

SOUTH TAHOE PUBLIC UTILITY DISTRICT
REGULAR BOARD MEETING AGENDA
Thursday, May 21, 2026 - 2:00 p.m.
District Board Room
1275 Meadow Crest Drive, South Lake Tahoe, California

Joel Henderson, Director
Nick Haven, Vice President

BOARD MEMBERS
Shane Romsos, President

Kelly Sheehan, Director
Nick Exline, Director

Paul Hughes, General Manager

Andrea Salazar, Chief Financial Officer

1. **CALL TO ORDER REGULAR MEETING – PLEDGE OF ALLEGIANCE** (At this time, please silence phones and other electronic devices so as not to disrupt the business of the meeting.)
2. **COMMENTS FROM THE PUBLIC** (This is an opportunity for members of the public to address the Board on any short non-agenda items that are within the subject matter jurisdiction of the District. No discussion or action can be taken on matters not listed on the agenda, per the Brown Act. Each member of the public who wishes to comment shall be allotted five minutes, subject to modification by the Board President.)
3. **CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR** (For purposes of the Brown Act, all Action and Consent items listed give a brief description of each item of business to be transacted or discussed. Recommendations of the staff, as shown, do not prevent the Board from taking other action.)
4. **ADOPTION OF CONSENT CALENDAR** (Any item can be removed to be discussed and considered separately upon request. Comments and questions from members of the public, staff or Board can be taken when the comment does not necessitate separate action.)
5. **CONSENT ITEMS BROUGHT FORWARD FOR SEPARATE DISCUSSION/ACTION**
6. **PRESENTATION:** Capital Improvement and Budget Update (Adrian Combes, Director of Operations, Megan Colvey, Director of Engineering, Andrea Salazar, Chief Financial Officer)
7. **ITEMS FOR BOARD ACTION**
 - a. 2026 Water Meter Installation Project
(Laura Hendrickson, Associate Engineer)
(1) Adopt the design Plans, Specifications, and Addenda pursuant to California Government Code Section 830.6; (2) Find minor irregularities in the bid from White Rock Construction, Inc. to be immaterial and waive immaterial irregularities; and (3) Award Contract for the 2026 Water Meter Installation Project to the lowest responsive, responsible bidder, White Rock Construction, Inc., in the amount of \$916,350.
 - b. Tahoe Keys Sanitary Sewer Rehabilitation Project
(Brendan Cusick, Senior Engineer and Brent Goligowski, Engineering Manager – Capital Projects)
(1) Adopt Addendum No. 1 to the design Plans and Specifications pursuant to California Government Code Section 830.6; (2) Find minor irregularities in the bid from Express Sewer & Drain, Inc. to be immaterial and waive immaterial irregularities; and (3)

Award Contract for the 2026 Tahoe Keys Sanitary Sewer Rehabilitation Project to the lowest responsive, responsible bidder, Express Sewer & Drain, Inc., in the amount of \$1,139,450.

- c. Tahoe Keys Sanitary Sewer Rehabilitation Project
(Brendan Cusick, Senior Engineer and Brent Goligoski, Engineering Manager – Capital Projects)
(1) Approve the proposed Scope of Work to amend existing Task Order No. 3 for DOWL to provide engineering services during construction and construction inspection services of the Tahoe Keys Sanitary Sewer Rehabilitation Project; and (2) Authorize the General Manager to execute Amendment A to Task Order No. 3 with DOWL in the amount not to exceed \$146,062.
 - d. Glenwood Rancho, Lake Tahoe Boulevard and Tahoe Mountain Waterline Project
(Andrea Salazar, Chief Financial Officer)
Approve Resolution No. 3330-26, the Installment Sale Agreement Resolution of the Board of Directors of the South Tahoe Public Utility District for the Glenwood Rancho, Lake Tahoe Boulevard and Tahoe Mountain Waterline Project.
 - e. Return Activated Sludge Pump Station Replacement Project
(Andrea Salazar, Chief Financial Officer)
Approve Resolution No. 3331-26, the Installment Sale Agreement Resolution of the Board of Directors of the South Tahoe Public Utility District for the Return Activated Sludge Pump Station Replacement Project.
8. **STANDING AND AD-HOC COMMITTEES AND LIAISON REPORTS** (Discussions may take place; however, no action will be taken.)
 9. **BOARD MEMBER REPORTS** (Discussions may take place; however, no action will be taken.)
 10. **STAFF/ATTORNEY REPORTS** (Discussions may take place; however, no action will be taken.)
 11. **GENERAL MANAGER REPORT** (Discussion may take place; however, no action will be taken.)
 12. **NOTICE OF PAST AND FUTURE MEETINGS/EVENTS**
Past Meetings/Events
05/07/2026 – 2:00 p.m. Regular Board Meeting at the District
05/12/2026 – 3:30 p.m. Operations Committee Meeting at the District
05/13/2026 – 10:00 a.m. El Dorado Water Agency Meeting in Placerville
05/20/2026 – 8:00 a.m. Employee Communications Committee Meeting (Director Haven Representing)

Future Meetings/Events
05/25/2026 – Memorial Day Holiday District Offices Closed
06/04/2026 - 2:00 p.m. Regular Board Meeting at the District
 13. **ITEMS FOR CLOSED SESSION** (The Board will adjourn to Closed Session to discuss items identified below. Closed Session is not open to the public; however, an opportunity will be provided at this time if members of the public would like to comment on any item listed – three minute limit, subject to modification by the Board President.)
 - a. Pursuant to Section 54956.8 of the California Government Code, Closed Session may be held for conference with real property negotiators prior to the purchase, sale, exchange, or lease of real property by or for the local agency. The negotiating parties are Paul Hughes, General Manager, Ryan Jones, General Counsel; Tech Ventures QOZB, LLC, owner of the subject property located at 930 Tanglewood Drive, South Lake Tahoe, California; and Radley Raven of The Oppenheim Group Real Estate, the owner’s agent. Under negotiation are the price and terms of payment.

- b. Pursuant to Section 54956.8 of the California Government Code, Closed Session may be held for conference with real property negotiators prior to the purchase, sale, exchange, or lease of real property by or for any local agency. The negotiating parties are Paul Hughes, General Manager; Ryan Jones, General Counsel; Mano and Lata Murthy, owners of the subject property located at 885 Sunset Drive, South Lake Tahoe, California; and Doug Rosner, the owner's agent. Under negotiation are the price and terms of payment.

- c. Pursuant to Section 54956.9(d)(1) of the California Government code, Closed Session may be held for conference with legal counsel regarding existing litigation: Yolo County Superior Court Case CV 2021-1686, Alpine County vs. South Tahoe Public Utility District; et al.

ADJOURNMENT (The next Regular Board Meeting is Thursday, June 4, 2026, at 2:00 p.m.)

The South Tahoe Public Utility District Board of Directors regularly meets the first and third Thursday of each month. A complete Agenda packet is available for review at the meeting and at the District office during the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday. A recording of the meeting is retained for 30 days after Minutes of the meeting have been approved. Items on the Agenda are numbered for identification purposes only and will not necessarily be considered in the order in which they appear. Designated times are for particular items only. Public Hearings will not be called to order prior to the time specified, but may occur slightly later than the specified time.

Public participation is encouraged. Public comments on items appearing on the Agenda will be taken at the same time the Agenda items are heard; comments should be brief and directed to the specifics of the item being considered. Please provide the Clerk of the Board with a copy of all written materials presented at the meeting. Comments on items not on the Agenda can be heard during "Comments from the Audience;" however, action cannot be taken on items not on the Agenda.

Backup materials relating to an open session item on this Agenda, which are not included with the Board packet, will be made available for public inspection at the same time they are distributed or made available to the Board, and can be viewed at the District office, at the Board meeting and upon request to the Clerk of the Board.

The meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District's public meetings. If particular accommodations are needed, please contact the Clerk of the Board at (530) 544-6474, extension 6203. All inquiries must be made at least 48 hours in advance of the meeting.



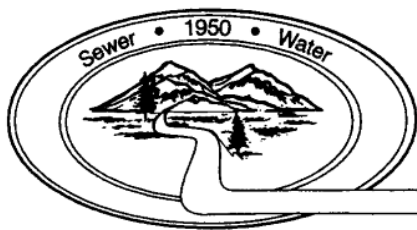
SOUTH TAHOE PUBLIC UTILITY DISTRICT
CONSENT CALENDAR
Thursday, May 21, 2026

ITEMS FOR CONSENT

- a. **ISSUANCE OF SPECIAL USE PERMIT FOR WOLLYSTAR MUSIC FESTIVAL SECONDARY EMERGENCY EGRESS ROUTE**
(Chris Stanley, Manager of Field Operations)
Approve the issuance of a Special Use Permit to Avery Hellman to allow attendees of the Woollystar Music Festival to use an existing unimproved road across a portion of Diamond Valley Ranch in the event of an emergency.

- b. **RECEIVE AND FILE PAYMENT OF CLAIMS** (Greg Dupree, Accounting Manager)
Receive and file Payment of Claims in the amount of \$2,947,295.63.

- c. **REGULAR BOARD MEETING MINUTES: May 7, 2026**
(Melonie Guttry, Executive Services Manager/Clerk of the Board)
Approve May 7, 2026, Minutes



South Tahoe Public Utility District

1275 Meadow Crest Drive • South Lake Tahoe • CA 96150-7401
Phone 530 544-6474 • Fax 530 541-0614 • www.stpud.us

BOARD AGENDA ITEM 4a

TO: Board of Directors
FROM: Chris Stanley, Manager of Field Operations
MEETING DATE: May 21, 2026
ITEM – PROJECT NAME: Issuance of Special Use Permit for Woollystar Music Festival
Secondary Emergency Egress Route

REQUESTED BOARD ACTION: Approve the issuance of a Special Use Permit to Avery Hellman to allow attendees of the Woollystar Music Festival to use an existing unimproved road across a portion of Diamond Valley Ranch in the event of an emergency.

DISCUSSION: Avery Hellman ("Hellman") owns property adjacent and immediately north of the District's Diamond Valley Ranch ("DVR"). Hellman is holding a music festival on her property called Woollystar Music Festival ("Festival") scheduled for June 12 – June 14, 2026. The maximum capacity for the festival is 300 persons, including overnight camping on the Hellman property. This year is the fifth year of the Festival; the District issued an identical permit to Hellman the last four years without incident.

The County of Alpine, California, ("County") has issued a permit to Hellman for the Festival but is requiring Hellman to have a secondary emergency pedestrian egress route across an unimproved gravel road located on DVR. The emergency egress route across DVR would only be utilized in the event an emergency prevented utilization of the primary access/egress route to Carson River Road.

Staff recommends that the Board approve the issuance of a Special Use Permit to Avery Hellman

SCHEDULE: 6/12/2026 - 6/14/2026

COSTS: N/A

ACCOUNT NO: N/A

BUDGETED AMOUNT AVAILABLE: N/A

IDENTIFIED CAPITAL IMPROVEMENT PROJECT (CIP): Yes No N/A

ATTACHMENTS: Special Use Permit

CONCURRENCE WITH REQUESTED ACTION:

CATEGORY: Sewer

GENERAL MANAGER: YES AA NO _____

CHIEF FINANCIAL OFFICER: YES AS NO _____

EMERGENCY EGRESS SPECIAL USE PERMIT

This Emergency Egress Special Use Permit (“Permit”) is made and entered into on April 17, 2025 by and between the South Tahoe Public Utility District (“District”), a California public agency formed in 1950 pursuant to the Public Utility District Act, and Avery Hellman (“Permittee”), at South Lake Tahoe, California, with reference to the following facts and intentions:

A. The District is the owner of certain real property and improvements located in Alpine County, California, a portion of which is generally described as assessor parcel numbers 001-080-080, 001-080-085 and 001-080-086 and more particularly described in the map attached as Exhibit A, which is incorporated by this reference (collectively “District Property”);

B. Permittee is the owner of certain real property and improvements located in Alpine County, California, generally described as assessor parcel number 001-080-036 and more particularly described in the map attached as Exhibit A, which is incorporated by this reference (collectively “Permittee Property”);

C. Permittee is organizing, promoting and holding a music festival called Woollystar Music Festival (“Festival”) at the Permittee Property on June 12, 13 and 14, 2026;

D. The County of Alpine, California, (“County”) is requiring Permittee to have an emergency egress from the Permittee Property across the District Property that exits onto Barber Road; and,

E. Permittee desires, and the District agrees to allow, Permittee the right to use a portion of the District Property pursuant to the terms and conditions of this Permit.

NOW, THEREFORE, the parties agree as follows:

1. Emergency Egress Right. The District grants Permittee the right to use an unimproved gravel road located on a portion of the District Property depicted on the attached Exhibit A (“Permitted Egress Route”) pursuant to the terms and conditions of this Permit. Other than as expressly provided in this Permit, Permittee shall not have any other rights with respect to the District Property.

2. Term. The term of this Permit (“Term”) shall commence on June 9, 2026 (“Commencement Date”) and end on June 23, 2026 (“Termination Date”). The District shall have the right to terminate this Permit immediately upon Permittee’s material breach of this Permit.

3. Possession. The District shall be deemed to have delivered possession of the Permitted Egress Route to Permittee and Permittee shall be deemed to have taken possession of the Permitted Egress Route as of the Commencement Date subject to the terms and conditions of this Permit.

4. Permit Fee. Permit is provided at no cost. Permittee previously paid for the development of Permit prior to first issuance in 2022.

5. Use of Permitted Egress Route.

5.1. Use. The Permitted Egress Route shall be only available for the Festival attendees’ pedestrian emergency use from June 12, 2026 to June 14, 2026, and for no other use without the express written consent of the District which shall only be used for emergency egress from the Permittee Property if Permittee’s primary access/egress route is not able to be utilized.

5.2. Delineation. Prior to commencement of the Festival, Permittee shall mark the Permittee Egress Route in a manner that clearly delineates the road for day and night use. Prior to the Termination Date, Permittee shall remove the marking of the Permitted Egress Route. Access from the Permittee Property to the Permitted Egress Route shall be posted with signage identifying it for emergency use only. Except as allowed by this Permit, Permittee shall not allow any of the Festival attendees to access the District Property or the Permitted Egress Route.

5.3. Compliance of Law. Permittee shall, at Permittee's sole cost and expense, comply with all applicable local, state and federal statutes, ordinances, rules, regulations, orders and requirements in effect that relate to the use of the Permitted Egress Route by Permittee.

5.4. Acceptance of Premises. The District has made no representation or warranty concerning the fitness for use or suitability for purpose of the Permitted Egress Route or the District Property, all of which are expressly disclaimed, and Permittee accepts the Permitted Egress Route "AS IS." The District expressly disclaims any representation or warranty or any liability or damage as to the Permitted Egress Route by the Festival attendees. Without limiting the above, Permittee shall bear the risk of the suitability of the Permitted Egress Route for Permittee's intended use from both an economic and liability bases and with respect to Permittee's use of the Permitted Egress Route.

5.5. Permittee's Conduct. The District shall have the right to require Permittee, its employees, contractors, consultants, vendors, invitees and agents, whom the District determines to be acting in a careless, unsafe or discourteous manner, to leave the Permitted Egress Route.

5.6. Prohibited Uses. In no event shall Permittee use the Permitted Egress Route in any manner which would, in the District's opinion, have an adverse effect on the Property or the present condition of the Property, or be incompatible with the District's preservation, protection, and restoration objectives of the District Property.

6. Maintenance and Operation/Surrender. Permittee agrees that it will, at all times during the Term, keep the Permitted Egress Route in good condition and repair. Permittee further agrees, on the last day of the Term or earlier termination of this Permit, to surrender the Permitted Egress Route in the same condition as when received and to remove all of Permittee's personal property from the Permitted Egress Route.

7. Right of Entry. The District and its authorized representatives may enter the Permitted Egress Route at any time for the purpose of inspecting the Permitted Egress Route and Permittee's use of and operations on the Permitted Egress Route. Permittee covenants and agrees that the District may enter the Permitted Egress Route at any time to make any necessary repairs to the Permitted Egress Route and perform any work desired by the District that does not unreasonably interfere with Permittee's use of the Permitted Egress Route or that the District may deem necessary to prevent waste or deterioration in connection with Permittee's use of the Permitted Egress Route.

8. Alterations and Improvements. Permittee shall not make any alterations or improvements to the Permitted Egress Route without the prior written consent of the District.

9. Indemnity and Liability.

9.1 To the fullest extent permitted by law, Permittee shall defend, indemnify and hold harmless the District, its elected officials, officers, employees, agents and contractors, from and against any and all claims, damages, losses, liabilities and expenses, including attorneys' fees, paralegal and legal fees and costs, which arise out of, relate to or result from, Permittee's acts or omissions, use of the Permitted Egress Route Permittee and its Festival attendees, or from this Permit, except as caused by the District's sole negligence or willful misconduct. In the event any action or proceeding is brought against the District, Permittee, upon notice from the District, shall defend the same at Permittee's sole cost and expense by legal counsel approved by the District. Permittee, as a material part of the consideration to the District, assumes all risk of damage to the Permitted Egress Route or injury to persons in, upon or about the Permitted Egress Route from any cause whatsoever except that which is caused by the failure of the District to observe any of the terms and conditions of this Permit and such failure has persisted for an unreasonable period of time after written notice of such failure, and Permittee waives all of its claims with respect thereof against the District.

9.2 Exemption from Liability. The District shall not be liable for injury to Permittee's business or any loss of income or for damage to the property of Permittee, Permittee's employees, invitees, Festival attendees, or any other person in or about the Permitted Egress Route, nor shall the District be liable for injury to the person or Permittee, Permittee's employees, Festival attendees, agents or contractors, whether such damage or injury is caused by or results from fire, explosion, electricity, gas, water, rain, or from any other cause, whether such damage or injury results from

conditions arising upon the Permitted Egress Route or the District Property, or from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible.

10. Insurance.

10.1. Commercial General Liability Insurance. Permittee shall, at its sole cost and expense, maintain in effect at all times during the Term, commercial general liability insurance which shall include, but shall not be limited to, protection against claims arising from death, bodily or personal injury or damage to property resulting from actions, failures to act, operations or equipment of the insured, or by its employees, agents, consultants or by anyone directly or indirectly employed by the insured. The amount of insurance should not be less than Two Million Dollars (\$2,000,000) combined single limit per occurrence coverage applying to bodily and personal injury and property damage.

10.2. Automobile Liability Insurance. Permittee shall, at its sole cost and expense, maintain in effect at all times during the Term, automobile liability insurance which shall include, but shall not be limited to, protection against claims arising from death, bodily or personal injury, or damage to property resulting from actions, failures to act, operations or equipment of the insured, or by its employees, agents, consultants, or by anyone directly or indirectly employed by the insured. The amount of insurance should not be less than Two Million Dollars (\$2,000,000) combined single limit per accident coverage applying to bodily and personal injury and property damage. Coverage shall insure all owned, nonowned and hired automobiles.

10.3. Endorsements. The commercial general liability and automobile liability insurance coverages required by this Permit shall include the following provisions and endorsements:

a. The South Tahoe Public Utility District and its elected officials, officers and employees will be a named or an additional insured in regard to liability.

b. Written notice shall be given to the District at least thirty (30) days prior to termination, suspension, voiding, cancellation or reduction of coverage in the policy, except if cancellation is for nonpayment of premiums, written notice shall be given to the District at least ten (10) calendar days prior to cancellation.

c. The insurance shall be primary as with respect to the interest of the named and/or additional insureds, any other insurance maintained by the named and/or additional insureds is excess and not contributing insurance.

d. The insurance, subject to all of its other terms and conditions, applies to the liability assumed by the Permittee under this Permit.

e. Cross liability and severability of interest.

f. The insurer shall waive and all transfer rights of recovery (subrogation) it may have against the name and/or additional insureds for claims and/or losses.

10.4. Workers' Compensation and Employer's Liability Insurance. Workers' compensation insurance for all of their employees employed directly by them or through sub-contractors in accordance with statutory requirements. Consultant shall provide employer's liability insurance with limits of not less than One Million Dollars (\$1,000,000) each accident, One Million Dollars (\$1,000,000) disease policy limit, and One Millions Dollars (\$1,000,000) disease each employee. The Workers' compensation insurance policy shall contain, or be endorsed to contain, a provision that the insurer waives any and all transfer rights of recovery (subrogation) it may have against the additional insureds.

10.5. General Insurance Requirements. Permittee shall not be entitled to occupy the Permitted Egress Route until all required insurance has been obtained, required submittals delivered to the District and the submittals reviewed and approved by the District for general conformance with this Permit. The procurement and maintenance of the insurance required by this section is a material element of this Permit and failure to timely procure and/or maintain such insurance shall be a material breach of this Permit. The Permittee shall deliver the following to the District:

a. A copy of each insurance policy that provides insurance required by this section (and additional copies as requested by the District in writing). Each policy copy shall be certified by placing a statement on the policy(ies) stating that "this copy of the policy is certified to be true, correct and complete" and signed by an authorized representative of the insurer. The copy of each policy shall include each and every cover page, declaration page, form, schedule, endorsement, etc., that is a part of the policy;

b. Certificate(s) of Insurance, issued in duplicate, covering all policies. Such certificates shall make explicit reference to each of the provisions and endorsements required in this section, and shall be signed on behalf of the insurer by an authorized representative;

c. Original endorsements for each policy of insurance required by this section and signed on behalf of the insurer by an authorized representative.

d. All insurance required by this section shall be placed with insurance companies authorized to transact business in the State of California for the types or insurance required by the Permit. Each insurance company shall have a current A. M. Best Insurance Guide rating of not less than A-/VII unless prior written approval is secured from the District as to the use of such insurer.

e. The requirements as to the types, limits, deductibles and the District's review and/or approval of insurance coverages to be maintained by the Permittee are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by the Permittee under this Permit. Further, the District's review and approval of any section, unless specifically stated in writing and signed by the District, shall not release or relieve the Permittee or its subcontractors from complying with the requirements of this section.

f. Any policy of insurance required by this section shall be an "occurrence" policy.

g. In the event Permittee changes any insurance company(ies) providing the insurance coverage required by this section, Permittee shall timely resubmit to the District for review and approval, the insurance documents required by this section for each new insurance company providing insurance coverage. Permittee shall submit such documents at least thirty (30) days prior to the change in any required insurance to enable the District to timely review and approve the insurance coverages provided by such new insurance company(ies).

h. Insurance policies providing coverage which contains self-insured retention shall not be acceptable except with the prior written approval of the District regardless of the amount of the self-insured retention.

11. Holding Over. If Permittee has not vacated the premises at the end of the Term, the Permittee will accrue charges in the amount of Five Hundred Dollars (\$500) per day beginning on the fifth (5th) day after the end of the Permit Term. All other terms and conditions remain the same as specified in this Permit.

12. General Provisions.

12.1. Recitals. The recitals stated at the beginning of this Permit of any matters or facts shall be conclusive proof of the truthfulness thereof and the terms and conditions of the recitals, if any, shall be deemed a part of this Permit.

12.2. Notices. All notices, approvals, acceptances, requests, demands and other communications required or permitted, to be effective, shall be in writing and shall be delivered, either in person or by mailing the same by United States mail (postage prepaid, registered or certified, return receipt requested) or by Federal Express or other similar overnight delivery service, to the party to whom the notice is directed at the address of such party as follows:

To: District

South Tahoe Public Utility District
Attn: General Manager
1275 Meadow Crest Drive South
Lake Tahoe, CA 96150

With a copy to:

Ryan Jones, Esq.
Jones Mayer
3777 N. Harbor Blvd.
Fullerton, CA 92835

To: Permittee

Avery Hellman
1287 Caron River Road
Markleeville, CA 96120

Any communication given by mail shall be deemed delivered two (2) business days after such mailing date, and any written communication given by overnight delivery service shall be deemed delivered one (1) business day after the dispatch date. Either party may change its address by giving the other party written notice of its new address.

12.3. Successors and Assigns. This Permit shall be binding on and shall inure to the benefit of the parties and their respective heirs, successors and assigns. Nothing in this Permit, express or implied, is intended to confer on any person other than the parties or their respective heirs, successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Permit.

12.4. Assignability. Permittee shall not assign this Permit, or any rights to it, and shall not sublet the entire or any part of the Permitted Egress Route or any right or privilege appurtenant to the Permitted Egress Route or permit or transfer interest therein without first obtaining the written consent of the District, which may be withheld by the District in its sole and absolute discretion. Any assignment or subletting without the District's consent shall be void and shall, at the District's option, terminate this Permit. No interest of Permittee in this Permit shall be assignable by operation law without the District's prior written consent.

12.5. Waiver. No waiver by any party of any of the provisions shall be effective unless explicitly stated in writing and executed by the party so waiving. Except as provided in the preceding sentence, no action taken pursuant to this Permit, including, without limitation, any investigation by or on behalf of any party, shall be deemed to constitute a waiver by the party taking such action of compliance with any representations, warranties, covenants, or agreements contained in this Permit, and in any documents delivered or to be delivered pursuant to this Permit. The waiver by any party of a breach of any provision of this Permit shall not operate or be construed as a waiver of any subsequent breach. No waiver of any of the provisions of this Permit shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.

