The additional work included limited construction dewatering, repairs and replacement of the pipeline foundation materials, and repair of trench wall erosion. <i>(Could not reasonably have been anticipated during design)</i>	\$358,881.78
Change Order No. 16 (approved by the Board November 01, 2023)		
16-1 Perform foundation stabilization from Sta 42+11.25 to Sta 46+50 and Sta 47+72 to Sta 48+56.42	To minimize the amount of dewatering required, additional pipeline foundation stabilization is necessary. The work includes replacing the pipeline sand bedding with crushed rock bedding wrapped in geotextile fabric and backfilling with 1-sack sand-cement slurry along approximately 525 linear feet of the pipeline in two areas. <i>(Could not reasonably have been anticipated during design)</i>	\$413,447.19

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
<p>16-2 Perform construction dewatering to install pipeline in the area with shallow groundwater from approximately Sta 42+11 to Sta 48+56</p>	<p>To install approximately 645 linear feet of the Interconnection pipeline in the area with shallow groundwater, construction dewatering, desilting, and disposal of groundwater is required. The costs related to performing the work in this change order are being handled on a unit price basis and this change order amount reflects assumed quantities that could increase or decrease in accordance with Calleguas' General Conditions.</p> <p>The unit price items include:</p> <ul style="list-style-type: none"> • Submittals for connecting to the sewer for and the desilting tanks and associated piping • Mobilization for discharging to the sewer, which includes making the connection to the sewer and installing three desilting tanks and associated piping • Weekly O&M costs for discharging to the sewer • Demobilization and removal of desilting tanks and associated piping, as well as removal of the connection to the sewer • Removal and disposal of silt from desilting tanks (this will be required periodically and the frequency will depend on the amount of silt in the groundwater) • Trucking groundwater to the PS/PRS if the sewer connection is not available for discharge <p>This approach will help ensure that Calleguas only pays for the amount of additional work that is ultimately needed. <i>(Could not reasonably have been anticipated during design)</i></p>	<p>\$2,115,331.55</p>
<p>Change Order No. 17 <i>(approved by the General Manager November 29, 2023)</i></p>		
<p>17-1 Perform foundation stabilization from approximately Sta 48+55.40 to Sta 49+35</p>	<p>To minimize the potential need to perform pipeline sand bedding replacement and trench wall repairs due to the presence of shallow groundwater in the vicinity, additional pipeline foundation stabilization is necessary. The work includes replacing the pipeline sand bedding with crushed rock bedding wrapped in geotextile fabric and backfilling the pipe zone with 1-sack sand-cement slurry along approximately 80 linear feet of the pipeline north of the area where foundation stabilization is required per Item 16-1. <i>(Could not reasonably have been anticipated during design)</i></p>	<p>\$63,242.40</p>
<p>17-2 Perform foundation stabilization from Sta 41+31.54 to Sta</p>	<p>To minimize the amount of dewatering required, additional pipeline foundation stabilization is necessary in the area with shallow groundwater. The work includes removing saturated sand bedding and</p>	<p>\$65,280.77</p>

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
42+11.25 south of Item 16-1	replacing it with crushed rock bedding wrapped in geotextile fabric and backfilling the pipe zone with 1-sack sand-cement slurry along approximately 80 linear feet of the pipeline south of the area where foundation stabilization is required per Item 16-1. <i>(Could not reasonably have been anticipated during design)</i>	
17-3 Install two additional temporary monitoring wells in the area with shallow groundwater	Per Item 11-3, the Contractor mobilized north of the area with shallow groundwater and resumed Interconnection pipeline construction in dry trench conditions north of the Bowfield Street/Lindero Canyon Road intersection. Prior to directing the Contractor to mobilize north of the intersection, staff determined that additional monitoring wells were necessary to verify if installation of the Interconnection pipeline could proceed in dry trench conditions in that area. The additional work includes installation of two additional 16-foot-deep temporary monitoring wells north of the Bowfield Street/Lindero Canyon Road intersection to verify depth to static groundwater. <i>(Could not reasonably have been anticipated during design)</i>	\$13,147.03
17-4 Install the Interconnection pipeline at a shallower depth from Sta 42+45 to 45+30 to minimize construction dewatering	Per Item 13-1, the Contractor prepared pipeline shop drawings and refabricated select pipeline sections for the modified Interconnection pipeline profile for approximately 285 linear feet. Additional work is required to install the modified pipeline profile in this area, including the need for additional pipe fit up and field welding, installation of a bond breaker to the exterior of the pipeline, and fully backfilling the pipeline and trench with 2-sack sand-cement slurry instead of 1-sack sand-cement slurry above the pipeline foundation stabilization to be installed per Item 16-1. <i>(Could not reasonably have been anticipated during design)</i>	\$94,531.53
17-5 Install the Interconnection pipeline at a shallower depth from Sta 46+12 to 48+56 to minimize construction dewatering; perform additional foundation stabilization of the pipeline; support SoCal Gas' gas pipe relocation efforts; and delete one pipeline blowoff and one air vacuum valve	Per Item 14-1, the Contractor prepared pipeline shop drawings and refabricated select pipeline sections for the modified Interconnection pipeline profile for approximately 244 linear feet. Changes to the work are required to install the modified pipeline profile in this area, and they include: <ul style="list-style-type: none"> • Provide additional pipe fit up and field welding, install a bond breaker to exterior of pipeline, and fully backfill the pipeline with 2-sack sand-cement slurry instead of 1-sack sand-cement slurry above compacted sand. • Install a reinforced concrete encasement along the shallowest 35 linear feet of pipeline. • Perform additional foundation stabilization along approximately 122 linear feet of pipeline not previously included in Items 16-1, 17-1, or 17-2. 	(\$26,445.22)

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
	<p>The work includes installing crushed rock bedding fully wrapped in geotextile fabric under the pipeline.</p> <ul style="list-style-type: none"> • Provide construction support (e.g., excavation, shoring, and backfill) for SoCal Gas' vertical relocation of their 3-inch diameter gas line to allow for the Interconnection pipeline to be installed more shallowly. • Delete one pipeline blowoff, its related piping, its precast concrete structures, and its storm drain connection. • Delete one 6-in diameter air vacuum valve, its related piping, and its aboveground cabinet. <p><i>(Could not reasonably have been anticipated during design)</i></p>	
<p>Change Order No. 18 <i>(approved by the General Manager December 29, 2023)</i></p>		
<p>18-1 Modify the TWSD Meter Station's size, interior mechanical layout, and piping</p>	<p>During the Contractor's preparation of welded steel pipe shop drawings for the TWSD Meter Station, several issues were discovered regarding the interior mechanical piping layout. In order to address these issues, several modifications to the meter station's design are required and include lengthening the meter station vault by two feet, modifying the layout of interior mechanical piping and fittings, modifying the meter station's inlet piping, and preparation of revised concrete reinforcement shop drawings and welded steel pipe shop drawings to incorporate the required changes. <i>(Design Omission)</i></p>	<p>\$58,551.97</p>
<p>18-2 Repair road potholes using asphalt cold patch</p>	<p>Construction activities within the public right of way are entering their third winter season. During this time, normal wear and tear of asphalt paved roads has been further accelerated by rain events which result in potholes. The City of Thousand Oaks has requested that the Contractor repair road potholes within traveled lanes and bike lanes alongside traffic control work areas using asphalt cold patch to provide a timelier and more efficient repair. This is especially important given the multiple lane closures along Lindero Canyon Road that are required to complete construction of the Interconnection pipeline. The costs related to performing this work are being handled on a unit price basis and this change order amount reflects assumed quantities that could increase or decrease in accordance with Calleguas' General Conditions. <i>(Could not reasonably have been anticipated during design)</i></p>	<p>\$20,972.80</p>
<p>18-3 Cross under and support one existing unknown and</p>	<p>Similar to items 7-1, 7-6, 9-5, and 10-1, one additional unknown PVC conduit was discovered during construction that was not marked by the utility owner or shown on the Drawings. The additional work includes</p>	<p>\$6,386.17</p>

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
unmarked CATV utility	potholing, exposing and protecting this previously unknown cable TV utility in place, supporting it, and crossing under it during installation of the Interconnection pipeline. <i>(Could not reasonably have been anticipated during design)</i>	
18-4 Install an ANSI/NSF-61 compliant differential pressure sensing apparatus to monitor condenser water flow in the Water Chiller	The Contract Documents require installation of a two-pipe hydronic system to control temperatures in the PS/PRS Electrical and Pump Rooms. This system provides air conditioning to these spaces by transferring heat from these rooms, using a water-cooled water chiller with heat exchangers, to potable water taken from the pump station's discharge pipeline and then injecting the slightly elevated temperature potable water into the pump station's suction pipeline. As with Item 11-1, the Contract Documents require that materials in contact with potable water be ANSI/NSF-61 certified, including the hydronic system and its Water Chiller. During preparation of hydronic system and Water Chiller resubmittals, the Contractor discovered that one component (i.e., condenser water flow switch) within the Water Chiller is not available with the required NSF-61 certification. To address this issue, the design was modified to provide an ANSI/NSF-61 compliant differential pressure sensing apparatus to monitor condenser water flow in the Water Chiller and includes two independent pressure transmitters, a proportional-integral-derivative (PID) process controller, fittings required for installation, and additional wiring of power and control circuits from the PID process controller to the Water Chiller. <i>(Design Omission)</i>	\$17,139.98
18-5 Anchor select concrete floor mounted equipment using epoxy anchors in lieu of screw anchors	The Contract Documents require anchoring of select floor mounted equipment (e.g., control panels, switchboards, transformers) using drilled-in screw type anchors. These types of anchors do not allow for easy removal and reinstallation of the equipment or anchors in the same locations. To provide the means for easy removal and reinstallation of the floor mounted equipment, staff determined it is necessary to change to cartridge injection adhesive anchors with stainless steel threaded rods (i.e., epoxy anchors) in lieu of screw anchors. <i>(Requested during construction)</i>	\$13,640.80
18-6 Evaluate feasibility to modify portable generators to include power cable quick-connection panels	The Contract Documents require the Contractor to provide two 500-KW portable generators but did not require the generators be built and provided with quick-connect power cable connections panels. Following preliminary witnessed testing of these generators at the CAT/Quinn facility in Oxnard, staff determined that a quick-connection panel would be preferable to facilitate efficient deployment of these portable generators to the	\$14,664.51

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
	<p>PS/PRS site when they are needed due to a utility power outage. As manufactured and designed, the portable generators require power cables to be manually removed and reinstalled onto power connection busses each time the units are deployed. This will be a time-consuming effort for staff and requires an electrician to properly complete the connections.</p> <p>To determine if the portable generators can be modified to include quick-connection panels, an engineering evaluation must be performed by the manufacturer. The additional work includes preparation of an engineering evaluation memorandum documenting the findings, recommended modifications as applicable, and conceptual drawings as applicable. If the engineering evaluation indicates that quick-connection panels can be installed economically, additional cost (to be handled via a separate Change Order) would be incurred to implement that change. <i>(Requested during construction)</i></p>	
<p>18-7 Installation for TWSD Meter Station sump grating</p>	<p>The Contract Documents require a grate over the sump within the TWSD Meter Station; however, the requirements for mounting and installing that grate are not identified. To properly install the grate over the sump, stainless steel 304 angle brackets and stainless steel 316 wedge anchors are required. <i>(Design Omission)</i></p>	<p>\$2,565.33</p>
<p>Change Order No. 19 <i>(approved by the General Manager March 12, 2024)</i></p>		
<p>19-1 Modify two tie-in points to Lindero Feeder No. 2 at the Kanan Shutdown tie-in location, modify requirements to restrain three existing joints, modify flange insulation and bonding jumper requirements, and delete one deep excavation</p>	<p>As part of the Kanan Shutdown tie-in work described in Item 10-6, the Contract Documents require installation of one new 30"x30" cut-in tee, one new 30"x20" cut-in tee, and three isolation butterfly valves along Lindero Feeder No. 2 within the Lindero Canyon Road/Kanan Road Intersection. Construction of these tie-in points requires deep excavations to access the Lindero Feeder No. 2 in the vicinity of many other underground and overhead utilities.</p> <p>To simplify construction, increase clearance from existing high-risk underground and overhead utilities (e.g., natural gas, high-voltage electrical duct banks, traffic signals), and delete the need for one of the three required deep excavations, the tie-in points to Lindero Feeder No. 2 were relocated and/or modified. The work also includes deleting the requirement to restrain existing unrestrained joints from the exterior of the pipe, and instead allowing for restraining the existing</p>	<p>(\$20,661.23)</p>

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
	unrestrained joints using internal welds only, as well as modifying flange insulation and bonding jumper requirements. <i>(Requested during construction)</i>	
19-2 Install housekeeping pads for Switchboard SBB and two Owner-furnished-Contractor-installed control panels	The Contract Documents require the Contractor to install one Owner-furnished-Contractor-installed (OFCI) control panel and Switchboard SBB within the Electrical Room and one OFCI control panel within the PRS Room at the PS/PRS. During review of Switchboard SBB submittals and follow up construction inspection activities at the PS/PRS, it was determined that housekeeping pads are necessary for both OFCI control panels and for the Switchboard SBB to help ensure that any nuisance water that may enter each room through its access hatch or other source does not enter the bottom of either control panel or switchboard. The work includes constructing a 3-inch-thick reinforced concrete housekeeping pad for each OFCI control panel and a 1-inch-thick non-shrink grout housekeeping pad for the Switchboard SBB equipment. <i>(Requested during construction)</i>	\$35,444.53
19-3 Prepare modified traffic control plans for CCTV inspection of the Interconnection pipeline	The traffic control to perform CCTV inspection of the Interconnection pipeline (as described in Item 19-5) requires preparation of modified traffic control plans by a registered Professional Engineer licensed in California to facilitate access to select Interconnection pipeline access manholes and submittal to the District and the City of Thousand Oaks for review and approval. <i>(Could not reasonably have been anticipated during design)</i>	\$10,410.18
19-4 Modify lighting inside the PS/PRS	The Contract Documents identify luminaire types and locations where they're required throughout the interior of the PS/PRS. During installation of the lighting, it was discovered that modifications to luminaire types, mounting locations, and lighting conduit routing were necessary to resolve conflicts with locations of concrete roof beams, HVAC ducting, access hatch openings, and connections between adjacent luminaires. <i>(Design Omission)</i>	\$18,529.16
19-5 Perform CCTV inspection of the Interconnection pipeline from STA 16+50 to 42+00	As indicated in Item 11-3, groundwater seepage into the Interconnection pipeline trench was encountered south of the Bowfield Street/ Lindero Canyon Road intersection in March 2023. Due to the groundwater, pipeline construction halted near pipeline STA 42+00 in April 2023 and skipped northward to near pipeline STA 48+55, where construction continued in dry trench conditions. In March 2024 once a construction dewatering system was installed, pipeline construction resumed near STA 42+00; however, groundwater entered the Interconnection pipeline at this location	\$45,633.50

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
	<p>during the prior 10 months despite the installation of an inflatable pipe plug.</p> <p>The work includes performing a CCTV inspection of the Interconnection pipeline between STA 16+50 and STA 42+00, providing necessary traffic control, and preparing a report including a video. This item does not include costs to clean and/or repair the interior cement mortar lining. <i>(Could not reasonably have been anticipated during design)</i></p>	
<p>19-6 Delete two guard posts at the airvac at STA 60+87</p>	<p>The Contract Documents require installation of a new air-vacuum valve along the Interconnection pipeline just south of the Lindero Canyon Road/Kanan Road intersection. The air-vacuum valve is located near the edge of the sidewalk at this location and the Contract Documents require installation of four guard posts (one at each corner of the cabinet) for protection. During construction, it was determined that two of the guard posts are not necessary as they face a landscaped area where there is minimal risk of impact to the cabinet. <i>(Requested during construction)</i></p>	<p>(\$4,123.03)</p>
<p>19-7 Delete one access handhole for new internet service</p>	<p>The Contract Documents require installation of a new access handhole to connect the PS/PRS's new internet service to Spectrum's existing coaxial facilities located near Lindero Canyon Road. During construction, Spectrum staff confirmed that the new access handhole is not required. <i>(Could not reasonably have been anticipated during design)</i></p>	<p>(\$4,388.95)</p>
<p>19-8 Delete temporary supports at existing utilities during the Kanan Shutdown tie-in work</p>	<p>The Contract Documents require installation of temporary supports at existing utilities when they're crossed by the new Interconnection pipeline. The temporary support includes the use of chains and/or straps connected to steel beams placed at the road's surface to support existing pipes and conduits during installation of the pipeline beneath these utilities. During construction of the pipeline crossings, it was determined that the temporary supports for several utilities were not required. <i>(Could not reasonably have been anticipated during design)</i></p>	<p>(\$11,493.07)</p>
<p>19-9 Delete cleaning of District's field office</p>	<p>The Contract Documents require daily cleaning and maintenance service of the District's field office located at the PS/PRS site. This service is not necessary as the Construction Inspectors perform this task. <i>(Requested during construction)</i></p>	<p>(\$10,489.99)</p>
<p>19-10 Delete non-wicking cables for Nuisance Water and Storm</p>	<p>Item 9-4 modified conductors within two conduits for Nuisance Water and Storm Water Drainage pump motors at the PS/PRS, changing the conductors to a non-wicking type. During review of follow up requests</p>	<p>(\$893.22)</p>

