

I hereby certify that the following agenda was posted at least 72 hours prior to the time of the meeting so noticed below at 24251 Los Alisos Boulevard, Lake Forest, California.



DENNIS P. CAFFERTY, Secretary
of the El Toro Water District and
the Board of Directors thereof



AGENDA
EL TORO WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS
ENGINEERING COMMITTEE MEETING AND
FINANCE AND INSURANCE COMMITTEE MEETING

July 22, 2024

7:30 a.m.

BOARDROOM, DISTRICT OFFICE
24251 LOS ALISOS BLVD., LAKE FOREST, CA 92630

This meeting will be held in person. As a convenience for the public, the meeting may also be accessed by Zoom and will be available by either computer or telephone audio as indicated below. Because this is an in-person meeting and the virtual component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.

Members of the public who wish to comment on any item within the jurisdiction of the District or on any item on the agenda, may attend the meeting in person at the District's office or may observe and address the Meeting by joining at this link:
<https://us02web.zoom.us/j/83162878782> (Meeting ID: 831 6287 8782).

Members of the public who wish only to listen to the telephonic meeting may dial in at the following numbers (669) 900-6833 or (346) 248-7799 with the same Meeting ID noted above. Please be advised the Meeting is being recorded.

CALL TO ORDER – President Monin

PLEDGE OF ALLEGIANCE – Director Freshley

ROLL CALL (Determination of a Quorum)

ORAL COMMUNICATIONS/PUBLIC COMMENTS

Members of the public may address the Board at this time or they may reserve this opportunity with regard to an item on the agenda until said item is discussed by the Board. Comments on other items will be heard at the times set aside for “COMMENTS REGARDING NON-AGENDA ENGINEERING COMMITTEE ITEMS” or for “COMMENTS REGARDING NON-AGENDA FIC ITEMS.” The public may identify themselves when called on and limit their comments to three minutes.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action to agendize item(s) which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present, or, if less than two-thirds of the Board members are present, a unanimous vote of those members present.)

1. Consider Board Member’s Request for Remote Participation (AB 2449)

FINANCE AND INSURANCE COMMITTEE MEETING

CALL MEETING TO ORDER – Director Havens

2. Consent Calendar (Reference Material Included)

(All matters under the Consent Calendar will be approved by one motion unless a Board member or a member of the public requests separate action or discussion on a specific item)

- a. Consider approving the minutes of the June 24, 2024 Finance and Insurance Committee meeting (Minutes included).

Recommended Action: The Board will be requested to approve the above Consent Calendar.

FINANCIAL INFORMATION ITEMS

3. **Update on the Implementation of the Springbrook Software System**
(Reference Material Included)

Staff will provide an update on the status of the implementation of the Springbrook Software System.

FINANCIAL ACTION ITEMS

4. **Quarterly Insurance Report** (Reference Material Included)

Staff will review and comment on the Quarterly Insurance Report for the period April 1, 2024 through June 30, 2024.

Recommended Action: Staff recommends that the Board Receive and File the Quarterly Insurance Report for the period of April 1, 2024 through June 30, 2024.

5. **Financial Package - Authorization to Approve Payment of Bills for the Month Ending July 22, 2024 and Receive and File Financial Statements as of June 30, 2024** (Reference Material Included)

The Board will consider approving Bills for Consideration dated July 22, 2024 and Receive and File Financial Statements as of June 30, 2024.

Recommended Action: Staff recommends that the Board 1) approve, ratify and confirm payment of those bills as set forth in the Payment Summary for the month ending July 22, 2024, and 2) receive and file the Financial Statements for the month ending June 30, 2024.

COMMENTS REGARDING NON-AGENDA FIC ITEMS

CLOSE FINANCE AND INSURANCE COMMITTEE MEETING

ENGINEERING COMMITTEE

CALL MEETING TO ORDER – Director Freshley

6. Consent Calendar

(All matters under the Consent Calendar will be approved by one motion unless a Board member or a member of the public requests separate action or discussion on a specific item)

- a. Consider approving the minutes of the June 24, 2024 Engineering Committee meeting. (Minutes Included).

Recommended Action: The Board will be requested to approve the subject minutes.

ENGINEERING ACTION ITEMS

7. **Resolution No. 24-7-1 Effluent Transmission Main Aliso Creek Crossing Mitigation Project FEMA Hazard Mitigation Grant Program Application Match Commitment Documentation**
(Reference Material Included)

Staff will review and comment on the FEMA Hazard Mitigation Grant Program Application staff is preparing for the proposed Effluent Transmission Main Aliso Creek Crossing Mitigation Project and the need to document the District's commitment to the required matching funds.

Recommended Action: Staff recommends that the Board of Directors adopt Resolution No. 24-7-1, documenting the District's commitment to the matching funds requirement for the FEMA Hazard Mitigation Grant Program application for the Effluent Transmission Main Aliso Creek Crossing Mitigation Project.

RESOLUTION NO. 24-7-1

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EL TORO WATER DISTRICT
COMMITTING THE DISTRICT TO THE MATCHING FUNDS REQUIREMENT
FOR THE EFFLUENT TRANSMISSION MAIN ALISO CREEK CROSSING
MITIGATION PROJECT
FEMA HAZARD MITIGATION GRANT PROGRAM APPLICATION

8. **WRP Generator Radiator Replacement Project** (Reference Material Included)

Staff will review and comment on the proposed removal and replacement of the WRP generator's radiator.

Recommended Action: Staff recommends that the Board of Directors authorize the General Manager to issue two purchase orders to Quinn Company, Inc. (1) in the amount of \$111,434.55 for removal and replacement of the existing WRP generator's radiator and (2) in the amount of \$32,953.66 to rent a standby generator to facilitate this work. Staff further recommends that the Board authorize the General Manager to fund the project costs from the District's Capital Reserves in accordance with the District's adopted Capital Reserve Policy.

9. **DAF No. 1 MCC Replacement Project** (Reference Material Included)

Staff will review and comment on the proposed replacement of the existing DAF No. 1 MCC.

Recommended Action: Staff recommends that the Board of Directors authorize the General Manager to issue a purchase order to OneSource Distributors, LLC in the amount of \$65,535.62 for a replacement DAF No. 1 MCC. Staff further recommends that the Board authorize the General Manager to fund the project costs from the District's Capital Reserves in accordance with the District's adopted Capital Reserve Policy.

10. **Additional Tertiary Filter Disk Project** (Reference Material Included)

Staff will review and comment on the proposed addition of disks to the existing Tertiary Filters at the Tertiary Treatment Plant (TTP).

Recommended Action: Staff recommends that the Board of Directors authorize the General Manager to issue a purchase order to Aqua-Aerobic Systems, Inc. in the amount of \$88,617.00 for additional tertiary filter disks. Staff further recommends that the Board authorize the General Manager to fund the project costs from the District's Capital Reserves in accordance with the District's adopted Capital Reserve Policy.

11. **R-6 Reservoir, New Warehouse/MPR, and Main Office Security Systems**
(Reference Material Included)

Staff will review and comment on the proposed replacement of the existing service contracts with Johnson Controls, Inc. to Convergent at the New Warehouse/MPR, R-6 Reservoir, and Main Office cameras.

Recommended Action: Staff recommends that the Board of Directors authorize the General Manager to enter into three customer support service contracts with Convergent Technologies LLC as follows: (1) in the amount of \$19,562.45 for 5-years at the Main Office (cameras); (2) in the amount of \$26,434.73 for 5-years at the New Warehouse/MPR; (3) in the amount of \$41,354.25 for 5-years at the R-6 Reservoir. Staff further recommends that the Board authorize the General Manager to fund the project costs from the District's Capital Reserves in accordance with the District's adopted Capital Reserve Policy.

ENGINEERING INFORMATION ITEMS

12. **El Toro Water District Operations Report** (Reference Material Included)

Staff will review and comment on the El Toro Water District Operations Report.

13. **El Toro Water District Capital Project Status Report**
(Reference Material Included)

Staff will review and comment on the El Toro Water District Capital Project Status Report.

14. **Engineering Items Discussed at Various Conferences and Meetings**

The Committee will discuss any pertinent Engineering items discussed at Conferences.

COMMENTS REGARDING NON-AGENDA ENGINEERING COMMITTEE ITEMS

CLOSE ENGINEERING COMMITTEE MEETING

ATTORNEY REPORT

CLOSED SESSION

At this time the Board will go into Closed Session as follows:

1. Pursuant to Government Code Section 54957(a) to consult with legal counsel and staff regarding matters of security of essential public services including water, drinking water and wastewater treatment.
2. Pursuant to Government Code Section 54956.8 to consult with the District's designated negotiator (Dennis P. Cafferty, General Manager) with respect to the terms and conditions pertaining to the proposed exchange and/or transfer of ownership in the Joint Regional Treatment Plant presently owned and operated by the South Orange County Wastewater Authority (in which the District is a member agency) to the Moulton Niguel Water District and the assignment of capacity in the Effluent Transmission Main and Aliso Creek Ocean Outfall from Moulton Niguel Water District to El Toro Water District.

REGULAR SESSION

REPORT ON CLOSED SESSION (Legal Counsel)

Mr. Granito will provide an oral report on the Closed Session.

ADJOURNMENT

The agenda material for this meeting is available to the public at the District's Administrative Office, which is located at 24251 Los Alisos Blvd., Lake Forest, Ca. 92630. If any additional material related to an open session agenda item is distributed to all or a majority of the board of directors after this agenda is posted, such material will be made available for immediate public inspection at the same location.

Request for Disability-Related Modifications or Accommodations

If you require any disability-related accommodation, including auxiliary aids or services, in order to participate in this public meeting, please telephone the District's Recording Secretary, Polly Welsch at (949) 837-7050, extension 225 at least forty-eight (48) hours prior to said meeting. If you prefer, your request may be submitted in writing to El Toro Water District, P.O. Box 4000, Laguna Hills, California 92654, Attention: Polly Welsch.

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
AND THE
FINANCE & INSURANCE COMMITTEE MEETING

June 24, 2024

At approximately 7:34 a.m. President Monin called the regular meeting to order.

Director Adjarian led the Pledge of Allegiance to the flag.

Committee Members MARK MONIN, MIKE GASKINS, KAY HAVENS,
KATHRYN FRESHLEY, and FRED ADJARIAN participated.

Also participating were DENNIS P. CAFFERTY, General Manager, VISHAV SHARMA, CFO, HANNAH FORD, Director of Engineering, SCOTT HOPKINS, Operations Superintendent, GILBERT J. GRANITO, General Counsel, MIKE MIAZGA, IT Manager (Zoom), VU CHU, Water Use Efficiency Analyst (Zoom), VICKI TANIOUS, Senior Accountant/Payroll (Zoom), CAROL MOORE, Laguna Woods City Council Member (Zoom), KEITH STRIBLING, PFM Asset Management, and MARISOL MELENDEZ, Recording Secretary.

Determination of a Quorum

Roll Call:

Director Adjarian	present
Director Freshley	present
Director Havens	present
Vice President Gaskins	present
President Monin	present

Five Board members are present at the meeting and therefore a quorum has been determined.

Oral Communications/Public Comment

There were no comments.

Items Too Late to be Agendized

President Monin asked if there were any items received too late to be agendized.

Mr. Cafferty replied no.

Finance and Insurance Committee Meeting

At approximately 7:34 a.m. Director Havens called the Finance and Insurance Committee meeting to order.

Consent Calendar

Mr. Cafferty stated there would be an update to the title of the April 11, 2024 Board Budget Workshop Minutes.

Director Havens asked for a Motion.

Motion: Director Adjarian made a motion, seconded by Director Freshley to approve the Consent Calendar.

Roll Call Vote:

Director Adjarian	aye
Director Freshley	aye
Director Havens	aye
Vice President Gaskins	aye
President Monin	aye

Financial Information Items

Quarterly Review of the District's 401(k) Retirement Savings Plan

Mr. Stribling, Highmark Capital Management, provided a quarterly review on the investment performance of the District's 401 (k) retirement savings plan. Mr. Stribling stated that we are balancing tighter financial conditions and heightened geopolitical risks. Mr. Stribling further stated that the negatives in the quarter are related to interest rates and that active fixed income management did well. Mr. Stribling stated that if a recession is avoided, the market is expected to broaden post-election.

President Monin requested additional information of the Lipper fund ranking, GIC data and data for assets under management for Emerald and Undiscovered Managers Behavioral Val R6. Mr. Stribling stated he would follow up with the District with the requested information.

At approximately 8:01 a.m. Mr. Stribling left the meeting.

El Toro Water District Deferred Compensation Plan (457 Plan) Quarterly Performance Report

Mr. Cafferty stated the update on the performance of the investment options in the District's Deferred Compensation Plan (457 Plan) for the first quarter is in the package. President Monin asked who manages the investment options in the 457 plans. Mr. Cafferty replied that Empower is the provider but investment management is self-directed by the employees.

Director Havens asked if we are happy with the Weighted Net Expenses on Page 50 of the performance report. Mr. Cafferty stated that we are constantly evaluating the returns, performance, and fees.

Update on the Implementation of the Springbrook Software System

Mr. Sharma stated that the Springbrook software system implementation occurred on June 17, 2024. Mr. Sharma stated that there has been a couple of hiccups involving the statements and InfoSend but these issues are being worked through this week. Mr. Sharma explained that bill calculations, statement printing, and importing meter reading files and credit card information all went well. Mr. Sharma also explained that we haven't switched to Express Bill Pay because customers don't have new invoices with their new account numbers yet and that a mass email reminder would be sent to customers this afternoon.

Director Adjarian asked if Springbrook is going to check in at any point after implementation. Mr. Sharma stated that Springbrook consultants would be continuing to support Customer Service staff via zoom this week in the afternoons and expressed optimism about the conversion progress. Mr. Sharma explained that the approach being taken is to implement the system in pieces to be able to test each module as they go.

Financial Action Items

Resolution 24-6-1 California Office of Emergency Services Authorized Agents

Designation

Mr. Cafferty explained that in order for the District to pursue FEMA funding related to COVID-19 costs, the District must identify authorized agents: The General Manager and Chief Financial Officer, to submit applications for federal financial assistance with Cal OES.

Director Havens asked for a Motion.

Motion: Director Adjarian made a Motion, seconded by Vice President Gaskins to approve Resolution 24-6-1 California Office of Emergency Services Authorized Agents Designation.

Roll Call Vote:

Director Adjarian	aye
Director Freshley	aye
Director Havens	aye
Vice President Gaskins	aye
President Monin	aye

Financial Package - Authorization to Approve Payment of Bills for the Month Ending

June 24, 2024 and Receive and File Financial Statements as of May 31, 2024

There were no comments.

Director Havens asked for a Motion.

Motion: President Monin made a motion, seconded by Director Freshley to 1) approve, ratify and confirm payment of those bills as set forth in the Payment Summary for the month ending June 24, 2024, and 2) receive and file the Financial Statements for the month ending May 31, 2024.

Roll Call Vote:

Director Adjarian	aye
Director Freshley	aye
Director Havens	aye
Vice President Gaskins	aye
President Monin	aye

Comments Regarding Non-Agenda FIC Items

Director Freshley stated that she noticed our net position improved and asked if the reason was due to the difference in timing in receivables and payables.

Mr. Sharma replied yes.

Adjournment

There being no further business the Finance and Insurance Committee meeting was closed at approximately 8:20 a.m.

Respectfully submitted

MARISOL MELENDEZ
Recording Secretary

APPROVED:

MARK MONIN, President
of the El Toro Water District and the
Board of Directors thereof

DENNIS P. CAFFERTY, Secretary
of the El Toro Water District and the
Board of Directors thereof



STAFF REPORT

To: BOARD OF DIRECTORS

Meeting Date: July 22, 2024

From: Vishav Sharma, Chief Financial Officer

Subject: Springbrook Implementation – Progress Update

I am pleased to inform you that the district has successfully implemented the Springbrook utility billing module, marking a significant milestone in our efforts to enhance efficiency and service delivery. Our staff have begun using the new module, utilizing key functionalities such as meter reads, customer payments, and billing.

Additionally, as of June 27th, we have launched the Xpressbillpay module, providing our customers with convenient options for credit card and electronic payments. We are actively communicating this change to our customers to ensure a smooth transition and minimize any inconvenience.

Currently, our team is finalizing the last few open items and preparing various reports necessary for month-end reporting.

Looking ahead, we are planning to implement Springbrook's Fixed Assets and Purchase Order modules in the future, further improving our operational capabilities.

Thank you all for your dedication and guidance during this implementation process.



STAFF REPORT

To: Board of Directors

Meeting Date: July 22, 2024

From: Judy Cimorell, Director Human Resources
Oscar Hernandez, Accounting Technician

Subject: Quarterly Insurance Report

The Quarterly Insurance Report for the period April 1, 2024 through June 30, 2024 is attached.

Recommended Action:

Staff recommends that the Board Receive and File the Quarterly Insurance Report for the period April 1 2024 through June 30, 2024.

EL TORO WATER DISTRICT INSURANCE UPDATE

July 2024

Liability Program

The Liability Program Insurance has been renewed with JPIA effective October 1, 2023. The new premium is \$207,547 from \$179,027 last year.

Property Insurance

The Property Insurance has been renewed with JPIA effective July 1, 2023. The new premium is \$123,403 from \$102,570 last year.

Excess Public Employee Fidelity Program

The Excess Crime Program has been renewed with JPIA effective July 1, 2023. The new premium is \$1,914 from \$2,200 last year.

Cyber Security Insurance

The Cyber Security Insurance has been renewed with JPIA effective July 1, 2023. The new premium is \$8,768 from \$8,944 last year.

Underground Storage Tank Pollution Liability

The Underground Storage Tank Pollution Liability has been renewed with JPIA effective July 1, 2023. The new premium is \$2,504 from \$3,355 last year.

Dam Failure Liability

The Dam Failure Liability Policy has been renewed with JPIA effective October 1, 2023. The new premium is \$47,617 from \$45,427 last year.

Fiduciary Liability Policy

The Fiduciary Liability Policy has been renewed with JPIA effective September 1, 2023. The new premium is \$11,596 from \$11,645 last year.

Liability & Property Claims

1. As of November 22, 2023, the resolution for the damaged water failure at the Meridian senior residential building remains ongoing, with no final resolution reached. The claimant contractor is currently in the process of installing the flooring. To date, JPIA has paid out \$684,162.06 in property damages and \$36,626.64 in expenses, bringing the total cost of the claim to \$720,788.70.
2. On March 5, 2024, one of our field employees was involved in a minor collision with another vehicle. Fortunately, no injuries were sustained. A claim has been filed by the claimant, but the cost of damages remains undetermined at this time.

3. On April 12, 2024 one of our field employees was involved in an accident while driving to a house to read a meter. The employee clipped the front bumper and driver's side front corner panel of a parked car, which was unoccupied at the time. The claim was resolved and JPIA paid \$1,570.00 to Mercury Insurance on behalf of the claimant.
4. On May 22, 2024, a significant water leak occurred at our warehouse due to the Urinal Flush Valve-Diaphragm failing in the on position, resulting in an extensive flood throughout the entire building. The flood damaged the restroom, hallway, kitchen, and three offices. The total insurance reimbursement for damage is \$71,186.82. After the \$10,000 deductible is met, the Insurance pay-out will be \$61,186.82.
5. On June 10, 2024 an incident occurred involving one of our field employees and a valve operating machine. While our field employee was driving with the valve operating machine, he made a left-hand turn into the gate 10 at Laguna Woods. During the turn, the operating arm of the machine swung out and struck the crash pole and security gate. This resulted in damage to both the security gate and the valve turning machine. A claim was filed, but the cost of the damages remains undetermined at this time.

Workers' Compensation Policy

The Workers' Compensation Policy renewed on July 1, 2023, and runs through June 30, 2024.

Workers' Compensation Claims

There were no Workers' Compensation injuries this fourth quarter.

Medical Insurance

The District offers five medical plans as follows:

Kaiser Health - \$10 office co-pay with no annual deductibles.

Anthem Blue Cross – HMO; Offers a \$10 copay with no annual deductibles.

Anthem Blue Cross – PPO; this plan offers benefits within the physician network and outside of the network. In network, there is a co-pay of \$15.00 with an annual deductible of \$200 per person and \$600 per family. Out of the network, benefits are offered at 20% cost to the employee for all covered services with the same annual deductibles.

Kaiser Consumer Driven Health Plan along with an HSA – A high deductible tax advantaged health plan that provides for current medical and pharmacy expenses and allows saving for future health care expenses. \$1,500 individual / \$3,000 family deductible

Anthem Consumer Driven Health Plan along with a Health Savings Account - A high deductible tax advantaged plan that provides for current medical and pharmacy expenses and allows saving for future health care expenses. \$1,500 individual / \$3,000 family deductible.

The average cost per month per employee for the fourth quarter is \$1594.93.

Vision Insurance

VSP provides vision coverage to our employees, Directors and dependents. It provides an annual eye exam and discounted rates for frames, lenses and contacts.

The cost per month per employee for the fourth quarter is \$17.21.

Dental Insurance

The District provides dental coverage with Delta Dental. Our dental insurance pays up to \$1,500 for the upcoming year for covered services. All preventative services are offered every six months with the copay waived. Effective February 1, 2024 the dental insurance will increase to \$3,000 per year for covered services.

The average cost per month per employee for the fourth quarter is \$125.57.

Long and Short Term Disability Insurance

The District offers Long and Short Term Disability Program through Lincoln National Life Insurance Company. The Long Term Disability program provides a maximum monthly benefit of \$10,000. The Short Term Disability program provides a maximum weekly benefit of \$ 1,500.

Both Short and Long Term Disability Programs are paid by the District and provides disability payments up to two thirds of an employee's weekly or monthly salary if the claim is approved.

Average cost per month per employee for the fourth quarter is \$70.27.

Long Term Care Insurance

Long Term care is a program that provides a monthly benefit of \$2,500 to be applied to home health care or an assisted living facility.

Average cost per month per employee for the fourth quarter is \$10.89.

Life Insurance Coverage

The District offers Life Insurance coverage through Lincoln National Life Insurance Company at twice the employee's annual salary up to a maximum of \$300,000.

Lincoln National Life Insurance Company also provides life insurance coverage for the Directors.

Premium rates are based on the age and salary of insured employees. The premium is adjusted on the employee's birthday every fifth year.

The average cost per month per employee for the fourth quarter is \$58.89.

Employee Assistance Program (EAP) Coverage

UNUM is the District's carrier for the Employee Assistance Program. This program offers assistance in many areas such as childcare, eldercare, legal consultations, and health information, personal relationship issues, financial planning assistance, stress management, and career development. This benefit also comes with a \$5,000 portable term life insurance benefit.

The cost per month per employee for the fourth quarter is \$1.75.

An insurance report of Budget vs. Actual Costs for the fiscal year 2023/2024 is attached for the Board's review as well as a summary of currently held District insurance policies.

Submitted by:
Judy Cimorell
Oscar Hernandez

**Budget vs. Actual - Q4 2023/2024
7/1/2024**

	Actual Paid to Date
Insurance Coverage	
Liability	\$207,547
Property	\$123,403
Fiduciary Liability	\$11,645
Cyber Liability	\$8,768
Dam Insurance (includes Excess)	\$47,617
Less: SMWD - 50% R-6 Cost Share	(\$23,809)
MNWD - 5% R-6 Cost Share	(\$2,381)
Underground Storage Tank	\$2,504
Excess Crime	\$1,914
Total Insurance	\$377,209

	Annual Budget	Q4 Budget	Accumulative Q4 Actual	Budget Remaining
Benefits - Directors				
Long Term Care	\$840	\$840	(\$2,672)	\$3,512
Medical Employer Paid	\$20,200	\$20,200	\$20,801	(\$601)
Health Savings Account	\$3,000	\$3,000	\$3,200	(\$200)
Dental	\$1,700	\$1,700	\$2,955	(\$1,255)
Vision	\$400	\$400	\$1,049	(\$649)
Life	\$2,640	\$2,640	\$119	\$2,521
Total Benefits Directors	\$28,780	\$28,780	\$25,452	\$3,328
Retiree Benefits				
Medical Employer Paid	\$312,000	\$312,000	\$291,680	\$20,320
Total retiree benefits	\$312,000	\$312,000	\$291,680	\$20,320
Employee Benefits				
Emp.Assistance Program	\$1,230	\$1,230	\$1,255	(\$25)
Medical Employer Paid	\$1,118,735	\$1,118,735	\$1,080,831	\$37,904
Health Savings Account	\$1,500	\$1,500	\$12,800	(\$11,300)
Life/AD&D	\$36,432	\$36,432	\$38,475	(\$2,043)
Dental	\$58,612	\$58,612	\$70,172	(\$11,560)
Vision	\$12,883	\$12,883	\$12,116	\$767
LTD/STD	\$33,960	\$33,960	\$46,752	(\$12,792)
LTC Employer Paid	\$17,060	\$17,060	\$8,221	\$8,839
Workers comp.	\$129,280	\$129,280	\$162,199	(\$32,919)
Total Employee Benefits	\$1,409,692	\$1,409,692	\$1,432,820	(\$23,128)

SUMMARY OF COVERAGE

Page 6

Type of Coverage	<u>GENERAL LIABILITY</u>	Coverage Term: 10/23-10/24
Coverage Includes	1. Commercial General Liability 2. Contractual Liability 3. Products/Completed Operations 4. Personal Injury	Premium - \$207,547
Coverage Limits	Insurance Carrier	Policy Number
	Pooled Self-insured	MOLC - 100110

Type of Coverage	<u>AUTO LIABILITY</u>	Coverage Term: 10/23-10/24
Coverage Includes	1. Owned Automobiles/Trucks 2. Non-owned Automobiles/Trucks 3. Hired Automobiles/Trucks	Premium - Included
Coverage Limits	Insurance Carrier	Policy Number
	Pooled Self-insured	MOLC - 100110

Type of Coverage	<u>PUBLIC OFFICIALS LIABILITY</u>	Coverage Term: 10/23-10/24
Included within the General Liability Program		
Coverage Includes	1. Errors & Omissions	Premium - Included
Coverage Limits	Insurance Carrier	Policy Number
	Pooled Self-insured	MOLC - 100110

Type of Coverage	<u>PROPERTY</u>	Coverage Term: 7/23 - 6/24
Coverage Includes	1. Basic Property Values- Building, Fixed Equipment, Personal Property 2. Mobile Equipment Value 3. Licensed Vehicle - Comprehensive & Collision - Private Passenger, Light Truck, Sport Utility, Other Vehicles	Premium - \$123,403
Automobile Physical Damage Comprehensive - 83 Vehicles Collision - 83 Vehicles		
Coverage Limits	Insurance Carrier	Policy Number
	Pooled Self-insured	MOLC - 100110

Type of Coverage	<u>EXCESS CRIME PROGRAM</u>	Coverage Term: 7/23 - 6/24
Coverage Includes	1. Public Employee Dishonesty 2. Forgery or Alteration 3. Computer Fraud 4. Faithful Performance of Duty 5. Treasurer/Tax Collector/Board Members (included)	Premium - \$1,914
Coverage Limits	Insurance Carrier	Policy Number
	Pooled Self-insured	MOLC - 100110

Type of Coverage	<u>UNDERGROUND STORAGE TANK POLLUTION LIABILITY</u>	Coverage Term: 7/23 - 06/24
Coverage Includes	1. Claims-Made 2. Environmental Incident	Premium - \$2504
Covers 1 Tank Located at: 23542 Moulton Parkway Laguna Woods, CA 92637		
Coverage Limits	Insurance Carrier	Policy Number
	Pooled Self-insured	MOLC - 100110

Type of Coverage	<u>DAM FAILURE LIABILITY</u>	Coverage Term: 10/23-9/24
Coverage (Includes Excess Ins. for El Toro Reservoir)	\$10,000,000.00	Premium - \$47,617
Covers: El Toro Reservoir Rossmoor Dam	\$5,000,000.00	
Coverage Limits	Insurance Carrier	Policy Number
		MOLC - 100110

Type of Coverage	<u>FIDUCIARY LIABILITY</u>	Coverage Term: 9/23-8/24
Coverage Includes	1. Executive Protection Policy	Premium - \$11,596
Parent Organization: ETWD Retirement Savings Plan & Trust Agreement		
Coverage Limits	Insurance Carrier	Policy Number
	Hudson Insurance Company	SFD31211603

Type of Coverage	<u>CYBER SECURITY</u>	Coverage Term: 7/23-6/24
First Year		Premium - \$8,768

Type of Coverage	<u>WORKERS' COMPENSATION</u>	Coverage Term: 7/23 - 6/24
Coverage Includes	1. Coverage A - Workers' Compensation 2. Coverage B - Employer's Liability	4th Quarter Premium \$42,959
Coverage Limits Coverage A \$0 - \$2 Million \$2 Million to Statutory	Insurance Carrier Pooled Self-insured	Policy Number MOLC - 100110
Coverage Limits Coverage B \$0 - \$2 Million \$2 Million excess of \$2 Million SIR	Insurance Carrier Pooled Self-insured	Policy Number MOLC - 100110

Type of Coverage	<u>LIFE & ACCIDENT</u>	4th Quarter Premium \$10,338
Coverage Includes	Coverage - 2 X Annual Income (Max. of \$300,000)	
Insurance Carrier	Lincoln National Life Insurance Co.	Policy # 10218807
Eligibility Period	2 Months After Hire	
Plan Wait or Deductible	60 Days	

Type of Coverage	<u>LONG / SHORT TERM DISABILITY</u>	4th Quarter Premium \$12,297
Coverage Includes	Two Thirds of Insured Earnings Max. of \$10,000	
Insurance Carrier	Lincoln National Life Insurance Co.	Policy # 10218808
Eligibility Period	1 Year After Hire	
Plan Wait or Deductible	30 Days STD 90 Days or 9 Weeks LTD	

Type of Coverage	<u>LONG TERM CARE</u>	4th Quarter Premium \$1,906
Coverage Includes	\$2,500/Month \$150,000 Total Benefit	
Insurance Carrier	UNUM	Policy # 220384
Eligibility Period	1 Year After Hire	
Plan Wait or Deductible	365 Days	

Type of Coverage	<u>MEDICAL</u>	4th Quarter Premium \$362,573
Coverage Includes	HMO, PPO, HDP by Employee Choice	
Insurance Carrier	Anthem Blue Cross / Kaiser Insurance thru ACWA/JPIA	Policy #229CA
Eligibility Period	1 Month After Hire	
Plan Wait or Deductible	30 Days	
	* Premium includes Employees, Retirees & Directors	

Type of Coverage	<u>DENTAL</u>	4th Quarter Premium \$22,868
Coverage Includes	\$25.00 or \$50.00/Family	
Insurance Carrier	Delta Dental Plan of California	Policy #399-1012
Eligibility Period	2 Months After Hire	
Plan Wait or Deductible	60 Days	

Type of Coverage	<u>VISION</u>	4th Quarter Premium \$3,356
Coverage Includes	Annual Exam/Frame Every 2 Years	
Insurance Carrier	Vision Service Plan thru ACWA	Policy #399-1012
Eligibility Period	2 Months After Hire	
Plan Wait or Deductible	60 Days	

Type of Coverage	<u>PERSONAL ACCIDENT INSURANCE</u>	4th Quarter Premium Employee Paid
Coverage Includes	\$50,000 or \$100,000	
Insurance Carrier	CIGNA	Policy # OKH-1253-56
Eligibility Period	Optional	
Plan Wait or Deductible	None	

Type of Coverage	<u>Supplemental Financial Insurance Program</u>	4th Quarter Premium Employee Paid
Coverage Includes	Voluntary - Life, Accident / Injury, Hospital, Critical Care, Short-term Disability, Dental	
Insurance Carrier	AFLAC	Policy # E3B26
Eligibility Period	Optional	
Plan Wait or Deductible	None	



STAFF REPORT

To: Board of Directors

Meeting Date: July 22, 2024

From: Vishav Sharma, Chief Financial Officer

Subject: June 2024 bills for Approval and Monthly Financial Report

Attached for Board approval is the payment summary report for the month of June, 2024 which presents checks that were paid during the month that exceeded \$50,000 in value. Also attached is the monthly financial report for period ending June 30, 2024.

Presented below for your consideration are some notes about the financial report:

- The Statement of Net Position increased in June compared to May as decreases in Liabilities in June were greater than decreases in Assets. The District collected more on the receivables. The District also incurred debt service payments, construction and water purchase expenses during the month of June. These activities affected the assets and liabilities of the District. Please note that this report contains preliminary numbers.
- The Statement of Revenues, Expenses, and Changes in Net Position indicates the District currently has a year to date positive Change in Net Position of \$5,300,308 at the end of March.
- The Cash and Investments report shows a total of \$21,614,135.59 in Operating Cash (LAIF, CAMP, and Checking accounts) at the end of the month. Operating cash and investments are available to meet the operational needs of the District. The restricted investments equaled \$93,555.31. These are the funds available for certain capital projects.
- The total disbursement including payroll expense for the month of June 2024 is \$2,405,732.04. These disbursements include four checks greater than \$50,000, with the total equal to \$1,464,970.41. These expenses exceed the General Manager's purchase authority and Staff recommends the Board approve these checks. Payroll expenses of \$688,600.10 occurred during the month of June 2024. District employees were reimbursed \$5,885.99 for travel, education, meals, supplies and certification related expenses; and Directors were reimbursed \$1,402.12 in travel expenses.

Attachment 1

Payment Summary for the Month ending June 30, 2024

EL TORO WATER DISTRICT
Payment Summary
For the month ending June 30, 2024

CHECK NUMBER	PAYMENT DATE	VENDOR NAME	PAYMENT AMOUNT
11506	06/21/2024	Sunflower Bank	572,185.11
11429	06/05/2024	Municipal Water District of Orange County	492,430.17
11491	06/21/2024	Irvine Ranch Water District	246,513.00
11468	06/17/2024	Southern California Edison Company	153,842.13
TOTAL CHECKS OVER \$50,000			\$ 1,464,970.41
TOTAL CHECKS IN REGISTER			\$ 1,717,131.94

DEBIT TRANSFERS

06/14/2024	PAYROLL DIRECT DEPOSIT	202,178.00
06/14/2024	FEDERAL DEPOSIT LIABILITY	42,996.80
06/14/2024	SDI & STATE TAX	19,381.05
06/14/2024	WAGE GARNISHMENTS	190.00
06/14/2024	EMPOWER (401K)	79,814.93
06/14/2024	EMPOWER (457)	19,251.95
06/14/2024	HEALTH SAVINGS ACCOUNT	71.15
06/14/2024	PAYROLL BOARD OF DIRECTOR	6,551.03
06/14/2024	SS, MEDICARE, SDI & STATE TAX	1,114.98
06/14/2024	EMPOWER (457)	2,572.16
06/14/2024	HEALTH SAVINGS ACCOUNT	404.00
06/28/2024	PAYROLL DIRECT DEPOSIT	174,345.09
06/28/2024	FEDERAL DEPOSIT LIABILITY	35,266.81
06/28/2024	SDI & STATE TAX	15,345.12
06/28/2024	WAGE GARNISHMENTS	190.00
06/28/2024	EMPOWER (401K)	66,180.72
06/28/2024	EMPOWER (457)	19,206.79
06/28/2024	HEALTH SAVINGS ACCOUNT	71.15
06/30/2024	BANK FEES	3,468.37
TOTAL INTERBANK WIRES / DEBIT TRANSFERS		\$ 688,600.10
TOTAL DISBURSEMENTS		\$ 2,405,732.04

REIMBURSEMENTS TO ETWD EMPLOYEES

CHECK NUMBER	PAYMENT DATE	PAYEE (DESCRIPTION)	PAYMENT AMOUNT
11499	06/21/2024	Raymund Llada (Educational Reimbursement)	4,305.52
11492	06/21/2024	Judy Cimorelli (Wellness Event)	444.82
11480	06/21/2024	Christopher Magill (Safety Glasses)	360.96
11481	06/21/2024	Cody Tremontozzi (Work Boots)	360.94
11489	06/21/2024	Garth Botha (Work Boots)	341.46
11449	06/17/2024	Dennis Cafferty (Travel Expense)	62.24
11501	06/21/2024	Rory Harnisch (Mileage)	10.05
TOTAL CHECKS TO EMPLOYEES			\$ 5,885.99

REINBURSEMENTS TO ETWD DIRECTORS

CHECK NUMBER	PAYMENT DATE	PAYEE (DESCRIPTION)	PAYMENT AMOUNT
11459	06/17/2024	Michael Gaskins (Travel Expenses)	688.97
11458	06/17/2024	Mark Monin (Travel Expenses)	624.44
11456	06/17/2024	Kathryn Freshley (Travel Expenses)	55.88
11451	06/17/2024	Fred Adjarian (Travel Expenses)	32.83
TOTAL CHECKS TO DIRECTORS			\$ 1,402.12

Attachment 2

Statement of Net Position for the June 30, 2024

El Toro Water District
Interim Statement of Net Position for the Month of June, 2024

	6/30/2023 Ending	5/31/2024 Interim	6/30/2024 Interim	Change
Assets				
Current Assets				
Cash & Cash Equivalents	10,138,838	17,093,002	13,380,921	(3,712,081)
Investments	16,688,703	5,437,975	8,323,801	2,885,827
Accounts Receivable	6,342,616	3,944,170	4,765,318	821,148
Materials & Supply Inventory	260,700	781,590	782,422	832
Prepaid Expenses	200,587	259,358	214,652	(44,706)
Restricted - Cash & Cash Equivalents	4,386,674	17,098	2,972	(14,126)
Current Assets - Sub-total	38,018,118	27,533,193	27,470,087	(63,106)
Non-Current Assets				
Lease Receivable	361,011	361,011	361,011	-
Land & Easements	7,451,585	7,451,585	7,451,585	-
Capacity Rights	342,382	342,382	342,382	-
Capital Assets				
Water System	37,781,450	37,781,450	37,781,450	-
Wastewater System	57,334,500	57,334,500	57,334,500	-
Recycled System	55,454,389	55,454,389	55,454,389	-
Combined Assets	15,919,853	15,798,380	15,798,380	-
Construction in Progress	24,581,587	35,478,715	35,127,121	(351,594)
Accumulated Depreciation	(92,651,512)	(96,365,401)	(96,714,068)	(348,667)
Non-Current Assets - Sub-total	106,575,244	113,637,010	112,936,750	(700,261)
Total Assets	144,593,362	141,170,204	140,406,837	(763,367)
Deferred Outflows of Resources				
OPEB Deferred Outflow of Resources	3,493,769	3,493,769	3,493,769	-
Liabilities				
Current Liabilities				
Accounts Payable & Accrued Expenses	6,365,798	1,622,663	614,743	(1,007,920)
Accrued Salaries & Related Payables	150,618	2,997	20,780	17,783
Customer Deposits	49,231	12,350	11,450	(900)
Accrued Interest Payable	162,721	1,071,653	457,170	(614,483)
Long Term Liabilities - Due in One Year				-
Compensated Absences	182,171	182,171	182,171	-
Loans Payable	1,846,288	1,846,288	460,108	(1,386,180)
Current Liabilities - Sub-total	8,756,827	4,738,121	1,746,423	(2,991,699)
Non-Current Liabilities				
Compensated Absences	1,431,790	1,431,791	1,431,791	-
Other Post-Employment Benefits Liability	11,050,192	11,050,192	11,050,192	-
Loans Payable	53,316,865	52,948,825	50,840,433	(2,108,392)
Non-Current Liabilities - Sub-total	65,798,847	65,430,807	63,322,415	(2,108,392)
Total Liabilities	74,555,674	70,168,929	65,068,838	(5,100,091)
Deferred Inflows of Resources				
Deferred Amounts from Leases	583,336	583,336	583,336	-
Deferred Amounts from OPEB	9,124,466	9,124,468	9,124,468	-
Total Deferred Inflows of Resources	9,707,802	9,707,804	9,707,804	-
Net Position				
Net Investment in Capital Assets	54,965,376	60,320,088	61,636,209	1,316,121
Restricted - Capital Projects	2,895	2,895	2,895	-
Restricted - Debt Service	-	14,165	-	(14,165)
Unrestricted	8,855,384	7,533,800	7,484,860	(48,941)
Total Net Position	63,823,655	67,870,948	69,123,963	1,253,015

Attachment 3

Statement of Revenues, Expenses, and Changes in Net Position
for June 30, 2024

Statement of Revenues, Expenses, and Changes in Net Position for the Month of June, 2024

	District		Water System		Wastewater System		Recycled System		Capital Improvements	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Operating Revenues										
Commodity Supply Charges	\$ 11,989,100	\$ 9,824,757	\$ 10,027,100	\$ 8,437,506	\$ -	\$ -	\$ 1,962,000	\$ 1,387,251	\$ -	\$ -
Service Provision Charges	14,490,200	14,502,192	4,691,400	4,781,044	9,350,200	9,291,628	448,600	429,520	-	-
Capital Facilities Charge	4,093,900	3,945,607	-	-	-	-	-	-	4,093,900	3,945,607
Charges for Services	125,000	188,692	125,000	188,692	-	-	-	-	-	-
Miscellaneous Operating Income	42,100	71,144	31,000	45,282	10,100	25,540	1,000	322	-	-
Grants, Rebates, Reimbursements	4,101,300	4,973,244	-	4,997	5,300	6,287	96,000	138,078	4,000,000	4,823,881
Total Operating Revenues	34,841,600	33,505,636	14,874,500	13,457,521	9,365,600	9,323,455	2,507,600	1,955,171	8,093,900	8,769,488
Operating Expenses										
General & Administrative	5,262,060	5,049,543	2,110,500	2,194,815	2,729,480	2,464,870	422,080	389,858	-	-
Operations & Maintenance	21,461,400	19,673,162	12,797,500	10,768,239	7,208,600	7,459,971	1,455,300	1,444,952	-	-
Operating Capital Expenses	1,068,150	4,497	-	-	-	-	-	-	1,068,150	4,497
Other Operating Expenses	300,000	275,197	120,000	110,079	156,000	143,103	24,000	22,016	-	-
Depreciation & Amortization	4,906,900	4,184,034	-	-	-	-	-	-	4,906,900	4,184,034
Total Operating Expenses	32,998,510	29,186,433	15,028,000	13,073,133	10,094,080	10,067,944	1,901,380	1,856,826	5,975,050	4,188,531
Operating Income/(Loss)	1,843,090	4,319,202	(153,500)	384,389	(728,480)	(744,488)	606,220	98,345	2,118,850	4,580,958
Non-operating Revenues										
Property Taxes	1,155,000	1,152,087	460,000	460,837	600,000	599,087	95,000	92,163	-	-
Investment Earnings	250,000	1,102,800	100,000	415,674	130,000	530,513	20,000	3,526	-	153,087
Miscellaneous Revenue	249,400	254,626	238,000	253,480	10,400	1,054	1,000	92	-	-
Interest Expense	(1,928,200)	(1,618,994)	-	-	-	-	-	-	(1,928,200)	(1,618,994)
Net Non-Operating Revenues	(273,800)	890,519	798,000	1,129,991	740,400	1,130,654	116,000	95,781	(1,928,200)	(1,465,907)
Income/(Loss) before Contributions & Transfers	1,569,290	5,209,722	644,500	1,514,380	11,920	386,165	722,220	194,126	190,650	3,115,051
Transfers										
Transfers In	1,809,100	1,879,100	-	-	-	-	-	-	1,809,100	1,879,100
Transfers Out	(1,809,100)	(1,879,100)	(881,880)	(881,880)	-	-	(927,220)	(997,220)	-	-
Net Transfers	-	(0)	(881,880)	(881,880)	-	-	(927,220)	(997,220)	1,809,100	1,879,100
Capital Contributions										
Donations & Contributions	-	90,587	-	-	-	-	-	-	-	90,587
Total Capital Contributions	-	90,587	-	-	-	-	-	-	-	90,587
Change in Net Position	1,569,290	5,300,308	(237,380)	632,500	11,920	386,165	(205,000)	(803,095)	1,999,750	5,084,738
Beginning Net Position	63,823,655	63,823,655								
Ending Net Position	\$ 65,392,945	\$ 69,123,963								

Attachment 4

Summary of Revenues and Expenses for the June 30, 2024

Summary of Revenues and Expenses for the Month of June, 2024

Account - Description	Month Actual	YTD Actual	2023-2024 Budgeted	Budget Remaining	% of Budget Remaining
Summary of Total District Revenues					
District Totals					
Commodity Supply Charges	510,022	9,824,757	11,994,600	2,169,843	18.1%
Service Charges	1,183,414	14,502,192	14,490,200	(11,992)	-0.1%
Capital Facility Charges	333,558	3,945,607	4,093,900	148,293	3.6%
Charges for Services	-	188,692	125,000	(63,692)	-51.0%
Miscellaneous Revenue	30,117	325,771	301,600	(24,171)	-8.0%
Grants, Rebates, Reimbursements	20,530	4,973,244	4,096,000	(877,244)	-21.4%
Property Taxes	96,250	1,152,087	1,155,000	2,913	0.3%
Investment Income	35,590	1,102,800	250,000	(852,800)	-341.1%
Donations & Capital Contributions	-	90,587	-	(90,587)	N/A
Total Revenue	2,209,481	36,105,735	36,506,300	400,565	1.1%
Summary of Total District Expenses					
Salary Expenses					
Directors Fees	9,855	111,909	131,400	19,491	14.8%
Exempt Salaries	120,322	1,578,431	1,407,000	(171,431)	-12.2%
Non-exempt Salaries	414,195	5,463,633	5,513,800	50,167	0.9%
Other Salary Payments	-	297	188,400	188,103	99.8%
Overtime	33,288	251,632	230,000	(21,632)	-9.4%
Overtime - On-call	6,720	88,320	72,700	(15,620)	-21.5%
Stipends/Allowances	4,847	58,982	74,800	15,818	21.1%
Employee Service Awards	-	3,250	5,000	1,750	35.0%
Salary Expenses Sub-total	589,228	7,556,455	7,623,100	66,645	0.9%
Benefit Expenses					
Medical Insurance	92,107	1,085,476	1,138,900	53,424	4.7%
HSA Contributions	-	16,000	4,500	(11,500)	-255.6%
Dental Insurance	7,927	72,809	60,300	(12,509)	-20.7%
Vision Insurance	1,517	15,162	13,100	(2,062)	-15.7%
Life Insurance	19,321	22,350	36,600	14,250	38.9%
Disability Insurance	22,813	43,010	33,300	(9,710)	-29.2%
Long-term Care Insurance	-	16,288	17,900	1,612	9.0%
Workers Compensation Insurance	13,546	116,797	129,100	12,303	9.5%
State Unemployment Insurance	2,252	3,225	3,060	(165)	-5.4%
401k Retirement Contributions	52,225	668,455	622,600	(45,855)	-7.4%
401k Matching Contributions	35,120	395,433	235,900	(159,533)	-67.6%
457b Matching Contributions	6,464	126,016	235,900	109,884	46.6%
Medicare Insurance	8,061	103,999	104,800	801	0.8%
FICA	179	2,159	-	(2,159)	N/A
Benefit Expenses Sub-total	261,531	2,687,178	2,635,960	(51,218)	-1.9%
Commodity Purchased for Resale					
Water Purchases - MWDOC	(60,679)	3,236,754	4,228,600	991,846	23.5%
Water Purchases - MWDOC Fixed	68,474	781,981	784,200	2,219	0.3%
Water Purchases - AMP/SAC	2,658	30,533	-	(30,533)	N/A
Regional Water Supply Expenses	449	4,936	8,000	3,064	38.3%
Water Purchases - Baker WTP	259,992	1,879,013	3,120,500	1,241,487	39.8%
Water Purchases - Baker O&M	-	432,541	830,500	397,959	47.9%
Water Purch - Other Agencies	-	465,280	-	(465,280)	N/A
MWDOC Service Connect Charge	-	128,481	125,000	(3,481)	-2.8%
Commodity Purchased for Resale Sub-total	270,893	6,959,519	9,096,800	2,137,281	23.5%