12.6. Severability. If any term, provision, covenant or condition of this Permit shall be or become illegal, null, void or against public policy, or shall be held by any court of competent jurisdiction to be illegal, null, void or against policy, the remaining provisions of this Permit shall remain in full force and effect, and shall not be affected, impaired or invalidated. The term, provision, covenant or condition that is so invalidated, voided or held to be unenforceable, shall be modified or changed by the parties to the extent possible to carry out the intentions and directives set forth in this Permit.

12.7. Counterparts. This Permit may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

12.8. Governing Law. This Permit shall be governed by, and interpreted in accordance with, the laws of the State of California to the extent California Law is applicable to the United States, with venue proper only in the County of El Dorado, State of California.

12.9. Attorney Fees. If any legal proceeding (lawsuit, arbitration, etc.), including an action for declaratory relief, is brought to enforce or interpret the provisions of this Permit, the prevailing party shall be entitled to recover actual attorneys' fees and costs, which may be determined by the court

in the same action or in a separate action brought for that purpose. The attorneys' fees award shall be made as to fully reimburse for all attorneys' fees, paralegal fees, costs and expenses actually incurred in good faith, regardless of the size of the judgment, it being the intention of the parties to fully compensate for all attorneys' fees, paralegal fees, costs and expenses paid or incurred in good faith.

12.10. Good Faith. The parties agree to exercise their best efforts and utmost good faith to effectuate all the terms and conditions of this Permit and to execute such further instruments and documents as are necessary or appropriate to effectuate all of the terms and conditions of this Permit.

12.11. Construction. The provisions of this Permit should be liberally construed to effectuate its purposes. The language of all parts of this Permit shall be construed simply according to its plain meaning and shall not be construed for or against either party, as each party had the opportunity to have their counsel review it. Whenever the context and construction so requires, all words used in the singular shall be deemed to be used in the plural, all masculine shall include the feminine and neuter, and vice versa.

12.12. Several Obligations. Except where specifically stated in this Permit to be otherwise, the duties, obligations, and liabilities of the parties are intended to be several and not joint or collective. Nothing contained in this Permit shall be construed to create an association, trust, partnership, or joint venture or impose a trust or partnership duty, obligation, or liability on or with regard to either party. Each party shall be individually and severally liable for its own obligations under this Permit.

12.13. Authority. The individuals executing this Permit represent and warrant that they have the authority to enter into this Permit and to perform all acts required by this Permit, and that the consent, approval or execution of or by any third party is not required to legally bind either party to the terms and conditions of this Permit.

12.14. Entire Agreement. This Permit contains the entire understanding and agreement of the parties, and supersedes all prior agreements and understandings, oral and written, between the parties. There have been no binding promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature, except as stated in this Permit. This Permit may be altered, amended or modified only by an instrument in writing, executed by the parties to this Permit and by no other means. Each party waives its future right to claim, contest or assert that this Permit was modified, canceled, superseded or changed by any oral Permit, course of conduct, waiver or estoppel.

IN WITNESS WHEREOF, the parties have executed this Permit on the day and year and at the place first written above.

DISTRICT

PERMITTEE

South Tahoe Public Utility District

By: _____
Shane Romsos, Board President

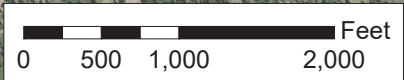
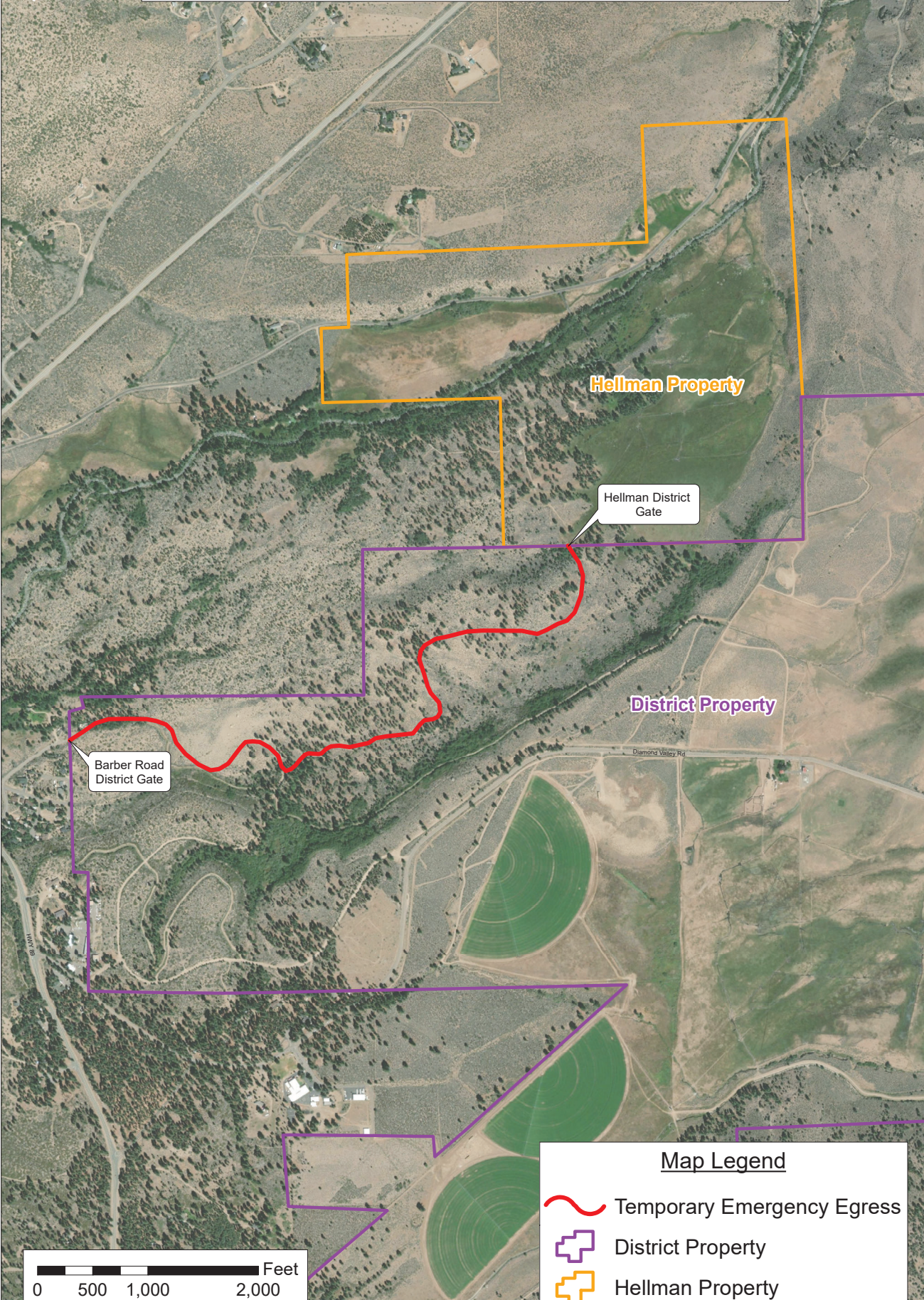
Avery Hellman

ATTEST:




By: _____
Melonie Guttry, Clerk of the Board/
Executive Services Manager



South Tahoe Public Utility District Emergency Egress Special Use Permit Exhibit A



Map Legend

-  Temporary Emergency Egress
-  District Property
-  Hellman Property

PAYMENT OF CLAIMS

FOR APPROVAL
May 21, 2026

Payroll	5/12/26			<u>772,592.88</u>
Total Payroll				772,592.88
AFLAC/WageWorks claims and fees				145.20
Ameritas - Insurance Payments				<u>7,308.40</u>
Total Vendor EFT				7,453.60
<u>Weekly Approved Check Batches</u>				
		<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Wednesday, April 29, 2026		100,528.25	117,325.55	217,853.80
Wednesday, May 6, 2026		383,642.62	451,918.67	835,561.29
Wednesday, May 13, 2026		191,007.50	913,379.83	<u>1,104,387.33</u>
Total Accounts Payable Checks				2,157,802.42
Utility Management Refunds				<u>9,446.73</u>
Total Utility Management Checks				9,446.73
Grand Total				<u><u>\$2,947,295.63</u></u>

<u>Payroll EFTs & Checks</u>		<u>5/12/2026</u>
EFT	CA Employment Taxes & W/H	38,195.22
EFT	Federal Employment Taxes & W/H	173,813.80
EFT	CalPERS Contributions	104,445.63
EFT	Empower Retirement-Deferred Comp	44,344.68
EFT	Stationary Engineers Union Dues	3,389.02
EFT	CDHP Health Savings (HSA)	7,405.54
EFT	Retirement Health Savings	23,208.36
EFT	Employee Direct Deposits	372,011.80
CHK	Employee Garnishments	177.69
CHK	Employee Paychecks	5,601.14
<i>Total</i>		<u>772,592.88</u>



Payment of Claims

Payment Date Range 04/29/26 - 05/13/26
Report By Vendor - Invoice
Summary Listing

Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount	
Vendor 50516 - 395 MOTORSPORTS										
LCELE1ZJ9T601259	Replace Water Reuse Utility Vehicle	Paid by Check #115332		04/23/2026	04/29/2026	04/30/2026		04/29/2026	33,048.00	
							Vendor 50516 - 395 MOTORSPORTS Totals	Invoices	1	<u>\$33,048.00</u>
Vendor 44199 - ACME CONSTRUCTION SUPPLY										
S4915358.001	Field, Shop & Safety Supplies Inventory	Paid by EFT #6841		04/27/2026	05/13/2026	04/30/2026		05/13/2026	484.22	
							Vendor 44199 - ACME CONSTRUCTION SUPPLY Totals	Invoices	1	<u>\$484.22</u>
Vendor 43721 - ACWA/JPIA										
0000001262	Insurance prepaid	Paid by EFT #6791		04/01/2026	05/06/2026	04/30/2026		05/06/2026	852.00	
0709013	ACWA Medical/Vision Insurance	Paid by EFT #6842		04/01/2026	05/13/2026	05/31/2026		05/13/2026	277,995.06	
857	Insurance prepaid	Paid by EFT #6791		04/07/2026	05/06/2026	04/30/2026		05/06/2026	570,228.18	
0709280	ACWA Medical/Vision Insurance	Paid by EFT #6842		05/07/2026	05/13/2026	06/30/2026		05/13/2026	279,382.40	
							Vendor 43721 - ACWA/JPIA Totals	Invoices	4	<u>\$1,128,457.64</u>
Vendor 50479 - ADVENTURE OUTDOORS NETWORK LLC										
254	Public Relations Expense	Paid by EFT #6843		05/01/2026	05/13/2026	05/31/2026		05/13/2026	2,086.00	
							Vendor 50479 - ADVENTURE OUTDOORS NETWORK LLC Totals	Invoices	1	<u>\$2,086.00</u>
Vendor 44039 - AFLAC										
662036	Insurance Supplement Payable	Paid by EFT #6844		04/01/2026	05/13/2026	04/30/2026		05/13/2026	653.94	
							Vendor 44039 - AFLAC Totals	Invoices	1	<u>\$653.94</u>
Vendor 48605 - AIRGAS USA LLC										
9171123504	Field, Shop & Safety Supplies Inventory	Paid by EFT #6747		04/15/2026	04/29/2026	04/30/2026		04/29/2026	1,024.70	
9171123514	Field, Shop & Safety Supplies Inventory	Paid by EFT #6747		04/15/2026	04/29/2026	04/30/2026		04/29/2026	512.35	
9171204267	Field, Shop & Safety Supplies Inventory	Paid by EFT #6792		04/17/2026	05/06/2026	04/30/2026		05/06/2026	512.37	
							Vendor 48605 - AIRGAS USA LLC Totals	Invoices	3	<u>\$2,049.42</u>
Vendor 43949 - ALPEN SIERRA COFFEE ROASTING CO										
255000	Office Supply Issues	Paid by EFT #6748		04/21/2026	04/29/2026	04/30/2026		04/29/2026	75.75	
255001	Office Supply Issues	Paid by EFT #6748		04/21/2026	04/29/2026	04/30/2026		04/29/2026	134.00	
255158	Office Supply Issues	Paid by EFT #6793		04/28/2026	05/06/2026	04/30/2026		05/06/2026	129.50	
255159	Office Supply Issues	Paid by EFT #6793		04/28/2026	05/06/2026	04/30/2026		05/06/2026	72.85	
255314	Office Supply Issues	Paid by EFT #6845		05/05/2026	05/13/2026	05/31/2026		05/13/2026	160.08	
255315	Office Supply Issues	Paid by EFT #6845		05/05/2026	05/13/2026	05/31/2026		05/13/2026	75.75	
							Vendor 43949 - ALPEN SIERRA COFFEE ROASTING CO Totals	Invoices	6	<u>\$647.93</u>
Vendor 49337 - AMAZON CAPITAL SERVICES INC										
1TM3-RNRT-DTGF	Primary Equipment	Paid by EFT #6749		04/15/2026	04/29/2026	04/30/2026		04/29/2026	229.32	
1GFH-MPPR-1KRK	Small Tools	Paid by EFT #6794		04/19/2026	05/06/2026	04/30/2026		05/06/2026	44.34	
1KKN-THYP-H7WG	Small Tools	Paid by EFT #6794		04/20/2026	05/06/2026	04/30/2026		05/06/2026	185.55	
1DQQ-HYX6-N176	Automotive	Paid by EFT #6794		04/22/2026	05/06/2026	04/30/2026		05/06/2026	71.49	
1G3C-GR9F-QX9C	Automotive	Paid by EFT #6794		04/22/2026	05/06/2026	04/30/2026		05/06/2026	238.88	
1TN1-1YRC-LM3G	Safety Equipment - Physicals	Paid by EFT #6749		04/23/2026	04/29/2026	04/30/2026		04/29/2026	1,111.79	



Payment of Claims

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 Summary Listing

Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount
1P6G-WCFM-CKN6	Biosolids Equipment - Building	Paid by EFT #6794		04/27/2026	05/06/2026	04/30/2026		05/06/2026	316.05
		Vendor 49337 - AMAZON CAPITAL SERVICES INC Totals				Invoices	7		\$2,197.42
Vendor 49763 - AMERICAN TIME									
897143	Service Contracts	Paid by EFT #6795		04/16/2026	05/06/2026	06/30/2026		05/06/2026	149.95
		Vendor 49763 - AMERICAN TIME Totals				Invoices	1		\$149.95
Vendor 50517 - JAMES & SUZANNE AMMONS									
3346507	Water Use Reduction Rebates	Paid by EFT #6846		04/30/2026	05/13/2026	04/30/2026		05/13/2026	363.83
		Vendor 50517 - JAMES & SUZANNE AMMONS Totals				Invoices	1		\$363.83
Vendor 45202 - AT&T MOBILITY									
287257798939 426	Telephone	Paid by EFT #6796		04/19/2026	05/06/2026	04/30/2026		05/06/2026	186.42
		Vendor 45202 - AT&T MOBILITY Totals				Invoices	1		\$186.42
Vendor 48000 - AT&T/CALNET 3									
000025111181	Telephone	Paid by EFT #6750		04/15/2026	04/29/2026	04/30/2026		04/29/2026	31.91
000025111182	Telephone	Paid by EFT #6750		04/15/2026	04/29/2026	04/30/2026		04/29/2026	31.91
000025128511	Telephone	Paid by EFT #6797		04/20/2026	05/06/2026	04/30/2026		05/06/2026	31.91
000025128513	Telephone	Paid by EFT #6797		04/20/2026	05/06/2026	04/30/2026		05/06/2026	920.92
000025128767	Telephone	Paid by EFT #6797		04/20/2026	05/06/2026	04/30/2026		05/06/2026	31.76
		Vendor 48000 - AT&T/CALNET 3 Totals				Invoices	5		\$1,048.41
Vendor 50103 - AZUL ELECTRIC SUPPLY LLC									
012999	Buildings	Paid by EFT #6751		04/17/2026	04/29/2026	04/30/2026		04/29/2026	33.05
013024	Buildings	Paid by EFT #6751		04/21/2026	04/29/2026	04/30/2026		04/29/2026	579.68
		Vendor 50103 - AZUL ELECTRIC SUPPLY LLC Totals				Invoices	2		\$612.73
Vendor 49702 - B&T SALES AND SERVICE INC									
34048	Automotive	Paid by EFT #6847		05/01/2026	05/13/2026	04/30/2026		05/13/2026	1,866.82
		Vendor 49702 - B&T SALES AND SERVICE INC Totals				Invoices	1		\$1,866.82
Vendor 48926 - BRIAN BARTLETT									
PER DIEM 050426	Travel - Meetings - Education	Paid by EFT #6798		05/01/2026	05/06/2026	05/31/2026		05/06/2026	63.00
		Vendor 48926 - BRIAN BARTLETT Totals				Invoices	1		\$63.00
Vendor 49339 - BASEFORM INC									
04242026-426	Pipe - Covers & Manholes	Paid by EFT #6752		04/24/2026	04/29/2026	04/30/2026		04/29/2026	2,430.00
04242026-427	Pipe - Covers & Manholes	Paid by EFT #6752		04/24/2026	04/29/2026	04/30/2026		04/29/2026	2,584.87
		Vendor 49339 - BASEFORM INC Totals				Invoices	2		\$5,014.87
Vendor 49749 - BATTERIES PLUS									
EC0056203360	Pump Stations	Paid by EFT #6753		03/10/2026	04/29/2026	04/30/2026		04/29/2026	1,159.50
		Vendor 49749 - BATTERIES PLUS Totals				Invoices	1		\$1,159.50
Vendor 50486 - CARRIE BAUWENS									
PARKING 041026	Travel - Meetings - Education	Paid by EFT #6754		04/15/2026	04/29/2026	04/30/2026		04/29/2026	72.00
		Vendor 50486 - CARRIE BAUWENS Totals				Invoices	1		\$72.00
Vendor 44109 - BB&H BENEFIT DESIGNS									
138716	Contractual Services	Paid by EFT #6799		04/06/2026	05/06/2026	05/31/2026		05/06/2026	250.00
		Vendor 44109 - BB&H BENEFIT DESIGNS Totals				Invoices	1		\$250.00
Vendor 49773 - LAUREN BENEFIELD									



Payment of Claims

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Summary Listing

Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount
PER DIEM 052626	Travel - Meetings - Education	Paid by EFT #6800		04/30/2026	05/06/2026	05/31/2026		05/06/2026	152.00
		Vendor 49773 - LAUREN BENEFIELD	Totals			Invoices	1		\$152.00
Vendor 45009 - BENTLY RANCH									
214301	Biosolid Disposal Costs	Paid by EFT #6801		04/22/2026	05/06/2026	04/30/2026		05/06/2026	823.65
214356	Biosolid Disposal Costs	Paid by EFT #6801		04/29/2026	05/06/2026	04/30/2026		05/06/2026	1,356.60
		Vendor 45009 - BENTLY RANCH	Totals			Invoices	2		\$2,180.25
Vendor 48291 - BEST BEST & KRIEGER LLP									
1058437	Legal-Regular	Paid by EFT #6755		04/08/2026	04/29/2026	04/30/2026		04/29/2026	2,917.50
		Vendor 48291 - BEST BEST & KRIEGER LLP	Totals			Invoices	1		\$2,917.50
Vendor 50494 - BLUE DRAGON HOLDINGS I, LLC									
S-2605	Solar	Paid by EFT #6848		05/01/2026	05/13/2026	04/30/2026		05/13/2026	26,847.42
		Vendor 50494 - BLUE DRAGON HOLDINGS I, LLC	Totals			Invoices	1		\$26,847.42
Vendor 48768 - BOBCAT OF RENO INC									
P50673	Automotive	Paid by EFT #6849		04/30/2026	05/13/2026	05/31/2026		05/13/2026	88.64
		Vendor 48768 - BOBCAT OF RENO INC	Totals			Invoices	1		\$88.64
Vendor 49971 - BRANDED SCREEN PRINTING									
1318757	Pro-Shop	Paid by EFT #6802		03/02/2026	05/06/2026	04/30/2026		05/06/2026	2,467.74
1319394	Incentive & Recognition Program	Paid by EFT #6850		04/06/2026	05/13/2026	04/30/2026		05/13/2026	581.51
1319551	Pro-Shop	Paid by EFT #6850		04/14/2026	05/13/2026	04/30/2026		05/13/2026	1,806.51
		Vendor 49971 - BRANDED SCREEN PRINTING	Totals			Invoices	3		\$4,855.76
Vendor 22251 - CALIF DEPT OF WATER RESOURCES									
1800181508	Regulatory Operating Permits	Paid by EFT #6803		07/01/2026	05/06/2026	07/01/2026		05/06/2026	60,058.00
		Vendor 22251 - CALIF DEPT OF WATER RESOURCES	Totals			Invoices	1		\$60,058.00
Vendor 12633 - CALIFORNIA CONSERVATION CORPS									
INNU-015533	Grounds & Maintenance	Paid by EFT #6851		03/09/2026	05/13/2026	04/30/2026		05/13/2026	21,535.31
INNU-015675	Grounds & Maintenance	Paid by EFT #6851		05/05/2026	05/13/2026	04/30/2026		05/13/2026	31,894.58
		Vendor 12633 - CALIFORNIA CONSERVATION CORPS	Totals			Invoices	2		\$53,429.89
Vendor 49220 - CAMPORA PROPANE									
12763596	Propane	Paid by EFT #6804		04/21/2026	05/06/2026	04/30/2026		05/06/2026	1,009.93
		Vendor 49220 - CAMPORA PROPANE	Totals			Invoices	1		\$1,009.93
Vendor 44569 - CAPPO									
CAPPO 2026-2027	Dues - Memberships - Certification	Paid by EFT #6805		07/01/2026	05/06/2026	07/01/2026		05/06/2026	290.00
		Vendor 44569 - CAPPO	Totals			Invoices	1		\$290.00
Vendor 43598 - CARBON ACTIVATED CORPORATION									
1065070	Carbon	Paid by EFT #6852		04/29/2026	05/13/2026	05/31/2026		05/13/2026	10,548.00
		Vendor 43598 - CARBON ACTIVATED CORPORATION	Totals			Invoices	1		\$10,548.00
Vendor 42328 - CDW-G CORP									
AI8B84L	Virtual Server/Host	Paid by EFT #6853		04/08/2026	05/13/2026	04/30/2026		05/13/2026	15,151.16
AI8H48U	Virtual Server/Host	Paid by EFT #6853		04/09/2026	05/13/2026	04/30/2026		05/13/2026	262.28
AI8NM7R	Virtual Server/Host	Paid by EFT #6853		04/10/2026	05/13/2026	04/30/2026		05/13/2026	5,604.38
AI9N51B	Virtual Server/Host	Paid by EFT #6853		04/20/2026	05/13/2026	04/30/2026		05/13/2026	2,355.78



Payment of Claims

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 Report By Vendor - Invoice
 Summary Listing

Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount
AJ1M39I	District Computer Supplies	Paid by EFT #6806		04/27/2026	05/06/2026	04/30/2026		05/06/2026	64.90
			Vendor 42328 - CDW-G CORP Totals			Invoices	5		\$23,438.50
Vendor 49934 - SHANNON CHANDLER									
PER DIEM 051626	Travel - Meetings - Education	Paid by EFT #6807		04/30/2026	05/06/2026	05/31/2026		05/06/2026	383.00
			Vendor 49934 - SHANNON CHANDLER Totals			Invoices	1		\$383.00
Vendor 40343 - CHEMSEARCH INC									
9593507	Service Contracts	Paid by EFT #6854		04/20/2026	05/13/2026	04/30/2026		05/13/2026	406.53
9595432	Oil & Lubricants	Paid by EFT #6808		04/22/2026	05/06/2026	04/30/2026		05/06/2026	1,961.80
			Vendor 40343 - CHEMSEARCH INC Totals			Invoices	2		\$2,368.33
Vendor 12535 - CITY OF SOUTH LAKE TAHOE									
AR206939	Caltrans - City - County - Improvements	Paid by EFT #6855		04/09/2026	05/13/2026	04/30/2026		05/13/2026	115,200.00
			Vendor 12535 - CITY OF SOUTH LAKE TAHOE Totals			Invoices	1		\$115,200.00
Vendor 42897 - CWEA									
435230 CSM2 2026	Dues - Memberships - Certification	Paid by Check #115333		04/14/2026	04/29/2026	04/30/2026		04/29/2026	119.00
DIBELLA APP 2026	Dues - Memberships - Certification	Paid by Check #115337		04/30/2026	05/06/2026	04/30/2026		05/06/2026	476.00
MITCHELLRETEST26	Dues - Memberships - Certification	Paid by Check #115391		04/30/2026	05/13/2026	04/30/2026		05/13/2026	240.00
APP CSM3 2026	Dues - Memberships - Certification	Paid by Check #115391		05/01/2026	05/13/2026	05/31/2026		05/13/2026	255.00
			Vendor 42897 - CWEA Totals			Invoices	4		\$1,090.00
Vendor 49871 - JOHN DALTON									
8110326-2	Water Use Reduction Rebates	Paid by EFT #6856		04/30/2026	05/13/2026	04/30/2026		05/13/2026	750.00
			Vendor 49871 - JOHN DALTON Totals			Invoices	1		\$750.00
Vendor 48289 - DIY HOME CENTER									
Apr 26 Stmt	Buildings & Shop Supplies	Paid by EFT #6857		04/30/2026	05/13/2026	04/30/2026		05/13/2026	632.30
			Vendor 48289 - DIY HOME CENTER Totals			Invoices	1		\$632.30
Vendor 48852 - ANDREW DORMAN									
MILEAGE 041026	Travel - Meetings - Education	Paid by EFT #6756		04/22/2026	04/29/2026	04/30/2026		04/29/2026	150.80
TRAVELEXP 041026	Travel - Meetings - Education	Paid by EFT #6756		04/22/2026	04/29/2026	04/30/2026		04/29/2026	1,295.95
			Vendor 48852 - ANDREW DORMAN Totals			Invoices	2		\$1,446.75
Vendor 49942 - DOWL LLC									
7371.30189.04-19	Keys CIPP Project	Paid by EFT #6858		05/08/2026	05/13/2026	05/31/2026		05/13/2026	3,143.00
			Vendor 49942 - DOWL LLC Totals			Invoices	1		\$3,143.00
Vendor 49959 - DUDEK									
202603650	Grounds & Maintenance	Paid by EFT #6757		04/21/2026	04/29/2026	04/30/2026		04/29/2026	2,086.25
			Vendor 49959 - DUDEK Totals			Invoices	1		\$2,086.25
Vendor 14680 - EL DORADO COUNTY AIR QUAL MGMT DIST									
AR0004930 2026	Regulatory Operating Permits	Paid by EFT #6758		04/20/2026	04/29/2026	04/30/2026		04/29/2026	635.10
			Vendor 14680 - EL DORADO COUNTY AIR QUAL MGMT DIST Totals			Invoices	1		\$635.10
Vendor 50450 - EL DORADO COUNTY TREASURER-TAX COLLECTOR									