LVMWD-CMWD Interconnection Change Order Summary

Description of work	Reason	Cost (Credit) to Calleguas
Water Drainage Pump Motors	for information from the Contractor, it was discovered that this change will void the drainage pump manufacturer's warranty. The cost for Item 9-4 is higher than this credit, as Item 9-4 includes sealing of drainage pump motor conduits which is still necessary. <i>(Could not reasonably have been anticipated during design)</i>	
19-11 Delete temporary supports at existing utilities at the PS/PRS	Similar to Item 19-8, it was determined that temporary supports for several existing utilities (SCE electrical conduits) were not required during construction of the new Interconnection pipeline at the PS/PRS site. <i>(Could not reasonably have been anticipated during design)</i>	(\$5,746.53)
	Total	\$ 5,229,223.65

Original contract amount: \$ 21,371,000.00
 Change Orders: \$ 5,229,223.65 (+24.47%)
 New contract amount: \$ 26,600,223.65

BREAKDOWN OF CHANGE ORDERS BY CATEGORY	Amount	Percentage of Original Contract Amount
Design omission	\$ 261,002.71	1.22%
Design error	0.00	0.00%
Could not reasonably have been anticipated during design	\$ 4,970,644.58	23.26%
Requested during construction	(\$2,423.64)	(0.01%)

TOD PUMP STATION REHABILITATION
(Project No. 590)
Summary of Change Orders

Description of Work	Reason	Cost (Credit) to Calleguas
Change Order No. 1 (<i>approved by the Manager of Engineering October 6, 2021</i>)		
1-1 Install temporary aboveground conduits to preserve functionality during construction of the Isolation Valve Vault.	During potholing, the contractor located a large concrete-encased duct bank in a different location than shown on the plans. Although the actual location of this duct bank conflicts with the location of the new Isolation Valve Vault, all of the functionality of the ducts within it will be replaced by new permanent conduits installed as part of the project. In order to maintain functionality during construction, it was determined to be most cost effective to install temporary conduits with temporary wires, which will be removed later. Removal will be paid for under a separate change order. (<i>could not reasonably have been anticipated during design</i>)	\$20,995.18
Change Order No. 2 (<i>approved by the Senior Project Manager November 16, 2021</i>)		
2-1 Install additional contacts and wiring from the Local-Off-Remote switches in the switchgear to use as inputs to the programmable logic controller (PLC) in the Pump Station Control Panel.	During design of the Pump Station Control Panel, the control panel designer and fabricator discovered that, although the instrumentation drawings show Local-Off-Remote selector switches in the pump control circuits, they do not provide for the necessary contacts and wiring to use as inputs for the PLC. (<i>design omission</i>)	\$2,256.44
Change Order No. 3 (<i>approved by the Senior Project Manager June 3, 2022</i>)		
3-1 75% of the cost of certain materials, specifically the pump control valves, large wire/cable, and steel framing material for the canopy, may be included in progress payments prior to installation if certain conditions are met.	Due to supply chain issues affecting the availability of materials and equipment, the contractor and electrical subcontractor procured certain equipment and materials early in order to avoid potential increases in cost and ensure the materials and equipment are on site when needed. In some cases, this meant they had to procure the equipment or material many months ahead of when they would be ready to install it. The Contract Documents typically do not allow contractors to request payment for materials until they have been installed; however, under the circumstances, staff determined that the procurement and payment would be in the best interest of the project and District, as long as the contractor meets certain requirements. There is no additional cost to the District, just a shift in the timing of payment. (<i>request by the contractor</i>)	No cost

TOD PUMP STATION REHABILITATION
Summary of Change Orders

Description of Work	Reason	Cost (Credit) to Calleguas
Change Order No. 4 (approved by the General Manager October 3, 2022)		
4-1 Install larger wires for the Cla Val control valves and a larger feed breaker for the pump station control panels.	The Contract Documents specified a certain size of wiring and breaker for the Cla Val pump control valves. During construction, it was discovered that the wire and breaker were too small, and it was necessary to install larger wires and a larger breaker. <i>(design omission)</i>	\$13,226.66
4-2 Install four Motor Resistance Temperature Detectors (RTDs) and associated devices, conduits, and wires.	The Contract Documents did not include RTDs and the associated devices, conduits, and wires, but these items, along with a weatherproof enclosure, are needed to perform temperature measurement and alarm detection as part of the temporary controls to allow for continued operation of the pump station during construction. <i>(design omission)</i>	\$39,081.95
Change Order No. 5 (approved by the Senior Project Manager April 7, 2023)		
5-1 50% of the cost of 4160 volt switchgear may be included in progress payments prior to installation if certain conditions are met.	This is similar to Change Order Item 3-1 above. Due to supply chain issues affecting the availability of materials and equipment, the electrical subcontractor procured certain equipment and materials early in order to avoid potential increases in cost and ensure the materials and equipment are on site when needed. In some cases, this meant they had to procure the equipment or material many months ahead of when they would be ready to install it. The Contract Documents typically do not allow contractors to request payment for materials until they have been installed; however, under the circumstances, staff determined that the procurement and payment would be in the best interest of the project and District, as long as the contractor meets certain requirements. There is no additional cost to the District, just a shift in the timing of payment. <i>(request by the contractor)</i>	\$0
Change Order No. 6 (approved by the Deputy General Manager October 6, 2023)		
6-1 Perform roadway subgrade repair prior to placement of aggregate base material along a length of approximately 240 feet.	The roadway subgrade soil is a reddish-brown sandy clay which was stable until a heavy rainfall event. The subgrade, while being prepared for placement of aggregate base material, was saturated by the storm, becoming insufficiently stable. This necessitated additional over excavation and repair to provide a stable road section. <i>(could not reasonably have been anticipated during design)</i>	\$35,394.76

TOD PUMP STATION REHABILITATION
Summary of Change Orders

Description of Work	Reason	Cost (Credit) to Calleguas
Change Order No. 7 (approved by the Deputy General Manager January 2, 2024)		
7-1 Perform alterations to pump control valves and address associated increased asphalt concrete and aggregate base costs.	The District requested alternations to the new pump control valves to reduce the speed at which the valves opened and closed to maintain the pump station's operational strategy, which required a schedule extension. The pump control valve alterations and the electrical equipment supply chain issues delayed the paving work and, because of the extended schedule, costs increased for asphalt concrete and aggregate base materials. <i>(Could not reasonably have been anticipated during design)</i>	\$48,229.25
7-2 Repair existing broken meter vault vent pipe.	An existing buried meter vault vent pipe was discovered to be damaged and needed to be repaired to function properly. <i>(Could not reasonably have been anticipated during design)</i>	\$3,084.89
7-3 Delete the tack coat requirement over the aggregate base.	The application of a tack coat on the aggregate base (below asphalt concrete pavement) was determined not to be required and was deleted. <i>(Requested during construction)</i>	(\$2,444.20)
7-4 Time extension due to unfavorable weather conditions.	Unfavorable weather conditions necessitated a time extension due to the inability to perform work on-site. <i>(Could not reasonably have been anticipated during design)</i>	\$0
7-5 Extend the Time for Completion due to Force Majeure.	Force Majeure events, including supply chain issues and difficulties receiving required materials due to the worldwide pandemic (including butterfly and pump control valves, uninterruptible power supply, motor control center, transformers, electrical panelboards, and medium voltage switchgear) necessitated a time extension. <i>(Could not reasonably have been anticipated during design)</i>	\$0
Change Order No. 8 (approved by the Manager of Engineering April 30, 2024)		
8-1 Relocate the 4160-480V Transformer.	The design included the in-kind replacement of the existing 4160-480V transformer in the same location as the existing, but the new transformer has a different wiring terminal configuration that did not provide adequate clearance or sufficient access to the transformer terminals. Staff determined it was necessary to relocate the transformer to address the conflict. <i>(Could not reasonably have been anticipated during design)</i>	\$7,121.36
8-2 Install new conduit pathway from Pull Box PB-4 to the control panel.	The existing conduit from Pull Box PB-4 to the pump station control panel was inaccessible because it terminated under the concrete slab. In order to complete the wiring of the control panel, the existing conduit was abandoned and a new conduit pathway was installed. <i>(Could not reasonably have been anticipated during design)</i>	\$4,260.69

TOD PUMP STATION REHABILITATION
Summary of Change Orders

Description of Work	Reason	Cost (Credit) to Calleguas
8-3 Install new temporary surge tank control wiring.	The temporary surge tank control wiring to the temporary pump station control panel that was installed while the pump station operated on temporary utility power was not reliable due to interference from the power conductors. A new temporary conduit and wires were installed using an alternative path to ensure reliable operation. <i>(Could not reasonably have been anticipated during design)</i>	\$10,601.92
8-4 Install second door intrusion switch.	The pump station has a double door entry, which requires two intrusion switches. The plans only called for one switch, so a second switch was added. <i>(Design omission)</i>	\$2,363.10
8-5 Rewire the air compressor low oil switches.	The existing air compressors have low oil protection switches that were connected in series with the pressure switches. Whenever the compressors are operated manually, the units are left unprotected. Additional control wiring was added to correct this issue. <i>(Design omission)</i>	\$275.75
8-6 Replace pump station wireway trench covers.	The existing pump station wireway trench covers were made from steel grating with large openings that allowed debris and vermin into the wireway. New solid covers were installed to correct this issue. <i>(Requested during construction)</i>	\$5,453.90
8-7 Rewire pump station site lighting controls.	The design included a photocell to control the three pole lights and eight canopy lights together to provide general site lighting overnight. After installation, staff determined that the 11 lights operating at once provided an excess amount of light and the three pole lights provided sufficient security lighting without the use of the eight canopy lights. The canopy lights were rewired on a separate switch so they can be operated separately from the pole lights when needed. <i>(Requested during construction)</i>	\$2,176.45
8-8 Time extension due to material delay and personnel availability.	A manufacturer material delay caused by supply chain issues in procuring the replacement total power metering current transformer and District and Contractor personnel scheduling conflicts necessitated a time extension. <i>(Could not reasonably have been anticipated during design)</i>	\$0
Change Order No. 9 <i>(approved by the Senior Project Manager June 11, 2024)</i>		
9-1 Replace existing damaged communications wiring.	The existing communications wire from pull box C-11 to the pump station control panel was damaged, so it was replaced. <i>(Could not reasonably have been anticipated during design)</i>	\$4,720.64
9-2 Upsize wire size for Cla-Val solenoids	The modifications made to the Cla-Vals during construction required higher amperage solenoids, so the wire needed to be upsized. <i>(Could not reasonably have been anticipated during design)</i>	\$3,879.61
Total		\$200,678.35

TOD PUMP STATION REHABILITATION
 Summary of Change Orders

Original contract amount: \$5,081,835.00
 Change Orders: \$200,678.35 (3.95%)
 New contract amount: \$5,282,513.35

BREAKDOWN OF CHANGE ORDERS BY CATEGORY	Amount	Percentage of Original Contract Amount
Design omission	\$57,203.90	1.13%
Could not reasonably have been anticipated during design	\$138,288.30	2.72%
Calleguas requested during construction	\$5,186.15	0.10%

**LAKE SHERWOOD PUMP STATION REHABILITATION
(Project No. 591)
Summary of Change Orders**

Description of Work	Reason	Cost (Credit) to Calleguas
Change Order No. 1 (approved by the Manager of Engineering December 15, 2021)		
1-1 Delete requirements for flat/back facing and scribing the arrow on the shaft on all butterfly valves and delete the requirement for lifting lugs on buried butterfly valves only.	The contractor's valve supplier said that there would be an unacceptably long lead time to procure the butterfly valves required for the first shutdown. In order to allow the contractor to perform the work during the allowable shutdown season, staff waived some of the requirements for the valves in order to have them delivered in time. Staff felt that waiving these requirements would not significantly affect the operability and maintainability of the valves. <i>(could not reasonably have been anticipated during design)</i>	(\$1,725.00)
1-2 Install steel collar plates on corroded areas of the pipe in the Meter Vault and replace the existing outlets for air/vac valve and pressure gauge with new outlets.	After removing paint from the existing pipe in the Meter Vault, it was discovered that there was more pitting and corrosion on the pipe and outlets than anticipated. Collar plates were used to cover the pitted areas on the pipe and new outlets were installed to replace the corroded ones. <i>(could not reasonably have been anticipated during design)</i>	\$1,433.18
1-3 Delete the requirement for procuring an 8-inch butterfly valve for the new check valve bypass piping outside the pump station and install an Owner-furnished valve instead.	When the new 8-inch butterfly valve that the contractor procured was delivered to the site, staff found that the coating on the valve was unacceptable, with numerous chips and areas where the lining was either too thin or too thick to meet NSF-61 requirements (the requirements for linings in contact with potable water), so the valve was rejected. There was not enough time for the contractor to procure another valve to use during the shutdown, so to facilitate the project, Calleguas staff procured one from a local supplier and provided it to the contractor. <i>(could not reasonably have been anticipated during design)</i>	(\$1,356.33)
1-4 Repair an existing leak on the 16-inch suction pipeline outside the pump station structure.	When the contractor excavated outside the pump station to install a new connection on the existing suction pipe, a small leak in the pipe was discovered that needed to be repaired. <i>(could not reasonably have been anticipated during design)</i>	\$1,345.96

LAKE SHERWOOD PUMP STATION REHABILITATION
Summary of Change Orders

Description of Work	Reason	Cost (Credit) to Calleguas
<p>1-5 Pothole and survey the locations of the existing 5-inch Southern California Edison (SCE) and 2-inch communications conduits, which were in different locations than shown on the Contract Documents or marked in the field.</p>	<p>During potholing, the contractor attempted to locate existing 5-inch SCE and 2-inch communications conduits, but was unable to do so where they were shown on the plans or marked in the field by DigAlert. They later found the conduits in a different location while excavating for the new discharge surge tank vault. Staff directed the contractor to carefully locate the lengths of the conduits that might affect construction of the pump station facilities and provide survey data so that they could be properly plotted on the plans and any potential design modifications could be identified. The location of the surge tank vault had to be modified to accommodate the actual location of these utilities. Costs associated with modifying the location of the surge tank vault will handled under a separate change order. <i>(could not reasonably have been anticipated during design)</i></p>	<p>\$9,127.62</p>
<p>Change Order No. 2 <i>(approved by the Manager of Engineering April 4, 2022)</i></p>		
<p>2-1 Install a 2½" conduit with two cables (one for the antenna on the roof and one spare) instead of a 1½" conduit with one cable.</p>	<p>Calleguas' purveyor requested the ability to have an antenna on the top of the Lake Sherwood Reservoir with the same type of cable used for Calleguas' antenna. Due to the size of this additional cable, it was necessary to increase the conduit to 2½". <i>(Calleguas requested during construction)</i></p>	<p>\$10,487.48</p>
<p>2-2 Remove the existing pump station footing projection where the new vault structure abuts the existing concrete shaft and apply a coat of epoxy on the exposed surfaces of any cut reinforcement.</p>	<p>After excavating for construction of the new discharge surge tank vault adjacent to the pump station structure, the contractor discovered that there was a concrete footing around the bottom of the structure, not indicated on the record drawings, that would interfere with the new vault, so it was necessary for the contractor to remove the interfering portion of the footing. <i>(Could not reasonably have been anticipated during design)</i></p>	<p>\$893.42</p>
<p>Change Order No. 3 <i>(approved by the Manager of Engineering August 9, 2022)</i></p>		
<p>3-1 Install a new bypass switch and load center and associated components to properly distribute power from the Uninterruptible Power Supply (UPS) to critical control devices that would need it during a power outage.</p>	<p>The Contract Documents showed the UPS providing power to a limited amount of equipment. During construction, it became apparent that additional breakers downstream of the UPS are required in order to provide power to additional critical components that would need it during a power outage. A new bypass switch and power load center were installed to allow the UPS to properly distribute power to the additional critical devices. <i>(design omission)</i></p>	<p>\$13,159.34</p>