Summary of Revenues and Expenses for the Month of June, 2024

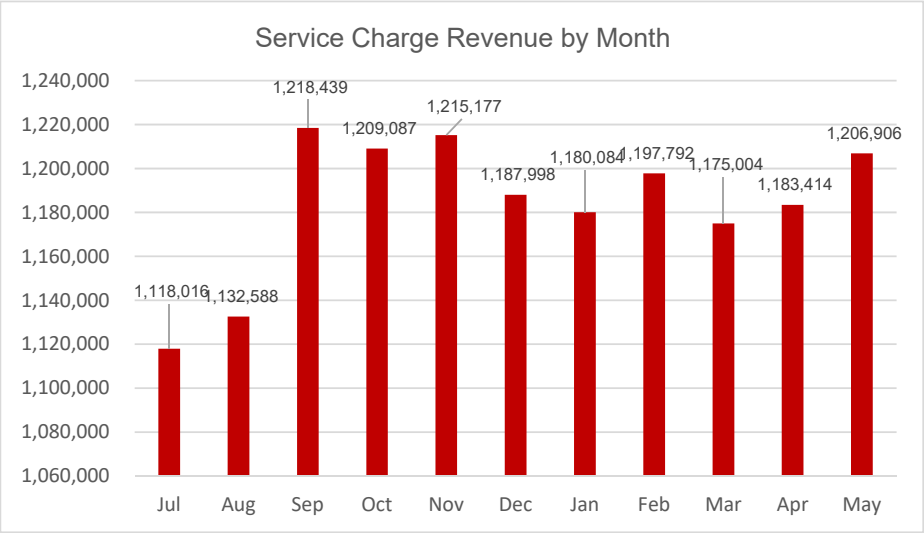
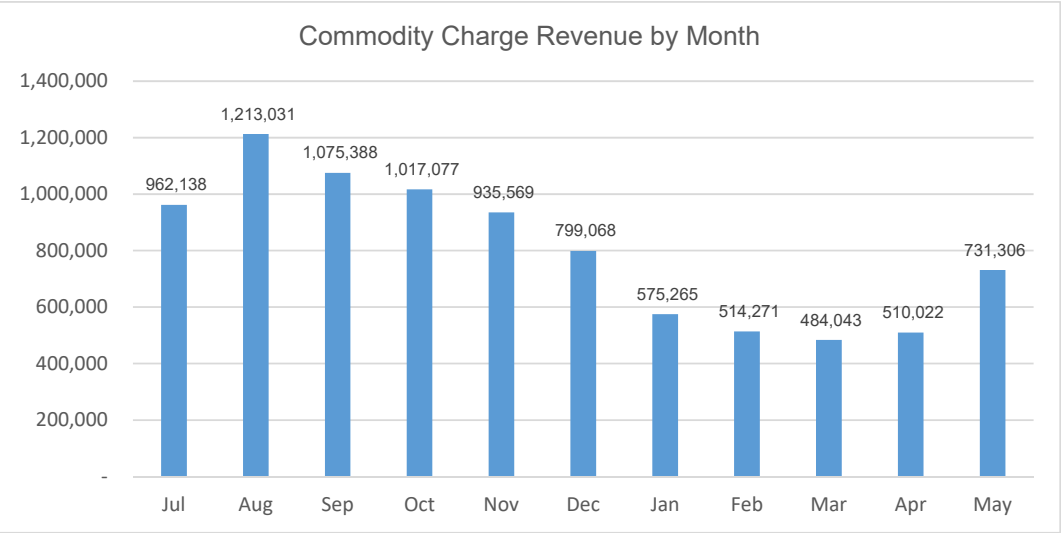
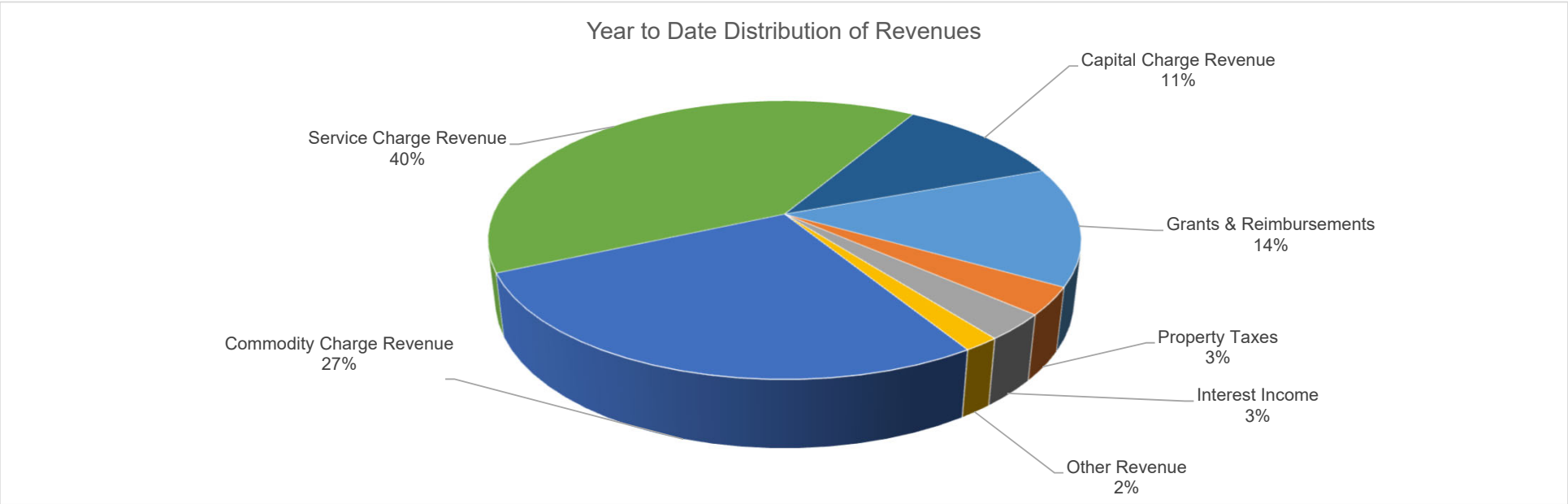
Account - Description	Month Actual	YTD Actual	2023-2024 Budgeted	Budget Remaining	% of Budget Remaining
Contracted/Purchased Services					
Consultants	1,336	17,690	61,500	43,810	71.2%
Engineering Services	18,891	92,006	48,000	(44,006)	-91.7%
Audit & Accounting Services	480	41,785	45,600	3,815	8.4%
Technology Consultants	13,995	65,482	60,000	(5,482)	-9.1%
SOCWA Contract	-	1,279,589	1,100,000	(179,589)	-16.3%
Contractors	42,871	269,893	271,500	1,607	0.6%
Contracted Employees	-	38,841	-	(38,841)	N/A
Legal Svcs - General Counsel	7,172	82,927	90,000	7,073	7.9%
Legal Svcs - Specialty Counsel	-	18,552	25,000	6,448	25.8%
Other Legal Services	2,289	7,785	-	(7,785)	N/A
Employee Recruitmnt/Compliance	-	12,940	5,000	(7,940)	-158.8%
Employee Health & Wellness	1,141	29,199	6,000	(23,199)	-386.7%
Employee Relations Expenses	394	9,075	1,960	(7,115)	-363.0%
Professional Services	-	1,817	-	(1,817)	N/A
Landscaping Services	12,668	154,921	150,000	(4,921)	-3.3%
Janitorial Contracts	2,644	29,922	45,000	15,078	33.5%
Equipment Rental	887	10,512	15,000	4,488	29.9%
Uniform Rental	1,183	7,793	15,000	7,207	48.0%
Laboratory Services	715	27,243	31,800	4,557	14.3%
Disposal Services	7,013	96,864	59,000	(37,864)	-64.2%
Security Services	968	31,743	29,500	(2,243)	-7.6%
Insurance	34,427	367,026	378,000	10,974	2.9%
Financial Service Fees	8,502	66,395	55,000	(11,395)	-20.7%
Printing & Reproduction	-	25,213	8,020	(17,193)	-214.4%
Advertising & Publicity Svcs	399	2,150	8,100	5,950	73.5%
Postage	37	12,847	11,620	(1,227)	-10.6%
Public Relations/Education	2,199	70,844	49,000	(21,844)	-44.6%
Water Efficiency Services	1,344	12,602	100,000	87,398	87.4%
Licenses & Permits	5,008	126,820	200,500	73,680	36.7%
Software Maintenance/Licenses	11,752	184,252	240,900	56,648	23.5%
Electrical Power	115,305	1,866,330	1,786,000	(80,330)	-4.5%
Natural Gas	343	4,310	4,500	190	4.2%
Cable Service	2,314	11,104	9,000	(2,104)	-23.4%
Telecommunications	2,872	29,501	20,000	(9,501)	-47.5%
Mobile Telecommunications	3,583	42,376	38,100	(4,276)	-11.2%
Data Access	7,340	59,658	60,000	342	0.6%
Equipment Maintenance & Repair	46,183	171,479	139,000	(32,479)	-23.4%
Pump Maintenance & Repair	16,919	152,528	142,000	(10,528)	-7.4%
Motor Maintenance & Repair	4,561	54,867	91,000	36,133	39.7%
Electrical Maintenance/Repair	10,988	126,860	157,000	30,140	19.2%
Meter Maintenance & Repair	21,899	33,925	30,900	(3,025)	-9.8%
Structure Maintenance & Repair	14,611	129,726	22,000	(107,726)	-489.7%
Asphalt Maintenance & Repair	1,303	129,217	110,600	(18,617)	-16.8%
Contracted/Purchased Services Sub-total	426,534	6,006,608	5,721,100	(285,508)	-5.0%
Commodities					
Repair Parts & Materials	41,992	421,630	437,810	16,180	3.7%
Tools & Small Equipment	2,865	42,159	78,510	36,351	46.3%
Safety Equipment	2,561	13,221	25,010	11,789	47.1%
Employee Tools/Safety Equip	838	21,629	23,800	2,171	9.1%
Laboratory Tools & Small Equip	909	18,428	6,000	(12,428)	-207.1%
Technology Tools/Small Equip	5,628	17,838	46,000	28,162	61.2%
Chemicals	32,418	344,241	322,000	(22,241)	-6.9%
Laboratory Chemicals	208	26,092	53,000	26,909	50.8%
Gasoline & Oil	32,084	166,219	140,000	(26,219)	-18.7%
Operating Supplies/Accessories	2,917	62,946	34,760	(28,186)	-81.1%
Office Supplies & Accessories	732	17,469	21,170	3,701	17.5%
Technology Supplies/Components	8,186	32,022	36,000	3,978	11.1%
Lab Supplies & Accessories	553	15,895	22,000	6,105	27.7%
Meeting/Event Supplies & Food	1,287	32,633	46,540	13,907	29.9%
Water Use Efficiency Supplies	-	638	18,000	17,362	96.5%
Commodities Sub-total	133,177	1,233,059	1,310,600	77,541	5.9%

Summary of Revenues and Expenses for the Month of June, 2024

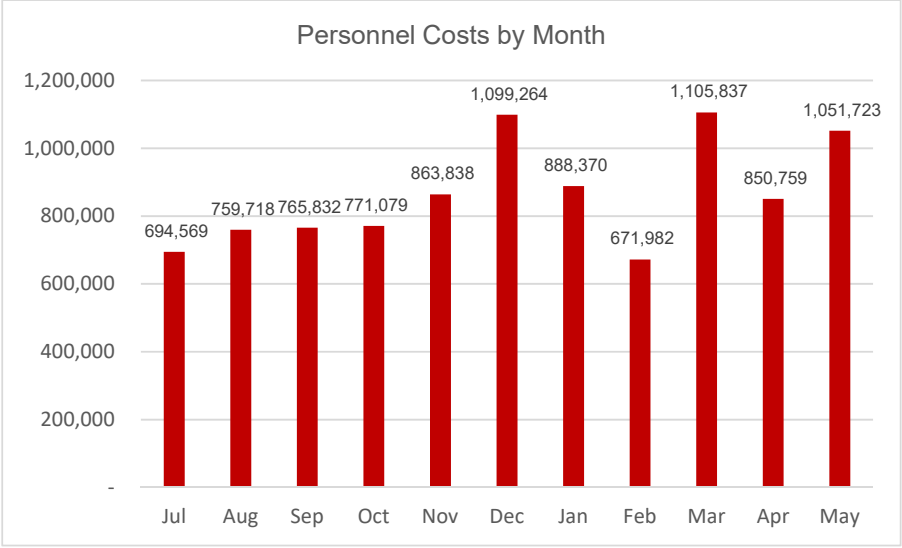
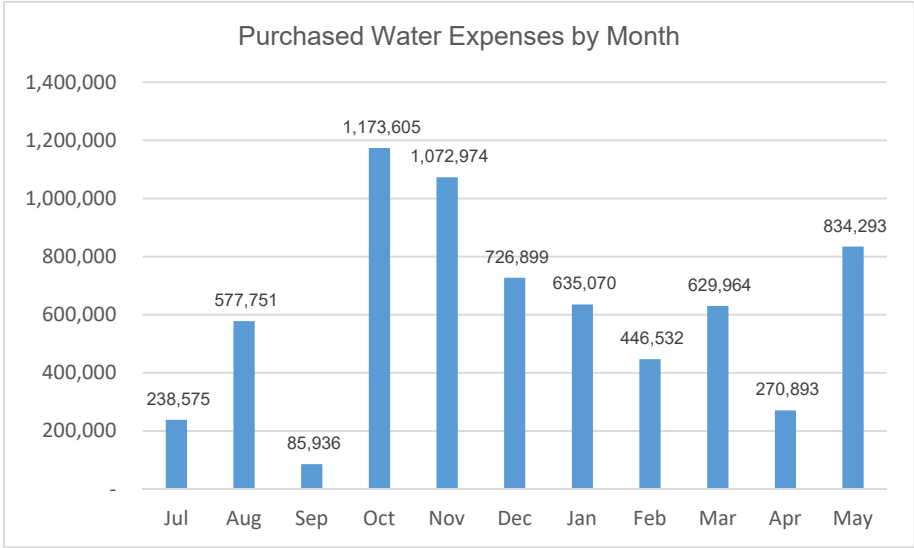
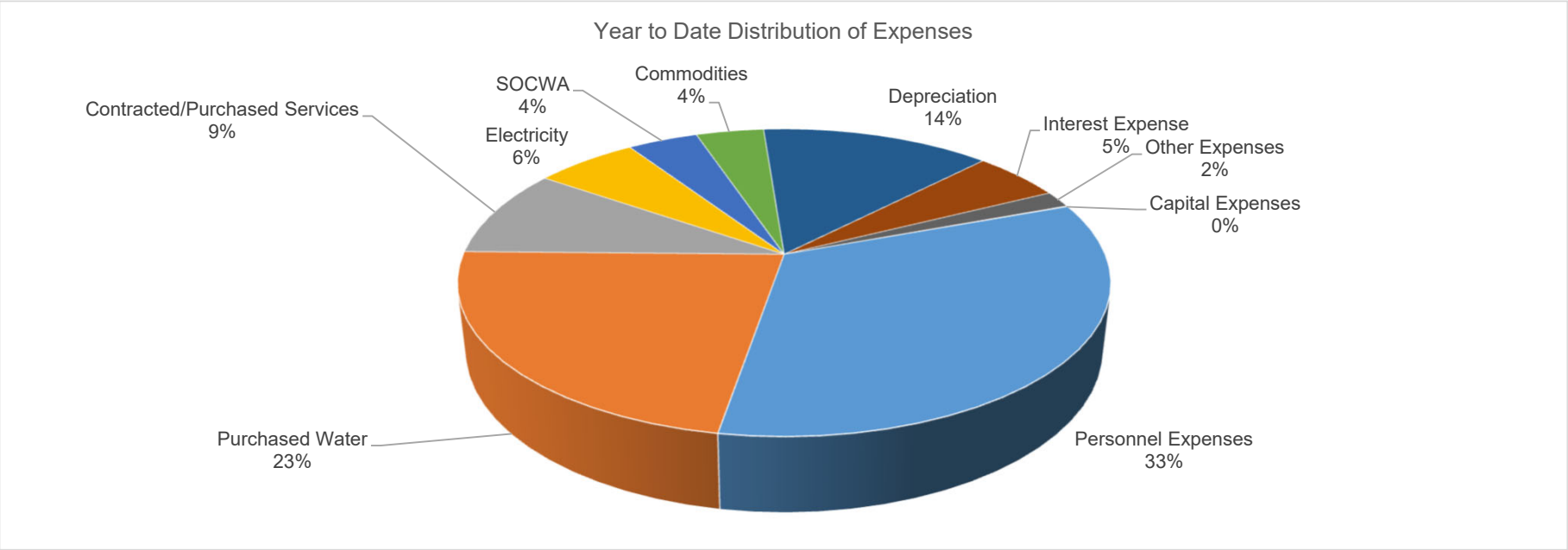
Account - Description	Month Actual	YTD Actual	2023-2024 Budgeted	Budget Remaining	% of Budget Remaining
Professional Development					
Education & Training	17,656	73,001	43,550	(29,451)	-67.6%
Education/Training - Directors	-	-	1	1	100.0%
Licenses & Certifications	-	1,304	7,202	5,898	81.9%
Dues & Memberships	3,142	97,555	101,403	3,848	3.8%
Dues & Memberships - Directors	-	-	4	4	100.0%
Meetings & Conferences	870	10,712	36,705	25,993	70.8%
Meetings/Conferences-Directors	3,820	15,881	9,006	(6,875)	-76.3%
Travel Reimbursement	-	20,549	38,757	18,208	47.0%
Travel Reimbursement-Directors	150	15,790	35,008	19,218	54.9%
Publications & Subscriptions	20	2,164	2,009	(155)	-7.7%
Professional Development Sub-total	25,658	236,956	273,645	36,689	13.4%
Miscellaneous Expenses					
Employee Appreciation Expenses	-	283	5,000	4,717	94.3%
Internal/External Event Expenses	33	10,719	8,000	(2,719)	-34.0%
Election Expense	-	-	-	-	N/A
Reimbursable Repair Expense	-	-	-	-	N/A
Property Taxes	-	2,499	10,000	7,501	75.0%
Uncollectible Accounts	-	(717)	17,000	17,717	104.2%
NSFs & Miscellaneous Fees	467	6,421	18,000	11,579	64.3%
Refund Overcharges	469	6,338	2,800	(3,538)	-126.3%
Damage/Repair Reimbursements	-	-	-	-	N/A
Miscellaneous Sub-total	969	25,542	60,800	35,258	58.0%
Sub Total - General and O&M Expanses	1,707,989	24,705,317	26,722,005	2,016,688	7.5%
Capital Improvement Expenses					
Water System Projects					
Supply/Storage Projects	153	3,030,875	2,969,314	(61,561)	N/A
Pumping Projects	-	2,128	39,000	36,872	94.5%
Main/Service Line Projects	-	954	-	(954)	N/A
Wastewater System Projects	-	-		-	N/A
Pumping Projects	-	-	39,000	39,000	100.0%
Wastewater Treatment Projects	-	358,999	414,836	55,837	13.5%
Main/Service Line Projects	-	-	-	-	N/A
Recycled System Projects	-			-	N/A
Pumping Projects	-	-	-	-	N/A
Tertiary Treatment Projects	-	-	-	-	N/A
Main/Service Line Projects	-	-	-	3	N/A
General Projects		-		-	N/A
Operating Equipment Purchases	-	-	-	-	N/A
Vehicle & Related Equipment Purchases	-	27,762	-	(27,762)	N/A
Technoloy Projects & Purchases	-	-	64,000	64,000	100.0%
Building & Structure Improvements	-	39,892	40,000	108	0.3%
General Capital Projects	31,988	232,357	442,000	209,643	47.4%
Construction in Progress	-	(3,671,087)	(3,601,229)	(69,858)	1.9%
Capital Improvement Expenses Sub-total	32,141	21,880	406,921	245,329	60.3%
Other Expenses					
Retiree Health Insurance	26,102	275,203	300,000	24,797	8.3%
Depreciation	348,670	4,184,034	4,906,900	722,866	14.7%
Debt Interest Expense	134,916	1,618,994	1,928,200	309,206	16.0%
Other Expenses Sub-total	509,689	6,078,231	7,135,100	1,056,869	14.8%
Total Expenses	2,249,819	30,805,427	34,264,026	3,318,886	9.7%
Change in Net Position	(40,338)	5,300,308	2,242,274		

Attachment 5
Revenue and Expense Charts for June 30, 2024

Revenue Charts -June 2024 Financial Report



Expense Chart - June 2024 Financial Report



Attachment 6

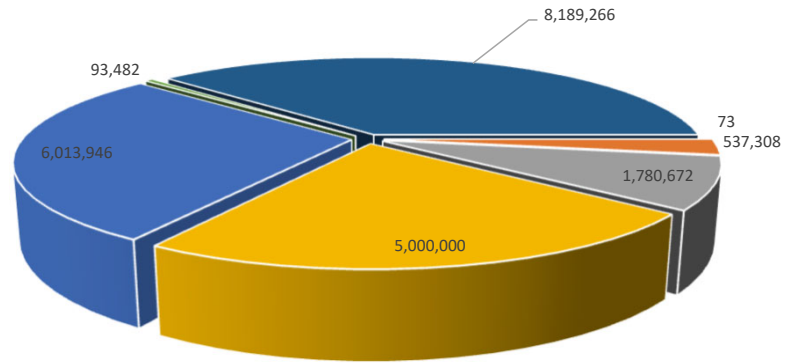
Summary of Cash & Investments at the end of June 30, 2024

Summary of Cash & Investments
as of June 30, 2024

Summary of Cash & Investments

Cash & Equivalents	
Unrestricted - Cash & Equivalents	8,189,266
Unrestricted - Cash & Equivalents USB	92,943
Restricted - Cash & Equivalents	93,482
Investments	
Government Securities	6,013,946
Certificates of Deposit	5,000,000
Corporates Bonds/Notes	1,780,672
Asset Backed Securities	537,308
2022 Bond Money Market	73
Total Cash & Investments	21,707,691
Operating Cash & Investments	21,614,135.59
2022 Bond Proceeds Cash & Investments	73.31
Restricted - Cash & Equivalents	93,482.00

Summary of Cash & Investments



Cash & Equivalents

	Account Balance	Current Yield
Cash & Equivalents		
Demand Deposit Accounts		
US Bank - Checking Account	92,943	
US - Capital Facilities Checking	2,895	
US - Capital Facilities - in main Checking	90,587	
US Bank - 2022 Bond Proceeds/Interest/Principal	73	
CAMP Term	5,000,000	
Petty Cash	700	
Money Market Accounts		
US Bank - Money Market Account	-	
CAMP Money Market	3,833,111	
LAIF Money Market	4,355,455	
Total Cash & Equivalents	13,375,764	

Investments

	Purchase Cost	Par Amount	Premium/ (Discount)	Market Value	Unrealized Gain/(Loss)	Coupon Rate	Yield to Maturity	Purchase Date	Maturity Date
Governmental Securities									
United States Treasury Bond									
US Treasury N/B - AA+	164,807	165,000	(193)	163,995	(812)	0.375%	0.42%	9/3/2021	8/15/2024
US Treasury N/B - AA+	34,854	35,000	(146)	34,645	(209)	0.375%	0.52%	10/7/2021	9/15/2024
US Treasury N/B - AA+	347,047	350,000	(2,953)	342,289	(4,758)	1.125%	1.42%	2/4/2022	1/15/2025
US Treasury N/B - AA+	149,566	150,000	(434)	146,906	(2,660)	2.750%	2.85%	6/1/2022	5/15/2025
US Treasury N/B - AA+	1,045,201	1,050,000	(4,799)	1,046,391	1,189	4.625%	4.90%	6/11/2024	3/15/2026
US Treasury N/B - AA+	1,026,744	1,050,000	(23,256)	1,028,508	1,764	3.625%	4.84%	6/11/2024	5/15/2026
US Treasury N/B - AA+	466,543	500,000	(33,457)	476,094	9,551	2.125%	4.20%	11/30/2022	5/31/2026
US Treasury N/B - AA+	464,531	500,000	(35,469)	471,328	6,797	2.250%	4.10%	11/30/2022	2/15/2027
US Treasury N/B - AA+	480,273	500,000	(19,727)	482,500	2,227	3.250%	4.25%	2/22/2023	6/30/2027
US Treasury N/B - AA+	502,500	500,000	2,500	494,375	(8,125)	4.125%	4.01%	11/30/2022	9/30/2027
US Treasury N/B - AA+	497,930	500,000	(2,070)	494,375	(3,555)	4.125%	4.22%	2/22/2023	9/30/2027
US Treasury N/B - AA+	485,332	500,000	(14,668)	484,219	(1,113)	3.500%	4.16%	2/22/2023	1/3/2028
United States Treasury Bond - Totals	5,665,328	5,800,000	(134,672)	5,665,623	295				

Investments (continued)

Investments (continued)

	Purchase Cost	Par Amount	Premium/ (Discount)	Market Value	Unrealized Gain/(Loss)	Coupon Rate	Yield to Maturity	Purchase Date	Maturity Date
Asset Backed Securities									
FordO 2021 - AAA	821	821	(0)	819	(2)	0.300%	0.30%	2/17/2021	8/15/2025
Harot 2021 - Aaa	4,028	4,028	(0)	4,002	(27)	0.330%	0.33%	5/18/2021	8/15/2025
GMCar 2021 - AAA	165	165	(0)	164	(0)	0.350%	0.35%	1/12/2021	10/16/2025
Harot 2021 - AAA	9,906	9,906	(0)	9,758	(148)	0.410%	0.41%	8/17/2021	11/18/2025
Carmx 2021 - AAA	1,157	1,157	(0)	1,150	(7)	0.340%	0.34%	1/20/2021	12/15/2025
Harot 2021 - Aaa	9,987	9,989	(2)	9,787	(200)	0.880%	0.89%	11/16/2021	1/21/2026
TAOT 2021 - AAA	12,489	12,489	(0)	12,239	(250)	0.710%	0.71%	11/9/2021	4/15/2026
Hart 2021 - AAA	7,559	7,560	(2)	7,429	(130)	0.740%	0.75%	11/9/2021	5/15/2026
Harot 2022 - AAA	27,860	27,864	(4)	27,303	(556)	1.880%	1.88%	2/15/2022	5/15/2026
FordO 2022 - AAA	11,283	11,285	(1)	11,069	(214)	1.290%	1.29%	1/19/2022	6/15/2026
BMWOT 2021 - AAA	15,555	15,555	(1)	15,345	(210)	3.210%	3.21%	5/10/2022	8/25/2026
COPAR 2021 - AAA	11,270	11,270	(0)	11,000	(270)	0.770%	0.77%	10/19/2021	9/15/2026
FordO 2022 - Aaa	17,520	17,520	(1)	17,346	(173)	3.740%	3.74%	6/22/2022	9/15/2026
TAOT 2022 - AAA	20,960	20,960	(0)	20,620	(340)	2.930%	2.93%	4/7/2022	9/15/2026
DCENT 2021 - AAA	54,988	55,000	(12)	54,415	(573)	0.580%	0.58%	9/20/2021	9/15/2026
GMCar 2021 - AAA	11,181	11,182	(0)	10,926	(255)	0.680%	0.68%	10/13/2021	9/16/2026
Hart 2022 - AAA	34,569	34,570	(1)	33,916	(653)	2.220%	2.22%	3/9/2022	10/15/2026
Ally 2022 - AAA	37,303	37,311	(7)	36,790	(513)	3.310%	3.31%	5/10/2022	11/15/2026
Comet 2021 - AAA	49,993	50,000	(7)	49,143	(850)	1.040%	1.04%	11/18/2021	11/15/2026
GMCar 2022 - AAA	10,715	10,716	(1)	10,479	(237)	1.260%	1.26%	1/11/2022	11/16/2026
HDMOT 2022 - AAA	19,376	19,379	(3)	19,112	(265)	3.060%	3.06%	4/12/2022	2/15/2027
GMCar 2022 - AAA	18,743	18,747	(4)	18,448	(295)	3.100%	3.10%	4/5/2022	2/16/2027
Carmx 2022 - AAA	23,838	23,841	(4)	23,502	(336)	3.490%	3.49%	4/21/2028	2/16/2027
Comet 2022 - AAA	69,995	70,000	(5)	68,671	(1,324)	2.800%	2.80%	3/23/2022	3/15/2027
Comet 2022 - AAA	64,990	65,000	(10)	63,876	(1,114)	3.490%	3.49%	6/6/2022	5/15/2027
Corporate Bonds - Total Balances	546,249	546,316	(68)	537,308	(8,940)				

Attachment 7
Cash Reserve Balances for June 30, 2024

**El Toro Water District
Cash Reserve Status Report
as of June 30, 2024**

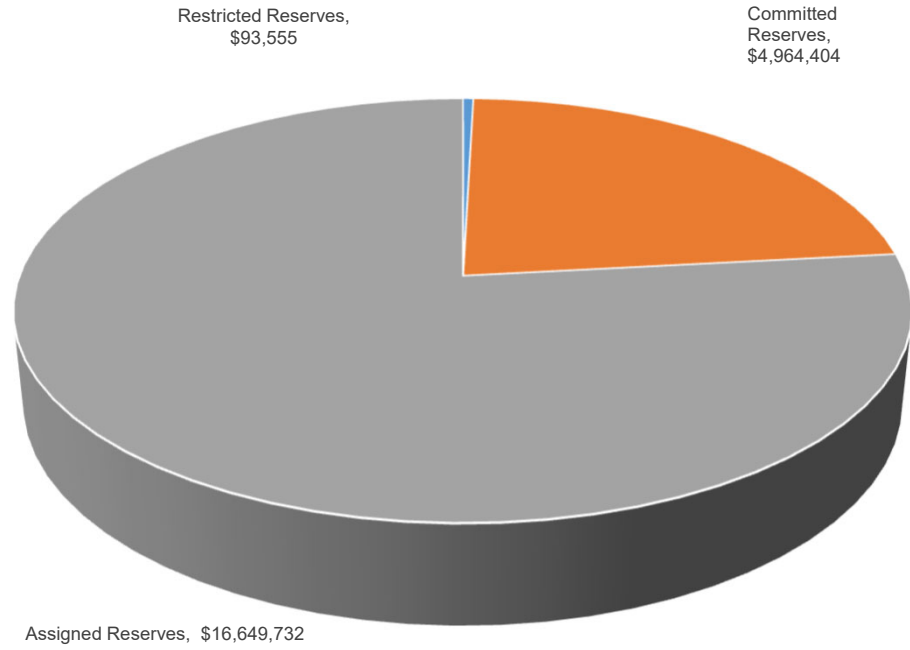
	Cash Reserve Balances	Reserve Targets
Reconciled Cash Balance	\$ 21,707,691	
Restricted Reserves		
2022 Revenue Bonds Fund	73	-
Capital Facilities Charge Reserve	93,482	-
Sub Total Restricted Reserve	93,555	-
Committed Reserves		
Capital Construction Reserve	1,975,455	3,000,000
Rate Stabilization Reserve	1,835,600	2,100,000
Operational Continuity Reserve	2,100,000	2,100,000
Working Capital Reserve	(946,651) (3)	2,100,000
Sub Total Committed Reserves	4,964,404	9,300,000
Assigned Reserves		
CIP Reserves		
Capital Carryover	3,142,962	-
Accumulated Capital Reserve	1,172,309	-
CIP - Revenue Bond Unrestricted Reserve	8,414,167	-
SOCWA Capital Projects	3,627,694	-
Recycled Water Capital / Debt Service	(1,469,337)	-
Capital Plan Working Capital Reserve(1)	917,628	-
Water Supply Program Reserves		
Tiered Conservation Fund	762,376	-
Debt Service Reserves		
Baker Debt Service	81,933	-
Sub Total Assigned Reserves	16,649,732	
Total Cash Reserves	21,707,691	
Adjusted Cash Reserves⁽²⁾	21,614,136	9,300,000

(1) Working Capital reserve has 23-24 Capital Plan - Working Capital

(2) The Adjusted Cash Reserves excludes restricted reserves.

(3) Working Capital reserve reflect \$1,227,998 of June payments checks posted in June but mailed out in July

Distribution of Reserve Balances



Attachment 8

Capital Project Expense Report through June 30, 2024

2023-2024 Capital Program Budget Information																
PM Task Code	Project Description	Total Budget	2023 - 2024 Expenses												YTD Total	Remaining
			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun		
RES-0047	R-6 Reservoir Cover (CIP23)	3,705,133.31	-	98,183.63	3,937,815.93	1,148,619.15	318,765.89	122,974.42	220,157.00	34,754.94	46,813.84	576.94	202.50		5,928,864.24	(2,223,730.93)
	R-6 Reservoir Cover Paving Project	1,000,000.00	-	-	4,435.00	1,950.00	-	-	944,384.77	81,365.24	-	-	-	-	1,032,135.01	(32,135.01)
WPS-0093	JTM Pump Station 32-093	1,035,516.35	-	96,746.45	858.64	-	-	-	-	-	-	-	10,423.89	-	108,028.98	927,487.37
WPS-0094	P-1 Fence Alarm Replacement	20,921.60	-	2,128.18	-	18,793.42	-	-	-	-	-	-	-	-	20,921.60	-
WRP-0134	Hach WIMS Implementation Project	72,815.02	-	-	19,800.00	-	-	-	-	-	-	-	-	-	19,800.00	53,015.02
SPS-0049	Water and Sewer Master 31-049	11,563.44	-	-	-	11,563.44	-	-	-	-	-	-	-	-	11,563.44	-
TCP-0001	Scada Server upgrade	32,500.00	-	-	-	18,941.39	-	-	-	-	-	-	-	-	18,941.39	13,558.61
GEN-0112	New Warehouse	2,624,495.00	-	-	21,066.41	341,529.54	-	536,011.48	386,722.30	284,185.30	214,924.67	24,127.73	159,506.53	-	1,968,073.96	656,421.04
CAP-0063	Field Ops - Floor Covering	15,000.00	-	-	-	-	-	-	-	17,966.94	-	-	-	-	17,966.94	(2,966.94)
VEH-0010	23-24 Vehicle Purchases	125,000.00	-	-	-	-	-	-	-	-	39,048.20	-	-	-	39,048.20	85,951.80
VEH-0010	Boom Truck Purchase	25,000.00	-	25,000.00	-	-	-	-	-	-	-	-	-	-	25,000.00	-
VEH-0010	Boom Truck Purchase	41,810.20	-	-	2,762.00	-	-	-	-	-	-	-	-	-	2,762.00	39,048.20
SPS-0050	Asset Management Study 31-050	120,000.00	-	15,527.50	-	-	42,332.50	-	35,634.03	-	20,107.03	8,017.50	6,430.00	-	128,048.56	(8,048.56)
SPS-0053	System Arc Flash Coord Study	180,000.00	-	-	-	-	-	7,013.86	27,555.00	16,449.42	14,260.00	23,970.00	19,104.30	-	108,352.58	71,647.42
CAP-0054	23-24 ATS Replacements	32,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	32,000.00
CAP-0054	23-24 ATS Replacements	30,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	30,000.00
CAP-0051	23-24 Sewer PLC Upgrade	118,294.65	-	-	-	-	-	-	-	-	-	-	-	-	-	118,294.65
CAP-0053	Sewer Station HMI Rplmnt	14,000.00	-	-	-	-	-	-	-	-	-	-	15,351.33	-	15,351.33	(1,351.33)
RCE-0010	23-24 JRWSS Capital Budget	13,114.00	-	-	-	235.42	-	321.78	-	335.15	-	153.42	144.23	317.49	1,507.49	11,606.51
RCE-0011	23-24 Baker WTP Capital Fund	56,200.00	-	-	-	-	-	14,040.25	-	-	14,040.25	-	-	14,040.25	42,120.75	14,079.25
TCP-0007	Core Switch Replacement	63,000.00	20,389.40	-	20,389.40	-	-	-	-	-	-	-	-	-	40,778.80	22,221.20
TCP-0006	23-24 Security System Imprmnts	50,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	50,000.00
TCP-0008	EOC Technology Upgrade	16,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	16,000.00
TCP-0003	IT Master Plan	80,000.00	-	-	-	-	-	-	-	1,786.25	701.25	4,745.95	2,552.50	7,181.25	16,967.20	63,032.80
RCE-0012	23-24 SOCWA Capital Expenses	414,836.00	103,898.00	-	-	-	131,789.00	-	-	34,126.00	-	-	30,866.00	-	300,679.00	114,157.00
WRP-0136	DAF Unit #2 Rehab 933-136	18,641.00	-	-	-	-	-	-	-	-	-	-	-	-	-	18,641.00
WRP-0136	DAF Unit #2 Rehab 933-136	139,558.08	-	-	-	-	-	-	98,321.88	37,715.00	-	-	-	-	136,036.88	3,521.20
SLS-0117	Mathis LS Influent Drop Piping	58,349.66	-	-	14,553.00	-	6,481.25	-	2,867.77	425.89	-	-	34,021.75	-	58,349.66	-
SLS-0118	Surcharge CAP Repair - Goudy	52,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	52,000.00
SLS-0119	Northline Coating Impr Project	91,000.00	-	-	-	-	-	-	-	-	862.50	7,214.09	47,376.00	-	55,452.59	35,547.41
SLS-0120	Freeway Electrical Equip Repl	110,000.00	-	-	-	-	-	-	-	-	-	7,516.64	64,250.00	-	71,766.64	38,233.36
WRP-0131	Grit Chamber Rehab 933-131	65,683.02	-	49,756.88	-	13,678.99	-	486.60	-	-	1,187.92	-	572.63	14,376.29	80,059.31	(14,376.29)
	New MCC S-D Electrical Cabinet & Breakr	30,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	30,000.00
CAP-0061	WRP Main Electrical Power Breaker Upgr	23,922.68	-	-	-	-	-	-	-	-	-	-	-	-	-	23,922.68
WRP-0132	WRP Effluent Pump Station Rehab	112,431.37	-	-	-	-	98,314.37	9,117.00	-	-	5,000.00	-	-	-	112,431.37	-
WRP-0137	Tertiary Disinfection Optimization	33,911.77	-	-	4,346.11	-	6,693.75	-	-	12,611.91	8,890.00	392.50	977.50	2,502.50	36,414.27	(2,502.50)
WRP-0142	Headworks and Secondary Clarifier No. 1	2,351,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	2,351,000.00
WRP-0142	Headworks and Secondary Clarifier No. 1	694,014.20	-	-	-	-	-	-	-	19,473.63	81,503.81	31,061.96	29,382.75	51,592.68	213,014.83	480,999.37
RES-0015	R-4 Exterior Recoating	35,100.00	-	-	-	-	-	-	-	-	3,150.00	-	-	44,688.75	47,838.75	(12,738.75)
CAP-0024	P-4 Pump Replacement	59,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	59,000.00
RES-0016	Moulton/EI Toro Cathodic Protection Repa	100,000.00	-	-	-	-	3,875.00	-	-	-	-	-	-	-	3,875.00	96,125.00
RES-0017	SRV-2 Lid Repair	33,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	33,000.00
RES-0018	R-6 Security Improvements	84,000.00	-	-	-	-	-	-	-	32,064.23	-	-	41,517.72	369.29	73,951.24	10,048.76
WPS-0095	P-3 Pump Station Rehab	200,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	200,000.00
SLS-0115	Aliso Creek Pump Rehab 932-115	468,901.00	-	-	-	-	-	-	-	-	-	-	-	-	-	468,901.00
SLS-0115	Aliso Creek Pump Rehab 932-115	602,953.14	-	-	-	-	-	-	-	18,466.50	51,184.50	60,885.00	33,850.00	-	164,386.00	438,567.14
CAP-0050	23-24 Water PLC Upgrade	76,733.68	-	-	-	-	-	-	-	-	-	-	20,120.64	-	20,120.64	56,613.04
CAP-0052	Water Station HMI Rplmnt	14,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	14,000.00
WRP-0140	ETM Backflow Prevention Project	205,018.50	-	-	167,959.50	21,283.00	8,473.00	7,303.00	-	-	-	-	-	-	205,018.50	-
CAP-0055	Lab HVAC Unit	13,668.00	-	13,668.00	-	-	-	-	-	-	-	-	-	-	-	13,668.00
RCE-0141	RWST Center Vent Replacement	1,105.55	-	-	-	-	-	-	1,105.55	-	-	-	-	-	1,105.55	-
CAP-0003	4920 Siphon Project	2,126.00	-	-	-	-	-	-	2,126.00	-	-	-	-	-	2,126.00	-
SPS-0054	Lead Copper Rule Revision	43,699.00	-	-	-	-	-	-	43,699.00	-	-	-	-	-	-	43,699.00
WRP-0143	New Turbo Blower	9,100.00	-	-	-	-	-	-	-	-	-	-	9,100.00	22,968.83	32,068.83	(22,968.83)
CAP-0064	Recycled Station HMI Rplmnt	7,199.73	-	-	-	-	-	-	-	-	-	-	7,199.73	-	7,199.73	-
GEN-0514	CalTrans I-5 Widening	42,825.00	-	-	-	-	-	-	-	-	38,400.00	4,425.00	-	27,400.00	70,225.00	(27,400.00)
		15,676,140.95	124,287.40	303,772.64	4,191,223.99	1,576,594.35	616,724.76	697,268.39	1,762,573.30	591,726.40	540,073.97	173,086.73	532,950.00	186,540.16	11,296,822.09	4,379,318.86
RES-0047	R-6 Reservoir Cover (CIP23)/Cost Covere	5,750,718.49	-	54,001.00	2,165,798.76	631,740.53	175,321.24	67,635.93	121,086.35	19,115.22	25,747.61	317.32	111.38	-	3,260,875.33	2,489,843.16
		21,426,859.44	124,287.40	357,773.64	6,357,022.75	2,208,334.88	792,046.00	764,904.32	1,883,659.65	610,841.62	565,821.58	173,404.05	533,061.38	186,540.16	14,557,697.42	6,869,162.02
	Bond 2022 Restricted Funds	4,705,133.31	-	98,183.63	3,942,250.93	1,150,569.15	318,765.89	122,974.42	1,164,541.77	116,120.18	46,813.84	576.94	202.50	-	6,960,999.25	(2,255,865.94)
	Bond CIP Unrestricted Funds	6,011,011.35	-	96,746.45	21,925.05	341,529.54	-	536,011.48	386,722.30	284,185.30	214,924.67	24,127.73	169,930.42	-	2,076,102.94	3,934,908.41
	2023-24 CIP Budget	1,575,956.00	20,389.40	15,527.50	20,389.40	235.42	42,332.50	21,375.89	63,189.03	48,848.80	91,467.98	46,871.65	194,173.58	59,415.78	624,216.93	951,739.07
	SOCWA	414,836.00	103,898.00	-	-	-	131,789.00	-	-	34,126.00	-	-	30,866.00	-	300,679.00	114,157.00
	Carryover Project Fund	2,408,299.47	-	74,756.88	19,800.00	32,620.38	3,875.00	486.60	98,321.88	95,408.32	172,977.48	101,117.91	86,478.52	100,550.22	786,393.19	1,621,906.28
	Accumulated Capital Funds	313,669.27	-	18,558.18	14,553.00	30,356.86	104,795.62	9,117.00	48,692.77	425.89	5,000.00	-	43,121.75	24,071.66	298,692.73	14,976.54
	Recycle Capital Projects	247,235.55	-	-	172,305.61	21,283.00	15,166.75	7,303.00	1,105.55	12,611.91	8,890.00	392.50	8,177.23	2,502.50	249,738.05	(2,502.50)
		15,676,140.95	124,287.40	303,772.64	4,191,223.99	1,576,594.35	616,724.76	697,268.39	1,762,573.30	591,726.40	540,073.97	173,086.73	532,950.00	186,540.16	11,296,822.09	4,379,318.86

Attachment 9
Interim Report on 401k Plan Holdings
As of June 30, 2024

EL TORO WATER DISTRICT 401K PLAN SUMMARY

401K PLAN MARKET VALUE



MARKET VALUE SUMMARY							
	Under 40 yrs. Old	40 to 44 yrs. Old	45 to 49 yrs. Old	50 to 54 yrs. Old	55 to 59 yrs. Old	60 to 64 yrs. Old	Over 65 yrs. Old
Balance at June 30, 2023	\$1,453,468.56	\$2,095,353.59	\$1,103,519.44	\$2,887,912.79	\$7,733,640.95	\$3,735,784.96	\$2,508,682.94
	Under 41 yrs. Old	41 to 48 yrs. Old	49 to 55 yrs. Old	56 to 58 yrs. Old	59 to 62 yrs. Old	63 to 65 yrs. Old	Over 65 yrs. Old
Balance at June 30, 2024	\$2,035,902.59	\$3,194,841.09	\$3,978,641.85	\$2,669,523.86	\$6,131,527.99	\$2,755,944.40	\$2,779,433.18

District Staff is working with Highmark and Empower to design a new 401k report. Once the data for the portfolios is being generated by Empower, the District portfolio information by age group will be updated.

Investments	Beginning Balance	Contributions	Withdrawals	Interest, Dividends and Appreciation Net of Fees & Charges	Ending Balance
American Beacon AHL Mgd Futs Strat A	832,141.81	3,722.38	0.00	(12,450.88)	823,413.09
BlackRock Tactical Opportunities K	229,065.97	1,480.00	0.00	1,339.45	231,885.42
Columbia Contrarian Core Instl 3	2,077,089.22	*3,340.45	0.00	45,494.00	2,135,903.67
Delaware Small Cap Core R6	734,492.52	4,343.87	0.00	(2,304.85)	736,531.54
DFA Large Cap International I	1,301,701.39	8,775.21	0.00	(28,030.60)	1,282,446.00
Dodge & Cox Income - I	2,584,302.08	*5,309.52	0.00	13,250.31	2,599,861.91
Dodge & Cox International Stock - I	342,756.29	2,177.32	0.00	(14,451.30)	330,482.31
Dodge & Cox Stock - I	1,086,244.26	7,218.48	0.00	940.48	1,104,401.20
DoubleLine Core Fixed Income R6	2,445,358.37	*4,367.51	0.00	17,030.80	2,477,056.68
Emerald Growth Institutional	487,745.82	3,328.53	0.00	3,804.99	497,877.14
Guaranteed Income Fund	691,391.05	3,345.18	0.00	(458.43)	694,877.78
Harbor Capital Appreciation Retirement	984,322.98	8,354.08	0.00	55,385.57	1,028,342.61
MFS International Growth R6	335,707.73	2,177.32	0.00	661.77	338,546.82
Nuveen Real Estate Securities R6	724,884.92	4,485.98	0.00	17,027.82	746,398.72
PGIM Total Return Bond R6	2,029,804.09	*1,984.73	0.00	14,480.43	2,056,269.25
P MCO Income Instl	283,338.51	1,985.15	0.00	293.73	285,615.39
P MCO RAE US Instl	1,084,289.83	7,218.48	0.00	12,059.25	1,103,545.54
The Merger Fund I	228,287.07	1,480.00	0.00	2,389.15	232,116.22
Undiscovered Mgrs Behavioral Value R6	479,378.02	3,328.53	0.00	(8,573.78)	474,128.79
Vanguard Emerging Mkts Stock Idx Adm	589,444.44	3,885.02	0.00	7,490.87	600,820.33
Vanguard Growth & Income Adm	2,081,808.89	*3,341.48	0.00	55,102.88	2,130,050.85
Vanguard Growth Index Adm	843,408.49	5,704.29	0.00	37,588.63	886,699.41
Vanguard Long-Term Investment-Grade Adm	716,009.29	4,130.44	0.00	4,084.21	724,223.94
Vanguard Mid Cap Index Fund - Admiral	229,830.18	1,480.00	0.00	(857.83)	230,832.35
Grand Total	23,172,354.62	145,995.65	0.00	227,464.69	23,545,814.96

MINUTES OF THE REGULAR MEETING
& OF THE
ENGINEERING COMMITTEE MEETING

June 24, 2024

At approximately 8:20 a.m. Director Freshley called the Engineering Committee meeting to order.

Committee Members MARK MONIN, MIKE GASKINS, KAY HAVENS, KATHRYN FRESHLEY, and FRED ADJARIAN participated.

Also participating were DENNIS P. CAFFERTY, General Manager, VISHAV SHARMA, CFO, HANNAH FORD, Director of Engineering, RORY HARNISCH, Senior Engineer (8:20 a.m.), SCOTT HOPKINS, Operations Superintendent, GILBERT J. GRANITO, General Counsel, MIKE MIAZGA, IT Manager (Zoom), VU CHU, Water Use Efficiency Analyst (Zoom), VICKI TANIOUS, Senior Accountant/Payroll (Zoom), CAROL MOORE, Laguna Woods City Council Member (Zoom), and MARISOL MELENDEZ, Recording Secretary.

Consent Calendar

Director Freshley asked for a Motion.

Motion: President Monin made a Motion, seconded by Director Adjarian to approve the Consent Calendar.

Roll Call Vote:

Director Adjarian	aye
Director Freshley	aye
Director Havens	aye
Vice President Gaskins	aye
President Monin	aye

Engineering Action Items

Aliso Creek Lift Station Rehabilitation Project

Mr. Harnisch stated that staff are still dealing with issues related to pumping capacity and lack of truck access for cleaning. Mr. Harnisch further stated that in a 2023 Alternative Analysis Study, Tetra Tech Inc. recommended Alternative 1C, which adds a new wet well and in doing so will resolve on site issues and achieve the necessary capacity while improving operation and reliability. Mr. Cafferty added that this recommendation came about after a very interactive process involving District staff. Mr. Harnisch stated the District received and reviewed three proposals for the final design of the Aliso Creek Lift Station Rehabilitation Project. Mr. Harnisch further stated that all three were carefully evaluated, and District staff recommend award to Tetra Tech.

President Monin stated that he has been very impressed with Engineering staff but asked if there was anything done to cut costs on this project. Ms. Ford explained that there was a lot of constraints because of location and tight space but some of the advantages Tetra Tech has include experience in dewatering and shoring, as well as the inclusion of the electrical equipment housing which would ensure extended equipment life. Ms. Ford added that Tetra Tech also has FEMA grant funded project experience, which the District is intending to pursue.

Director Havens asked when construction would be starting. Ms. Ford explained that construction will be at least one year delayed following design completion and is included in the CIP budget starting fiscal year 2026/2027 however, the construction timeline will depend on FEMA funding.

Director Freshley asked for total construction cost amount. Ms. Ford stated construction cost would be in the seven-million-dollar range. Mr. Cafferty added that this project is budgeted in the ten-year plan but we are hoping to receive FEMA funding which, if approved would cover potentially 75% of the project cost.

Director Freshley asked if the construction on the Laguna Hills Mall would interfere with this project. Mr. Cafferty explained that mall construction would possibly be starting at the end of 2024 but the most impactful phase (residential) would likely not be constructed until well after the Aliso Creek Lift Station Rehabilitation project.

Director Adjarian asked if Tom Epperson is going to manage the project and if an inquiry was made with Moulton Niguel Water District about their work with Tetra Tech. Ms. Ford explained that Tom Epperson would be involved but will designate less expensive staff for certain administrative work. Mr. Harnisch stated that we received great references and positive feedback from Moulton Niguel Water District.

Ms. Ford additionally stated that all consultants who submitted interest were thoroughly reviewed to ensure fair ranking and decision making.

Director Freshley asked for a Motion.

Motion: Director Adjarian made a Motion, seconded by Director Havens to approve the Aliso Creek Lift Station Rehabilitation Project.

Roll Call Vote:

Director Adjarian	aye
Director Freshley	aye
Director Havens	aye
Vice President Gaskins	aye
President Monin	aye

New Warehouse Security System

Mr. Harnisch stated that Johnson Controls Inc. and Convergent Inc. both submitted proposals for this project and that both upfront installation and annual maintenance costs were considered. Mr. Harnisch further stated that Convergent was ultimately selected for this project and as a result, the District would save over \$6,500.00 over the course of ten years.

President Monin asked if we could get a break on costs through our insurance due to the added security. Mr. Cafferty stated we can check with JPIA to see if this is an option.

President Monin asked for explanation of the alarm response processes. Mr. Cafferty explained that if the cameras detect motion the vendor will notify the District and District staff will respond to alarms as long as it is safe to do so but will otherwise contact the Sheriff's department to respond.

Director Freshley asked for a Motion.

Motion: Vice President Gaskins a Motion, seconded by President Monin to approve the New Warehouse Security System.

Roll Call Vote:

Director Adjarian	aye
Director Freshley	aye
Director Havens	aye
Vice President Gaskins	aye
President Monin	aye

Engineering Information Items

ETWD Operations Report

Mr. Cafferty states the Operations Report now includes a page on the progress of the Lead and Copper Rule Revisions status which continues to be a collaborative effort from several departments. Director Havens stated she would like to see more labeling on the report to limit confusion to the public. Mr. Cafferty stated adjustments can be made to the graph.

Director Freshley stated that she is pleased with the Operations report and finds it informative due to the importance of communication to the Board.

Director Havens pointed out that the nitrite levels are slightly increasing. Mr. Hopkins explained that nitrite levels are regularly monitored and if they see an issue, action is immediately taken. Mr. Cafferty further explained the chlorine residual process and that, if action is required, staff will respond by flushing the system.

Director Havens also noted that the minimums stats of the chlorine residual monitoring were not displayed on the graph. Mr. Cafferty stated staff will ensure those stats are there in the future.

Director Freshley asked for an explanation of the WRP battery storage system data. Mr. Cafferty stated this page includes data since its inception to track performance and the result is that there has been over \$95,000.00 in savings. Director Freshley stated that she recalls the peaks in demand were being clipped which was saving money on half of the utility bill but would like to know if it is being looked at from a point of view of energy saving rather than money saving. Ms. Ford stated that staff met with Stem and expressed our concerns to which they responded and assured they would review the algorithm to address District needs.

El Toro Water District Capital Project Status Report

New Warehouse

Mr. Harnisch stated the general contractor is currently offsite but they are anticipating electrical equipment to arrive in early September and for final site paving to be completed around the same time. Mr. Harnisch further stated that coordination with AQMD continues and that the schedule has now caught up with the budget which is why the percent completes are now roughly the same.

Grit Chamber Rehabilitation

Mr. Harnisch stated the project is nearing the end of the submittal phase and staff anticipates Kingmen Construction will be on site in early July.

Caltrans I-5 Widening Utility Relocations

Mr. Harnisch stated certain manholes were reworked as a result of a new street extension. Mr. Harnisch further stated that staff is waiting for Caltrans to redo the sidewalk so the manhole closest to the SCE pole can be realigned, which should complete the remaining work on this project.

Headworks and Secondary Clarifier No. 1 Rehabilitation Project

Ms. Ford stated that 60% design submittal is underway and results from the pilot operation concluded that total solids are increasing with polymer addition but an economic evaluation will be done in early July to decide on project direction moving forward.

Ms. Ford further stated an amendment had to be awarded to the design contract in order to comply with current seismic codes.

Director Freshley asked if FEMA funding can be pursued to meet the requirement. Ms. Ford stated unfortunately pursuing FEMA funding would delay the project approximately one year.

Lead and Copper Rule Revisions Compliance

Ms. Ford stated that a contractor will do any necessary excavations. Ms. Ford further stated staff confirmed the material in 24 meter boxes at the end of May, which means the contractors scope of work has reduced.

Tertiary Disinfection Optimization Project

Ms. Ford stated staff is awaiting response from DDW on the revised proposal, which is anticipated to arrive in July.

Asset Management Program

There were no comments.

WRP Main Electrical Power Breaker

Ms. Ford stated that the WRP is scheduled to be shut down this week in order to install the fourth pole on the new ATSS.

System Wide Arc Flash and Coordination Study

There were no comments.

R-6 Reservoir and Main Office Security System

Ms. Ford stated the remaining contract details are in progress.

Engineering Items Discussed at Various Conferences and Meetings

There were no comments.

Energy Efficiency Analysis

Ms. Ford that staff is continuing to explore two different companies to look at a more holistic system evaluation. Ms. Ford stated that District staff is also looking into operational changes that could potentially qualify the District for \$15,000.00 in SCE rebates.

Ms. Ford stated that the next fiscal year's schedule is included in the package.

Comments Regarding Non-Agenda Engineering Committee Items

Vice President Gaskins stated that he has noticed the street driving into the plant does not have a name. Mr. Cafferty stated that it is an access road, not a public street, but will investigate options regarding potential naming of the street.

Director Adjarian asked when the last service contract with Highmark was reviewed. Mr. Cafferty explained a third-party detailed evaluation on Highmark's performance was done in 2017. Mr. Cafferty further stated that retirement investment processes can be part of the 2025 strategic planning if necessary.

Adjournment

There being no further business, the Engineering Committee meeting was adjourned at approximately 9:20 a.m.

Regular Session

Attorney Report

Mr. Granito report that there is no need for a Closed Session today, and as such Regular Session continued.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 9:39 a.m.