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Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount
080-112-002-000	Test Wells (x3)	Paid by Check # 115392		07/01/2025	05/13/2026	04/30/2026			2,840.32
Vendor 50450 - EL DORADO COUNTY TREASURER-TAX COLLECTOR Totals							Invoices	1	<u>2,840.32</u>
Vendor 44263 - ENS RESOURCES INC									
10067	Public Relations Expense	Paid by EFT #6859		05/07/2026	05/13/2026	04/30/2026		05/13/2026	5,619.37
Vendor 44263 - ENS RESOURCES INC Totals							Invoices	1	<u>\$5,619.37</u>
Vendor 18550 - EUROFINS EATON ANALYTICAL LLC									
5700279429	Monitoring	Paid by EFT #6759		04/13/2026	04/29/2026	04/30/2026		04/29/2026	322.00
3800125095	Biosolid Disposal Costs	Paid by EFT #6809		04/27/2026	05/06/2026	04/30/2026		05/06/2026	30.90
3800125232	Biosolid Disposal Costs	Paid by EFT #6809		04/28/2026	05/06/2026	04/30/2026		05/06/2026	37.13
Vendor 18550 - EUROFINS EATON ANALYTICAL LLC Totals							Invoices	3	<u>\$390.03</u>
Vendor 47836 - EVOQUA WATER TECHNOLOGIES LLC									
907551909	Service Contracts	Paid by EFT #6860		05/01/2026	05/13/2026	05/31/2026		05/13/2026	165.00
Vendor 47836 - EVOQUA WATER TECHNOLOGIES LLC Totals							Invoices	1	<u>\$165.00</u>
Vendor 14890 - FEDEX									
9-259-35452	Postage Expenses	Paid by EFT #6810		04/17/2026	05/06/2026	04/30/2026		05/06/2026	65.09
9-268-86925	Postage Expenses	Paid by EFT #6810		04/24/2026	05/06/2026	04/30/2026		05/06/2026	47.79
9-278-74875	Postage Expenses	Paid by EFT #6861		05/01/2026	05/13/2026	04/30/2026		05/13/2026	95.24
Vendor 14890 - FEDEX Totals							Invoices	3	<u>\$208.12</u>
Vendor 15000 - FISHER SCIENTIFIC									
8387687	Laboratory Supplies	Paid by EFT #6862		04/28/2026	05/13/2026	04/30/2026		05/13/2026	78.22
Vendor 15000 - FISHER SCIENTIFIC Totals							Invoices	1	<u>\$78.22</u>
Vendor 48715 - FLEETCREW -ANELLE MGMT SRV									
65796	Service Contracts	Paid by EFT #6760		04/07/2026	04/29/2026	04/30/2026		04/29/2026	175.00
65864	Service Contracts	Paid by EFT #6760		04/09/2026	04/29/2026	04/30/2026		04/29/2026	2,420.00
Vendor 48715 - FLEETCREW -ANELLE MGMT SRV Totals							Invoices	2	<u>\$2,595.00</u>
Vendor 48402 - FLYERS ENERGY LLC									
26-611956	Gasoline Fuel Inventory	Paid by EFT #6811		04/09/2026	05/06/2026	04/30/2026		05/06/2026	8,104.64
26-611956A	Gasoline & Diesel Fuel Inventory	Paid by EFT #6811		04/09/2026	05/06/2026	04/30/2026		05/06/2026	8,217.51
26-611956C	Gasoline Fuel Inventory	Paid by EFT #6811		04/09/2026	05/06/2026	04/30/2026		05/06/2026	(8,104.64)
26-616413	Gasoline Fuel Inventory	Paid by EFT #6761		04/17/2026	04/29/2026	04/30/2026		04/29/2026	3,035.59
26-618169	Diesel Fuel Inventory	Paid by EFT #6761		04/21/2026	04/29/2026	04/30/2026		04/29/2026	3,544.93
26-620591	Gasoline Fuel Inventory	Paid by EFT #6811		04/23/2026	05/06/2026	04/30/2026		05/06/2026	1,798.55
26-624430	Gasoline & Diesel Fuel Inventory	Paid by EFT #6863		04/30/2026	05/13/2026	04/30/2026		05/13/2026	5,178.93
26-629131	Gasoline Fuel Inventory	Paid by EFT #6863		05/07/2026	05/13/2026	05/31/2026		05/13/2026	4,237.30
Vendor 48402 - FLYERS ENERGY LLC Totals							Invoices	8	<u>\$26,012.81</u>
Vendor 43111 - GFS CHEMICALS INC									
CINV-184021	Laboratory Supplies	Paid by EFT #6864		04/30/2026	05/13/2026	05/31/2026		05/13/2026	177.25
Vendor 43111 - GFS CHEMICALS INC Totals							Invoices	1	<u>\$177.25</u>
Vendor 15600 - GRAINGER									
9866718647	Buildings	Paid by EFT #6812		04/03/2026	05/06/2026	04/30/2026		05/06/2026	176.80
9873065941	Filter Equipment - Building	Paid by EFT #6812		04/09/2026	05/06/2026	04/30/2026		05/06/2026	1,136.13
9883459944	Buildings	Paid by EFT #6812		04/17/2026	05/06/2026	04/30/2026		05/06/2026	573.13



Payment of Claims

Payment Date Range 04/29/26 - 05/13/26
 Report By Vendor - Invoice
 Summary Listing

Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount
9886658500	Pump Stations	Paid by EFT #6762		04/20/2026	04/29/2026	04/30/2026		04/29/2026	719.98
9887507094	Generators	Paid by EFT #6762		04/21/2026	04/29/2026	04/30/2026		04/29/2026	1,101.48
9887507102	Buildings	Paid by EFT #6762		04/21/2026	04/29/2026	04/30/2026		04/29/2026	200.81
9888366706	Buildings	Paid by EFT #6762		04/21/2026	04/29/2026	04/30/2026		04/29/2026	155.66
9890212732	Pump Stations	Paid by EFT #6812		04/22/2026	05/06/2026	04/30/2026		05/06/2026	230.83
9892629446	Buildings	Paid by EFT #6812		04/24/2026	05/06/2026	04/30/2026		05/06/2026	(573.13)
Vendor 15600 - GRAINGER Totals							Invoices	9	<u>\$3,721.69</u>
Vendor 50163 - HALLGREN COMPANY INC									
26-00657	Pipe - Covers & Manholes	Paid by EFT #6763		04/02/2026	04/29/2026	04/30/2026		04/29/2026	3,200.00
Vendor 50163 - HALLGREN COMPANY INC Totals							Invoices	1	<u>\$3,200.00</u>
Vendor 44430 - HIGH SIERRA BUSINESS SYSTEMS									
153461	Service Contracts	Paid by EFT #6865		05/01/2026	05/13/2026	04/30/2026		05/13/2026	482.39
153558	Service Contracts	Paid by EFT #6865		05/04/2026	05/13/2026	04/30/2026		05/13/2026	254.16
Vendor 44430 - HIGH SIERRA BUSINESS SYSTEMS Totals							Invoices	2	<u>\$736.55</u>
Vendor 49604 - HOUSTON MAGNANI AND ASSOCIATES									
8042	Public Relations Expense	Paid by EFT #6866		05/04/2026	05/13/2026	04/30/2026		05/13/2026	800.00
Vendor 49604 - HOUSTON MAGNANI AND ASSOCIATES Totals							Invoices	1	<u>\$800.00</u>
Vendor 49984 - IBIS SCIENTIFIC LLC									
IN089458	Laboratory Equipment	Paid by EFT #6813		04/21/2026	05/06/2026	04/30/2026		05/06/2026	259.45
Vendor 49984 - IBIS SCIENTIFIC LLC Totals							Invoices	1	<u>\$259.45</u>
Vendor 10103 - IDEXX DISTRIBUTION CORP									
3199697638	Laboratory Supplies	Paid by EFT #6867		04/27/2026	05/13/2026	05/31/2026		05/13/2026	5,920.28
Vendor 10103 - IDEXX DISTRIBUTION CORP Totals							Invoices	1	<u>\$5,920.28</u>
Vendor 48056 - INFOSEND INC									
309382	Printing & Postage Expenses	Paid by EFT #6868		04/30/2026	05/13/2026	04/30/2026		05/13/2026	12,093.91
Vendor 48056 - INFOSEND INC Totals							Invoices	1	<u>\$12,093.91</u>
Vendor 48193 - INSTRUMENT TECHNOLOGY CORP									
27027	Pipe - Covers & Manholes	Paid by EFT #6814		04/23/2026	05/06/2026	04/30/2026		05/06/2026	1,606.88
27030	Leak Listening Device	Paid by EFT #6814		04/24/2026	05/06/2026	04/30/2026		05/06/2026	8,917.43
Vendor 48193 - INSTRUMENT TECHNOLOGY CORP Totals							Invoices	2	<u>\$10,524.31</u>
Vendor 44110 - J&L PRO KLEEN INC									
40263	Janitorial Services	Paid by EFT #6869		04/13/2026	05/13/2026	04/30/2026		05/13/2026	7,000.00
Vendor 44110 - J&L PRO KLEEN INC Totals							Invoices	1	<u>\$7,000.00</u>
Vendor 50099 - JLR ENVIRONMENTAL CONSULTANT									
1896	DVR Irrigation Reporting	Paid by EFT #6815		03/12/2026	05/06/2026	04/30/2026		05/06/2026	2,908.00
1918	DVR Irrigation Reporting	Paid by EFT #6815		04/20/2026	05/06/2026	04/30/2026		05/06/2026	10,914.00
Vendor 50099 - JLR ENVIRONMENTAL CONSULTANT Totals							Invoices	2	<u>\$13,822.00</u>
Vendor 40316 - JONES HALL									
11575	Legal-Special Projects	Paid by EFT #6764		03/13/2026	04/29/2026	04/30/2026		04/29/2026	2,750.00
Vendor 40316 - JONES HALL Totals							Invoices	1	<u>\$2,750.00</u>
Vendor 50024 - JONES MAYER									
140906	Legal Services March 2026	Paid by EFT #6870		03/31/2026	05/13/2026	03/31/2026		05/13/2026	3,297.29



Payment of Claims

Payment Date Range 04/29/26 - 05/13/26
Report By Vendor - Invoice
Summary Listing

Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount
			Vendor 50024 - JONES MAYER Totals				Invoices	1	\$3,297.29
Vendor 50490 - COLLEEN KARCHER									
3116406	Water Use Reduction Rebates	Paid by EFT #6871		04/30/2026	05/13/2026	04/30/2026		05/13/2026	262.50
			Vendor 50490 - COLLEEN KARCHER Totals				Invoices	1	\$262.50
Vendor 40821 - KENNEDY JENKS CONSULTANTS INC									
186142	Contractual Services	Paid by EFT #6765		02/20/2026	04/29/2026	04/30/2026		04/29/2026	1,805.70
186506	Contractual Services	Paid by EFT #6765		03/12/2026	04/29/2026	04/30/2026		04/29/2026	5,296.20
187205	Al Tahoe Well Rehab	Paid by EFT #6765		04/16/2026	04/29/2026	04/30/2026		04/29/2026	6,688.50
187361	Contractual Services	Paid by EFT #6765		04/21/2026	04/29/2026	04/30/2026		04/29/2026	12,554.10
187445	Contractual Services	Paid by EFT #6872		04/27/2026	05/13/2026	04/30/2026		05/13/2026	2,488.20
			Vendor 40821 - KENNEDY JENKS CONSULTANTS INC Totals				Invoices	5	\$28,832.70
Vendor 43694 - KIMBALL MIDWEST									
104350512	Shop Supplies	Paid by EFT #6766		04/08/2026	04/29/2026	04/30/2026		04/29/2026	763.23
			Vendor 43694 - KIMBALL MIDWEST Totals				Invoices	1	\$763.23
Vendor 49725 - LAKESIDE TERMITE & PEST CONTROL									
021616980	Buildings	Paid by EFT #6873		04/30/2026	05/13/2026	04/30/2026		05/13/2026	475.00
021617041	Buildings	Paid by EFT #6873		04/30/2026	05/13/2026	04/30/2026		05/13/2026	550.00
			Vendor 49725 - LAKESIDE TERMITE & PEST CONTROL Totals				Invoices	2	\$1,025.00
Vendor 48843 - RYAN LEE									
MILEAGE 041026	Travel - Meetings - Education	Paid by EFT #6767		04/21/2026	04/29/2026	04/30/2026		04/29/2026	637.60
			Vendor 48843 - RYAN LEE Totals				Invoices	1	\$637.60
Vendor 45135 - LES SCHWAB TIRE CENTER									
66100605677	Automotive	Paid by EFT #6816		04/28/2026	05/06/2026	04/30/2026		05/06/2026	168.51
			Vendor 45135 - LES SCHWAB TIRE CENTER Totals				Invoices	1	\$168.51
Vendor 22550 - LIBERTY UTILITIES									
200008913952 326	Electricity	Paid by Check #115334		04/13/2026	04/29/2026	04/30/2026		04/29/2026	143.96
200008919124 326	Electricity	Paid by Check #115335		04/13/2026	04/29/2026	04/30/2026		04/29/2026	834.79
200008919298 326	Electricity	Paid by Check #115334		04/13/2026	04/29/2026	04/30/2026		04/29/2026	161.06
200008923183 326	Electricity	Paid by Check #115335		04/13/2026	04/29/2026	04/30/2026		04/29/2026	759.07
200008932903 326	Electricity	Paid by Check #115335		04/13/2026	04/29/2026	04/30/2026		04/29/2026	2,970.11
200008919389 326	Electricity	Paid by Check #115334		04/14/2026	04/29/2026	04/30/2026		04/29/2026	406.74
200008923282 326	Electricity	Paid by Check #115335		04/14/2026	04/29/2026	04/30/2026		04/29/2026	10,836.64
200008928612 326	Electricity	Paid by Check #115335		04/14/2026	04/29/2026	04/30/2026		04/29/2026	4,958.57
200008904753 326	Electricity	Paid by Check #115334		04/15/2026	04/29/2026	04/30/2026		04/29/2026	1,141.98
200008923498 326	Electricity	Paid by Check #115334		04/15/2026	04/29/2026	04/30/2026		04/29/2026	2,785.72
200008937159 326	Electricity	Paid by Check #115335		04/16/2026	04/29/2026	04/30/2026		04/29/2026	43.85
200008895860 426	Electricity	Paid by Check #115339		04/17/2026	05/06/2026	04/30/2026		05/06/2026	348.14
200008895969 326	Electricity	Paid by Check #115339		04/17/2026	05/06/2026	04/30/2026		05/06/2026	14,526.47
200008928315 326	Electricity	Paid by Check #115339		04/17/2026	05/06/2026	04/30/2026		05/06/2026	14,039.16
200008923563 426	Electricity	Paid by Check #115339		04/21/2026	05/06/2026	04/30/2026		05/06/2026	3,302.48
200008904043 426	Electricity	Paid by Check #115339		04/22/2026	05/06/2026	04/30/2026		05/06/2026	295.73
200008919603 426	Electricity	Paid by Check #115339		04/22/2026	05/06/2026	04/30/2026		05/06/2026	387.83



Payment of Claims

Payment Date Range 04/29/26 - 05/13/26
 Report By Vendor - Invoice
 Summary Listing

Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount
200008923399 426	Electricity	Paid by Check #115338		04/22/2026	05/06/2026	04/30/2026		05/06/2026	4,963.78
200008904415 426	Electricity	Paid by Check #115339		04/23/2026	05/06/2026	04/30/2026		05/06/2026	6,947.48
200008895654 426	Electricity	Paid by Check #115338		04/27/2026	05/06/2026	04/30/2026		05/06/2026	341.23
200008895761 426	Electricity	Paid by Check #115338		04/27/2026	05/06/2026	04/30/2026		05/06/2026	800.94
200008923795 426	Electricity	Paid by Check #115338		04/27/2026	05/06/2026	04/30/2026		05/06/2026	290.64
200008932457 426	Electricity	Paid by Check #115338		04/27/2026	05/06/2026	04/30/2026		05/06/2026	27.84
200008932747 426	Electricity	Paid by Check #115338		04/27/2026	05/06/2026	04/30/2026		05/06/2026	26.61
200008904134 426	Electricity	Paid by Check #115394		04/28/2026	05/13/2026	04/30/2026		05/13/2026	15.45
200008904522 426	Electricity	Paid by Check #115394		04/28/2026	05/13/2026	04/30/2026		05/13/2026	303.02
200008909059 426	Electricity	Paid by Check #115394		04/28/2026	05/13/2026	04/30/2026		05/13/2026	952.04
200008909158 426	Electricity	Paid by Check #115394		04/28/2026	05/13/2026	04/30/2026		05/13/2026	23.47
200008923704 426	Electricity	Paid by Check #115393		04/28/2026	05/13/2026	04/30/2026		05/13/2026	138,802.87
200008923985 426	Electricity	Paid by Check #115394		04/28/2026	05/13/2026	04/30/2026		05/13/2026	58.40
200008928406 426	Electricity	Paid by Check #115394		04/28/2026	05/13/2026	04/30/2026		05/13/2026	1,156.56
200008928703 426	Electricity	Paid by Check #115394		04/28/2026	05/13/2026	04/30/2026		05/13/2026	1,253.88
200008909257 426	Electricity	Paid by Check #115394		04/29/2026	05/13/2026	04/30/2026		05/13/2026	2,018.10
200008928828 426	Electricity	Paid by Check #115394		04/29/2026	05/13/2026	04/30/2026		05/13/2026	10.74
200008932168 426	Electricity	Paid by Check #115394		04/29/2026	05/13/2026	04/30/2026		05/13/2026	4,440.55
Vendor 22550 - LIBERTY UTILITIES Totals							Invoices	35	\$220,375.90
Vendor 47903 - LINDE GAS & EQUIPMENT INC									
56207768	Shop Supplies	Paid by EFT #6817		04/22/2026	05/06/2026	04/30/2026		05/06/2026	804.10
56222737	Shop Supplies	Paid by EFT #6817		04/22/2026	05/06/2026	04/30/2026		05/06/2026	82.73
56414789	Shop Supplies	Paid by EFT #6874		04/30/2026	05/13/2026	04/30/2026		05/13/2026	38.92
Vendor 47903 - LINDE GAS & EQUIPMENT INC Totals							Invoices	3	\$925.75
Vendor 45059 - LUMOS & ASSOCIATES									
131677	Sunset Well Reconstruction	Paid by EFT #6818		04/17/2026	05/06/2026	04/30/2026		05/06/2026	912.50
Vendor 45059 - LUMOS & ASSOCIATES Totals							Invoices	1	\$912.50
Vendor 48639 - MADGE TECH INC									
INV159209	Laboratory Equipment	Paid by EFT #6768		04/13/2026	04/29/2026	04/30/2026		04/29/2026	197.00
Vendor 48639 - MADGE TECH INC Totals							Invoices	1	\$197.00
Vendor 19248 - MALLORY SAFETY & SUPPLY LLC									
6407535	Field, Shop & Safety Supplies Inventory	Paid by EFT #6819		04/27/2026	05/06/2026	04/30/2026		05/06/2026	580.52
Vendor 19248 - MALLORY SAFETY & SUPPLY LLC Totals							Invoices	1	\$580.52
Vendor 21701 - MCCLATCHY COMPANY LLC									
117112	Ads-Legal Notices	Paid by EFT #6769		04/02/2026	04/29/2026	04/30/2026		04/29/2026	3,240.27
Vendor 21701 - MCCLATCHY COMPANY LLC Totals							Invoices	1	\$3,240.27
Vendor 17900 - MCMASTER CARR SUPPLY CO									
63211019	Repair - Maintenance Water Tanks	Paid by EFT #6770		04/14/2026	04/29/2026	04/30/2026		04/29/2026	1,604.34
63394760	Repair - Maintenance Water Tanks	Paid by EFT #6770		04/16/2026	04/29/2026	04/30/2026		04/29/2026	603.53



Payment of Claims

Payment Date Range 04/29/26 - 05/13/26
 Report By Vendor - Invoice
 Summary Listing

Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount
64271983	Primary Equipment	Paid by EFT #6875		05/01/2026	05/13/2026	05/31/2026			1,031.84
Vendor 17900 - MCMaster Carr Supply Co				Totals		Invoices	3		\$3,239.71
Vendor 43889 - MME MUNICIPAL MAINTENANCE									
048528	Automotive	Paid by EFT #6771		04/15/2026	04/29/2026	04/30/2026		04/29/2026	1,008.99
048548	Automotive	Paid by EFT #6820		04/16/2026	05/06/2026	04/30/2026		05/06/2026	121.64
048619	Pipe - Covers & Manholes	Paid by EFT #6771		04/20/2026	04/29/2026	04/30/2026		04/29/2026	675.50
048664	Automotive	Paid by EFT #6771		04/21/2026	04/29/2026	04/30/2026		04/29/2026	1,724.87
049030	Automotive	Paid by EFT #6876		05/04/2026	05/13/2026	05/31/2026		05/13/2026	2,109.52
Vendor 43889 - MME MUNICIPAL MAINTENANCE				Totals		Invoices	5		\$5,640.52
Vendor 50372 - N&S TRACTOR									
IP02106	Automotive	Paid by EFT #6772		03/09/2026	04/29/2026	04/30/2026		04/29/2026	339.89
Vendor 50372 - N&S TRACTOR				Totals		Invoices	1		\$339.89
Vendor 49765 - NAPA AUTO PARTS									
Apr 26 Stmt	Automotive	Paid by EFT #6877		04/30/2026	05/13/2026	04/30/2026		05/13/2026	4,462.89
Vendor 49765 - NAPA AUTO PARTS				Totals		Invoices	1		\$4,462.89
Vendor 40274 - NEVADA DIV OF FORESTRY									
26-10-0032	Grounds & Maintenance	Paid by EFT #6821		04/21/2026	05/06/2026	04/30/2026		05/06/2026	9,039.07
Vendor 40274 - NEVADA DIV OF FORESTRY				Totals		Invoices	1		\$9,039.07
Vendor 19355 - NEWARK IN ONE									
38674882	Pump Stations	Paid by EFT #6822		04/27/2026	05/06/2026	04/30/2026		05/06/2026	325.45
Vendor 19355 - NEWARK IN ONE				Totals		Invoices	1		\$325.45
Vendor 48315 - O'REILLY AUTO PARTS									
Apr 26 Stmt	Automotive	Paid by EFT #6823		04/28/2026	05/06/2026	04/30/2026		05/06/2026	167.93
Vendor 48315 - O'REILLY AUTO PARTS				Totals		Invoices	1		\$167.93
Vendor 44607 - OLIN PIONEER AMERICAS LLC									
900710636	Hypochlorite	Paid by EFT #6824		04/27/2026	05/06/2026	04/30/2026		05/06/2026	14,508.28
Vendor 44607 - OLIN PIONEER AMERICAS LLC				Totals		Invoices	1		\$14,508.28
Vendor 49997 - PACIFIC STEEL & RECYCLING									
9312941	Shop Supplies	Paid by EFT #6773		04/16/2026	04/29/2026	04/30/2026		04/29/2026	1,133.45
9319365	Buildings	Paid by EFT #6773		04/23/2026	04/29/2026	04/30/2026		04/29/2026	610.70
9319368	Buildings	Paid by EFT #6773		04/23/2026	04/29/2026	04/30/2026		04/29/2026	294.80
Vendor 49997 - PACIFIC STEEL & RECYCLING				Totals		Invoices	3		\$2,038.95
Vendor 49693 - PENN VALLEY PUMP CO INC									
20747	Buildings	Paid by EFT #6774		04/13/2026	04/29/2026	04/30/2026		04/29/2026	2,943.50
Vendor 49693 - PENN VALLEY PUMP CO INC				Totals		Invoices	1		\$2,943.50
Vendor 50116 - MATHEW PIERCE									
PER DIEM 051726	Travel - Meetings - Education	Paid by EFT #6825		04/20/2026	05/06/2026	05/31/2026		05/06/2026	471.00
Vendor 50116 - MATHEW PIERCE				Totals		Invoices	1		\$471.00
Vendor 49961 - PLATINUM ADVISORS LLC									
40263	Public Relations Expense	Paid by EFT #6826		05/01/2026	05/06/2026	05/31/2026		05/06/2026	750.00
Vendor 49961 - PLATINUM ADVISORS LLC				Totals		Invoices	1		\$750.00
Vendor 49881 - QCS LLC									