LAKE SHERWOOD PUMP STATION REHABILITATION
Summary of Change Orders

Description of Work	Reason	Cost (Credit) to Calleguas
3-2 Install the equipment needed to enable High Temperature Shutdown for all four pumps .	The Contract Documents did not include provisions for High Temperature Shutdown for the pumps, but they are needed for safe operation of the pump station. This work included the installation of additional junction boxes, conduit, wiring, and associated fittings at the four pumps in order to provide the necessary signals from the pump station control panel to shut down the pumps in the event the motors get too hot. <i>(design omission)</i>	\$19,169.75
Change Order No. 4 <i>(approved by the General Manager August 29, 2022)</i>		
4-1 Construct the Discharge Surge Tank, and related vault, piping, and other associated facilities in a different location.	During potholing, the contractor discovered that the existing 5-inch SCE and 2-inch communications conduits conflicted with the designed location of the Discharge Surge Tank Vault. The location of the Discharge Surge Tank Vault was modified to avoid the conflict. The relocation resulted in the large concrete surge tank vault being placed further away from the main pump station in of the adjacent slope, which required additional piping to reach the surge tank, additional earthwork, additional concrete and rebar for a concrete pad and steps around the vault and aluminum railing that were not originally required. <i>(could not reasonably have been anticipated during design)</i>	\$99,129.44
4-2 Install a different power monitor.	The Contract Documents specified a power monitor, but Calleguas has recently begun standardizing on a different power monitor for all installations. <i>(Calleguas requested during construction)</i>	No cost
Change Order No. 5 <i>(approved by the Senior Project Manager April 6, 2023)</i>		
5-1 Assist the District with repairing a pipeline break.	On July 12, 2022, there was a leak on the Lake Sherwood Feeder on Moorpark Road between Rolling Oaks Drive and Los Padres Drive, south of the 101 Freeway, in Thousand Oaks. This pipeline delivers water to Ventura County Waterworks District No. 38, which serves the community of Lake Sherwood, and is the only source of potable water to this area. At the time of the break, the District's emergency contractor was not immediately available and MMC had equipment and staff nearby and available to assist with the initial response so the General Manager authorized MMC to do so, in accordance with the emergency provisions of the General Conditions. This covers the cost of all of the assistance MMC provided, although ultimately the majority of the repair was performed by another contractor under separate contractual authority. <i>(Calleguas requested during construction)</i>	\$1,900.33

LAKE SHERWOOD PUMP STATION REHABILITATION
Summary of Change Orders

Description of Work	Reason	Cost (Credit) to Calleguas
5-2 Assist the District in backfilling ruts caused by erosion in the access road to Lake Sherwood Tank.	On January 12, 2023, staff noticed deep ruts in the access road leading from Lake Sherwood Pump Station to Lake Sherwood Tank. The ruts made it difficult for staff to access the tank, so they asked MMC, who had the needed equipment at the Lake Sherwood Pump Station Rehabilitation site, to backfill the ruts and make the road passable. <i>(Calleguas requested during construction)</i>	\$595.25
Change Order No. 6 <i>(approved by the Deputy General Manager July 5, 2023)</i>		
6-1 Assist the District with replacing a leaking 4-inch blow-off valve under the concrete floor slab and stairway in the pump station.	In May 2023, staff discovered that an existing 4-inch blow-off valve from the Lake Sherwood Pump Station suction pipeline was leaking, causing water to continually flow through the drain line to which it is connected. Staff directed MMC to remove the concrete floor and stairway above the valve, replace the valve with a new District-furnished one, and replace the concrete floor slab and stairway, in accordance with the emergency provisions of the General Conditions. <i>(Calleguas requested during construction)</i>	\$37,523.75
Change Order No. 7 <i>(approved by the Project Manager June 28, 2024)</i>		
7-1 Extend the Time for Completion due to Force Majeure.	Force Majeure events, including supply chain issues and difficulties receiving required materials due to the worldwide pandemic (including motor control center, generator, automatic transfer switch, switchgear, vertical turbine pump, and variable frequency drive) necessitated a time extension. <i>(Could not reasonably have been anticipated during design)</i>	\$0
7-2 Install a bypass valve and bleed block on the bleed air system.	The existing suction surge tank bleed air piping did not have a bypass valve or bleed block, which are needed for testing and repair of the automated solenoid valve, so they were added. <i>(Calleguas requested during construction)</i>	\$1,676.77
Total		\$193,360.96

LAKE SHERWOOD PUMP STATION REHABILITATION
 Summary of Change Orders

Original contract amount: \$2,844,000.00
 Change Orders: \$193,360.96 (6.80%)
 New contract amount: \$3,037,360.96

BREAKDOWN OF CHANGE ORDERS BY CATEGORY	Amount	Percentage of Original Contract Amount
Design omissions	\$32,329.09	1.14%
Could not reasonably have been anticipated during design	\$108,848.29	3.83%
Calleguas requested during construction	\$52,183.58	1.83%

Upcoming Meetings

This table includes meetings that can be attended by all Board members.

In order to ensure Brown Act compliance, a majority of members should not discuss Calleguas specific issues at meetings other than designated Calleguas Board Meetings.

Calleguas Board Meeting	Wed. 11/6, 4:00 p.m.	2100 Olsen Road, Thousand Oaks Hybrid Event
Southern California Water Coalition-Annual Meeting and Dinner*	Thu. 11/7, 5:30 p.m.	Balboa Bay Resort, 1221 West Coast Highway, Newport Beach IN PERSON ONLY
AWA Bus Tour*	Tue. 11/12, 7:30 a.m.	Starts at 1701 Lombard Street, Oxnard IN PERSON ONLY
AWA Water Issues	Tue. 11/19, 8:00 a.m.	1701 Lombard Street, Oxnard Hybrid Event
AWA CCWUC*	Wed. 11/20, 11:30	Orchid Professional Building, 816 Camarillo Springs Rd., Camarillo IN PERSON ONLY
Special Calleguas/LVMWD Joint Board Meeting	Wed. 11/20, 5:00 p.m.	2100 Olsen Road, Thousand Oaks Hybrid Event
AWA WaterWise	Thu. 11/21, 8:00 a.m.	1701 Lombard Street, Oxnard Hybrid Event
ACWA Fall Conference*	Mon. 12/2 to 12/5	J.W. Marriott, Palm Desert
VCSDA*	Tue. 12/3, 5:30 p.m.	Camarillo Health Care District 3639 Las Posas Rd., Ste. 117, Camarillo
Calleguas Board Meeting CANCELLED DUE TO ACWA	Wed. 12/4, 4:00 p.m.	2100 Olsen Road, Thousand Oaks Hybrid Event
Calleguas Purveyor Meeting	Tue. 12/10, 10:00 a.m.	Las Posas Wellfield No. 2, 6811 Grimes Canyon Rd., Moorpark IN PERSON ONLY
Calleguas Board Meeting	Wed. 12/18, 4:00 p.m.	2100 Olsen Road, Thousand Oaks Hybrid Event

* Reservations required. Contact Megan or Kara if you would like to attend.



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

8A1 INFORMATION ITEMS

Office of the General Manager

October 24, 2024

EMAIL: Karla.Nemeth@water.ca.gov

Director Karla Nemeth
Department of Water Resources
P.O. Box 942836
Sacramento, CA 94236-0001

Dear Director Nemeth:

Continued Delta Conveyance Project Planning Funding

Over the last 50 years, the Department of Water Resources (DWR), through its State Water Project (SWP), has delivered over 44 million acre-feet of water to Metropolitan and has been vital in supporting the region's development and growth. Because of the critical role SWP supplies play in our District's supply portfolio, Metropolitan has always been a strong supporter of DWR and its efforts to protect and improve the reliability of the SWP.

Most recently at the end of 2020, Metropolitan's Board of Directors showed support for DWR and the SWP by voting to advance \$160.8 million dollars to fund the environmental review, planning and associated preconstruction design and engineering of the Delta Conveyance Project (DCP). This vote and Metropolitan's ongoing development of its Climate Adaptation Master Plan for Water demonstrates Metropolitan's commitment to meeting the challenges of a changing climate.

Prior to supporting the current preconstruction activities of the DCP, Metropolitan committed funds to advance planning for the California WaterFix and the Bay-Delta Conservation Plan. Including Metropolitan's own internal costs to advance said projects, Metropolitan to date has invested over \$300 million dollars in planning related to Delta conveyance solutions.

At Metropolitan's October 7, 2024, One Water and Stewardship Committee, Metropolitan directors asked important questions related to the DCP. Many of those questions must be resolved for Metropolitan to better understand the DCP's path towards implementation and prior to the Metropolitan Board of Directors considering whether to commit additional funds for DWR's preconstruction activities planned for 2026-2027.

Director Karla Nemeth

Page 2

October 24, 2024

1. Secure Key Permits and Certifications

A number of key permitting milestones have been met for the DCP, including DWR certifying a Final Environmental Impact Report. However, important planning processes are outstanding, including the issuance of an incidental take permit under the State Endangered Species Act and biological opinions under the Federal Endangered Species Act, the issuance of an order by the State Water Board permitting new diversion points required for the DCP, and the determination by the Delta Stewardship Council that the DCP is consistent with the Delta Plan. Metropolitan is seeking a clearer understanding of how DWR plans to navigate the remaining permitting and certification processes, as they are foundational to determining the ultimate viability of the DCP.

2. Demonstrate Proportional and Complete Planning Funding

It is understood that some participating SWP contractors, specifically agricultural contractors, may not commit to fund preconstruction activities for the DCP up to their proportionate share. Consequently, a planning and preconstruction funding gap for 2026-2027 has been identified, and while it is estimated to be approximately twelve percent, it is uncertain what the final percentage will be. Metropolitan cannot be expected to make up this difference. It is critical that DWR ensures that Metropolitan does not pay more than 47.2% of the planning funding.

3. Provide a Plan to Fund and Finance Delta Conveyance Project Implementation

Although the above planning and preconstruction funding gap is in the millions, if it persists to construction, the gap will be billions of dollars due to the current estimated implementation costs of approximately \$20.1 billion. Also, at this stage of the project, Metropolitan cannot be expected to increase its participation amount beyond its proportionate share. It is incumbent on DWR to demonstrate how it will ensure construction of the DCP will be fully financed and funded. Metropolitan is also seeking further clarification on how the initial rulings in the validation action will allow for the ability to fund the project, which should include an explanation of how the pending validation action will be resolved in a timeframe that would allow for certainty for financing and funding.

4. Resolve Protest Items Related to Metropolitan's Statement of Charges

In October 2023, Metropolitan submitted a letter to DWR detailing unresolved protest items identified more than two decades ago. These outstanding claims have a significant financial impact on Metropolitan, its member agencies, and ultimately the ratepayers. Resolution of these items is complex. Some protest items can be resolved through a direct credit back to Metropolitan while others would require DWR to recover funds through rebilling of other State Water Contractors. Understanding these dynamics, and specifically to avoid at this time DWR making decisions that could require rebilling of others, Metropolitan requests that DWR resolve those issues raised in the protest that could result in funds being directly credited to Metropolitan. Based on audit results detailed in Metropolitan's October 2023 letter, these directly refundable protest items are tied primarily to overcollection of the Water System Revenue Bond Surcharge and total approximately \$180 million dollars. Metropolitan is seeking

Director Karla Nemeth

Page 3

October 24, 2024


resolution of this issue to offset the financial impact of DWR's request for additional preconstruction funds for the DCP, if the Metropolitan Board of Directors decides to commit to providing its share of those funds.

5. Improve Near-Term State Water Project Reliability

According to DWR's most recent Delivery Capability Report, a changing climate could reduce the reliability of the SWP by as much as 23 percent over the next two decades. Reasonable estimates do not have the DCP completed and operational until at least 20 years from now. In the near term, it is important for DWR to demonstrate what actions it proposes to take to mitigate for the changing climate and its impact on the SWP's reliability.

In closing, thank you for your understanding and consideration of these key questions raised by Metropolitan's Board of Directors. We hope that with additional clarity and resolution of some of these issues, that Metropolitan can advance its vote in 2024 in response to DWR's request for additional preconstruction funds for the DCP.

Sincerely,



Deven Upadhyay
Interim General Manager

cc: Jennifer Pierre, GM of the State Water Contractors



Partner Workshop #4

Water Resources Implementation Strategy



October 01, 2024



MEETING PURPOSE

To continue engagement with the retail and regional partner water organizations in a collaborative forum to present the WRISt analysis methodology and findings, receive feedback on the draft Preferred Portfolio and Options and “No Regret” Actions, and to obtain input and perspectives on the conceptual implementation framework for the draft Preferred Portfolio.

Desired Outcomes

- Review the portfolio analysis methodology, development of hybrid portfolios, performance simulation results relative to the Status Quo Analysis, and overall portfolio scoring.
- Discuss and obtain feedback and comments regarding the draft Preferred Portfolio and Options and “No Regret” actions.
- Provide collaborative input on the draft Preferred Portfolio conceptual implementation framework.

Attendees

Calleguas Staff:

Kristine McCaffrey
Ian Prichard
Henry Graumlich
Charlotte Holifield

Consultant Team:

Paul Jones (D&W)
Jeff Szytel (WSC)
Heather Freed (WSC)
Jon Wells (D&W)

Name	Organization
Michael Wolfe	City of Oxnard
Tim Beaman	City of Oxnard
Ken Matsuoka	City of Camarillo
Scott Rigg	Golden State Water Company
Wanda Moyer	City of Simi Valley
Dave Klotzle	City of Camarillo
Norman Huff	Camrosa Water District
Jacob Quick	California American Water
Cliff Finley	City of Thousand Oaks
Nader Heydari	City of Thousand Oaks
Akbar Alikhan	City of Thousand Oaks
Dave Rydman	Triunfo Water & Sanitation District
Ann DeMartini	Crestview Mutual Water Company
Sean Hanley	Ventura County Public Works Agency
Jenny Tribo	City of Ventura
Eric Schlageter	Las Virgenes Municipal Water District
Chris Oberender	City of Simi Valley
Michel Kadah	City of Simi Valley

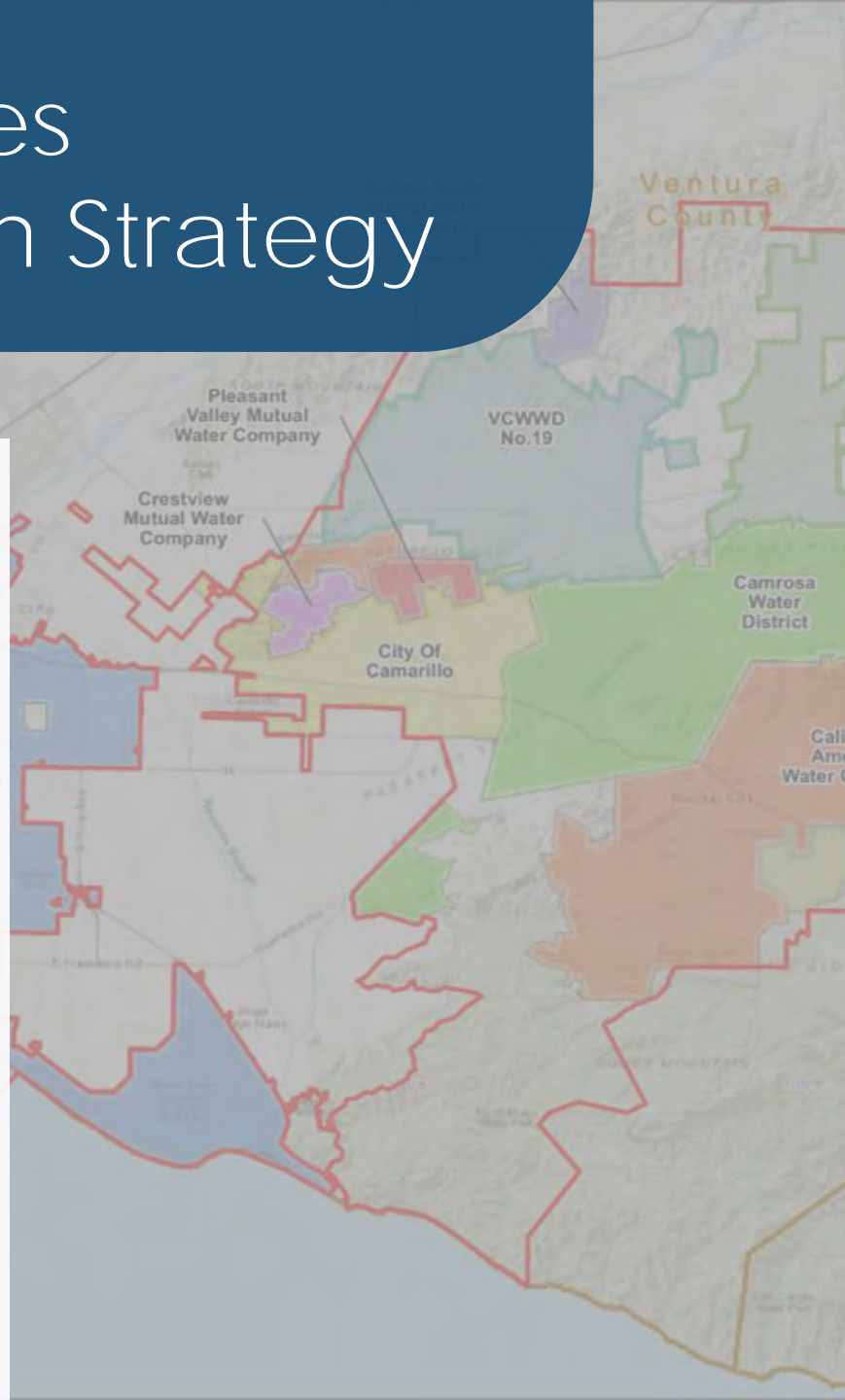
Project Overview

WATER RESOURCES IMPLEMENTATION STRATEGY

Water Resources Implementation Strategy

PURPOSE

Water Resources Implementation Strategy (WRIS) will engage regional, wholesale and retail partners in a collaborative process to develop a preferred portfolio of projects and options to support long-term supply reliability and resiliency, including delivering sufficient supplies during imported water supply outages.