Respectfully submitted,

MARISOL MELENDEZ
Recording Secretary

APPROVED:

MARK MONIN, President
of the El Toro Water District and the
Board of Directors thereof

DENNIS P. CAFFERTY, Secretary
of the El Toro Water District and the
Board of Directors thereof



STAFF REPORT

To: Board of Directors

Meeting Date: July 22, 2024

From: Hannah Ford, Director of Engineering

**Subject: Resolution No. 24-7-1 Effluent Transmission Main Aliso Creek Crossing
Mitigation Project FEMA HMGP Application Match Commitment
Documentation**

BACKGROUND

El Toro Water District participated in the development of and ultimately adopted the Orange County Water and Wastewater Multi-Jurisdictional Hazard Mitigation Plan, which identifies the need to coordinate with South Orange County Wastewater Authority (SOCWA) regarding the potential replacement of the Effluent Transmission Main (ETM) as one of the actions recommended to mitigate fire, flood, and earthquake hazards. The ETM conveys treated wastewater from the District's Water Recycling Plant (WRP) and Irvine Ranch Water District's Los Alisos WRP to the Aliso Creek Ocean Outfall – providing a critical service for nearly 100,000 customers in the Cities of Lake Forest, Laguna Woods, Aliso Viejo, Mission Viejo, and Laguna Hills. However, the last 45 years of natural erosion and scouring processes in Aliso Creek have progressively exposed the ETM's concrete encasement, as shown in Figure 1, such that this critical infrastructure is vulnerable to failure during flooding and severe storm events. The ETM's original rip-rap protective measures have been rendered ineffective, leading to the significant exposure of the encasement. The creek's dynamic nature, exacerbated during storm events, continuously threaten the integrity of the ETM.

The vulnerability of the ETM was initially identified in a 2014 conceptual-level erosion protection design analysis. In 2018, a comprehensive construction-level design was developed to provide rip-rap stabilization and erosion protection; however, regulators pushed back against an in-situ solution and requested SOCWA to evaluate microtunneling. Subsequent assessments in 2019 and 2023 reaffirmed the ongoing erosion issues. Recent measurements indicate significant scouring around the ETM's encasement to depths exceeding 27 inches below the top of encasement. In 2024, Tetra Tech developed an alternatives analysis of in-situ stabilization methods as well as microtunneling for the ETM.

The District proposes to mitigate the ETM's vulnerabilities by relocating the pipeline via microtunneling deep under Aliso Creek, as shown in Figure 2. This method entails constructing a new segment of the ETM that bypasses the currently exposed and vulnerable section within the creek. Microtunneling is a trenchless construction technique that uses a

remotely controlled, guided boring machine to install pipes with minimal surface disruption. The process begins with the excavation of two pits: a launch pit and a receiving pit, located upstream and downstream of the exposed ETM segment. These pits are positioned outside sensitive areas to minimize environmental impact. A microtunnel boring machine is then lowered into the launch pit and progresses horizontally beneath the creek bed, creating a tunnel for the new ETM segment. The tunnel will house a 72-inch steel casing containing a 24-inch PVC pipe. Once the tunneling is complete, the new pipe segment is connected to the existing ETM, ensuring continuous service. The exposed and vulnerable segment in the creek may then be abandoned in place or removed.



Figure 1 – Exposed ETM Concrete Encasement in Aliso Creek

Although the microtunneling solution is more expensive, it offers a long-term solution with fewer regulatory hurdles. Rip rap stabilization leaves the pipeline vulnerable to severe storms that could displace the rocks or cause damage from large debris. Regulators, including California Fish and Wildlife, the Department of Fish and Wildlife, the Army Corps of Engineers, and the RWQCB, generally prefer solutions that relocate vulnerable infrastructure away from high-risk areas. Consequently, the riprap solution may face additional regulatory scrutiny and require extensive mitigation measures - likely involving a prolonged regulatory review process that delays implementation by two additional years.



Figure 2 – Approximate Alignment of Microtunneling the Vulnerable ETM Segment

BUDGET

The District's current budget assumes implementation of a rip-rap solution as part of its SOCWA capital costs. Due to the added expense of the microtunneling solution, the District proposed pursuing FEMA Hazard Mitigation Grant Program (HMGP) funding to cover up to 75 percent of the cost. This round of funding combined DR-4758 (California Severe Storm and Flooding) and DR-4769 (California Severe Winter Storms, Tornadoes, Flooding,

Landslides and Mudslides) for a total allocation of \$21.5 million for the State of California. Due to limited funding for this round, FEMA capped requests at \$5 million per Project.

Table 1 summarizes the District's draft budget request for the FEMA HMGP, which estimates FEMA-related total Project costs at \$7,618,574.35. (Additional costs for consultant-led environmental permitting would be in addition to this total Project cost but are ineligible for FEMA funding due to federal procurement requirements.) The federal cost share would be approximately 66 percent due to the \$5 million cap. The District would fund 50 percent of the non-federal cost share at approximately \$1.3 million; IRWD would cover the remainder. The District's cost share would be funded by a combination of:

- (1) operating budget for staff time,
- (2) capital currently allocated for the rip-rap stabilization of the ETM Aliso Creek Crossing (approximately \$0.8 million), and
- (3) additional capital (approximately \$0.4 million) that will be budgeted in the next 10-year capital improvement plan.

Table 1 – ETM Aliso Creek Crossing Mitigation Project Budget

Description	Cost
Construction	\$6,002,570.69
Design	\$604,055.00
Bidding	\$21,450.00
Engineering Services During Construction	\$293,320.00
Geotechnical Inspections	\$150,600.00
Construction Management	\$426,240.00
Project Management (by District staff)	\$116,509.82
Public Outreach Materials	\$3,828.84
Total	\$7,618,574.35
Federal Cost Share	\$5,000,000.00
IRWD Cost Share	\$1,309,287.18
District Cost Share	\$1,309,287.18

District staff have been in close coordination with SOCWA and IRWD staff, and all parties have agreed that the District should serve as "Lead Agency" for this Project. District staff recommend the Board pass Resolution 24-7-1 to strengthen the grant application and commit to cost sharing expenses greater than \$5 million for this Project.

SCHEDULE

The ETM Aliso Creek Crossing Mitigation Project subapplication to FEMA assumes phased implementation with design in Phase 1 and construction in Phase 2. The subapplication is due to the California Office of Emergency Services (Cal OES) on July 26, 2024, and notice of award would take place the following year (approximately July 2025). Upon award, the District has 48 months to complete each phase of the Project with a 2-year FEMA review period between the design and construction phase. Project completion is anticipated in August 2030.

RECOMMENDATION

Recommended Action:

Staff recommends that the Board of Directors adopt Resolution No. 24-7-1, documenting the District's commitment to the matching funds requirement for the FEMA Hazard Mitigation Grant Program application for the Effluent Transmission Main Aliso Creek Crossing Mitigation Project.

RESOLUTION NO. 24-7-1

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EL TORO WATER DISTRICT
COMMITTING THE DISTRICT TO THE MATCHING FUNDS REQUIREMENT FOR THE
EFFLUENT TRANSMISSION MAIN ALISO CREEK CROSSING MITIGATION PROJECT
FEMA HAZARD MITIGATION GRANT PROGRAM APPLICATION**

RESOLUTION NO. 24-7-1

RESOLUTION OF THE BOARD OF DIRECTORS OF THE EL TORO WATER DISTRICT COMMITTING THE DISTRICT TO THE MATCHING FUNDS REQUIREMENT FOR THE EFFLUENT TRANSMISSION MAIN ALISO CREEK CROSSING MITIGATION PROJECT FEMA HAZARD MITIGATION GRANT PROGRAM APPLICATION

WHEREAS, the El Toro Water District (“District”) provides wastewater collection, treatment, and disposal services to meet the sanitary needs of its customers in South Orange County; and

WHEREAS, the Effluent Transmission Main (“ETM”) conveys treated wastewater from the District’s Water Recycling Plant (“WRP”) and Irvine Ranch Water District’s Los Alisos WRP to the Aliso Creek Ocean Outfall – providing a critical service for nearly 100,000 customers in the Cities of Lake Forest, Laguna Woods, Aliso Viejo, Mission Viejo, and Laguna Hills; and

WHEREAS, the last 45 years of natural erosion and scouring processes in Aliso Creek have progressively exposed the ETM’s concrete encasement such that this critical infrastructure is vulnerable to fail during flooding and severe storm events; and

WHEREAS, a significant portion of the service area supplied by the ETM is classified as either severely disadvantaged or disadvantaged because residents earn less than 80% or 60% of the statewide median household income, respectively - highlighting the importance of this Project in supporting vulnerable populations; and

WHEREAS, the District participated in the development of and ultimately adopted the Orange County Water and Wastewater Multi-Jurisdictional Hazard Mitigation Plan, which identifies the need to coordinate with South Orange County Wastewater Authority (“SOCWA”) regarding the potential replacement of the ETM as one of the actions recommended to mitigate fire, flood, and earthquake hazards.

WHEREAS, the District has coordinated with Irvine Ranch Water District and SOCWA and determined that the District shall serve as the Lead Applicant for the ETM Aliso Creek Crossing Mitigation Project.

NOW THEREFORE BE IT RESOLVED, that the District General Manager or his designee is hereby authorized and directed to sign and file, for and on behalf of the El Toro Water District, a grant application for Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP); and

BE IT FURTHER RESOLVED, the District General Manager, or his designee, is hereby authorized to acknowledge and approve of the application and the information submitted for consideration, and is further authorized to certify that the District has and will provide the amount of funding and/or in-kind contributions specified in the funding plan; and

BE IT FURTHER RESOLVED, that the Board hereby agrees and further does authorize the aforementioned representative or his designee to certify that the District has and will comply with all statutory and regulatory requirements related to any grant funds; and

BE IT FURTHER RESOLVED, that the General Manager or his designee is hereby authorized to negotiate and execute a grant and any amendments or change order thereto on behalf of the District received and will work with California Office of Emergency Services to meet established deadlines for entering into a cooperative agreement.

ADOPTED, SIGNED, AND APPROVED this 22nd day of July, 2024.

Mark Monin, President
El Toro Water District and the
Board of Directors thereof

ATTEST:

DENNIS P. CAFFERTY, Secretary
El Toro Water District and the
Board of Directors thereof



STAFF REPORT

To: Board of Directors

Meeting Date: July 22, 2024

From: Hannah Ford, Director of Engineering

Subject: WRP Generator Radiator Replacement

BACKGROUND

The WRP maintains a 1,750-kW generator to power treatment processes in the event of an emergency. Shown in Figure 1, the generator has been in place since 1997, and its radiator requires rehabilitation. The last time the District performed maintenance on this generator, the vendor recommended rehabilitation of the radiator, which is comprised of original parts that are completely corroded. The District recommends proactively rehabilitating the radiator to prevent unanticipated loss of service.



Figure 1 –WRP Generator

The District proposes hiring Quinn Company, Inc. (Quinn) to provide labor and parts in order to remove and rebuild the radiator and service its cooling system. Refer to Attachment A for further information. During service, the District will rent a standby generator from Quinn for three weeks to allow for continued wastewater treatment in the event of a power outage. Attachment B contains the quote for these rental services. District staff anticipate conducting the rehabilitation in August 2024.

COST EVALUATION

Table 1 summarizes the costs for each element of this Project. The Fiscal Year (FY) 2024/2025 budget includes \$150,000 for the WRP Generator Radiator Replacement. Total Project costs are below budget by over \$5,000.

Table 1 – WRP Generator Radiator Replacement Project Cost Summary

Scope	Cost
Remove and Replace WRP Generator Radiator	\$111,434.55
Rent Standby Generator	\$32,953.66
Total	\$144,388.21
Budget	\$150,000.00
Difference	\$5,611.79

RECOMMENDATION

Recommended Action:

Staff recommends that the Board of Directors authorize the General Manager to issue two purchase orders to Quinn Company, Inc. (1) in the amount of \$111,434.55 for removal and replacement of the existing WRP generator's radiator and (2) in the amount of \$32,953.66 to rent a standby generator to facilitate this work. Staff further recommends that the Board authorize the General Manager to fund the project costs from the District's Capital Reserves in accordance with the District's adopted Capital Reserve Policy.

Item #8 - Attachment A**Quote No: 134832 - 1**

EL TORO WATER DISTRICT
ATTN ACCOUNTS PAYABLE 24251 LOS ALISOS BLVD
LAKE FOREST 92630-5246

CUSTOMER NO.	QUOTE NO.	DATE	CONTACT
204694K	134832	7/2/2024	ERIC WILSON
PHONE NO.	FAX NO.	EMAIL	
949-837-7050		ewilson@etwd.com	
MODEL	MAKE		SERIAL NO.
3516	AA		025Z05130
UNIT NO.	HOURS	WO NO.	P.O. NO.
	521		

SEGMENT: 01**REMOVE & REBUILD RADIATOR****NOTES:**

GENERATOR SET WILL BE OFF LINE DURING REPAIR
GENERATOR WILL BE OFFLINE ESTIMATED ~3 WEEKS
DRAIN AND CONTAIN COOLANT FOR PROPER DISPOSAL
DISCONNECT AND REMOVE UPPER RADIATOR TANK
REMOVE A TOTAL OF (25) FOLDED CORE & CLEAN AREA.

RETURN WITH RADIATOR TO QUINN SHOP FOR REBUILD

RE-INSTALL RADIATOR WITH A TOTAL OF (25) NEW
FOLDED CORES W/ NEW GASKETS AND HARDWARE.
INSTALL TOP TANK.
FILL RADIATOR WITH NEW DEAC 50/50 COOLANT
(TECHS WILL NEED A WATER SOURCE)
RUN GENERATOR SET AND BLEED SYSTEM, CHECK FOR
PROPER OPERATION AND LEAKS.
PERFORM LOAD BANK TESTING TO ENSURE PROPER
FUNCTIONALITY.
CLEAN AREA / REMOVE ALL MATERIAL FOR DISPOSAL

NOTE: GENERATOR RENTAL WILL BE QUOTED
SEPARATELY THROUGH RENTAL DIVISION.

Parts

Total Estimated Parts: 16,891.27

Labor

Total Estimated Labor: 64,000.00

Segment 01 Total:	80,891.27
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SEGMENT: 02 LEVEL 3 PM RADIATOR-COOLING SYSTEM (941 135A)
NOTES:
SCOPE OF WORK:
 PM LEVEL 3 COOLING SYSTEM SERVICE
 * DRAIN, CONTAIN AND DISPOSE WASTE COOLANT
 * REPLACE ALL COOLANT HOSES AND CLAMPS
 * REPLACE THE RADIATOR PRESSURE CAP(S)
 * REPLACE THE ENGINE THERMOSTAT(S) AND ASSOCIATED GASKET(S)
 * REPLACE THE ENGINE FAN BELT(S) AND ALTERNATOR BELT(S)
 * RETURN UNIT BACK TO ORIGINAL MODE OF OPERATION
 * SUBMIT REPORT TO CUSTOMER
 ** SERVICE WILL BE PERFORMED DURING NORMAL BUSINESS HOURS FROM 7:00AM TO 4:00PM **

Parts	Total Estimated Parts:	2,903.85
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Labor	Total Estimated Labor:	5,375.00
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Segment 02 Total:	8,278.85
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SEGMENT: 03 REPLACE FUEL COOLER (510 1712)
NOTES:

Parts	Total Estimated Parts:	1,366.22
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Labor	Total Estimated Labor:	1,720.00
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Segment 03 Total:	3,086.22
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SEGMENT: 04 REPLACE AFTERCOOLER (510 1063)
NOTES:

Parts	Total Estimated Parts:	8,559.54
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Labor	Total Estimated Labor:	1,720.00
--------------	-------------------------------	----------

Segment 04 Total: 10,279.54

SEGMENT: 05 REPLACE ENGINE OIL COOLER (510 1378)
NOTES:

Parts

Total Estimated Parts: 4,524.64

Labor

Total Estimated Labor: 1,720.00

Segment 05 Total: 6,244.64

Total Segments: 108,780.52
Estimate Sales Tax: 2,654.03

SUB TOTAL (INCLUDING TAXES) **111,434.55**

THIS ESTIMATE IS BASED ON LABOR RATES, PARTS PRICES, AND CONDITION OF THE MACHINE EXISTING ON THE DATE OF THE ESTIMATE INDICATED ABOVE. THE CUSTOMER WILL BE INFORMED OF ANY REVISIONS IN LABOR RATES, PARTS PRICES OR ADDITIONAL WORK REQUIRED BEFORE THE WORK IS STARTED. UNLESS OTHERWISE SPECIFIED, THIS ESTIMATE DOES NOT INCLUDE TRAVEL TIME AND MILEAGE, FREIGHT, SHIPPING CHARGES, ENVIRONMENTAL FEE OR TAXES WHERE APPLICABLE. THIS ESTIMATE IS EFFECTIVE FOR 30 DAYS FROM THE DATE INDICATED ABOVE.

ESTIMATED REPAIR TIME: _____ from start date

Thank you for giving QUINN the opportunity to quote your service repair options.

My Signature below indicates I have read, understand and agree with the attached terms and conditions.

Issued PO#: _____, **Authorized Name** _____ **Please Print**

Date ____/____/____. _____ **(Signature)**

Prepared by: Rayden King Phone: 949-818-6982 Email: Rayden.King@quinnpower.com Fax:

Quinn Service Repair Terms and Conditions

1. Acceptance of Order.

This Service Repair Estimate is for Customer's information only and is not a valid estimate for services unless signed by an authorized representative of Customer in the place provided on the face of this Service Repair Estimate. Prices, schedules and the scope of work on this Service Repair Estimate are subject to change at Quinn's discretion.

Unless otherwise agreed in a written document signed by a vice president of Quinn, these Quinn Service Repair Terms and Conditions ("Terms") govern the purchase of the services by Customer. The placing of an order with Quinn, the completion of an online transaction with Quinn, Company's acceptance of this Service Repair Estimate, or any quote, proposal, or other document issued by Quinn with respect to the services, or the receipt or acceptance of the services by Customer, constitutes Customer's acceptance of these Terms exactly as written. The parties acknowledge and agree that any other pre-printed, standard, or posted terms or conditions included in any media including purchase orders, invoices, acknowledgements, bills of lading, terms of use or sale, or other forms utilized by Customer or exchanged by the parties (collectively, "Instruments") shall be for the sole purpose of defining quantities, prices and/or describing products or services but will not govern the purchase of the services by Customer, nor shall such Instruments be construed as modifying, amending, supplementing, or altering the Terms or be binding upon the parties.

2. Changes in Service Work.

Customer may request changes in its requirements for service repairs. Such changes will require a separate Service Repair Estimate signed by an authorized representative of Customer.

3. Termination Of Service Work.

Any order accepted by Customer may be terminated prior to completion by Customer only upon written notice to Quinn, and payment of Quinn's termination charges which may include, but not be limited to, payment for service labor provided and parts restocking charges.

4. Liability.

Quinn's liability on any claim of any kind, including claims for negligence, or for any loss or damage arising out of or connected with the manufacture, sale, delivery, repair, installation, or use of any products covered by or furnished under any order connected with this Service Repair Estimate shall be limited to those claims arising solely from the acts of Quinn, and Quinn shall in no way be liable for any special, indirect, incidental or consequential damages, including, but not limited to, damage to property, environmental liability, or death or injuries to persons suffered or sustained by the use, servicing, operation, and/or handling of the serviced equipment, no matter how caused or occasioned, nor for any consequential damages, lost profits, expenses, or costs resulting to Customer or any third parties by reason of any delay in delivery, defect or negligence in the performance of any services provided by Quinn in connection with the service of the equipment, nonperformance of the serviced equipment, or acts that create environmental liability, or from any other cause whatsoever, and Customer hereby specifically waives all such claims. Any claims against Quinn for shortages in shipments shall be made in writing to Quinn within five (5) days of receipt of shipment by Customer. Quinn shall not be liable for any delays in performing any services or delivering any goods in whole or in part attributable to strikes, labor disputes, lockouts, accidents, fires, delays in manufacture or in transportation, delays in delivery of component materials, floods, severe weather, or Acts of God, embargoes, governmental actions, or any other cause beyond the reasonable control of Quinn. Customer agrees to indemnify, defend, and hold Quinn harmless from and against any and all claims, suits, actions, proceedings, losses, liabilities, damages, expenses, and costs including attorney's fees, arising from or in any manner connected with use or misuse of the serviced equipment, or from the lack of Customer's ongoing maintenance as required by me manufacturer(s), except to the extent caused by Quinn's sole negligence or intentional misconduct.

5. Taxes.

Unless expressly stated, Quinn's prices do not include sales, use, excise or similar taxes. The amount of any applicable tax shall be paid by Customer as an additional charge unless specifically included in any Service Repair Estimates accepted by Customer, or in lieu thereof, the Customer shall provide Quinn with a tax exemption certificate acceptable to the taxing authorities.

6. Terms.

Terms are cash unless credit is approved. With credit approval terms of payment are net by the 10th day of the month following invoice date. A finance charge of 1.5% per month (not to exceed the maximum allowed by law) will be charged on all past due invoices. The past due balance represents all charges unpaid on the last business day of the month following invoice date. In the event of default in the payment of any amount due, and if the account is placed in the hands of any agency or attorney for collection or legal action, Customer agrees to pay both the finance charges and the costs of collection (as permitted by laws governing these transactions). Quinn retains title to merchandise until receipt of good funds. When applicable, Quinn will invoke its repairman's lien under California Civil Code Sections 3051 and 3051a.

7. Part Used for Repairs.

Back orders will be processed as soon as available. Part number changes may be made to provide latest improved interchangeable parts. Any freight charges incurred are at customer expense. We accept parts purchased from us for return credit less applicable restocking charges policy available from the parts department. Returned parts must be in saleable condition and accompanied by the original invoice receipt. We extend the parts return policy to you as a voluntary service. We reserve the right to cancel or modify all or any portions of the parts return policy without prior notice and to reject any parts the customer attempts to return.

8. Warranties.

Limited Parts Warranty: Except for Caterpillar batteries, service tools, ground engaging tools, Caterpillar tires, or non-Caterpillar parts

which are covered under separate limited warranties, we warrant new Caterpillar parts sold by us to be free from defects in materials and workmanship subject to the following provisions. During the first six months after purchase of the part by the initial user. We will, as an exclusive remedy, provide a new part or a repaired part, whichever we elect, in place of any part which in our sole judgment is found to be defective in material or workmanship. Such part will be provided without charges to you during normal working hours at our place of business, provided that the defective part is returned to our place of business. Any replacement part provided under the terms of this warranty is warranted for the remainder of the warranty period applicable to the part which it replaces. Receipt of parts by you acknowledges familiarity with applicable warranties. A copy of the appropriate limited warranty for Caterpillar batteries, service tools, ground engaging tools, Caterpillar tires, or non-Caterpillar parts is available to you upon request. We shall not be responsible for any failures resulting from your abuse, misuse, neglect, or improper installation or maintenance.

Limited 90 Day Repair Work Warranty: Except for reconditioned major components and complete machine rebuilds, which are covered under separate limited warranties, we warrant repair work to be free from defects in material and workmanship for a period of 90 days from performance of such work. We will, as an exclusive remedy, redo such repair work which in our sole judgment is found to be defective in material or workmanship within the 90-day warranty period. Any work redone under the terms of this warranty is warranted only for the remainder of the warranty period. If you specifically request repair work that is contrary to our recommended practice, this warranty shall be inoperative as to such work. A copy of the appropriate limited warranty for reconditioned major components or complete machine rebuilds will be provided to you upon request. We shall not be responsible for any failures resulting from your abuse, misuse, neglect, or improper maintenance.

Disclaimer of Warranties: The foregoing limited warranties are exclusive and in lieu of all other warranties, oral or written, express or implied, including but not limited to any warranty of merchantability or fitness for a particular purpose. Manufacturers' warranties are exclusive and in lieu of all other warranties either oral or written, express or implied, including but not limited to any warranty of merchantability or fitness for a particular purpose. Quinn is not a manufacturer and makes no warranty and shall not, under any circumstances, be liable for any indirect or special, incidental or consequential damages including but not limited to loss of production, loss of profit, loss of use or business interruption, or any other economic loss, whether arising from contract, tort, strict liability or any other theory of law. Quinn makes no warranty of merchantability or fitness for any particular use or purpose, either expressed or implied.

Voiding of Warranties: Customer is responsible for operating and maintaining equipment as specified by the manufacturer(s). Repair work warranty and manufacturers' warranties may be voided if equipment is altered in any manner before or after repair, or if the equipment is not operated or maintained in accordance with manufacturers' specifications.

9. Governing Law and Venue.

The rights and obligations of the parties with respect to the transactions contemplated by Service Repair Estimate shall be governed in all respects by the laws of the State of California. The parties hereto irrevocably agree that the exclusive venue for any litigation arising in connection with the transactions specified in this Service Repair Estimate shall be in the courts located in the County of Los Angeles, California.

10. Attorneys' Fees and Costs.

In the event of any legal action, controversy, claim, or dispute between the parties involving the transactions contemplated by this Service Repair Estimate, the prevailing party shall be entitled to recover from the other party reasonable expenses, attorneys' fees, and costs.



Rental Quote
Quote E31727

3500 SHEPHERD STREET, CITY OF INDUSTRY, CA 90601
QPS CITY OF INDUSTRY Ph: 562-463-6040 Fax: 562-463-7159

Date Out: 08/05/2024 Mon 08:00 AM
Est. Date In: 08/23/2024 Fri 08:00 AM
Delivery Date: 08/05/2024 Mon 08:00 AM

Jobsite: 23542 MOULTON
Contact: MARGARET EXT. 237
Phone: 949-837-7050
23542 MOULTON PKWY
LAGUNA, CA 92651

Customer: 204694K
Bill to: EL TORO WATER DISTRICT
ATTN ACCOUNTS PAYABLE
24251 LOS ALISOS BLVD
LAKE FOREST, CA 92630-5246

Signed By:
Order By: MARGARET EXT. 237
Deliv Notes: \$ 200 HR - PORTAL TO PORTAL

Written By: Jason Bradley
Sales Rep: JASON BRADLEY
PO #:

QTY	DESCRIPTION	DAY	WEEK	4WEEK	TOTALS
-----	-------------	-----	------	-------	--------

Deliv Notes: \$ 200 HR - PORTAL TO PORTAL

Rental Items

ALL RENTAL ITEMS ARE TAXABLE
LINE ITEMS WITH (T) ARE TAXABLE
QUOTED 1 WEEK - STANDBY
QUOTE ASSUMES QUINN WILL LAYOUT AND MAKE ALL NECESSARY ELECTRICAL
CONNECTIONS
NORMAL WORKING HOURS 7-5 (M-F)
CUSTOMER / SERVICE DEPARTMENT TO INFORM RENTALS WHEN UNIT IS FINISHED
AND READY FOR PICKUP
GENERATOR DELIVERED WITH 300 GALLONS PER D.O.T
** BRING STANDBY CABLES - SIGNAL WIRE & BLOCK HEATER / CHARGER **
** SERVICE DEPARTMENT - RADIATOR REPLACEMENT **
511-1000
1000KW GENERATOR
QUOTED STANDBY
480V
1000KW @ 480V = ~ 1500A
FUEL CONSUMPTION 54 GAL / HR AT 75% LOAD
ID:CABLE 50' SERIAL:CABLE 50' MODEL:CABLE
CABLE 4/0 50'
CUSTOMER REQUIRES 50' CABLE LENGTH
FEEDING (2) BREAKERS W/ 2 CABLES PER PHASE + 1 GROUND
4/0 X 50' W/ CAMS (400A)
18 M & F TAILS

1	511-1000 1000KW GENERATOR QUOTED STANDBY 480V 1000KW @ 480V = ~ 1500A	\$2,111	\$6,333	\$19,950	18,999.00
18	FUEL CONSUMPTION 54 GAL / HR AT 75% LOAD ID:CABLE 50' SERIAL:CABLE 50' MODEL:CABLE CABLE 4/0 50' CUSTOMER REQUIRES 50' CABLE LENGTH FEEDING (2) BREAKERS W/ 2 CABLES PER PHASE + 1 GROUND 4/0 X 50' W/ CAMS (400A) 18 M & F TAILS	\$25	\$25	\$75	1,350.00

RENTAL RATES APPLY REGARDLESS IF UNIT IS NOT



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Deliv Notes: \$ 200 HR - PORTAL TO PORTAL

Written By: Jason Bradley
Sales Rep: JASON BRADLEY
PO #:

QTY	DESCRIPTION	DAY	WEEK	4WEEK	TOTALS
-----	-------------	-----	------	-------	--------

Rental Items

REQUIRED TO OPERATE. ANY SPECIAL PERMITS NEEDED TO OPERATE ARE THE CUSTOMER'S RESPONSIBILITY. IN ACCORDANCE WITH AIR QUALITY REQUIREMENTS, CUSTOMERS MUST MAINTAIN MONTHLY LOCATION LOGS. LOG SHEETS ARE LOCATED IN THE ENGINE COMPARTMENT DOOR. COMPLETED LOGS MUST BE RETURNED WITH UNIT. FOR MORE INFORMATION REFER TO ADDITIONAL TERMS AND CONDITIONS. NOT APPLICABLE TO ELECTRIC MOTOR-DRIVEN PRODUCT.
UNIT TO BE SERVICED EVERY 500 HOURS ON 1000KW AND LARGER. CUSTOMER RESPONSIBILITY

UNIT TO BE SERVICED EVERY 250 HOURS ON 800KW AND SMALLER. CUSTOMER RESPONSIBILITY
0 - 160 HRS SINGLE SHIFT
160 - 320 HRS DOUBLE SHIFT
320 + HRS TRIPLE SHIFT

RENTAL UNIT IS ON RENT UNTIL A CALL OFF NUMBER IS CREATED.

Miscellaneous Items

1	ENV REC FEE 2(T)	2.00 %	406.98
1	LABOR - INSTALL + E	3,240.00 each	3,240.00
1	LABOR - REMOVAL + E	2,880.00 each	2,880.00



Rental Quote
Quote E31727

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24251 LOS ALISOS BLVD
LAKE FOREST, CA 92630-5246

Signed By:
Order By: MARGARET EXT. 237
Deliv Notes: \$ 200 HR - PORTAL TO PORTAL

Written By: Jason Bradley
Sales Rep: JASON BRADLEY
PO #:

QTY DESCRIPTION	DAY	WEEK	4WEEK	TOTALS
Miscellaneous Items				
1 TRANSPORT DEL(T)			600.00 each	600.00
1 TRANSPORT RETURN			600.00 each	600.00
1 FIRE,THEFT & VANDALISM			14.00 %	2,848.86
State 7.25% County 2.25% Total Tax: 9.5%				2,028.82
Total:			32,953.66	

QUOTE

AGREEMENT AND ACKNOWLEDGEMENT

The undersigned warrants, represents, and agrees on behalf of the customer ("Customer"): (1) that the undersigned has authority to contract for Customer; (2) that the lease of the equipment listed above ("Equipment") by Quinn Company, Quinn Company dba Quinn Power Systems and Quinn Rental Services or by Quinn Lift (collectively, "Quinn") to Customer shall be subject to all of the terms and conditions set forth in this Rental Agreement (this "Agreement"); (3) that I have read and understand all said terms and conditions; (4) that I have the right to make a pre-delivery inspection and have informed Quinn of any damage or deficiency that may exist; (5) that I understand that air quality regulations may affect the operation and use of Equipment and I agree to all requirements stated in Additional Terms and Conditions, paragraph entitled "Air Quality Requirements for Equipment", including any specific requirements an agricultural source may have in registering the Equipment with the local air district, and (6) that by executing this Agreement I specifically agree to all of the terms and conditions of this Agreement and the Additional Terms and Conditions attached hereto, including, without limitation, the licensing and inspection requirements and disclaimers set forth in Section 26 of such Additional Terms and Conditions. Client warrants that the invoiced goods or services will be used for business or agricultural purposes and not for personal, family or household purposes.

AN ADDITIONAL 16% FEE WILL APPEAR ON FINAL INVOICE UNLESS RENTAL EQUIPMENT PROTECTION ("REP") WAIVER IS REJECTED. REJECTION OF THIS WAIVER REQUIRES CUSTOMER TO INITIAL BELOW AND PROVIDE PROOF OF APPLICABLE INSURANCE

() REJECT - INITIAL AND PROVIDE INSURANCE CERTIFICATE

AGREED TO: _____ DATE: _____
(Signature) (Printed Name) (Title)

IMPORTANT! PLEASE READ THE ADDITIONAL TERMS AND CONDITIONS ATTACHED HERETO BEFORE SIGNING



STAFF REPORT

To: Board of Directors

Meeting Date: July 22, 2024

From: Hannah Ford, Director of Engineering

Subject: DAF No. 1 MCC Replacement

BACKGROUND

The WRP operates two Dissolved Air Floatation (DAF) Units to thicken solids prior to hauling to SOCWA. Originally installed in 1981, the Motor Control Center (MCC) that powers DAF No. 1 has reached the end of its useful life. Replacement parts are obsolete; corrosion is present at the bottom of the MCC, as shown in Figure 1, and the existing MCC is not arc flash rated.



Figure 1 –DAF No. 1 MCC

The District solicited quotes from two vendors for the DAF No. 1 MCC and recommends purchasing from OneSource Distributors, LLC (OneSource) due minimal difference in cost, availability of Allen Bradley spares in the District's inventory, and much shorter lead time.

Table 1 – DAF No. 1 MCC Vendor Comparison

Vendor	Brand	Lead Time (weeks)	Cost
OneSource	Allen Bradley	35	\$65,535.62
Western Switches & Controls	Siemens	67	\$62,223.47

Attachment A contains the detailed quotation (excluding tax). District staff recommend placing a purchase order as soon as possible because the lead time for a replacement MCC is 35 weeks following submittal review. Upon receipt of the replacement MCC, the District will hire a contractor for installation.

COST EVALUATION

Table 2 summarizes the costs for each element of this Project. The Fiscal Year (FY) 2024/2025 budget includes \$149,000 for DAF No. 1 MCC Replacement. Initial input from electrical contractors indicates that installation will cost approximately \$25,000. Including 10 percent contingency, total Project costs are below budget by over \$58,000 due to lower than anticipated installation cost.

Table 2 – DAF No. 1 MCC Replacement Project Cost Summary

Scope	Cost
MCC Replacement Cost	\$65,535.62
MCC Installation by Contractor	\$25,190.78
Contingency (10%)	\$9,072.64
Total	\$90,726.40
Budget	\$149,000.00
Difference	\$58,273.60

RECOMMENDATION

Recommended Action:

Staff recommends that the Board of Directors authorize the General Manager to issue a purchase order to OneSource Distributors, LLC in the amount of \$65,535.62 for a replacement DAF No. 1 MCC. Staff further recommends that the Board authorize the General Manager to fund the project costs from the District's Capital Reserves in accordance with the District's adopted Capital Reserve Policy.

Item #9 - Attachment A

**POWER
SOLUTIONS
GROUP**

PROPOSAL



PROJECT NAME: El Toro Water DAF 1 MCC

JOB ID: MCC DAF1

QUOTE DATE: 7/1/2024

QUOTE VALID FOR: 30 Days

REVISION: 1

QUOTE PREPARED BY: Felipe Rodarte

PHONE #: 442-224-1906

EMAIL: frodarte@1sourcedist.com

BRANCH: Oceanside, CA

BILL OF MATERIAL SUMMARY

ITEM	PART# AND/OR DESCRIPTION	DESIGNATION	DRAWING	QTY	SHIPPING ESTIMATE	TOTAL PRICE
1	MCC DAF1, NEMA 4, (Stainless Steel) 600A Horizontal bus, 65kA Main Breaker 400A, 3 Sections	MCC-DAF-1		1	35 Weeks	
EQUIPMENT GRAND TOTAL						\$ 60,821.92

SERVICES SUMMARY

ITEM	STARTUP / TRAINING		QTY		TOTAL PRICE
SVCS GRAND TOTAL					\$ -

TECHNICAL CLARIFICATIONS

- A Above Proposal is based on Reference 5332952/1
- B Hard copy Submittals, O&M's or other Project documentation will require additional cost
- C MCC NEMA 4 Stainless Steel
- D Include Hurricane Fans for heat disipation Section 2, Section 3. (VFD , SMC)
- E Increase the capacity for control transformer for VFD, SMC to energize the Hurricane Fans.

EXCEPTIONS

F

COMMERCIAL NOTES

- FREIGHT ALLOWED IN CONTIGOUS U.S.A. FOB SHIPPING POINT
- TAXES NOT INCLUDED
- NO ESCALATION CHARGES ARE INCLUDED IN THIS BOM
- CANCELLATION FEES WILL BE APPLIED AS PER EACH MANUFACTURER'S STANDARDS
- PER ONESOURCE STANDARD TERMS & CONDITIONS <https://www.1sourcedist.com/about/terms>
- STANDARD FACTORY WARRANTY APPLIES (UNLESS NOTED ABOVE) MTHS SHIP WHICHEVER OCCURS 1ST. SEE TERMS AND CONDITIONS LINK ABOVE
- OUR PRICE IS FOR THE ITEMS LISTED ON THIS BOM ONLY PER OUR BEST INTERPRETATION OF THE AVAILBLE PLANS AND SPECS. REFERENCES TO PLAN SHEETS SHALL NOT BE INTERPERTED THAT EVERY ITEM ON THAT SHEET IS INCLUDED. PRICE IS FOR THOSE ITEMS EXPRESSLY LISTED ABOVE.
- SELLER SHALL NOT BE REPSONSIBLE FOR ANY FAILURE TO PERFORM, OR DELAY IN PERFORMANCE OF, ITS OBLIGATIONS RESULTING FROM THE COVID-19 PANDEMIC OR ANY FUTURE PANDEMIC, AND BUYER SHALL NOT BE ENTITLED TO ANY DAMAGES RESULTING THEREOF.
- OUR PROPOSALS INCLUDE OPTIONALS SERVICES, AND IF DECLINED, CONTRACTOR IS RESPONSIBLE FOR SERVICES AS PER PLANS AND SPEC REQUIREMENTS



STAFF REPORT

To: Board of Directors

Meeting Date: July 22, 2024

From: Hannah Ford, Director of Engineering
Michael Snow, Chief Plant Operator

Subject: Additional Tertiary Filter Disks

BACKGROUND

The WRP operates two tertiary filters, each with eight cloth media filter disks (Figure 1). The filter tanks have space for four more disks such that a total of twelve cloth media filter disks could fit within each tank (Figure 2).



Figure 1 - Existing Tertiary Filter Disks



Figure 2 - Spare Filter Capacity

Often, District staff must remove one filter from service to conduct maintenance cleanings that prevent the growth of Bryozoan organisms. When only one filter is in service, filtration is unable to keep up with demand, often requiring potable water supplementation. Additional

cloth media filter disks would increase filtration capacity such that District staff can maintain production when one is out of service for an extended period of time. Additional filter disks would also reduce the overall wear on the cloth filter media by reducing the loading rate on each disk, thereby eliminating the need for extended backwash cycles at high vacuum pressure.

The District recommends purchasing eight more disks (four for each filter) and associated appurtenances from Aqua-Aerobic Systems, Inc. (Aqua-Aerobics). Attachment A contains the detailed quotation, which includes onsite supervision while District staff install the filter disks and appurtenances. District staff anticipate up to 8 weeks for submittal review and 18 weeks for shipment following submittal approval such that installation can take place in January 2025 during the off-peak season.

COST EVALUATION

Table 1 summarizes the costs compared to Fiscal Year (FY) 2024/2025 budget, which included \$92,000 for additional tertiary filter disks. District staff will use the remaining funds for any miscellaneous parts required during installation.

Table 1 – Additional Tertiary Filter Disk Project Cost Summary

Scope	Cost
Additional Tertiary Filter Disks	\$88,617.00
Budget	\$92,000.00
Difference	\$3,383.00

RECOMMENDATION

Recommended Action:

Staff recommends that the Board of Directors authorize the General Manager to issue a purchase order to Aqua-Aerobic Systems, Inc. in the amount of \$88,617.00 for additional tertiary filter disks. Staff further recommends that the Board authorize the General Manager to fund the project costs from the District's Capital Reserves in accordance with the District's adopted Capital Reserve Policy.



AQUA-AEROBIC SYSTEMS, INC.
A Metawater Company

Proposal#: 165977

TO: El Toro Water District
23542 Moulton Parkway
Laguna Woods
CA 92653
USA

PROJECT: EL TORO WATER DISTRICT, CA

ATN: Michael Snow

PROPOSAL DATE: July 3, 2024

CC: MISCOWater South - Gabriel Zink

The following Notes apply to Aqua-Aerobic Systems' proposal:

- We are pleased to quote, for acceptance within 60 days of this date, prices and terms on goods listed below.
- Equipment will be furnished by Aqua-Aerobic Systems, Inc. with unloading of goods and civil work, if necessary, by the customer.
- The equipment in this proposal shall be installed by the customer.
- This proposal will expand two of the existing 12/8-Disk Filters to 12-Disk Filters.

Cloth Media Filters

AquaDisk Misc/Spare Parts

2 AquaDisk Model # ADFSP-54x12/8E-PC Upgrade(s) consisting of:

- Pile cloth media (PES-14, nominal 5 micron) and non-corrosive support frame assemblies.
- Disk segment 304 stainless steel support rods.
- Media sealing gaskets.
- 304 stainless steel backwash shoe weldments.
- UHMW polyethylene backwash shoe nozzle plates.
- 304 stainless steel backwash shoe support weldment(s).
- 1 1/2" flexible hose.
- Stainless steel hose clamps.
- Stainless steel backwash shoe springs.
- HHCS, 3/8"-16 X 1.50" 316SS.
- Stainless steel hardware.
- Washer, Flat 3/8" x 1" 316SS.
- Nylon electrical cable tie wrap(s).
- 2" full port, three piece, ASTM A351 Grade CF8M stainless steel body ball valve(s), grooved end connections with single phase electric actuator(s). Valve / actuator combination shall be manufactured by TCI / RCI (RCI, a division of Rotork).
- 2" flexible hose.
- 316 stainless steel combination nipple(s).
- Stainless steel hose clamps.
- Cordset 7P double male-female, 3'
- 2" painted cast iron victaulic end couplers.

AquaDisk Engineering

1 Set(s) Documentation for the AquaDisk will be provided as described:

- Operation & Maintenance Manuals (English language) in electronic format.

AquaDisk Supervision/Freight Domestic

1 Supervision Services and Freight Package(s) for the AquaDisk will be provided as follows:

- 4 Day(s) On Site for mechanical supervision
- 2 Trip(s) for mechanical supervision
- Freight to jobsite

The Following Notes apply to Aqua-Aerobic Systems' Proposal:

- We expect record set drawings to be completed and in transit to you approximately 6-8* weeks after receipt of order with acceptable terms and conditions and guarantee of payment. We expect shipment of equipment (transit time excluded) will be approximately 12-18* weeks from transmittal of record set drawings and release for manufacture. Any changes to the record set drawings may result in price adder(s). *Schedules may be adjusted at time of order placement, depending upon existing order backlog. Weeks quoted are actual working weeks.

- Schedule changes due to supply chain disruption may impact the above quoted shipment time(s). Aqua-Aerobic Systems will advise if/when any such disruption applies.

- F.O.B. ORIGIN; TITLE AND RISK OF LOSS: All prices and all shipments of goods are F.O.B. Aqua-Aerobic Systems, Inc.'s plant at Loves Park, Illinois. Delivery of the goods sold hereunder to the carrier shall be deemed delivery to the Buyer, and upon such delivery, title to such goods and risk of loss or damage shall be upon Buyer.

- TAXES: State and/or local taxes are not included in the price but will be charged unless we receive a valid sales exemption certificate, direct pay permit, or other documentation required specifically by the taxing entity prior to shipment.

- PAYMENT TERMS: Subject to credit approval and guarantee of payment, payment Net 30 days from date of each shipment; no retainage allowed.

- Supervision services included in Aqua-Aerobic Systems' proposal are based upon supply of the quantity of trips and days stated. Additional supervision services can be provided for an additional charge of \$1,750/day plus travel and living expenses.

- Conduit and wiring by others.

- Programming will be updated by the Aqua Field Service Technicians and the filters inspected, after the contractor completes installation.

GOODS QUOTED ABOVE WILL BE SOLD SUBJECT ONLY TO THE TERMS AND CONDITIONS OF SALE SET FORTH HEREIN. ANY DIFFERENT OR ADDITIONAL TERMS ARE HEREBY OBJECTED TO.

Equipment: \$69,157

Freight & Startup: \$14,100

Taxes @ 7.75%: \$5,360

Total Price: \$88,617

TERMS AND CONDITIONS OF AQUA-AEROBIC SYSTEMS, INC. (A Metawater Company)**Page 1 of 2**

This offer and all of the goods and sales of Aqua-Aerobic Systems, Inc. are subject only to the following terms and conditions. The acceptance of any order resulting from this proposal is based on the express condition that the Buyer agrees to all the terms and conditions herein contained. Any terms and conditions in any order, which are in addition to or inconsistent with the following, shall not be binding upon Aqua-Aerobic Systems, Inc. This proposal and any contract resulting therefrom, shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to conflicts of laws principles. Resale of any products purchased from - Aqua-Aerobic Systems, Inc. is not permitted without prior written agreement with Aqua-Aerobic Systems, Inc. expressly consenting to such resale. Any party who sells a product purchased from Aqua-Aerobic Systems, Inc. is subject to the terms and conditions included herein.

DURATION OF QUOTATION

This proposal of Aqua-Aerobic Systems, Inc. shall in no event be effective more than 30 days from date thereof, unless specifically stated otherwise, and is subject to change at any time prior to acceptance.

PROPRIETARY INFORMATION

This proposal, including all descriptive data, drawings, material, information and know-how disclosed by Aqua-Aerobic Systems, Inc. to Buyer in relation hereto is confidential information intended solely for the confidential use of Buyer, shall remain the property of Aqua-Aerobic Systems, Inc. and shall not be disclosed or otherwise used to the disadvantage or detriment of Aqua-Aerobic Systems, Inc. in any manner.

PAYMENT TERMS; ORDERS;

Unless specifically stated otherwise, quoted terms are Net 30 Days from invoice date. Past-due charges are 1.5% per month and will apply only on any past-due balance. Aqua-Aerobic Systems, Inc. does not allow retainage of any invoice amount, unless authorized in writing by an authorized representative of our Loves Park, Illinois office. Terms of payment are within Aqua-Aerobic Systems, Inc.'s sole discretion, and unless otherwise agreed to by Aqua-Aerobic Systems, Inc., payment terms must be accepted by Aqua-Aerobic Systems, Inc. prior to Aqua-Aerobic Systems' acceptance of an order. Payment for the products must be made by approved credit card, check, wire transfer, or some other prearranged payment method unless credit terms have been agreed to by Aqua-Aerobic Systems, Inc. Invoices are due and payable within the time period noted on the invoice, measured from the date of the invoice. Orders are not binding until accepted by Aqua-Aerobic Systems, Inc.

SECURITY

If at any time the financial responsibility of the Buyer becomes unsatisfactory to Aqua-Aerobic Systems, Inc., or Aqua-Aerobic Systems, Inc. otherwise deems itself insecure as to receipt of full payment of the purchase price from Buyer hereunder, Aqua-Aerobic Systems, Inc. reserves the right to require payment in advance or security or guarantee satisfactory to Aqua-Aerobic Systems, Inc. of payment in full of the purchase price.

SHIPMENT

Shipping dates are not a guarantee of a particular day of shipment and are approximate, being based upon present production information, and are subject to change per the production schedules existing at time of receipt of purchase order. Aqua-Aerobic Systems, Inc. shall not be responsible for any delay in shipment for causes beyond its control including, but not limited to, war, riots, strikes, labor trouble causing interruption of work, fires, other casualties, transportation delays, modification of order, any act of governmental authorities or acts of God. Quoted shipment dates in this proposal are approximate dates goods will be shipped and, unless agreed to in writing by Aqua-Aerobic Systems, Inc., Buyer may not postpone or delay the dates of shipment of goods from our plant or from our supplier's plants beyond the dates set forth in this proposal. Buyer is required to notify Aqua-Aerobic Systems, Inc. within 7-days of any discrepancies with shipment.

SHIPPING CHARGES; TAXES and OTHER RELATED FEES. Separate fees for shipping and handling will be charged on all purchases unless specifically stated otherwise. Prices quoted do not include any taxes, customs duties, or import fees. The Buyer is responsible for sales use and all other taxes and fees associated with the purchase. If Aqua-Aerobic Systems, Inc. is required by any taxing authority to collect or to pay any such tax, duty or fee, the Buyer shall be separately billed at such time for the amounts Aqua-Aerobic Systems, Inc. is required to pay

TITLE AND RISK OF LOSS

F.O.B. Destination - Delivery of goods to the destination shall be deemed delivery to the Buyer, and upon such delivery, title to such goods and risk of loss or damage shall be upon Buyer.

F.O.B. Aqua-Aerobic Systems, Inc.'s plant at Loves Park, Illinois - Delivery of the goods sold hereunder to the carrier shall be deemed delivery to the Buyer, and upon such delivery, title to such goods and risk of loss or damage shall be upon Buyer.

INSURANCE

Unless the goods are sold on a CIF basis, the Buyer shall provide marine insurance for all risks, including war and general coverage. Aqua-Aerobic Systems, Inc. will provide evidence of coverage upon request. At no time will Aqua-Aerobic Systems, Inc. issue a certificate of insurance listing Buyer as additional insured unless under fully executed contract and Aqua-Aerobic Systems, Inc. is providing start-up services.

LIMITATION OF ACTION

No action shall be brought against Aqua-Aerobic Systems, Inc. for any breach of its contract of sale more than two years after the accrual of the cause of action thereof, and, in no event, unless the Buyer shall first have given written notice to Aqua-Aerobic Systems, Inc., of any claim of breach of contract within 30 days after the discovery thereof.

CANCELLATION CLAUSE

No acceptance of this proposal, by purchase order or otherwise, may be modified except by written consent of Aqua-Aerobic Systems, Inc. nor may it be canceled except by prior payment to Aqua-Aerobic Systems, Inc. the following sums as liquidated damages therefore: 1) If cancellation is prior to commencement of production and prior to the assumption of any obligations by Aqua-Aerobic Systems, Inc. for any materials or component parts, a sum equal to 15% of the total purchase price; 2) If cancellation is after the commencement of production or after the assumption of any obligations by Aqua-Aerobic Systems, Inc. for any materials or component parts, a sum equal to the total of the direct, out-of-pocket expenses incurred to the date of cancellation for labor, machine time, materials and any charges made to us by suppliers for cancellation, plus 30% of the total purchase price. All charges and expenses shall be as determined by Aqua-Aerobic Systems, Inc. In the event any items are used by Aqua-Aerobic Systems, Inc. to fill a subsequent order, then upon receipt of payment for such order, Aqua-Aerobic Systems, Inc. shall pay the Buyer a sum equal to the direct out-of-pocket expenses previously charged and received from Buyer.

TERMS AND CONDITIONS OF AQUA-AEROBIC SYSTEMS, INC. (A Metawater Company)

Page 2 of 2

QUALIFIED ACCEPTANCE AND INDEMNITY

In the event the acceptance of this proposal by Buyer either is contingent upon or subject to the approval by any third party such as, but not limited to, a consulting engineer, with respect to goods, parts, materials, descriptive data, drawings, calculations, or any other matter, then upon such approval by any third party, Aqua-Aerobic Systems, Inc. shall have no liability to Buyer or to any third party so long as the goods sold and delivered by Aqua-Aerobic Systems, Inc. conform to this proposal. In the event any such third party requires modifications in the proposal prior to the approval thereof, Aqua-Aerobic Systems, Inc. may at its sole option and without liability to any party elect to cancel this proposal or return the purchase order to Buyer. In the event Aqua-Aerobic Systems, Inc. elects to modify this proposal to conform to the requirements for approval by any third party, Aqua-Aerobic Systems, Inc. in such event shall have no liability to Buyer or to any third party so long as the goods sold and delivered by Aqua-Aerobic Systems, Inc. conform to this proposal as modified.

Buyer agrees to indemnify and save harmless Aqua-Aerobic Systems, Inc. from and against all costs and expenses and liability of any kind whatsoever arising out of or in connection with claims by third parties so long as the goods sold hereunder conform to the requirements of this proposal as approved by any third party.

WARRANTY; LIMITATION OF LIABILITY; AND DISCLAIMER

In return for purchase and full payment for Aqua-Aerobic Systems, Inc. goods, we warrant new goods provided by us to be free from defects in materials and workmanship under normal conditions and use for a period of one year from the date the goods are put into service, or eighteen months from date of shipment (whichever first occurs). If the goods include an "Endura Series" motor, the complete Endura Series unit shall be warranted by Aqua-Aerobic Systems, Inc. to be free from defects in materials and workmanship under normal conditions and use for three years from the date the product is put into service or 42 months from the date of shipment (whichever occurs first).