Payment of Claims

Payment Date Range 04/29/26 - 05/13/26
 Report By Vendor - Invoice
 Summary Listing

Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount
28600	Buildings	Paid by EFT #6827		04/17/2026	05/06/2026	04/30/2026		05/06/2026	7,834.00
28741	Buildings	Paid by EFT #6878		04/17/2026	05/13/2026	04/30/2026		05/13/2026	1,085.00
Vendor 49881 - QCS LLC Totals							Invoices	2	\$8,919.00
Vendor 47803 - REDWOOD PRINTING									
38275	Tank Coatings - Stateline No. 1	Paid by EFT #6775		04/16/2026	04/29/2026	04/30/2026		04/29/2026	347.98
Vendor 47803 - REDWOOD PRINTING Totals							Invoices	1	\$347.98
Vendor 48144 - RELIANCE STANDARD									
APR26A	LTD/Life Insurance Management	Paid by Check #115340		04/01/2026	05/06/2026	04/30/2026		05/06/2026	2,938.57
APR26B	LTD/Life Insurance Union/Board Payable	Paid by Check #115340		04/01/2026	05/06/2026	04/30/2026		05/06/2026	3,404.74
APRIL2026	Voluntary Life Payable	Paid by Check #115340		04/01/2026	05/06/2026	04/30/2026		05/06/2026	1,497.02
Vendor 48144 - RELIANCE STANDARD Totals							Invoices	3	\$7,840.33
Vendor 50172 - RENTAL GUYS									
1085738-11	Grounds & Maintenance	Paid by EFT #6776		04/10/2026	04/29/2026	04/30/2026		04/29/2026	1,382.50
Vendor 50172 - RENTAL GUYS Totals							Invoices	1	\$1,382.50
Vendor 41696 - RESOURCE DEVELOPMENT CO LLC									
26-10A	Al Tahoe/Bayview Backup Power	Paid by EFT #6879		04/30/2026	05/13/2026	04/30/2026		05/13/2026	2,000.00
26-10AR	Al Tahoe/Bayview Backup Power Retainage	Paid by EFT #6879		04/30/2026	05/13/2026	04/30/2026		05/13/2026	(100.00)
26-10B	Al Tahoe Well Rehab	Paid by EFT #6879		04/30/2026	05/13/2026	04/30/2026		05/13/2026	31,350.00
26-10BR	Al Tahoe Well Rehab Retainage	Paid by EFT #6879		04/30/2026	05/13/2026	04/30/2026		05/13/2026	(1,567.50)
Vendor 41696 - RESOURCE DEVELOPMENT CO LLC Totals							Invoices	4	\$31,682.50
Vendor 48684 - RS AMERICAS INC									
9021996422	Pump Stations	Paid by EFT #6828		04/21/2026	05/06/2026	04/30/2026		05/06/2026	250.51
Vendor 48684 - RS AMERICAS INC Totals							Invoices	1	\$250.51
Vendor 50472 - SCHAAF & WHEELER CONSULTING CIVIL ENGINEERS									
43195	Force Main ARV Replacement	Paid by EFT #6777		03/31/2026	04/29/2026	04/30/2026		04/29/2026	31,026.00
Vendor 50472 - SCHAAF & WHEELER CONSULTING CIVIL ENGINEERS Totals							Invoices	1	\$31,026.00
Vendor 50473 - SGS NORTH AMERICA INC									
LV341850	Monitoring	Paid by EFT #6880		05/05/2026	05/13/2026	04/30/2026		05/13/2026	258.00
Vendor 50473 - SGS NORTH AMERICA INC Totals							Invoices	1	\$258.00
Vendor 44577 - SOUNDPROS INC									
260422-36	Public Relations Expense	Paid by EFT #6881		04/22/2026	05/13/2026	05/31/2026		05/13/2026	49.00
Vendor 44577 - SOUNDPROS INC Totals							Invoices	1	\$49.00
Vendor 23450 - SOUTH TAHOE REFUSE									
500937	Refuse Disposal	Paid by EFT #6882		05/01/2026	05/13/2026	04/30/2026		05/13/2026	2,022.12
501002	Refuse Disposal	Paid by EFT #6882		05/01/2026	05/13/2026	04/30/2026		05/13/2026	449.36
501043	Refuse Disposal	Paid by EFT #6882		05/01/2026	05/13/2026	04/30/2026		05/13/2026	674.04
501085	Refuse Disposal	Paid by EFT #6882		05/01/2026	05/13/2026	04/30/2026		05/13/2026	1,700.00



Payment of Claims

Payment Date Range 04/29/26 - 05/13/26
Report By Vendor - Invoice
Summary Listing

Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount
501193	Refuse Disposal	Paid by EFT #6882		05/01/2026	05/13/2026	04/30/2026		05/13/2026	674.04
501525	Refuse Disposal	Paid by EFT #6882		05/01/2026	05/13/2026	04/30/2026		05/13/2026	1,348.08
Vendor 23450 - SOUTH TAHOE REFUSE Totals							Invoices	6	<u>\$6,867.64</u>
Vendor 45168 - SOUTHWEST GAS									
910004641862 426	Natural Gas	Paid by EFT #6778		04/17/2026	04/29/2026	04/30/2026		04/29/2026	11.00
910000426082 426	Natural Gas	Paid by EFT #6829		04/21/2026	05/06/2026	04/30/2026		05/06/2026	54.83
910004972305 426	Natural Gas	Paid by EFT #6829		04/22/2026	05/06/2026	04/30/2026		05/06/2026	12.44
910005005635 426	Natural Gas	Paid by EFT #6829		04/22/2026	05/06/2026	04/30/2026		05/06/2026	40.92
910000416139 426	Natural Gas	Paid by EFT #6829		04/23/2026	05/06/2026	04/30/2026		05/06/2026	157.90
910000192416 426	Natural Gas	Paid by EFT #6829		04/24/2026	05/06/2026	04/30/2026		05/06/2026	263.91
910000421502 426	Natural Gas	Paid by EFT #6829		04/27/2026	05/06/2026	04/30/2026		05/06/2026	808.34
910000429959 426	Natural Gas	Paid by EFT #6829		04/27/2026	05/06/2026	04/30/2026		05/06/2026	155.35
910000429960 426	Natural Gas	Paid by EFT #6829		04/27/2026	05/06/2026	04/30/2026		05/06/2026	7,636.36
910005021566 426	Natural Gas	Paid by EFT #6829		04/27/2026	05/06/2026	04/30/2026		05/06/2026	221.51
910000175574 426	Natural Gas	Paid by EFT #6829		04/29/2026	05/06/2026	04/30/2026		05/06/2026	333.09
910000175902 426	Natural Gas	Paid by EFT #6829		04/29/2026	05/06/2026	04/30/2026		05/06/2026	117.61
910000865770 426	Natural Gas	Paid by EFT #6829		04/29/2026	05/06/2026	04/30/2026		05/06/2026	140.96
910000416224 426	Natural Gas	Paid by EFT #6883		05/01/2026	05/13/2026	04/30/2026		05/13/2026	39.82
910000657163 426	Natural Gas	Paid by EFT #6883		05/01/2026	05/13/2026	04/30/2026		05/13/2026	32.61
Vendor 45168 - SOUTHWEST GAS Totals							Invoices	15	<u>\$10,026.65</u>
Vendor 45004 - STANTEC CONSULTING SERVICES INC									
2554630	Contractual Services	Paid by EFT #6779		04/24/2026	04/29/2026	04/30/2026		04/29/2026	11,765.50
Vendor 45004 - STANTEC CONSULTING SERVICES INC Totals							Invoices	1	<u>\$11,765.50</u>
Vendor 49064 - STAPLES BUSINESS ADVANTAGE									
6062466484	Office Supply Issues	Paid by EFT #6884		04/30/2026	05/13/2026	05/31/2026		05/13/2026	(298.63)
6062466485	Office Supply Issues	Paid by EFT #6884		04/30/2026	05/13/2026	05/31/2026		05/13/2026	900.69
6062466486	Office Supply Issues	Paid by EFT #6884		04/30/2026	05/13/2026	04/30/2026		05/13/2026	1,717.82
Vendor 49064 - STAPLES BUSINESS ADVANTAGE Totals							Invoices	3	<u>\$2,319.88</u>
Vendor 50379 - STILLWATER SCIENCES									
11240109	Contractual Services	Paid by EFT #6780		04/20/2026	04/29/2026	04/30/2026		04/29/2026	195.00
Vendor 50379 - STILLWATER SCIENCES Totals							Invoices	1	<u>\$195.00</u>
Vendor 48441 - SWRCB-ELAP FEES									
EA-AN-0726-1569	Regulatory Operating Permits	Paid by Check #115395		04/08/2026	05/13/2026	04/30/2026		05/13/2026	5,525.00
Vendor 48441 - SWRCB-ELAP FEES Totals							Invoices	1	<u>\$5,525.00</u>
Vendor 24050 - TAHOE BASIN CONTAINER SERVICE									
483112	Refuse Disposal	Paid by EFT #6830		04/09/2026	05/06/2026	04/30/2026		05/06/2026	1,797.98
515980	Refuse Disposal	Paid by EFT #6885		05/01/2026	05/13/2026	04/30/2026		05/13/2026	436.53
516030	Refuse Disposal	Paid by EFT #6885		05/01/2026	05/13/2026	04/30/2026		05/13/2026	32.50
516081	Refuse Disposal	Paid by EFT #6885		05/01/2026	05/13/2026	04/30/2026		05/13/2026	30.00
516370	Refuse Disposal	Paid by EFT #6885		05/01/2026	05/13/2026	04/30/2026		05/13/2026	38.00
Vendor 24050 - TAHOE BASIN CONTAINER SERVICE Totals							Invoices	5	<u>\$2,335.01</u>
Vendor 24100 - TAHOE BLUEPRINT									



Payment of Claims

Payment Date Range 04/29/26 - 05/13/26
Report By Vendor - Invoice
Summary Listing

Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount
1153	Tank Coatings - Stateline No. 2	Paid by EFT #6781		04/16/2026	04/29/2026	04/30/2026		04/29/2026	74.64
		Vendor	24100 - TAHOE BLUEPRINT	Totals		Invoices	1		<u>74.64</u>
Vendor 48229 - TAHOE DAILY TRIBUNE									
IN231142	Ads-Legal Notices	Paid by EFT #6886		04/30/2026	05/13/2026	04/30/2026		05/13/2026	908.00
IN233991	Ads-Legal Notices	Paid by EFT #6886		04/30/2026	05/13/2026	04/30/2026		05/13/2026	1,690.40
		Vendor	48229 - TAHOE DAILY TRIBUNE	Totals		Invoices	2		<u>\$2,598.40</u>
Vendor 50040 - TAHOE FLEET SERVICE									
3257	Automotive	Paid by EFT #6887		04/25/2026	05/13/2026	04/30/2026		05/13/2026	130.00
3259	Automotive	Paid by EFT #6887		04/25/2026	05/13/2026	04/30/2026		05/13/2026	130.00
		Vendor	50040 - TAHOE FLEET SERVICE	Totals		Invoices	2		<u>\$260.00</u>
Vendor 48366 - TAHOE OUTDOOR LIVING									
9759-2	Grounds & Maintenance	Paid by EFT #6888		05/01/2026	05/13/2026	05/31/2026		05/13/2026	975.00
		Vendor	48366 - TAHOE OUTDOOR LIVING	Totals		Invoices	1		<u>\$975.00</u>
Vendor 24450 - TAHOE VALLEY ELECTRIC SUPPLY									
5154080	Secondary Equipment	Paid by EFT #6889		04/22/2026	05/13/2026	04/30/2026		05/13/2026	12.05
		Vendor	24450 - TAHOE VALLEY ELECTRIC SUPPLY	Totals		Invoices	1		<u>\$12.05</u>
Vendor 49420 - THATCHER COMPANY OF NEVADA INC									
2026400101474	Hypochlorite	Paid by EFT #6782		04/23/2026	04/29/2026	04/30/2026		04/29/2026	14,400.00
		Vendor	49420 - THATCHER COMPANY OF NEVADA INC	Totals		Invoices	1		<u>\$14,400.00</u>
Vendor 48477 - THOMAS SCIENTIFIC									
3845717	Laboratory Supplies	Paid by EFT #6831		03/25/2026	05/06/2026	04/30/2026		05/06/2026	418.74
3861875	Laboratory Equipment	Paid by EFT #6783		04/17/2026	04/29/2026	04/30/2026		04/29/2026	64.14
3867904	Laboratory Equipment	Paid by EFT #6831		04/27/2026	05/06/2026	04/30/2026		05/06/2026	128.49
3869190	Laboratory Supplies	Paid by EFT #6890		04/28/2026	05/13/2026	05/31/2026		05/13/2026	74.09
		Vendor	48477 - THOMAS SCIENTIFIC	Totals		Invoices	4		<u>\$685.46</u>
Vendor 48748 - THUNDERBIRD COMMUNICATIONS									
4132	SCADA	Paid by EFT #6784		04/09/2026	04/29/2026	04/30/2026		04/29/2026	2,120.00
		Vendor	48748 - THUNDERBIRD COMMUNICATIONS	Totals		Invoices	1		<u>\$2,120.00</u>
Vendor 47839 - TRI SIGNAL INTEGRATION INC									
C170584	Service Contracts	Paid by EFT #6785		03/31/2026	04/29/2026	04/30/2026		04/29/2026	500.00
C170956	Buildings	Paid by EFT #6785		04/01/2026	04/29/2026	04/30/2026		04/29/2026	1,176.25
		Vendor	47839 - TRI SIGNAL INTEGRATION INC	Totals		Invoices	2		<u>\$1,676.25</u>
Vendor 50485 - UPLIFT DESK									
INV2294743	Office Supplies	Paid by EFT #6786		04/14/2026	04/29/2026	04/30/2026		04/29/2026	2,154.34
INV2294913	Office Supplies	Paid by EFT #6786		04/15/2026	04/29/2026	04/30/2026		04/29/2026	1,075.53
		Vendor	50485 - UPLIFT DESK	Totals		Invoices	2		<u>\$3,229.87</u>
Vendor 48262 - UPS FREIGHT									
0000966628156	Postage Expenses	Paid by EFT #6832		04/11/2026	05/06/2026	04/30/2026		05/06/2026	(43.44)
0000966628166	Postage Expenses	Paid by EFT #6832		04/18/2026	05/06/2026	04/30/2026		05/06/2026	50.82
0000966628176	Postage Expenses	Paid by EFT #6891		04/25/2026	05/13/2026	04/30/2026		05/13/2026	(72.30)
0000966628186	Postage Expenses	Paid by EFT #6891		05/02/2026	05/13/2026	04/30/2026		05/13/2026	80.49
0000966628196	Postage Expenses	Paid by EFT #6891		05/09/2026	05/13/2026	05/31/2026		05/13/2026	50.52



Payment of Claims

Payment Date Range 04/29/26 - 05/13/26
Report By Vendor - Invoice
Summary Listing

Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount
			Vendor 48262 - UPS FREIGHT Totals			Invoices		5	\$66.09
Vendor 49947 - CUST#593278 USABLUEBOOK									
INV01039153	Shop Supplies	Paid by EFT #6892		05/05/2026	05/13/2026	05/31/2026		05/13/2026	614.48
			Vendor 49947 - CUST#593278 USABLUEBOOK Totals			Invoices		1	\$614.48
Vendor 50518 - JONATHAN VALLEJO									
3528103	Water Use Reduction Rebates	Paid by EFT #6893		04/30/2026	05/13/2026	04/30/2026		05/13/2026	608.43
			Vendor 50518 - JONATHAN VALLEJO Totals			Invoices		1	\$608.43
Vendor 45243 - VELOCITY VEHICLE GROUP									
XA261173514:01	Automotive	Paid by EFT #6787		03/02/2026	04/29/2026	04/30/2026		04/29/2026	(628.01)
XA261173192:01	Field, Shop & Safety Supplies Inventory	Paid by EFT #6787		03/06/2026	04/29/2026	04/30/2026		04/29/2026	10.17
XA261173989:01	Automotive	Paid by EFT #6787		03/09/2026	04/29/2026	04/30/2026		04/29/2026	390.79
XA261175658:01	Automotive	Paid by EFT #6787		04/03/2026	04/29/2026	04/30/2026		04/29/2026	74.84
XA261175865:01	Shop Supplies	Paid by EFT #6787		04/03/2026	04/29/2026	04/30/2026		04/29/2026	56.43
XA261176153:01	Automotive	Paid by EFT #6787		04/06/2026	04/29/2026	04/30/2026		04/29/2026	30.00
XA500458879:01	Automotive	Paid by EFT #6833		04/15/2026	05/06/2026	04/30/2026		05/06/2026	122.27
XA500458881:01	Automotive	Paid by EFT #6833		04/16/2026	05/06/2026	04/30/2026		05/06/2026	1,019.35
XA261176725:01	Automotive	Paid by EFT #6787		04/20/2026	04/29/2026	04/30/2026		04/29/2026	4,162.39
XA261177321:01	Automotive	Paid by EFT #6787		04/22/2026	04/29/2026	04/30/2026		04/29/2026	(73.49)
			Vendor 45243 - VELOCITY VEHICLE GROUP Totals			Invoices		10	\$5,164.74
Vendor 49296 - VERIZON WIRELESS									
6140678708	Telephone	Paid by EFT #6788		04/09/2026	04/29/2026	04/30/2026		04/29/2026	598.98
			Vendor 49296 - VERIZON WIRELESS Totals			Invoices		1	\$598.98
Vendor 44580 - VESTIS SERVICES LLC									
5980351833	Uniform Payable	Paid by EFT #6894		01/21/2026	05/13/2026	04/30/2026		05/13/2026	152.38
5980354963	Uniform Payable	Paid by EFT #6894		02/04/2026	05/13/2026	04/30/2026		05/13/2026	120.39
5980354969	Uniform Payable	Paid by EFT #6894		02/04/2026	05/13/2026	04/30/2026		05/13/2026	336.28
5980359614	Uniform Payable	Paid by EFT #6894		02/25/2026	05/13/2026	04/30/2026		05/13/2026	160.63
5980359615	Uniform Payable	Paid by EFT #6894		02/25/2026	05/13/2026	04/30/2026		05/13/2026	160.85
5980362699	Uniform Payable	Paid by EFT #6894		03/11/2026	05/13/2026	04/30/2026		05/13/2026	69.99
5980362702	Uniform Payable	Paid by EFT #6894		03/11/2026	05/13/2026	04/30/2026		05/13/2026	75.78
5980370316	Uniform Payable	Paid by EFT #6789		04/15/2026	04/29/2026	04/30/2026		04/29/2026	72.39
5980370317	Uniform Payable	Paid by EFT #6789		04/15/2026	04/29/2026	04/30/2026		04/29/2026	46.95
5980370318	Uniform Payable	Paid by EFT #6789		04/15/2026	04/29/2026	04/30/2026		04/29/2026	53.13
5980370319	Uniform Payable	Paid by EFT #6789		04/15/2026	04/29/2026	04/30/2026		04/29/2026	5.45
5980370320	Uniform Payable	Paid by EFT #6789		04/15/2026	04/29/2026	04/30/2026		04/29/2026	13.50
5980370321	Uniform Payable	Paid by EFT #6789		04/15/2026	04/29/2026	04/30/2026		04/29/2026	15.14
5980370322	Uniform Payable	Paid by EFT #6789		04/15/2026	04/29/2026	04/30/2026		04/29/2026	108.58
5980370323	Uniform Payable	Paid by EFT #6789		04/15/2026	04/29/2026	04/30/2026		04/29/2026	54.25
5980370324	Uniform Payable	Paid by EFT #6789		04/15/2026	04/29/2026	04/30/2026		04/29/2026	32.57
5980370325	Uniform Payable	Paid by EFT #6789		04/15/2026	04/29/2026	04/30/2026		04/29/2026	4.35
5980370326	Uniform Payable	Paid by EFT #6789		04/15/2026	04/29/2026	04/30/2026		04/29/2026	73.33



Payment of Claims

Payment Date Range 04/29/26 - 05/13/26
 Report By Vendor - Invoice
 Summary Listing

Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount
5980370327	Uniform Payable	Paid by EFT #6789		04/15/2026	04/29/2026	04/30/2026		04/29/2026	109.13
5980370328	Uniform Payable	Paid by EFT #6789		04/15/2026	04/29/2026	04/30/2026		04/29/2026	114.02
598002618	Uniform Payable	Paid by EFT #6894		04/22/2026	05/13/2026	04/30/2026		05/13/2026	(2.45)
598002619	Uniform Payable	Paid by EFT #6894		04/22/2026	05/13/2026	04/30/2026		05/13/2026	(48.00)
598002620	Uniform Payable	Paid by EFT #6894		04/22/2026	05/13/2026	04/30/2026		05/13/2026	(146.93)
598002621	Uniform Payable	Paid by EFT #6894		04/22/2026	05/13/2026	04/30/2026		05/13/2026	(61.50)
598002622	Uniform Payable	Paid by EFT #6894		04/22/2026	05/13/2026	04/30/2026		05/13/2026	(.27)
598002623	Uniform Payable	Paid by EFT #6894		04/22/2026	05/13/2026	04/30/2026		05/13/2026	(225.15)
598002624	Uniform Payable	Paid by EFT #6894		04/22/2026	05/13/2026	04/30/2026		05/13/2026	(.16)
598002625	Uniform Payable	Paid by EFT #6894		04/22/2026	05/13/2026	04/30/2026		05/13/2026	(.14)
598002626	Uniform Payable	Paid by EFT #6894		04/22/2026	05/13/2026	04/30/2026		05/13/2026	(50.10)
598002627	Uniform Payable	Paid by EFT #6894		04/22/2026	05/13/2026	04/30/2026		05/13/2026	(14.60)
5980372076	Uniform Payable	Paid by EFT #6834		04/22/2026	05/06/2026	04/30/2026		05/06/2026	72.39
5980372077	Uniform Payable	Paid by EFT #6834		04/22/2026	05/06/2026	04/30/2026		05/06/2026	46.95
5980372078	Uniform Payable	Paid by EFT #6834		04/22/2026	05/06/2026	04/30/2026		05/06/2026	53.13
5980372079	Uniform Payable	Paid by EFT #6834		04/22/2026	05/06/2026	04/30/2026		05/06/2026	5.45
5980372080	Uniform Payable	Paid by EFT #6834		04/22/2026	05/06/2026	04/30/2026		05/06/2026	13.50
5980372081	Uniform Payable	Paid by EFT #6834		04/22/2026	05/06/2026	04/30/2026		05/06/2026	15.14
5980372083	Uniform Payable	Paid by EFT #6834		04/22/2026	05/06/2026	04/30/2026		05/06/2026	54.25
5980372084	Uniform Payable	Paid by EFT #6834		04/22/2026	05/06/2026	04/30/2026		05/06/2026	32.57
5980372085	Uniform Payable	Paid by EFT #6834		04/22/2026	05/06/2026	04/30/2026		05/06/2026	4.35
5980372086	Uniform Payable	Paid by EFT #6834		04/22/2026	05/06/2026	04/30/2026		05/06/2026	63.33
5980372087	Uniform Payable	Paid by EFT #6834		04/22/2026	05/06/2026	04/30/2026		05/06/2026	99.13
5980372088	Uniform Payable	Paid by EFT #6834		04/22/2026	05/06/2026	04/30/2026		05/06/2026	114.02
5980373652	Uniform Payable	Paid by EFT #6894		04/29/2026	05/13/2026	04/30/2026		05/13/2026	72.39
5980373653	Uniform Payable	Paid by EFT #6894		04/29/2026	05/13/2026	04/30/2026		05/13/2026	46.95
5980373654	Uniform Payable	Paid by EFT #6894		04/29/2026	05/13/2026	04/30/2026		05/13/2026	53.13
5980373655	Uniform Payable	Paid by EFT #6894		04/29/2026	05/13/2026	04/30/2026		05/13/2026	5.45
5980373656	Uniform Payable	Paid by EFT #6894		04/29/2026	05/13/2026	04/30/2026		05/13/2026	13.50
5980373657	Uniform Payable	Paid by EFT #6894		04/29/2026	05/13/2026	04/30/2026		05/13/2026	15.14
5980373658	Uniform Payable	Paid by EFT #6894		04/29/2026	05/13/2026	04/30/2026		05/13/2026	121.03
5980373659	Uniform Payable	Paid by EFT #6894		04/29/2026	05/13/2026	04/30/2026		05/13/2026	54.25
5980373660	Uniform Payable	Paid by EFT #6894		04/29/2026	05/13/2026	04/30/2026		05/13/2026	32.57
5980373661	Uniform Payable	Paid by EFT #6894		04/29/2026	05/13/2026	04/30/2026		05/13/2026	4.35
5980373662	Uniform Payable	Paid by EFT #6894		04/29/2026	05/13/2026	04/30/2026		05/13/2026	73.69
5980373663	Uniform Payable	Paid by EFT #6894		04/29/2026	05/13/2026	04/30/2026		05/13/2026	109.13
5980373664	Uniform Payable	Paid by EFT #6894		04/29/2026	05/13/2026	04/30/2026		05/13/2026	114.02
5980374824	Uniform Payable	Paid by EFT #6894		05/06/2026	05/13/2026	05/31/2026		05/13/2026	74.62
5980374825	Uniform Payable	Paid by EFT #6894		05/06/2026	05/13/2026	05/31/2026		05/13/2026	47.44
5980374826	Uniform Payable	Paid by EFT #6894		05/06/2026	05/13/2026	05/31/2026		05/13/2026	53.13
5980374827	Uniform Payable	Paid by EFT #6894		05/06/2026	05/13/2026	05/31/2026		05/13/2026	5.45
5980374828	Uniform Payable	Paid by EFT #6894		05/06/2026	05/13/2026	05/31/2026		05/13/2026	13.50