APPROACH

- Build on the Water Supply Alternatives Study (WSAS)
- Develop and analyze portfolios
- Collaborate to establish an adaptive portfolio of assets, resources, systems and strategies
- Incorporate extensive regional engagement to align with stakeholders in ways that fit their needs, including peer-to-peer partnerships and co-investment
- Develop an adaptive management plan to address risks and uncertainties

Multi-phased Process

This scope is structured in multiple phases to allow an assessment of the results of Phase 1 to better inform the breadth and specific needs for subsequent implementation support.

We are here



Water Resource Portfolio
Development &
Regional Alignment

- Establish common goals, desired outcomes, success criteria
- Development of an adaptive preferred portfolio and options
- Delivery framework

PHASE 2

Regional
Implementation
Framework
& Engagement

- Continued development of preferred projects
- Roadmap and strategies for engagement with governing bodies, regulatory agencies, and the community

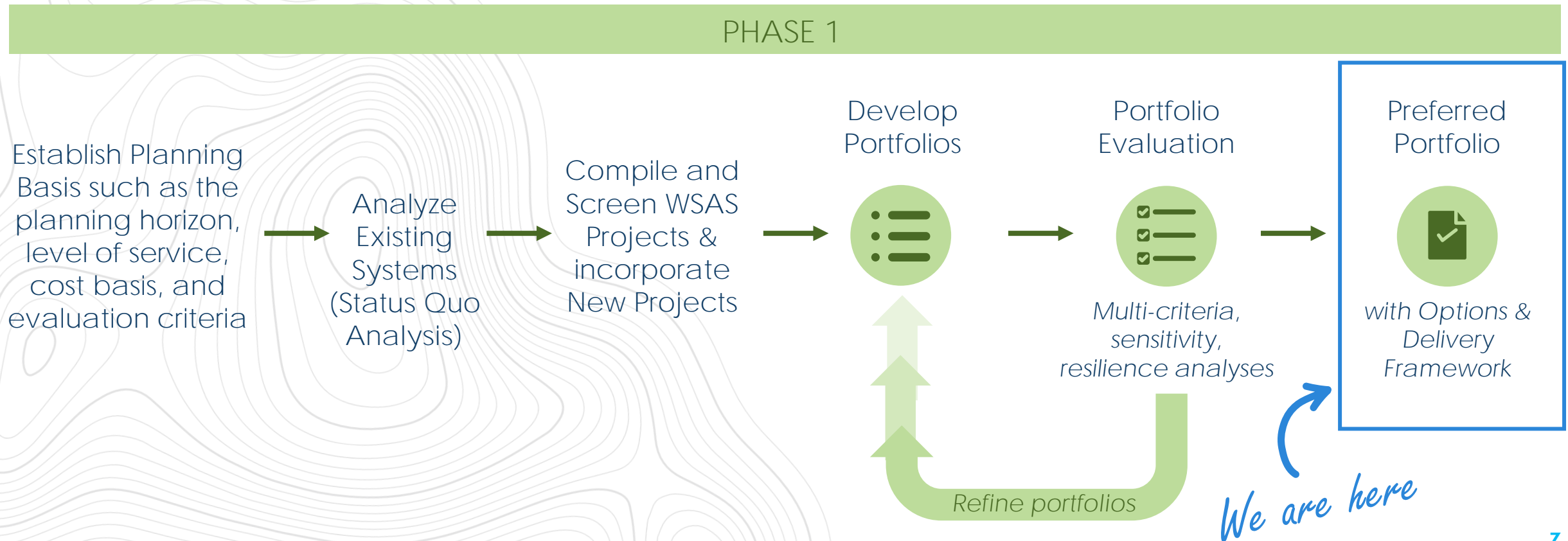
PHASE 3

Program Delivery &
Adaptive
Management

- Multi-agency program implementation
- Funding and financing mechanisms
- Adaptive management

PHASE 1

Water Resource Portfolio Development & Regional Alignment



Workshop #3 Recap

WATER RESOURCES IMPLEMENTATION STRATEGY

WRISt Partner Workshop #3

April 30, 2024

Key Outcomes

1. Reviewed updated WRISt project list, thematic portfolios, and thematic portfolio performance simulation relative to the Status Quo Analysis.
2. Discussed how portfolios mitigate Risk and Uncertainties.
3. Discussed potential approaches to costs and benefits sharing of regional projects.



Report-out Document



Portfolio Themes

1. Lowest Cost: Lowest lifecycle cost to meet minimum level of service.
2. Local Supply and Control: Maximizes local supply, treatment, and infrastructure; minimizes dependence on imported water.
3. Imported Water System Optimization: Augments imported system and supplies, internal and external storage, and maximizes utilization of existing imported water infrastructure.
4. Reliability and Resilience: Enhances level of service performance, less sensitivity to costs and other criteria.
5. Adaptability Emphasis: Readily adapts over time and under changing demand conditions, less sensitivity to costs and other criteria.
6. Groundwater Sustainability and Recycled Water Emphasis: Increases supply reliability while also supporting groundwater sustainability and recycled water utilization.

List of Projects

Background

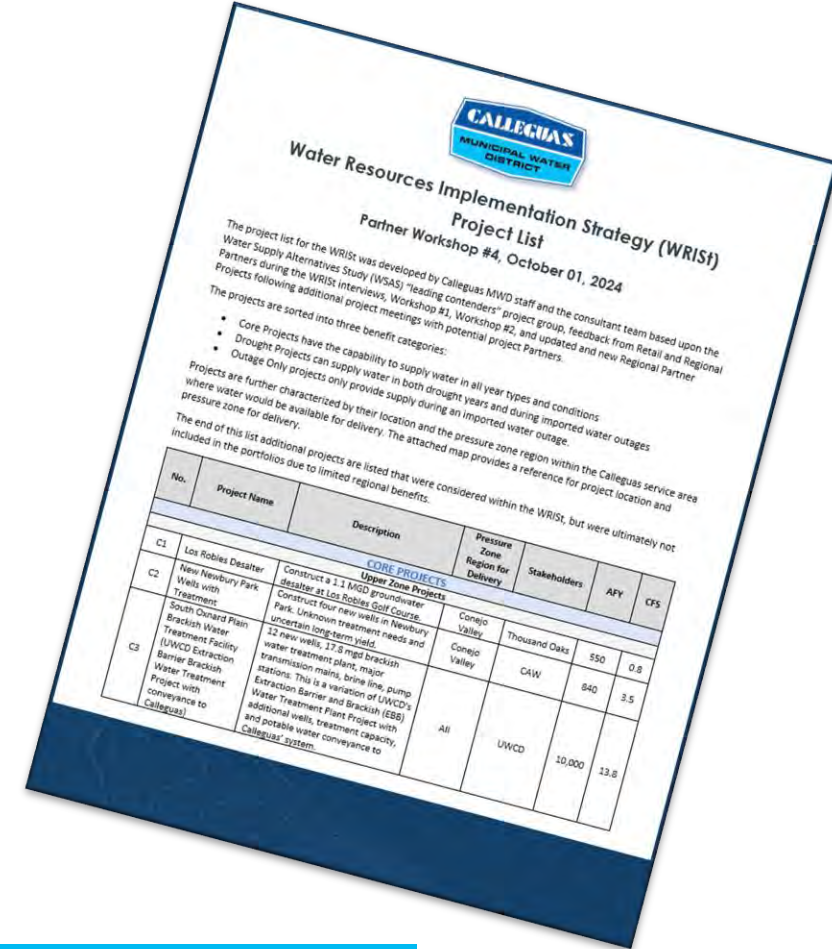
- Initially developed from WSAS “leading contender” group of projects with refinement.
- Additional conceptual projects added based on feedback from previous Workshops, Partner Interviews, and follow-up meetings with Regional Partners
- Categorized by benefit:

Core Projects
- All conditions

Drought and Outage Projects
- Dry year/outages

Outage Only
- Imported water outages

- Sorted by Pressure Zone Region (see map)
- 27+ projects considered
- 23 projects grouped into portfolios



PORTFOLIO THEMES

Project Map

Map provides location of projects, benefit category, and Pressure Zone Region



Thematic Portfolio Findings

- Investment in local supply projects provides greater reliability at a lower long-term cost relative to the Status Quo, while significantly reducing demand for imported water.
- Investment in local supplies and local storage provides the greatest reliability and resilience but will require West to East Transmission to fully utilize all supplies, which increases portfolio costs.
- Local projects can be adaptively phased to incrementally increase reliability while moderating cost impacts.

Portfolio Risk & Uncertainty Mitigation

- Brainstormed how each thematic portfolio mitigated risks and uncertainty
- Incorporated Partners' feedback to develop an approach to incorporate risks and uncertainties into the portfolio simulation



How does the Portfolio Mitigate Risk and Uncertainty?

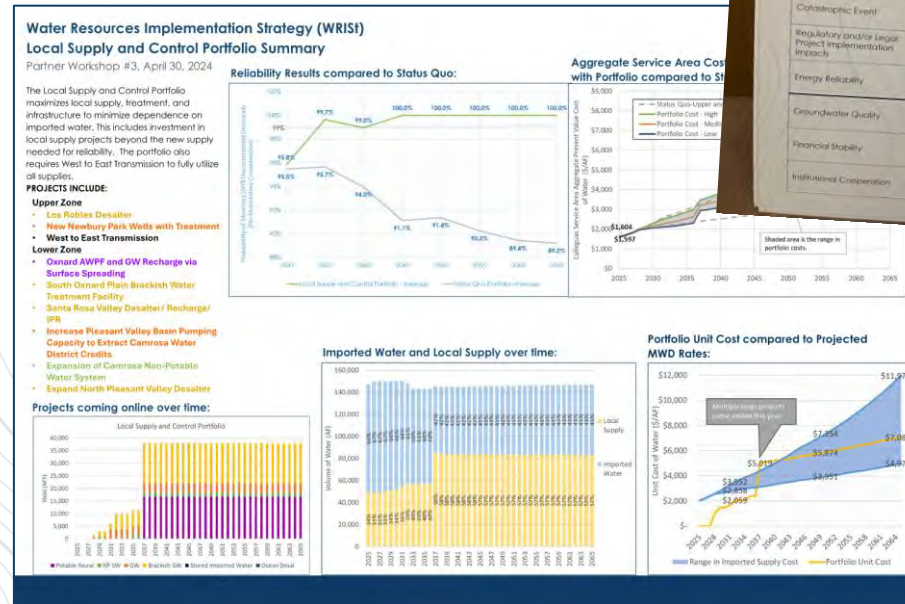
PORTFOLIO PERFORMANCE KEY

- Green circle: Portfolio provides high mitigation
- Yellow circle: Portfolio provides moderate mitigation
- Red circle: Portfolio provides low mitigation

Emphasis: Groundwater Sustainability and Recycled Water supply reliability while also supporting groundwater sustainability and the utilization of recycled water.

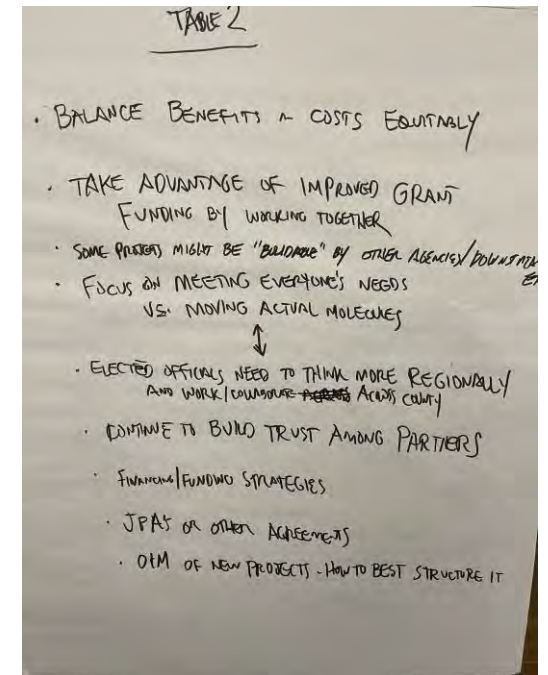
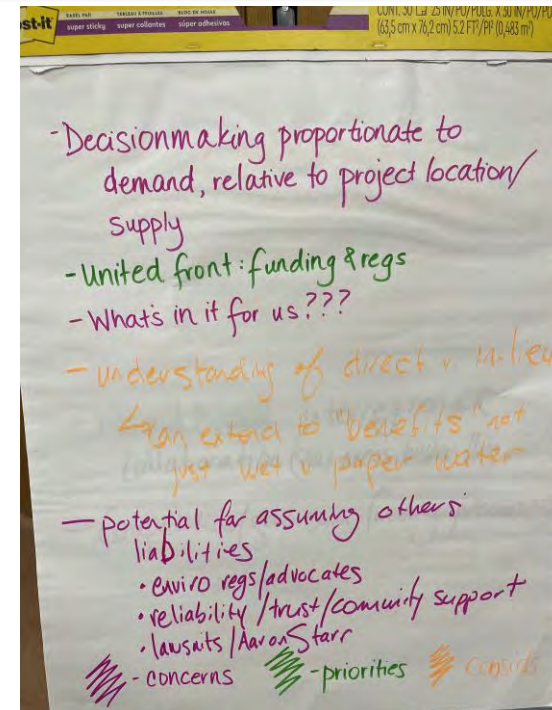
Use the provided colored dot stickers to rank the performance of the portfolio on how it mitigates against each risk and uncertainty. Add additional clarifying notes, comments, questions, and concerns for each risk and uncertainty using the provided markers and sticky notes.