OUR OBLIGATION UNDER THIS WARRANTY IS EXPRESSLY AND EXCLUSIVELY LIMITED to replacing or repairing (at our factory at Loves Park, Illinois) any part or parts returned to our factory with transportation charges prepaid, and which our examination shall show to have been defective. Prior to return of any goods or its parts to our factory, Buyer shall notify Aqua-Aerobic Systems, Inc. of claimed defect, and Aqua-Aerobic Systems, Inc. shall have the privilege of examining the goods at Buyer's place of business or where the goods have otherwise been placed in service. In the event this examination discloses no defect, Buyer shall have no authority to return the goods or parts to our factory for the further examination or repair. All goods or parts shall be returned to Buyer, F.O.B. Loves Park, Illinois. This warranty shall not apply to any goods or part which has been repaired or altered outside our factory, or applied, operated or installed contrary to our instruction, or subjected to misuse, chemical attack/degradation, negligence or accident. This warranty and any warranty and guaranty of process or performance shall no longer be applicable or valid if any product, including any software program, supplied by Aqua-Aerobic Systems, Inc., is modified or altered without the written approval of Aqua-Aerobic Systems, Inc. Our warranty on accessories and component parts not manufactured by us is expressly limited to that of the manufacturer thereof.

THE FOREGOING WARRANTY IS MADE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND OF ALL OTHER LIABILITIES AND OBLIGATIONS ON OUR PART, INCLUDING ANY LIABILITY FOR NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE; AND ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IS EXPRESSLY DISCLAIMED; AND WE EXPRESSLY DENY THE RIGHT OF ANY OTHER PERSON TO INCUR OR ASSUME FOR US ANY OTHER LIABILITY IN CONNECTION WITH THE SALE OF ANY GOODS PROVIDED BY US. THERE ARE NO WARRANTIES OR GUARANTEES OF PERFORMANCE UNLESS SPECIFICALLY STATED OTHERWISE.

UNDER NO CIRCUMSTANCES, INCLUDING ANY CLAIM OF NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE, SHALL AQUA-AEROBIC SYSTEMS, INC. BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, COSTS OF CONNECTING, DISCONNECTING, OR ANY LOSS OR DAMAGE RESULTING FROM A DEFECT IN THE GOODS. LIMIT OF LIABILITY: AQUA-AEROBIC SYSTEMS, INC.'S TOTAL LIABILITY UNDER THE ABOVE WARRANTY IS LIMITED TO THE REPAIR OR REPLACEMENT OF ANY DEFECTIVE PART. THE REMEDIES SET FORTH HEREIN ARE EXCLUSIVE, AND OUR LIABILITY WITH RESPECT TO ANY CONTRACT OR SALE, OR ANYTHING DONE IN CONNECTION THEREWITH, WHETHER IN CONTRACT, IN TORT, UNDER ANY WARRANTY, OR OTHERWISE, SHALL NOT, IN ANY CASE, EXCEED THE PRICE OF THE GOODS UPON WHICH SUCH LIABILITY IS BASED.

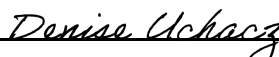
Final acceptance of this proposal must be given to Aqua-Aerobic Systems, Inc. at their office in Loves Park, Illinois. Please acknowledge acceptance by signing the proposal and returning it to Aqua-Aerobic Systems, Inc.

Accepted by:

Company: _____

By: _____ Date: _____

Offer Respectfully Submitted,


Denise Uchacz, Aftermarket Sales Representative
Aqua-Aerobic Systems, Inc.



STAFF REPORT

To: Board of Directors

Meeting Date: July 22, 2024

From: Hannah Ford, Director of Engineering

Subject: New Service Contracts for R-6 Reservoir, New Warehouse/MPR, and Main Office Security Systems

INTRODUCTION / BACKGROUND

Johnson Controls Inc. (JCI) currently provides security services at all District properties. When the District rehabilitated the Main Office Heating Ventilation and Air Conditioning (HVAC) and the P-1 fence alarm, staff entered into a 5-year contract for the Main Office fire alarm and P-1 fence alarm with JCI. The remaining services are currently billed month-to-month.

Convergint Inc. (Convergint) recently installed cameras at the Main Office and a perimeter security system and cameras at R-6 Reservoir. The District also recently hired them to install access control/intrusion detection/fire alarm at the New Warehouse site with the intent to issue a support services contract for the Convergint-installed systems at these sites. District staff would prefer to maintain coordination with only one security system vendor at each site and prefers the camera-installer, Convergint, to provide these services at the R-6 Reservoir and New Warehouse/Main Pressure Reducing (MPR) site. However, due to the current 5-year Main Office fire alarm contract with JCI, the District recommends maintaining the entire Main Office with JCI and maintaining cameras only with Convergint.

PROPOSAL EVALUATION

Table 2 includes the costs for the Convergint recommended support services contracts. Detailed proposals can be found in the attachments follows:

- Attachment A: Main Office cameras
- Attachment B: R-6 Reservoir
- Attachment C: New Warehouse / MPR

Table 2 – Convergent Security System Costs for Select Sites

Site	Main Office (cameras only)	R-6 Reservoir	MPR / New Warehouse
Year 1	\$1,725.04	\$3,304.00	\$2,915.13
Year 2	\$4,263.62	\$9,231.89	\$5,455.81
Year 3	\$4,391.53	\$9,416.53	\$5,800.86
Year 4	\$4,523.28	\$9,604.86	\$6,005.69
Year 5	\$4,658.98	\$9,796.97	\$6,257.24
Subtotal	\$19,562.45	\$41,354.25	\$26,434.73
Total	\$87,351.43		

The Fiscal Year (FY) 2024/2025 operating budget includes \$40,000 for security systems. The proposed approach would remain below budget for annual services, as shown in Table 3. Note that costs for JCI are based on the current month-to-month billing, but JCI has indicated that these costs are subject to increases. The District is in the process of negotiating contracts with both JCI and Convergent for security services at the remaining sites. Staff anticipates recommending contract award for these services next month to the Board.

Table 3 – Proposed Security System Costs

Site	JCI	Convergent
Main Office	\$4,143.12	\$1,725.04
Field Office	\$4,023.60	-
Main Office Warehouse	\$2,420.40	-
Water Recycling Plant	\$4,987.20	-
MPR/New Warehouse	-	\$2,915.13
Cherry	\$515.04	-
Shenandoah	\$515.04	-
P-1	\$5,392.44	-
P-3	\$515.04	-
P-4	\$515.04	-
R-5	\$1,138.92	-
R-6	-	\$3,304.00
Subtotal	\$24,165.84	\$7,944.17
Total	\$32,110.01	
FY 2024/25 Budget	\$40,000.00	
Difference	\$7,889.99	

RECOMMENDATION

Recommended Action:

Staff recommends that the Board of Directors authorize the General Manager to enter into three customer support service contracts with Convergent Technologies LLC as follows: (1) in the amount of \$19,562.45 for 5-years at the Main Office (cameras); (2) in the amount of \$26,434.73 for 5-years at the New Warehouse/MPR; (3) in the amount of \$41,354.25 for 5-years at the R-6 Reservoir. Staff further recommends that the Board authorize the General Manager to fund the project costs from the District's Capital Reserves in accordance with the District's adopted Capital Reserve Policy.



El Toro Water District HQ
CUSTOMER SUPPORT
PROGRAM BASIC

CUSTOMER SERVICE PLAN PROPOSAL

Date: 5/31/2024

Quotation #:

To: El Toro Water District
24251 Los Alisos Blvd
Lake Forest CA 92630

Attn: El Toro Water District

CUSTOMER SUPPORT PROGRAM VALUE

The intent of this Customer Support Program (CSP) is to partner with you in maintaining your system(s), minimizing malfunctions and associated downtime. Convergent is committed to providing long-term customer satisfaction and support throughout the service partnership.

A properly planned Customer Support Program (CSP) will optimize the performance and integrity of your systems and extend the life of the systems without compromise to occupant safety and compliance. Upon review of the attached proposal, you'll find that Convergent is uniquely qualified to meet your objectives and become your long-term service partner.

- **PREFERRED PRICING**

Through a CSP, you'll receive preferred service discounts on labor rates and material costs in accordance with Convergent's published Standard Rates.

- **PREFERRED PRIORITY SERVICE RESPONSE**

As a Convergent CSP customer, you will be given priority for emergency service calls. Specific response times are found under the Customer Support Program Implementation section of this proposal.

- **SERVICE DOCUMENTATION**

Each system test and service call will be documented using an inspection report and/or work order completed by our assigned Customer Support Specialist. The Specialist's job will not be complete until their testing and/ or service call is formally documented and presented to a designated customer representative.

- **TRAINED AND QUALIFIED RESOURCES**

A professional team of certified and qualified personnel deliver services performed by Convergent. Specialists have the necessary knowledge, skills, and specialized tools to ensure highest-quality and efficient execution of tasks.

- **TELEPHONE SUPPORT AND CONSULTATION**

Telephone diagnostic support is available for all CSP customers. Our on-call technicians will provide diagnostic and troubleshooting support to help reduce your costs by trying to resolve issues prior to our arrival.

- **MULTI-YEAR PARTNERSHIP**

We approach service as a long-term commitment and have a strong desire to maintain your business. As such, Convergint is committed to establishing mutually beneficial long-term agreements to drive down overall cost of service while allowing you focus on your core business.

- **LOCAL AND GLOBAL SUPPORT**

Convergint delivers services across cities, countries, and continents - but focuses on serving you where you are. When you call us, you reach the local market office - *not a centralized call center*.

- **ONLINE CUSTOMER PORTAL:**

iCare, a secure, user-friendly web-based customer portal, provides visibility, transparency, and collaboration with our customers. A seamless and efficient service experience, you can enjoy instant access to simplified work order entry, real-time updates on status and history, comprehensive service metrics and reporting, and much more – all at your fingertips.

YEAR 1 PROPOSED SERVICES

Monitoring Service ☒ **Included (Ref Separate Proposal for T's & C's)** ☐ **Excluded**

Provides customers with monitoring services providing customers with 24/7 facility alarm protection. Utilizing a third-party monitoring service, Convergent provides customers with fully redundant monitoring services resulting in an extraordinarily reliable monitoring network. Customers have access to monthly reports and have the ability to administer account information from a secured internet connection. This means that Convergent, or customers themselves, can change emergency contact names and associated numbers directly from any internet connection.

Software Support Agreement ☐ **Included** ☒ **Excluded**

The Software Support Agreement is required to have access to product manufacturer firmware and software updates, which keep systems operating with the latest technology and secured with the latest patches. It also provides Convergent access to the product manufacturer technical support team if technical support is required for system troubleshooting. All labor associated with applying firmware and software updates is included in the PPM section below. This option does not include any computer operating system updates or upgrades.

Password and Patch Management (PPM) | Provided By: ☐ **Convergent** ☒ **Customer**

Password Management:

Default, weak, and reused passwords pose a significant vulnerability to your security systems. Convergent offers unique password management solutions to protect your systems from compromise. By setting unique passwords on each system and site, we not only protect your security systems, but we also protect access to connected networks. Our industry-leading password management systems use 256-bit AES encryption to ensure that each system has unique, highly complex passwords that restrict access according to the principles of least privilege. Additionally, there is no integration or direct connection between Convergent's database of passwords and on-premises systems.

Software and Firmware Maintenance:

Convergent provides software updates and patches to ensure that your systems are maintained in accordance with manufacturers' recommendations and operating with the latest features, fixes, and vulnerability patches. Firmware, which controls the operation of network-connected devices, is also maintained in accordance with manufacturers' recommendations. Our specialists will install any compatible software and firmware patch releases to the system at the time of password change to ensure system functionality and security. Systems and frequencies are identified in the Scope of Work section of this proposal.

Limitations:

Please note that this offering does not include "user" passwords or settings and only covers access to specific security system devices. If the customer is self-performing PPM, please review the Cybersecurity Services Coverage page in this proposal.

Preventative Maintenance ☐ **Included** ☒ **Excluded**

On a scheduled basis, Convergent will provide systems preventive services for components listed within the equipment list contained herein. All preventive maintenance testing will be performed in accordance with manufacturer's recommendations and will address areas that can adversely affect system performance. Preventive maintenance will include a visual inspection and functional test of system components.

Program Discretionary Fund

☐ Included ☒ Excluded

We understand the difficulty that customers face securing capital expense dollars to upgrade older technology or replace failed components. Our customers now decide how much money to include in the Program Discretionary Fund. The fund is intended to be used for repairs and/ or upgrades to the system. Throughout the year, as parts are replaced or upgrades are implemented, the amount required to pay for these services will be deducted from the funding included in the Customer Support Program. This will be tracked throughout the year so that both the customer and Convergent know exactly what the latest balance is for this fund. This Program Discretionary Fund will be required to be spent during each annual agreement period.

Comprehensive Labor Coverage

☐ Included ☒ Excluded

For these customers seeking to manage their financial risk associated with service and repair labor, this option is intended to provide comprehensive labor coverage upfront for:

1. Service Calls
2. System Troubleshooting & Diagnostics
3. Component Repair Labor

Comprehensive Equipment Coverage

☐ Included ☒ Excluded

Comprehensive equipment coverage includes the replacement of failed system components noted in the bill of material at no additional cost. This allows customers to fix their potential financial risk that can be associated with unexpected repairs and/ or failed components. Please note that failed or damaged equipment is based on the conditions noted in the terms and conditions of this proposal and excludes such items as natural causes or intentional damage.

Note: Components will be replaced with same or similar technology available at the time of such replacement. Technology upgrades or system enhancements are not included as part of this coverage option.

Remote Online Diagnostics

☒ Included ☐ Excluded

Utilization of industry standard authentication technology to remotely access your system and resolve technical issues in real time resulting in a savings of both time and system downtime. A Convergent Support Specialist, with the support of a screen sharing session, will work directly with your personnel for initial call support and troubleshooting. If the issue cannot be resolved online, a more refined service response will result including the dispatching of a service representative.

Embedded Specialist

☐ Included ☒ Excluded

The Embedded System Specialist will report directly to Convergent, with day-to-day accountability to our customer. Specific goals will be established and progress against these goals will be measured quarterly during a formal goal review meeting. The Embedded System Specialist shall manage and administer standard, operational procedures, and assist personnel in day-to-day system operations, this option provides customers with a dedicated resource ensuring system integrity, standardization, and continuity. This is accomplished through program management, technical skills, and innovative communication tools.

Priority Emergency Service Response

☐ Included ☒ Excluded

We realize that many customers require a more immediate response to service calls deemed to be priority one. By selecting this Priority On- Site Response option, Convergent will commit to responding to these service calls in (4) hours instead of the standard (8).

Staff Training

☐ Included ☒ Excluded

Provides scheduled system training service for your staff. Convergent will provide annual training designed to improve the knowledge and efficiency of your client personnel. Training will be customized to your specific facility and system(s) and will typically include the following topics: system architecture, overall system operation, alarm response procedures, troubleshooting techniques, management report generation, etc. the benefit of this training is that your staff will become more familiar and comfortable with the system(s) and be able to respond effectively and efficiently to alarm situations.

iCare Executive

☒ Included ☐ Excluded

This value- added online service tool includes all the features of iCare Manager plus: real-time status, metric and custom report, access to "My Document Library" (i.e., document sharing platform), administrative privileges, and customized email notification.

Annual Software Support

☐ Included ☒ Excluded

Provides customers with a software support plan that allows them to keep pace with software revisions and advancements as made available by manufacturers. Such revisions will keep systems operating with the latest technology. With the proliferation of technology, software support is invaluable to those customers desirous of keeping their systems current. Covered software is identified in the equipment list of this proposal.

With the increase of cyber-attacks, manufacturers typically require some level of software support as they constantly address threats that arise as a result of having a system on the network. Please work with your Account Executive to discuss the levels of software support available.

System Administration and Data Redundancy Services

☐ Included ☒ Excluded

Convergent will supplement your internal system administration support by providing valued front- end database management services. This valued service is intended to minimize system downtime and to ensure the system database is fully backed- up in the event of losing your valuable information. Services may include:

1. System programming changes
2. Standard & custom report set- up and report generation
3. On- site or web- based system database back- up
4. General front- end system diagnostics

Battery Testing/Replacement☐ Included ☒ Excluded

Over time, the batteries lose their ability to provide standby power required by the system in the event of primary power failure. For this reason, batteries should be replaced at specified intervals from date of manufacture or in accordance with manufacturer requirements. The only way to be assured the batteries will work is through proper load testing. This testing will be performed as required during a scheduled Test and Inspection visit. Replacement of batteries is included in this proposal.

Customer Asset Reporting☐ Included ☒ Excluded

Customer asset reporting includes the process of applying registered barcodes to system devices and loading their relevant information into a web- based database. Within 24 hours following the inspection, an on- line database and associated report of the system test will be made available for viewing, downloading, printing, or emailing. This maintenance information can be retrieved anywhere using a standard internet browser. Convergent's web-based reporting system provides immediate documentation to building owners and managers that their systems are being tested and inspected according to manufacturer's requirements and in a timely manner.

Storage Analysis☐ Included ☒ Excluded

Systems are installed based on calculations provided during the design of the original project. Over time, several variables can impact the storage of your system records (e.g., scene complexity, amount of motion, light levels, etc.). This option includes an analysis of the recording to verify you receive the storage you require. In the event that the storage is lower than desired, Convergent will discuss the available options. Upgrade of the system storage may require additional pricing.

YEARS 2-5 PROPOSED SERVICES

Monitoring Service ☒ **Included (Ref Separate Proposal for T's & C's)** ☐ **Excluded**

Provides customers with monitoring services providing customers with 24/7 facility alarm protection. Utilizing a third-party monitoring service, Convergent provides customers with fully redundant monitoring services resulting in an extraordinarily reliable monitoring network. Customers have access to monthly reports and have the ability to administer account information from a secured internet connection. This means that Convergent, or customers themselves, can change emergency contact names and associated numbers directly from any internet connection.

Software Support Agreement ☒ **Included** ☐ **Excluded**

The Software Support Agreement is required to have access to product manufacturer firmware and software updates, which keep systems operating with the latest technology and secured with the latest patches. It also provides Convergent access to the product manufacturer technical support team if technical support is required for system troubleshooting. All labor associated with applying firmware and software updates is included in the PPM section below. This option does not include any computer operating system updates or upgrades.

Password and Patch Management (PPM) | Provided By: ☐ **Convergent** ☒ **Customer**

Password Management:

Default, weak, and reused passwords pose a significant vulnerability to your security systems. Convergent offers unique password management solutions to protect your systems from compromise. By setting unique passwords on each system and site, we not only protect your security systems, but we also protect access to connected networks. Our industry-leading password management systems use 256-bit AES encryption to ensure that each system has unique, highly complex passwords that restrict access according to the principles of least privilege. Additionally, there is no integration or direct connection between Convergent's database of passwords and on-premises systems.

Software and Firmware Maintenance:

Convergent provides software updates and patches to ensure that your systems are maintained in accordance with manufacturers' recommendations and operating with the latest features, fixes, and vulnerability patches. Firmware, which controls the operation of network-connected devices, is also maintained in accordance with manufacturers' recommendations. Our specialists will install any compatible software and firmware patch releases to the system at the time of password change to ensure system functionality and security. Systems and frequencies are identified in the Scope of Work section of this proposal.

Limitations:

Please note that this offering does not include "user" passwords or settings and only covers access to specific security system devices. If the customer is self-performing PPM, please review the Cybersecurity Services Coverage page in this proposal.

Preventative Maintenance ☒ **Included** ☐ **Excluded**

On a scheduled basis, Convergent will provide systems preventive services for components listed within the equipment list contained herein. All preventive maintenance testing will be performed in accordance with manufacturer's recommendations and will address areas that can adversely affect system performance. Preventive maintenance will include a visual inspection and functional test of system components. **Preventative maintenance will occur once a year on cameras.**

Program Discretionary Fund

☐ Included ☒ Excluded

We understand the difficulty that customers face securing capital expense dollars to upgrade older technology or replace failed components. Our customers now decide how much money to include in the Program Discretionary Fund. The fund is intended to be used for repairs and/ or upgrades to the system. Throughout the year, as parts are replaced or upgrades are implemented, the amount required to pay for these services will be deducted from the funding included in the Customer Support Program. This will be tracked throughout the year so that both the customer and Convergent know exactly what the latest balance is for this fund. This Program Discretionary Fund will be required to be spent during each annual agreement period.

Comprehensive Labor Coverage

☐ Included ☒ Excluded

For these customers seeking to manage their financial risk associated with service and repair labor, this option is intended to provide comprehensive labor coverage upfront for:

4. Service Calls
5. System Troubleshooting & Diagnostics
6. Component Repair Labor

Comprehensive Equipment Coverage

☐ Included ☒ Excluded

Comprehensive equipment coverage includes the replacement of failed system components noted in the bill of material at no additional cost. This allows customers to fix their potential financial risk that can be associated with unexpected repairs and/ or failed components. Please note that failed or damaged equipment is based on the conditions noted in the terms and conditions of this proposal and excludes such items as natural causes or intentional damage.

Note: Components will be replaced with same or similar technology available at the time of such replacement. Technology upgrades or system enhancements are not included as part of this coverage option.

Remote Online Diagnostics

☒ Included ☐ Excluded

Utilization of industry standard authentication technology to remotely access your system and resolve technical issues in real time resulting in a savings of both time and system downtime. A Convergent Support Specialist, with the support of a screen sharing session, will work directly with your personnel for initial call support and troubleshooting. If the issue cannot be resolved online, a more refined service response will result including the dispatching of a service representative.

Embedded Specialist

☐ Included ☒ Excluded

The Embedded System Specialist will report directly to Convergent, with day-to-day accountability to our customer. Specific goals will be established and progress against these goals will be measured quarterly during a formal goal review meeting. The Embedded System Specialist shall manage and administer standard, operational procedures, and assist personnel in day-to-day system operations, this option provides customers with a dedicated resource ensuring system integrity, standardization, and continuity. This is accomplished through program management, technical skills, and innovative communication tools.

Priority Emergency Service Response

☐ Included ☒ Excluded

We realize that many customers require a more immediate response to service calls deemed to be priority one. By selecting this Priority On- Site Response option, Convergent will commit to responding to these service calls in (4) hours instead of the standard (8).

Staff Training

☐ Included ☒ Excluded

Provides scheduled system training service for your staff. Convergent will provide annual training designed to improve the knowledge and efficiency of your client personnel. Training will be customized to your specific facility and system(s) and will typically include the following topics: system architecture, overall system operation, alarm response procedures, troubleshooting techniques, management report generation, etc. the benefit of this training is that your staff will become more familiar and comfortable with the system(s) and be able to respond effectively and efficiently to alarm situations.

iCare Executive

☒ Included ☐ Excluded

This value-added online service tool includes all the features of iCare Manager plus: real-time status, metric and custom report, access to "My Document Library" (i.e., document sharing platform), administrative privileges, and customized email notification.

Annual Software Support

☒ Included ☐ Excluded

Provides customers with a software support plan that allows them to keep pace with software revisions and advancements as made available by manufacturers. Such revisions will keep systems operating with the latest technology. With the proliferation of technology, software support is invaluable to those customers desirous of keeping their systems current. Covered software is identified in the equipment list of this proposal.

With the increase of cyber-attacks, manufacturers typically require some level of software support as they constantly address threats that arise as a result of having a system on the network. Please work with your Account Executive to discuss the levels of software support available.

System Administration and Data Redundancy Services

☐ Included ☒ Excluded

Convergent will supplement your internal system administration support by providing valued front- end database management services. This valued service is intended to minimize system downtime and to ensure the system database is fully backed- up in the event of losing your valuable information. Services may include:

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Storage Analysis☐ Included ☒ Excluded

Systems are installed based on calculations provided during the design of the original project. Over time, several variables can impact the storage of your system records (e.g., scene complexity, amount of motion, light levels, etc.). This option includes an analysis of the recording to verify you receive the storage you require. In the event that the storage is lower than desired, Convergint will discuss the available options. Upgrade of the system storage may require additional pricing.

CLARIFICATIONS, QUALIFICATIONS, AND EXCLUSIONS

Please reference the clarifications, qualifications, and exclusions noted below.

1. Convergent shall be provided unobstructed access to all devices in the building during the system test and inspection.
2. Convergent reserves the right to propose an annual adjustment to the CSP program cost if additional devices or appliances are added to the system during the term of the agreement.
3. Testing of the system does not include troubleshooting of pre-existing system conditions (ground faults, etc.).
4. The customer agrees to provide any necessary equipment to reach inaccessible or limited access equipment. A separate waiver, provided by Convergent Technologies, must be signed prior to operating customers lift.
5. Printouts of the existing system databases shall be made available to Convergent for validation of point count and device type.
6. If available, a copy of the system drawings shall be provided to Convergent prior to beginning the testing program.
7. Waterflow and sprinkler supervisory testing are dynamic tests assuming inspector's test points are available, and drains are installed. Otherwise, simulated tests shall be performed at the monitoring device.
8. The device quantities listed are approximate counts that were estimated during the site walk. All currently installed devices will be included in the inspection.
9. This proposal pricing is based on a 5 Years Customer Support Program package deal. Rates are subject to change if services are individualized.
10. For comprehensive coverages on Fire Alarm Panels, not installed by Convergent Technologies, parts and/or labor will not take effect until the system has been fully inspected by Convergent Technologies and all deficiencies have been corrected. System was fully inspected by Convergent in 2022.
11. Proposal does not include lifts. If lifts are required for repairs; lift cost will be quoted separate.

Convergent's Responsibilities

- a. Company will, once annually, inspect, adjust, clean, lubricate as required, and test the operation of the Equipment.
- b. Company will provide the necessary corrective maintenance (the "Corrective Maintenance") upon Customer request to correct a malfunction and will place the Equipment in operating condition, subject to the Exclusions contained in Section 3. Unless the Corrective Maintenance service call is covered by this Agreement, Customer will be billed separately pursuant to the customary billing rates of Company in effect at that time.
- c. Company will replace parts and/or assemblies in order to return the Equipment to its operating condition, subject to the Exclusions in Section 3. The parts replaced will relate only to the Equipment covered by this Agreement.
- d. Company will provide on-site service for the Equipment during the normal following hours, excluding Federal Holidays.

Customer Responsibilities

- a. Customer agrees to cooperate in the care of the Equipment and to promptly notify Company in the event of any malfunction in the operation of the Equipment. Requests for service are accepted by phone or online at iCare.convergent.com
- b. Customer agrees to give Company employees and representatives full and free access to the Equipment for the purpose of performing the required service hereunder. It is the responsibility of Customer to provide a safe working environment and safe access to Equipment for technicians. The final determination of a safe working environment will reside with the technician.
- c. Customer agrees to maintain at its expense, any software licensing agreements and installed software media required for the operation and or diagnostics of the Equipment.
- d. Customer agrees that when service must be provided when cash, negotiable securities, and other valuables are readily accessible, Company employees and representatives shall always be accompanied by Customer's employee or representative.
- e. Customer agrees that additional equipment of like nature may be added to this Agreement at the same pricing rates as included herein and prorated to match the applicable coverage dates. Equipment coming out of warranty will automatically be added to your contract to prevent lapse of coverage.
- f. Payment is acceptance of terms of this agreement.
- g. Customer agrees to obtain and pay for all permits and licenses, and to discharge any fines, imposed by any governmental body or agency relating to the Equipment, its operation or malfunction.
- h. Customer acknowledges that it is its sole responsibility to determine the nature and extent of alarms and other security devices and measures necessary to protect its Equipment and other property, which is not in the possession of Company. Company shall not be liable for losses made possible or arising out of Customer's or any of its contractor's failure to provide, maintain, use or properly monitor and respond to alarms and other security devices necessary to protect Customer's Equipment and other property.
- i. Customer will indemnify and defend Company, its officers, employees, representatives and agents against and hold them harmless from, without limitation, any and all liabilities, losses, costs, damages, claims, expenses, attorneys' fees, expenses of litigation, judgments and encumbrances brought, suffered or incurred by Company or third parties attributable to the acts or omissions of Customer, its employees, officers, agents, representatives or agents, while engaged in the performance of their duties under this Agreement.

Exclusions

- a. In the event of a failure of the Equipment to function due to Equipment damage for purposes other than designed and/or intended or work performed by other than Company employees or representatives, Company shall have no obligation to perform any services whatsoever. Necessary repairs created by these conditions shall be billable to the Customer in full pursuant to the customary billing rates of Company then in effect.
- b. Problems related to network issues, communication issues, source voltage problems and other issues not directly related to Equipment components, circuitry or software are not covered under the terms of this Agreement.
- c. When in Company's evaluation, the Equipment or any major sub-system or major component thereof as so classified by Company 1) becomes worn out due to normal wear and tear or, 2) becomes obsolete or outdated due to advances in technology, Company will submit to the Customer a cost estimate for its replacement. If the Customer does not authorize such replacement (the cost of which is outside of this Agreement,) Company may terminate the portion of this Agreement which covers the affected Equipment.
- d. Company will not be responsible for failure or delay, or the consequences thereof, in rendering service occasioned by any circumstances beyond its reasonable control.
- e. The Annual Agreement Fee does not include costs for parts or labor incurred by Company for relocating equipment, changing set-up, changing original features or functions, modifications, or any major overhaul of the Equipment. If any Equipment is relocated, altered, or serviced by persons other than Company representatives during the term of this Agreement, then Company shall have the right to inspect the Equipment for any damage which may have occurred, and Company shall have the right to charge customer for parts and labor required to repair such Equipment at its prices and rates then in effect. If Customer refuses such inspection or repair, then Company has the option to delete such Equipment for coverage hereunder.
- f. This Agreement covers only the services detailed herein that Company is expressly agreeing to undertake. Any service not expressly provided by Company herein is specifically not covered under this Agreement. If Company is requested to provide emergency service outside the times set forth above, which service Company shall have the right to elect or not elect to undertake in its sole discretion, Customer agrees to pay Company overtime rates for hours worked or traveled during such times.

BILL OF MATERIAL

The following bill of materials is intended to establish the baseline for this proposal. This bill of material is not intended to be a comprehensive list of all system parts.

Line	Qty	Annual Freq	Description
1	7	1	Exterior Camera
2	1	1	Axis I/O Board

Software Support Agreement (SSA/SUSP)

The following bill of material is intended to establish the baseline for this proposal. This bill of material is not intended to be a comprehensive list of all system parts.

Line	Qty	Description
1	10	Software Support License – Genetec Camera Connection Licenses

SERVICE RATES			
Current Labor rates	Business Hours (8:00am to 5:00pm)	After hours (Monday- Saturday)	Sunday & Holiday
Standard Rates	\$231	\$346/hr	\$462/hr
CSP Rates	20% off Standard Rate	20% off Standard Rate	20% off Standard Rate

- No mileage of travel time charge if within a 50-mile radius of local CTC.
- Outside 50-mile radius will incur an additional charge for travel time.
- Emergency service and T&M work will be subject to a two-hour minimum.
- Same day emergency requests are subject to afterhours rates.
- **Standard rates are subject to change** without notice and application at the time of service.
- Service calls may be subject to truck/fuel charges and disposal fees for batteries

AGREEMENT DETAILS					
BILLING CONTACT					
CSP Start Date	TBD				
CSP Duration	5 Years				
	Year 1	Year 2	Year 3	Year 4	Year 5
Total Annual Cost	\$ 1,725.04	\$ 4,263.62	\$ 4,391.53	\$4,523.28	\$4,658.98
Sales Tax	Price excludes applicable sales tax				
Payment Schedule	The CSP will be invoiced annually in the first month of the agreement period unless mutually agreed otherwise.				

Please provide all applicable billing information and point of contact for coordination and questions.

Customer Name	_____	Attn	_____
Address	_____	Work Phone	_____
Suite (If Applicable)	_____	Cell Phone	_____
City, State & Zip	_____	Email	_____

This pricing is valid for 30 calendar days from the date of this proposal. To accept this proposal, please sign and date below and return to Convergent.

By signing below, I accept this proposal and agree to the Convergent CSP Terms and Conditions Version 3.0 (US AND CANADA) July 2023 contained herein.

Customer Name	Date
_____	_____

Authorized Signature

Printed Name and Title

Convergent Technologies Terms and Conditions (Customer Support Program)

Version 3.0 (US AND CANADA) July 2023

Throughout this Proposal, including these Terms and Conditions and any attachments, (together, "Agreement") the term "Convergent" refers to the Convergent Technologies affiliate operating in the state/province in which the Services is being performed and "Convergent Related Parties" means Convergent and its contractors, subcontractors, third party product manufacturers or providers.

SECTION 1. THE SERVICES

This Agreement takes precedence over and supersedes any and all prior proposals, correspondence, and oral or written agreements or representations relating to the services set forth in the accompanying Proposal ("Services") and, subject to any changes or addendums, represents the entire agreement between Convergent and Customer.

This Agreement is made without regard to compliance with any special sourcing and/or manufacturing requirements, minority or disadvantaged supplier requirements, or similar government procurement laws. Should such requirements be applicable to this Agreement, Convergent reserves the right to modify and/or withdraw its Agreement.

Customer understands that Convergent is an authorized distributor or reseller and not the manufacturer or developer ("OEM") of software, hardware and equipment (collectively, "Third Party Products") being maintained under this Agreement.

This Agreement assumes the systems and Third Party Products covered are in maintainable condition. If repairs are found necessary upon initial inspection by Convergent, a separate proposal for repair will be submitted for approval. Should this separate proposal be declined, all non-maintainable items will be removed from this Agreement and the CSP Costs adjusted accordingly.

No monitoring services, including UL listed monitoring, are included in the Services. Any such services shall be governed and provided by a separate agreement.

Customer agrees at no cost to Convergent:

- To provide access to all areas of the site for the equipment identified in and/or relating to the List of Covered Equipment (as specified in the accompanying Proposal);
- To supply suitable electrical service as required by Convergent;
- To remove site obstacles and job safety hazards; and
- That in the event of any emergency or systems failure, reasonable safety precautions will be taken by Customer to protect life and property during the period from when Convergent is first notified of the emergency or failure and until such time that Convergent notifies the Customer that the systems are operational or that the emergency has cleared.

It is understood that repair, replacement and emergency service provisions apply only to the systems and Third Party Products covered by this Agreement and identified in the Agreement. Repair or replacement of non-maintainable parts of the systems such as, but not limited to, unit cabinets, insulating materials, electrical wiring, structural supports and other non-moving parts, are not included in this Agreement.

In the event that the systems or Third Party Products included in this Agreement are modified, repaired, have a peripheral device attached to them, or are adjusted (hardware or software) by someone other than a Convergent representative after the Start Date of this Agreement (hereinafter "Modification Event"), Convergent shall have the right to exercise any or all of the following options in response to this Modification Event:

- Require that the systems or Third Party Products impacted by the Modification Event be subject to reacceptance testing by Convergent;
- Require removal of the equipment impacted by the Modification Event from the scope of this Agreement, so that the Services hereunder will not apply to such equipment;
- Require termination of this Agreement upon thirty (30) days' notice to Customer, at Convergent's option.

THE SERVICES AND/OR THIRD PARTY PRODUCTS ARE DESIGNED TO HELP REDUCE, BUT NOT ELIMINATE RISKS OF LOSS RELATING TO CUSTOMER'S SITE OR THIRD PARTIES. THE AMOUNTS BEING CHARGED BY CONVERGENT ARE NOT SUFFICIENT TO GUARANTEE THAT LOSS OR DAMAGE WILL DECREASE OR BE ELIMINATED. Customer acknowledges that proper safety and security requires a layered approach of people, processes, safety, and technologies. The Services, including Third Party Products, provided by Convergent is not sufficient to ensure overall safety and security. Customer acknowledges and agrees that it is responsible for its overall safety and security, including testing and maintenance of the Third Party Products (except to the extent contracted to Convergent by written agreement). Customer acknowledges and agrees that it has a duty of care and is solely responsible for its compliance with applicable laws, rules, and regulations, including but not limited to export and re-export restrictions and regulations, privacy and data protection regulations, applicable OEM instructions, terms and conditions, EULAs, and proper product usage.

Risk of loss, including any materials comprising the Services, shall pass to Customer as the materials are incorporated at Customer's site subject to any end user license agreements. If materials are earlier stored on Customer's site pursuant to agreement between Customer and Convergent, risk of loss with respect to such materials shall pass to Customer upon delivery to Customer's site.

SECTION 2. TERM

This Agreement will commence on the Services start date ("Start Date") and continue for the period of time specified in the accompanying Proposal ("Initial Term"). At the end of the Initial Term, this Agreement will renew automatically for successive terms of one year ("Renewal Term") and together with the Initial Term, the "Term". Either party may terminate this Agreement at the end of the Initial Term or at the end of any subsequent term by giving the other party no less than thirty (30) days written notice prior to the expiration date of the then current term of the Agreement.

SECTION 3. PRICING

Pricing and amounts proposed shall remain valid for 30 days unless otherwise specified. CSP Costs includes only the Services, including Third Party Products, set forth on Convergent's

Proposal, unless noted otherwise. Additional services or Third Party Products, unless negotiated prior to order placement, will be billed accordingly. Sales taxes (or as applicable GST, PST, VAT or similar tax) and any other taxes assessed on Customer shall be added to the CSP Costs upon invoice to Customer.

SECTION 4. INVOICE REMITTANCE AND PAYMENT

Customer agrees to pay the amount due to Convergent as invoiced, within thirty (30) days of the date of such invoice. If Customer is overdue in any payment, Convergent shall be entitled to suspend the Services without liability until paid, charge Customer an interest rate 1 and 1/2% percent per month (or the maximum rate permitted by law, whichever is less), and may avail itself of any other legal or equitable remedy. Customer shall reimburse Convergent costs incurred in collecting any amounts that become overdue, including attorney fees, court costs and any other reasonable expenditure.

SECTION 5. WARRANTY

Warranties for Convergent's Services and Third Party Products are described in the Limited Warranty for Products and Services available at <https://www.convergent.com/terms/>, which is in effect as of the effective date of this Agreement and is incorporated by reference as if set forth herein in full.

SECTION 6. CHANGES

Without invalidating this Agreement or any bond given hereunder, Customer or Convergent may request changes in the Services with a change order signed by both parties. If Customer orders (i) any changes to the Services (e.g. change in objective, deliverables, tasks or hours), (ii) changes to schedule (e.g. frequency of visits), or (iii) causes any material interference with Convergent's performance of the Services, Convergent shall be entitled to an equitable adjustment in the time for performance and in the CSP Costs, including a reasonable allowance for overhead and profit.

SECTION 7. FORCE MAJEURE

Neither Customer nor Convergent shall be liable for any delay or failure in the performance of their respective obligations pursuant to this Agreement due to circumstances beyond their reasonable control ("Force Majeure") and without the fault or negligence of the party experiencing such delay. A Force Majeure event shall include, but not be limited to: acts of God, pandemic or epidemic, diseases, quarantines, unavoidable casualties, concealed conditions, acts of any civil or military authority; riot, insurrections, and civil disturbances; war, invasion, act of foreign enemies, hostilities (regardless of whether or not war is declared), rebellion, revolution, terrorist activities; strikes, lockouts or other labor disputes; embargoes; shortage or unavailability of labor, supplies, materials, equipment or systems; accident, fire, storm, water, flooding, negligence of others, vandalism, power failure, installation of incompatible equipment, improper operating procedures, source current fluctuations or lighting, transportation contingencies; laws, statutes, regulations, and other legal requirements, orders or judgments; acts or order of any government or agency or official thereof, other catastrophes or any other similar occurrences. If performance by either party is delayed due to Force Majeure, the time for performance shall be extended for a period of time reasonably necessary to overcome the effect of the delay and Convergent shall be entitled to an equitable adjustment of the CSP Costs.

SECTION 8. INSURANCE

In lieu of any Customer insurance requirements, for Services performed in the United States, Convergent shall maintain the following insurance coverages during the term of this Agreement and upon request, shall provide certificates of insurance to the Customer:

Worker's Compensation	Statutory Limits
Employer's Liability	\$1,000,000 per occurrence/aggregate
Commercial General Liability	\$1,000,000 per occurrence
	\$2,000,000 general aggregate
Automobile Liability	\$1,000,000 per occurrence/aggregate
Excess/Umbrella Liability	\$3,000,000 per occurrence/aggregate

Convergent shall not provide loss runs or copies of its insurance policies. Convergent shall provide to the Customer no less than thirty (30) days' notice prior to the termination or cancellation of any such insurance policy. For services performed in Canada, Convergent shall maintain similar insurance coverage dependent upon the local requirements in Canada and upon the insurance available under Convergent's insurance program. All required insurance coverage shall be reasonable in the circumstances and compliant with local regulations.

SECTION 9. INDEMNIFICATION

To the fullest extent allowed by law, Convergent shall indemnify and hold Customer harmless from and against claims, damages, losses, and expenses (excluding loss of use) attributable to bodily injury, sickness, disease or death, or to destruction of tangible property, but only to the extent caused by the negligent acts or omissions of Convergent or Convergent's employees or subcontractors while on Customer's site.

If Convergent is providing products or services for intrusion detection, detection of specific threats to people or property (including weapons, gunshot, or drone detection), mass notification, ballistics or explosives protection, or processing of biometric, health, financial, or government identifier data (collectively, "Special Offerings"), then to the fullest extent allowed by law (i) Convergent's indemnification obligations under the Agreement do not apply whatsoever and Convergent and Convergent Related Parties have no liability to Customer for any losses or damages caused by any Special Offerings; and (ii) Customer shall indemnify, defend, and hold harmless Convergent and Convergent Related Parties, from and against all claims, demands, actions, liabilities, damages, and costs (including reasonable attorneys' fees) relating to Special Offerings provided by Convergent, except to the extent of Convergent's gross negligence installing such Special Offerings. Any waiver of damages or limitation of liability contained in the Agreement and as modified herein shall not apply to Customer's indemnification, hold harmless and defense obligations herein.

SECTION 10. LIMITATION OF LIABILITY

EXCEPT AS PROVIDED HEREIN, TO THE FULLEST EXTENT ALLOWED BY LAW: (A) IN NO EVENT SHALL EITHER CONVERGINT, CONVERGINT RELATED PARTIES, OR CUSTOMER BE LIABLE UNDER OR IN CONNECTION WITH THIS PROPOSAL FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, LIQUIDATED OR CONSEQUENTIAL DAMAGES, INCLUDING COMMERCIAL LOSS, LOSS OF USE OR LOST PROFITS, EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND (B) THE AGGREGATE LIABILITY OF CONVERGINT AND CONVERGINT RELATED PARTIES ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL NOT EXCEED THE AMOUNTS PAID BY CUSTOMER TO CONVERGINT UNDER THIS AGREEMENT DURING THE 12 MONTH PERIOD IMMEDIATELY PRECEDING THE DATE OF THE FIRST INCIDENT GIVING RISE TO THE LIABILITY. THE EXISTENCE OF MORE THAN ONE CLAIM WILL NOT ENLARGE THIS LIMIT. THE LIMITATION SET FORTH IN THIS SECTION SHALL APPLY WHETHER THE CLAIM IS BASED ON CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE) OR OTHER LEGAL THEORY.

SECTION 11. COMPLIANCE WITH LAW, SAFETY, & SITE CONDITIONS

Convergent agrees to comply with all laws and regulations applicable to its provision of the Services. Customer will comply with all applicable laws and agreements applicable to its use and operation of the Services. Convergent shall comply with all safety related laws and regulations and with the safety program of the Customer, provided such program is supplied to Convergent prior to beginning Services.

If during the course of its Services, Convergent encounters conditions at the site that are subsurface, differ materially from what is represented in the contract documents, or otherwise concealed physical conditions, Convergent shall be entitled to an extension of time and additional costs for the performance of its work.

If Convergent discovers or suspects the presence of hazardous materials or unsafe working conditions at Customer's site where the Services is to be performed, Convergent is entitled to stop the Services at that site if such hazardous materials, or unsafe working conditions were not provided by or caused by Convergent. Convergent in its sole discretion shall determine when it is "safe" to return to perform the Services at Customer's site. Convergent shall have no responsibility for the discovery, presence, handling, removing or disposal of or exposure of persons to hazardous materials in any form at the Customer's site. To the fullest extent allowed by law, Customer shall indemnify and hold harmless Convergent from and against claims, damages, losses and expenses, including but not limited to, reasonable attorney's fees, arising out of or resulting from undisclosed hazardous materials or unsafe working conditions at Customer's site.

SECTION 12. PERSONAL DATA & SECURITY

Convergent's obligations and liabilities regarding Processing of Personal Data and information security shall be limited solely to Processing performed by Convergent's personnel. Processing by OEMs or Third Party Products are governed by any applicable OEM end user licensing agreements or terms and conditions. Customer represents and warrants that it will comply with all applicable Data Protection Laws. Although certain products delivered by Convergent may be capable of processing Biometric Information, Personal Health Information, financial information, or government identifiers ("Sensitive Information"), Customer acknowledges that Convergent is not Processing Sensitive Information (or to the extent it is Processing Sensitive Information, it is doing so strictly in accordance with Customer's instructions) and Customer is solely responsible for compliance of all such Processing with Data Protection Laws. To the fullest extent allowed by law, Customer shall indemnify, defend and hold harmless Convergent from and against all claims, demands, actions, liabilities, damages, and costs (including reasonable attorneys' fees) asserted by a third party arising out of or relating to failure to comply with applicable Data Protection Laws including but not limited to those related to Sensitive Information. Customer acknowledges it has reviewed Convergent's Privacy Policy available at <https://www.convergent.com/privacy-policy/>, "Personal Data", "Process(ing)", "Biometric Information", and "Personal Health Information" shall be interpreted in accordance with, and shall include analogous terminology as used in, applicable laws and regulations relating to data privacy, information security, data protection, data breaches, cross-border data flows, and/or the rights and obligations of persons or entities regarding personal information ("Data Protection Laws").

To the extent Convergent provides cybersecurity services, such services are provided "as is" without warranties or representations of any kind, whether express or implied. Convergent will follow Customer-specified policies to access (including remotely access) Customer information systems; however, Convergent will not be responsible for technical problems that may occur resulting from Convergent following Customer's instructions or for information security losses or harms to the extent that they are not due to the fault of Convergent. Customer-authorized changes to Customer information systems are at Customer's own risk and Customer acknowledges it is responsible for the overall security of its information systems.

SECTION 13. INTELLECTUAL PROPERTY

Convergent shall retain title and ownership of all intellectual property rights relating to the drawings, technical documentation, or other technical information ("Documentation") delivered under this Agreement. The OEMs shall retain title and ownership of all intellectual property rights relating to the Third Party Products and will grant any license and right to use in connection with the Third Party Product through the OEM's end user license agreement or other terms and conditions. Customer shall not use any Documentation supplied by Convergent for any purposes other than those directly related to this Agreement or for the use and/or maintenance of the Third Party Product.

SECTION 14. PRICE ADJUSTMENT

Beginning on the one (1) year anniversary of the Start Date and annually thereafter for the Term of this Agreement, Convergent may automatically adjust the CSP Costs and Rates set forth in this Agreement: (i) by a percentage equal to the annual percent change in the Consumer Price Index ("CPI") for "All Cities, All Urban Consumers" as published by the Bureau of Labor Statistics of the U.S. Department of Labor (if the Services are performed in

the United States) or Statistics Canada (if the Services are performed in Canada) for the 12-month period ending December 31 of the prior year; or (ii) with five (5) days prior written notice, in excess of the CPI if based on: (a) changes by its vendors to the cost of materials or Third Party Products to be provided and/or labor costs related to personnel responsible for performing the Services, (b) macroeconomic conditions, such as taxes, tariffs or duties, natural disasters, labor shortages/strikes, etc., (c) market conditions such as price volatility or availability limitations, or (d) other events not within Convergent's control that impact the cost of performing the Services, and (e) such adjustment is supported by documentation or other evidence. The effective date of this adjustment shall be the first invoice in each new anniversary year. Convergent reserves the right to add periodic surcharges, including without limitation, adjustments for the then current price of fuel, such surcharges to be specified and invoiced by Convergent.

SECTION 15. TERMINATION

If a party materially breaches this Agreement, the other party shall provide written notice of the breach and a reasonable time to cure the breach, but in no event less than 30 days. If the breaching party fails to cure the breach within the specified time period, the non-breaching party may terminate this Agreement upon 15 days written notice to the other party. If Convergent notifies Customer of a material breach pursuant to this paragraph, Convergent may temporarily suspend its services without liability until Customer cures the breach.

SECTION 16. GOVERNING LAW AND DISPUTES

The parties agree that this Agreement shall be governed by the laws of the state/province where the Services are being performed, and venue for disputes shall be located in that state/province.

In the event of any dispute between Convergent and Customer, Convergent and Customer shall first attempt to resolve the dispute in the field, but if that is not successful, then in a meeting between authorized officers of each company. If settlement attempts are not successful, unless the dispute requires injunctive relief, then the dispute shall be decided exclusively by arbitration. Such arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association (if the Services are performed in the United States) or Arbitration Rules of the ADR Institute of Canada, Inc. (if the Services are performed in Canada) currently in effect by a single arbitrator and shall be a final binding resolution of the issues presented between the parties. The prevailing party shall be entitled to recover its reasonable attorneys' fees and costs. Any award by the arbitrator may be entered as a judgment in any court having jurisdiction.

SECTION 17. MISCELLANEOUS

The parties have required that this Agreement be written in English and have also agreed that all notices or other documents required by or contemplated in this Agreement be written in English. Les parties ont requis que cette convention soit rédigée en anglais et ont également convenu que tout avis ou autre document exigé aux termes des présentes ou découlant de l'une quelconque de ses dispositions sera préparé en anglais.

Any changes to this Agreement shall be in writing signed by both Customer and Convergent.

In the event any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect.

Customer waives all claims against Convergent arising from or related to suspension of services pursuant to this Agreement.

Customer and Convergent are independent contractors, and nothing in this Agreement creates any agency, joint venture, partnership, or other form of joint enterprise, employment, or fiduciary relationship between them. Nothing contained in this Agreement shall be deemed to create a relationship of employee or employer between the parties, and neither party shall be entitled to any benefits that the other party provides for its own employees, including workers compensation and unemployment insurance. Each party shall have exclusive control over its own employees, agents, and subcontractors, its labor and employee relations, and its policies relating to wages, hours, working conditions, or other conditions.

Neither party to this Agreement shall assign this Agreement without the prior written consent of the other party hereto. Notwithstanding the foregoing, Convergent may assign this Agreement without notice or consent (i) to any of its parents, subsidiaries or affiliated companies or any entity majority owned by Convergent; or (ii) in connection with a merger, acquisition, reorganization, sale of all of the equity interests of Convergent, or a sale of all or substantially all of the assets of Convergent to which this Agreement relates.

If Customer transfers ownership or management of the Customer's site to a third party, Customer will promptly provide Convergent with the new owner's or manager's contact information and take all such actions as are necessary to assign this Agreement to the third party.

Notices shall be in writing and addressed to the other party, in accordance with the names and addresses of the parties as shown above. All notices shall be effective upon receipt by the party to whom the notice was sent.

In no event will Convergent be obligated to comply with any project labor agreements or other collective bargaining agreements.

A waiver of the terms hereunder by one party to the other party shall not be effective unless in writing and signed by a person with authority to commit the Customer and Convergent. No waiver by Customer or Convergent shall operate as a continuous waiver, unless the written waiver specifically states that it is a continuous waiver of the terms stated in that waiver.

The Sections regarding invoicing, warranty, indemnity, and disputes shall survive the termination of this Agreement.

By signing this Agreement, Customer acknowledges that it reviewed the Important Product Safety and Service Information at <https://www.convergent.com/terms/>.



El Toro Water District R6
CUSTOMER SUPPORT
PROGRAM BASIC

CUSTOMER SERVICE PLAN PROPOSAL

Date: 5/28/2024

Quotation #:

To: El Toro Water District
22392 La Glorietas
Mission Viejo, California 92691

Attn: El Toro Water District

CUSTOMER SUPPORT PROGRAM VALUE

The intent of this Customer Support Program (CSP) is to partner with you in maintaining your system(s), minimizing malfunctions and associated downtime. Convergint is committed to providing long-term customer satisfaction and support throughout the service partnership.

A properly planned Customer Support Program (CSP) will optimize the performance and integrity of your systems and extend the life of the systems without compromise to occupant safety and compliance. Upon review of the attached proposal, you'll find that Convergint is uniquely qualified to meet your objectives and become your long-term service partner.

- **PREFERRED PRICING**

Through a CSP, you'll receive preferred service discounts on labor rates and material costs in accordance with Convergint's published Standard Rates.

- **PREFERRED PRIORITY SERVICE RESPONSE**

As a Convergint CSP customer, you will be given priority for emergency service calls. Specific response times are found under the Customer Support Program Implementation section of this proposal.

- **SERVICE DOCUMENTATION**

Each system test and service call will be documented using an inspection report and/or work order completed by our assigned Customer Support Specialist. The Specialist's job will not be complete until their testing and/ or service call is formally documented and presented to a designated customer representative.