Payment of Claims

Payment Date Range 04/29/26 - 05/13/26
Report By Vendor - Invoice
Summary Listing

Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount	
5980374829	Uniform Payable	Paid by EFT #6894		05/06/2026	05/13/2026	05/31/2026		05/13/2026	15.14	
5980374830	Uniform Payable	Paid by EFT #6894		05/06/2026	05/13/2026	05/31/2026		05/13/2026	111.03	
5980374831	Uniform Payable	Paid by EFT #6894		05/06/2026	05/13/2026	05/31/2026		05/13/2026	54.25	
5980374832	Uniform Payable	Paid by EFT #6894		05/06/2026	05/13/2026	05/31/2026		05/13/2026	32.57	
5980374833	Uniform Payable	Paid by EFT #6894		05/06/2026	05/13/2026	05/31/2026		05/13/2026	4.35	
5980374834	Uniform Payable	Paid by EFT #6894		05/06/2026	05/13/2026	05/31/2026		05/13/2026	63.69	
5980374835	Uniform Payable	Paid by EFT #6894		05/06/2026	05/13/2026	05/31/2026		05/13/2026	99.13	
5980374836	Uniform Payable	Paid by EFT #6894		05/06/2026	05/13/2026	05/31/2026		05/13/2026	114.02	
Vendor 44580 - VESTIS SERVICES LLC Totals								Invoices	68	\$3,207.92
Vendor 48405 - WAXIE SANITARY SUPPLY										
83899491	Janitorial Supplies Inventory	Paid by EFT #6835		04/24/2026	05/06/2026	04/30/2026		05/06/2026	1,368.35	
Vendor 48405 - WAXIE SANITARY SUPPLY Totals								Invoices	1	\$1,368.35
Vendor 50363 - WEST COAST PUMP & WELL WORKS										
3497	Well Rehab - Ranch House	Paid by EFT #6836		04/02/2026	05/06/2026	04/30/2026		05/06/2026	11,487.25	
Vendor 50363 - WEST COAST PUMP & WELL WORKS Totals								Invoices	1	\$11,487.25
Vendor 25850 - WESTERN NEVADA SUPPLY										
12197852	Pipe - Covers & Manholes	Paid by EFT #6790		04/03/2026	04/29/2026	04/30/2026		04/29/2026	1,012.83	
12214163	Fire Hydrants & Parts	Paid by EFT #6837		04/15/2026	05/06/2026	04/30/2026		05/06/2026	6,960.00	
12164316-2	Boxes-Lids-Extensions Inventory	Paid by EFT #6790		04/20/2026	04/29/2026	04/30/2026		04/29/2026	4,913.60	
12168097	Boxes-Lids-Extensions Inventory	Paid by EFT #6790		04/20/2026	04/29/2026	04/30/2026		04/29/2026	3,930.88	
12224952	Pipe - Covers & Manholes	Paid by EFT #6837		04/20/2026	05/06/2026	04/30/2026		05/06/2026	164.82	
12224336	Fire Hydrants & Parts	Paid by EFT #6837		04/21/2026	05/06/2026	04/30/2026		05/06/2026	4,132.50	
12224965	Fire Hydrants & Parts	Paid by EFT #6837		04/21/2026	05/06/2026	04/30/2026		05/06/2026	6,960.00	
12228124	Pipe - Covers & Manholes	Paid by EFT #6790		04/21/2026	04/29/2026	04/30/2026		04/29/2026	595.95	
12228130	Pipe Inventory	Paid by EFT #6790		04/21/2026	04/29/2026	04/30/2026		04/29/2026	261.00	
32230086	Shop Supplies	Paid by EFT #6790		04/21/2026	04/29/2026	04/30/2026		04/29/2026	468.23	
12232707	Pump Stations	Paid by EFT #6837		04/23/2026	05/06/2026	04/30/2026		05/06/2026	1,208.40	
32234561	Pipe - Covers & Manholes	Paid by EFT #6837		04/23/2026	05/06/2026	04/30/2026		05/06/2026	81.20	
12228066	Couplings Omni Parts Inventory	Paid by EFT #6837		04/27/2026	05/06/2026	04/30/2026		05/06/2026	3,594.97	
12235487	Valves Elbows Ts Flanges Inventory	Paid by EFT #6837		04/27/2026	05/06/2026	04/30/2026		05/06/2026	776.26	
12235493	Fire Hydrants & Parts	Paid by EFT #6837		04/28/2026	05/06/2026	04/30/2026		05/06/2026	6,960.00	
12169261	Repair Clamps Inventory	Paid by EFT #6837		04/29/2026	05/06/2026	04/30/2026		05/06/2026	700.75	
12237606	Fire Hydrants & Parts	Paid by EFT #6895		04/30/2026	05/13/2026	04/30/2026		05/13/2026	4,132.50	
12243028	Saddles & Fittings Inventory	Paid by EFT #6895		04/30/2026	05/13/2026	05/31/2026		05/13/2026	409.77	
12229844	Fire Hydrants & Parts	Paid by EFT #6895		05/04/2026	05/13/2026	05/31/2026		05/13/2026	4,231.79	
12248805	Repair Clamps Inventory	Paid by EFT #6895		05/05/2026	05/13/2026	05/31/2026		05/13/2026	2,257.95	
12224947	Pipe - Covers & Manholes	Paid by EFT #6895		05/06/2026	05/13/2026	05/31/2026		05/13/2026	159.93	
12224947-1	Pipe - Covers & Manholes	Paid by EFT #6895		05/06/2026	05/13/2026	05/31/2026		05/13/2026	247.23	
12249117	Fire Hydrants & Parts	Paid by EFT #6895		05/06/2026	05/13/2026	05/31/2026		05/13/2026	6,960.00	
12249195	Valves Elbows Ts Flanges Inventory	Paid by EFT #6895		05/06/2026	05/13/2026	05/31/2026		05/13/2026	9,170.93	



Payment of Claims

Payment Date Range 04/29/26 - 05/13/26
 Report By Vendor - Invoice
 Summary Listing

Invoice Number	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Net Amount
12249225	Valves Elbows Ts Flanges Inventory	Paid by EFT #6895		05/06/2026	05/13/2026	05/31/2026		05/13/2026	3,551.75
12177246	Pipe - Covers & Manholes	Paid by EFT #6895		05/07/2026	05/13/2026	05/31/2026		05/13/2026	8,672.81
Vendor 25850 - WESTERN NEVADA SUPPLY Totals						Invoices	26		<u>\$82,516.05</u>
Vendor 49930 - WHITE CAP									
50036448755	Manhole Frames - Lids - Other Parts Inventory	Paid by EFT #6838		04/20/2026	05/06/2026	04/30/2026		05/06/2026	6,498.12
Vendor 49930 - WHITE CAP Totals						Invoices	1		<u>\$6,498.12</u>
Vendor 48781 - WORLD OIL REFINING									
I500-01366365	Service Contracts	Paid by EFT #6839		04/24/2026	05/06/2026	04/30/2026		05/06/2026	153.00
Vendor 48781 - WORLD OIL REFINING Totals						Invoices	1		<u>\$153.00</u>
Vendor 50392 - ZORO									
INV18817204	Shop Supplies	Paid by EFT #6840		04/16/2026	05/06/2026	04/30/2026		05/06/2026	426.84
INV18821451	Small Tools	Paid by EFT #6840		04/16/2026	05/06/2026	04/30/2026		05/06/2026	41.54
INV18877427	Wells	Paid by EFT #6840		04/24/2026	05/06/2026	04/30/2026		05/06/2026	205.47
Vendor 50392 - ZORO Totals						Invoices	3		<u>\$673.85</u>
Grand Totals						Invoices	376		<u><u>\$2,157,802.42</u></u>



SOUTH TAHOE PUBLIC UTILITY DISTRICT

Joel Henderson, Director
Nick Haven, Vice President

BOARD MEMBERS
Shane Romsos, President

Kelly Sheehan, Director
Nick Exline, Director

Paul Hughes, General Manager

Andrea Salazar, Chief Financial Officer

REGULAR MEETING OF THE BOARD OF DIRECTORS
SOUTH TAHOE PUBLIC UTILITY DISTRICT
May 7, 2026
MINUTES

The South Tahoe Public Utility District Board of Directors met in a regular session, 2:00 p.m., at the District Office, located at 1275 Meadow Crest Drive, South Lake Tahoe, California.

ROLL CALL: Board of Directors: President Romsos, Directors Haven, Sheehan, Henderson and Exline
Staff: Paul Hughes, Andrea Salazar, Ryan Jones, Melonie Guttry, Shannon Chandler, Chris Stanley, Chris Skelly, Shelly Thomsen, Donielle Morse, Megan Colvey, Kilty Devine, Greg Dupree, Lauren Benefield, Mark Seelos, Trevor Coolidge, Ryan Lee, Adrian Combes, Cliff Bartlett, Brent Goligoski, Jennifer Marshall

Guests: Nate Alcorn, Alcon Construction

1. **PLEDGE OF ALLEGIANCE:**
2. **COMMENTS FROM THE PUBLIC:** None
3. **CORRECTIONS TO THE AGENDA OR CONSENT CALENDAR:** None
4. **ADOPTION OF CONSENT CALENDAR:**

Moved Haven/Second Sheehan/Haven Yes/Romsos Yes/Hendeson Yes/Sheehan Yes/Exline Yes
to approve the Consent Calendar as presented.

a. **NOVEMBER 3, 2026 CONSOLIDATED DISTRICTS ELECTIONS**

(Melonie Guttry, Executive Services Manager/Board Clerk)

Adopted Resolution No. 3329-26 for El Dorado County declaring an election to be held in its jurisdiction, consolidated with other Districts requesting election services.

b. **PARK AVENUE WATERLINE ENHANCEMENT PROJECT**

(Brent Goligoski, Engineering Manager – Capital Projects)

1) Approved the proposed Scope of Work from Sierra Ecotone Solutions, LLC for environmental review services for the Park Avenue Waterline Enhancement Project; and 2) Authorized the General Manager to execute Task Order No. 33 under the Master Services Agreement with Sierra Ecotone Solutions, LLC in the amount of \$37,899 for professional consulting services to

complete pre-project environmental review and supporting technical studies for the Park Avenue Waterline Enhancement Project.

- c. **RECEIVE AND FILE PAYMENT OF CLAIMS** (Greg Dupree, Accounting Manager)
Received and filed Payment of Claims in the amount of \$2,959,559.02.

- d. **REGULAR BOARD MEETING MINUTES: April 2 and April 16, 2026**
(Melonie Guttry, Executive Services Manager/Clerk of the Board)
Approved April 2 and April 16, 2026, Minutes.

5. **CONSENT ITEMS BROUGHT FORWARD FOR SEPARATE DISCUSSION/ACTION:** None

6. **ITEMS FOR BOARD ACTION:**

- a. Purchase of Three 2026 Chevrolet Battery Electric Pickup Trucks (Cliff Bartlett, Fleet/Equipment Supervisor) – **Cliff Bartlett** provided details regarding the purchasing of three 2026 Chevrolet battery electric pickup trucks and he and **Adrian Combes, Megan Colvey, Shelly Thomsen** and **Nate Alcorn** addressed questions from the Board. The District is trying to work with the current regulations while meeting District needs. **Donielle Morse** added that a fleet transition plan is needed to successfully apply for grant opportunities. **Kilty Devine** added that the District requires vendors to be CARB compliant to bid on District projects. **Chris Stanley** reminded the Board that the District has until the end of 2026 to be compliant with CARB. **Andrea Salazar** stated that it will take time to bring infrastructure to the District to support these vehicles.

By consensus, the Board directed staff to continue to evaluate options that meet the spirit of CARB regulations but also match the District's desires and functional use of vehicles to be used, and to bring back options to the Board closer to the end of the calendar year. In addition, the Board would like to move forward with a Fleet Transition Plan and define a scope that supports grant funding opportunities. The Board identified the System Efficiency Committee to review this direction and progress going forward.

- b. Sunset and Tanglewood Well Drilling (Mark Seelos, Water Resources Manager) – **Mark Seelos** provided details regarding Sunset and Tanglewood Well Drilling and addressed questions from the Board.

Moved Sheehan/Second Romsos/Haven Yes/Romsos Yes/Henderson Yes/Sheehan Yes/Exline Yes to (1) Adopt the Plans and Specifications for the Sunset and Tanglewood Well Drilling Project pursuant to Government Code 830.6; and (2) Authorize staff to advertise for construction bids for the Sunset and Tanglewood Well Drilling Project.

- c. 2026 Pioneer Trail Waterline Project (Trevor Coolidge, Senior Engineer) – **Trevor Coolidge** provided details regarding the 2026 Pioneer Trail Waterline Project (Trevor Coolidge, Senior Engineer) – **Trevor Coolidge** provided details regarding the 2026 Pioneer Trail Waterline Project and addressed questions from the Board. **Melonie Guttry** read comments into the record provided by **Nick Stefan** of Resource Development Company: "We maintain our stance on the matter that it would be in the best interest of both the District and the taxpayers to award Pioneer Trail to Resource Development Company, the lowest most responsive bidder. It is important to ensure the Board has a clear understanding of the cost and schedule impacts associated with

rebidding, as well as the value our bid provides as it was competitive, under budget and responsive.

Resource Development Company has a long-standing and positive working relationship with the District, and we value the opportunity to continue delivering successful projects. Given this history, rejecting a complete and responsive low bid introduces unnecessary risk and is inconsistent with the principles that typically guide the District and the integrity of the bidding process."

Ryan Jones reported that the District is well within its legalities to reject all bids and rebid the project.

Moved Romsos/Second Sheehan/ Haven Yes/Romsos Yes/Hendeson Yes/Sheehan Yes/Exline Yes to (1) Reject all bids received for the Pioneer Trail Waterline Project; (2) Reject the bid protests from Vinciguerra Construction, Inc. and Resource Development Company; (3) Adopt the 2026 Pioneer Trail Waterline – Rebid Project Design Plans and Specifications pursuant to Government Code 830.6; and (4) Authorize District staff to re-advertise for construction bids for the 2026 Pioneer Trail Waterline Project.

- d. City of South Lake Tahoe Reimbursement Agreement – 2026 Road Rehabilitation Project (Brent Goligoski, Engineering Manager – Capital Projects) – **Brent Goligoski** provided details regarding the City of South Lake Tahoe Reimbursement Agreement – 2026 Road Rehabilitation Project and addressed questions from the Board.

Moved Haven/Second Sheehan/Haven Yes/Romsos Yes/Hendeson Yes/Sheehan Yes/Exline Yes to approve Reimbursement Agreement with the City of South Lake Tahoe for work performed on District facilities related to the City's 2026 Road Rehabilitation Project in an amount not to exceed \$255,281.25.

- e. Asphalt Patching and Trench Paving Services (Adrian Combes, Director of Operations) – **Adrian Combes** provided details regarding the Asphalt Patching and Trench Paving Services and addressed questions from the Board.

Moved Exline/Second Exline/Haven Yes/Romsos Yes/Hendeson Yes/Sheehan Yes/Exline Yes to award the Asphalt Patching and Trench Paving Services project to the second-lowest responsive and responsible bidder, Alcon Construction & General Engineering, Inc., in the amount of \$332,125.

7. STANDING AND AD-HOC COMMITTEES AND LIAISON REPORTS:

Director Exline requested information regarding Liberty Energy Large customers.

President Romsos thanked staff for the Solar Ribbon Cutting Ceremony and reported that he participated in the Budget Workshop that same day at 11:30 a.m.

Director Haven reported that he will attend the El Dorado Water Agency meeting on May 13.

8. BOARD MEMBER REPORTS:

Directors Exline and **Sheehan** acknowledged the Solar Ribbon Cutting Ceremony.

9. STAFF/ATTORNEY REPORTS:

Shelly Thomson provided details regarding her recent trip to Washington D.C. The District will receive \$2.1 million through the Tahoe Restoration Act and \$1.3 for the Glenwood Rancho Water Project.

10. GENERAL MANAGER REPORT:

Paul Hughes reported on several items:

- The District celebrated two staff on May 5 who are retiring **Mike Chieffo** and **Kyle Schrauben**
- A Press Release was submitted inviting the community to tour the Waste Water Treatment Plant on May 20 and the District has 30 people signed up.
- The District is set to provide a Budget and Capital Improvement Program presentation on May 21 including presentations from **Andrea Salazar**, **Megan Colvey** and **Adrian Combes**.
- A Press Release was submitted regarding the proposed Capital Improvement Program meeting.

11. NOTICE OF PAST AND FUTURE MEETINGS/EVENTS

12. BREAK AND ADJOURN TO CLOSED SESSION: 3:19 p.m.

RECONVENE TO OPEN SESSION: 3:37 p.m.

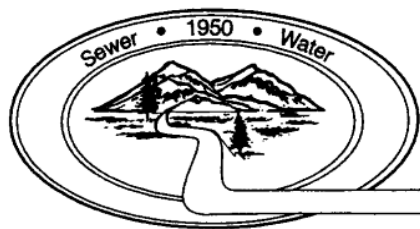
- a. Pursuant to Section 54956.9(d)(1) of the California Government code, Closed Session may be held for conference with legal counsel regarding existing litigation: Yolo County Superior Court Case CV 2021-1686, Alpine County vs. South Tahoe Public Utility District; et al.

No reportable Board Action.

ADJOURNMENT: 3:38 p.m.

Shane Romsos, Board President
South Tahoe Public Utility District

Melonie Guttry, Executive Services Manager/
Board Clerk
South Tahoe Public Utility District



South Tahoe Public Utility District

1275 Meadow Crest Drive • South Lake Tahoe • CA 96150-7401
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BOARD AGENDA ITEM 7a

TO: Board of Directors

FROM: Laura Hendrickson, Associate Engineer

MEETING DATE: May 21, 2026

ITEM – PROJECT NAME: 2026 Water Meter Installation Project

REQUESTED BOARD ACTION: (1) Adopt the design Plans, Specifications, and Addenda pursuant to California Government Code Section 830.6; (2) Find minor irregularities in the bid from White Rock Construction, Inc. to be immaterial and waive immaterial irregularities; and (3) Award Contract for the 2026 Water Meter Installation Project to the lowest responsive, responsible bidder, White Rock Construction, Inc., in the amount of \$916,350.

DISCUSSION: On March 19, 2026, the Board authorized staff to advertise for construction bids for the 2026 Water Meter Installation Project (Project).

The Project will install meters on seventy-two remaining residential properties within the District's service area that do not have meters, including relocating service lines for ten properties that are currently connected through their backyards. This work includes water service connections, meter installations, minor earthwork, and site restoration.

A mandatory pre-bid conference was held on April 9, 2026, with nine contractors in attendance. The bids opened at 10:00 a.m. on Friday, May 8, 2026. The District received five bids ranging from \$916,350 to \$1,159,002. The total Engineer's Estimate for this project was \$967,800. A summary of the bid, along with staff recommendations regarding bid irregularities is attached.

In adopting the Project design Plans, Specifications, and Addenda, the Board complies with requirements of Public Contract Code Section 20201 and Government Code Section 830.6. Addenda numbered 1 through 3 were prepared by District staff to modify the Plans and Specifications throughout the bid period to address questions posed by bidders. These three Addenda clarified requirements regarding contractor licensing, bid item quantities, and bid item descriptions.

Staff recommends that the Board adopt the Project Plans, Specifications, and Addenda; find minor irregularities in the bid from White Rock Construction, Inc. to be immaterial and waive immaterial irregularities; and award the Contract for the 2026 Water Meter Installation Project to the lowest responsible bidder, White Rock Construction, Inc. in the amount of \$916,350.

Construction for this Project is partially funded by a Bureau of Reclamation grant totaling \$483,437.

The anticipated Project schedule is as follows:

- Board Approve Construction Contract Award May 21, 2026
- Construction Start June 15, 2026
- Construction Completion October 15, 2026

SCHEDULE: Notice to Proceed as soon as possible, construction starting in June 2026

COSTS: \$916,350

ACCOUNT NO: 20.30.8279 (AMIMTR)

BUDGETED AMOUNT AVAILABLE: Fiscal Year 2026 - \$599,090; \$444,000, Additional funds to be allocated in Fiscal Year 2027

IDENTIFIED CAPITAL IMPROVEMENT PROJECT (CIP): Yes No N/A

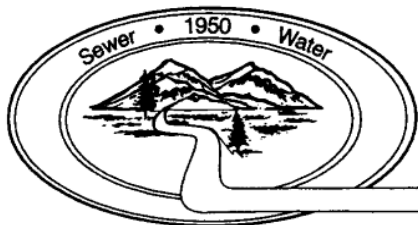
ATTACHMENTS: Memorandum regarding bid results and minor irregularities; Design Plans, Specifications, and Addenda Nos. 1-3 (attached separately)

CONCURRENCE WITH REQUESTED ACTION:

CATEGORY: Water

GENERAL MANAGER: YES AA NO _____

CHIEF FINANCIAL OFFICER: YES AS NO _____



South Tahoe Public Utility District

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BOARD AGENDA ITEM 7b

TO: Board of Directors

FROM: Brendan Cusick, Senior Engineer
Brent Goligoski, Engineering Manager – Capital Projects

MEETING DATE: May 21, 2026

ITEM – PROJECT NAME: Tahoe Keys Sanitary Sewer Rehabilitation Project

REQUESTED BOARD ACTION: (1) Adopt Addendum No. 1 to the design Plans and Specifications pursuant to California Government Code Section 830.6; (2) Find minor irregularities in the bid from Express Sewer & Drain, Inc. to be immaterial and waive immaterial irregularities; and (3) Award Contract for the 2026 Tahoe Keys Sanitary Sewer Rehabilitation Project to the lowest responsive, responsible bidder, Express Sewer & Drain, Inc., in the amount of \$1,139,450.

DISCUSSION: On April 2, 2026, the Board adopted the Plans and Specifications and authorized staff to advertise for construction bids for the 2026 Tahoe Keys Sanitary Sewer Rehabilitation Project (Project).

The District's previous condition assessment identified sewer mains along 8 of the 11 streets as being most at risk of failure and recommended rehabilitation utilizing Ultraviolet Cured-in-Place Pipe (UV CIPP). This trenchless technology provides the District with a corrosion resistant solution to extend the service life of these sewers for another 50 years or longer. The proposed Project involves lining approximately 7,332 linear feet of 6-inch pipe, 594 linear feet of 12-inch pipe, and 614 linear feet of 14-inch pipe as well as reinstating approximately 241 customer laterals.

A mandatory pre-bid conference was held on April 15, 2026, with eight contractors in attendance. The bid opened at 2:00 p.m. on Thursday, April 30, 2026. The District received three bids ranging from \$1,139,450 to \$2,209,420. The total Engineer's Estimate for this Project was \$725,851. The discrepancy between the Engineer's Estimate and bids received can mostly be attributed to the unit bid price to line the 6-inch sewer being 3 times higher than estimated. A summary of the bid, along with staff recommendations is attached.

The attached Addendum No. 1 was prepared by District staff to modify the Plans and Specifications throughout the bid period to address questions posed by bidders. This

Addendum clarified requirements regarding alternative materials, installation procedures, approved equal products and answered other minor questions.