Risk/Uncertainty	Portfolio Performance	Notes
Climate Variability: Impaired Supply Impacts	Green, Yellow	Moderate and yield
Regulatory and/or Legal: Supply Impacts	Yellow, Red	IPR/DPR & Unadj. basin
Climate Variability: Local Demand Impacts	Green	use of underutilized local supply
Groundwater Yield	Green	"
Regulatory and/or Legal: Demand Impacts	Green, Yellow	working-through permitting - unknown at this time emissions
Climate Variability: Local Supply Impacts	Green	yield is relatively low
Energy Cost	Red	highly dependent on local power and fuel sources
Catastrophic Event	Green	unless EMP
Regulatory and/or Legal: Project Implementation Impacts	Yellow	public perception (permitting challenges)
Energy Reliability	Red	.. but SMP will have real-time
Groundwater Quality	Green	expensive but reliable (have to be consistent with later)
Financial Stability	Yellow	
Institutional Cooperation	Yellow	



Regional Cost and Benefit Sharing

- Discussed your organizations' considerations, priorities, and concerns related to sharing cost and benefits of local projects on a regional basis
- Partners' feedback informs the preferred portfolio implementation framework



Portfolio Analysis and Recommendations

WATER RESOURCES IMPLEMENTATION STRATEGY

Portfolio Analysis and Performance Simulation Agenda

1. Purpose and Scope
2. Status Quo Results
3. Portfolio Analysis Methodology
4. Portfolios Summary Results and Recommendations

Purpose and Scope

- Evaluate different supply and storage project investment strategies (Portfolios) to improve District-wide reliability and resilience while managing long-term costs
- Portfolios of supply and storage projects are analyzed on a Retail Partner, pressure zone region, and a regional, aggregate basis to meet District-wide demands considering system configuration and delivery constraints
- Portfolios are then compared to the Status Quo

Status Quo Portfolio

WATER RESOURCES IMPLEMENTATION STRATEGY

Status Quo



Local supplies prioritized



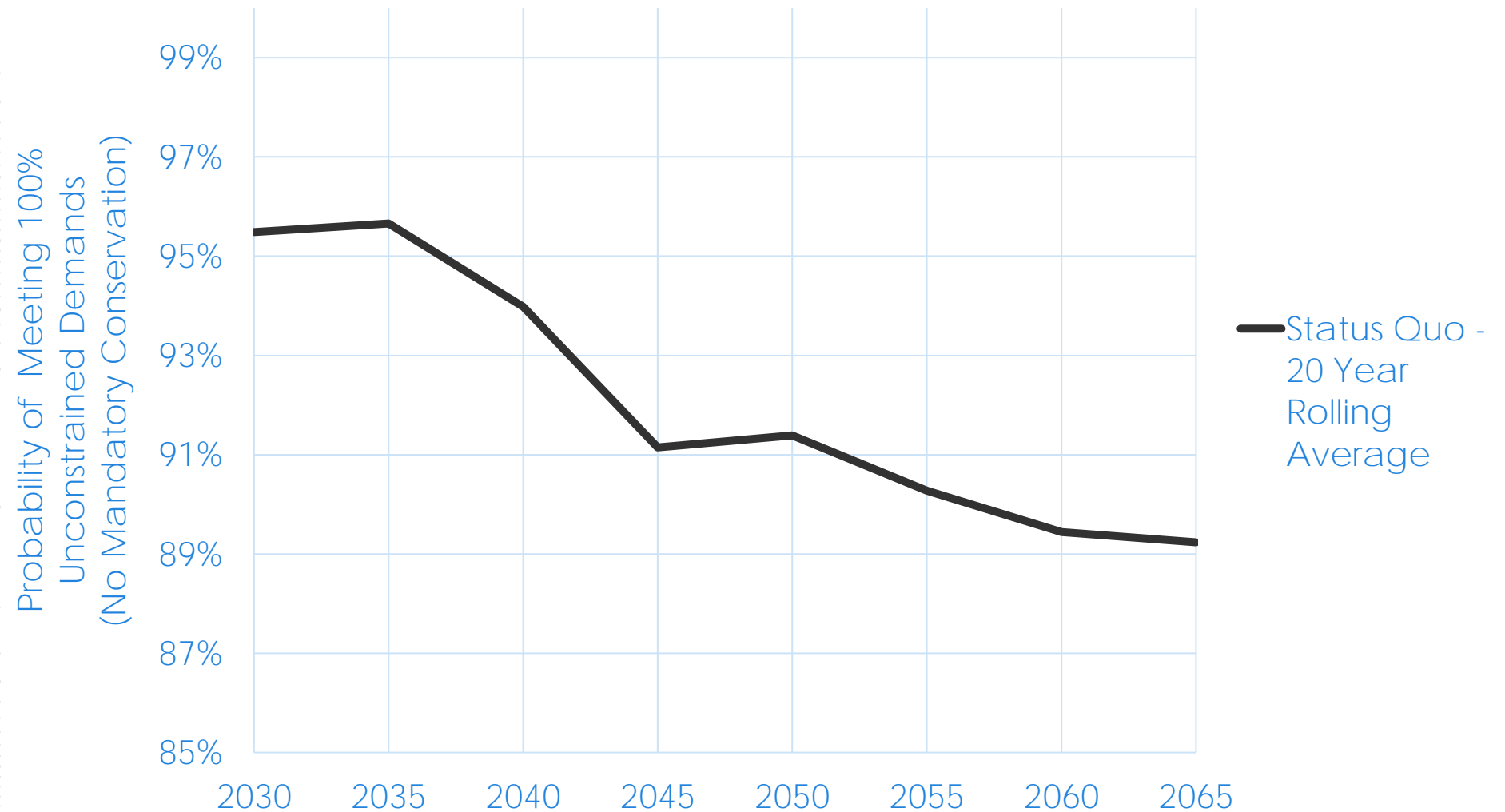
Planned projects included



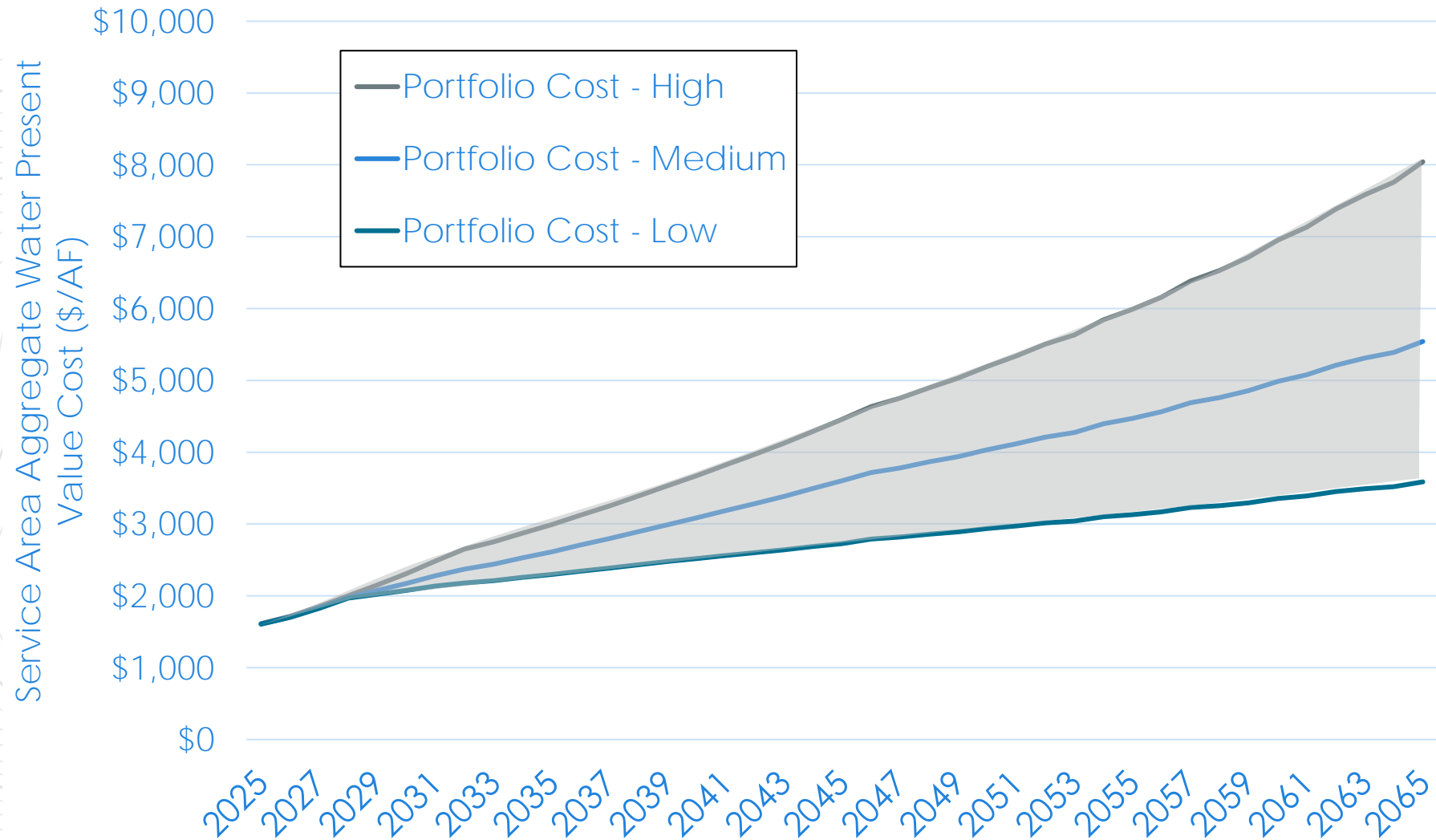
Imported water used to meet remaining demands

Status Quo - Reliability

Overall decline in reliability over time



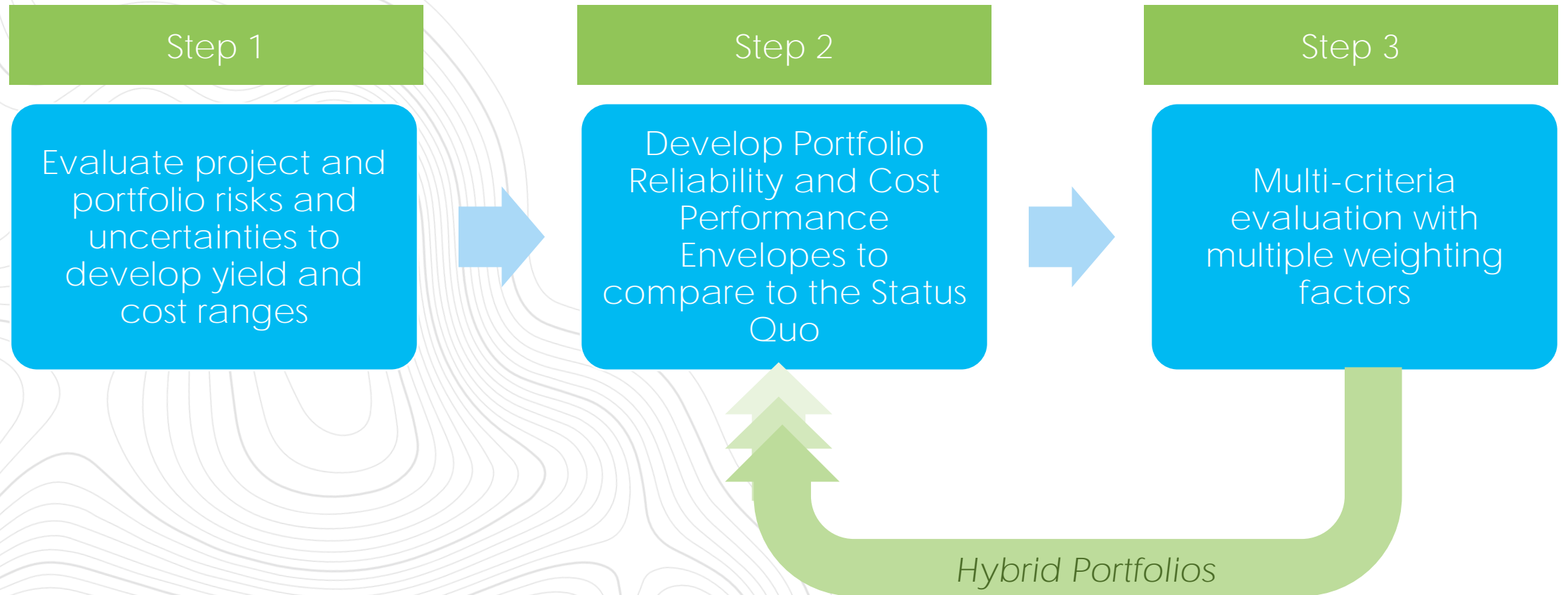
Status Quo - Costs



Portfolio Analysis Methodology

WATER RESOURCES IMPLEMENTATION STRATEGY

Portfolio Analysis Methodology



Portfolio Analysis Methodology

Evaluate Project Risk and Uncertainties

- Feasibility Risks & Uncertainties
 - **Technical Complexity** around project construction and operation
 - **Institutional Complexity** focuses on institutional relationships needed for project implementation
 - **Permitting & Regulatory Complexity** considers regulatory and permitting pathway for implementation
- **Reliability Risk** evaluates the project's source of supply and its reliability
- For each category, projects are scored as **high**, **medium**, or low

Projects Risk Score

Step 1

Project	Technical Complexity	Institutional Complexity	Permitting/Regulatory Complexity	Reliability Risk	Risk Score
Ocean Desalination	●	●	●		High
In-Lieu Storage in Lake Casitas and Groundwater Exchange		●	●	●	High
Oxnard Plain Basin Program		●	●	●	High
South Oxnard Plain Brackish Water Treatment Facility	●	●	●		High
New Newbury Park Wells	●	●	●	●	High
IPR-GWR in Simi Valley Basin	●	●	●		Med
OH System Fe/Mn Treatment			●	●	Med
Simi Valley Desalter		●	●		Med
Oxnard AWPf and GW Injection	●		●		Med
Oxnard AWPf and GW Recharge via Surface Spreading		●	●		Med
Increase Pleasant Valley Basin Pumping Capacity to Extract Camrosa Water District Credits			●	●	Med
Alternative Delivery of Imported Water – Pipeline from Castaic Lake & WTP	●		●		Med
LACWWD 29 Interconnection through LVMWD	●	●		●	Med
Additional Pumping by Oxnard Wells			●	●	Med
New Springville Area Well and Agreement to Deliver Water During an Outage		●		●	Med
Los Robles Desalter	●			●	Med
Expansion of Camrosa Non-Potable Water System				●	Med
Expand North Pleasant Valley Desalter		●			Med
Moorpark Desalter		●			Med
Additional Aquifer Storage and Recovery – Santa Paula Basin		●		●	Med
In-Lieu Storage in Lake Casitas and Delivery		●	●		Med
Santa Rosa Valley Desalter/ Recharge/ IPR			●		Low
West - East Transmission	●				Low
External Groundwater Bank		●			Low

● = High Risk/Complexity ● = Med Risk/Complexity None = Low Risk/Complexity

Portfolio Analysis Methodology

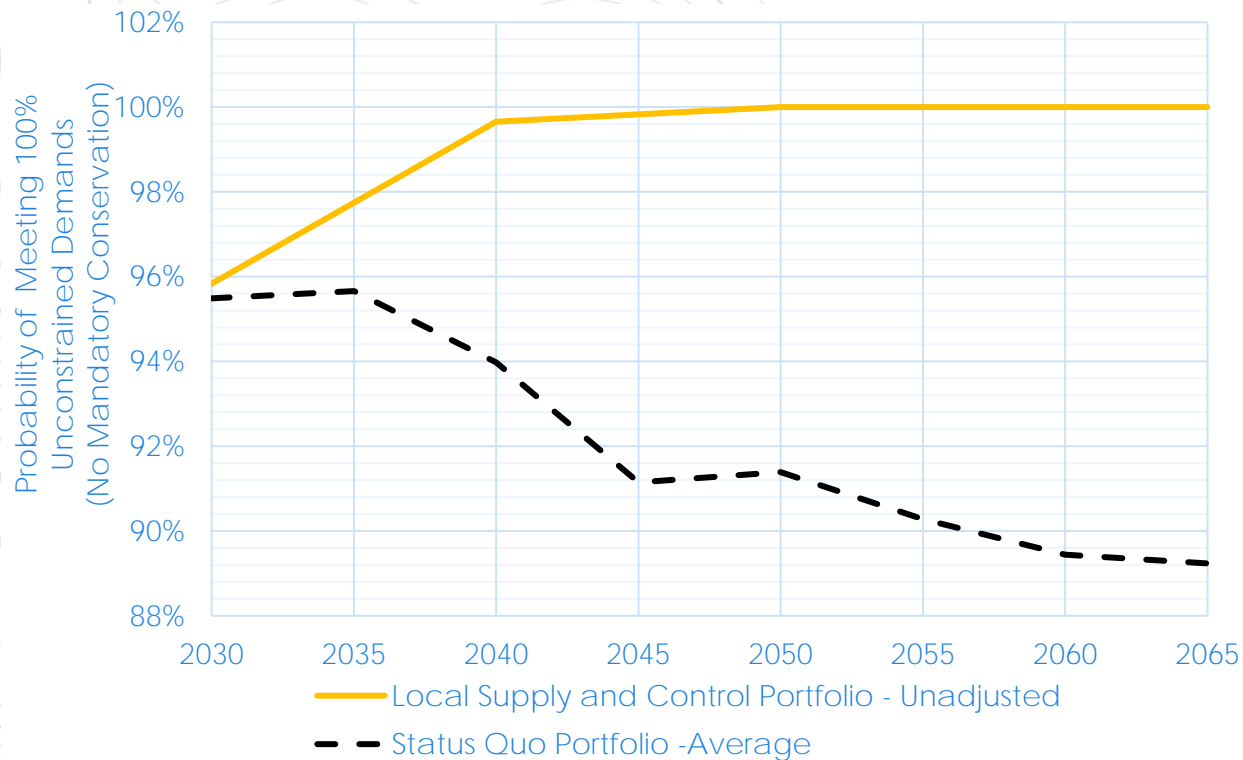
Portfolio Envelope Adjustment Rubric

- Extended timeline based on feasibility risk score
- Reduced yield based on reliability risk score
- Increased capital and O&M costs for all projects based on level of conceptual development