- **TRAINED AND QUALIFIED RESOURCES**

A professional team of certified and qualified personnel deliver services performed by Convergint. Specialists have the necessary knowledge, skills, and specialized tools to ensure highest-quality and efficient execution of tasks.

- **TELEPHONE SUPPORT AND CONSULTATION**

Telephone diagnostic support is available for all CSP customers. Our on-call technicians will provide diagnostic and troubleshooting support to help reduce your costs by trying to resolve issues prior to our arrival.

- **MULTI-YEAR PARTNERSHIP**

We approach service as a long-term commitment and have a strong desire to maintain your business. As such, Convergint is committed to establishing mutually beneficial long-term agreements to drive down overall cost of service while allowing you focus on your core business.

- **LOCAL AND GLOBAL SUPPORT**

Convergint delivers services across cities, countries, and continents - but focuses on serving you where you are. When you call us, you reach the local market office - *not a centralized call center*.

- **ONLINE CUSTOMER PORTAL:**

iCare, a secure, user-friendly web-based customer portal, provides visibility, transparency, and collaboration with our customers. A seamless and efficient service experience, you can enjoy instant access to simplified work order entry, real-time updates on status and history, comprehensive service metrics and reporting, and much more – all at your fingertips.

YEAR 1 PROPOSED SERVICES

Monitoring Service ☒ **Included (Ref Separate Proposal for T's & C's)** ☐ **Excluded**

Provides customers with monitoring services providing customers with 24/7 facility alarm protection. Utilizing a third-party monitoring service, Convergent provides customers with fully redundant monitoring services resulting in an extraordinarily reliable monitoring network. Customers have access to monthly reports and have the ability to administer account information from a secured internet connection. This means that Convergent, or customers themselves, can change emergency contact names and associated numbers directly from any internet connection.

Software Support Agreement ☐ **Included** ☒ **Excluded**

The Software Support Agreement is required to have access to product manufacturer firmware and software updates, which keep systems operating with the latest technology and secured with the latest patches. It also provides Convergent access to the product manufacturer technical support team if technical support is required for system troubleshooting. All labor associated with applying firmware and software updates is included in the PPM section below. This option does not include any computer operating system updates or upgrades.

Password and Patch Management (PPM) | Provided By: ☐ **Convergent** ☒ **Customer**

Password Management:

Default, weak, and reused passwords pose a significant vulnerability to your security systems. Convergent offers unique password management solutions to protect your systems from compromise. By setting unique passwords on each system and site, we not only protect your security systems, but we also protect access to connected networks. Our industry-leading password management systems use 256-bit AES encryption to ensure that each system has unique, highly complex passwords that restrict access according to the principles of least privilege. Additionally, there is no integration or direct connection between Convergent's database of passwords and on-premises systems.

Software and Firmware Maintenance:

Convergent provides software updates and patches to ensure that your systems are maintained in accordance with manufacturers' recommendations and operating with the latest features, fixes, and vulnerability patches. Firmware, which controls the operation of network-connected devices, is also maintained in accordance with manufacturers' recommendations. Our specialists will install any compatible software and firmware patch releases to the system at the time of password change to ensure system functionality and security. Systems and frequencies are identified in the Scope of Work section of this proposal.

Limitations:

Please note that this offering does not include "user" passwords or settings and only covers access to specific security system devices. If the customer is self-performing PPM, please review the Cybersecurity Services Coverage page in this proposal.

Preventative Maintenance ☒ **Included** ☐ **Excluded**

On a scheduled basis, Convergent will provide systems preventive services for components listed within the equipment list contained herein. All preventive maintenance testing will be performed in accordance with manufacturer's recommendations and will address areas that can adversely affect system performance. Preventive maintenance will include a visual inspection and functional test of system components. **Only NFPA 72 Fire Testing will be performed during Year 1.**

Program Discretionary Fund

☐ Included ☒ Excluded

We understand the difficulty that customers face securing capital expense dollars to upgrade older technology or replace failed components. Our customers now decide how much money to include in the Program Discretionary Fund. The fund is intended to be used for repairs and/ or upgrades to the system. Throughout the year, as parts are replaced or upgrades are implemented, the amount required to pay for these services will be deducted from the funding included in the Customer Support Program. This will be tracked throughout the year so that both the customer and Convergent know exactly what the latest balance is for this fund. This Program Discretionary Fund will be required to be spent during each annual agreement period.

Comprehensive Labor Coverage

☐ Included ☒ Excluded

For these customers seeking to manage their financial risk associated with service and repair labor, this option is intended to provide comprehensive labor coverage upfront for:

1. Service Calls
2. System Troubleshooting & Diagnostics
3. Component Repair Labor

Comprehensive Equipment Coverage

☐ Included ☒ Excluded

Comprehensive equipment coverage includes the replacement of failed system components noted in the bill of material at no additional cost. This allows customers to fix their potential financial risk that can be associated with unexpected repairs and/ or failed components. Please note that failed or damaged equipment is based on the conditions noted in the terms and conditions of this proposal and excludes such items as natural causes or intentional damage.

Note: Components will be replaced with same or similar technology available at the time of such replacement. Technology upgrades or system enhancements are not included as part of this coverage option.

Remote Online Diagnostics

☒ Included ☐ Excluded

Utilization of industry standard authentication technology to remotely access your system and resolve technical issues in real time resulting in a savings of both time and system downtime. A Convergent Support Specialist, with the support of a screen sharing session, will work directly with your personnel for initial call support and troubleshooting. If the issue cannot be resolved online, a more refined service response will result including the dispatching of a service representative.

Embedded Specialist

☐ Included ☒ Excluded

The Embedded System Specialist will report directly to Convergent, with day-to-day accountability to our customer. Specific goals will be established and progress against these goals will be measured quarterly during a formal goal review meeting. The Embedded System Specialist shall manage and administer standard, operational procedures, and assist personnel in day-to-day system operations, this option provides customers with a dedicated resource ensuring system integrity, standardization, and continuity. This is accomplished through program management, technical skills, and innovative communication tools.

Priority Emergency Service Response

☐ Included ☒ Excluded

We realize that many customers require a more immediate response to service calls deemed to be priority one. By selecting this Priority On- Site Response option, Convergent will commit to responding to these service calls in (4) hours instead of the standard (8).

Staff Training

☐ Included ☒ Excluded

Provides scheduled system training service for your staff. Convergent will provide annual training designed to improve the knowledge and efficiency of your client personnel. Training will be customized to your specific facility and system(s) and will typically include the following topics: system architecture, overall system operation, alarm response procedures, troubleshooting techniques, management report generation, etc. the benefit of this training is that your staff will become more familiar and comfortable with the system(s) and be able to respond effectively and efficiently to alarm situations.

iCare Executive

☐ Included ☒ Excluded

This value- added online service tool includes all the features of iCare Manager plus: real-time status, metric and custom report, access to "My Document Library" (i.e., document sharing platform), administrative privileges, and customized email notification.

Annual Software Support

☐ Included ☒ Excluded

Provides customers with a software support plan that allows them to keep pace with software revisions and advancements as made available by manufacturers. Such revisions will keep systems operating with the latest technology. With the proliferation of technology, software support is invaluable to those customers desirous of keeping their systems current. Covered software is identified in the equipment list of this proposal.

With the increase of cyber-attacks, manufacturers typically require some level of software support as they constantly address threats that arise as a result of having a system on the network. Please work with your Account Executive to discuss the levels of software support available.

System Administration and Data Redundancy Services

☐ Included ☒ Excluded

Convergent will supplement your internal system administration support by providing valued front- end database management services. This valued service is intended to minimize system downtime and to ensure the system database is fully backed- up in the event of losing your valuable information. Services may include:

1. System programming changes
2. Standard & custom report set- up and report generation
3. On- site or web- based system database back- up
4. General front- end system diagnostics

Battery Testing/Replacement☒ **Included** ☐ **Excluded**

Over time, the batteries lose their ability to provide standby power required by the system in the event of primary power failure. For this reason, batteries should be replaced at specified intervals from date of manufacture or in accordance with manufacturer requirements. The only way to be assured the batteries will work is through proper load testing. This testing will be performed as required during a scheduled Test and Inspection visit. Replacement of batteries is included in this proposal.

Customer Asset Reporting☐ **Included** ☒ **Excluded**

Customer asset reporting includes the process of applying registered barcodes to system devices and loading their relevant information into a web- based database. Within 24 hours following the inspection, an on- line database and associated report of the system test will be made available for viewing, downloading, printing, or emailing. This maintenance information can be retrieved anywhere using a standard internet browser. Convergent's web-based reporting system provides immediate documentation to building owners and managers that their systems are being tested and inspected according to manufacturer's requirements and in a timely manner.

Storage Analysis☐ **Included** ☒ **Excluded**

Systems are installed based on calculations provided during the design of the original project. Over time, several variables can impact the storage of your system records (e.g., scene complexity, amount of motion, light levels, etc.). This option includes an analysis of the recording to verify you receive the storage you require. In the event that the storage is lower than desired, Convergent will discuss the available options. Upgrade of the system storage may require additional pricing.

YEARS 2-5 PROPOSED SERVICES

Monitoring Service ☒ **Included (Ref Separate Proposal for T's & C's)** ☐ **Excluded**

Provides customers with monitoring services providing customers with 24/7 facility alarm protection. Utilizing a third-party monitoring service, Convergent provides customers with fully redundant monitoring services resulting in an extraordinarily reliable monitoring network. Customers have access to monthly reports and have the ability to administer account information from a secured internet connection. This means that Convergent, or customers themselves, can change emergency contact names and associated numbers directly from any internet connection.

Software Support Agreement ☒ **Included** ☐ **Excluded**

The Software Support Agreement is required to have access to product manufacturer firmware and software updates, which keep systems operating with the latest technology and secured with the latest patches. It also provides Convergent access to the product manufacturer technical support team if technical support is required for system troubleshooting. All labor associated with applying firmware and software updates is included in the PPM section below. This option does not include any computer operating system updates or upgrades.

Password and Patch Management (PPM) | Provided By: ☐ **Convergent** ☒ **Customer**

Password Management:

Default, weak, and reused passwords pose a significant vulnerability to your security systems. Convergent offers unique password management solutions to protect your systems from compromise. By setting unique passwords on each system and site, we not only protect your security systems, but we also protect access to connected networks. Our industry-leading password management systems use 256-bit AES encryption to ensure that each system has unique, highly complex passwords that restrict access according to the principles of least privilege. Additionally, there is no integration or direct connection between Convergent's database of passwords and on-premises systems.

Software and Firmware Maintenance:

Convergent provides software updates and patches to ensure that your systems are maintained in accordance with manufacturers' recommendations and operating with the latest features, fixes, and vulnerability patches. Firmware, which controls the operation of network-connected devices, is also maintained in accordance with manufacturers' recommendations. Our specialists will install any compatible software and firmware patch releases to the system at the time of password change to ensure system functionality and security. Systems and frequencies are identified in the Scope of Work section of this proposal.

Limitations:

Please note that this offering does not include "user" passwords or settings and only covers access to specific security system devices. If the customer is self-performing PPM, please review the Cybersecurity Services Coverage page in this proposal.

Preventative Maintenance ☒ **Included** ☐ **Excluded**

On a scheduled basis, Convergent will provide systems preventive services for components listed within the equipment list contained herein. All preventive maintenance testing will be performed in accordance with manufacturer's recommendations and will address areas that can adversely affect system performance. Preventive maintenance will include a visual inspection and functional test of system components. **Preventative maintenance will occur once a year. NFPA 72 Testing is included.**

Program Discretionary Fund

☐ Included ☒ Excluded

We understand the difficulty that customers face securing capital expense dollars to upgrade older technology or replace failed components. Our customers now decide how much money to include in the Program Discretionary Fund. The fund is intended to be used for repairs and/ or upgrades to the system. Throughout the year, as parts are replaced or upgrades are implemented, the amount required to pay for these services will be deducted from the funding included in the Customer Support Program. This will be tracked throughout the year so that both the customer and Convergent know exactly what the latest balance is for this fund. This Program Discretionary Fund will be required to be spent during each annual agreement period.

Comprehensive Labor Coverage

☐ Included ☒ Excluded

For these customers seeking to manage their financial risk associated with service and repair labor, this option is intended to provide comprehensive labor coverage upfront for:

4. Service Calls
5. System Troubleshooting & Diagnostics
6. Component Repair Labor

Comprehensive Equipment Coverage

☐ Included ☒ Excluded

Comprehensive equipment coverage includes the replacement of failed system components noted in the bill of material at no additional cost. This allows customers to fix their potential financial risk that can be associated with unexpected repairs and/ or failed components. Please note that failed or damaged equipment is based on the conditions noted in the terms and conditions of this proposal and excludes such items as natural causes or intentional damage.

Note: Components will be replaced with same or similar technology available at the time of such replacement. Technology upgrades or system enhancements are not included as part of this coverage option.

Remote Online Diagnostics

☒ Included ☐ Excluded

Utilization of industry standard authentication technology to remotely access your system and resolve technical issues in real time resulting in a savings of both time and system downtime. A Convergent Support Specialist, with the support of a screen sharing session, will work directly with your personnel for initial call support and troubleshooting. If the issue cannot be resolved online, a more refined service response will result including the dispatching of a service representative.

Embedded Specialist☐ Included ☒ Excluded

The Embedded System Specialist will report directly to Convergent, with day-to-day accountability to our customer. Specific goals will be established and progress against these goals will be measured quarterly during a formal goal review meeting. The Embedded System Specialist shall manage and administer standard, operational procedures, and assist personnel in day-to-day system operations, this option provides customers with a dedicated resource ensuring system integrity, standardization, and continuity. This is accomplished through program management, technical skills, and innovative communication tools.

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We realize that many customers require a more immediate response to service calls deemed to be priority one. By selecting this Priority On- Site Response option, Convergent will commit to responding to these service calls in (4) hours instead of the standard (8).

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Provides scheduled system training service for your staff. Convergent will provide annual training designed to improve the knowledge and efficiency of your client personnel. Training will be customized to your specific facility and system(s) and will typically include the following topics: system architecture, overall system operation, alarm response procedures, troubleshooting techniques, management report generation, etc. the benefit of this training is that your staff will become more familiar and comfortable with the system(s) and be able to respond effectively and efficiently to alarm situations.

iCare Executive☒ Included ☐ Excluded

This value- added online service tool includes all the features of iCare Manager plus: real-time status, metric and custom report, access to "My Document Library" (i.e., document sharing platform), administrative privileges, and customized email notification.

Annual Software Support☒ Included ☐ Excluded

Provides customers with a software support plan that allows them to keep pace with software revisions and advancements as made available by manufacturers. Such revisions will keep systems operating with the latest technology. With the proliferation of technology, software support is invaluable to those customers desirous of keeping their systems current. Covered software is identified in the equipment list of this proposal.

With the increase of cyber-attacks, manufacturers typically require some level of software support as they constantly address threats that arise as a result of having a system on the network. Please work with your Account Executive to discuss the levels of software support available.

System Administration and Data Redundancy Services☐ Included ☒ Excluded

Convergent will supplement your internal system administration support by providing valued front- end database management services. This valued service is intended to minimize system downtime and to ensure the system database is fully backed- up in the event of losing your valuable information. Services may include:

5. System programming changes
6. Standard & custom report set- up and report generation
7. On- site or web- based system database back- up
8. General front- end system diagnostics

Battery Testing/Replacement☒ **Included** ☐ **Excluded**

Over time, the batteries lose their ability to provide standby power required by the system in the event of primary power failure. For this reason, batteries should be replaced at specified intervals from date of manufacture or in accordance with manufacturer requirements. The only way to be assured the batteries will work is through proper load testing. This testing will be performed as required during a scheduled Test and Inspection visit. Replacement of batteries is included in this proposal.

Customer Asset Reporting☐ **Included** ☒ **Excluded**

Customer asset reporting includes the process of applying registered barcodes to system devices and loading their relevant information into a web-based database. Within 24 hours following the inspection, an on-line database and associated report of the system test will be made available for viewing, downloading, printing, or emailing. This maintenance information can be retrieved anywhere using a standard internet browser. Convergent's web-based reporting system provides immediate documentation to building owners and managers that their systems are being tested and inspected according to manufacturer's requirements and in a timely manner.

Storage Analysis☐ **Included** ☒ **Excluded**

Systems are installed based on calculations provided during the design of the original project. Over time, several variables can impact the storage of your system records (e.g., scene complexity, amount of motion, light levels, etc.). This option includes an analysis of the recording to verify you receive the storage you require. In the event that the storage is lower than desired, Convergent will discuss the available options. Upgrade of the system storage may require additional pricing.

CLARIFICATIONS, QUALIFICATIONS, AND EXCLUSIONS

Please reference the clarifications, qualifications, and exclusions noted below.

1. Convergent shall be provided unobstructed access to all devices in the building during the system test and inspection.
2. Convergent reserves the right to propose an annual adjustment to the CSP program cost if additional devices or appliances are added to the system during the term of the agreement.
3. Testing of the system does not include troubleshooting of pre-existing system conditions (ground faults, etc.).
4. The customer agrees to provide any necessary equipment to reach inaccessible or limited access equipment. A separate waiver, provided by Convergent Technologies, must be signed prior to operating customers lift.
5. Printouts of the existing system databases shall be made available to Convergent for validation of point count and device type.
6. If available, a copy of the system drawings shall be provided to Convergent prior to beginning the testing program.
7. Waterflow and sprinkler supervisory testing are dynamic tests assuming inspector's test points are available, and drains are installed. Otherwise, simulated tests shall be performed at the monitoring device.
8. The device quantities listed are approximate counts that were estimated during the site walk. All currently installed devices will be included in the inspection.
9. This proposal pricing is based on a 5 Years Customer Support Program package deal. Rates are subject to change if services are individualized.
10. For comprehensive coverages on Fire Alarm Panels, not installed by Convergent Technologies, parts and/or labor will not take effect until the system has been fully inspected by Convergent Technologies and all deficiencies have been corrected. System was fully inspected by Convergent in 2022.
11. Proposal does not include lifts. If lifts are required for repairs; lift cost will be quoted separate.

Convergent's Responsibilities

- a. Company will, once annually, inspect, adjust, clean, lubricate as required, and test the operation of the Equipment.
- b. Company will provide the necessary corrective maintenance (the "Corrective Maintenance") upon Customer request to correct a malfunction and will place the Equipment in operating condition, subject to the Exclusions contained in Section 3. Unless the Corrective Maintenance service call is covered by this Agreement, Customer will be billed separately pursuant to the customary billing rates of Company in effect at that time.
- c. Company will replace parts and/or assemblies in order to return the Equipment to its operating condition, subject to the Exclusions in Section 3. The parts replaced will relate only to the Equipment covered by this Agreement.
- d. Company will provide on-site service for the Equipment during the normal following hours, excluding Federal Holidays.

Customer Responsibilities

- a. Customer agrees to cooperate in the care of the Equipment and to promptly notify Company in the event of any malfunction in the operation of the Equipment. Requests for service are accepted by phone or online at iCare.convergent.com
- b. Customer agrees to give Company employees and representatives full and free access to the Equipment for the purpose of performing the required service hereunder. It is the responsibility of Customer to provide a safe working environment and safe access to Equipment for technicians. The final determination of a safe working environment will reside with the technician.
- c. Customer agrees to maintain at its expense, any software licensing agreements and installed software media required for the operation and or diagnostics of the Equipment.
- d. Customer agrees that when service must be provided when cash, negotiable securities, and other valuables are readily accessible, Company employees and representatives shall always be accompanied by Customer's employee or representative.
- e. Customer agrees that additional equipment of like nature may be added to this Agreement at the same pricing rates as included herein and prorated to match the applicable coverage dates. Equipment coming out of warranty will automatically be added to your contract to prevent lapse of coverage.
- f. Payment is acceptance of terms of this agreement.
- g. Customer agrees to obtain and pay for all permits and licenses, and to discharge any fines, imposed by any governmental body or agency relating to the Equipment, its operation or malfunction.
- h. Customer acknowledges that it is its sole responsibility to determine the nature and extent of alarms and other security devices and measures necessary to protect its Equipment and other property, which is not in the possession of Company. Company shall not be liable for losses made possible or arising out of Customer's or any of its contractor's failure to provide, maintain, use or properly monitor and respond to alarms and other security devices necessary to protect Customer's Equipment and other property.
- i. Customer will indemnify and defend Company, its officers, employees, representatives and agents against and hold them harmless from, without limitation, any and all liabilities, losses, costs, damages, claims, expenses, attorneys' fees, expenses of litigation, judgments and encumbrances brought, suffered or incurred by Company or third parties attributable to the acts or omissions of Customer, its employees, officers, agents, representatives or agents, while engaged in the performance of their duties under this Agreement.

Exclusions

- a. In the event of a failure of the Equipment to function due to Equipment damage for purposes other than designed and/or intended or work performed by other than Company employees or representatives, Company shall have no obligation to perform any services whatsoever. Necessary repairs created by these conditions shall be billable to the Customer in full pursuant to the customary billing rates of Company then in effect.
- b. Problems related to network issues, communication issues, source voltage problems and other issues not directly related to Equipment components, circuitry or software are not covered under the terms of this Agreement.
- c. When in Company's evaluation, the Equipment or any major sub-system or major component thereof as so classified by Company 1) becomes worn out due to normal wear and tear or, 2) becomes obsolete or outdated due to advances in technology, Company will submit to the Customer a cost estimate for its replacement. If the Customer does not authorize such replacement (the cost of which is outside of this Agreement,) Company may terminate the portion of this Agreement which covers the affected Equipment.
- d. Company will not be responsible for failure or delay, or the consequences thereof, in rendering service occasioned by any circumstances beyond its reasonable control.
- e. The Annual Agreement Fee does not include costs for parts or labor incurred by Company for relocating equipment, changing set-up, changing original features or functions, modifications, or any major overhaul of the Equipment. If any Equipment is relocated, altered, or serviced by persons other than Company representatives during the term of this Agreement, then Company shall have the right to inspect the Equipment for any damage which may have occurred, and Company shall have the right to charge customer for parts and labor required to repair such Equipment at its prices and rates then in effect. If Customer refuses such inspection or repair, then Company has the option to delete such Equipment for coverage hereunder.
- f. This Agreement covers only the services detailed herein that Company is expressly agreeing to undertake. Any service not expressly provided by Company herein is specifically not covered under this Agreement. If Company is requested to provide emergency service outside the times set forth above, which service Company shall have the right to elect or not elect to undertake in its sole discretion, Customer agrees to pay Company overtime rates for hours worked or traveled during such times.

BILL OF MATERIAL

The following bill of materials is intended to establish the baseline for this proposal. This bill of material is not intended to be a comprehensive list of all system parts.

Line	Qty	Annual Freq	Description
1	2	1	Access Control Door
2	1	1	Access Control Panel
3	1	1	Power Supplies
4	1	2	Batteries
5	1	2	Control Panels (main/ remote)
6	1	2	Heat Detector
7	1	2	Manual Pull Station
8	1	2	Notification Devices
9	1	2	Smoke Detector
10	1	1	Alarm Control Panel
11	6	1	Door Contacts
12	1	1	Keypads
13	1	1	Motion Sensors
14	1	1	Power Supplies
15	3	1	Exterior Camera (mounted between 12 ft/3.6 m - 18 ft/5.5 m)
16	1	1	Switch

Software Support Agreement (SSA/SUSP)

The following bill of material is intended to establish the baseline for this proposal. This bill of material is not intended to be a comprehensive list of all system parts.

Line	Qty	Description
1	1	Software Support License – Magos Radar Annual Software Support

SERVICE RATES

Current Labor rates	Business Hours (8:00am to 5:00pm)	After hours (Monday- Saturday)	Sunday & Holiday
Standard Rates	\$231	\$346/hr	\$462/hr
CSP Rates	20% off Standard Rate	20% off Standard Rate	20% off Standard Rate

- No mileage of travel time charge if within a 50-mile radius of local CTC.
- Outside 50-mile radius will incur an additional charge for travel time.
- Emergency service and T&M work will be subject to a two-hour minimum.
- Same day emergency requests are subject to afterhours rates.
- **Standard rates are subject to change** without notice and application at the time of service.
- Service calls may be subject to truck/fuel charges and disposal fees for batteries

AGREEMENT DETAILS

BILLING CONTACT



CSP Start Date	TBD				
CSP Duration	5 Years				
	Year 1	Year 2	Year 3	Year 4	Year 5
Total Annual Cost	\$ 3,304.00	\$ 9,231.89	\$ 9,416.53	\$9,604.86	\$9,796.97
Sales Tax	Price excludes applicable sales tax				
Payment Schedule	The CSP will be invoiced annually in the first month of the agreement period unless mutually agreed otherwise.				

Please provide all applicable billing information and point of contact for coordination and questions.

Customer Name	_____	Attn	_____
Address	_____	Work Phone	_____
Suite (If Applicable)	_____	Cell Phone	_____
City, State & Zip	_____	Email	_____

This pricing is valid for 30 calendar days from the date of this proposal. To accept this proposal, please sign and date below and return to Convergent.

By signing below, I accept this proposal and agree to the Convergent CSP Terms and Conditions Version 3.0 (US AND CANADA) July 2023 contained herein.

_____ <i>Customer Name</i>	_____ <i>Date</i>
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_____ <i>Authorized Signature</i>	_____ <i>Printed Name and Title</i>
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Convergent Technologies Terms and Conditions (Customer Support Program)**Version 3.0 (US AND CANADA) July 2023**

Throughout this Proposal, including these Terms and Conditions and any attachments, (together, "Agreement") the term "Convergent" refers to the Convergent Technologies affiliate operating in the state/province in which the Services is being performed and "Convergent Related Parties" means Convergent and its contractors, subcontractors, third party product manufacturers or providers.

SECTION 1. THE SERVICES

This Agreement takes precedence over and supersedes any and all prior proposals, correspondence, and oral or written agreements or representations relating to the services set forth in the accompanying Proposal ("Services") and, subject to any changes or addendums, represents the entire agreement between Convergent and Customer.

This Agreement is made without regard to compliance with any special sourcing and/or manufacturing requirements, minority or disadvantaged supplier requirements, or similar government procurement laws. Should such requirements be applicable to this Agreement, Convergent reserves the right to modify and/or withdraw its Agreement.

Customer understands that Convergent is an authorized distributor or reseller and not the manufacturer or developer ("OEM") of software, hardware and equipment (collectively, "Third Party Products") being maintained under this Agreement.

This Agreement assumes the systems and Third Party Products covered are in maintainable condition. If repairs are found necessary upon initial inspection by Convergent, a separate proposal for repair will be submitted for approval. Should this separate proposal be declined, all non-maintainable items will be removed from this Agreement and the CSP Costs adjusted accordingly.

No monitoring services, including UL listed monitoring, are included in the Services. Any such services shall be governed and provided by a separate agreement.

Customer agrees at no cost to Convergent:

- To provide access to all areas of the site for the equipment identified in and/or relating to the List of Covered Equipment (as specified in the accompanying Proposal);
- To supply suitable electrical service as required by Convergent;
- To remove site obstacles and job safety hazards; and
- That in the event of any emergency or systems failure, reasonable safety precautions will be taken by Customer to protect life and property during the period from when Convergent is first notified of the emergency or failure and until such time that Convergent notifies the Customer that the systems are operational or that the emergency has cleared.

It is understood that repair, replacement and emergency service provisions apply only to the systems and Third Party Products covered by this Agreement and identified in the Agreement. Repair or replacement of non-maintainable parts of the systems such as, but not limited to, unit cabinets, insulating materials, electrical wiring, structural supports and other non-moving parts, are not included in this Agreement.

In the event that the systems or Third Party Products included in this Agreement are modified, repaired, have a peripheral device attached to them, or are adjusted (hardware or software) by someone other than a Convergent representative after the Start Date of this Agreement (hereinafter "Modification Event"), Convergent shall have the right to exercise any or all of the following options in response to this Modification Event:

- Require that the systems or Third Party Products impacted by the Modification Event be subject to reacceptance testing by Convergent;
- Require removal of the equipment impacted by the Modification Event from the scope of this Agreement, so that the Services hereunder will not apply to such equipment;
- Require termination of this Agreement upon thirty (30) days' notice to Customer, at Convergent's option.

THE SERVICES AND/OR THIRD PARTY PRODUCTS ARE DESIGNED TO HELP REDUCE, BUT NOT ELIMINATE RISKS OF LOSS RELATING TO CUSTOMER'S SITE OR THIRD PARTIES. THE AMOUNTS BEING CHARGED BY CONVERGENT ARE NOT SUFFICIENT TO GUARANTEE THAT LOSS OR DAMAGE WILL DECREASE OR BE ELIMINATED. Customer acknowledges that proper safety and security requires a layered approach of people, processes, safety, and technologies. The Services, including Third Party Products, provided by Convergent is not sufficient to ensure overall safety and security. Customer acknowledges and agrees that it is responsible for its overall safety and security, including testing and maintenance of the Third Party Products (except to the extent contracted to Convergent by written agreement). Customer acknowledges and agrees that it has a duty of care and is solely responsible for its compliance with applicable laws, rules, and regulations, including but not limited to export and re-export restrictions and regulations, privacy and data protection regulations, applicable OEM instructions, terms and conditions, EULAs, and proper product usage.

Risk of loss, including any materials comprising the Services, shall pass to Customer as the materials are incorporated at Customer's site subject to any end user license agreements. If materials are earlier stored on Customer's site pursuant to agreement between Customer and Convergent, risk of loss with respect to such materials shall pass to Customer upon delivery to Customer's site.

SECTION 2. TERM

This Agreement will commence on the Services start date ("Start Date") and continue for the period of time specified in the accompanying Proposal ("Initial Term"). At the end of the Initial Term, this Agreement will renew automatically for successive terms of one year ("Renewal Term") and together with the Initial Term, the "Term". Either party may terminate this Agreement at the end of the Initial Term or at the end of any subsequent term by giving the other party no less than thirty (30) days written notice prior to the expiration date of the then current term of the Agreement.

SECTION 3. PRICING

Pricing and amounts proposed shall remain valid for 30 days unless otherwise specified. CSP Costs includes only the Services, including Third Party Products, set forth on Convergent's

Proposal, unless noted otherwise. Additional services or Third Party Products, unless negotiated prior to order placement, will be billed accordingly. Sales taxes (or as applicable GST, PST, VAT or similar tax) and any other taxes assessed on Customer shall be added to the CSP Costs upon invoice to Customer.

SECTION 4. INVOICE REMITTANCE AND PAYMENT

Customer agrees to pay the amount due to Convergent as invoiced, within thirty (30) days of the date of such invoice. If Customer is overdue in any payment, Convergent shall be entitled to suspend the Services without liability until paid, charge Customer an interest rate 1 and 1/2% percent per month (or the maximum rate permitted by law, whichever is less), and may avail itself of any other legal or equitable remedy. Customer shall reimburse Convergent costs incurred in collecting any amounts that become overdue, including attorney fees, court costs and any other reasonable expenditure.

SECTION 5. WARRANTY

Warranties for Convergent's Services and Third Party Products are described in the Limited Warranty for Products and Services available at <https://www.convergent.com/terms/>, which is in effect as of the effective date of this Agreement and is incorporated by reference as if set forth herein in full.

SECTION 6. CHANGES

Without invalidating this Agreement or any bond given hereunder, Customer or Convergent may request changes in the Services with a change order signed by both parties. If Customer orders (i) any changes to the Services (e.g. change in objective, deliverables, tasks or hours), (ii) changes to schedule (e.g. frequency of visits), or (iii) causes any material interference with Convergent's performance of the Services, Convergent shall be entitled to an equitable adjustment in the time for performance and in the CSP Costs, including a reasonable allowance for overhead and profit.

SECTION 7. FORCE MAJEURE

Neither Customer nor Convergent shall be liable for any delay or failure in the performance of their respective obligations pursuant to this Agreement due to circumstances beyond their reasonable control ("Force Majeure") and without the fault or negligence of the party experiencing such delay. A Force Majeure event shall include, but not be limited to: acts of God, pandemic or epidemic, diseases, quarantines, unavoidable casualties, concealed conditions, acts of any civil or military authority; riot, insurrections, and civil disturbances; war, invasion, act of foreign enemies, hostilities (regardless of whether or not war is declared), rebellion, revolution, terrorist activities; strikes, lockouts or other labor disputes; embargoes; shortage or unavailability of labor, supplies, materials, equipment or systems; accident, fire, storm, water, flooding, negligence of others, vandalism, power failure, installation of incompatible equipment, improper operating procedures, source current fluctuations or lighting, transportation contingencies; laws, statutes, regulations, and other legal requirements, orders or judgments; acts or order of any government or agency or official thereof, other catastrophes or any other similar occurrences. If performance by either party is delayed due to Force Majeure, the time for performance shall be extended for a period of time reasonably necessary to overcome the effect of the delay and Convergent shall be entitled to an equitable adjustment of the CSP Costs.

SECTION 8. INSURANCE

In lieu of any Customer insurance requirements, for Services performed in the United States, Convergent shall maintain the following insurance coverages during the term of this Agreement and upon request, shall provide certificates of insurance to the Customer:

Worker's Compensation	Statutory Limits
Employer's Liability	\$1,000,000 per occurrence/aggregate
Commercial General Liability	\$1,000,000 per occurrence
	\$2,000,000 general aggregate
Automobile Liability	\$1,000,000 per occurrence/aggregate
Excess/Umbrella Liability	\$3,000,000 per occurrence/aggregate

Convergent shall not provide loss runs or copies of its insurance policies. Convergent shall provide to the Customer no less than thirty (30) days' notice prior to the termination or cancellation of any such insurance policy. For services performed in Canada, Convergent shall maintain similar insurance coverage dependent upon the local requirements in Canada and upon the insurance available under Convergent's insurance program. All required insurance coverage shall be reasonable in the circumstances and compliant with local regulations.

SECTION 9. INDEMNIFICATION

To the fullest extent allowed by law, Convergent shall indemnify and hold Customer harmless from and against claims, damages, losses, and expenses (excluding loss of use) attributable to bodily injury, sickness, disease or death, or to destruction of tangible property, but only to the extent caused by the negligent acts or omissions of Convergent or Convergent's employees or subcontractors while on Customer's site.

If Convergent is providing products or services for intrusion detection, detection of specific threats to people or property (including weapons, gunshot, or drone detection), mass notification, ballistics or explosives protection, or processing of biometric, health, financial, or government identifier data (collectively, "Special Offerings"), then to the fullest extent allowed by law (i) Convergent's indemnification obligations under the Agreement do not apply whatsoever and Convergent and Convergent Related Parties have no liability to Customer for any losses or damages caused by any Special Offerings; and (ii) Customer shall indemnify, defend, and hold harmless Convergent and Convergent Related Parties, from and against all claims, demands, actions, liabilities, damages, and costs (including reasonable attorneys' fees) relating to Special Offerings provided by Convergent, except to the extent of Convergent's gross negligence installing such Special Offerings. Any waiver of damages or limitation of liability contained in the Agreement and as modified herein shall not apply to Customer's indemnification, hold harmless and defense obligations herein.

SECTION 10. LIMITATION OF LIABILITY

EXCEPT AS PROVIDED HEREIN, TO THE FULLEST EXTENT ALLOWED BY LAW: (A) IN NO EVENT SHALL EITHER CONVERGINT, CONVERGINT RELATED PARTIES, OR CUSTOMER BE LIABLE UNDER OR IN CONNECTION WITH THIS PROPOSAL FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, LIQUIDATED OR CONSEQUENTIAL DAMAGES, INCLUDING COMMERCIAL LOSS, LOSS OF USE OR LOST PROFITS, EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND (B) THE AGGREGATE LIABILITY OF CONVERGINT AND CONVERGINT RELATED PARTIES ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL NOT EXCEED THE AMOUNTS PAID BY CUSTOMER TO CONVERGINT UNDER THIS AGREEMENT DURING THE 12 MONTH PERIOD IMMEDIATELY PRECEDING THE DATE OF THE FIRST INCIDENT GIVING RISE TO THE LIABILITY. THE EXISTENCE OF MORE THAN ONE CLAIM WILL NOT ENLARGE THIS LIMIT. THE LIMITATION SET FORTH IN THIS SECTION SHALL APPLY WHETHER THE CLAIM IS BASED ON CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE) OR OTHER LEGAL THEORY.

SECTION 11. COMPLIANCE WITH LAW, SAFETY, & SITE CONDITIONS

Convergent agrees to comply with all laws and regulations applicable to its provision of the Services. Customer will comply with all applicable laws and agreements applicable to its use and operation of the Services. Convergent shall comply with all safety related laws and regulations and with the safety program of the Customer, provided such program is supplied to Convergent prior to beginning Services.

If during the course of its Services, Convergent encounters conditions at the site that are subsurface, differ materially from what is represented in the contract documents, or otherwise concealed physical conditions, Convergent shall be entitled to an extension of time and additional costs for the performance of its work.

If Convergent discovers or suspects the presence of hazardous materials or unsafe working conditions at Customer's site where the Services is to be performed, Convergent is entitled to stop the Services at that site if such hazardous materials, or unsafe working conditions were not provided by or caused by Convergent. Convergent in its sole discretion shall determine when it is "safe" to return to perform the Services at Customer's site. Convergent shall have no responsibility for the discovery, presence, handling, removing or disposal of or exposure of persons to hazardous materials in any form at the Customer's site. To the fullest extent allowed by law, Customer shall indemnify and hold harmless Convergent from and against claims, damages, losses and expenses, including but not limited to, reasonable attorney's fees, arising out of or resulting from undisclosed hazardous materials or unsafe working conditions at Customer's site.

SECTION 12. PERSONAL DATA & SECURITY

Convergent's obligations and liabilities regarding Processing of Personal Data and information security shall be limited solely to Processing performed by Convergent's personnel. Processing by OEMs or Third Party Products are governed by any applicable OEM end user licensing agreements or terms and conditions. Customer represents and warrants that it will comply with all applicable Data Protection Laws. Although certain products delivered by Convergent may be capable of processing Biometric Information, Personal Health Information, financial information, or government identifiers ("Sensitive Information"), Customer acknowledges that Convergent is not Processing Sensitive Information (or to the extent it is Processing Sensitive Information, it is doing so strictly in accordance with Customer's instructions) and Customer is solely responsible for compliance of all such Processing with Data Protection Laws. To the fullest extent allowed by law, Customer shall indemnify, defend and hold harmless Convergent from and against all claims, demands, actions, liabilities, damages, and costs (including reasonable attorneys' fees) asserted by a third party arising out of or relating to failure to comply with applicable Data Protection Laws including but not limited to those related to Sensitive Information. Customer acknowledges it has reviewed Convergent's Privacy Policy available at <https://www.convergent.com/privacy-policy/>, "Personal Data", "Process(ing)", "Biometric Information", and "Personal Health Information" shall be interpreted in accordance with, and shall include analogous terminology as used in, applicable laws and regulations relating to data privacy, information security, data protection, data breaches, cross-border data flows, and/or the rights and obligations of persons or entities regarding personal information ("Data Protection Laws").

To the extent Convergent provides cybersecurity services, such services are provided "as is" without warranties or representations of any kind, whether express or implied. Convergent will follow Customer-specified policies to access (including remotely access) Customer information systems; however, Convergent will not be responsible for technical problems that may occur resulting from Convergent following Customer's instructions or for information security losses or harms to the extent that they are not due to the fault of Convergent. Customer-authorized changes to Customer information systems are at Customer's own risk and Customer acknowledges it is responsible for the overall security of its information systems.

SECTION 13. INTELLECTUAL PROPERTY

Convergent shall retain title and ownership of all intellectual property rights relating to the drawings, technical documentation, or other technical information ("Documentation") delivered under this Agreement. The OEMs shall retain title and ownership of all intellectual property rights relating to the Third Party Products and will grant any license and right to use in connection with the Third Party Product through the OEM's end user license agreement or other terms and conditions. Customer shall not use any Documentation supplied by Convergent for any purposes other than those directly related to this Agreement or for the use and/or maintenance of the Third Party Product.

SECTION 14. PRICE ADJUSTMENT

Beginning on the one (1) year anniversary of the Start Date and annually thereafter for the Term of this Agreement, Convergent may automatically adjust the CSP Costs and Rates set forth in this Agreement: (i) by a percentage equal to the annual percent change in the Consumer Price Index ("CPI") for "All Cities, All Urban Consumers" as published by the Bureau of Labor Statistics of the U.S. Department of Labor (if the Services are performed in

the United States) or Statistics Canada (if the Services are performed in Canada) for the 12-month period ending December 31 of the prior year; or (ii) with five (5) days prior written notice, in excess of the CPI if based on: (a) changes by its vendors to the cost of materials or Third Party Products to be provided and/or labor costs related to personnel responsible for performing the Services, (b) macroeconomic conditions, such as taxes, tariffs or duties, natural disasters, labor shortages/strikes, etc., (c) market conditions such as price volatility or availability limitations, or (d) other events not within Convergent's control that impact the cost of performing the Services, and (e) such adjustment is supported by documentation or other evidence. The effective date of this adjustment shall be the first invoice in each new anniversary year. Convergent reserves the right to add periodic surcharges, including without limitation, adjustments for the then current price of fuel, such surcharges to be specified and invoiced by Convergent.

SECTION 15. TERMINATION

If a party materially breaches this Agreement, the other party shall provide written notice of the breach and a reasonable time to cure the breach, but in no event less than 30 days. If the breaching party fails to cure the breach within the specified time period, the non-breaching party may terminate this Agreement upon 15 days written notice to the other party. If Convergent notifies Customer of a material breach pursuant to this paragraph, Convergent may temporarily suspend its services without liability until Customer cures the breach.

SECTION 16. GOVERNING LAW AND DISPUTES

The parties agree that this Agreement shall be governed by the laws of the state/province where the Services are being performed, and venue for disputes shall be located in that state/province.

In the event of any dispute between Convergent and Customer, Convergent and Customer shall first attempt to resolve the dispute in the field, but if that is not successful, then in a meeting between authorized officers of each company. If settlement attempts are not successful, unless the dispute requires injunctive relief, then the dispute shall be decided exclusively by arbitration. Such arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association (if the Services are performed in the United States) or Arbitration Rules of the ADR Institute of Canada, Inc. (if the Services are performed in Canada) currently in effect by a single arbitrator and shall be a final binding resolution of the issues presented between the parties. The prevailing party shall be entitled to recover its reasonable attorneys' fees and costs. Any award by the arbitrator may be entered as a judgment in any court having jurisdiction.

SECTION 17. MISCELLANEOUS

The parties have required that this Agreement be written in English and have also agreed that all notices or other documents required by or contemplated in this Agreement be written in English. Les parties ont requis que cette convention soit rédigée en anglais et ont également convenu que tout avis ou autre document exigé aux termes des présentes ou découlant de l'une quelconque de ses dispositions sera préparé en anglais.

Any changes to this Agreement shall be in writing signed by both Customer and Convergent.

In the event any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect.

Customer waives all claims against Convergent arising from or related to suspension of services pursuant to this Agreement.

Customer and Convergent are independent contractors, and nothing in this Agreement creates any agency, joint venture, partnership, or other form of joint enterprise, employment, or fiduciary relationship between them. Nothing contained in this Agreement shall be deemed to create a relationship of employee or employer between the parties, and neither party shall be entitled to any benefits that the other party provides for its own employees, including workers compensation and unemployment insurance. Each party shall have exclusive control over its own employees, agents, and subcontractors, its labor and employee relations, and its policies relating to wages, hours, working conditions, or other conditions.

Neither party to this Agreement shall assign this Agreement without the prior written consent of the other party hereto. Notwithstanding the foregoing, Convergent may assign this Agreement without notice or consent (i) to any of its parents, subsidiaries or affiliated companies or any entity majority owned by Convergent; or (ii) in connection with a merger, acquisition, reorganization, sale of all of the equity interests of Convergent, or a sale of all or substantially all of the assets of Convergent to which this Agreement relates.

If Customer transfers ownership or management of the Customer's site to a third party, Customer will promptly provide Convergent with the new owner's or manager's contact information and take all such actions as are necessary to assign this Agreement to the third party.

Notices shall be in writing and addressed to the other party, in accordance with the names and addresses of the parties as shown above. All notices shall be effective upon receipt by the party to whom the notice was sent.

In no event will Convergent be obligated to comply with any project labor agreements or other collective bargaining agreements.

A waiver of the terms hereunder by one party to the other party shall not be effective unless in writing and signed by a person with authority to commit the Customer and Convergent. No waiver by Customer or Convergent shall operate as a continuous waiver, unless the written waiver specifically states that it is a continuous waiver of the terms stated in that waiver.

The Sections regarding invoicing, warranty, indemnity, and disputes shall survive the termination of this Agreement.

By signing this Agreement, Customer acknowledges that it reviewed the Important Product Safety and Service Information at <https://www.convergent.com/terms/>.



El Toro Water District- MPR

CUSTOMER SUPPORT

PROGRAM

CUSTOMER SUPPORT PROGRAM PROPOSAL

Date:	7/1/2024	Quotation #:	JV05686388CSP
To:	El Toro Water District 26081 Via Pera Mission Viejo, California 92691	Attn:	El Toro Water District

We are pleased to provide this proposal for your consideration. This quotation is valid for THIRTY (30) days.

CUSTOMER SUPPORT PROGRAM VALUE

The intent of this Customer Support Program (CSP) is to partner with you in maintaining your system(s), minimizing malfunctions and associated downtime. Convergint is committed to providing long-term customer satisfaction and support throughout the service partnership.

A properly planned Customer Support Program (CSP) will optimize the performance and integrity of your systems and extend the life of the systems without compromise to occupant safety and compliance. Upon review of the attached proposal, you'll find that Convergint is uniquely qualified to meet your objectives and become your long-term service partner:

- **PREFERRED PRICING**
Through a CSP, you'll receive preferred service discounts on labor rates and material costs in accordance with Convergint's published Standard Rates.
- **PREFERRED PRIORITY SERVICE RESPONSE**
As a Convergint CSP customer, you will be given priority for emergency service calls. Specific response times are found under the Customer Support Program Implementation section of this proposal.
- **SERVICE DOCUMENTATION**
Each system test and service call will be documented using an inspection report and/or work order completed by our assigned Customer Support Specialist. The Specialist's job will not be complete until their testing and/ or service call is formally documented and presented to a designated customer representative.
- **TRAINED AND QUALIFIED RESOURCES**
A professional team of certified and qualified personnel deliver services performed by Convergint. Specialists have the necessary knowledge, skills, and specialized tools to ensure highest-quality and efficient execution of tasks.



- **TELEPHONE SUPPORT AND CONSULTATION**

Telephone diagnostic support is available for all CSP customers. Our on-call technicians will provide diagnostic and troubleshooting support to help reduce your costs by trying to resolve issues prior to our arrival.

- **MULTI-YEAR PARTNERSHIP**

We approach service as a long-term commitment and have a strong desire to maintain your business. As such, Convergint is committed to establishing mutually beneficial long-term agreements to drive down overall cost of service while allowing you focus on your core business.

- **LOCAL AND GLOBAL SUPPORT**

Convergint delivers services across cities, countries, and continents - but focuses on serving you where you are. When you call us, you reach the local market office - *not a centralized call center*.

- **ONLINE CUSTOMER PORTAL:**

iCare, a secure, user-friendly web-based customer portal, provides visibility, transparency, and collaboration with our customers. A seamless and efficient service experience, you can enjoy instant access to simplified work order entry, real-time updates on status and history, comprehensive service metrics and reporting, and much more – all at your fingertips.

PROPOSED SERVICES YEAR 1

Software Support Agreement

☒ Included ☐ Excluded

The Software Support Agreement is required to have access to product manufacturer firmware and software updates, which keep systems operating with the latest technology and secured with the latest patches. It also provides Convergent access to the product manufacturer technical support team if technical support is required for system troubleshooting. All labor associated with applying firmware and software updates is included in the PPM section below. This option does not include any computer operating system updates or upgrades.

Preventive Maintenance

☐ Included ☒ Excluded

On a scheduled basis, Convergent will provide systems preventive services for components listed within the equipment list contained herein. All preventive maintenance testing will be performed in accordance with manufacturer's recommendations and will address areas that can adversely affect system performance. Preventive maintenance will include a visual inspection and functional test of system components. **Fire Alarm system will still be tested and inspect per NFPA 72 guidelines.**

Comprehensive Labor Coverage

☒ Included ☐ Excluded

For these customers seeking to manage their financial risk associated with service and repair labor, this option is intended to provide comprehensive labor coverage upfront for:

1. Service Calls
2. System Troubleshooting & Diagnostics
3. Component Repair Labor

Comprehensive Equipment Coverage

☒ Included ☐ Excluded

Comprehensive equipment coverage includes the replacement of failed system components noted in the bill of material at no additional cost. This allows customers to fix their potential financial risk that can be associated with unexpected repairs and/ or failed components. Please note that failed or damaged equipment is based on the conditions noted in the terms and conditions of this proposal and excludes such items as natural causes or intentional damage.

Note: Components will be replaced with same or similar technology available at the time of such replacement. Technology upgrades or system enhancements are not included as part of this coverage option.

Remote Online Diagnostics

☒ Included ☐ Excluded

Utilization of industry standard authentication technology to remotely access your system and resolve technical issues in real time resulting in a savings of both time and system downtime. A Convergent Support Specialist, with the support of a screen sharing session, will work directly with your personnel for initial call support and troubleshooting. If the issue cannot be resolved online, a more refined service response will result including the dispatching of a service representative.

Embedded Specialist☐ Included ☒ Excluded

The Embedded System Specialist will report directly to Convergent, with day-to-day accountability to our customer. Specific goals will be established and progress against these goals will be measured quarterly during a formal goal review meeting. The Embedded System Specialist shall manage and administer standard, operational procedures, and assist personnel in day-to-day system operations, this option provides customers with a dedicated resource ensuring system integrity, standardization, and continuity. This is accomplished through program management, technical skills, and innovative communication tools.

Priority Emergency Service Response☒ Included ☐ Excluded

We realize that many customers require a more immediate response to service calls deemed to be priority one. By selecting this Priority On- Site Response option, Convergent will commit to responding to these service calls in (4) hours instead of the standard (8).

Staff Training☐ Included ☒ Excluded

Provides scheduled system training service for your staff. Convergent will provide annual training designed to improve the knowledge and efficiency of your client personnel. Training will be customized to your specific facility and system(s) and will typically include the following topics: system architecture, overall system operation, alarm response procedures, troubleshooting techniques, management report generation, etc. the benefit of this training is that your staff will become more familiar and comfortable with the system(s) and be able to respond effectively and efficiently to alarm situations.

iCare Executive☒ Included ☐ Excluded

This value- added online service tool includes all the features of iCare Manager plus: real-time status, metric and custom report, access to "My Document Library" (i.e., document sharing platform), administrative privileges, and customized email notification.

Annual Software Upgrade☐ Included ☒ Excluded

To keep up with changes in infrastructure and environment, software upgrades are mandatory to keep systems running at an optimal level.

Our expertise covers various aspects of upgrades, including server migration, integration support, resource allocation, scheduled downtime management, and risk mitigation. By leveraging this service, you can upgrade your system seamlessly while minimizing potential risks.

System Administration and Data Redundancy Services☐ Included ☒ Excluded



Convergent will supplement your internal system administration support by providing valued front- end database management services. This valued service is intended to minimize system downtime and to ensure the system database is fully backed- up in the event of losing your valuable information. Services may include:

1. System programming changes
2. Standard & custom report set- up and report generation
3. On- site or web- based system database back- up
4. General front- end system diagnostics

Battery Testing

☐ Included ☒ Excluded

Over time, the batteries lose their ability to provide standby power required by the system in the event of primary power failure. For this reason, batteries should be replaced at specified intervals from date of manufacture or in accordance with manufacturer requirements. The only way to be assured the batteries will work is through proper load testing. This testing will be performed as required during a scheduled Test and Inspection visit. Replacement of batteries is excluded from this proposal.

Customer Asset Reporting

☐ Included ☒ Excluded

Customer asset reporting includes the process of applying registered barcodes to system devices and loading their relevant information into a web- based database. Within 24 hours following the inspection, an on- line database and associated report of the system test will be made available for viewing, downloading, printing, or emailing. This maintenance information can be retrieved anywhere using a standard internet browser. Convergent's web-based reporting system provides immediate documentation to building owners and managers that their systems are being tested and inspected according to manufacturer's requirements and in a timely manner.

Storage Analysis

☐ Included ☒ Excluded

Systems are installed based on calculations provided during the design of the original project. Over time, several variables can impact the storage of your system records (e.g., scene complexity, amount of motion, light levels, etc.). This option includes an analysis of the recording to verify you receive the storage you require. In the event that the storage is lower than desired, Convergent will discuss the available options. Upgrade of the system storage may require additional pricing.