The anticipated Project schedule is as follows:

- Board Approve Construction Contract Award May 21, 2026
- Notice to Proceed and Project Start June 2026
- Active Construction July 6, 2026
- Construction Completion October 15, 2026

SCHEDULE: Notice to Proceed as soon as possible, Construction in 2026

COSTS: \$1,139,450

ACCOUNT NO: 10.30.8461 (TKLIN1)

BUDGETED AMOUNT AVAILABLE: \$1,972,154.35 (Fiscal Year 2026)

IDENTIFIED CAPITAL IMPROVEMENT PROJECT (CIP): Yes No N/A

ATTACHMENTS: Memorandum regarding bid results; Addendum No. 1 to the design Plans and Specifications (attached separately)

CONCURRENCE WITH REQUESTED ACTION:

CATEGORY: Sewer

GENERAL MANAGER: YES AA NO _____

CHIEF FINANCIAL OFFICER: YES AS NO _____

ADDENDUM NO. 1

SPECIFICATIONS

AND

CONTRACT DOCUMENT

FOR

**TAHOE KEYS SANITARY SEWER
REHABILITATION PROJECT**

South Tahoe Public Utility District

South Lake Tahoe, California

April 27, 2026

THE FOLLOWING CHANGES SHALL BE MADE TO THE BID SET:

SPECIFICATIONS

Section 33 01 30.72 – Sanitary Sewer Cured-In-Place Pipe Lining
Page 6 Part 2.01 A

CHANGE: Add 2nd Sentence

TO: The District may consider alternative materials or installation procedures that deviate from ASTM F2019 as long as the performance requirements ASTM F2019 are met with supporting documentation provided by the CIPP liner manufacturer.

Section 33 01 30.72 – Sanitary Sewer Cured-In-Place Pipe Lining
Page 7 Part 2.01 E

CHANGE: Add 2nd Sentence

TO: Approved equal products will be considered if it can be demonstrated that ASTM F2019 performance requirements are met.

PLANS

No changes per this Addendum No. 1.

ATTACHMENTS TO ADDENDUM

1. Section 33 01 30.72 – Sanitary Sewer Cured-In-Place Pipe Lining

The Bidder is responsible for monitoring PlanetBids throughout the bidding process. PlanetBids can be accessed here:

<http://www.planetbids.com/portal/portal.cfm?CompanyID=21516>

2. Table providing number of upstream connections by manhole.
3. Map showing private sewers adjacent to project location. Private manholes are circled in red.

This Addendum No. 1, pages 1 through 25, shall become part of the Contract Document, and all provisions of the Contract Document shall apply therein.

The date and time for the Bid Opening has not changed. The time provided for the completion of the Contract Document has not changed.

SOUTH TAHOE PUBLIC UTILITY DISTRICT

April 27, 2026

Megan Colvey, P.E.
Director of Engineering
Ph. (530) 543-6266



ATTACHMENT 1

SECTION 33 01 30.72

SANITARY SEWER CURED-IN-PLACE PIPE LINING

PART 1 GENERAL

1.01 SCOPE

- A. This Section defines the Work necessary to furnish, install, and complete the cured-in-place pipe (CIPP) lining for sewer main and pipe end seals.
- B. The Work covered in this Section includes rehabilitation of existing pipes by insertion of a resin-impregnated fiberglass tube through the host pipe, inflation of tube to the inside diameter of the host pipe using air pressure and curing the tube using ultraviolet (UV) light. Other methods of curing shall not be used for the main line as part of this Work.
- C. The liner shall be installed using "Trenchless Technology", i.e., no excavation or surface restoration is necessary for this item of Work.
- D. This Section provides general guidelines. Nothing contained herein shall relieve the Contractor from completing the CIPP pipe rehabilitation in the most feasible, efficient, highest quality, and safest manner, using required materials to the lines and grades of the sewers to be rehabilitated and to the requirements of this Section.

1.02 RELATED SECTIONS

- A. Section 01 51 39 – Temporary Utility Bypass Pumping
- B. Section 33 01 30.11 – Video Inspection of Sanitary Sewer Pipelines
- C. Section 33 01 30.41 – Sanitary Sewer Line Cleaning

1.03 REFERENCE STANDARDS

- A. ASTM D2990 – Test Method for Tensile, Compressive and Flexural Creep and Creep-Rupture of Plastics
- B. ASTM D578 – Glass Fiber Strands
- C. ASTM D543 – Test Method for Resistance of Plastics to Chemical Reagents
- D. ASTM D638 – Test Method for Tensile Properties of Plastics
- E. ASTM D790 – Flexural Properties of Unreinforced and Reinforced Plastics and Electrical Insulating Materials
- F. ASTM D883 – Definitions and Terms Relating to Plastics

- G. ASTM D1600 – Abbreviations, Acronyms, and Codes for Terms Relating to Plastics
- H. ASTM D2122 – Test Method for Determining Dimensions for Thermoplastic Pipe and Fittings
- I. ASTM D3567 – Determining Dimensions of “Fiberglass” (Glass-Fiber-Reinforced Thermosetting Resin) Pipe and Fittings
- J. ASTM D5813 – Cured-in-Place Thermosetting Resin Sewer Pipe
- K. ASTM F412 – Definitions of Terms Relating to Plastic Piping Systems
- L. ASTM F2019 – Rehabilitation of Existing Pipelines and Conduits by the Pulled in Place installation of Glass Reinforced Plastic (GRP) Cured-in-Place Thermosetting Resin Pipe (CIPP)
- M. ASTM F2561 – Standard Procedure for Rehabilitation Sewer Service Lateral and Connection to Main
- N. NASSCO Guideline Specification for the Cured-In-Place Pipe (CIPP) Installation, latest edition
- O. NASSCO Guideline Specifications for Sewer Pipe Cleaning and Pipe Condition Assessment using CCTV

1.04 SUBMITTALS

- A. Submittals shall conform to the requirements of Section 01 33 00 - Submittals.
- B. Submit the following information, at minimum:
 - 1. The Contractor shall submit documentation demonstrating conformance with the employment duration and previous installation quantity requirements in Paragraph 1.05 - Quality Assurance.
 - 2. Safety Plan detailing standards and all regulations pertaining to the Work including confined space entry.
 - a. Safety data sheets for all hazardous chemicals used or expected to be onsite. At a minimum, sheets for the resin, catalyst, cleaners, and repair agents shall be submitted. Contractor shall have copies of SDS documents on site during construction.
 - b. Safety Plan shall include list of all persons assigned to this Work.
 - c. Description of daily safety program at the job site and emergency procedures to be implemented during the event of an incident.
 - 3. Product Data for each type of product to be installed: manufacturer’s name, catalog number, cut sheets, technical data, corrosion resistance data, certification of finished liner conformance with ASTM D2990 (10,000-hour test), recommended procedures for handling and storing materials and recommended installation methods for each item. Products include, but not limited to liner tube and resin data.
 - a. Resin system product data including the actual chemical name of the monomer and spectroscopic wavelength diagram that will be used during CIPP installation.

4. Engineering calculations for the design of the liner thickness per Paragraph 2.05 – Design Criteria. Design calculations shall be checked and approved by an Engineer.
5. The interior liner color of the CIPP after installation shall be a light reflective color to provide a clear detailed examination for post-closed-circuit television (CCTV) inspection. The color hue shall be dark enough to develop a contrast of a fully resin saturated felt fabric and dry or resin lean areas.
6. Construction Sequencing Plan:
 - a. Schedule and sequencing information per Paragraph 1.07B.
 - b. CIPP manufacturer’s recommended shipping, storage and handling procedures, resin application, installation procedures, tube wet-out method, curing process details and cure schedules (including heat-up, hold and cool-down cycles and temperature control).
 - c. Locations and methods of anticipated point repairs.
 - d. Trimming and finishing at manhole walls.
 - e. List of identified existing insertion locations and/or locations where the insertion points will be installed along with documentation that the Contractor has inspected the proposed location to assess the structure for use.
 - f. Safety systems associated with the proposed UV equipment and operational safety systems for use with the cure process.
 - g. Means and methods, materials, equipment, and procedures employed to seal annular space between the CIPP and the host pipe at manholes.
 - h. Means and methods, equipment, and procedures employed to reinstate active sewer laterals.
 - i. Contingency Plan: Provide plan for repair of defects that may expose the host pipe during removal of the defect. The plans shall include detailed information on removal of defect and proposed method for defect repair.
7. Video inspection reports and DVDs, file transfer protocol (FTP), or external flash drives made prior to and after pipe liner insertion.
8. Certifications and Testing:
 - a. Contractor shall be an active California licensed contractor through the Contractors State License Board appropriated for the Work.
 - b. Certification from the CIPP manufacturer that the resin/catalyst and tube material comply with the required application, meets the intended service condition, and complies with the physical requirements.
 - c. Literature and background information on the independent third-party testing laboratory recommended by the manufacturer proposed for testing the physical properties of the installed pipe.
 - d. Manufacturer’s certification that lining material is manufactured, sampled, tested, and inspected in accordance with ASTM F2019. Include the manufacturing date of the lining materials in the certification.
 - e. Verification of product conformance by third-party testing for the chemical resistance and physical testing requirements as specified in this Section along with a report of test results.
 - f. Results of chemical resistance testing performed on a previously prepared sample of the finished product proposed for the Work. A certified affidavit, signed by an officer of the company, shall be provided stating that the tested resin and the resin submitted for this project are the same.
9. For each diameter and thickness to be installed on the Work, provide volume of resin required per unit length (gal/foot or liters/meter) to fill the volume of air

voids in the tube plus the additional allowance for polymerization shrinkage and to meet the finished liner strength requirements.

10. A copy of all installation, cure, and cool-down logs.
11. Written notification of any crew changes. Notification shall be a minimum of one week prior to date of actual change.
12. Manufacturer's wet-out report.
13. All material testing and field-testing certifications and results.

1.05 QUALITY ASSURANCE

- A. Work performed under this Section shall conform to the Drawings and specifications, and shall comply with all standards, rules and regulations, laws and ordinances of the District and all other authorities having jurisdiction, as amended. That which is necessary to make the Work comply with the above requirements shall be provided without additional cost to the District. Contractor shall provide training as needed to help District and District's Inspector understand the CIPP process, including sampling, videoing, and interpretation of obtained results.
 1. The lining installation contractor shall have a minimum of five (5) years of continuous experience installing CIPP liners and a minimum of 25,000 linear feet in total of like-size and lining material with references for work previously performed.
 2. The lining installation contractor's foreman must have a minimum of three (3) years of CIPP installation experience including performing as foreman for installation of at least 10,000 linear feet of CIPP in host pipes of equal, or greater, diameter to the Work and at least 150 service lateral connections (SLC). The lining installation contractor's foreman must be on-site during the installation of CIPP products.
 3. Any change to the lining installation contractor's foreman shall be approved by the District. Notification shall be a minimum of one week prior to date of actual change. All experience requirements above will apply for substitute personnel. Contractor shall provide experience statement for new foreman.
- B. Sampling and Testing
 1. The physical properties shall be verified through field sampling and laboratory testing as detailed in Paragraph 3.06 – Sampling and Testing. The Contractor shall be responsible for all costs associated with the testing of the liner physical properties.
- C. Repairs
 1. Due to defects in preparation and/or installation, systems will occasionally need to be repaired or partially replaced, the manufacturer shall outline specific repair or replacement procedures for potential issues that may occur during the installation of the system.
 2. Repairable issues that may occur in the system shall be specifically based on manufacturer's recommendations, including a detailed step-by-step repair procedure, resulting in a finished product meeting the estimated life cycle of the component and requirements of these Specifications.
 3. Correction of failed liner or liner pipe deemed unacceptable, as a result of the post-video inspection and/or test reports for structural values, thickness, chemical resistance, etc., shall be the responsibility of the Contractor. Method of correction/repair shall be approved by the District with prior field

demonstration, if required. It shall be understood that minimum criteria of the Specification shall not be lowered to compromise with lower than the required test values, unless approved in writing.

4. Un-repairable issues that may occur in the system shall be clearly defined based on the manufacturer's recommendations. The Contractor, together with the manufacturer, shall define the best recommended procedure for the total removal and replacement of the system.
5. No additional compensation shall be provided for the repair or replacement of system deemed non-conforming to the requirements of these Specifications and unacceptable by the District.

1.06 MATERIAL HANDLING

- A. Protection: Contractor shall exercise adequate care during transportation, handling, and installation to ensure the CIPP material is not torn, cut, or otherwise damaged. Damage includes, but is not limited to, gouging, abrasion, flattening, cutting, puncturing, or ultraviolet degradation.
- B. Replacement: All damaged materials and pipe rejected by the Engineer shall be promptly removed from the project site at no additional cost to District and disposed of in accordance with current applicable regulations.
- C. If the fiberglass tube is impregnated with resin at the wet-out facility, it shall be transported, installed, and cured before expiration of the shelf life as defined by the manufacturer or CIPP process licensor.
- D. Resin impregnated tube shall be stored and transported under refrigerated and/or ultraviolet light-free conditions as required by and according to manufacturer's recommendations.

1.07 PROJECT CONDITIONS

- A. All work on and proximate to the District's sewer collection system shall be coordinated with and inspected by the District.
 1. The Contractor shall provide 48-hours notification for all specific work on the sewer system, to allow the District to arrange inspections.
- B. Schedule and sequencing information shall include:
 1. The account for pre- and post-CCTV inspection, CIPP installation, and testing requirements.
 2. The Contractor shall make every effort to maintain service usage throughout the duration of the Work. Service shutdowns shall be coordinate with the District and affected private owners. Refer to Paragraph 2.02B in Section 01 73 00 – Project Execution.
 3. Include sewer flow bypassing measures complying with the requirements as indicated in Section 01 51 39 – Temporary Utility Bypass Pumping.
 4. Sequencing plans shall be subject to the review and approval of the District.
- C. The Contractor shall comply with all notification requirements for any sewer system shut-downs and/or interruptions.

- D. Connections to Existing Sewers and Manholes: The Contractor shall make all required connections to existing sewers and manholes and carry out such work in accordance with local standards and requirements and as directed by the Engineer. Extreme care to prevent debris from entering into existing sewers to be lined shall be exercised.
- E. The Contractor should assume the pipe needs recleaning prior to lining. Contractor shall make own decisions regarding cleaning method and is solely responsible for adequately cleaning the pipe immediately prior to CIPP lining.

1.08 SAFETY

- A. The Contractor shall conform to all work safety requirements of pertinent regulatory agencies and shall secure the site for working conditions in compliance with the same. The Contractor shall erect such signs and other devices as are necessary for the safety of the work site.
- B. The Contractor shall have an odor control plan on site to ensure that project specific odors, including styrene contained in resin, will be minimized at the project site and surrounding residents and public areas.
- C. The Contractor shall perform all the Work in accordance with applicable OSHA safety standards. Emphasis shall be placed upon the requirements for entering confined spaces and utilizing equipment for CIPP lining.
- D. All entries into or work within confined spaces shall be conducted in accordance with the U.S. Department of Health and Human Services/National Institute for Occupational Safety and Health [DHHS (NIOSH)] Publication No. 87-113, A Guide to Safety in Confined Spaces.

PART 2 PRODUCTS

2.01 GENERAL

- A. All materials and installation procedures provided by the Contractor for use in the CIPP installation process shall be equal to or exceed the requirements of Sections 5 and 7 and Appendix XI of ASTM F2019. The District may consider alternative materials or installation procedures that deviate from ASTM F2019 as long as the performance requirements ASTM F2019 are met with supporting documentation provided by the CIPP liner manufacturer.
- B. Contractor shall be responsible for control of all material and process variables to provide a finished CIPP possessing the minimum properties specified in ASTM F2019 and supplemented herein.
- C. The finished liner shall consist of a fiberglass tube impregnated with a thermosetting resin to fit tightly against the existing inside pipe wall. The finished liner shall be fabricated from materials that, when cured, shall be chemically resistant to withstand internal exposure to sewage gases containing quantities of hydrogen sulfide, carbon monoxide, methane, petroleum hydrocarbons, moisture saturation,

and dilute sulfuric acid. The finished liner shall be continuous over the length of pipe reconstructed.

- D. The CIPP shall be designed for a life of 50 years or greater and an equal service life. The CIPP materials shall have corrosion resistance to the typical chemicals found in domestic sewage and meet requirements specified as referenced in ASTM F2019 and ASTM D5813.
- E. Approved CIPP liner manufacturers are Omega Liner Company, Reline America, or approved equal. Approved equal products will be considered if it can be demonstrated that ASTM F2019 performance requirements are met.

2.02 LINER TUBE

- A. The lining tube shall have a uniform thickness that when compressed at installation pressures will meet or exceed the design thickness.
- B. The lining tube shall be free of tears, holes, cuts, foreign materials and other defects and will be subject to inspection by the Inspector.
- C. The outside of the lining tube shall be marked for distance at regular intervals along its entire length, not to exceed five feet. Such markings shall include the manufacturer's name or identifying symbol, manufacturing lot and production footage.
- D. Liner Tube Materials
 - 1. Fiberglass Tube
 - a. Fiberglass mat tube shall be capable of retaining resin, contained within a system of polyethylene film. The tube shall have sufficient needling and cross lapping to yield a minimum burst strength of 800 pounds per square inch in transverse directions (hoop stress), and strength to withstand the installation pressures and curing temperatures.
 - b. Glass fiber material shall be of chemically-resistant EC-R Glass.
 - c. The liner should be manufactured to expand sufficiently but not greater than 10% achieving a tight fit against the host pipe. The liner should have sufficient strength to bridge missing pipe sections or with the use a fabric restraint sleeve.
 - d. Inner and outer foil shall be used to protect and contain the resin and shall be styrene resistant. The outer foil shall have UV blocking characteristics. If required by the manufacturer, the inner foil will be removed after installation and curing processes are completed.
 - e. The glass fiber liner shall be cured with UV light sources at a constant inner pressure.

2.03 RESIN

- A. The resin shall be a corrosion-resistant polyester, vinyl ester resin, or orthothalic, with a catalyst system capable of producing CIPP which will comply with the structural and chemical resistance requirements of this Specification.

- B. The catalyst system shall be compatible with the resin and other materials to be utilized in the rehabilitation process. Quantity and type of catalyst shall be selected based on the curing conditions and recommendations of the resin manufacturer.
- C. UV Cure Method
 - 1. The resin shall meet the requirements of ASTM F2019 and ASTM D5813.
 - 2. The resin used shall use UV light to cure the pipe. Liquid UV resin shall saturate the tube and produce a properly cured liner with the resistance to abrasion from solids, grit, and sand.
 - 3. Resins created from recycled materials shall not be allowed.

2.04 FINISHED AND CURED LINER PROPERTIES

- A. Physical Properties. The finished and cured CIPP system shall conform with the minimum structural standards as follows:

ASTM D790 Test Method Property	ASTM D2990 Minimum Long-Term Value	ASTM D2019 Minimum Short-Term Value
Flexural Strength	-	15,000 psi
Flexural Modulus	125,000 psi	725,000 psi

- B. The finished liner shall be certified to conform to the requirements of ASTM D543. Exposure should be for a minimum of one (1) month at 73.4 degrees Fahrenheit. During this period, the CIPP test specimens should lose no more than twenty percent (20%) of their initial flexural strength and flexural modulus when tested in accordance with Section 7 of ASTM F2019 when subjected to the following solutions:

Chemical Solution	Concentration (%)
Tap Water	100
Nitric Acid	5
Phosphoric Acid	10
Sulfuric Acid	10
Gasoline	100
Vegetable Oil	100
Detergent	0.1
Soap	0.1

2.05 DESIGN CRITERIA

- A. The liner shall be designed in accordance with the procedures of ASTM F2019 and these Specifications. All material properties used in design calculations shall be long-term (time-corrected) values. Contractor shall familiarize themselves with site conditions when preparing liner design. The design shall assume no bonding to the original pipe wall.
- B. The Engineer shall set the long term (50-year extrapolated) Creep Retention Factor at 50% of the initial design flexural modulus as determined by ASTM D790 test method. This value shall be used unless the Contractor submits long term test data (ASTM D2990) to substantiate a different retention factor.

- C. Contractor shall calculate the required minimum thickness for each pipe based on the existing pipeline conditions. Actual level of deterioration may vary within any given section of sewer.
 - 1. Calculations shall account for the following:
 - a. Liner shall have sufficient strength to bridge missing pipe and stretch to fit irregular pipe sections.
 - b. Hydraulic capacity: The pipe liner shall have a minimum reduction in capacity of the original pipe before rehabilitation. Calculated capacities may be derived using a commonly accepted roughness coefficient for the existing pipe material taking into consideration its age and condition.
 - c. Dead load: use 120 lbs./cu. ft. soil.
 - d. Depth of cover per plan.
 - e. Groundwater depth per plan.
 - f. Soil Modulus: use 1,000 psi.
 - g. Live load: use H-20 traffic load.
 - h. Pipes in good condition shall have a minimum design value of 2% ovality in the circumference. A higher value of ovality shall be used if the pipe is deteriorated.
 - i. Factor of safety (N): 2.0
 - 2. The nominal wall thickness shall be the calculated design thickness or the minimum specified, if indicated, whichever is greater.
 - 3. Liner design calculations shall be supported by field analysis, technical assumptions, requirements of this Section and ASTM F2019.

2.06 DIMENSIONS

- A. Contractor shall field verify existing pipe diameters prior to ordering liner tubes.
- B. Outside diameter of the liner tube being inserted shall be properly sized to allow for expansion so that the CIPP liner can fit tightly against the host pipe without longitudinal wrinkles and meet thickness requirements. It is the Contractor's responsibility to determine the required diameter of the liner.
- C. Liner shall be properly sized to the length to be rehabilitated, be able to stretch to fit irregular pipe sections and be able to negotiate bends and curves with the minimum tube length necessary to effectively span the designated run between manholes, or main line and cleanout, unless otherwise specified. Contractor shall make allowances in determining the felt tube length for stretch during installation and shrinkage during curing. The minimum length shall be that which continuously spans half the distance from the center of the inlet manhole to the next manhole.
- D. Contractor shall verify the lengths of the pipelines to be rehabilitated in the field prior to ordering materials to ensure that the tube will have sufficient length to extend the entire length of the main and include length for material sampling.

2.07 TERMINATION SEALS

- A. Manhole and Structure Termination: Ends shall be sealed with a resin mixture or hydrophilic seal compatible with the installed liner material in accordance with the CIPP manufacturer's recommendations. Sealing shall meet the following criteria:

1. Shall be compatible with the liner/resin system, provide a watertight seal between the liner and host pipe.
2. Hydraulic cements and quick-set cement, liquid sealant, adhesives, or other fluid like materials having paste-like consistency are not acceptable.
3. Acceptable materials shall be an approved epoxy-type product that will bond, not crack, dry up, slough off, or shrink in time, and provide a good transition in the manholes.
4. Hydrophilic end seals shall be LMK Insignia end seal sleeve, NeoPoxy epoxy, or approved equal.

PART 3 EXECUTION

3.01 GENERAL

- A. This Section is intended to provide the Contractor with general guidance on the methods to be used to install the sewer pipe using the CIPP liner method. Nothing contained herein shall relieve the Contractor from completing the pipe rehabilitation in the most feasible, efficient, and safe manner, using required materials shown on the Drawings and to the requirements of this Section.

3.02 EXISTING CONDITIONS

- A. Prior to ordering, fabrication, or the commencement of lining any pipes, the Contractor shall perform a site review, pre-cleaning, and video inspection to verify existing field conditions prior to lining.
- B. It is the Contractor's responsibility to measure the actual inside diameter at different locations of the existing sewer to determine the appropriate size of CIPP liner to use. Contractor shall verify internal diameter and length of existing sewer pipe prior to sizing and ordering liner.
- C. The Contractor shall make all necessary measurements in the field to ensure precise fit of items in accordance with the Drawings.

3.03 PREPARATION

- A. Prior to pipe rehabilitation, the Contractor shall perform an initial sewer cleaning per Section 33 01 30.41 – Sanitary Sewer Line Cleaning.
- B. Contractor shall provide experienced personnel trained in locating breaks, obstacles, and active laterals by video. The interior of the pipelines shall be carefully inspected to determine the location of any condition which may prevent the proper installation of the liner into the pipeline. It shall be verified in writing to the District so that these conditions can be corrected.
- C. It shall be the responsibility of the Contractor to clear the line of obstructions or collapsed pipe that will prevent the insertion of the liner or video camera. If inspection reveals an obstruction that cannot be removed by conventional sewer cleaning equipment, Contractor shall immediately notify Engineer. Engineer may direct Contractor to make a point repair excavation to uncover and remove or repair

the obstruction; such excavation work would be considered extra work requiring the written approval of the Engineer prior to the commencement of the Work.

- D. Contractor shall determine the minimum tube length necessary to effectively span the designated run between manholes, unless otherwise specified. Contractor shall field verify the lengths prior to ordering materials to ensure that the tube will have sufficient length to extend the entire length of run and for material testing.
- E. Engineer, District, and Inspector shall be notified at least 48 hours in advance of any work to coordinate any potential service outages, bypass pumping, or other coordination considerations.
 - 1. Each pipe liner shall be subject to inspection by the Inspector immediately prior to installation. The Engineer and Inspector shall be informed 24 hours in advance, for verification and inspection of the resin material at the wet-out of the tube. Inspector may require additional coordination on day of installation to coordinate desired observation.
- F. If significant groundwater infiltration is present in the existing sewer such as PACP defects coded "infiltration gusher" or "multiple runners", the Contractor shall perform chemical grouting to control resin loss and contamination, maintain CIPP thickness, prevent mechanical property reduction and prevent inadequate curing of the CIPP resulting from water or other contamination of the resin during installation.

3.04 BYPASS PUMPING

- A. The Contractor, when required, shall provide for the flow around the section of pipe designated for the liner or install pipe plug upstream of liner installation. Bypass pumping shall conform to Section 01 51 39 – Temporary Utility Bypass Pumping.