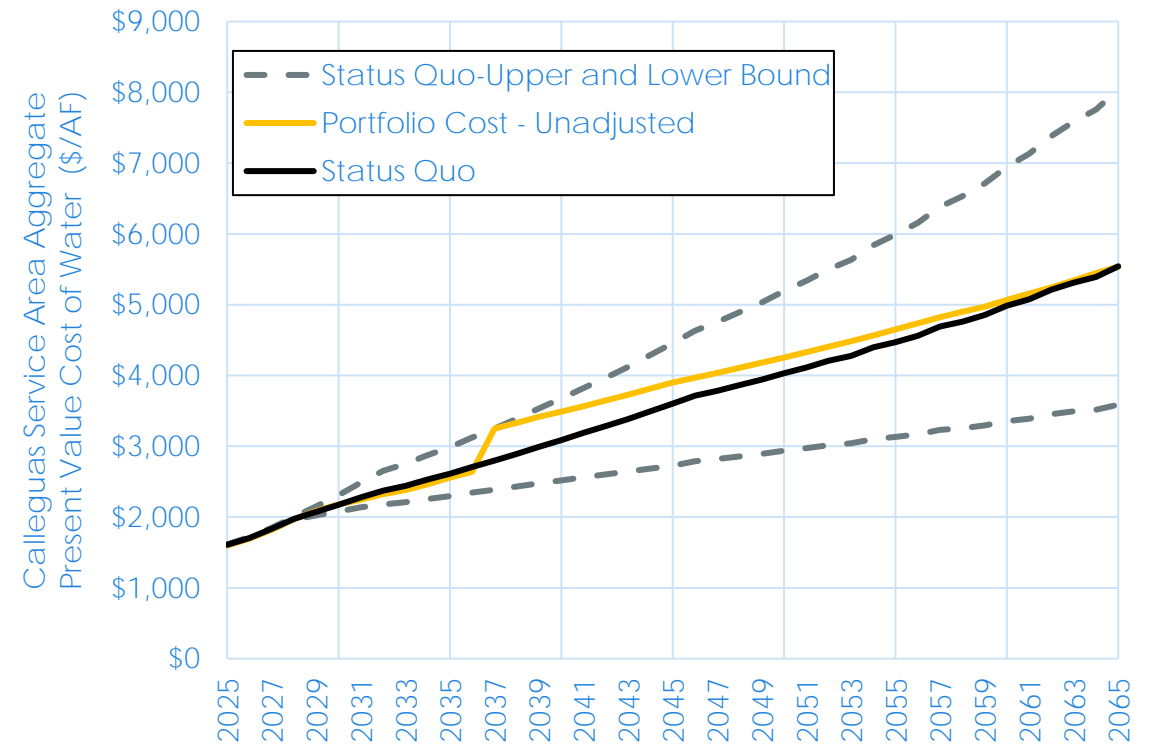
Portfolio Analysis Methodology

Example: Local Supply and Control Portfolio

Reliability Envelope



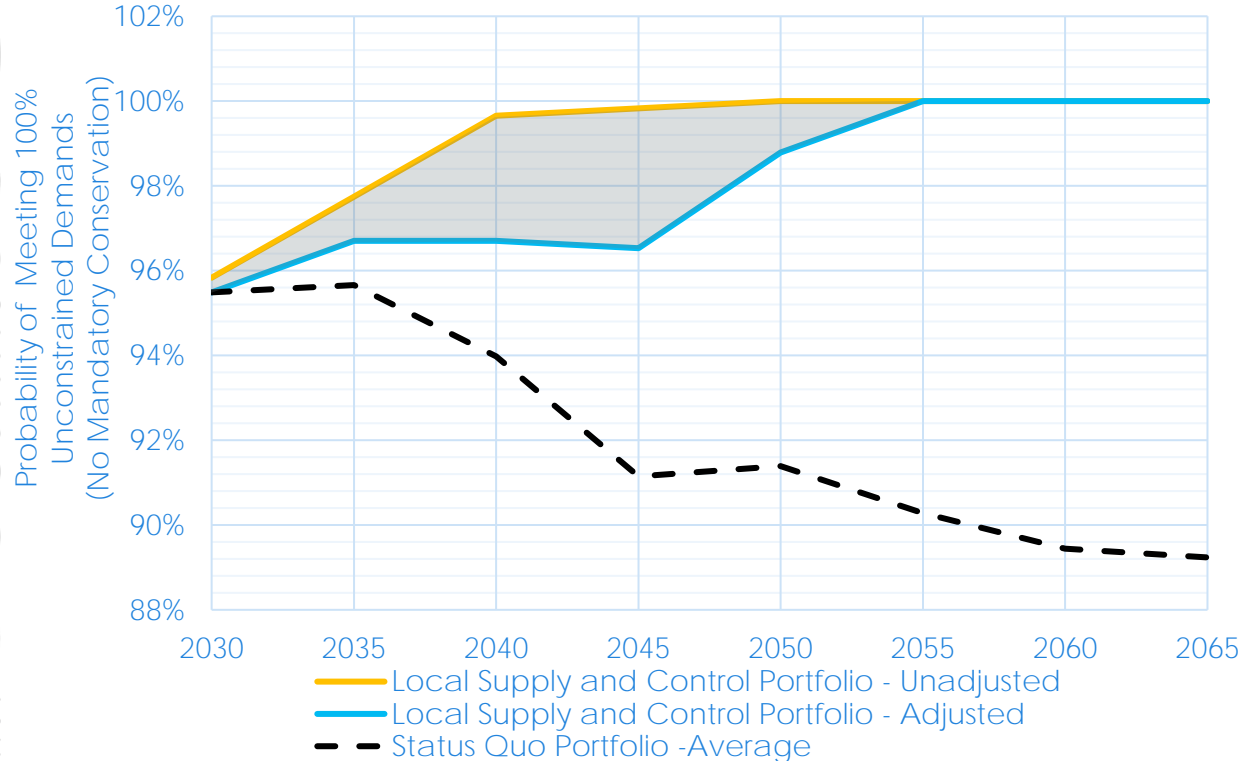
Cost Envelope



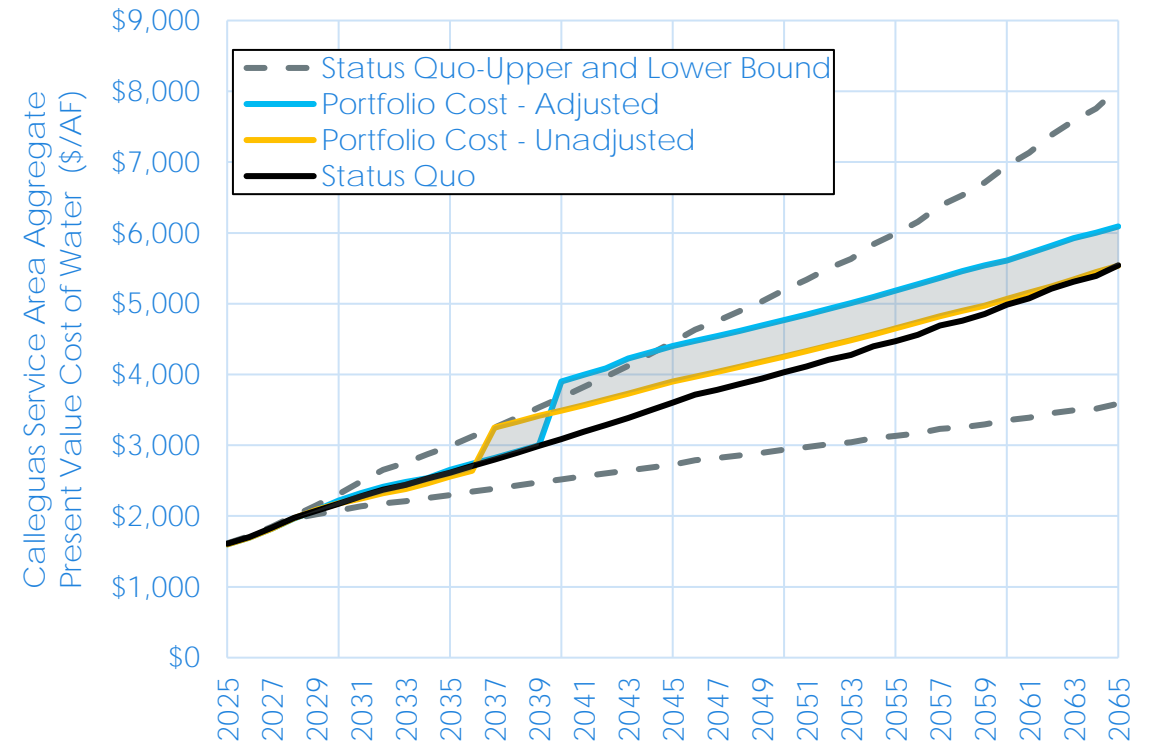
Portfolio Analysis Methodology

Example: Local Supply and Control Portfolio

Reliability Envelope



Cost Envelope



Multi-Criteria Evaluation

- Lifecycle Costs (\$/AF)
- Capacity Costs (\$/CFS)
- Reliability: Average reliability over the planning period
- Resilience: Conservation required during a 6-month imported system outage
- Adaptability: Scored based on the number of projects that can be phased

Multiple weighting factors were applied to the evaluation criteria

Thematic Portfolio Analysis

WATER RESOURCES IMPLEMENTATION STRATEGY

Portfolio Themes

1. Lowest Cost: Lowest lifecycle cost to meet minimum level of service.
2. Local Supply and Control: Maximizes local supply, treatment, and infrastructure; minimizes dependence on imported water.
3. Imported Water System Optimization: Augments imported system and supplies, internal and external storage, and maximizes utilization of existing imported water infrastructure.
4. Reliability and Resilience: Enhances level of service performance, less sensitivity to costs and other criteria.
5. Adaptability Emphasis: Readily adapts over time and under changing demand conditions, less sensitivity to costs and other criteria.
6. Groundwater Sustainability and Recycled Water Emphasis: Increases supply reliability while also supporting groundwater sustainability and recycled water utilization.

Thematic Portfolios

Project Name	Lowest Cost Portfolio	Local Supply and Control	Imported Water System Optimization	Reliability and Resilience	Adaptability Emphasis	GW Sustainability and RW Emphasis
Los Robles Desalter	X	X				X
New Newbury Park Wells with Treatment	X	X		X		
Oxnard AWWP and GW Recharge via Surface Spreading	X	X		X	X	X
South Oxnard Plain Brackish Water Treatment Facility (UWCD Extraction Barrier Brackish Water Treatment Project with conveyance to Calleguas)		X			X	X
Santa Rosa Valley Desalter/ Recharge/ IPR	X	X		X	X	X
Increase Pleasant Valley Basin Pumping Capacity to Extract Camrosa Water District Credits	X	X				
Expansion of Camrosa Non-Potable Water System	X	X				
West - East Transmission		X	X	X	X	X
Ocean Desalination					X	
Expand North Pleasant Valley Desalter Capacity		X		X		X
Simi Valley Desalter	X					
External Groundwater Bank			X		X	
Oxnard Plain Basin Program			X	X	X	X
Additional Aquifer Storage and Recovery – Santa Paula Basin			X			

Core Projects

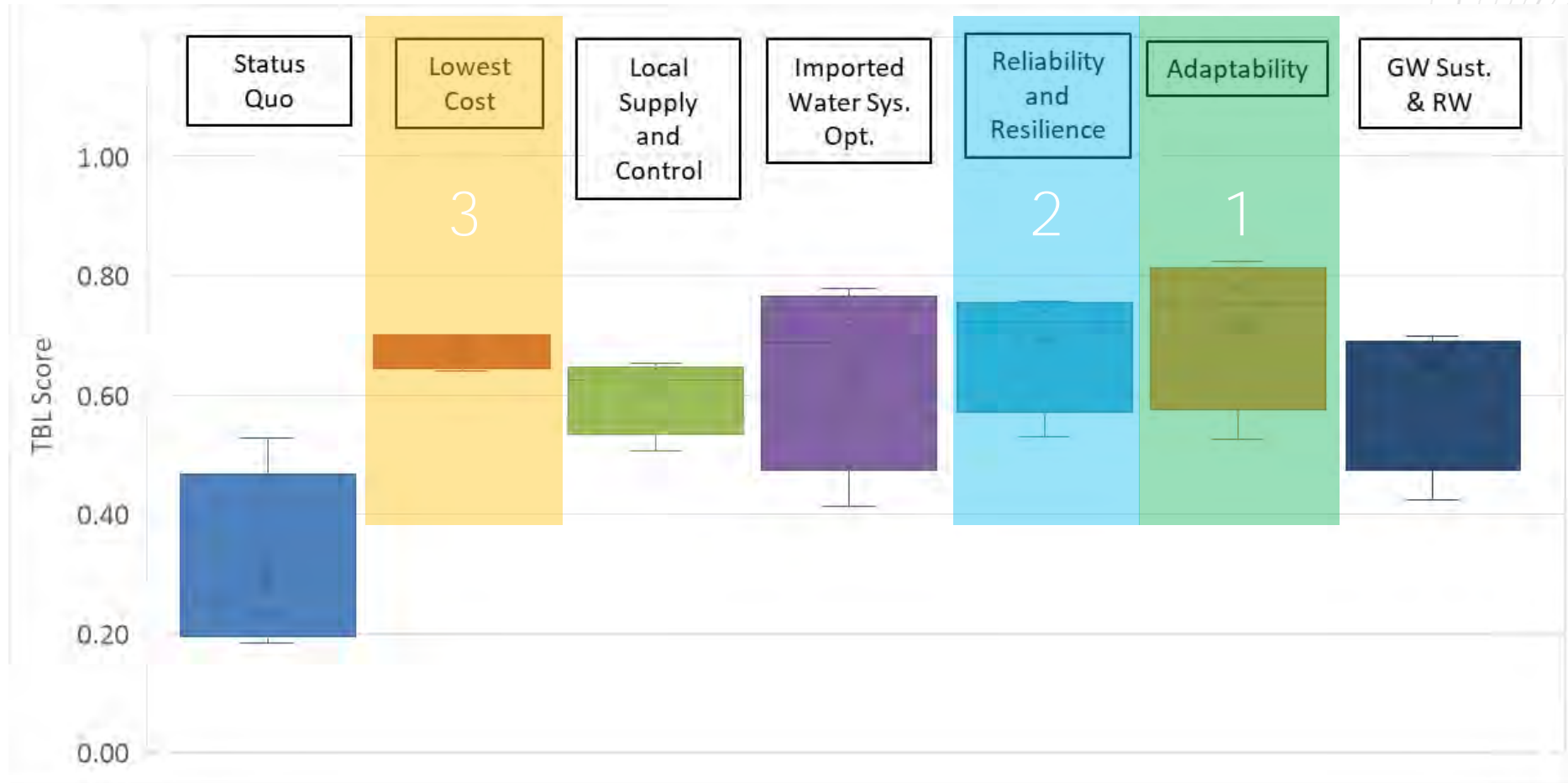
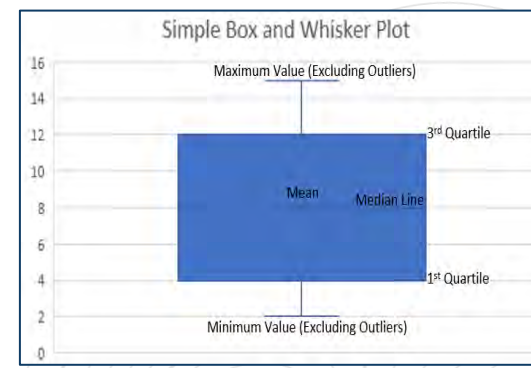
Drought & Outage Projects