PROPOSED SERVICES YEAR 2-3

Software Support Agreement

☒ Included ☐ Excluded

The Software Support Agreement is required to have access to product manufacturer firmware and software updates, which keep systems operating with the latest technology and secured with the latest patches. It also provides Convergent access to the product manufacturer technical support team if technical support is required for system troubleshooting. All labor associated with applying firmware and software updates is included in the PPM section below. This option does not include any computer operating system updates or upgrades.

Preventive Maintenance

☒ Included ☐ Excluded



On a scheduled basis, Convergent will provide systems preventive services for components listed within the equipment list contained herein. All preventive maintenance testing will be performed in accordance with manufacturer's recommendations and will address areas that can adversely affect system performance. Preventive maintenance will include a visual inspection and functional test of system components. **Includes NFPA 72 Fire Alarm Testing.**

Comprehensive Labor Coverage

☒ **Included** ☐ **Excluded**

For these customers seeking to manage their financial risk associated with service and repair labor, this option is intended to provide comprehensive labor coverage upfront for:

4. Service Calls
5. System Troubleshooting & Diagnostics
6. Component Repair Labor

Comprehensive Equipment Coverage

☒ **Included** ☐ **Excluded**

Comprehensive equipment coverage includes the replacement of failed system components noted in the bill of material at no additional cost. This allows customers to fix their potential financial risk that can be associated with unexpected repairs and/ or failed components. Please note that failed or damaged equipment is based on the conditions noted in the terms and conditions of this proposal and excludes such items as natural causes or intentional damage.

Note: Components will be replaced with same or similar technology available at the time of such replacement. Technology upgrades or system enhancements are not included as part of this coverage option.

Remote Online Diagnostics

☒ **Included** ☐ **Excluded**

Utilization of industry standard authentication technology to remotely access your system and resolve technical issues in real time resulting in a savings of both time and system downtime. A Convergent Support Specialist, with the support of a screen sharing session, will work directly with your personnel for initial call support and troubleshooting. If the issue cannot be resolved online, a more refined service response will result including the dispatching of a service representative.

Embedded Specialist

☐ **Included** ☒ **Excluded**

The Embedded System Specialist will report directly to Convergent, with day-to-day accountability to our customer. Specific goals will be established and progress against these goals will be measured quarterly during a formal goal review meeting. The Embedded System Specialist shall manage and administer standard, operational procedures, and assist personnel in day-to-day system operations, this option provides customers with a dedicated resource ensuring system integrity, standardization, and continuity. This is accomplished through program management, technical skills, and innovative communication tools.

Priority Emergency Service Response

☒ **Included** ☐ **Excluded**



We realize that many customers require a more immediate response to service calls deemed to be priority one. By selecting this Priority On- Site Response option, Convergent will commit to responding to these service calls in (4) hours instead of the standard (8).

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Our expertise covers various aspects of upgrades, including server migration, integration support, resource allocation, scheduled downtime management, and risk mitigation. By leveraging this service, you can upgrade your system seamlessly while minimizing potential risks.

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Convergent will supplement your internal system administration support by providing valued front- end database management services. This valued service is intended to minimize system downtime and to ensure the system database is fully backed- up in the event of losing your valuable information. Services may include:

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☐ Included ☒ Excluded

Systems are installed based on calculations provided during the design of the original project. Over time, several variables can impact the storage of your system records (e.g., scene complexity, amount of motion, light levels, etc.). This option includes an analysis of the recording to verify you receive the storage you require. In the event that the storage is lower than desired, Convergent will discuss the available options. Upgrade of the system storage may require additional pricing.

CLARIFICATIONS, QUALIFICATIONS, AND EXCLUSIONS

Please reference the clarifications, qualifications, and exclusions noted below.

1. Convergent shall be provided unobstructed access to all devices in the building during the system test and inspection.
2. Convergent reserves the right to propose an annual adjustment to the CSP program cost if additional devices or appliances are added to the system during the term of the agreement.
3. Testing of the system does not include troubleshooting of pre-existing system conditions (ground faults, etc.). System was tested and inspected by Convergent in 2022.
4. The customer agrees to provide any necessary equipment to reach inaccessible or limited access equipment if required. A separate waiver, provided by Convergent Technologies, must be signed prior to operating customers lift.
5. Printouts of the existing system databases shall be made available to Convergent for validation of point count and device type if needed.
6. If available, a copy of the system drawings shall be provided to Convergent prior to beginning the testing program if needed.
7. Waterflow and sprinkler supervisory testing are dynamic tests assuming inspector's test points are available, and drains are installed. Otherwise, simulated tests shall be performed at the monitoring device. System does not have sprinkler.
8. The device quantities listed are approximate counts that were estimated during the site walk. All currently installed devices will be included in the inspection.
9. This proposal pricing is based on a 3 Years Customer Support Program package deal. Rates are subject to change if services are individualized.
10. For comprehensive coverages on Fire Alarm Panels, not installed by Convergent Technologies, parts and/or labor will not take effect until the system has been fully inspected by Convergent Technologies and all deficiencies have been corrected. System was tested and inspected by Convergent in 2022.

Convergent's Responsibilities

- a. Company will, once annually, inspect, adjust, clean, lubricate as required, and test the operation of the Equipment.
- b. Company will provide the necessary corrective maintenance (the "Corrective Maintenance") upon Customer request to correct a malfunction and will place the Equipment in operating condition, subject to the Exclusions contained in Section 3. Unless the Corrective Maintenance service call is covered by this Agreement, Customer will be billed separately pursuant to the customary billing rates of Company in effect at that time.
- c. Company will replace parts and/or assemblies in order to return the Equipment to its operating condition, subject to the Exclusions in Section 3. The parts replaced will relate only to the Equipment covered by this Agreement.
- d. Company will provide on-site service for the Equipment during the normal following hours, excluding Federal Holidays.

Customer Responsibilities

- a. Customer agrees to cooperate in the care of the Equipment and to promptly notify Company in the event of any malfunction in the operation of the Equipment. Requests for service are accepted by phone or online at iCare.convergent.com
- b. Customer agrees to give Company employees and representatives full and free access to the Equipment for the purpose of performing the required service hereunder. It is the responsibility of Customer to provide a safe working environment and safe access to Equipment for technicians. The final determination of a safe working environment will reside with the technician.
- c. Customer agrees to maintain at its expense, any software licensing agreements and installed software media required for the operation and or diagnostics of the Equipment. Not applicable to this agreement.
- d. Customer agrees that when service must be provided when cash, negotiable securities, and other valuables are readily accessible, Company employees and representatives shall always be accompanied by Customer's employee or representative.
- e. Customer agrees that additional equipment of like nature may be added to this Agreement at the same pricing rates as included herein and prorated to match the applicable coverage dates. Equipment coming out of warranty will automatically be added to your contract to prevent lapse of coverage.
- f. Payment is acceptance of terms of this agreement.
- g. Customer agrees to obtain and pay for all permits and licenses, and to discharge any fines, imposed by any governmental body or agency relating to the Equipment, its operation or malfunction.
- h. Customer acknowledges that it is its sole responsibility to determine the nature and extent of alarms and other security devices and measures necessary to protect its Equipment and other property, which is not in the possession of Company. Company shall not be liable for losses made possible or arising out of Customer's or any of its contractor's failure to provide, maintain, use or properly monitor and respond to alarms and other security devices necessary to protect Customer's Equipment and other property.
- i. Customer will indemnify and defend Company, its officers, employees, representatives and agents against and hold them harmless from, without limitation, any and all liabilities, losses, costs, damages, claims, expenses, attorneys' fees, expenses of litigation, judgments and encumbrances brought, suffered or incurred by Company or third parties attributable to the acts or omissions of Customer, its employees, officers, agents, representatives or agents, while engaged in the performance of their duties under this Agreement.

NOTE: REVIEW IMPORTANT PRODUCT SAFETY AND SERVICE INFORMATION PRIOR TO USING A CONVERGINT-INSTALLED SOLUTION: See "IMPORTANT PRODUCT SAFETY AND SERVICE INFORMATION" documentation, available at convergent.com/terms.

Exclusions

- a. In the event of a failure of the Equipment to function due to Equipment damage for purposes other than design and/or intended or work performed by other than Company employees or representatives, Company shall have no obligation to perform any services whatsoever. Necessary repairs created by these conditions shall be billable to the customer in full pursuant to the customary billings rates of company then in effect.
- b. Problems related to network issues, communication issues, source voltage problems and other issues not directly related to Equipment components, circuitry or software are not covered under the terms of this Agreement.
- c. When in Company's evaluation, the Equipment or any major sub-system or major component thereof as so classified by Company 1) becomes worn out due to normal wear and tear or, 2) becomes obsolete or outdated due to advances in technology, Company will submit to the Customer a cost estimate for its replacement. If the Customer does not authorize such replacement (the cost of which is outside of this Agreement,) Company may terminate the portion of this Agreement which covers the affected Equipment.
- d. Company will not be responsible for failure or delay, or the consequences thereof, in rendering service occasioned by any circumstances beyond its reasonable control.
- e. The Annual Agreement Fee does not include costs for parts or labor incurred by Company for relocating equipment, changing set-up, changing original features or functions, modifications, or any major overhaul of the Equipment. If any Equipment is relocated, altered, or serviced by persons other than Company representatives during the term of this Agreement, then Company shall have the right to inspect the Equipment for any damage which may have occurred, and Company shall have the right to charge customer for parts and labor required to repair such Equipment at its prices and rates then in effect. If Customer refuses such inspection or repair, then Company has the option to delete such Equipment for coverage hereunder.
- f. This Agreement covers only the services detailed herein that Company is expressly agreeing to undertake. Any service not expressly provided by Company herein is specifically not covered under this Agreement. If Company is requested to provide emergency service outside the times set forth above, which service Company shall have the right to elect or not elect to undertake in its sole discretion, Customer agrees to pay Company overtime rates for hours worked or traveled during such times.

BILL OF MATERIAL

The following bill of materials is intended to establish the baseline for this proposal. This bill of material is not intended to be a comprehensive list of all system parts.

Line	Qty	Annual Freq	Description
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1	4	1	Access Control Door
2	2	1	Access Control Panel
3	2	1	Power Supplies
4	4	1	Batteries
5	1	1	Fire Control Panels (main/ remote)
6	1	1	Dialer / Radio Connection
7	4	1	Notification Devices
8	1	1	Remote Annunciator
9	10	1	Smoke Detector
10	1	1	Intrusion Control Panel
11	10	1	Door Contacts
12	3	1	Keypads
13	1	1	Motion Sensors
14	2	1	Intrusion Power Supplies
15	1	1	Exterior Camera



SERVICE RATES			
Current labor rates	Business Hours (8:00am to 5:00pm)	After hours (Monday- Saturday)	Sunday & Holiday
Standard Rates	\$190/hr	\$285/hr	\$380/hr
CSP Rates	\$165/hr (Included)	\$248/hr	\$330/hr
Truck Charge	\$60/day- Included on a 3-5yr Agreement		

- No mileage of travel time charge if within a 50-mile radius of local CTC.
- Outside 50-mile radius will incur an additional charge for travel time.
- Emergency service and T&M work will be subject to a two-hour minimum.
- Same day emergency requests are subject to afterhours rates.

AGREEMENT DETAILS					
CSP Start Date	TBD				
CSP Duration	3 Years				
	Year 1	Year 2	Year 3	Year 4	Year 5
Total Annual Cost	\$ 2,915.13	\$ 5,455.81	\$ 5,800.86	\$6,005.69	\$6,257.24
Sales Tax	Price excludes applicable sales tax				
Payment Schedule	The CSP will be invoiced annually in the first month of the agreement period unless mutually agreed otherwise.				

BILLING CONTACT

Please provide all applicable billing information and point of contact for coordination and questions.

Customer Name	Attn
Address	Work Phone
Suite (If Applicable)	Cell Phone
City, State & Zip	Email

This pricing is valid for 30 calendar days from the date of this proposal. To accept this proposal, please sign and date below and return to Convergent.

By signing below, I accept this proposal and agree to the Convergent CSP Terms and Conditions Version 3.0 (US AND CANADA) July 2023 contained herein.

Customer Name

Date

Authorized Signature

Printed Name and Title

Throughout this Proposal, including these Terms and Conditions and any attachments, (together, "Agreement") the term "Convergent" refers to the Convergent Technologies affiliate operating in the state/province in which the Services is being performed and "Convergent Related Parties" means Convergent and its contractors, subcontractors, third party product manufacturers or providers.

SECTION 1. THE SERVICES

This Agreement takes precedence over and supersedes any and all prior proposals, correspondence, and oral or written agreements or representations relating to the services set forth in the accompanying Proposal ("Services") and, subject to any changes or addendums, represents the entire agreement between Convergent and Customer.

This Agreement is made without regard to compliance with any special sourcing and/or manufacturing requirements, minority or disadvantaged supplier requirements, or similar government procurement laws. Should such requirements be applicable to this Agreement, Convergent reserves the right to modify and/or withdraw its Agreement.

Customer understands that Convergent is an authorized distributor or reseller and not the manufacturer or developer ("OEM") of software, hardware and equipment (collectively, "Third Party Products") being maintained under this Agreement.

This Agreement assumes the systems and Third Party Products covered are in maintainable condition. If repairs are found necessary upon initial inspection by Convergent, a separate proposal for repair will be submitted for approval. Should this separate proposal be declined, all non-maintainable items will be removed from this Agreement and the CSP Costs adjusted accordingly.

No monitoring services, including UL listed monitoring, are included in the Services. Any such services shall be governed and provided by a separate agreement.

Customer agrees at no cost to Convergent:

- To provide access to all areas of the site for the equipment identified in and/or relating to the List of Covered Equipment (as specified in the accompanying Proposal);
- To supply suitable electrical service as required by Convergent;
- To remove site obstacles and job safety hazards; and
- That in the event of any emergency or systems failure, reasonable safety precautions will be taken by Customer to protect life and property during the period from when Convergent is first notified of the emergency or failure and until such time that Convergent notifies the Customer that the systems are operational or that the emergency has cleared.

It is understood that repair, replacement and emergency service provisions apply only to the systems and Third Party Products covered by this Agreement and identified in the Agreement. Repair or replacement of non-maintainable parts of the systems such as, but not limited to, unit cabinets, insulating materials, electrical wiring, structural supports and other non-moving parts, are not included in this Agreement.

In the event that the systems or Third Party Products included in this Agreement are modified, repaired, have a peripheral device attached to them, or are adjusted (hardware or software) by someone other than a Convergent representative after the Start Date of this Agreement (hereinafter "Modification Event"), Convergent shall have the right to exercise any or all of the following options in response to this Modification Event:

- Require that the systems or Third Party Products impacted by the Modification Event be subject to reacceptance testing by Convergent;
- Require removal of the equipment impacted by the Modification Event from the scope of this Agreement, so that the Services hereunder will not apply to such equipment;
- Require termination of this Agreement upon thirty (30) days' notice to Customer, at Convergent's option.

THE SERVICES AND/OR THIRD PARTY PRODUCTS ARE DESIGNED TO HELP REDUCE, BUT NOT ELIMINATE RISKS OF LOSS RELATING TO CUSTOMER'S SITE OR THIRD PARTIES. THE AMOUNTS BEING CHARGED BY CONVERGENT ARE NOT SUFFICIENT TO GUARANTEE THAT LOSS OR DAMAGE WILL DECREASE OR BE ELIMINATED. Customer acknowledges that proper safety and security requires a layered approach of people, processes, safety, and technologies. The Services, including Third Party Products, provided by Convergent is not sufficient to ensure overall safety and security. Customer acknowledges and agrees that it is responsible for its overall safety and security, including testing and maintenance of the Third Party Products (except to the extent contracted to Convergent by written agreement). Customer acknowledges and agrees that it has a duty of care and is solely responsible for its compliance with applicable laws, rules, and regulations, including but not limited to export and re-export restrictions and regulations, privacy and data protection regulations, applicable OEM instructions, terms and conditions, EULAs, and proper product usage.

Risk of loss, including any materials comprising the Services, shall pass to Customer as the materials are incorporated at Customer's site subject to any end user license agreements. If materials are earlier stored on Customer's site pursuant to agreement between Customer and Convergent, risk of loss with respect to such materials shall pass to Customer upon delivery to Customer's site.

SECTION 2. TERM

This Agreement will commence on the Services start date ("Start Date") and continue for the period of time specified in the accompanying Proposal ("Initial Term"). At the end of the Initial Term, this Agreement will renew automatically for successive terms of one year ("Renewal Term") and together with the Initial Term, the "Term". Either party may terminate this Agreement at the end of the Initial Term or at the end of any subsequent term by giving the other party no less than thirty (30) days written notice prior to the expiration date of the then current term of the Agreement.

SECTION 3. PRICING

Pricing and amounts proposed shall remain valid for 30 days unless otherwise specified. CSP Costs includes only the Services, including Third Party Products, set forth on Convergent's

Proposal, unless noted otherwise. Additional services or Third Party Products, unless negotiated prior to order placement, will be billed accordingly. Sales taxes (or as applicable GST, PST, VAT or similar tax) and any other taxes assessed on Customer shall be added to the CSP Costs upon invoice to Customer.

SECTION 4. INVOICE REMITTANCE AND PAYMENT

Customer agrees to pay the amount due to Convergent as invoiced, within thirty (30) days of the date of such invoice. If Customer is overdue in any payment, Convergent shall be entitled to suspend the Services without liability until paid, charge Customer an interest rate 1 and 1/2% percent per month (or the maximum rate permitted by law, whichever is less), and may avail itself of any other legal or equitable remedy. Customer shall reimburse Convergent costs incurred in collecting any amounts that become overdue, including attorney fees, court costs and any other reasonable expenditure.

SECTION 5. WARRANTY

Warranties for Convergent's Services and Third Party Products are described in the Limited Warranty for Products and Services available at <https://www.convergent.com/terms/>, which is in effect as of the effective date of this Agreement and is incorporated by reference as if set forth herein in full.

SECTION 6. CHANGES

Without invalidating this Agreement or any bond given hereunder, Customer or Convergent may request changes in the Services with a change order signed by both parties. If Customer orders (i) any changes to the Services (e.g. change in objective, deliverables, tasks or hours), (ii) changes to schedule (e.g. frequency of visits), or (iii) causes any material interference with Convergent's performance of the Services, Convergent shall be entitled to an equitable adjustment in the time for performance and in the CSP Costs, including a reasonable allowance for overhead and profit.

SECTION 7. FORCE MAJEURE

Neither Customer nor Convergent shall be liable for any delay or failure in the performance of their respective obligations pursuant to this Agreement due to circumstances beyond their reasonable control ("Force Majeure") and without the fault or negligence of the party experiencing such delay. A Force Majeure event shall include, but not be limited to: acts of God, pandemic or epidemic, diseases, quarantines, unavoidable casualties, concealed conditions, acts of any civil or military authority; riot, insurrections, and civil disturbances; war, invasion, act of foreign enemies, hostilities (regardless of whether or not war is declared), rebellion, revolution, terrorist activities; strikes, lockouts or other labor disputes; embargoes; shortage or unavailability of labor, supplies, materials, equipment or systems; accident, fire, storm, water, flooding, negligence of others, vandalism, power failure, installation of incompatible equipment, improper operating procedures, source current fluctuations or lighting, transportation contingencies; laws, statutes, regulations, and other legal requirements, orders or judgements; acts or order of any government or agency or official thereof, other catastrophes or any other similar occurrences. If performance by either party is delayed due to Force Majeure, the time for performance shall be extended for a period of time reasonably necessary to overcome the effect of the delay and Convergent shall be entitled to an equitable adjustment of the CSP Costs.

SECTION 8. INSURANCE

In lieu of any Customer insurance requirements, for Services performed in the United States, Convergent shall maintain the following insurance coverages during the term of this Agreement and upon request, shall provide certificates of insurance to the Customer:

Worker's Compensation	Statutory Limits
Employer's Liability	\$1,000,000 per occurrence/aggregate
Commercial General Liability	\$1,000,000 per occurrence
	\$2,000,000 general aggregate
Automobile Liability	\$1,000,000 per occurrence/aggregate
Excess/Umbrella Liability	\$3,000,000 per occurrence/aggregate

Convergent shall not provide loss runs or copies of its insurance policies. Convergent shall provide to the Customer no less than thirty (30) days' notice prior to the termination or cancellation of any such insurance policy. For services performed in Canada, Convergent shall maintain similar insurance coverage dependent upon the local requirements in Canada and upon the insurance available under Convergent's insurance program. All required insurance coverage shall be reasonable in the circumstances and compliant with local regulations.

SECTION 9. INDEMNIFICATION

To the fullest extent allowed by law, Convergent shall indemnify and hold Customer harmless from and against claims, damages, losses, and expenses (excluding loss of use) attributable to bodily injury, sickness, disease or death, or to destruction of tangible property, but only to the extent caused by the negligent acts or omissions of Convergent or Convergent's employees or subcontractors while on Customer's site.

If Convergent is providing products or services for intrusion detection, detection of specific threats to people or property (including weapons, gunshot, or drone detection), mass notification, ballistics or explosives protection, or processing of biometric, health, financial, or government identifier data (collectively, "Special Offerings"), then to the fullest extent allowed by law (i) Convergent's indemnification obligations under the Agreement do not apply whatsoever and Convergent and Convergent Related Parties have no liability to Customer for any losses or damages caused by any Special Offerings; and (ii) Customer shall indemnify, defend, and hold harmless Convergent and Convergent Related Parties, from and against all claims, demands, actions, liabilities, damages, and costs (including reasonable attorneys' fees) relating to Special Offerings provided by Convergent, except to the extent of Convergent's gross negligence installing such Special Offerings. Any waiver of damages or limitation of liability contained in the Agreement and as modified herein shall not apply to Customer's indemnification, hold harmless and defense obligations herein.

SECTION 10. LIMITATION OF LIABILITY

EXCEPT AS PROVIDED HEREIN, TO THE FULLEST EXTENT ALLOWED BY LAW: (A) IN NO EVENT SHALL EITHER CONVERGINT, CONVERGINT RELATED PARTIES, OR CUSTOMER BE LIABLE UNDER OR IN CONNECTION WITH THIS PROPOSAL FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, LIQUIDATED OR CONSEQUENTIAL DAMAGES, INCLUDING COMMERCIAL LOSS, LOSS OF USE OR LOST PROFITS, EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND (B) THE AGGREGATE LIABILITY OF CONVERGINT AND CONVERGINT RELATED PARTIES ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL NOT EXCEED THE AMOUNTS PAID BY CUSTOMER TO CONVERGINT UNDER THIS AGREEMENT DURING THE 12 MONTH PERIOD IMMEDIATELY PRECEDING THE DATE OF THE FIRST INCIDENT GIVING RISE TO THE LIABILITY. THE EXISTENCE OF MORE THAN ONE CLAIM WILL NOT ENLARGE THIS LIMIT. THE LIMITATION SET FORTH IN THIS SECTION SHALL APPLY WHETHER THE CLAIM IS BASED ON CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE) OR OTHER LEGAL THEORY.

SECTION 11. COMPLIANCE WITH LAW, SAFETY, & SITE CONDITIONS

Convergent agrees to comply with all laws and regulations applicable to its provision of the Services. Customer will comply with all applicable laws and agreements applicable to its use and operation of the Services. Convergent shall comply with all safety related laws and regulations and with the safety program of the Customer, provided such program is supplied to Convergent prior to beginning Services.

If during the course of its Services, Convergent encounters conditions at the site that are subsurface, differ materially from what is represented in the contract documents, or otherwise concealed physical conditions, Convergent shall be entitled to an extension of time and additional costs for the performance of its work.

If Convergent discovers or suspects the presence of hazardous materials or unsafe working conditions at Customer's site where the Services is to be performed, Convergent is entitled to stop the Services at that site if such hazardous materials, or unsafe working conditions were not provided by or caused by Convergent. Convergent in its sole discretion shall determine when it is "safe" to return to perform the Services at Customer's site. Convergent shall have no responsibility for the discovery, presence, handling, removing or disposal of or exposure of persons to hazardous materials in any form at the Customer's site. To the fullest extent allowed by law, Customer shall indemnify and hold harmless Convergent from and against claims, damages, losses and expenses, including but not limited to, reasonable attorney's fees, arising out of or resulting from undisclosed hazardous materials or unsafe working conditions at Customer's site.

SECTION 12. PERSONAL DATA & SECURITY

Convergent's obligations and liabilities regarding Processing of Personal Data and information security shall be limited solely to Processing performed by Convergent's personnel. Processing by OEMs or Third Party Products are governed by any applicable OEM end user licensing agreements or terms and conditions. Customer represents and warrants that it will comply with all applicable Data Protection Laws. Although certain products delivered by Convergent may be capable of processing Biometric Information, Personal Health Information, financial information, or government identifiers ("Sensitive Information"), Customer acknowledges that Convergent is not Processing Sensitive Information (or to the extent it is Processing Sensitive Information, it is doing so strictly in accordance with Customer's instructions) and Customer is solely responsible for compliance of all such Processing with Data Protection Laws. To the fullest extent allowed by law, Customer shall indemnify, defend and hold harmless Convergent from and against all claims, demands, actions, liabilities, damages, and costs (including reasonable attorneys' fees) asserted by a third party arising out of or relating to failure to comply with applicable Data Protection Laws including but not limited to those related to Sensitive Information. Customer acknowledges it has reviewed Convergent's Privacy Policy available at <https://www.converqint.com/privacy-policy/>. "Personal Data", "Process(ing)", "Biometric Information", and "Personal Health Information" shall be interpreted in accordance with, and shall include analogous terminology as used in, applicable laws and regulations relating to data privacy, information security, data protection, data breaches, cross-border data flows, and/or the rights and obligations of persons or entities regarding personal information ("Data Protection Laws").

To the extent Convergent provides cybersecurity services, such services are provided "as is" without warranties or representations of any kind, whether express or implied. Convergent will follow Customer-specified policies to access (including remotely access) Customer information systems; however, Convergent will not be responsible for technical problems that may occur resulting from Convergent following Customer's instructions or for information security losses or harms to the extent that they are not due to the fault of Convergent. Customer-authorized changes to Customer information systems are at Customer's own risk and Customer acknowledges it is responsible for the overall security of its information systems.

SECTION 13. INTELLECTUAL PROPERTY

Convergent shall retain title and ownership of all intellectual property rights relating to the drawings, technical documentation, or other technical information ("Documentation") delivered under this Agreement. The OEMs shall retain title and ownership of all intellectual property rights relating to the Third Party Products and will grant any license and right to use in connection with the Third Party Product through the OEM's end user license agreement or other terms and conditions. Customer shall not use any Documentation supplied by Convergent for any purposes other than those directly related to this Agreement or for the use and/or maintenance of the Third Party Product.

SECTION 14. PRICE ADJUSTMENT

Beginning on the one (1) year anniversary of the Start Date and annually thereafter for the Term of this Agreement, Convergent may automatically adjust the CSP Costs and Rates set forth in this Agreement: (i) by a percentage equal to the annual percent change in the Consumer Price Index ("CPI") for "All Cities, All Urban Consumers" as published by the Bureau of Labor Statistics of the U.S. Department of Labor (if the Services are performed in

the United States) or Statistics Canada (if the Services are performed in Canada) for the 12-month period ending December 31 of the prior year; or (ii) with five (5) days prior written notice, in excess of the CPI if based on: (a) changes by its vendors to the cost of materials or Third Party Products to be provided and/or labor costs related to personnel responsible for performing the Services, (b) macroeconomic conditions, such as taxes, tariffs or duties, natural disasters, labor shortages/strikes, etc., (c) market conditions such as price volatility or availability limitations, or (d) other events not within Convergent's control that impact the cost of performing the Services, and (e) such adjustment is supported by documentation or other evidence. The effective date of this adjustment shall be the first invoice in each new anniversary year. Convergent reserves the right to add periodic surcharges, including without limitation, adjustments for the then current price of fuel, such surcharges to be specified and invoiced by Convergent.

SECTION 15. TERMINATION

If a party materially breaches this Agreement, the other party shall provide written notice of the breach and a reasonable time to cure the breach, but in no event less than 30 days. If the breaching party fails to cure the breach within the specified time period, the non-breaching party may terminate this Agreement upon 15 days written notice to the other party. If Convergent notifies Customer of a material breach pursuant to this paragraph, Convergent may temporarily suspend its services without liability until Customer cures the breach.

SECTION 16. GOVERNING LAW AND DISPUTES

The parties agree that this Agreement shall be governed by the laws of the state/province where the Services are being performed, and venue for disputes shall be located in that state/province.

In the event of any dispute between Convergent and Customer, Convergent and Customer shall first attempt to resolve the dispute in the field, but if that is not successful, then in a meeting between authorized officers of each company. If settlement attempts are not successful, unless the dispute requires injunctive relief, then the dispute shall be decided exclusively by arbitration. Such arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association (if the Services are performed in the United States) or Arbitration Rules of the ADR Institute of Canada, Inc. (if the Services are performed in Canada) currently in effect by a single arbitrator and shall be a final binding resolution of the issues presented between the parties. The prevailing party shall be entitled to recover its reasonable attorneys' fees and costs. Any award by the arbitrator may be entered as a judgment in any court having jurisdiction.

SECTION 17. MISCELLANEOUS

The parties have required that this Agreement be written in English and have also agreed that all notices or other documents required by or contemplated in this Agreement be written in English. Les parties ont requis que cette convention soit rédigée en anglais et ont également convenu que tout avis ou autre document exigé aux termes des présentes ou découlant de l'une quelconque de ses dispositions sera préparé en anglais.

Any changes to this Agreement shall be in writing signed by both Customer and Convergent.

In the event any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect.

Customer waives all claims against Convergent arising from or related to suspension of services pursuant to this Agreement.

Customer and Convergent are independent contractors, and nothing in this Agreement creates any agency, joint venture, partnership, or other form of joint enterprise, employment, or fiduciary relationship between them. Nothing contained in this Agreement shall be deemed to create a relationship of employee or employer between the parties, and neither party shall be entitled to any benefits that the other party provides for its own employees, including workers compensation and unemployment insurance. Each party shall have exclusive control over its own employees, agents, and subcontractors, its labor and employee relations, and its policies relating to wages, hours, working conditions, or other conditions.

Neither party to this Agreement shall assign this Agreement without the prior written consent of the other party hereto. Notwithstanding the foregoing, Convergent may assign this Agreement without notice or consent (i) to any of its parents, subsidiaries or affiliated companies or any entity majority owned by Convergent; or (ii) in connection with a merger, acquisition, reorganization, sale of all of the equity interests of Convergent, or a sale of all or substantially all of the assets of Convergent to which this Agreement relates.

If Customer transfers ownership or management of the Customer's site to a third party, Customer will promptly provide Convergent with the new owner's or manager's contact information and take all such actions as are necessary to assign this Agreement to the third party.

Notices shall be in writing and addressed to the other party, in accordance with the names and addresses of the parties as shown above. All notices shall be effective upon receipt by the party to whom the notice was sent.

In no event will Convergent be obligated to comply with any project labor agreements or other collective bargaining agreements.

A waiver of the terms hereunder by one party to the other party shall not be effective unless in writing and signed by a person with authority to commit the Customer and Convergent. No waiver by Customer or Convergent shall operate as a continuous waiver, unless the written waiver specifically states that it is a continuous waiver of the terms stated in that waiver.

The Sections regarding invoicing, warranty, indemnity, and disputes shall survive the termination of this Agreement.

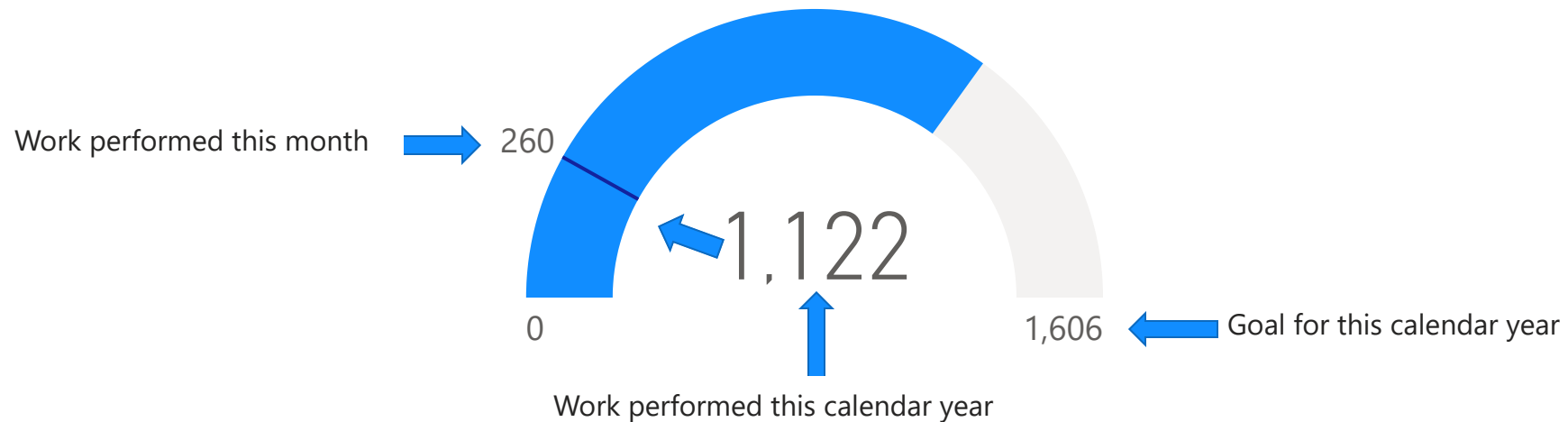
By signing this Agreement, Customer acknowledges that it reviewed the Important Product Safety and Service Information at <https://www.converqint.com/terms/>.



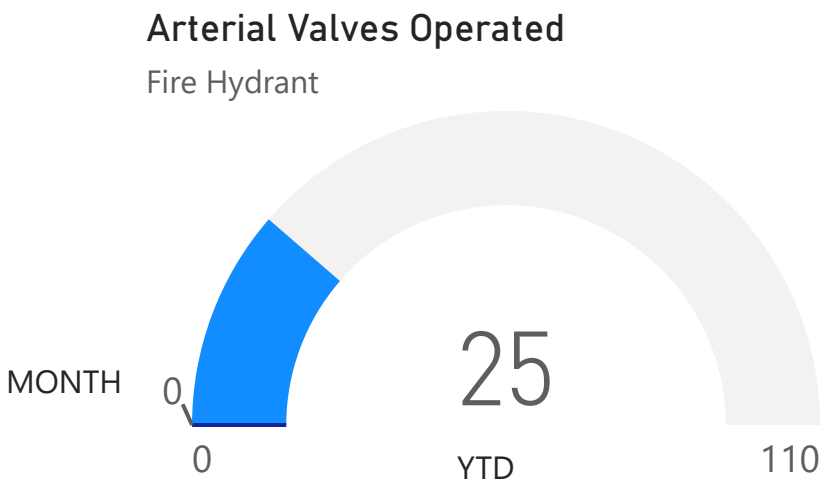
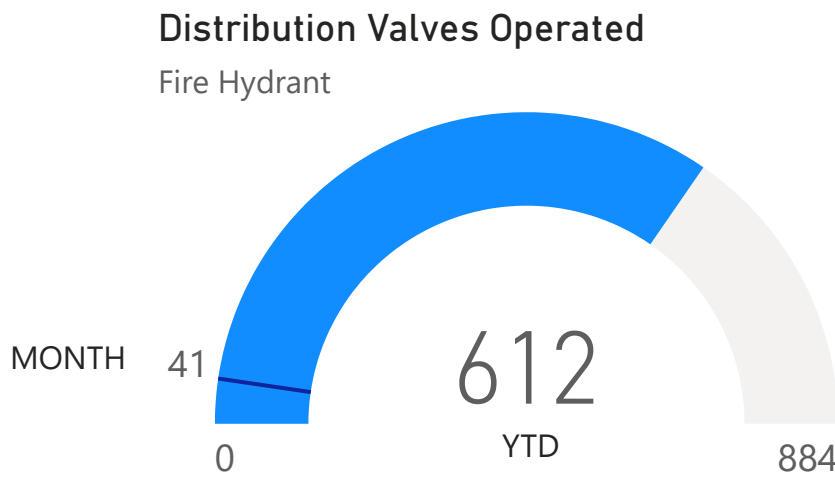
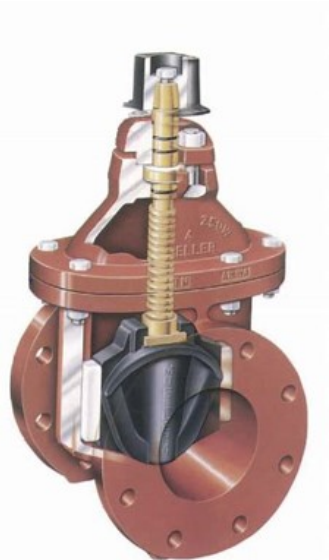
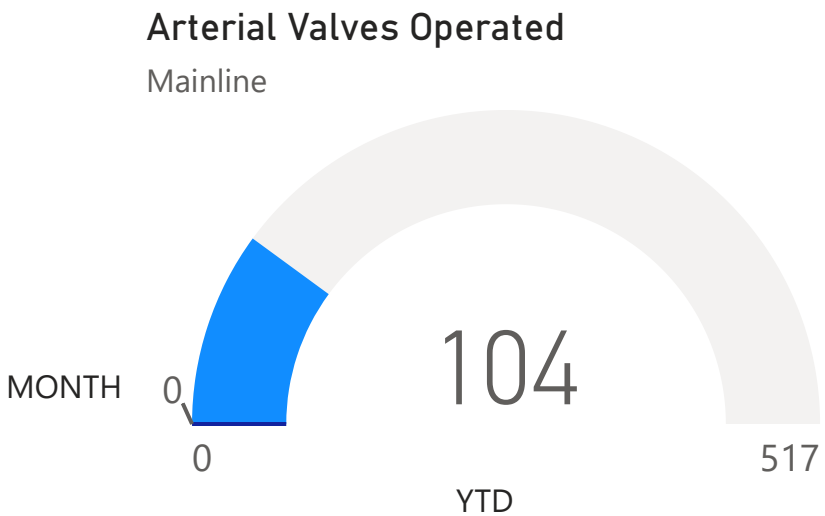
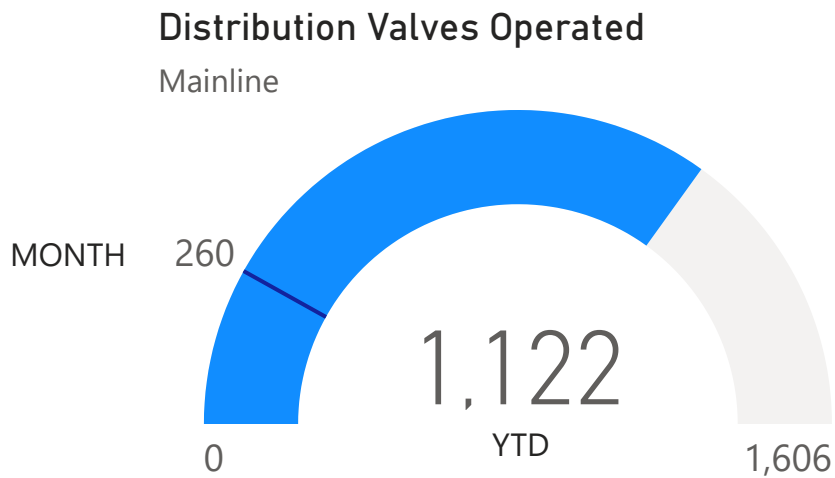
Operations Report

June 2024

How to read the graphics in this report:



Valves



Asset	Month	YTD
Potable Valves Repaired	0	6
Potable Valves Replaced	3	9
Valve Cans Adjusted/Replaced	6	21
Valve Cans Cleaned	4	4
Total	13	40

Note:

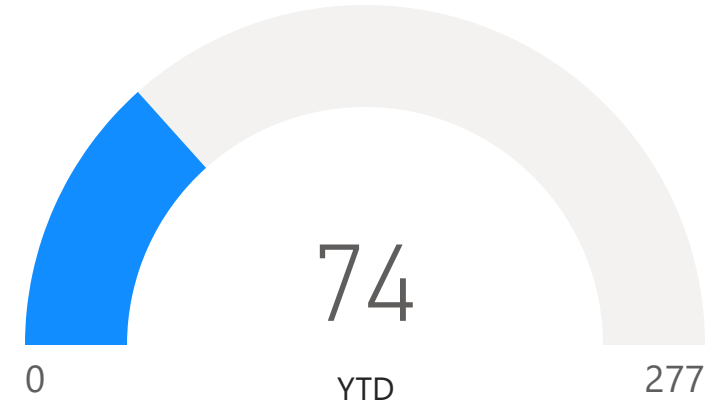
- 1. The distribution valve operation program strives to operate all distribution valves (mainline and fire) every two years. Goals shown on this page represent that for the calendar year (i.e., total number of distribution valves divided by two).
- 2. The arterial valve operation program strives to operate all arterial valves (mainline and fire) every year.

Cross Connection Program

Backflow Assemblies Tested

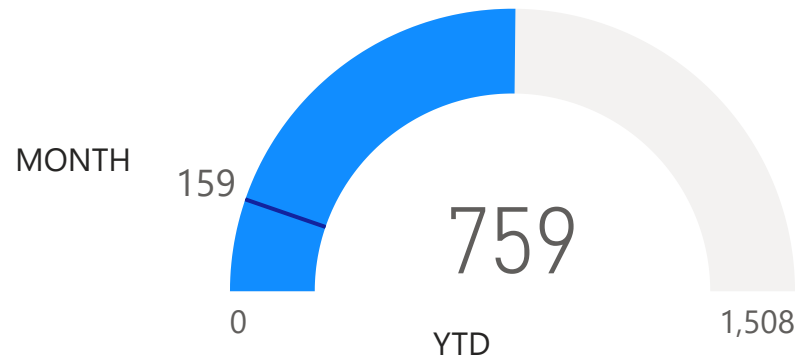


Recycled Water Inspections



Other Facility Maintenance

Generator Inspections



Underground Service Alerts Marked

186
Month

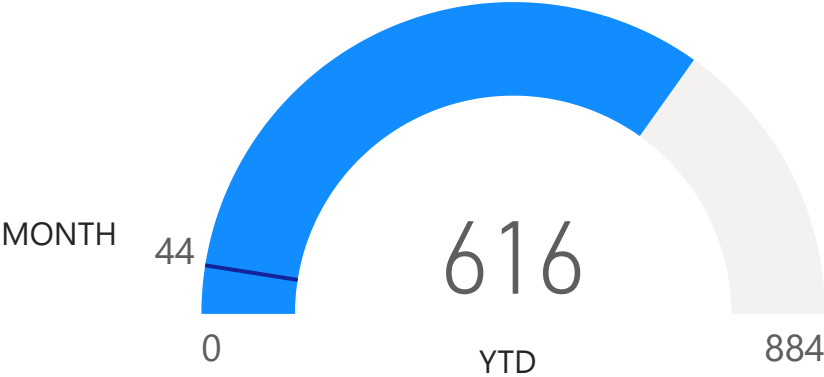
Underground Service Alerts Marked

1,255
YTD

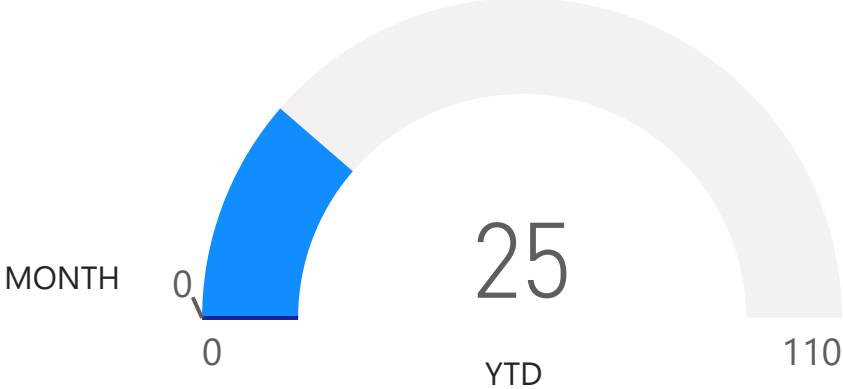
Fire Hydrants



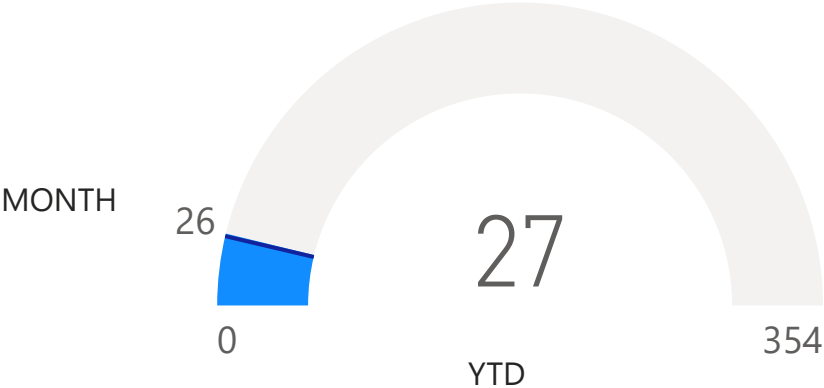
Distribution Hydrants Maintained



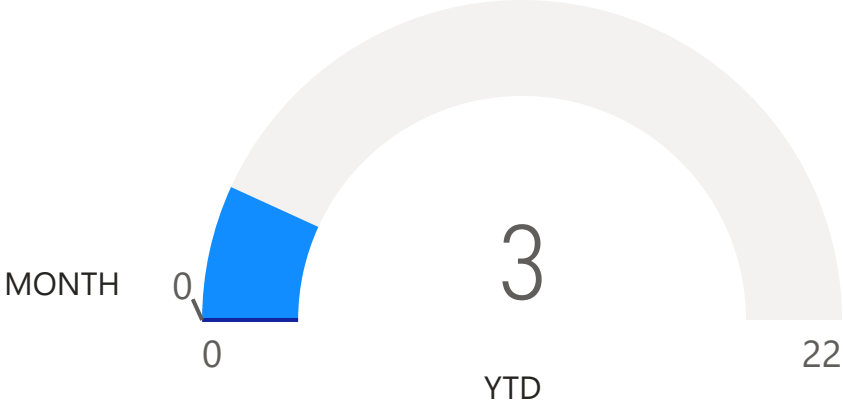
Arterial Hydrants Maintained



Distribution Hydrants Painted



Arterial Hydrants Painted



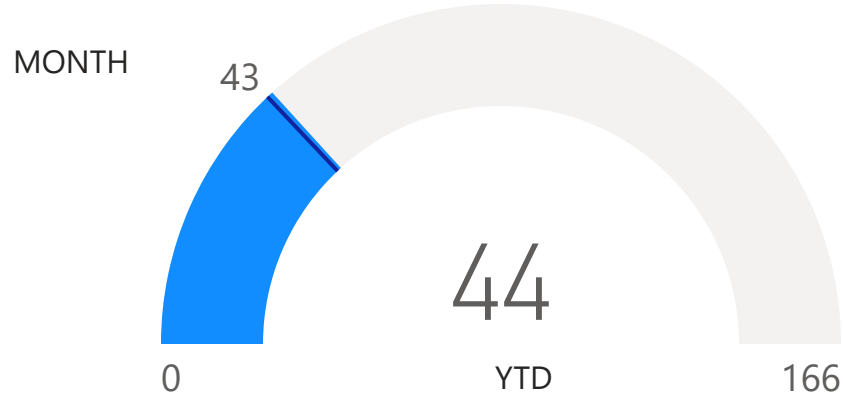
Asset	Month	YTD
Hydrants Repaired	1	9
Hydrants Replaced	0	9
Total	1	18

Note:

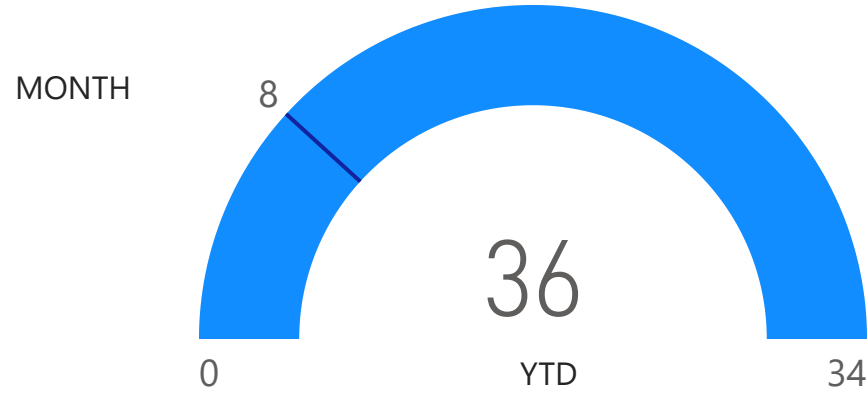
- 1. The hydrant program strives to maintain all distribution hydrants every two years and arterial hydrants every year. Goals shown on this page represent that for the calendar year (i.e., total number of distribution hydrants divided by two).
- 2. The hydrant program strives to paint all hydrants every five years. Goals shown on this page represent that for the calendar year (i.e., total number of hydrants divided by five).