3.05 INSTALLATION

- A. UV Cured Method
 - 1. General
 - a. A protocol shall be defined by the manufacturer and recorded during the cure process and maintained as documentation to verify cure. Data collected shall include time, rate of travel of the light curing assembly for dynamic curing processes, pressures, temperature in the liner, and the power output of the light assembly along the entire length of the installed CIPP. The cure procedure shall be in accordance with ASTM F2019 and the manufacturer's recommendation.
 - b. Contractor shall follow the manufacturer's recommendation to utilize an outer and/or inner foil to ensure the liner remains intact during the installation process.
 - c. Contractor shall protect the resin at all times from water and debris contamination and resin migration.
 - 2. Installation
 - a. A slip sheet or gliding foil of a continuous heavy gauge (10mm) plastic sheet shall be pulled into place of the entire length of host pipe, covering 1/3 – 1/2 the diameter of lower portion of the host pipe to protect the liner prior to installation or per manufacturer's recommendation.

- b. Liner shall be securely attached to a constant tension winch and pulled into place taking care not to exceed pulling forces as stated in manufacturer's installation protocol.
 - 1) The liner shall have a longitudinal fiberglass reinforcement band which runs the entire length of the liner to ensure the pulling force is transferred to the band and not the fiberglass liner.
 - c. End plugs shall be installed to cap both ends of the liner to prepare for pressurization. Contractor shall secure the end plugs with restraints in manholes to prevent from being expelled due to pressure.
 - d. Liner shall be inflated per manufacturer's inflation recommendation. Once inflated to a constant inner working pressure, the liner shall fit tightly against the host pipe.
 - e. Liner shall be inspected by integrated CCTV on light assembly checking for proper fit and expansion of the liner prior to UV cure.
3. Curing
- a. UV light sources shall be assembled according to the manufacturer's specifications based on the liner diameter. Contractor shall record the entire curing process to demonstrate that the liner is cured properly. Contractor shall provide the Engineer the following parameters:
 - 1) Project name
 - 2) Line section (upstream manhole number to downstream manhole number)
 - 3) Date and time
 - 4) Length of liner
 - 5) Curing speed
 - 6) Light source working & wattage
 - 7) Inner air pressure
 - 8) Inner curing temperature
 - b. The optimal curing speed, or travel speed of the energized UV light sources, is determined for each length of liner based on liner diameter, liner thickness, and exothermic reaction temperature. Curing speed shall be as recommended by the manufacturer and determined by the Contractor based on various site-specific field conditions.
 - c. Infrared sensors shall be used to record curing data that will be submitted to the Engineer with the post CCTV inspection.
 - d. If the liner is manufactured with a removable inner film, the inner film shall be removed and discarded after curing to provide optimal quality of the final product.

B. Service Lateral Reinstatements

- 1. Lateral reinstatement shall not occur until after the resin liner has cured and cooled down in accordance with the manufacturer's recommendations.
- 2. Branch lateral connections or any other pre-existing connection to the service lateral shall be reinstated by a remote controlled robotic cutting device, either from within the pipeline or externally through a cleanout. The reinstated connection shall be brushed to allow for a smooth edge.
- 3. All laterals shall be reinstated, except those which have been positively identified to be inactive by inspection of the lateral per Section 33 01 30.11 – Video Inspection of Sanitary Sewer Pipelines. Contractor to verify all instances with Engineer and District prior to reinstating branch lateral to ensure abandonment is not performed or desired.

4. The Contractor shall be responsible for identifying and reconnecting the laterals to the lined pipe. Reinstatement of laterals as identified by video, not as shown on the Drawings, shall be completed by an internal reinstatement by using a pivot-head video camera and a remote cutting tool to locate the lateral from the inside of the lined pipe and cutting a hole matching the lateral diameter. The Contractor shall provide a nearly full-diameter hole, free from burns or projections by brushing the lateral connection area to provide a smooth and crack-free edge. The hole shall be 95% minimum and 100% maximum of the original lateral connection. The invert of the lateral connection shall match the bottom of the reinstated lateral opening.
 5. The Contractor shall have a back-up remote control cutting device on site in case of malfunction.
 6. Coupons of pipe material resulting from service tap cutting shall be collected at the downstream manhole. No pipe materials shall be allowed to pass through the system.
 7. In the event that service reinstatements result in openings that are greater than 100 percent of the service opening, the Contractor shall install a CIPP type repair sufficiently sized to completely cover the overcut reinstated lateral with no additional cost to the District.
- C. Liner Termination
1. The CIPP liner shall be cut 1-inch minimum beyond the end of the existing host pipe at manholes.
 2. Each liner termination requires end seals per Paragraph 2.07 of this Specification.
 3. Contractor shall ensure the proper restoration of the manhole's bottom and invert.
- D. Discrepancies
1. In the event of discrepancy, the Contractor shall immediately notify the Engineer.
 2. The Contractor shall not proceed with the installation in areas of discrepancy until all such discrepancies have been fully resolved with Engineer and Inspector.

3.06 SAMPLING AND TESTING

- A. Main CIPP Testing
1. Contractor shall collect two samples at each required location and follow the field sampling procedure herein this Section. Contractor shall submit one sample to an independent laboratory as outlined in this Section and shall submit one sample to the District.
 2. One set of samples shall be provided at a minimum from one location per 1,000 linear feet of CIPP installed, and not less than one set per pipe liner diameter.
 3. Sample preparation: The Contractor shall prepare samples of the installed CIPP liner for subsequent testing of its physical properties. Samples shall be prepared and tested using the restrained sample method in accordance with the procedures in Section 7.1 of ASTM F2019.
 - a. Sample to be cut from a section of cured CIPP at the termination point that has been inverted continuously from the main sewer line through a

like diameter sampling pipe which has been held in place by a suitable heat sink, such as sandbags.

- b. Each restrained sample shall be large enough to provide five (5) sample specimens each for Short Term Flexural (Bending) properties and Tensile properties per ASTM D790 and ASTM D638, respectively.

B. Field Sampling Procedure

1. All curing, cutting, and identification of samples will be witnessed by the Inspector.
2. Each sample specimen, including those furnished to District, shall be identified by:
 - a. Project title.
 - b. Segment number of sewer main as noted on the Drawings.
 - c. Sample number.
 - d. Date and time of sample.
 - e. Name of Contractor.
 - f. Location and by whom tested.
 - g. Street name.
 - h. Label as follows:
 - 1) Sample A: Restrain Sample
 - 2) Sample B: Restrain Sample
3. The wall thickness sample shall be used to confirm the wall thickness of the fiberglass tube per ASTM F2019. Unless otherwise specified to provide for excess resin migration, the gap thickness of the wetting out equipment shall be sized to allow an excess of five to ten percent (5%-10%) resin to pass during impregnation. The minimum wall thickness shall be determined at a minimum of three (3) locations on a cut section of the CIPP restrained sample using a method of measurement accurate to the nearest 0.005 inch.
 - a. Average thickness shall be equal or greater than required design thickness.
 - b. Failure of thickness test shall be grounds for rejection of CIPP liner.

C. Laboratory Testing

1. The samples shall be handled by Contractor with chain of custody control implemented and delivered to an independent third-party testing laboratory.
2. The cured samples shall be tested by an independent testing laboratory, as recommended by the CIPP liner manufacturer and approved by the Engineer, for the bending and tensile properties per ASTM D790 and ASTM D638, respectively.
3. The Contractor shall be responsible for any deviation from the specified physical properties and those evaluated through testing. Failure to meet the specified physical properties will result in the CIPP liner being considered defective work and shall be removed and replaced at no additional cost to the District.

3.07 VIDEO INSPECTION AND ACCEPTANCE OF CIPP

- A. After completion of all liner insertions, service reconnections, and finish work at the manholes, the sewer main and laterals shall be televised with a color video camera with a tilt-head or 360-degree panorama head recorded in digital or other District

approved format. The original DVD, FTP, or external flash drive shall be provided to the Engineer.

- B. The Inspector and Contractor, together, will visually confirm that the liner meets this Section. All video work shall be performed by the Contractor, under the supervision of the Inspector. Contractor performing the video work shall be PACP-certified.
- C. The installed system shall be continuous over the specified length of the sewer main section and be free from visual defects such as foreign inclusions, dry spots, pinholes, major wrinkles, and de-lamination. The system shall be impervious and free of any leakage from the pipe to the surrounding ground or from the ground to inside the lined pipe.
- D. The Contractor shall repair all visual defects and damages found during the reviewing of these final TV inspection video tapes at no additional cost to the District.
- E. Interior Surface:
 - 1. Interior surfaces shall be smooth and free from significant wrinkles. Wrinkles in the finished lined pipe are unacceptable if they meet any of the following conditions:
 - a. Cause a backwater greater than one (1) inch in depth.
 - b. Reduce the hydraulic capacity of the pipeline as determined by the Engineer.
 - c. Have a height equal to or greater than 5% of the pipe diameter if on the top half of the pipe.
 - d. Have a height equal to or greater than 3% of the pipe diameter or 0.5 inch, whichever is smaller, if on the lower half of the pipe.
 - e. Cause a maintenance problem or inconvenience as determined by the Engineer.
 - f. Cause debris and solids to hang-up and accumulate.
 - g. Reduce the structural stability of the pipe.
 - 2. If wrinkles meeting the aforementioned criteria are encountered, they shall be removed or repaired by the Contractor by a method that is approved by the Engineer at no additional cost to the District.
 - 3. If a void between the wrinkle and the pipe exists, the Contractor shall repair or replace that section of liner as approved by the Engineer and at no additional cost to the District.
 - 4. If wrinkles are detected in the installed liner, the Contractor shall provide photographs and dimensions of the wrinkle including height and direction.
 - 5. Methods of repair shall be proposed by the Contractor and submitted to the Engineer for review and approval. The Engineer will determine on a case-by-case basis if removal of the wrinkle through replacement or repair of CIPP liner is required.
- F. Separations of liner seams in the finished liner pipe are unacceptable and shall be removed or repaired by the Contractor at no additional cost to the District. If a separation of a liner seam exists, the Contractor shall repair or replace that section of the pipe at no additional cost to the District. Methods of repair shall be proposed by the Contractor and submitted to the Engineer for review and approval.

- G. The finished CIPP shall be free of dry spots, lifts and de-lamination. The system shall not inhibit the video post-video inspection of the sewer main. Frayed ends of the system shall be removed prior to acceptance.
- H. All laboratory test results shall be received to the District and meet the Specifications prior to final acceptance of the installed CIPP.
- I. All installation logs required to be performed by the Contractor, as stated within this Specification, shall be submitted to Engineer and District.

3.08 CLEAN-UP

- A. The Contractor shall restore or replace all removed or damaged paving, curbing, sidewalks, gutters, shrubbery, fences, sod or other disturbed surfaces or structures to a condition equal or better to that before the Work began to the satisfaction of the Engineer and District and shall furnish all labor and material incidental thereto at no cost to the District.
- B. Surplus liner material, tools and temporary structures shall be removed by the Contractor. All dirt, rubbish and excess earth from the liner installation shall be properly disposed of by the Contractor and the construction site shall be left clean to the satisfaction of the District.

3.09 WARRANTY

- A. Any defects which will affect, in the foreseeable future or warranty period, the integrity or strength of the liner shall be repaired at the Contractor's expense. Allowance shall be given for the excess pipe when the cross-sectional area has been reduced due to offset joints, partial collapse, or out-of-round sections.
- B. The Contractor shall warrant the completed work against defect in workmanship and material for a period of one (1) year. The warranty shall require the repair or replacement of the liner due to failure resulting from faulty materials or installation as deemed necessary by the District. All required work incidental or required as part of the repair or replacement shall be provided by the Contractor at no additional cost to the District. The warranty period begins at the date of Final Acceptance of the entire Work.
- C. As part of the Warranty, the Contractor shall perform a one (1) year video inspection of the liner.
 - 1. The inspection shall be scheduled by the District. The inspection shall occur on the 11th month from the date of Final Acceptance of the Work. This schedule for inspection shall be considered tentative, and the Contractor will be notified of the inspection schedule no later than the first day of the tenth month following Final Acceptance of the Work.
 - 2. The inspection shall be performed by experienced personnel trained in locating abnormalities and defects by video and note any abnormalities or defects observed. If defects are discovered in warrantied work or materials, the Contractor shall correct the defects within thirty (30) calendar days using the guidelines set for in the Specifications.

3. Contractor shall provide mobilization and demobilization, bypass pumping per Section 01 51 39 – Temporary Utility Bypass Pumping, cleaning of all sewer mains to be inspected per Section 33 01 30.41 – Sanitary Sewer Line Cleaning and Section 33 01 30.11 – Video Inspection of Sewer Pipelines, provide traffic control, and perform site cleanup as part of the one (1) year video liner inspection at no additional cost to the District.

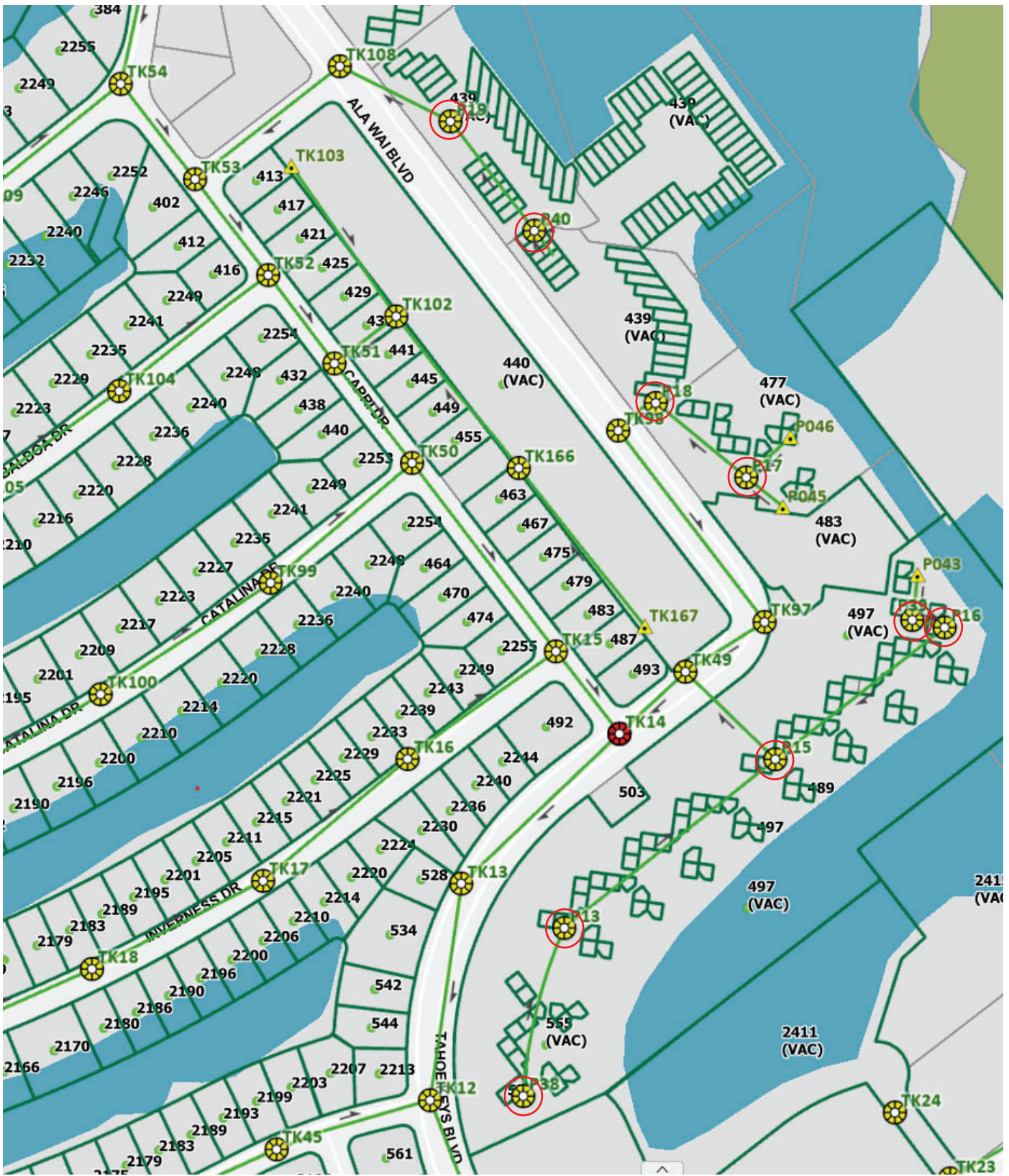
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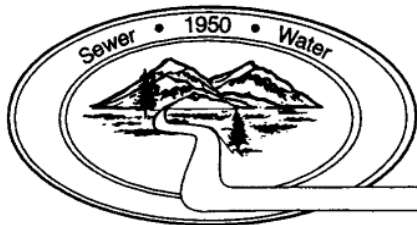
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ATTACHMENT 2

MH	Street	Upstream Connections
TK73	Morro Dr.	3
TK72	Morro Dr.	11
TK71	Morro Dr.	20
TK70	Morro Dr.	29
TK69	Morro Dr.	44
TK117	Danube Dr.	0
TK68	Danube Dr.	48
TK25	Danube Dr.	53
TK47	Monterey Dr.	10
TK46	Monterey Dr.	20
TK45	Monterey Dr.	30
TK12	Monterey Dr.	302
TK20	Inverness Dr.	1
TK19	Inverness Dr.	13
TK18	Inverness Dr.	24
TK17	Inverness Dr.	34
TK16	Inverness Dr.	45
TK15	Inverness Dr.	256
TK101	Catalina Dr.	3
TK165	Catalina Dr.	10
TK100	Catalina Dr.	18
TK99	Catalina Dr.	26
TK50	Catalina Dr.	34
TK107	Balboa Dr.	1
TK106	Balboa Dr.	11
TK105	Balboa Dr.	19
TK104	Balboa Dr.	27
TK52	Balboa Dr.	136
TK54	Capri Dr.	93
TK53	Capri Dr.	99
TK52	Capri Dr.	136
TK51	Capri Dr.	153
TK50	Capri Dr.	192
TK15	Capri Dr.	256
TK116	Beach Ln.	2
TK115	Beach Ln.	7
TK58	Beach Ln.	41

ATTACHMENT 3





South Tahoe Public Utility District

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BOARD AGENDA ITEM 7c

TO: Board of Directors

FROM: Brendan Cusick, Senior Engineer
Brent Goligoski, Engineering Manager – Capital Projects

MEETING DATE: May 21, 2026

ITEM – PROJECT NAME: Tahoe Keys Sanitary Sewer Rehabilitation Project

REQUESTED BOARD ACTION: (1) Approve the proposed Scope of Work to amend existing Task Order No. 3 for DOWL to provide engineering services during construction and construction inspection services of the Tahoe Keys Sanitary Sewer Rehabilitation Project; and (2) Authorize the General Manager to execute Amendment A to Task Order No. 3 with DOWL in the amount not to exceed \$146,062.

DISCUSSION: On April 2, 2026, the Board adopted the Plans and Specifications and authorized staff to advertise for construction bids for the 2026 Tahoe Keys Sanitary Sewer Rehabilitation Project (Project).

Sanitary sewer rehabilitation by Ultraviolet Cured-in-Place Pipe (UV CIPP) is planned for the 2026 construction season. The engineering services during construction will help facilitate proper execution, quality control, and timely completion of the rehabilitation efforts as outlined in the Project Specifications and Plans. The construction inspection services will involve one full-time observer on site for the duration of the rehabilitation.

Due to the specialized nature of UVCIPP projects, particularly quality control and materials testing, inspection by an experienced UVCIPP inspector is recommended to ensure compliance with the project Plans, Specifications, and applicable industry standards. The District does not have staff with the relevant experience to perform this work and must retain a qualified consulting firm to provide these services. To ensure that future UVCIPP projects can be completed at lower costs by utilizing District staff, the plan is to have the District's construction inspectors learn the intricacies of UVCIPP quality control and materials testing during construction of this Project.

The Tahoe Keys Sanitary Sewer Rehabilitation Project is anticipated to begin as early as June 2026, but active construction will commence after the July 4, 2026 holiday. Construction activities are anticipated to be completed by mid-November 2026.

SCHEDULE: Summer 2026

COSTS: \$146,062

ACCOUNT NO: 10.30.8461 (TKLIN1)

BUDGETED AMOUNT AVAILABLE: \$1,972,154.35 (Fiscal Year 2026)

IDENTIFIED CAPITAL IMPROVEMENT PROJECT (CIP): Yes No N/A

ATTACHMENTS: DOWL Proposal

CONCURRENCE WITH REQUESTED ACTION:

CATEGORY: Sewer

GENERAL MANAGER: YES AA NO _____

CHIEF FINANCIAL OFFICER: YES AS NO _____



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www.dowl.com

EXHIBIT A SCOPE OF WORK

South Lake Tahoe Public Utility District Tahoe Keys Sanitary Sewer Rehabilitation CM

INTRODUCTION

The South Lake Tahoe Public Utility District (District) has requested DOWL, LLC (DOWL) to provide engineering and observation support services during the rehabilitation of the sewer system in Tahoe Keys. The project will rehabilitate approximately 8,500 linear feet of existing 6-inch to 14-inch asbestos cement pipes using ultraviolet cured-in-place pipe (UV CIPP) lining. The engineering services during construction will help facilitate proper execution, quality control, and timely completion of the rehabilitation efforts as outlined in the conformed documents and plans. The construction observation services will involve one full-time observer on site for the duration of the rehabilitation.

The phase and task breakdown for the project is designated as follows:

Construction Services

- Task 1 – Project Management
- Task 2 – Engineering Services During Construction
- Task 3 – Construction Observation
- Task 4 – Owner Directed Services

CONSTRUCTION SERVICES

Task 1 – Project Management

Objective

To plan, organize, direct, control, and communicate all relevant activities set forth in this Scope of Work within the approved budget and schedule.

Approach

DOWL will routinely review project progress and communicate project status on a regular basis. Communication will be through email, telephone, and monthly project coordination meetings with the District and DOWL staff. This task will include the following activities:

- Project administration includes scheduling maintenance, cost control, monthly invoicing, filing, resource allocation, and routine communications.
- Team coordination, including conference calls and internal meetings.

- Monitoring changes to the scope, budget, or schedule, and developing change management strategies with the District.

Deliverables

The following deliverables will be submitted under this task:

- Monthly status reports.

Assumptions

The following assumptions apply:

- Monthly reports will be provided with timely invoices.
- Project-related issues will be identified, communicated, and resolved.

Task 2 – Engineering Services During Construction

Objective

Provide technical consultation and assist the District with managing construction-related activities and contract administration. This phase also includes assisting the District with the closeout of the construction process and construction contract. DOWL will utilize the District’s preferred construction management software, Procore, wherever possible or directed by the District, to provide these services.

Approach

The following approach applies:

- Attend one (1) pre-construction meeting and review agenda and meeting minutes for the pre-construction meeting. DOWL attendance will include the Project Designer, Construction Manager, and Construction Observer.
- Provide consultation for up to three (3) change orders for approval and signature by the District, Contractor, and Engineer. Change orders will document modifications to the contract scope, schedule, or cost, as necessary.
- Support the District in the preparation of work change directives (if deemed necessary) in association with any field orders. The scope assumes up to two (2) field orders and two (2) work change directives.
- Assist with response to RFIs with the contract documents and coordinating with the District and Contractor to provide clarifications.
- Review and process submittals for general conformance with the contract documents while the Contractor remains responsible for accuracy, completeness, and compliance with all project requirements. The scope assumes eight (8) submittals to review with eight hours for review and two hours for senior review and four (4) re-submittals to review with four hours for review and two hours for senior review.
- Assist with the evaluation of payment applications by coordinating with the construction observer, verifying that work appears to be in general conformance with contract requirements and quantities.
- Assess and evaluate claims submitted by the Contractor related to technical design matters and contract documents.

- Address unanticipated conditions by coordinating with the District, DOWL, and Contractor to develop recommendations.
- Participate in weekly construction meetings with District and Contractor to discuss project progress, address issues, and facilitate effective communication.
- Weekly in-office support services will include:
 - Processing project documentation, coordinating with stakeholders, and performing quality control on daily observation reports.
 - Maintaining and managing project documentation.
- Assist with coordination of a substantial completion walkthrough and assist with formulating a final punch-list of work items to be completed prior to final acceptance. Construction observer to verify completion of final punch-list.
- Assist project final acceptance with the District.
- Review pre- and post-closed caption television (CCTV) videos.

Deliverables

The following will be delivered under this task:

- Electronic copies of responses to material submittals, cutsheets, and construction plan review.
- Electronic copies of pre- and post-CCTV videos with review comments in spreadsheet format.
- Electronic copies of material testing results and record drawings.

Assumptions

The following assumptions apply:

- Pre-construction meeting to be held in person.
- Construction and pre/post-construction activities are expected to take fifteen (15) weeks.
- Weekly construction meetings are included via Microsoft Teams.
- All efforts for registration, compliance, and reporting to the State of California – Department of Industrial Relations will be completed by the District.
- The District will provide responses to work plans, RFIs, and change orders and provide the notice of substantial completion.
- The District to invite up to four (4) DOWL staffers to access Procore.