Thematic Portfolio Multi-Criteria Scoring

CRITERIA	Status Quo	Lowest Cost	Local Supply and Control	Imported Water Optimization	Reliability and Resilience	Adaptability Emphasis	GW Sustainability and RW Emphasis
Average Lifecycle Cost (\$/AF)	\$3,566	\$3,448	\$3,871	\$4,219	\$3,937	\$4,048	\$4,174
Portfolio Capacity Cost (\$M/CFS)	\$0.0	\$21.9	\$31.6	\$42.1	\$31.6	\$35.9	\$31.2
Reliability (Average over 40-yr Planning Period)	92.1%	97.6%	98.6%	97.9%	98.5%	98.2%	97.6%
Resilience (Total conservation needed for a 6-month outage)	180 AF	79 AF	64 AF	0 AF	0 AF	0 AF	0 AF
Adaptability	Low	Medium	Medium	High	Medium	High	Medium

Thematic Portfolio Scoring

Higher scores are better



Hybrid Portfolios

WATER RESOURCES IMPLEMENTATION STRATEGY

Rationale for Hybrid Portfolios

Adaptability Emphasis Portfolio



Reduce Portfolio Costs

Reliability & Resilience Portfolio



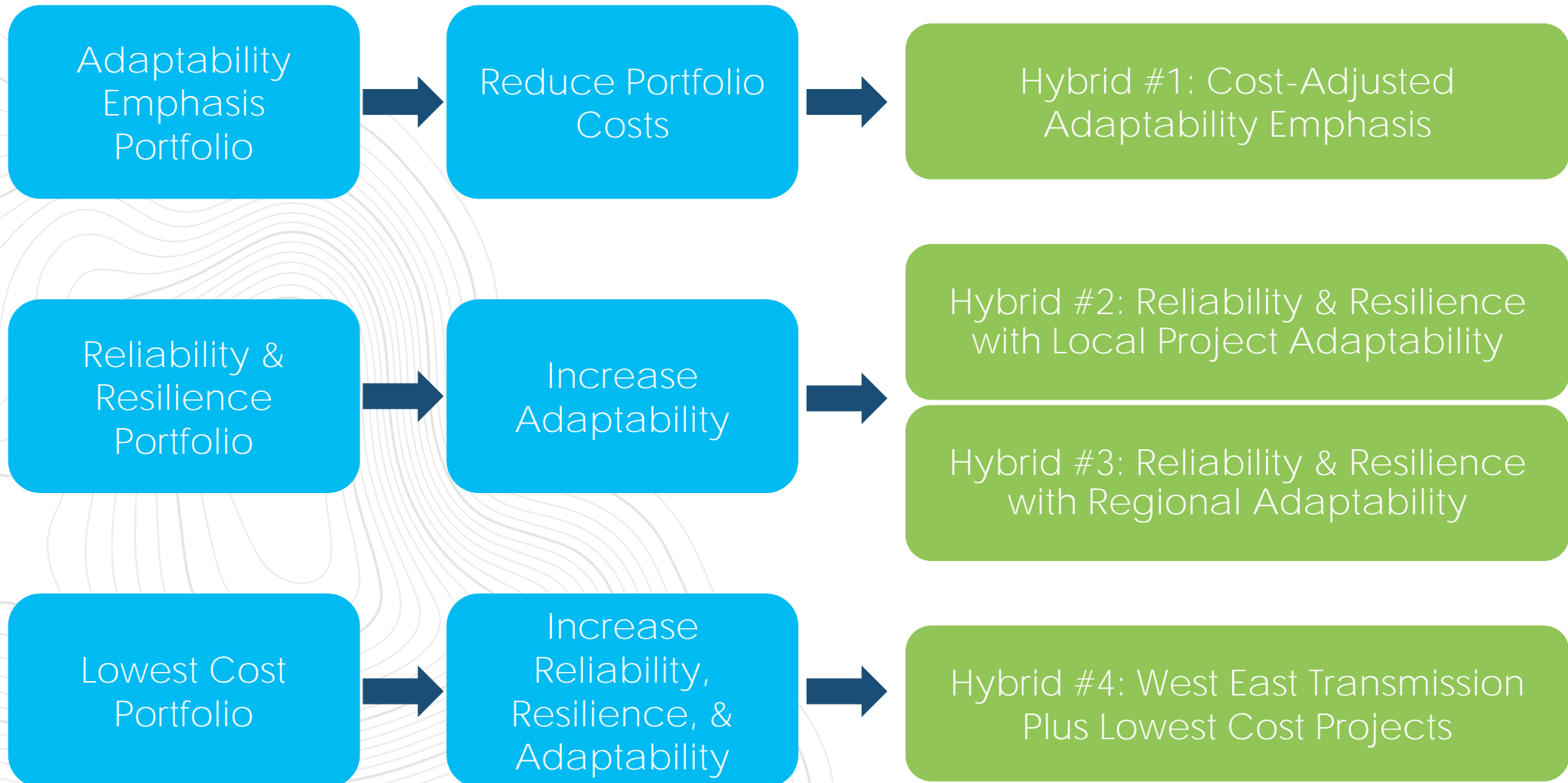
Increase Adaptability

Lowest Cost Portfolio



Increase Reliability, Resilience,
& Adaptability

Hybrid Portfolios



Portfolios

Project Name	Hybrid #1: Cost Adjusted Adaptability Emphasis	Hybrid #2: Reliability and Resilience With Local Project Adaptability	Hybrid #3: Reliability and Resilience With Regional Project Adaptability	Hybrid #4: WET plus Low Cost Projects
New Newbury Park Wells with Treatment	X	X	X	X
Oxnard AWPf and GW Recharge via Surface Spreading	X	X	X	X
South Oxnard Plain Brackish Water Treatment Facility (UWCD Extraction Barrier Brackish Water Treatment Project with conveyance to Calleguas)	X	X		X
Santa Rosa Valley Desalter/ Recharge/ IPR	X	X	X	X
Increase Pleasant Valley Basin Pumping Capacity to Extract Camrosa Water District Credits	X	X	X	X
Expansion of Camrosa Non-Potable Water System		X		X
West - East Transmission	X	X	X	X
Expand North Pleasant Valley Desalter Capacity	X	X	X	X
External Groundwater Bank	X		X	
Oxnard Plain Basin Program	X	X	X	
Additional Aquifer Storage and Recovery – Santa Paula Basin				X

Core Projects

Drought & Outage Projects

Portfolio Scoring

CRITERIA	Status Quo	Lowest Cost	Local Supply and Control	Imported Water Optimization	Reliability and Resilience	Adaptability Emphasis	GW Sustainability and RW Emphasis	Hybrid 1	Hybrid 2	Hybrid 3	Hybrid 4
Average Lifecycle Cost (\$/AF)	\$3,566	\$3,448	\$3,871	\$4,219	\$3,937	\$4,048	\$4,174	\$3,957	\$3,941	\$3,960	\$3,919
Portfolio Capacity Cost (\$M/CFS)	\$0.0	\$21.9	\$31.6	\$42.1	\$31.6	\$36.0	\$29.0	\$26.6	\$27.3	\$30.4	\$27.2
Reliability (Average over 40-yr Planning Period)	92.1%	97.6%	98.6%	97.9%	98.5%	98.2%	97.6%	98.7%	98.6%	98.7%	98.7%
Resilience (Total conservation needed for a 6-month outage)	180	79	64	0	0	0	0	0	0	0	0
Adaptability	Low	Medium	Medium	High	Medium	High	Medium	High	High	High	High

Portfolio Scoring

Higher scores are better



Recommendations

WATER RESOURCES IMPLEMENTATION STRATEGY

Draft Preferred Portfolio

Common to all Hybrid Portfolios

- Oxnard AWPf Expansion and IPR Project
- Northern Reach of Calleguas Creek Watershed Desalter Project
- Santa Rosa Valley Desalter/ Recharge
- West-East Transmission
- New Newbury Park Wells with Treatment
- Increase Pleasant Valley Basin Pumping Capacity to Extract Camrosa Water District Credits

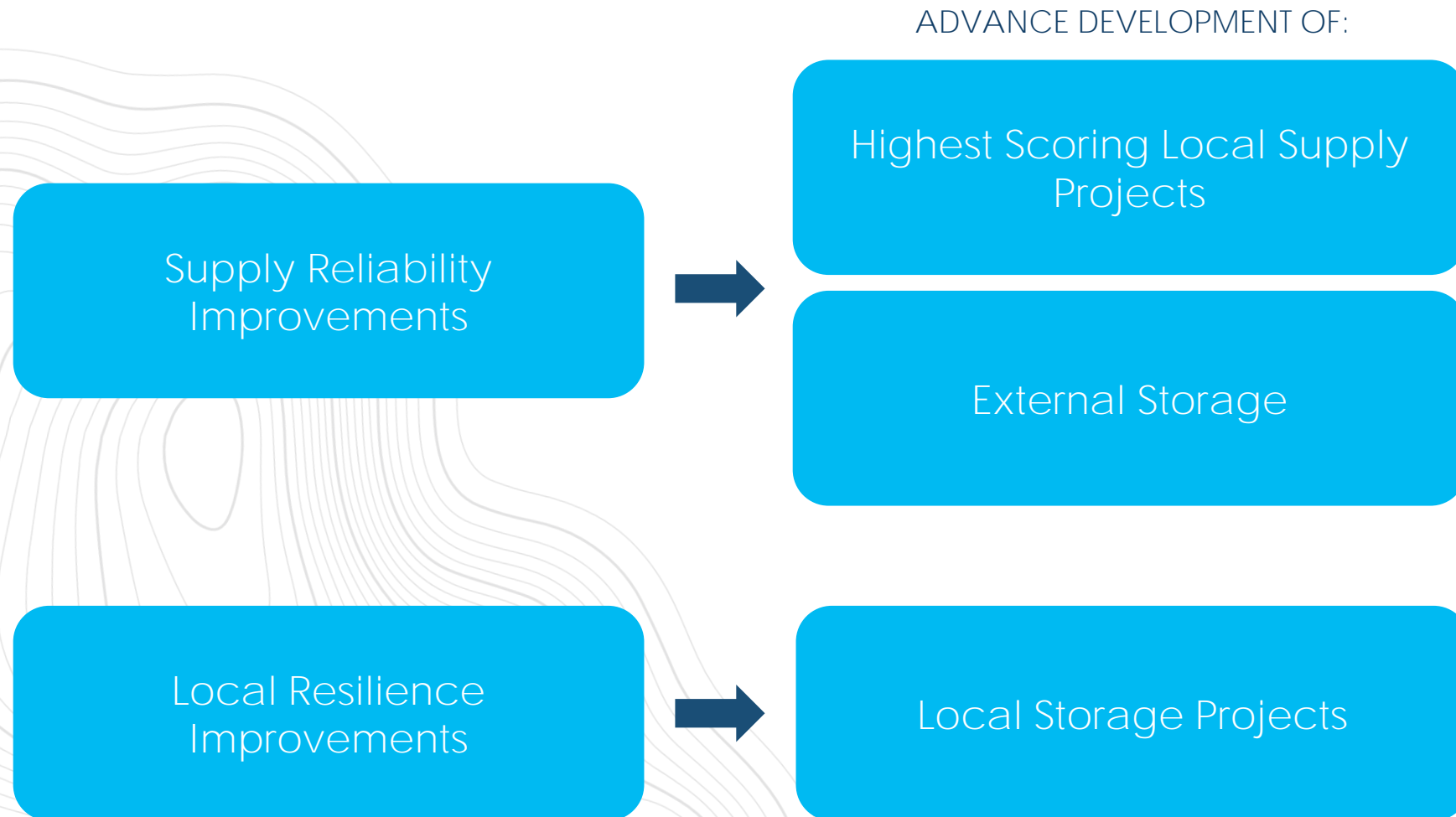
Other Top Performing Projects from Hybrid Portfolios

- Additional ASR in Santa Paula Basin
- Oxnard Plain Program
- South Oxnard Plain Brackish Water Treatment Facility (UWCD Extraction Barrier Brackish Water Treatment Project with conveyance to Calleguas)
- External Groundwater Bank
- Expansion of Camrosa Non-Potable Water System

Draft Preferred Portfolio and Options

Project	Risk	Optional Projects
Oxnard AWPf Expansion and IPR Project	Med	
Northern Reach of Calleguas Creek Watershed Desalter Project (NPV, Moorpark, Simi Desalter)	Med	
Santa Rosa Valley Desalter/ Recharge/ IPR	Low	
West-East Transmission	Low	
New Newbury Park Wells with Treatment	High	Los Robles Desalter
Increase Pleasant Valley Basin Pumping Capacity to Extract Camrosa Water District Credits	Med	
Oxnard Plain Program	High	Lake Casitas Storage
Additional ASR in Santa Paula Basin	Low	
South Oxnard Plain Brackish Water Treatment Facility	High	Ocean Desalination
External Groundwater Bank	Low	
Expansion of Camrosa Non-Potable Water System	Med	

Rationale for No Regret Actions



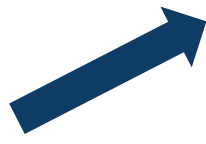
No Regret Actions

ADVANCE DEVELOPMENT OF:

Supply Reliability Improvements

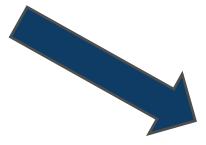


Highest Scoring Local Supply Projects



Oxnard AWP Expansion and IRP Project

External Storage



Santa Rosa Valley Desalter/Recharge Project



Develop a Wheeling and Exchange Framework with Retail Partner Agencies

Local Resilience Improvements



Local Storage Projects



Evaluate and select the preferred Northern Reach of the Calleguas Creek desalter project

Evaluate and select the preferred External Groundwater Bank alternative

Work with FCGMA and interested parties to develop a banking framework within the Oxnard Plain

Work with Santa Paula TAC to develop and implement an ASR project in the Santa Paula Basin

PROJECT AND PARTNERSHIP DEVELOPMENT:

PLANNING STUDIES:

INTERAGENCY COORDINATION:

Adaptive Management Approach

- Implement No Regret Actions first
- At future decision points, evaluate then-current conditions to determine:
 - The need and timing of additional projects from the Preferred Portfolio
 - Optional projects should Preferred Portfolio projects not come to fruition

Activity 1: Discussion of Portfolio Analysis and Recommendations

WATER RESOURCES IMPLEMENTATION STRATEGY

Portfolio Analysis and Recommendations Discussion

Purpose

Gather feedback and insight from the Regional and Retail Partners on the:

- Preferred Portfolio and Options
- No Regret Actions

Handouts

Water Resources Implementation Strategy (WRIS) Portfolio Scoring Results
Partner Workshop #4, October 1, 2024

Portfolio Results:
Higher scores are better.