Water Appurtenances

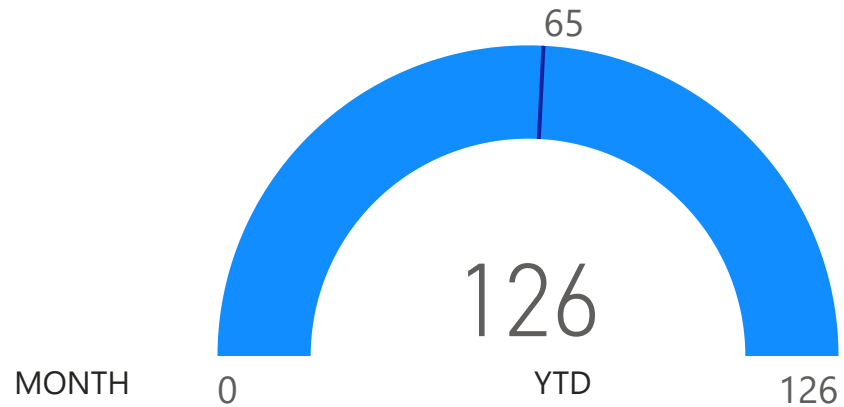
Air Vacs Maintained



PRVs Maintained



Blow Offs Flushed



Water Distribution System

Leak Detection Survey



Asset
▲

Month YTD

Main Line Repairs	0	1
Service Line Repairs	1	5
Service Line Replacement	1	14
Water Pump Motor Services	1	7
Water Pump Services	1	2
Water Reservoir and Pump Station Inspections	115	684



System Flushing
gallons

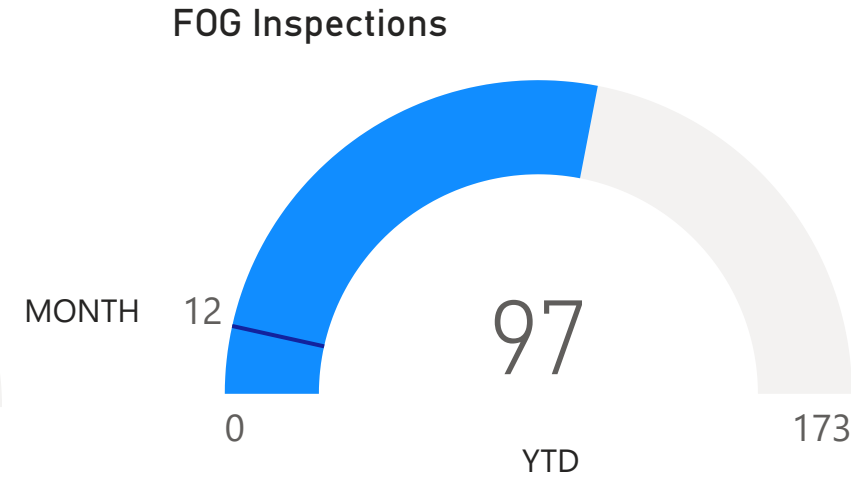
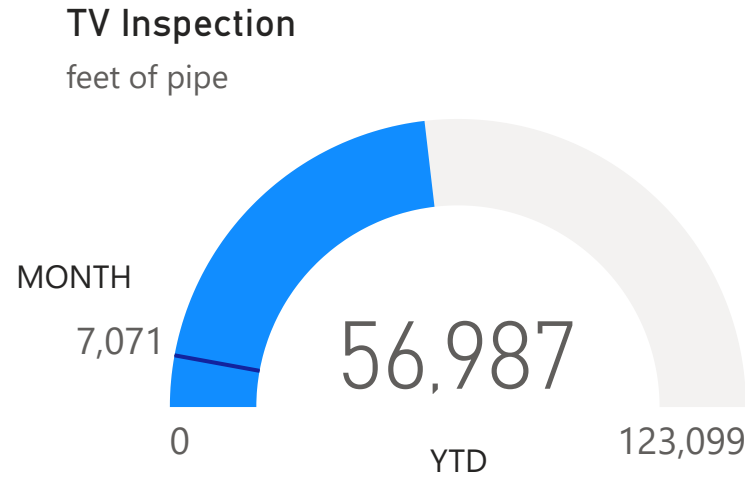
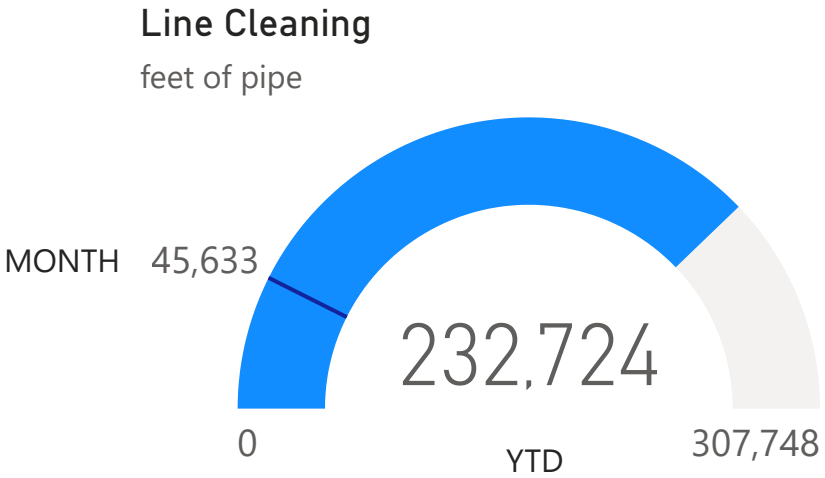
236K
Month



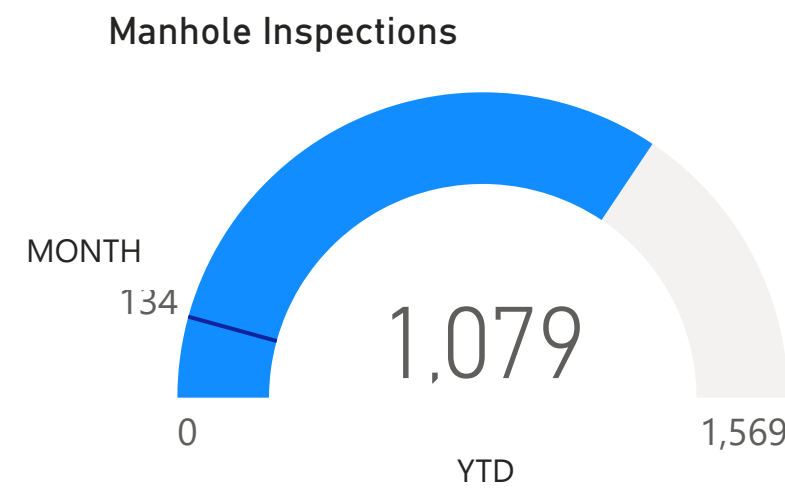
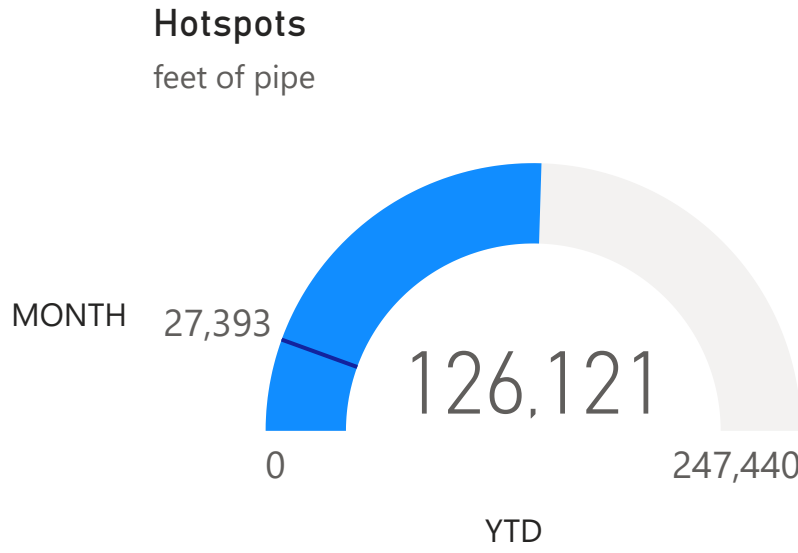
System Flushing
gallons

696K
YTD

Collection System



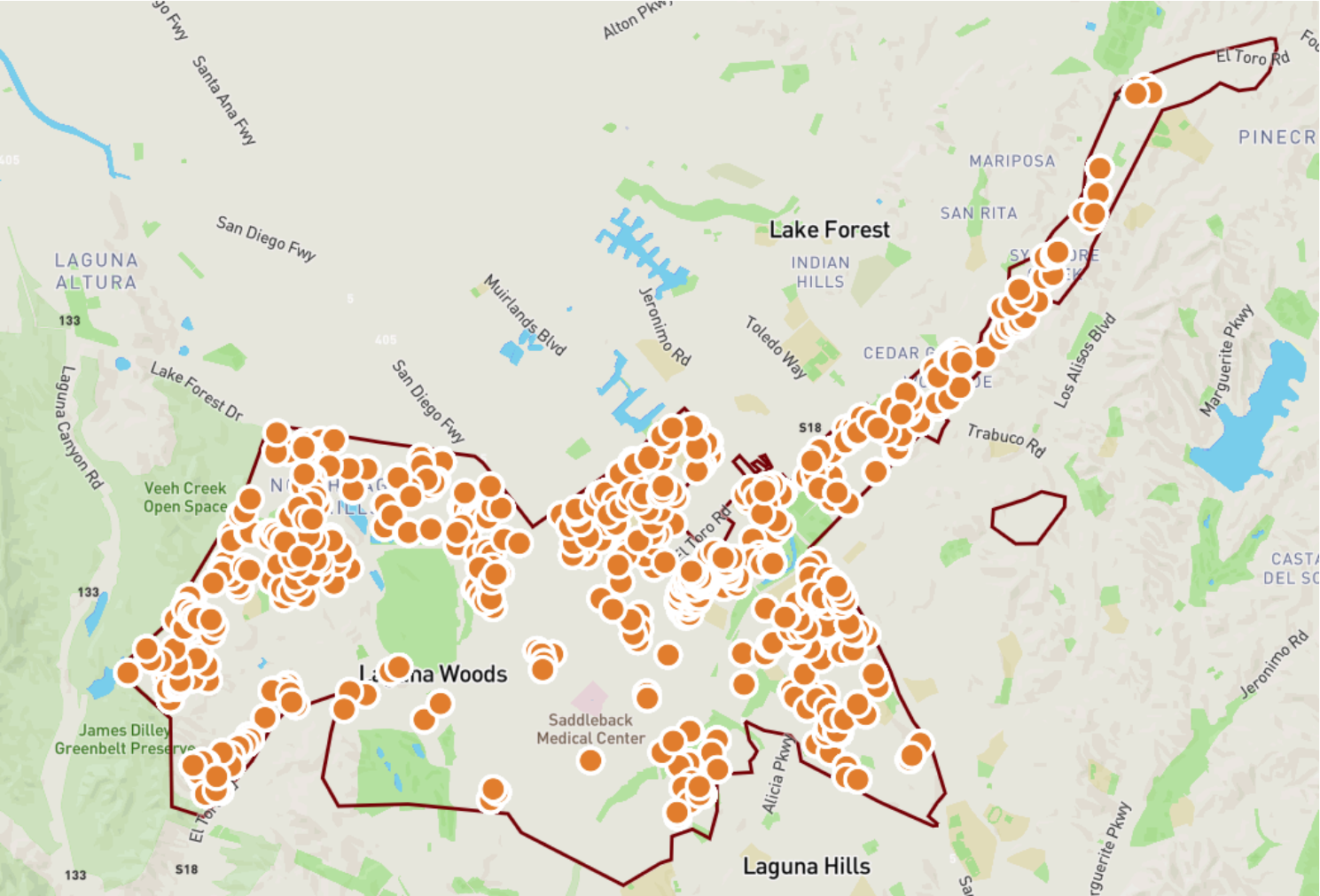
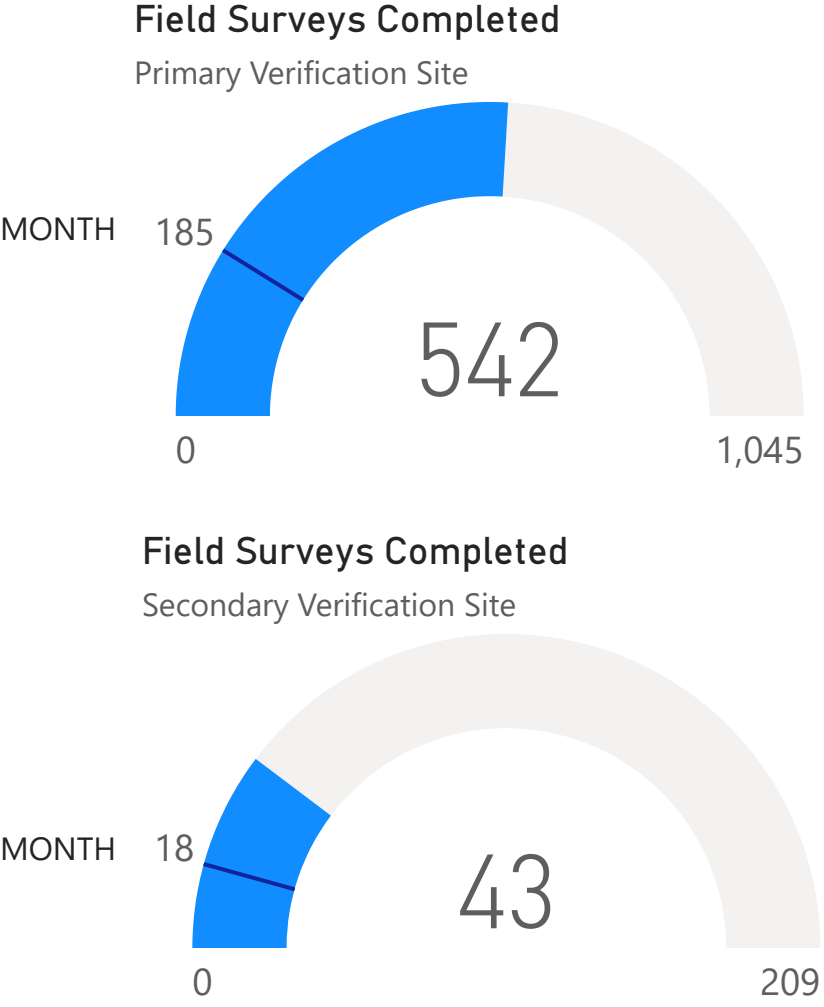
Asset	Month	YTD
Industrial Waste Inspections	2	174
Lift Station Inspections	85	575
Manhole Repairs	0	5
Odor Complaints	0	2
Root Cutting, feet of pipe	0	0
Root Foaming, feet of pipe	0	1,409
Sewer Mainline Repairs	0	0
Sewer Pump/Motor Maintenance	8	36
Sewer Service Line Repairs	0	2
Wet Well Cleaning	3	19



Note:

- 1. The line cleaning objective is a two year cycle to clean the entire system. The current cycle began on 7/1/2022.
- 2. The TV inspection objective is a five year cycle to inspect the entire system. The current cycle began on 1/25/2021.

Lead and Copper Rule Revisions (LCRR) Compliance



Orange dots represent locations where field surveys have been completed.
To date, the District has not found any lead in its service area.

**EL TORO WATER DISTRICT
UNAUTHORIZED DISCHARGE SUMMARY**

DATE	PUBLIC / PRIVATE	SPILL TYPE	LOCATION	REASON	IMMEDIATE CORRECTIVE MEASURES	POST-INCIDENT PREVENTIVE MEASURES	RWQCB	DISCHARGED TO	SPILL VOLUME (PUBLIC) Gallons		SPILL VOLUME (PRIVATE) Gallons		REGULATORY NOTIFICATION AND RESPONSE
									CONTAINED	SPILLED	CONTAINED	SPILLED	
January	No Spill												
February	No Spill												
March	No Spill												
April	No Spill												
May	No Spill												
June	No Spill												
LEGEND									0	0	0	0	
S.D.C. = San Diego Creek		RES. = Residential		R.S. = Rocks									
S.D. = Storm Drain		C. = Commercial		C.W.D. = Calcium Water Deposits									
A.C. = Aliso Creek		S.B. = Siphon		B.P. = Broken Pipe									
G.B. = Grease Blockage		P.F. = Power Failure		U.W. = Untreated Water									
S. = Sticks		P. = Paper		R. = Roots									

**EL TORO WATER DISTRICT
MONTHLY POTABLE WATER QUALITY REPORT**

The quality and safety of drinking water in the U.S. is regulated by the federal government through the U.S. Environmental Protection agency (USEPA). In California, those standards are enforced by the California Department of Public Health (CDPH). Water Quality parameters must meet both primary and secondary water quality standards as established by the CDPH.

PRIMARY STANDARDS - are intended to protect public health against substances in the water that may be harmful to humans if consumed for long periods of time.

SECONDARY STANDARDS - are to ensure esthetic qualities of water such as taste, odor or clarity. Rather than its healthfulness, these standards govern substances that may influence consumer acceptance of water.

Given that 100% of ETWD's potable water resource is fully treated and delivered by Metropolitan Water District of southern California (MWDSC) through an enclosed and protected conveyance system, the majority of the State and federal primary and secondary source water quality monitoring requirements are performed by MWDSC. The District's physical responsibility for water quality monitoring is associated with the distribution system. To monitor the distribution system water quality the District utilizes both in house and outside lab services. Routine distribution analysis conforming to CDPH requirements is conducted for the following constituents:

- 1) **Microbiological** - The number of microbiological samples and the frequency of analysis during the month is based on the population and/or service connections served. Utilizing a population of 50,000, the CDPH requires that 20 "representative" samples be collected and analyzed for coliform bacteria. The objective is to maintain water quality that is absent of coliform bacteria which is a general indicator for the existence of fecal coliform.
- 2) **Chlorine Residual** - The chlorine residual monitoring is performed in conjunction with the microbiological monitoring. The CDPH requirement for treated surface water mandates that the distribution system maintain a "detectable" residual. The number of and frequency of sampling is determined utilizing the same formula applied to microbiological requirements. At a minimum, we are obligated to collect and analyze for chlorine residual each time we collect the representative microbiological samples. Per EPA Disinfectants & Disinfection Byproduct Rule (D/DBP), which was effective January 2002, requires quarterly reporting for all sampling.
- 3) **TTHM & HAA5 Stage 2 DBPR Compliance** The U.S. Environmental Protection Agency (EPA) published the Stage 2 Disinfectants and Disinfection Byproducts Rule (Stage 2 DBPR) on January 4, 2006. The Stage 2 DBPR builds on existing regulations by requiring water systems to meet disinfection byproduct (DBP)* maximum contaminant levels (MCLs) at each monitoring site in the distribution system to better protect public health. The Stage 2 DBP rule is intended to reduce potential cancer and reproductive and developmental health risks from disinfection byproducts (DBPs) in drinking water, which form when disinfectants are used to control microbial pathogens. This final rule strengthens public health protection for customers of systems that deliver disinfected water by requiring such systems to meet maximum contaminant levels as an average at each compliance monitoring location (instead of as a system-wide average as in previous rules) for two groups of DBPs, trihalomethanes (TTHM) and five haloacetic acids (HAA5). The rule targets systems with the greatest risk and builds incrementally on existing rules. This regulation will reduce DBP exposure and related potential health risks and provide more equitable public health protection. The Stage 2 DBPR is being released simultaneously with the Long Term 2 Enhanced Surface Water Treatment Rule to address concerns about risk tradeoffs between pathogens and DBPs.

The mandatory requirement under the Stage 2 DBP rule, known as an Initial Distribution System Evaluation (IDSE) was completed by ETWD in 2008 and a Stage 2 monitoring plan has been approved by CDPH. Full Stage 2 compliance begins in 2012. The IDSE identified the locations with high disinfection byproduct concentrations. These locations will then be used by the District as the 8 sampling sites for Stage 2 DBP rule compliance monitoring. Compliance with the maximum contaminant levels for two groups of disinfection byproducts (TTHM and HAA5) will be calculated for each monitoring location in the distribution system. This approach, referred to as the locational running annual average (LRAA), differs from current requirements, which determine compliance by calculating the running annual average of samples from all monitoring locations across the system. The Stage 2 DBP rule also requires each system to determine if they have exceeded an operational evaluation level, which is identified using their compliance monitoring results. The operational evaluation level provides an early warning of possible future MCL violations, which allows the system to take proactive steps to remain in compliance. A system that exceeds an operational evaluation level is required to review their operational practices and submit a report to the state that identifies actions that may be taken to mitigate future high DBP levels, particularly those that may jeopardize their compliance with the DBP MCLs.

- 4) **Physical Quality** - Physical Quality analysis is associated with the esthetic qualities of the finished water. Primarily, we are performing analysis for taste, odor and Turbidity (Clarity). In accordance with CDPH requirements, the District collects a minimum of 15 samples per month.
- 5) **Nitrites** - Although the chloramine disinfection process has been effective in controlling TTHM levels, it requires increased monitoring and adjustment as a result of its susceptibility to the Nitrification process. Nitrification is a biological process caused by naturally occurring ammonia oxidizing bacteria. Nitrification in chloraminated drinking water can have various adverse impacts on water quality, the most serious of which is the loss of total chlorine residual which is required by the CDPH and the subsequent potential to increase bacteria-logical activity within the finished or treated water system. MWD has developed an effective nitrification monitoring and prevention program which ETWD staff have adopted and incorporated into the District's daily water quality monitoring and action plan. The number and frequency of this type of monitoring is not currently regulated by CDPH. Staff monitor the level of nitrites in source water, reservoirs and the distribution system daily and weekly in conjunction with the microbiological and chlorine sampling program. A nitrite level of between 0.015 and 0.030 would signal an alert. > 0.030 would require action such as the addition of chlorine to produce a chloramine residual.

EL TORO WATER DISTRICT MONTHLY POTABLE WATER QUALITY ANALYSIS					
MONTH:		April		YEAR : 2024	
CONSTITUENT ANALYSIS		INSIDE LAB		OUTSIDE LAB	
	MCL	NO.	RESULTS	NO.	RESULTS
1 Microbiological	Pres/Absence	101	Absence		Average
2 Chlorine (ppm) In Field	Detectable Resid	209	Average = 1.64 ppm		
3 TTHM (ppb) (Stage 2)	80 ppb			8	34.9
3 HAA5 (ppb) (Stage 2)	60 ppb			8	7.4
4 Physical Quality:			RANGE		
Turbidity (ppm)	5 NTU	20	0.02 to 0.22 Res.		
Odor	3 Units	20	ND<1		
Color	15 Units	20	ND<5		
Temperature	No standard	20	70°F To 80°F		
5 Nitrite (Alert/Action level) ppm	0.002 to 0.179 ppm	181	0.000 to 0.160		

To ensure water quality compliance, the District annually performs approximately 8,750 water quality analytical evaluations of the samples collected from the distribution system.

Abbreviations:

RES	Indicates that the nitrification was isolated to a reservoir and treated
ND	None detected
Pres/Absence	Presence (P) or Absence (A) related to a positive or negative bacteriological result
MCL	Maximum Contaminant Level
NTU	Nephelometric Turbidity Units, a measure of the suspended material in the water
ppm	Parts per million
ppb	Parts per billion
Total Coliform	No more than 5% of the monthly samples may be total coliform-positive
N/A	Not available

2nd/3rd Quarter Compliance Reports		
<u>June Monthly Reports</u>		
May's Revised Total Coliform Monitoring (Bactis)	Due by June 10th Submitted June 4th	Sent to Region 8, Dennis Cafferty and Scott Hopkins
May Surface Water Treatment (Bactis)	Due by June 10th Submitted June 4th	Sent to Region 8, Dennis Cafferty and Scott Hopkins
May's Self-Monitoring Report for Recycled Water	Due by June 30th Submitted June 26th	Sent to Region 8, Dennis Cafferty and Scott Hopkins
May's Self-Monitoring Report for Planned Discharges	Due by June 30th Submitted June 4th	Sent to Region 8, Dennis Cafferty and Scott Hopkins
<u>July Monthly Reports</u>		
June's Surface Water Treatment (Bactis)	Due by July 10th Submitted July 1st	Sent to Region 8, Dennis Cafferty and Scott Hopkins
June's Revised Total Coliform Monitoring (Bactis)	Due by July 10th Submitted July 1st	Sent to Region 8, Dennis Cafferty and Scott Hopkins
2nd Quarter Stage 2 Disinfection TTHM/HAA5	Due by July 10th Submitted July 1st	Sent to Region 8, Dennis Cafferty and Scott Hopkins
2nd Quarter Report of Disinfectant Residuals	Due by July 10th Submitted July 1st	Sent to Region 8, Dennis Cafferty and Scott Hopkins
Annual Storm Water Report	Due by July 15th Submitted July 16th	smarts.waterboards.ca.gov Submitted Electronically on website
2nd Quarter Self-Monitoring Report for Recycled Water	Due by July 30th	Sent to Region 8, Dennis Cafferty and Scott Hopkins
June's Self-Monitoring Report for Planned Discharges	Due by July 30th Submitted July 17th	Sent to Region 8, Dennis Cafferty and Scott Hopkins

Staff Training Log 2024



First Quarter

Training Topic	Duration	Frequency	Modality	Participants
Safety Tailgate Meeting	30 Minutes	Weekly	In Person	Field Staff/Completed
Bloodborne Pathogens	1 Hour	Annual	Online	All Employees/Completed
Hearing	1 Hour	Annual	Online	All Employees/Completed
811 Dig Alert	2 Hours	As Needed	In Person Consultant	Field Staff/Need to Schedule
Spill Reporting	1 Hour	As Needed	In Person	Field Staff
Fit Testing	30 Mins	Annual	In Person	Field Staff/Completed
Class A	80 Hours	As Needed	In Person Consultant	2 Employees/Completed
Quarterly Total Hrs- 12				
Total Hrs Completed- 9				
2 Employees Hrs- 89 (Class A)				

Second Quarter

Training Topic	Duration	Frequency	Modality	Participants
Safety Tailgate Meeting	30 Mins	Weekly	In Person	Field Staff
Fire Prevention	1 Hour	Annual	Online	All Staff/Assigned
Fire Extinguisher	1 Hour	Annual	Online	All Staff/Assigned
Silica	1 Hour	Annual	In Person Consultant	Field Staff/Completed
Asbestos AC Pipe	3 Hours	Annual	In Person Consultant	Field Staff/Completed
Line Locator	4 Hours	Annual	In Person Consultant	Field Staff/Need to Schedule
Sodium Hypochlorite	1 Hour	Annual	In Person	Field Staff/Need to Schedule
CPR/AED/First Aide	4 Hours	Every 2 Years	In Person Consultant	All Staff/Completed
Quarterly Total Hrs- 21.5				
Total Hrs Completed- 16.5				

Third Quarter

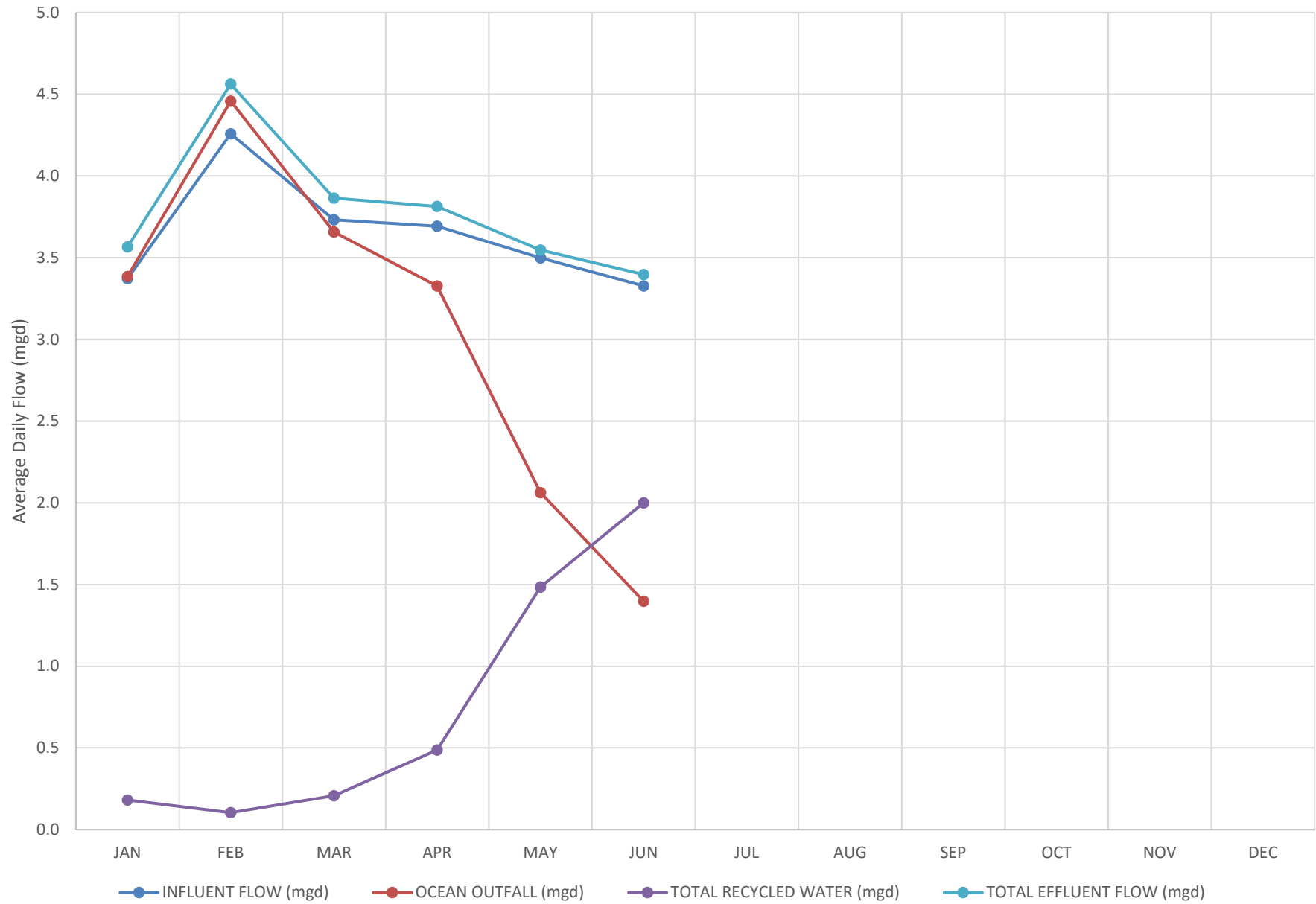
Training Topic	Duration	Frequency	Modality	Participants
Safety Tailgate Meeting	30 Mins	Weekly	In Person	Field Staff/Weekly
Low Voltage Electrical Safety	1 Hour	Annual	Online	Field Staff/Assigned
Working in Extreme Temperatures	1 Hour	Annual	Online	Field Staff/Assigned
General Office Ergonomics	1 Hour	Annual	Online	Field Staff/Assigned
Health and Wellness	1 Hour	Annual	Online	Field Staff/Assigned
HAZWOPER	8 Hours	Annual	In Person	Field Staff/Scheduled
SCBA	1 Hour	Annual	In Person	Need to Schedule
Quarterly Total Hrs- 19.5				
Total Hrs Completed- 5.5				

EL TORO WATER DISTRICT

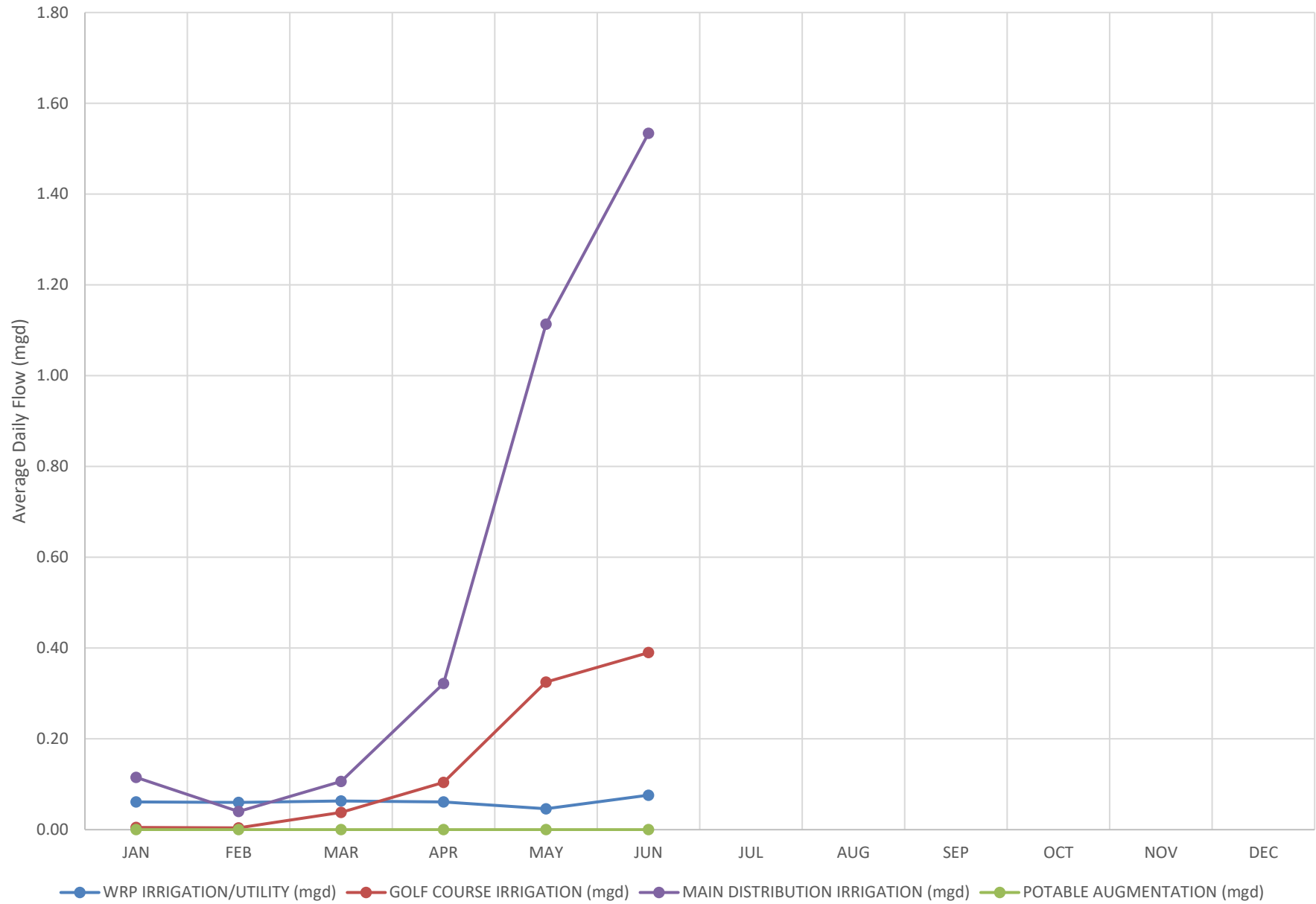
OPERATIONAL DATA FROM WATER RECYCLING PLANT

[illegible]

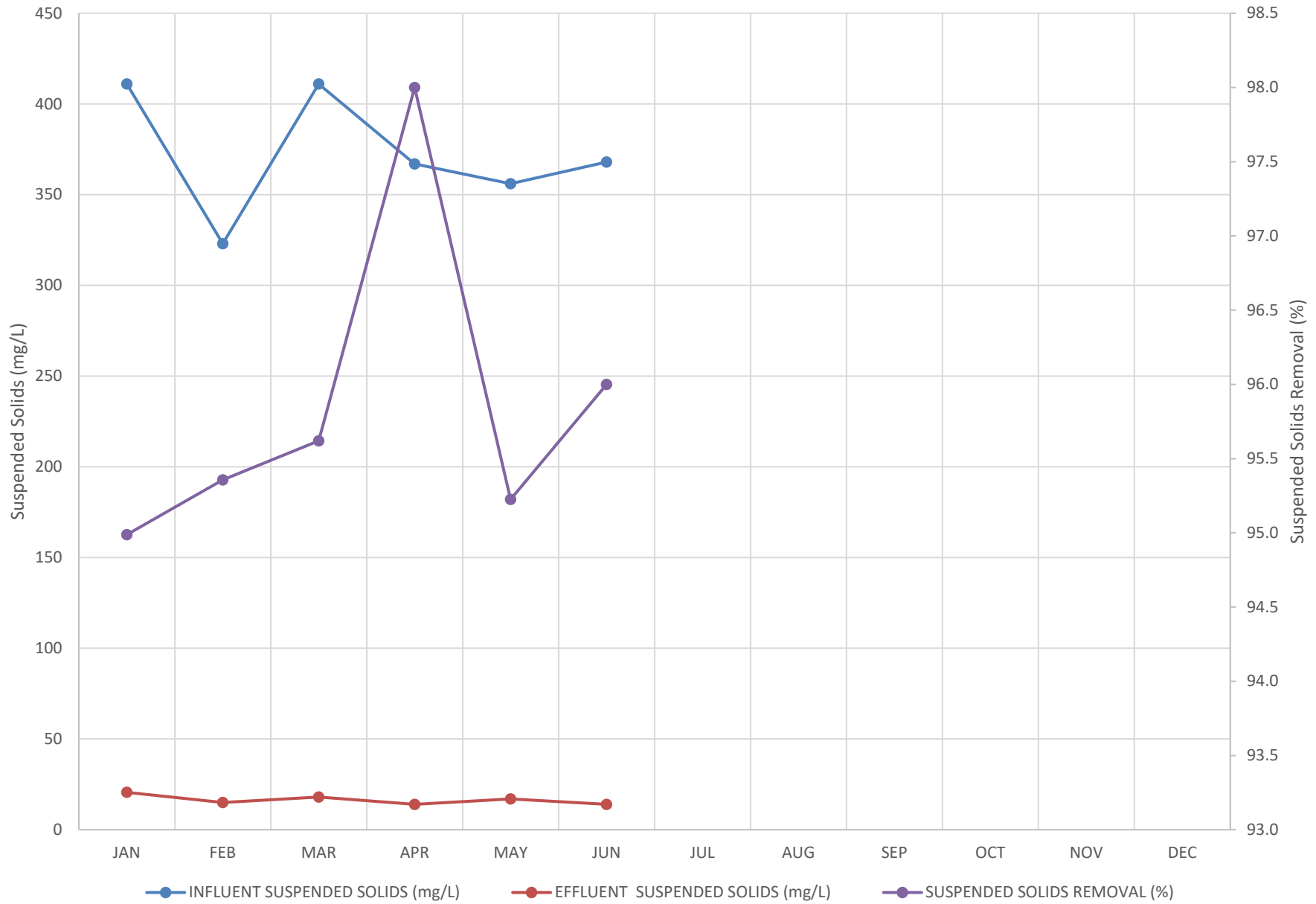
WRP Flow Trends



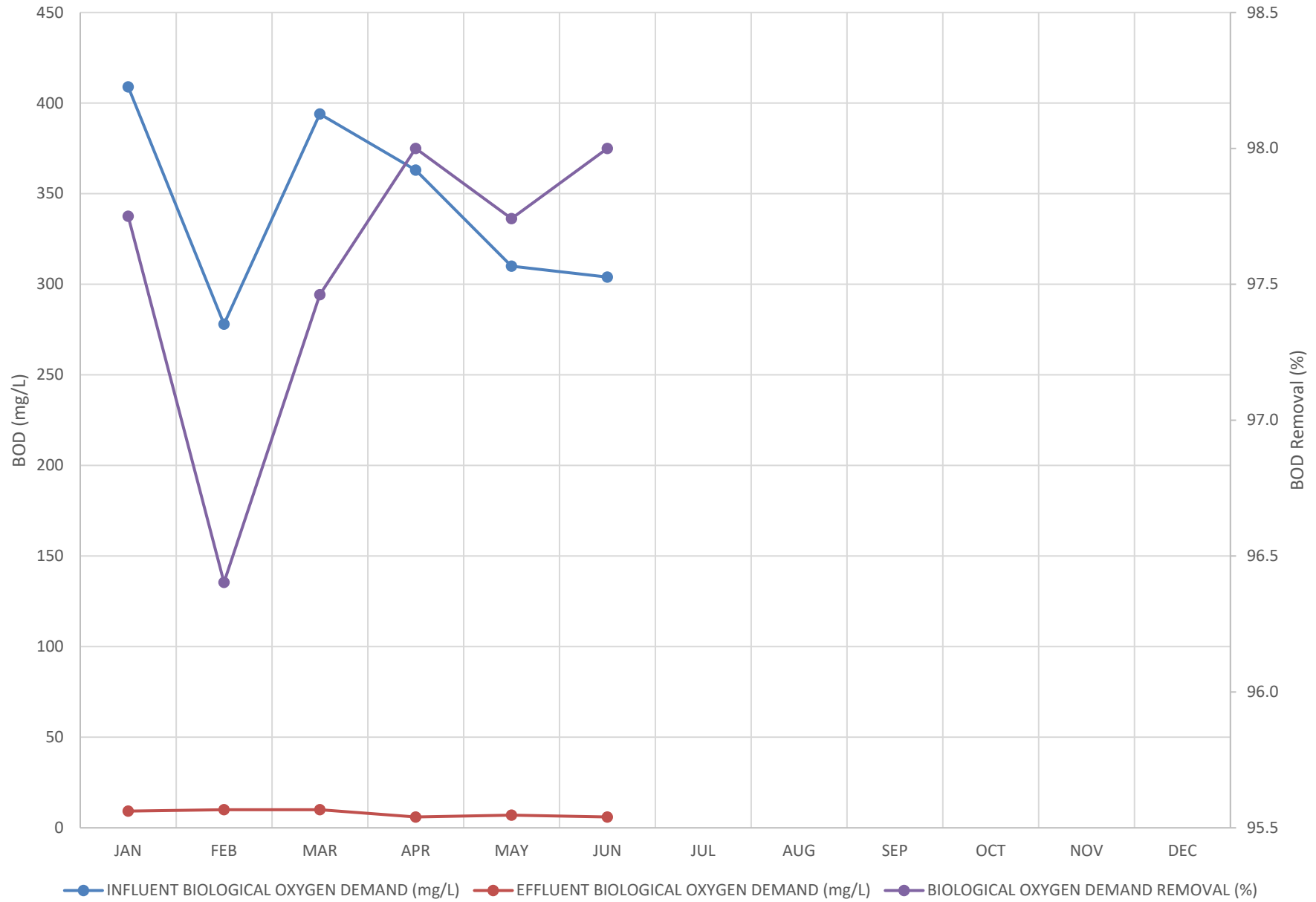
Recycled Water Flow Trends



Suspended Solids Trends



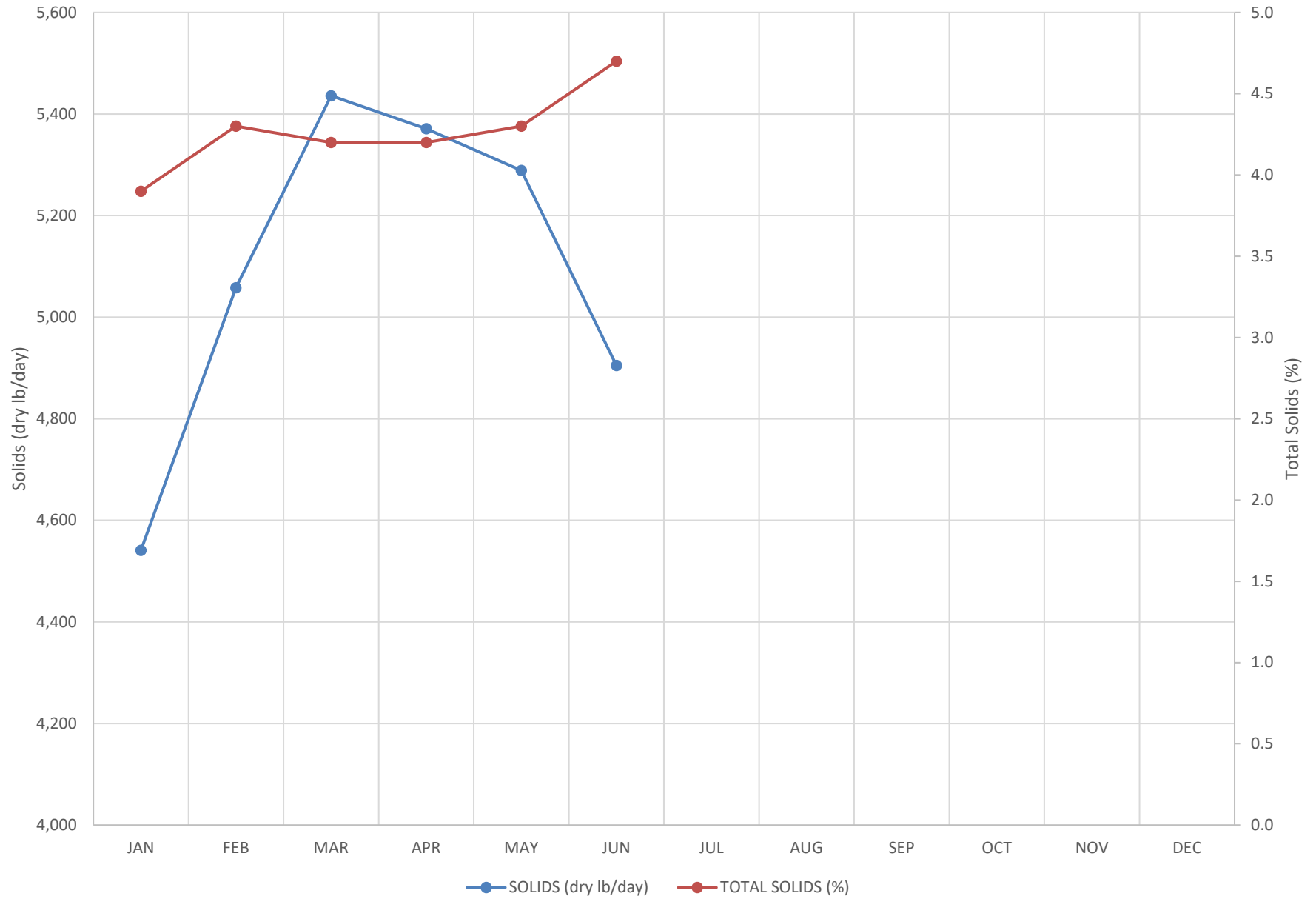
Biological Oxygen Demand (BOD) Trends



SOCWA Hauling Trends



Solids Trends



WRP BATTERY STORAGE SYSTEM

MONTHLY REPORT

June 2024

Year 5



YEAR	BILLING PERIOD	BILL SAVINGS	NET SAVINGS	YEAR TOTAL
1	08/13/19 - 09/12/19	\$ 5,529.24	\$ 3,939.24	
	09/12/19 - 10/11/19	\$ 2,556.42	\$ 966.42	
	10/11/19 - 11/13/19	\$ (471.94)	\$ (2,061.94)	
	11/13/19 - 12/13/19	\$ 168.96	\$ (1,421.04)	
	12/13/19 - 01/14/20	\$ (2,149.49)	\$ (3,739.49)	
	01/14/20 - 02/12/20	\$ 989.24	\$ (600.76)	
	02/12/20 - 03/13/20	\$ 397.27	\$ (1,192.73)	
	03/13/20 - 04/13/20	\$ (2,879.16)	\$ (4,469.16)	
	04/13/20 - 05/13/20	\$ 459.74	\$ (1,130.26)	
	05/13/20 - 06/12/20	\$ 3,613.71	\$ 2,023.71	
	06/12/20 - 07/15/20	\$ 5,171.20	\$ 3,581.20	
	07/15/20 - 08/13/20	\$ 5,783.19	\$ 4,193.19	
				\$ 88.38
2	08/13/20 - 09/14/20	\$ 1,727.18	\$ 137.18	
	09/14/20 - 10/14/20	\$ 1,142.91	\$ (447.09)	
	10/14/20 - 11/13/20	\$ 993.16	\$ (596.84)	
	11/13/20 - 12/15/21	\$ 1,814.40	\$ 224.40	
	12/15/20 - 01/14/21	\$ 252.77	\$ (1,337.23)	
	01/14/21 - 02/12/21	\$ 2,598.74	\$ 1,008.74	
	02/12/21 - 03/16/21	\$ 2,545.66	\$ 955.66	
	03/16/21 - 04/14/21	\$ 442.16	\$ (1,147.84)	
	04/14/21 - 05/13/21	\$ 4,658.68	\$ 3,068.68	
	05/13/21 - 06/14/21	\$ 5,828.63	\$ 4,238.63	
	06/14/21 - 07/14/21	\$ 7,090.27	\$ 5,500.27	
	07/14/21 - 08/12/21	\$ 11,656.05	\$ 10,066.05	
				\$ 21,670.61
3	08/12/21 - 09/13/21	\$ 3,251.24	\$ 1,661.24	
	09/13/21 - 10/13/22	\$ 4,854.74	\$ 3,264.74	
	10/13/21 - 11/12/21	\$ 1,835.55	\$ 245.55	
	11/12/21 - 12/14/21	\$ 1,953.12	\$ 363.12	
	12/14/21 - 01/13/22	\$ (624.65)	\$ (2,214.65)	
	01/13/22 - 02/11/22	\$ 40.42	\$ (1,549.58)	
	02/11/22 - 03/15/22	\$ 647.37	\$ (942.63)	
	03/15/22 - 04/13/22	\$ 2,556.61	\$ 966.61	
	04/13/22 - 05/13/22	\$ 92.84	\$ (1,497.16)	
	05/13/22 - 06/14/22	\$ 8,377.93	\$ 6,787.93	
	06/14/22 - 07/14/22	\$ 20,486.96	\$ 18,896.96	
	07/14/22 - 08/12/22	\$ 6,915.19	\$ 5,325.19	
				\$ 31,307.32

WRP BATTERY STORAGE SYSTEM

MONTHLY REPORT

June 2024

Year 5



YEAR	BILLING PERIOD	BILL SAVINGS	NET SAVINGS	YEAR TOTAL
4	08/12/22 - 09/13/22	\$ 8,171.50	\$ 6,581.50	
	09/13/22 - 10/13/22	\$ 2,943.86	\$ 1,353.86	
	10/13/22 - 11/14/22	\$ 2,083.92	\$ 493.92	
	11/14/22 - 12/14/22	\$ 1,960.66	\$ 370.66	
	12/14/22 - 01/12/23	\$ (3,571.97)	\$ (5,161.97)	
	01/12/23 - 02/11/23	\$ 311.28	\$ (1,278.72)	
	02/11/23 - 03/14/23	\$ 2,755.08	\$ 1,165.08	
	03/14/23 - 04/12/23	\$ 1,994.90	\$ 404.90	
	04/12/23 - 05/11/23	\$ (558.88)	\$ (2,148.88)	
	05/11/23 - 06/12/23	\$ (487.47)	\$ (2,077.47)	
	06/12/23 - 07/13/23	\$ 21,318.66	\$ 19,728.66	
	07/13/23 - 08/11/23	\$ 3,262.26	\$ 1,672.26	
				\$ 21,103.80
5	08/11/23 - 09/12/23	\$ 1,749.86	\$ 159.86	
	09/12/23 - 10/11/23	\$ 16,350.56	\$ 14,760.56	
	10/11/23 - 11/09/23	\$ 4,659.23	\$ 3,069.23	
	11/09/23 - 12/12/23	\$ 9,302.30	\$ 7,712.30	
	12/12/23 - 01/11/24	\$ 5,204.44	\$ 3,614.44	
	01/11/24 - 02/12/24	\$ (828.52)	\$ (2,418.52)	
	02/14/24 - 03/13/24	\$ (2,433.90)	\$ (4,023.90)	
	03/13/24 - 04/12/24	\$ 2,204.14	\$ 614.14	
	04/12/24 - 05/13/24	\$ (37.79)	\$ (1,627.79)	
	05/13/24 - 6/12/2024	\$ 6,939.57	\$ 5,349.57	
				\$ 27,209.89
TOTAL		\$ 193,600.00		\$ 101,380.00

WRP BATTERY STORAGE SYSTEM

MONTHLY REPORT

05/13/24 - 6/12/2024



Sewerage Treatment Plant



23542 Moulton Pkwy, Laguna Woods, CA 92637

Savings Report - 2024-06

May 13, 2024 - Jun 12, 2024

SCE TOU 8 Option D (< 2kV)

Demand Charges	Before Storage		After Storage		Savings	
Facilities Related - Distribution	1,155kW	\$22,402.83	1,032kW	\$20,014.95	123kW	\$2,387.88
Facilities Related - Transmission	1,155kW	\$5,082.54	1,032kW	\$4,540.80	123kW	\$541.74
Time Related - Distribution - Summer On-Peak	1,076kW	\$7,801.63	929kW	\$6,732.87	147kW	\$1,068.76
Time Related - Distribution - Winter Mid-Peak	1,104kW	\$2,341.79	888kW	\$1,884.04	216kW	\$457.75
Time Related - Utility Retained Generation - Summer On-Peak	1,076kW	\$8,484.32	929kW	\$7,322.04	147kW	\$1,162.28
Time Related - Utility Retained Generation - Winter Mid-Peak	1,104kW	\$4,935.24	888kW	\$3,970.54	216kW	\$964.69
Sub-total		\$51,048.35		\$44,465.25		\$6,583.10

Energy Charges	Before Storage		After Storage		Savings	
Competition Transition Charge	459,055kWh	\$(128.54)	462,204kWh	\$(129.42)	(3,149)kWh	\$0.88
Competition Transition Charge (URG Component)	459,055kWh	\$128.54	462,156kWh	\$129.40	(3,101)kWh	\$(0.87)
Distribution - Summer Mid-Peak	12,720kWh	\$173.76	2,149kWh	\$29.36	10,571kWh	\$144.40
Distribution - Summer Off-Peak	134,373kWh	\$1,796.57	149,484kWh	\$1,998.60	(15,111)kWh	\$(202.03)
Distribution - Summer On-Peak	23,552kWh	\$353.98	20,999kWh	\$315.62	2,552kWh	\$38.36
Distribution - Winter Mid-Peak	60,153kWh	\$892.07	59,962kWh	\$889.24	191kWh	\$2.83
Distribution - Winter Off-Peak	144,908kWh	\$1,951.91	140,394kWh	\$1,891.11	4,514kWh	\$60.80
Distribution - Winter Super Off-Peak	83,349kWh	\$1,057.70	89,168kWh	\$1,131.54	(5,818)kWh	\$(73.84)
Fixed Recovery Charge	459,055kWh	\$527.91	462,156kWh	\$531.48	(3,101)kWh	\$(3.57)
MCAM Charge	459,055kWh	\$238.71	462,156kWh	\$240.32	(3,101)kWh	\$(1.61)
New System Generation Charge	459,055kWh	\$3,360.28	462,156kWh	\$3,382.98	(3,101)kWh	\$(22.70)
Nuclear Decommissioning Charge	459,055kWh	\$41.31	462,204kWh	\$41.60	(3,149)kWh	\$(0.28)
Public Purpose Programs Charge	459,055kWh	\$8,191.60	462,204kWh	\$8,247.62	(3,149)kWh	\$(56.01)
PUC Reimbursement Fee	459,055kWh	\$459.05	462,156kWh	\$462.16	(3,101)kWh	\$(3.10)
State Tax	459,055kWh	\$137.72	462,156kWh	\$138.65	(3,101)kWh	\$(0.93)
Transmission	459,055kWh	\$(690.36)	462,156kWh	\$(693.08)	(3,101)kWh	\$2.72
Utility Retained Generation - Summer Mid-Peak	12,720kWh	\$1,375.16	2,149kWh	\$232.35	10,571kWh	\$1,142.81
Utility Retained Generation - Summer Off-Peak	134,373kWh	\$9,841.48	149,484kWh	\$10,948.18	(15,111)kWh	\$(1,106.70)
Utility Retained Generation - Summer On-Peak	23,552kWh	\$2,792.27	20,999kWh	\$2,489.69	2,552kWh	\$302.58
Utility Retained Generation - Winter Mid-Peak	60,153kWh	\$5,449.29	59,962kWh	\$5,431.98	191kWh	\$17.32
Utility Retained Generation - Winter Off-Peak	144,908kWh	\$13,208.35	140,394kWh	\$12,796.91	4,514kWh	\$411.43
Utility Retained Generation - Winter Super-Off-Peak	83,349kWh	\$3,987.42	89,168kWh	\$4,265.77	(5,818)kWh	\$(278.36)

Wildfire Fund Non-Bypassable Charge	459,055kWh	\$2,575.30	462,204kWh	\$2,592.97	(3,149)kWh	\$(17.67)
Sub-total		\$57,721.49		\$57,365.02		\$356.47

Other Monthly Charges	Before Storage		After Storage		Savings	
Customer Charge		\$431.51		\$431.51		\$ -
Sub-total		\$431.51		\$431.51		\$ -

Total	Before Storage		After Storage		Savings	
		\$109,201.35		\$102,261.78		\$6,939.57

Note: The above data is calculated by Genability using utility meter data. If there were any gaps in the utility data, they were filled with Stem meter data. Your actual utility bill may look different from the data displayed above due to either issues in the utility data we were provided or in the Stem meter data collected. Some discrepancies are normal and to be expected. For this reason, Stem completes a thorough review of all data and reconciles discrepancies by comparing the Genability calculations of the energy storage system cost savings and total bill values with your utility bills. If you have an outstanding performance guarantee term, any discrepancies identified are adjusted for differences and reflected in your true up term statement.