Water Resources Implementation Strategy (WRIS) Portfolio Scoring Results
Partner Workshop #4, October 1, 2024

Criteria	0	1	2	3	4	5	6	7	8	9	10	
Average Lifecycle Cost (\$/AF)	Negative	\$5,546	\$3,648	\$3,873	\$4,078	\$3,937	\$4,060	\$4,476	\$3,957	\$3,941	\$3,966	\$3,919
Portfolio Capacity & Cost (MCFD)	Negative	\$0.0	\$21.9	\$31.6	\$42.1	\$31.6	\$36.6	\$29.0	\$26.6	\$27.3	\$38.4	\$27.2
Reliability & Storage (available in Planning Period)	Positive	87.7%	97.6%	98.0%	93.0%	86.1%	88.2%	91.0%	98.7%	88.0%	98.7%	88.7%
Resilience (final assessment should be a monthly output)	Negative	100	75	64	0	0	0	0	0	0	0	0
Adaptability	Positive	Low	Medium	Medium	High	Medium	High	Medium	High	High	High	High

Water Resources Implementation Strategy (WRIS) Draft Preferred Portfolio and Options and No Regret Actions
Partner Workshop #4, October 01, 2024

Project	Risk	Optimal Projects
Oxnard AWWP Expansion and IPR Project	Med	
Northern Reach of Calleguas Creek Watershed Desalter Project (IPV, Moorpark, Simi Desalter)	Med	
Santa Rosa Valley Desalter/Recharge/IPR	Low	
West-East Transmission	Low	
New Necessary Park Wells with Treatment	High	Lake Castitas Desalter
Increase Pleasant Valley Basin Pumping Capacity to Extract Camrose Water District Credits	Med	
Oxnard Plain Program	High	Lake Castitas Storage
Additional ADR in Santa Paula Basin	Low	
South Oxnard Plain Brackish Water Treatment Facility	High	Ocean Desalination
External Groundwater Bank	Low	
Expansion of Camrose Non-Potable Water System	Med	

No Regret Actions:

- Advance development of... (Project and Alternative Assessment)
- Improve Existing... (Project and Alternative Assessment)
- Expand Storage... (Project and Alternative Assessment)
- Water Storage Project... (Project and Alternative Assessment)
- Project and Alternative Assessment... (Project and Alternative Assessment)
- Expand AWWP... (Project and Alternative Assessment)
- Improve a Desalter... (Project and Alternative Assessment)
- Water Storage Project... (Project and Alternative Assessment)
- Water Storage Project... (Project and Alternative Assessment)
- Water Storage Project... (Project and Alternative Assessment)

Portfolio Analysis and Recommendations

Small Group Discussion

- In your group, discuss the portfolio analysis and recommendations. Use the following questions to guide your discussion:
 1. Preferred Portfolio and Options: Are there any projects that appear to be missing from the draft Preferred Portfolio? Are there other considerations relative to the projects included in the draft Preferred Portfolio?
 2. No Regret Actions: Are there any No Regret actions missing? Are there additional considerations relative to the No Regret actions?
- Nominate a spokesperson for the group to report out discussion highlights.
- For the report out we will go around to each group and ask to share in 5 minutes the highlights of your group's discussion of the portfolio analysis including the key items that your group agrees with pertaining to the preferred portfolio and no regret actions, and what you would change.



Activity 1 Participants

Table	Attendee and Organization
1	Ann DeMartini - Crestview Mutual Water Company Michael Wolfe - City of Oxnard Tim Beaman - City of Oxnard Ian Prichard - Calleguas MWD
2	Chris Oberender - City of Simi Valley Michel Kadah - City of Simi Valley Scott Rigg - Golden State Water Company Wanda Moyer - City of Simi Valley
3	Eric Schlageter - Las Virgenes Municipal Water District Nader Heydari - City of Thousand Oaks Norman Huff - Camrosa Water District
4	Akbar Alikhan - City of Thousand Oaks Cliff Finley - City of Thousand Oaks Dave Rydman - Triunfo Water & Sanitation District Jacob Quick - California American Water
5	Jenny Tribo - City of Ventura Sean Hanley - Ventura County Public Works Agency Henry Graumlich - Calleguas MWD

Reported Portfolio Analysis Comments

Table	Comments, Questions, and Notes
1	<ul style="list-style-type: none"> • For the Oxnard Plain Program, the risk is unknown due to the adjudication but currently perceived as high. • Coordination with FCGMA on the Oxnard Plain Program is an important component of the No Regret Actions. • For the Oxnard Plain Program's PUT operation, there is potential to convey water down the Santa Clara River for diversion at UWCD's facilities instead of wheeling through MWD's system. • An alternative to the South Oxnard Plain Brackish Water Treatment Project could be a seawater intrusion barrier project.
2	<ul style="list-style-type: none"> • Are there other recharge/banking opportunities in other basins in the region? • A potential project could include capturing losses in the shallow aquifer of the North Oxnard Plain and reinjecting in deeper aquifers in South Oxnard Plain. In wet years there are losses in the shallow aquifer from 10,000 to 20,000 acre-feet. • There may be the potential for a desalter project at the Tapo Canyon well field in Simi Valley. • Some concern about water quality impacts with west to east transmission. • City of Simi Valley is interested in compensation for the effluent/groundwater discharges to the Arroyo Simi
3	<ul style="list-style-type: none"> • The ocean desalination optional project has multiple alternatives to consider. • Potential to expand South Oxnard Plain Brackish WTP instead of ocean desalination for potential cost and seawater intrusion benefits • A Regional Water Management/Allocation Master Plan could help identify other opportunities and support the wheeling & exchange framework • Is there a regional stormwater recharge/diversion project that could be considered?

Reported Portfolio Analysis Comments

Table	Comments, Questions, and Notes
4	<ul style="list-style-type: none"> The Las Virgenes-Triunfo PureWater Project should be further considered. Direct potable reuse could be a potential project or project alternative to the Oxnard IPR Project.
5	<ul style="list-style-type: none"> Seasonal considerations supported by wheeling and banking Water quality considerations – how do salts move through the watershed? Oxnard has a significant amount of water from its project. Can the project be optimized for the right amount of water and project cost? The cost and benefits of an upper zone project (Simi Valley) should be compared to a lower zone project with conveyance to serve the upper zone.

Activity 2: Implementation Framework

WATER RESOURCES IMPLEMENTATION STRATEGY

Background & Handout

Conceptual Implementation Framework Activity

Each table is assigned a project from the preferred portfolio and given a project summary handout.



- Table 1: Oxnard Plain Program
- Table 2: Northern Reach of Calleguas Creek Watershed Desalter Project
- Tables 3 & 4: Santa Rosa Valley Desalter, New Newbury Park Wells, and/or Los Robles Desalter
- Table 5: Santa Paula ASR Project

Project Description Handouts



Conceptual Implementation Framework

Small Group Brainstorm Activity

- In your group, discuss your assigned project and brainstorm the following:
 - Stakeholders: Who are the potential stakeholders that should be considered for the project and their potential role(s)? Are there stakeholders for certain project components?
 - Key Implementation Considerations: What are the key implementation considerations for specific project components? [e.g., further studies/ investigations, agreements, regulatory requirements, permitting needs.]
 - Highest Priority Actions: What are the key actions and next steps needed for project implementation?
- Nominate a spokesperson for the group to report out what is discussed.
- For the report out we will go around to each group and ask to share in 5 minutes the highlights of **your group's** identification of your **project's** key stakeholders, implementation considerations, and highest priority action.



Activity 2 Participants

Table	Project(s)	Attendee and Organization
1	Oxnard Plain Program	Ann DeMartini - Crestview Mutual Water Company Michael Wolfe - City of Oxnard Tim Beaman - City of Oxnard Ian Prichard - Calleguas MWD
2	Northern Reach of Calleguas Creek Watershed Desalter Project / Simi Valley Desalter	Chris Oberender - City of Simi Valley Michel Kadah - City of Simi Valley Scott Rigg - Golden State Water Company Wanda Moyer - City of Simi Valley Kristine McCaffrey - Calleguas MWD
3	Newbury Park Wells & Los Robles Desalter	Eric Schlageter - Las Virgenes Municipal Water District Nader Heydari - City of Thousand Oaks Norman Huff - Camrosa Water District
4	Santa Rosa Desalter & Newbury Park Wells	Akbar Alikhan - City of Thousand Oaks Cliff Finley - City of Thousand Oaks Dave Rydman - Triunfo Water & Sanitation District Jacob Quick - California American Water
5	Santa Paula ASR	Jenny Tribo - City of Ventura Sean Hanley - Ventura County Public Works Agency Henry Graumlich - Calleguas MWD

Report Out

Table	Project	Stakeholders and Key Implementation Considerations
1	Oxnard Plain Program	<ul style="list-style-type: none"> Stakeholders: Water consumers and supplies: Ventura, Mutuals, Oxnard, Camarillo, Camrosa; Consumers only: Agricultural pumpers, PVCWD, VCWW; Suppliers only: Calleguas, UWCD, Watershed Protection District; FCGMA as a regulator Implementation Considerations: Develop a banking framework Highest Priority Action: Settle the adjudication to include storage and transfer provisions
2	Northern Reach of Calleguas Creek Watershed Desalter Project / Simi Valley Desalter	<ul style="list-style-type: none"> Stakeholders: Calleguas, Simi Valley, VCWWD, GSWC, CPUC, Watershed Protection District, schools/park district, regulatory agencies, funding agencies Implementation Considerations: Well and desalter siting, SMP extension, treated water conveyance, interagency agreements, existing well consideration. The Simi Valley Basin is unadjudicated, which presents different challenges compared to an adjudicated basin. Local projects in Simi Valley provide upper zone reliability and resilience, which may reduce the timing or sizing for west east transmission. There are stormwater capture benefits with higher groundwater use in the Simi Valley Basin due to current artesian conditions.
3	Newbury Park Wells & Los Robles Desalter	<ul style="list-style-type: none"> Stakeholders: LVMWD (brine), City of Thousand Oaks, California American Water Implementation Consideration: Limited studies, water quality concerns, brine disposal, the Los Robles Desalter can only serve a small portion of Thousand Oaks' service area currently but could serve more as a regional project. Highest priority actions: Newbury Park Well siting study and water quality evaluation.

Report Out

Table	Project	Stakeholders and Key Implementation Considerations
4	Santa Rosa Desalter & Newbury Park Wells	<p>Santa Rosa Valley Stakeholders: Camrosa, Thousand Oaks, Calleguas, Agricultural pumpers in the basin.</p> <p>Implementation Considerations: Santa Rosa Valley water supply/project yield and costs for a Camrosa only project or a larger regional project. A retail only project versus a larger regional project depends on costs and who is benefiting.</p> <p>Highest Priority Action: Coordination with stakeholders to determine if this a regional project and how do the parties share the costs and benefits.</p> <p>Newbury Park Wells Implementation Considerations: The project has an unknown yield that has historically been low. Based on project size, does it qualify as a regional project?</p>
5	Santa Paula ASR	<p>Stakeholders: SPBPA (entity), other pumpers not parties in the adjudication, City of Ventura, UWCD, MWD</p> <p>Implementation Considerations: MWD considerations for place of use if banking MWD supply, need approval from Santa Paula Basin parties, potential project/partnership with the City of Ventura, project's future use and cost considerations for the interconnection, LAFCo coordination/considerations, UWCD turnout conversion for another connection to the interconnection.</p> <p>Top Priority Action: Relationship building with Santa Paula Pumpers</p>

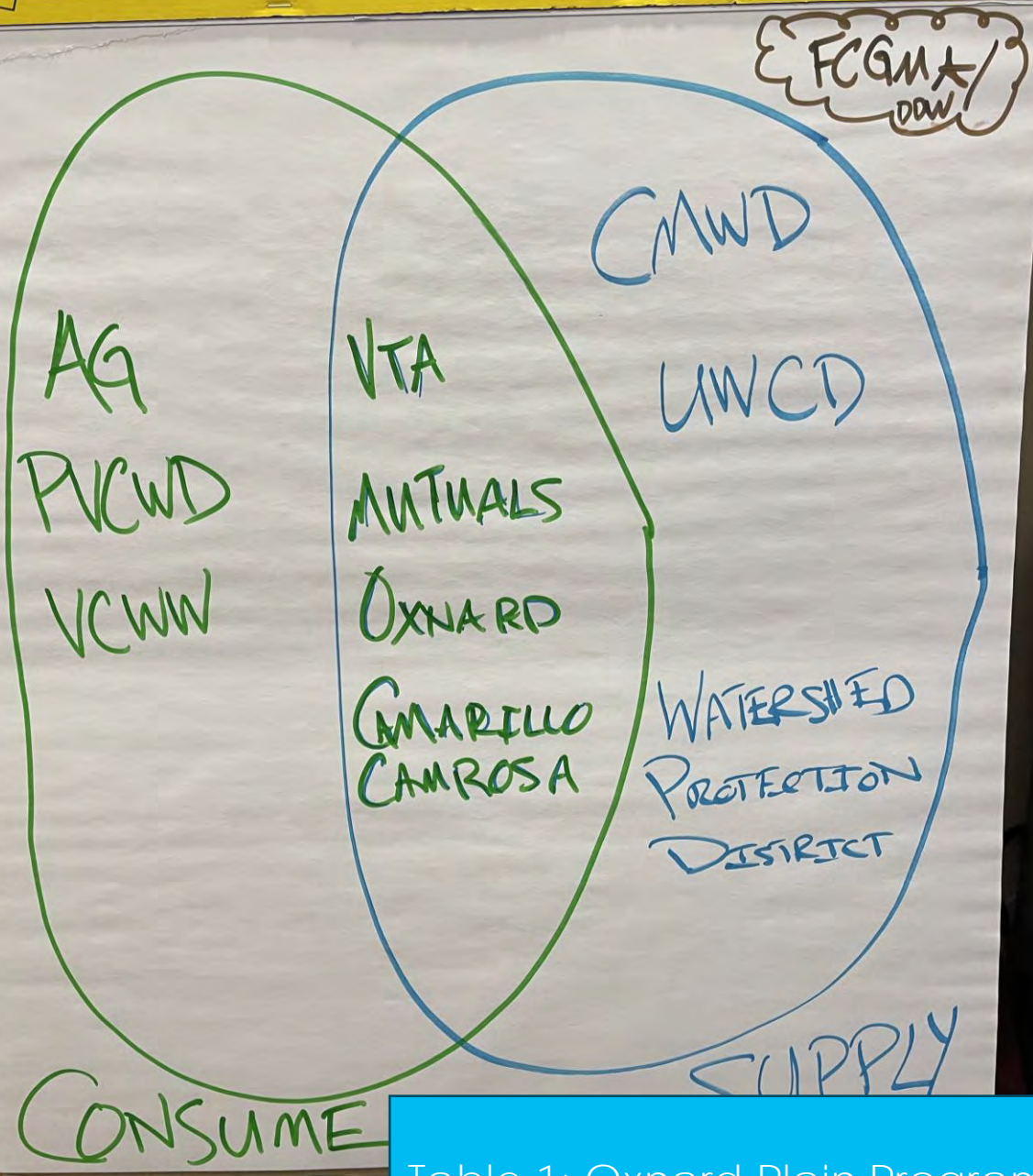


Table 1: Oxnard Plain Program

- ### Calleguas
- Key stakeholder
- City of Simi Valley
 - Ventura County WWD #8
 - Golden State Water Co.
 - PUC
 - VCWPD
 - WWD #17
 - LVMWD
- SVUSD
 - RSR PD
 - SWRCB
 - RWQCB
 - LA Region
 - Envir. NGOs
 - SSFL
 - Activists
 - D. Fish & Wildlife
 - EPA/DWR
 - ↳ Funding Agencies of DWR Bureau Reclamation

Table 2: Northern Reach of Calleguas Creek Watershed Desalter Project/Simi Desalter

Key Implementation Considerations

- Simi Valley GW Feasibility Study preliminary conducted
- Expanded N. Reach CCW Reach Study For centralized wells + desalter + SMP + treated conveyance
- Formal Agency Agreements
 - Private-Investor owned Utility & Municipal Gov't
 - existing + new wells for potable use
 - existing wells to reduce artesian condition of property damage
- Political Considerations
- SV GW Basin is unjudicated
 - Local Simi Valley Resource if Santa Susana Tunnel is compromised
 - Reduced Potential Reduced Volume Req'd for West to East Transmission
 - Naturally allows for Stormwater Capture & Recharge as the need for Dewatering is minimized

Table 2: Northern Reach of Calleguas Creek Watershed Desalter Project/ Simi Desalter

SP Basin ASR

Stakeholders

SP Basin Pumpers (entity)
own Board

Other pumpers (non-party and/or independent)

City of Ventura (San Geronimo)

United WCD

Metropolitan (?) as envisioned, other options

Table 5: Santa Paula ASR Project

Additional Considerations (5)

- [- Temporal (seasonal) considerations?
(banking) → storage
- [- Water quality (?)
- [- Oxnard supply is large!
- [- how much water are we looking for?
- [- how much do we spend?
- [- more details on SP Basin wells?
- [- Clarifications on Northern Reaches desalters combination infrastructure & institutional considerations.

Table 5: Santa Paula ASR Project

SP Basin ASR

Implementation

- Met consideration S
- City of V. storage - SWP issues
- use of interconnection
- future cost consideration
- funding partners welcome
- EIR limitations / LAFCO
- reliability
- climate
- { SP Basin Parties
- interconnection (UWCD)
- metropolitan connection-
- limited partner

Table 5: Santa Paula ASR Project

Next Steps

Next Steps



Through 2024

Wrap up Phase 1 WRIST
Report



2025

Initiate Phase 2:

- Engage Partners
- Further Develop Projects
- Adaptive Management

Questions?