MICROBIOLOGICAL MONITORING

JUNE 2024

PRESSURE ZONE LEGEND

GRAVITY 570	LOW 1 484	SPARTAN 620-710	MID 630
SHENANDOAH 894	LOW 2 465	REDUCED HIGH 537	ULTRA HIGH 800-920
CHERRY 770-815	LOW 3 409	HIGH 645-720	R-6 620

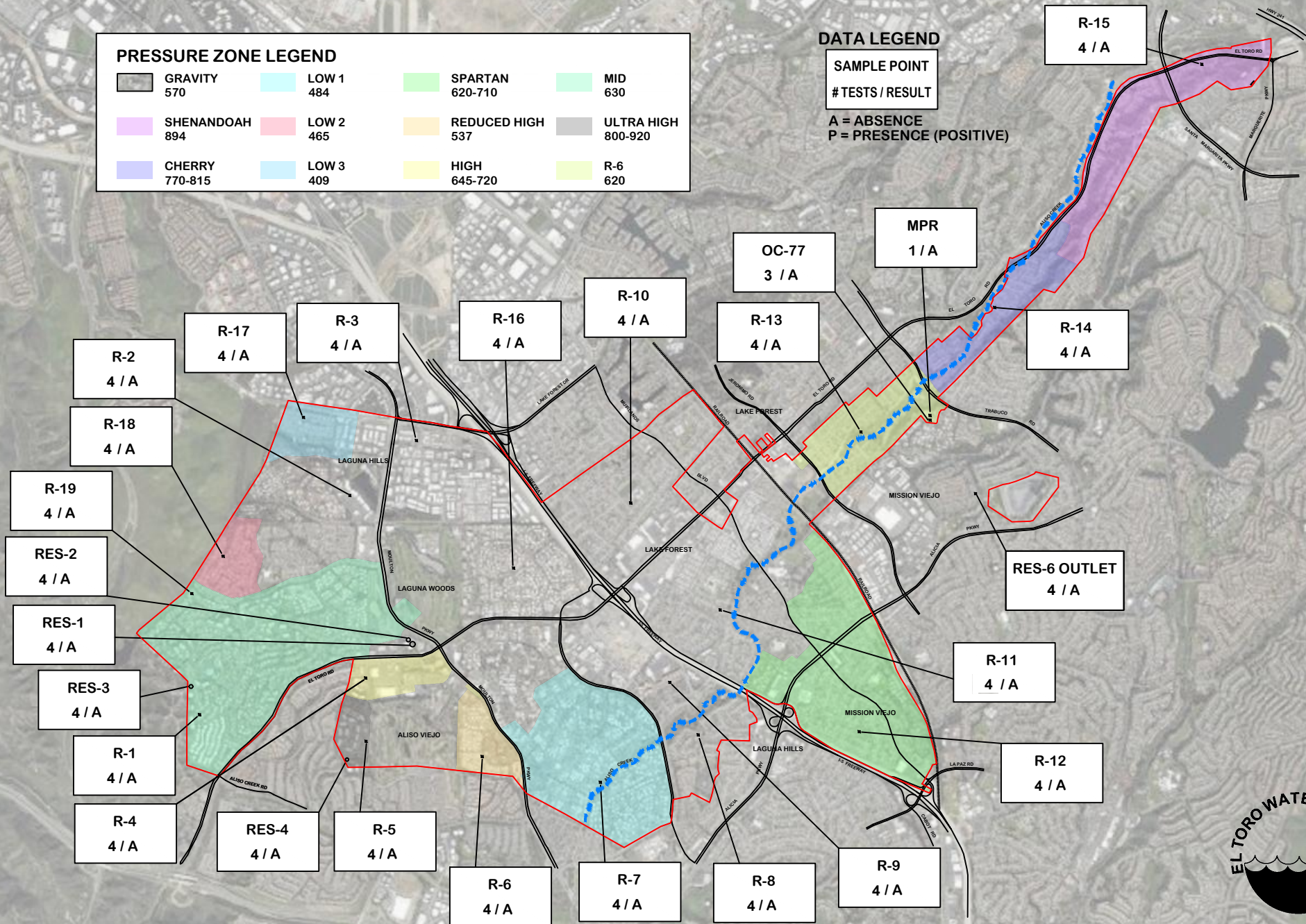
DATA LEGEND

SAMPLE POINT

TESTS / RESULT

A = ABSENCE

P = PRESENCE (POSITIVE)



CHLORINE RESIDUAL MONITORING

JUNE 2024

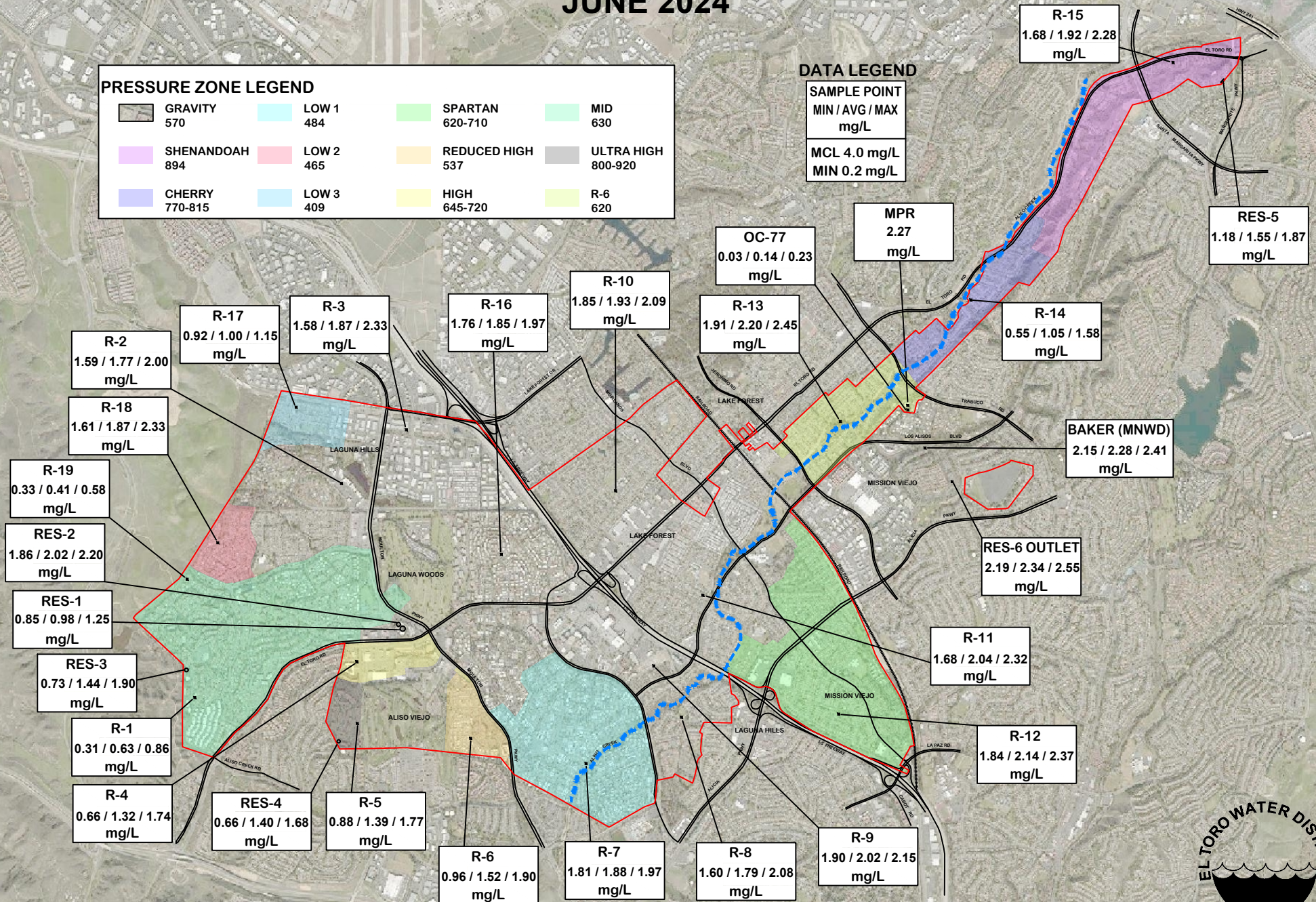
PRESSURE ZONE LEGEND

GRAVITY 570	LOW 1 484	SPARTAN 620-710	MID 630
SHENANDOAH 894	LOW 2 465	REDUCED HIGH 537	ULTRA HIGH 800-920
CHERRY 770-815	LOW 3 409	HIGH 645-720	R-6 620

DATA LEGEND

SAMPLE POINT
MIN / AVG / MAX
mg/L













MCL 4.0 mg/L
MIN 0.2 mg/L



NITRITE MONITORING

JUNE 2024

PRESSURE ZONE LEGEND

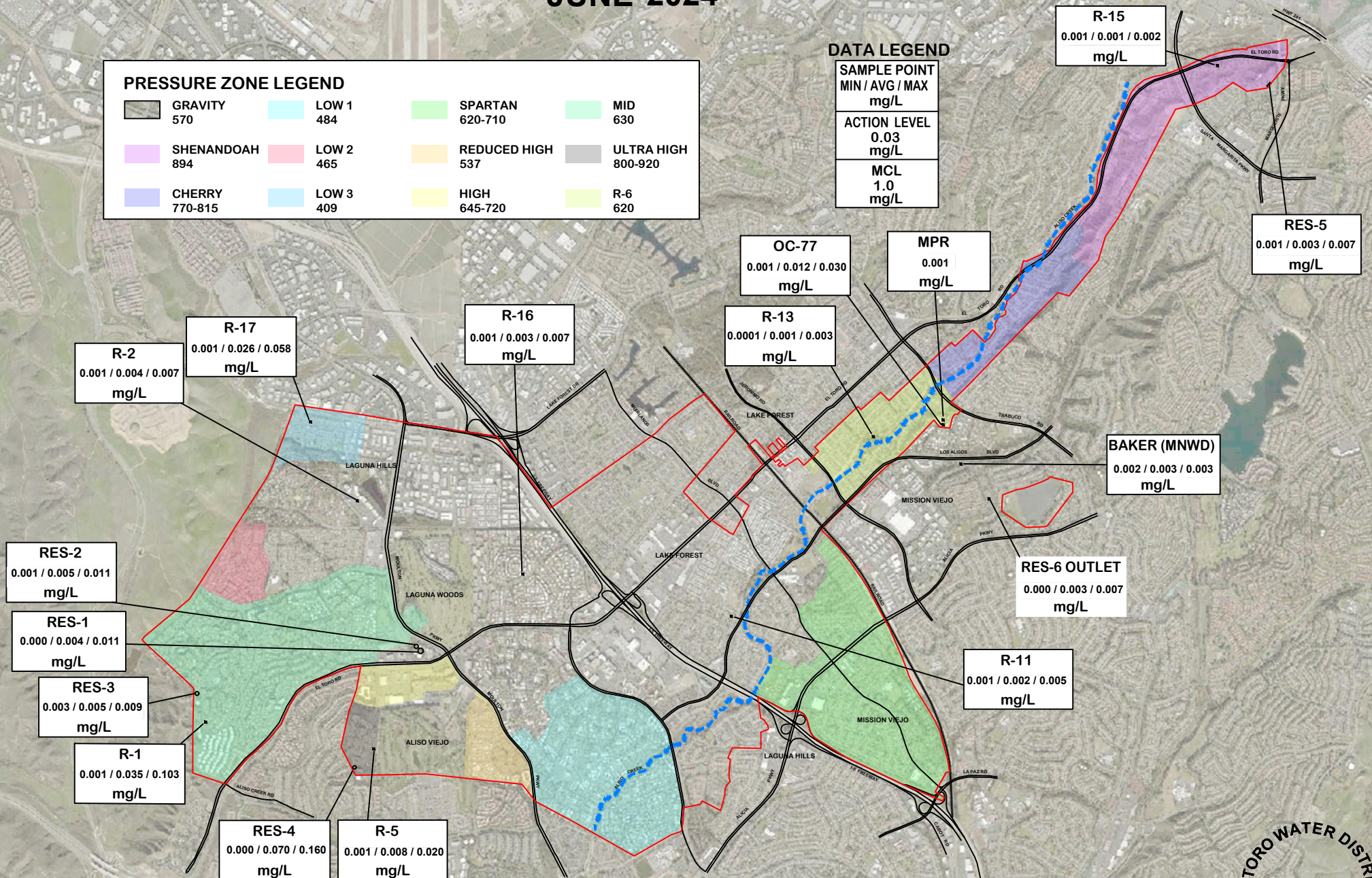
 GRAVITY 570	 LOW 1 484	 SPARTAN 620-710	 MID 630
 SHENANDOAH 894	 LOW 2 465	 REDUCED HIGH 537	 ULTRA HIGH 800-920
 CHERRY 770-815	 LOW 3 409	 HIGH 645-720	 R-6 620

DATA LEGEND

SAMPLE POINT
MIN / AVG / MAX
mg/L

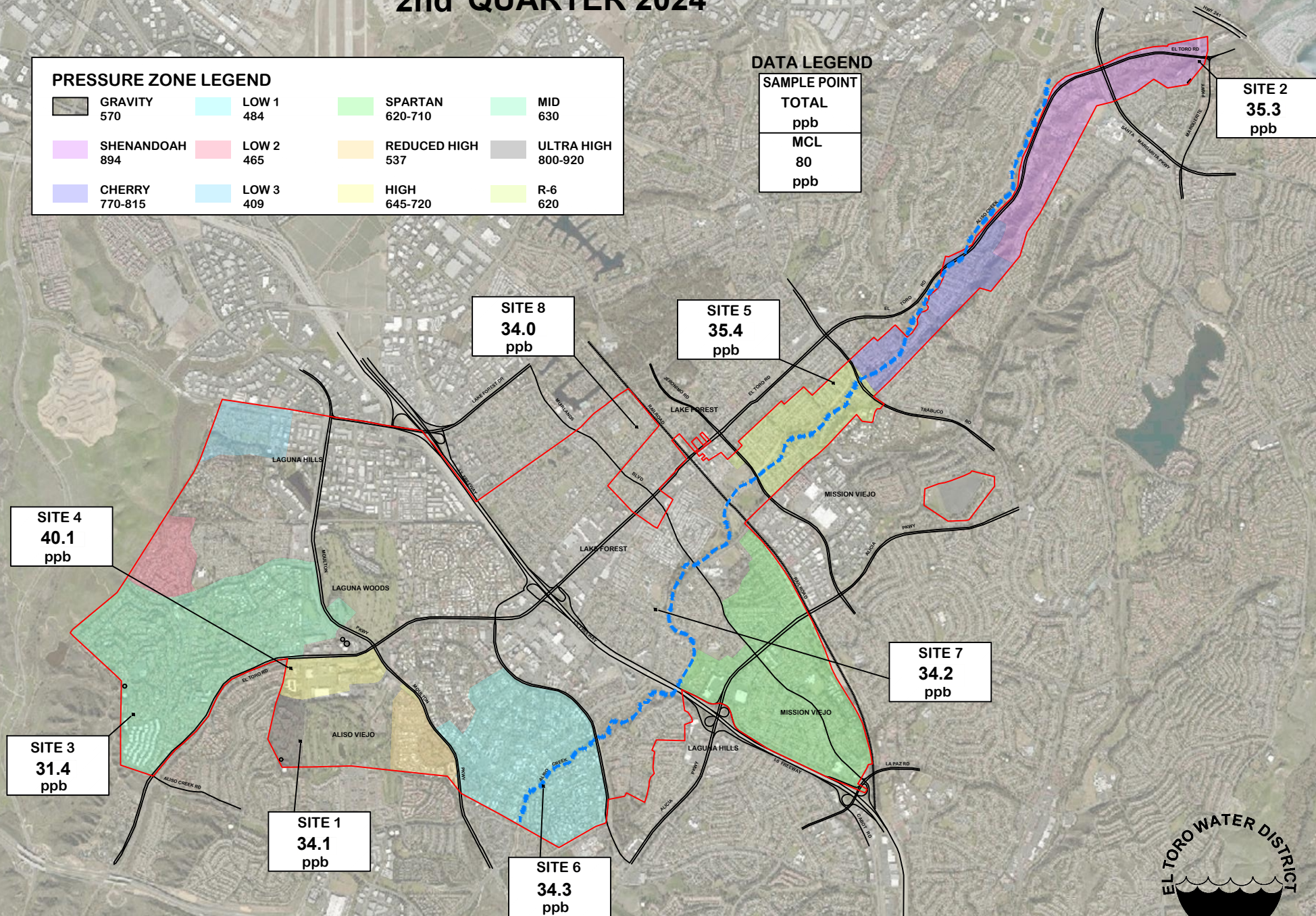
ACTION LEVEL
0.03
mg/L

MCL
1.0
mg/L



STAGE 2 TOTAL TRIHALOMETHANES (TTHM) MONITORING

2nd QUARTER 2024





STAFF REPORT

To: Board of Directors

Meeting Date: July 22, 2024

From: Hannah Ford, Director of Engineering

Subject: Capital Project Status Report

I. Grit Chamber Rehabilitation

District staff conducted a preconstruction meeting in early July and Kingmen Construction Inc (Kingmen) mobilized to the site on July 15th. On July 16th, District staff from both the WRP and Pump Stations Departments conducted an early morning shutdown to allow Kingmen to install a coffer dam at the grit chamber inlet (Figure 1). The coffer dam will prevent flow from entering the grit chamber inlet channel in order to allow for inlet gate replacement. District staff removed the grit that had accumulated in the inlet channel and grit chamber hoppers (Figure 2), and Kingmen plans to blast the grit channel and chamber surfaces prior to coating by the end of July.



Figure 1 – Cofferdam Installation



Figure 2 – Grit Inlet Channel

To assist with Engineering team resource availability, the District amended its contract with Carollo Engineers, Inc. (Carollo) by \$29,522 for construction management support. Table 1 summarizes the cost and schedule as percent complete. Kingmen's billings reflect work through June 2024 prior to site mobilization, so budget is well under schedule expenditure.

Table 1 – Grit Chamber Rehabilitation Project Schedule and Budget Status

Construction Contract	Total	Earned to Date	Percent Complete
Budget	\$814,900	\$62,472	8%
Schedule	April 11, 2024 – February 4, 2025		34%

II. New Warehouse

The general contractor Dumarc Corporation (Dumarc) is currently off site. District staff and Dumarc negotiated net deductive Change Order No. 4 for a design adjustment at the base of the New Warehouse, installation of the proposed security system, delay for electrical equipment delivery, credit for plywood and rigid insulation, and additional demolition related to site paving. Anticipated delivery of the long lead item electrical components remains in early September 2024. Change Order No. 4 extended the contract duration to allow for adequate installation time following delivery. Table 1 summaries the financials associated with Change Order No. 4, which resulted in a net deduct of \$73,619.61. Note that \$21,355 of this deduct will be paid to Richard Brady and Associates for additional design efforts so the impact to total project cost is a deduct of \$52,264.61.

Table 2 – Change Order No. 4 for New Warehouse

NO.	DESCRIPTION	TIME	AMOUNT
1	Design effort related to the addition of a concrete collar around the Warehouse and pavement grade adjustment.	-	DEDUCT \$ (21,355.00)
2	Additional labor, materials, and equipment for installation of security system-related items.	-	ADD \$ 11,424.79
3	Electrical equipment delivery manufacturer delays.	ADD 57 DAYS	-
4	Optional bid item 1A credit for plywood and rigid insulation.	-	DEDUCT \$ (91,000.00)
5	Additional demolition required for paving scope not previously included in Change Order No. 3.	-	ADD \$ 27,310.60
TOTAL CHANGE ORDER NO. 4		ADD 57 DAYS	DEDUCT \$ (73,619.61)

District staff continues coordinating with the Air Quality Management District (AQMD) and their contractor in order for them to install a concrete pad, electrical duct bank, and equipment. AQMD is working to schedule potholing, and staff drafted construction access and lease agreements for AQMD review and signature.

District staff also conducted an onsite preconstruction meeting with Metropolitan Water District of Southern California (MWD) and its contractor, J. F. Shea Company. MWD's Allen-McColloch Pipeline rehabilitation will take place from July to October 2024. Following completion, the District will work with AQMD to complete their work then restore paving.

Table 3 shows that budget expenditure exceeds schedule because the majority of the work is complete.

Table 3 – New Warehouse Project Schedule and Budget Status

Construction Contract	Total	Earned to Date	Percent Complete
Budget	\$2,091,222 ¹	\$1,826,326	87%
Schedule	June 13, 2023 – October 31, 2024 ²		80%

¹Includes Change Order Nos. 1, 2, 3, and 4 with a net credit of \$92,777.83.

²Includes Change Order No. 4 time extension.

III. WRP Main Electrical Power Breaker

The District successfully conducted a third shutdown on June 27th and installed the fourth pole on the new Automatic Transfer Switches (ATSS), as shown in Figure 3. Table 4 summarizes total project cost compared to budget. The inclusion of the new, four pole ATSS resulted in a budget overage of approximately \$56,000. The Project is now complete.



Figure 3 – New ATS in the WRP Main Electrical Room

Table 4 – WRP Main Electrical Power Breaker Project Budget Status

Item	Cost
Main Power Breaker Replacements	\$134,491.40
ATS Replacements	\$61,633.00
Total	\$196,124.40
CIP Budget	\$140,000.00
Overage	(\$56,124.40)

IV. Westline Lift Station Main Switchboard Replacement Project

The System Wide Arc Flash and Coordination Study identified replacement of the Westline Lift Station Main Switchboard (MSB) as a high priority project. Westline Lift Station MSB has no reliable upstream protective device, and the incident energy at the MCC has the potential to be large. Hazen and Sawyer (Hazen) recommended replacing the MSB to reduce the incident energy at the downstream Motor Control Center (MCC).

In addition, the Westline Lift Station MSB has been in place since 1982 and shows signs of corrosion (Figure 4). The Fiscal Year (FY) 2024/2025 capital budget includes \$37,250 to place the initial purchase order for a new MSB at Westline Lift Station. FY 2025/2026 includes \$111,750 for receipt of equipment and installation. This month, District staff plan to place a purchase order for less than \$30,000 to procure a new MSB. Lead times are close to one year, so installation will likely take place in July 2026. Initial installation estimates from contractors are under budget at \$72,510.64.



Figure 4 – Westline MSB

V. Lead and Copper Rule Revisions Compliance

District staff have been working diligently on completing the field investigations, as shown in the Operations report. On July 22nd, the District will start working with its subcontractor on the sites that require excavations. Due to an elevated number of field investigations confirming customer-side materials within the meter box, the number of excavations required is on track to be cut in half. To date, no lead has been discovered. The District remains on track to comply with the October 16th deadline.

VI. Aliso Creek Lift Station Rehabilitation Project

District staff kicked off the Aliso Creek Lift Station Rehabilitation Project with Tetra Tech in early July. Tetra Tech initiated surveying and geotechnical efforts on site. The design team is working to deliver a 60% design submittal by mid-September.

VII. Headworks and Secondary Clarifier No. 1 Rehabilitation Project

The District received the 60% design submittal and is in the process of reviewing. Carollo initiated surveying, potholing, and geotechnical work on site. District staff continue to operate the free polymer test skid from Velodyne and are monitoring performance. Final results will be analyzed when Velodyne requests the District to return the test skid to determine whether a more permanent installation makes sense for the District.

VIII. Northline Coating Improvement Project

The contractor, MC Painting, Inc. (MC Painting), has been off site since mid-March. Staff negotiated a change order with MC Painting for additional work performed to date and for additional repairs required. MC Painting will re-mobilize to the site and complete the work at the end of July.

IX. Caltrans I-5 Widening Utility Relocations

Phase C is nearly complete; the contractor, Paulus Engineering (Paulus), relocated the existing irrigation service lateral in mid-February. Paulus will install concrete pads around the relocated fire hydrants once the Caltrans contractor completes the surrounding curb, gutter, and sidewalk activities.

In mid-December, Caltrans discovered a conflict with the District's existing sewer manhole and a proposed curb-ramp due to the upcoming Village at Laguna Hills development. District staff and Caltrans amended the existing utility agreement to rectify this conflict. In mid-May, Paulus adjusted both manholes' shafts and cones to adhere to the proposed grades. Paulus remains on hold to replace the existing liner in one manhole until Caltrans places the surrounding sidewalk concrete.

X. Tertiary Disinfection Optimization Project

The District continues to await DDW's comments on the revised proposal anticipated to arrive this month. Implementation of the low CT approach at the Tertiary Treatment Plant (TTP) is delayed until DDW approves the revised proposal approval. District staff are aiming for implementation by the end of 2024.

XI. Asset Management Program

District staff finalized the WRP asset management plan and now are focused on integration with the Computerized Maintenance Management System (CMMS). District staff have narrowed software providers to a short list of four vendors and will continue to refine scope and cost prior to selection. After evaluation, District staff will recommend implementation of CMMS at the WRP this year, where no CMMS is currently employed.

XII. System Wide Arc Flash and Coordination Study

District staff completed all necessary Southern California Edison (SCE) shutdowns and site investigations. SCE is still responding to the District's data request from September 2023. For the sites that SCE has provided data, Hazen is developing arc flash calculations for District review. Upon completion of these calculations, the District will install arc flash labels on equipment and make recommended protective device trip settings.

XIII. Cathodic Protection Repair on Moulton Parkway

The District conducted a kickoff meeting with Corrpro to develop the final design of the recommended cathodic protection solution along Moulton Parkway and El Toro Road. Corrpro conducted some field surveys this month and will discuss their findings to develop bid documents over the next two months.

XIV. Energy Efficiency Analysis

The District recently met with Terra Verde and SitelogIQ to discuss potential energy efficiency opportunities. Staff will continue these discussions to determine the most appropriate path forward in the pursuit of energy efficiency projects.

District staff also met with SoCalREN to discuss potential energy efficiency opportunities. Due to the proposed revised operation of the waste activated cell (WAC), the Headworks and Secondary Clarifier No. 1 Rehabilitation Project may be eligible for a SCE incentive of approximately \$15,000 and potential additional funding through the Department of Energy Industrial Application Centers (IAC) grant. By bifurcating the WAC, the District will be able to reduce its energy demand from the WAC blower by approximately half. District staff have responded to a data request and are further developing this opportunity.

F.Y. 2024/25 CAPITAL IMPROVEMENT PROGRAM BUDGET ITEMS > \$50,000 BOARD APPROVAL SCHEDULE															
Category	Project Description	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	CIP Budget	Board Approved Cost
<i>2024/25 Capital Projects</i>															
	Regional Potable Reuse Implementation Plan	Pending grant award												\$0	
	OOPS MCC and Valve Replacement Project	A									R	C	C	\$191,000	
	Lead and Copper Rule Revision Service Line Inventories	E	E	E	E									\$141,607	\$138,607
<i>2024/25 Capital Equipment</i>															
	Cherry Booster Station Pump & Motor Replacement		A					R	C					\$167,000	
	R-4 Reservoir Mixing System Replacement								E	E	A	C	C	\$70,000	
	Westline Main Switchboard Replacement	O										A	R	\$149,000	
	Westline Generator Unit 213 Replacement				A									\$267,000	
	DAF No. 1 MCC Replacement	A								B / R	A			\$149,000	
	Additional Tertiary Filter Disks	A					R	C						\$92,000	
	WRP Unit 290 Radiator Replacement	A	R											\$150,000	
	New Turbo Blower				B	A	R							\$631,000	\$279,834
	F-550 with Valve Maintenance Skid		A											\$206,000	
	Documentum Replacement / Corporate Intranet Development		A	ET	ET	C	C							\$61,000	
<i>Previous Fiscal Year Carryover</i>															
	P-3 Pump Station Rehabilitation	Pending grant award												\$0	
	Moulton/EI Toro Cathodic Protection Study	E	E	B	A	C	C	C	C					\$145,000	
	Headworks and Secondary Clarifier Rehabilitation	E	E	E	E	E	E	E	B	A	C	C	C	\$1,998,800	
	Grit Chamber Rehabilitation	C	C	C	C	C	C	C	C					\$1,046,502	\$1,015,760
	Aliso Creek Pump Station Rehabilitation Project	E	E	E	E	E	E	E	E	E	E	E	E	\$600,000	
	Asset Management	ET	ET	ET	ET	ET	ET	ET	ET	A				\$100,000	
	New Warehouse	C	C	C	C										
	Freeway Electrical Equipment Replacement										R	C	C	\$263,362	\$155,646
	Tertiary Disinfection Optimization Project	E	E	E	A	C	C							\$132,000	
	Caltrans I-5 Widening Utility Relocations	C	C											\$0	\$627,365
Total														\$6,227,664	\$2,078,605

Key:

Water
Wastewater
Recycled Water
Split between All Departments
Board Involvement

Abbreviations:

A = Approve by Board

B = Bid

BP = Board Presentation

C = Construction

E = Engineering/Study

ET = Evaluate

L = Legal

N = Negotiate

O = Order

P = Permit

RFP = Request for Proposal

R = Receive

EL TORO WATER DISTRICT

Glossary of Water Terms

Accumulated overdraft: The amount of water necessary to be replaced in the intake area of the groundwater basin to prevent the landward movement of ocean water into the fresh groundwater body.

Acre-foot, AF: A common water industry unit of measurement. An acre-foot is 325,851 gallons, or the amount of water needed to cover one acre with water one foot deep. An acre-foot serves annual needs of two typical California families.

ACWA: Association of California Water Agencies.
A statewide group based in Sacramento that actively lobbies State and Federal Government on water issues.

Advanced treatment: Additional treatment processes used to clean wastewater even further following primary and secondary treatment. Also known as tertiary treatment.

AFY: Acre-foot per year.

Alluvium: A stratified bed of sand, gravel, silt, and clay deposited by flowing water.

AMP: Allen McCulloch pipeline.

Major pipeline transporting treated water to water districts between Yorba Linda, where it starts to El Toro Water District reservoir, where it terminates.

Annexation: The inclusion of land within a government agency's jurisdiction.

Annual overdraft: The quantity by which the production of water from the groundwater supplies during the water year exceeds the natural replenishment of such groundwater supplies during the same water year.

Aqueduct: A man-made canal or pipeline used to transport water.

Aquifer: An underground geologic formation of rock, soil or sediment that is naturally saturated with water; an aquifer stores groundwater.

Arid: Dry; deserts are arid places. Semi-arid places are almost as dry as a desert.

Artesian: An aquifer in which the water is under sufficient pressure to cause it to rise above the bottom of the overlying confining bed, if the opportunity is provided.

Artificial recharge: The addition of surface water to a groundwater reservoir by human activity, such as putting surface water into recharge basins. (See also: groundwater recharge and recharge basin.)

AWWA American Water Works Association
Nationwide group of public and private water purveyors and related industrial suppliers.

Base flow: The portion of river surface flow which remains after deduction of storm flow and/or purchased imported water.

Bay-Delta: The Sacramento-San Joaquin Bay-Delta is a unique natural resource of local, state and national significance. The Delta is home to more than 500,000 people; contains 500,000 acres of agriculture; provides habitat for 700 native plant and animal species; provides water for more than 25 million Californians and 3 million acres of agriculture; is traversed by energy, communications and transportation facilities vital to the economic health of California; and supports a \$400 billion economy.

BIA: Building Industry Association.

Biofouling: The formation of bacterial film (biofilm) on fragile reverse osmosis membrane surfaces.

Biosolids: Solid organic matter recovered from a sewage treatment process and used especially as fertilizer.

BMP: Best Management Practice. An engineered structure or management activity, or combination of these, that eliminates or reduces adverse environmental effects.

Brackish water: A mixture of freshwater and saltwater.

Brown Act: Ralph M. Brown Act enacted by the State legislature governing all meetings of legislative bodies. Also known as the Open Meeting requirements.

Canal: A ditch used to move water from one location to another.

CASA: California Association of Sanitation Agencies The sanitation equivalent of ACWA concerned solely with issues affecting the treatment and disposal of solid waste and wastewater.

CEQA: California Environmental Quality Act.

CERCLA: Comprehensive Environmental Response, Compensation and Liability Act. This federal law establishes the Superfund program for hazardous waste sites. It provides the legal basis for the United States EPA to regulate and clean up hazardous waste sites, and if appropriate, to seek financial compensation from entities responsible for the site.

CFS: Cubic feet per second.

Chloramines: A mixture of ammonia and chlorine used to purify water.

Clarify: To make clear or pure by separation and elimination of suspended solid material.

Coagulation: The clumping together of solids so they can more easily be settled out or filtered out of water. A chemical called aluminum sulfate (alum) is generally used to aid coagulation in water treatment and reclamation.

Coastkeepers: A non-profit organization dedicated to the protection and preservation of the marine habitats and watersheds of Orange County through programs of education, restoration, enforcement and advocacy.

Colored water: Groundwater extracted from the basin that is unsuitable for domestic use without treatment due to high color and odor exceeding drinking water standards.

Condensation: The process of water vapor (gas) changing into liquid water. An example of condensation can be seen in the tiny water droplets that form on the outside of a glass of iced tea as warmer air touches the cooler glass.

Confined aquifer: An aquifer that is bound above and below by dense layers of rock and contains water under pressure.

Conjunctive use: Storing imported water in a local aquifer, in conjunction with groundwater, for later retrieval and use.

Contaminate: To make unclean or impure by the addition of harmful substances.

CPCFA: California Pollution Control Financing Authority. State agency providing funds for wastewater reclamation projects.

Crisis:

1. **a:** The turning point for better or worse **b:** a paroxysmal attack of pain, distress, or disordered function **c:** an emotionally significant event or radical change of status in a person's life <a midlife crisis>
2. The decisive moment (as in a literary plot)
3. **a:** An unstable or crucial time or state of affairs in which a decisive change is impending; *especially* : one with the distinct possibility of a highly undesirable outcome <a financial crisis> **b:** a situation that has reached a critical phase

CTP Coastal Treatment Plant

CWPCA California Water Pollution Control Association. A 7000 member non-profit educational organization dedicated to water pollution control.

Dam: A barrier built across a river or stream to hold water.

Decompose: To separate into simpler compounds, substances or elements.

Deep percolation: The percolation of surface water through the ground beyond the lower limit of the root zone of plants into a groundwater aquifer.

Degraded water: Water within the groundwater basin that, in one characteristic or another, does not meet primary drinking water standards.

Delta: Where the rivers empty; an outlet from land to ocean, also where the rivers deposit sediment they carry forming landforms.

Delta Vision: Delta Vision is intended to identify a strategy for managing the Sacramento-San Joaquin Delta as a sustainable ecosystem that would continue to support environmental and economic functions that are critical to the people of California.

Demineralize: To reduce the concentrations of minerals from water by ion exchange, distillation, electro-dialysis, or reverse osmosis.

De-nitrification: The physical process of removing nitrate from water through reverse osmosis, microfiltration, or other means.

Desalting (or desalination): Removing salts from salt water by evaporation or distillation. Specific treatment processes, such as reverse osmosis or multi-stage flash distillation, to demineralize seawater or brackish (saline) waters for reuse. Also sometimes used in wastewater treatment to remove salts other pollutants.

Desilting: The physical process of removing suspended particles from water.

Dilute: To lessen the amount of a substance in water by adding more water.

Disinfection: Water treatment which destroys potentially harmful bacteria.

Drainage basin: The area of land from which water drains into a river, for example, the Sacramento River Basin, in which all land area drains into the Sacramento River. Also called catchment area, watershed, or river basin.

Drought: A prolonged period of below-average precipitation.

DPHS: California Department of Public Health Services. Regulates public water systems; oversees water recycling projects; permits water treatment devices; certifies drinking water treatment and distribution operators; supports and promotes water system security; provides support for small water systems and for improving technical, managerial, and financial (TMF) capacity; provides funding opportunities for water system improvements.

DVL: Diamond Valley Lake. Metropolitan's major reservoir near Hemet, in southwestern Riverside County.

DWR: California Department of Water Resources. Guides development/management of California's water resources; owns/operates State Water Project and other water facilities.

Endangered Species: A species of animal or plant threatened with extinction.

Endangered Species Act of 1973 (ESA): The most wide-ranging of the dozens of United States environmental laws passed in the 1970s. As stated in section 2 of the act, it was designed to protect critically imperiled species from extinction as a "consequence of economic growth and development untended by adequate concern and conservation.

Ecosystem: Where living and non-living things interact (coexist) in order to survive.

Effluent: Wastewater or other liquid, partially or completely treated or in its natural state, flowing from a treatment plant.

Evaporation: The process that changes water (liquid) into water vapor (gas).

Estuary: Where fresh water meets salt water.

Evapotranspiration: The quantity of water transpired (given off), retained in plant tissues, and evaporated from plant tissues and surrounding soil surface. Quantitatively, it is expressed in terms of depth of water per unit area during a specified period of time.

FCH Federal Clearing House – Environmental Review/Processing

FEMA Federal Emergency Management Agency

Filtration: The process of allowing water to pass through layers of a porous material such as sand, gravel or charcoal to trap solid particles. Filtration occurs in nature when rain water soaks into the ground and it passes through hundreds of feet of sand and gravel. This same natural process of filtration is duplicated in water and wastewater treatment plants, generally using sand and coal as the filter media.

Flocculation: A chemical process involving addition of a coagulant to assist in the removal of turbidity in water.

Forebay: A reservoir or pond situated at the intake of a pumping plant or power plant to stabilize water level; also, a portion of a groundwater basin where large quantities of surface water can recharge the basin through infiltration.

Gray water reuse: Reuse, generally without treatment, of domestic type wastewater for toilet flushing, garden irrigation and other non-potable uses. Excludes water from toilets, kitchen sinks, dishwashers, or water used for washing diapers.

Green Acres Project (GAP): A 7.5 million gallons per day (MGD) water reclamation project that serves tertiary treated recycled water to irrigation and industrial users in Costa Mesa, Fountain Valley, Huntington Beach, Newport Beach, and Santa Ana.

God Squad: A seven-member committee that is officially called the "Endangered Species Committee". Members consist of Secretary of the Interior, the Secretary of Agriculture, the Secretary of the Army, the Chairman of the Council of Economic Advisers, the Administrator of the National Oceanic and Atmospheric Administration and one individual from the affected state. The squad was established in 1978 by an amendment to the 1973 Endangered Species Act (ESA). It has only been called into action three times to deal with proposed federal agency actions that have been determined to cause "jeopardy" to any listed species. Such actions may receive an exemption from the ESA if five members of the committee determine that the action is of regional or national significance, that the benefits of the action clearly outweigh the benefits of conserving the species and that there are no reasonable and prudent alternatives to the action.

Groundwater: Water that has percolated into natural, underground aquifers; water in the ground, not water puddled on the ground.

Groundwater basin: A groundwater reservoir defined by the overlying land surface and the underlying aquifers that contain water stored in the reservoir. Boundaries of success-ively deeper aquifers may differ and make it difficult to define the limits of the basin.

Groundwater mining: The withdrawal of water from an aquifer in excess of recharge over a period of time. If continued, the underground supply would eventually be exhausted or the water table could drop below economically feasible pumping lifts.

Groundwater overdraft: The condition of a groundwater basin in which the amount of water withdrawn by pumping exceeds the amount of water that recharges the basin over a period of years during which water supply conditions approximate average.

Groundwater recharge: The action of increasing groundwater storage by natural conditions or by human activity. See also: Artificial recharge.

Ground Water Replenishment System (GWRS): A joint project of the Orange County Water District and the Orange County Sanitation District that will provide up to 100,000 acre-feet of reclaimed water annually. The high-quality water will be used to expand an existing underground seawater intrusion barrier and to replenish the groundwater basin underlying north and central Orange County.

Groundwater table: The upper surface of the zone of saturation (all pores of subsoil filled with water), except where the surface is formed by an impermeable body.

GPM: Gallons per minute.

Ground Water Replenishment System (GWRS): Orange County Water District's state-of-the-art, highly advanced, waste-water treatment facility.

Hydrologic balance: An accounting of all water inflow to, water outflow from, and changes in water storage within a hydrologic unit over a specified period.

Hydrologic cycle: The process of water constantly circulating from the ocean, to the atmosphere, to the earth in a form of precipitation, and finally returning to the ocean.

Imported water: Water that has originated from one hydrologic region and is transferred to another hydrologic region.

Inflatable rubber dams: Designed to replace temporary sand levees that wash out during heavy storm flow, the dams hold back high-volume river flows and divert the water into the off-river system for percolation.

Influent: Water or wastewater entering a treatment plant, or a particular stage of the treatment process.

Irrigation: Applying water to crops, lawns or other plants using pumps, pipes, hoses, sprinklers, etc.

JPIA Joint Powers Insurance Authority. A group of water agencies providing self-insurance to members of the ACWA.

LAIF Local Agency Investment Fund. Statewide pool of surplus public agency money managed by State Treasurer.

Leach: To remove components from the soil by the action of water trickling through.

MAF: Million acre feet.

MCL: Maximum contaminant level set by EPA for a regulated substance in drinking water. According to health agencies, the maximum amount of a substance that can be present in water that's safe to drink and which looks, tastes and smells good.

MET: Metropolitan Water District of Southern California.

MGD: Million gallons per day.

Microfiltration: A physical separation process where tiny, hollow filaments members separate particles from water.

Microorganism: An animal or plant of microscopic size.

MWD: Metropolitan Water District of Southern California.

MWDOC: Municipal Water District of Orange County. Intermediate wholesaler between MWD and 27 member agencies including ETWD.

Non-point source pollution: Pollution that is so general or covers such a wide area that no single, localized source of the pollution can be identified.

NPDES National Pollution Discharge Elimination System

OCBC: Orange County Business Council.

OCEMA Orange County Environmental Management Agency

OCWD: Orange County Water District.

Opportunity:

1. A favorable juncture of circumstances.
2. A good chance for advancement or progress .

Organism: Any individual form of life, such as a plant, animal or bacterium.

PCM Professional Community Management, Inc. Property Management company providing services to Laguna Woods Village and other homeowner associations.

Perched groundwater: Groundwater supported by a zone of material of low permeability located above an underlying main body of groundwater with which it is not hydrostatically connected.

Percolation: The downward movement of water through the soil or alluvium to the groundwater table.

Permeability: The capability of soil or other geologic formations to transmit water.

Point source: A specific site from which waste or polluted water is discharged into a water body, the source of which is identified. See also: non-point source.

Potable water: Suitable and safe for drinking.

PPB: Parts per billion.

Precipitation: Water from the atmosphere that falls to the ground as a liquid (rain) or a solid (snow, sleet, hail).

Primary treated water: First major treatment in a wastewater treatment facility, usually sedimentation but not biological oxidation.

Primary treatment: Removing solids and floating matter from wastewater using screening, skimming and sedimentation (settling by gravity).

Prior appropriation doctrine: Allocates water rights to the first party who diverts water from its natural source and applies the water to beneficial use. If at some point the first appropriator fails to use the water beneficially, another person may appropriate the water and gain rights to the water. The central principle is beneficial use, not land ownership.

Pumping Plant: A facility that lifts water up and over hills.

Recharge: The physical process where water naturally percolates or sinks into a groundwater basin.

Recharge basin: A surface facility, often a large pond, used to increase the infiltration of surface water into a groundwater basin.

Reclaimed wastewater: Wastewater that becomes suitable for a specific beneficial use as a result of treatment. See also: wastewater reclamation.

Reclamation project: A project where water is obtained from a sanitary district or system and which undergoes additional treatment for a variety of uses, including landscape irrigation, industrial uses, and groundwater recharge.

Recycling: A type of reuse, usually involving running a supply of water through a closed system again and again. Legislation in 1991 legally equates the term "recycled water" to reclaimed water.

Reservoir: A place where water is stored until it is needed. A reservoir can be an open lake or an enclosed storage tank.

Reverse osmosis: (RO) A method of removing salts or other ions from water by forcing water through a semi-permeable membrane.

RFP Request for Proposal

Riparian: Of or on the banks of a stream, river, or other body of water.

RO: Reverse osmosis. See the listing under "reverse osmosis."

R-O-W Right-of-way

Runoff: Liquid water that travels over the surface of the Earth, moving downward due to gravity. Runoff is one way in which water that falls as precipitation returns to the ocean.

RWQCB Regional Water Quality Control Board. State agency regulating discharge and use of recycled water.

Safe Drinking Water Act (SDWA): The Safe Drinking Water Act (SDWA) was originally passed by Congress in 1974 to protect public health by regulating the nation's public drinking water supply. The law was amended in 1986 and 1996 and requires many actions to protect drinking water and its sources: rivers, lakes, reservoirs, springs, and ground water wells. (SDWA does not regulate private wells which serve fewer than 25 individuals.) SDWA authorizes the United States Environmental Protection Agency (US EPA) to set national health-based standards for drinking water to protect against both naturally-occurring and man-made contaminants that may be found in drinking water. US EPA, states, and water systems work together to make sure that these standards are met.

Safe yield: The maximum quantity of water that can be withdrawn from a groundwater basin over a long period of time without developing a condition of overdraft, sometimes referred to as sustained yield.

SAFRA Santa Ana River Flood Protection Agency

Salinity: Generally, the concentration of mineral salts dissolved in water. Salinity may be measured by weight (total dissolved solids - TDS), electrical conductivity, or osmotic pressure. Where seawater is known to be the major source of salt, salinity is often used to refer to the concentration of chlorides in the water.

SAWPA: Santa Ana Watershed Project Authority.

SCADA Supervisory Control and Data Acquisition

SCAP Southern California Alliance of Publicly. Newly formed group of public agencies seeking reasonable regulation of sewer industry.

SCH State Clearing House – Environmental Review/Processing

Seasonal storage: A three-part program offered by Metropolitan Water District of Southern California:

STSS (Short Term Seasonal Storage) financially encourages agencies with local groundwater production capabilities to produce a higher percentage of their demand in the summer from their local groundwater supplies, thus shifting a portion of their demand on the MWD system from the summer to winter;

LTSS (Long Term Seasonal Storage) financially encourages retail agencies to take and store additional amounts of MWD water above their normal annual demands for later use; Replenishment Water provides less expensive interruptible water that is generally available and used to increase the operating yield of groundwater basins.

Seawater intrusion: The movement of salt water into a body of fresh water. It can occur in either surface water or groundwater basins.

Seawater barrier: A physical facility or method of operation designed to prevent the intrusion of salt water into a body of freshwater.

Secondary treatment: The biological portion of wastewater treatment which uses the activated sludge process to further clean wastewater after primary treatment. Generally, a level of treatment that produces 85 percent removal efficiencies for biological oxygen demand and suspended solids. Usually carried out through the use of trickling filters or by the activated sludge process.

Sedimentation: The settling of solids in a body of water using gravity.

Settle: To clarify water by causing impurities/solid material to sink to a container's bottom.

Sewer: The system of pipes that carries wastewater from homes and businesses to a treatment plant or reclamation plant. Sewers are separate from storm drains, which is a system of drains and pipes that carry rain water from urban streets back to the ocean. Overwatering your yard can also cause water to run into the streets and into storm drains. Storm drain water is not treated before it is discharged.

SigAlert: Any unplanned event that causes the closing of one lane of traffic for 30 minutes or more, as opposed to a planned event, like road construction, which is planned.

SJBA San Juan Basin Authority

Sludge: The solids that remain after wastewater treatment. This material is separated from the cleaned water, treated and composted into fertilizer. Also called biosolids.

SOCWA South Orange County Wastewater Authority. Regional Joint Powers Authority formed for collection and treatment of sewerage (previously known as AWMA/SERRA/SOCRA). SOCWA member agencies:

CSC – City of San Clemente

CSJC – City of San Juan Capistrano

CLB – City of Laguna Beach

ETWD – El Toro Water District

EBSD – Emerald Bay Service District

IRWD – Irvine Ranch Water District

MNWD – Moulton Niguel Water District

SCWD – South Coast Water District

SMWD – Santa Margarita Water District

TCWD – Trabuco Canyon Water District

SRF State Revolving Fund

Storm Drain: The system of pipes that carries rain water from urban streets back to the ocean. Overwatering your yard can also cause water to run into the streets and into storm drains. Storm drain

water is not treated before it is discharged. Storm drains are separate from sewers, which is a separate system of pipes to carry wastewater from homes and businesses to a treatment plant or reclamation plant for cleaning.

Storm flow: Surface flow originating from precipitation and run-off which has not percolated to an underground basin.

SWP: State Water Project. An aqueduct system that delivers water from northern California to central and southern California.

SWRCB State Water Resources Control Board

TDS: Total dissolved solids. A quantitative measure of the residual minerals dissolved in water that remain after evaporation of a solution. Usually expressed in milligrams per liter.

Tertiary treatment: The treatment of wastewater beyond the secondary or biological stage. Normally implies the removal of nutrients, such as phosphorous and nitrogen, and a high percentage of suspended solids.

THM: Trihalomethanes. Any of several synthetic organic compounds formed when chlorine or bromine combine with organic materials in water.

TMA: Too many acronyms.

TMDL: Total maximum daily load; A quantitative assessment of water quality problems, contributing sources, and load reductions or control actions needed to restore and protect bodies of water.

Transpiration: The process in which plant tissues give off water vapor to the atmosphere as an essential physiological process.

Turbidity: Thick or opaque with matter in suspension; muddy water.

Ultraviolet light disinfection: A disinfection method for water that has received either secondary or tertiary treatment used as an alternative to chlorination.

VE Value Engineering

VOC: Volatile organic compound; a chemical compound that evaporates readily at room temperature and contains carbon.

Wastewater: Water that has been previously used by a municipality, industry or agriculture and has suffered a loss of quality as a result.

Water Cycle: The continuous process of surface water (puddles, lakes, oceans) evaporating from the sun's heat to become water vapor (gas) in the atmosphere. Water condenses into clouds and then falls back to earth as rain or snow (precipitation). Some precipitation soaks into the ground (percolation) to replenish groundwater supplies in underground aquifers.

Water rights: A legally protected right to take possession of water occurring in a natural waterway and to divert that water for beneficial use.

Water-use Efficiency: The water requirements of a particular device, fixture, appliance, process, piece of equipment, or activity.

Water year (USGS): The period between October 1st of one calendar year to September 30th of the following calendar year.

Watermaster: A court appointed person(s) that has specific responsibilities to carry out court decisions pertaining to a river system or watershed.

Water Reclamation: The treatment of wastewater to make it suitable for a beneficial reuse, such as landscape irrigation. Also called water recycling.

Watershed: The total land area that from which water drains or flows to a river, stream, lake or other body of water.

Water table: The top level of water stored underground.

WEF Water Environment Federation. Formerly – Water Pollution Control Federation (WPCF). International trade group advising members of sewage treatment techniques and their effect on the environment.

Weir box: A device to measure/control surface water flows in streams or between ponds.

Wellhead treatment: Water quality treatment of water being produced at the well site.

Wetland: Any area in which the water table stands near, at, or above the land surface for a portion of the year. Wetlands are characterized by plants adapted to wet soil conditions.

Xeriscape: Landscaping that requires minimal water.