Task 3 – Construction Observation

Objective

DOWL will provide one (1) full-time observer to monitor construction activities, utilizing Procore wherever necessary or directed by the District.

Approach

The following approach applies:

- Provide general oversight to verify work is in accordance with the contract documents, the design represented therein, and its intent.
- Prepare daily field reports for the days on site, describing the Contractor's activities that identify the site conditions, the effort in which the Contractor executed the work, the work performed, and any issues of concern.
- Take digital photographs of construction progress and issues of concern to insert as attachment to daily field reports.
- Notify the District of any issues in the field as or before issues occur to allow quick resolution.

Deliverables

The following will be delivered under this task:

- Daily field reports prepared and submitted via Procore, including photos with descriptions.

Assumptions

The following assumptions apply:

- On-site construction observation will be coordinated with the District and Contractor based on their construction schedule and communications during the period of construction.
- DOWL is not responsible for the Contractor's construction means and methods; project site safety; Contractor's failure to perform; and is not authorized to stop the work of the Contractor.
- Materials testing will be submitted by the Contractor. Any supplemental testing by a third party will not be paid by DOWL. No soil, aggregate, concrete, or asphalt testing is included.
- Construction will be in substantial compliance with the plans and specifications prepared by DOWL.
- Construction observation from UV CIPP installation to final acceptance is assumed to be ten (10) weeks. Full-time observation is anticipated. Full-time observation is defined as 8 hours of on-site observation including daily field reporting and 3 hours of travel time, Monday through Friday.
- Time charged for daily travel will not exceed the time necessary to travel from DOWL's Reno office to the construction site. If the observer lives closer, then the travel time will be used based on the observer's commute.
- Construction observation will not occur during pre-CCTV work and the procurement lead time of liner material.

Task 4 – Owner Directed Services

To cover the costs of project work items that are unforeseen by the District, a task budget of \$10,000 is incorporated into this Contract. Labor effort will not be charged to this Task unless authorized in writing by the District.

**EXHIBIT B
BUDGET**

Task 1	Project Management	\$7,512
Task 2	Engineering Support During Construction	\$23,440
Task 3	Construction Observation	\$105,110
Task 4	Owner Directed Services	\$10,000
	TOTAL:	\$146,062

**EXHIBIT C
ENGINEER'S RATE SCHEDULE**



NEVADA FEE SCHEDULE

Personnel Billing Rates

Personnel are identified on our invoices by name and/or labor category.

Description	Rate	Description	Rate
Accounting Manager	\$194	Engineer VI	\$215
Accounting Technician	\$126	Engineer VII	\$226
Administrative Assistant	\$100	Engineer VIII	\$236
Administrative Manager	\$131	Engineer IX	\$263
Biologist I	\$137	Engineer X	\$278
Biologist II	\$147	Engineering Technician I	\$105
Biologist III	\$158	Engineering Technician II	\$121
Biologist IV	\$168	Engineering Technician III	\$131
Biologist V	\$215	Engineering Technician IV	\$147
CAD Drafter I	\$110	Engineering Technician V	\$163
CAD Drafter II	\$126	Engineering Technician VI	\$187
CAD Drafter III	\$137	Environmental Specialist I	\$126
CAD Drafter IV	\$147	Environmental Specialist II	\$142
CAD Drafter V	\$158	Environmental Specialist III	\$147
Senior CAD Drafter	\$179	Environmental Specialist IV	\$158
Civil and Transportation Designer	\$142	Environmental Specialist V	\$163
Senior Civil and Transportation Designer	\$179	Environmental Specialist VI	\$200
Contract Administrator I	\$168	Environmental Specialist VII	\$221
Contract Administrator II	\$194	Environmental Specialist VIII	\$236
Corporate Development Manager	\$242	Environmental Specialist IX	\$257
Cultural Resources Specialist I	\$126	Environmental Specialist X	\$278
Cultural Resources Specialist II	\$147	Field Project Representative I	\$137
Cultural Resources Specialist III	\$152	Field Project Representative II	\$152
Cultural Resources Specialist IV	\$189	Field Project Representative III	\$163
Cultural Resources Specialist V	\$205	Field Project Representative IV	\$179
Cultural Resources Specialist VI	\$225	Field Project Representative V	\$221
Cultural Resources Specialist VII	\$236	Geologist I	\$142
Cultural Resources Specialist VIII	\$252	Geologist II	\$152
Document Production Supervisor	\$158	Geologist III	\$163
Engineer I	\$137	Geologist IV	\$184
Engineer II	\$147	Geologist V	\$215
Engineer III	\$163	GIS Coordinator	\$184
Engineer IV	\$184	GIS Manager	\$194
Engineer V	\$205	GIS Specialist	\$152



Description	Rate	Description	Rate
GIS Technician	\$116	Professional Land Surveyor I	\$126
Graphic Designer	\$158	Professional Land Surveyor II	\$137
Senior Graphic Designer	\$185	Professional Land Surveyor III	\$147
Hydrogeologist I	\$147	Professional Land Surveyor IV	\$158
Hydrogeologist II	\$173	Professional Land Surveyor V	\$168
Hydrogeologist III	\$205	Professional Land Surveyor VI	\$178
Sr. Hydrogeologist	\$240	Professional Land Surveyor VII	\$189
Intern I	\$89	Professional Land Surveyor VIII	\$205
Intern II	\$110	Professional Land Surveyor IX	\$221
Laboratory Manager	\$131	Professional Land Surveyor X	\$240
Laboratory Supervisor	\$110	Professional Land Surveyor XI	\$268
Landscape Architect I	\$137	Project Administrator	\$142
Landscape Architect II	\$152	Project Assistant I	\$121
Landscape Architect III	\$168	Project Assistant II	\$137
Landscape Architect IV	\$184	Project Controller	\$173
Landscape Architect V	\$200	Senior Project Controller	\$194
Landscape Architect VI	\$210	Project Manager I	\$168
Landscape Architect VII	\$221	Project Manager II	\$184
Landscape Designer I	\$100	Project Manager III	\$200
Landscape Designer II	\$121	Project Manager IV	\$215
Marketing Assistant	\$110	Project Manager V	\$231
Marketing Coordinator	\$147	Project Manager VI	\$247
Marketing & Administrative Manager	\$236	Project Manager VII	\$263
Materials Technician I	\$100	Proposal Manager	\$185
Materials Technician II	\$110	Senior Proposal Manager	\$225
Lead Materials Technician	\$121	Public Involvement Assistant	\$121
Senior Materials Technician	\$131	Public Involvement Coordinator	\$165
Materials Manager	\$137	Public Involvement Planner	\$142
Planner I	\$126	Public Involvement Program Manager	\$210
Planner II	\$152	Real Estate Services Manager	\$189
Planner III	\$168	Right of Way Agent I	\$131
Planner IV	\$184	Right of Way Agent II	\$147
Planner V	\$200	Right of Way Agent III	\$163
Planner VI	\$210	Right of Way Agent IV	\$179
Planner VII	\$221	Right of Way Agent V	\$194
Planner VIII	\$236	Right of Way Agent VI	\$235
Planner IX	\$252	Right of Way Assistant	\$121
Planner X	\$294	Risk Manager	\$210
Planning Technician	\$116	Senior Manager I	\$252



Description	Rate	Description	Rate
Senior Manager II	\$273	Survey Technician VIII	\$168
Senior Manager III	\$284	Survey Technician -- Supervisor	\$165
Senior Manager IV	\$310	Systems Administrator	\$163
Senior Manager V	\$331	Technical Coordinator	\$194
Senior Manager VI	\$352	Utility Operator	\$152
Survey Technician I	\$95	Water Resource Specialist	\$205
Survey Technician II	\$100	Water Rights Specialist I	\$168
Survey Technician III	\$105	Water Rights Specialist II	\$200
Survey Technician IV	\$121	Water Rights Specialist III	\$231
Survey Technician IX	\$179	Water Rights Technician I	\$110
Survey Technician V	\$126	Water Rights Technician II	\$121
Survey Technician VI	\$137	Water Rights Technician III	\$131
Survey Technician VII	\$152		

Survey Crews

One-Person Survey Crew	=	\$168 / hour
One-Person Survey Crew GPS/Robotics	=	\$189 / hour
Two-Person Survey Crew	=	\$252 / hour
Two-Person Survey Crew (PLS + LSIT)	=	\$294 / hour
Two-Person Survey Crew GPS/Robotics	=	\$268 / hour
Three-Person Survey Crew	=	\$368 / hour

Travel, Mileage, and Miscellaneous

Lodging	=	Cost per night
Airfare	=	Cost
Vehicle Usage – Passenger Cars	=	\$1.15/mile
Vehicle Usage – Trucks & SUV's	=	\$1.35/mile
Printing/Supplies/Phone/Fax/Postage	=	Note 3
In-House Usage Charges	=	Note 4

Per Diem

Unless otherwise specified contractually, per diem will be billed when travel is more than 50 miles from the office during a meal allowance period of three or more consecutive hours or involves an overnight stay. The three meal allowance periods are breakfast (midnight to 10:00 a.m.), lunch (10:00 a.m. to 3:00 p.m.), and dinner (3:00 p.m. to midnight).

Per diem will be charged using the most recently published federal travel rate for each location.

Per diem rates by city: <https://www.gsa.gov/travel/plan-book/per-diem-rates>



Notes

1. DOWL's Professional Services Fee Schedule is subject to adjustment each year or at the end of a contract period, whichever is appropriate. Should adjustments be anticipated or required, such adjustments will not affect existing contracts without prior agreement between Client and DOWL.
2. Straight-time rates are given. Multiply by 1.5 for overtime rates. Overtime rates will be applied at the rate prescribed by applicable state law.
3. Direct reimbursable expenses such as travel, freight, subcontractors, and request beyond those requests considered reasonable by the project manager for phone/fax/postage, office supplies, reproduction and photography, and laboratory analysis will be billed at cost plus the negotiated markup.
4. In-house equipment usage charges or specialized software/equipment that are not separately stated on the fee schedule will be negotiated at rates deemed fair and reasonable.
5. Late charges will be assessed on the unpaid balance of all accounts not paid within 30 days of the billing date, at a rate of 1.0 percent per month (12% per year).



Project: Tahoe Keys Sanitary Sewer Rehabilitation Project
Client: South Tahoe Public Utility District
Project or Contract #: 7371.30189.05

Prepared By:
E. Kao
 Reviewed By:
T. Paterson

Summary

5/5/2026

Phase Name	Task		Labor Subtotal		Direct Expenses Subtotal	Subconsultants	Project Totals
			Hours	Cost			
Phase 1 - Project Management	1	Quality Control	14	\$ 3,072.00	\$ -	\$ -	\$ 3,072.00
	2	Project Coordination	14	\$ 3,072.00	\$ -	\$ -	\$ 3,072.00
	3	Monthly Reports/Progress Payments	6	\$ 1,368.00	\$ -	\$ -	\$ 1,368.00
	<input checked="" type="checkbox"/> T&M <input type="checkbox"/> Lump Sum <input type="checkbox"/> Other _____		Subtotal	34	\$ 7,512.00	\$ -	\$ -
Phase 2 - Engineering Services During Construction	1	Quality Control	8	\$ 1,704.00	\$ -	\$ -	\$ 1,704.00
	2	Awarding Activities (NoA, Agreements, Bonds and Insurance)	-	\$ -	\$ -	\$ -	\$ -
	3	Conformed Documents	3	\$ 652.00	\$ -	\$ -	\$ 652.00
	4	Submittals	16	\$ 3,240.00	\$ -	\$ -	\$ 3,240.00
	5	RFI Review / Change Orders	4	\$ 852.00	\$ -	\$ -	\$ 852.00
	6	On-Site Pre-Construction Meeting	12	\$ 2,188.00	\$ 162.00	\$ -	\$ 2,350.00
	7	Online Weekly Construction Meeting	15	\$ 2,840.00	\$ -	\$ -	\$ 2,840.00
	8	Office Engineering & CCTV Review	22	\$ 4,376.00	\$ -	\$ -	\$ 4,376.00
	9	Payment Application Review	2	\$ 400.00	\$ -	\$ -	\$ 400.00
	10	Field Visits	12	\$ 2,272.00	\$ 486.00	\$ -	\$ 2,758.00
	11	Substantial Completion Walk-Through & Punchlist	12	\$ 2,188.00	\$ 324.00	\$ -	\$ 2,512.00
	12	Record Drawings & Materials Testing Review	9	\$ 1,756.00	\$ -	\$ -	\$ 1,756.00
<input checked="" type="checkbox"/> T&M <input type="checkbox"/> Lump Sum <input type="checkbox"/> Other _____		Subtotal	115	\$ 22,468.00	\$ 972.00	\$ -	\$ 23,440.00
Phase 3 - Construction Observation	1	Quality Control	40	\$ 7,360.00	\$ -	\$ -	\$ 7,360.00
	2	Full-Time Construction Observation	550	\$ 89,650.00	\$ 8,100.00	\$ -	\$ 97,750.00
	<input checked="" type="checkbox"/> T&M <input type="checkbox"/> Lump Sum <input type="checkbox"/> Other _____		Subtotal	590	\$ 97,010.00	\$ 8,100.00	\$ -
Phase 4 - Owner Directed Services	1	Owner Directed Services	-	\$ -	\$ 10,000.00	\$ -	\$ 10,000.00
	<input checked="" type="checkbox"/> T&M <input type="checkbox"/> Lump Sum <input type="checkbox"/> Other _____		Subtotal	-	\$ -	\$ 10,000.00	\$ -
TOTAL			739	\$ 126,990.00	\$ 19,072.00	\$ -	\$ 146,062.00



Tahoe Keys Sanitary Sewer Rehabilitation Project

Client: South Tahoe Public Utility District

Project or Contract #: 7371.30189.05

5/5/2026

Prepared By:

E. Kao

Reviewed By:

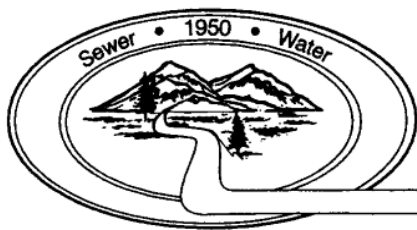
T. Paterson

Labor

Phase Name	Task		SPM III	PM III	Engr IV	FPR III	Labor Subtotal	
			KK	TP	EK	AA	Hours	Cost
			\$ 284/hour	\$ 200/hour	\$ 184/hour	\$ 163/hour		
Phase 1 - Project Management	1	Quality Control	4	6	4		14	\$ 3,072.00
	2	Project Coordination	4	6	4		14	\$ 3,072.00
	3	Monthly Reports/Progress Payments	2	4			6	\$ 1,368.00
	Subtotal		10	16	8	-	34	\$ 7,512.00
Phase 2 - Engineering Services During Construction	1	Quality Control	2	2	4		8	\$ 1,704.00
	2	Awarding Activities (NoA, Agreements, Bonds and Insurance)	-	-	-		-	\$ -
	3	Conformed Documents	1	-	2		3	\$ 652.00
	4	Submittals	2	6	8		16	\$ 3,240.00
	5	RFI Review / Change Orders	1	1	2		4	\$ 852.00
	6	On-Site Pre-Construction Meeting	-	4	4	4	12	\$ 2,188.00
	7	Online Weekly Construction Meeting	-	5	10		15	\$ 2,840.00
	8	Office Engineering & CCTV Review	2	8	12		22	\$ 4,376.00
	9	Payment Application Review	-	2	-		2	\$ 400.00
	10	Field Visits	-	4	8		12	\$ 2,272.00
	11	Substantial Completion Walk-Through & Punchlist	-	4	4	4	12	\$ 2,188.00
	12	Record Drawings & Materials Testing Review	1	-	8		9	\$ 1,756.00
Subtotal		9	36	62	8	115	\$ 22,468.00	
Phase 3 - Construction Observation	1	Quality Control			40		40	\$ 7,360.00
	2	Full-Time Construction Observation				550	550	\$ 89,650.00
	Subtotal		-	-	40	550	590	\$ 97,010.00
Phase 4 - Owner Directed Services	1	Owner Directed Services					-	\$ -
	Subtotal		-	-	-	-	-	\$ -
LABOR HOUR TOTAL			19	52	110	558	739	
LABOR COST TOTAL			\$ 5,396.00	\$ 10,400.00	\$ 20,240.00	\$ 90,954.00		\$ 126,990.00

General Manager
Paul Hughes

Directors
Nick Haven
Shane Romsos
Joel Henderson
Kelly Sheehan
Nick Exline



South Tahoe Public Utility District

1275 Meadow Crest Drive • South Lake Tahoe • CA 96150-7401
Phone 530 544-6474 • Fax 530 541-0614 • www.stpud.us

BOARD AGENDA ITEM 7d

TO: Board of Directors

FROM: Andrea Salazar, Chief Financial Officer

MEETING DATE: May 21, 2026

ITEM – PROJECT NAME: Glenwood Rancho, Lake Tahoe Boulevard and Tahoe Mountain Waterline Project

REQUESTED BOARD ACTION: Approve Resolution No. 3330-26, the Installment Sale Agreement Resolution of the Board of Directors of the South Tahoe Public Utility District for the Glenwood Rancho, Lake Tahoe Boulevard and Tahoe Mountain Waterline Project.

DISCUSSION: District staff have been working with the State Water Resources Control Board to access a State Revolving Fund loan to finance the Tahoe/Glenwood Waterline Upgrades. Resolution No. 3330-26 approves the Installment Sale Agreement in an amount not to exceed \$13,244,439 which is the current budgeted amount of the Project. The loan includes a term of 30 years at an anticipated interest rate of 2.10%. The Project is dependent on this funding source, and the associated annual debt service payment is built into the District's long range financial forecast.

SCHEDULE: Agreement executed upon Board approval of Resolution No. 3330-26.

COSTS: Estimated annual debt service payment is \$599,525.43; the final amount will not be known until the Project is complete.

ACCOUNT NO: N/A

BUDGETED AMOUNT AVAILABLE: N/A

IDENTIFIED CAPITAL IMPROVEMENT PROJECT (CIP): Yes No N/A

ATTACHMENTS: Resolution No. 3330-26 and South Tahoe Public Utility District Funding Agreement.

CONCURRENCE WITH REQUESTED ACTION:

CATEGORY: Sewer/Water

GENERAL MANAGER: YES AA NO _____

CHIEF FINANCIAL OFFICER: YES AS NO _____

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RESOLUTION NO. 3330-26

**INSTALLMENT SALE AGREEMENT RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SOUTH TAHOE PUBLIC UTILITY DISTRICT
FOR THE GLENWOOD RANCHO, LAKE TAHOE BLVD. AND TAHOE MOUNTAIN WATERLINE**

WHEREAS, the South Tahoe Public Utility District (the "District") desires to finance the costs of the Glenwood Rancho, Lake Tahoe Blvd. and Tahoe Mountain Waterline Project (the "Project");

WHEREAS, the District intends to finance the construction and/or reconstruction of the Project or portions of the Project with funds provided by the State of California, acting by and through the State Water Resources Control Board (the "State Water Board") through the execution of an agreement currently entitled "Construction Installment Sale Agreement, Project No. 0910002-031C, Tahoe/Glenwood Waterline Upgrades," by and between the District and the State Water Board;

WHEREAS, pursuant to Government Code Section 5852.1, certain information relating to the Installment Sale Agreement is set forth in Appendix A attached to this Resolution, and such information is hereby disclosed and made public;

WHEREAS, the Board of Directors has duly considered the Installment Sale Agreement and the transaction represented thereby, and wishes at this time to approve this transaction in the public interests of the District;

THEREFORE, BE IT RESOLVED by the Board of Directors of the South Tahoe Public Utility District, as follows:

The District is hereby authorized to issue indebtedness for the District in accordance with the Installment Sale Agreement. The Board of Directors hereby approves the Installment Sale Agreement in substantially the form on file with the Secretary of the Board, and authorizes the General Manager or the Chief Financial Officer or their designee to execute the Installment Sale Agreement in such form, together with such additions or changes as are approved by the member of the Board executing the Installment Sale Agreement, the General Manager or the Chief Financial Officer, after consultation with counsel, provided that (a) the principal amount represented thereby may not exceed \$13,244,439, and (b) the annual interest rate represented thereby may not exceed 2.10%.

Each officer of the District is hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and performance of the Installment Sale Agreement in accordance with this resolution. All actions previously taken by the officers of the District in furtherance of this resolution are hereby ratified and confirmed.

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WE, THE UNDERSIGNED, do hereby certify that the above and foregoing Resolution No. 3330-26 was duly adopted and passed by the Board of Directors of the South Tahoe Public Utility District at a regularly scheduled meeting held on the 21st day of May, 2026, by the following vote:

AYES:

NOES:

ABSENT:

Shane Romsos, Board President
South Tahoe Public Utility District

ATTEST:

Melonie Guttry, Executive Services Manager/
Clerk of the Board

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EXHIBIT A
Government Code Section 5852.1 Disclosure

The good faith estimates set forth herein are provided with respect to the Installment Sale Agreement in accordance with California Government Code Section 5852.1. Such good faith estimates have been prepared by the District.

(A) True interest cost of the Installment Sale Agreement: 2.10%

(B) Finance charge related to the execution and delivery of the Installment Sale Agreement (sum of all costs of issuance and fees/charges paid to third parties): \$0.

(C) Net proceeds to be received (net of finance charges): \$13,244,439

(D) Total payment amount through maturity: \$18,576.376.12



State Water Resources Control Board

April 10, 2026

South Tahoe Public Utility District
Attn: Andrea Salazar, Chief Financial Officer
1275 Meadow Crest Drive
South Lake Tahoe, CA 96150

Agreement Number: SWRCB0000000000D2502059
Project Number: 0910002-031C

Please review, and if appropriate, electronically sign the signature page of the Agreement via Adobe Sign no later than thirty (30) calendar days from the date of this letter. Once electronically signed, the Agreement will be routed automatically to the next signer. You will automatically receive a copy of the fully executed Agreement via Adobe Sign once the final signer has signed. This Agreement cannot be considered binding by either party until executed by the State Water Resources Control Board (State Water Board).

For the Funding Agreement to be executed by the State Water Board, the following items **must also be returned electronically with the signed signature pages**: The Opinion will need to be dated and signed on or after the date the agreement is signed. Counsel can file and attach the letters and submit them back to Adobe.

1. Opinion of General Counsel.
2. Bond Counsel Letter.
3. Closing Resolution.

If you have questions about the General Counsel Opinion Letter, Bond Counsel Letter, and Closing Resolution, please contact [Peter Santizo](mailto:Peter.Santizo@waterboards.ca.gov), at (916) 341-5756 or email at Peter.Santizo@waterboards.ca.gov.

Except for letterhead, date, and signature, opinions of counsel must be identical to the form of opinion attached to this submittal in order for timely execution and for the opinion cost to be reimbursable. For questions regarding General Counsel Opinion Letter, Bond Counsel Letter, and Closing Resolution please contact your Agreement Analyst.

Please note that all projects receiving funding must comply with all applicable implementing guidelines and regulations adopted by the California Department of Industrial Relations (DIR), regarding state prevailing wage requirements. You must contact DIR for guidance on how to comply. Information can be found at: <http://www.dir.ca.gov/lcp.asp>.

Davis Bacon Compliance:
https://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/davisbacon.shtml

Disadvantaged Business Enterprise (DBE)

E. JOAQUIN ESQUIVEL, CHAIR | ERIC OPPENHEIMER, EXECUTIVE DIRECTOR

https://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/docs/policy0513/dbe_compliance_guidelines_instructions.pdf

We strive to provide superior service to our recipients and would appreciate your feedback on the application process. Please assist us in completing a 5-minute Customer Satisfaction Survey at <https://www.surveymonkey.com/s/DWSRFsatisfaction> so we can continue to improve on our service and process. Your comments are valuable to the success of the DWSRF Program. Thank you for your time and we look forward to continuing to work with you.

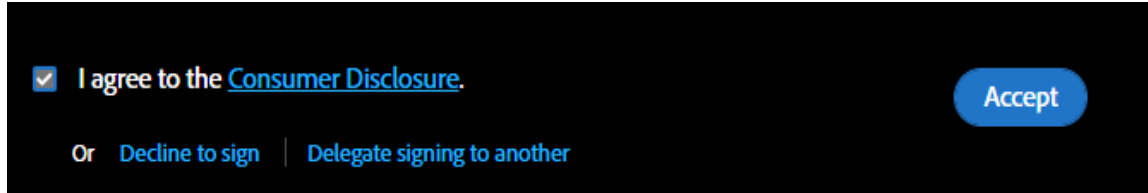
Mr. [Peter Santizo](#) may be contacted at (916) 341-5756 or Peter.Santizo@waterboards.ca.gov.

Enclosures

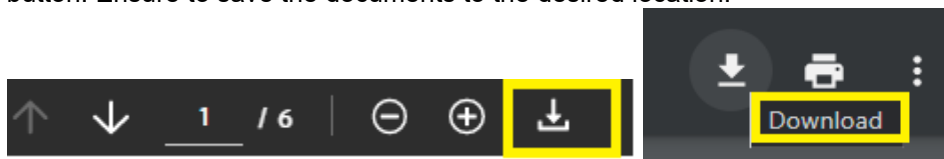
Documents Transmitted back to Adobe by the Recipient:

Steps:

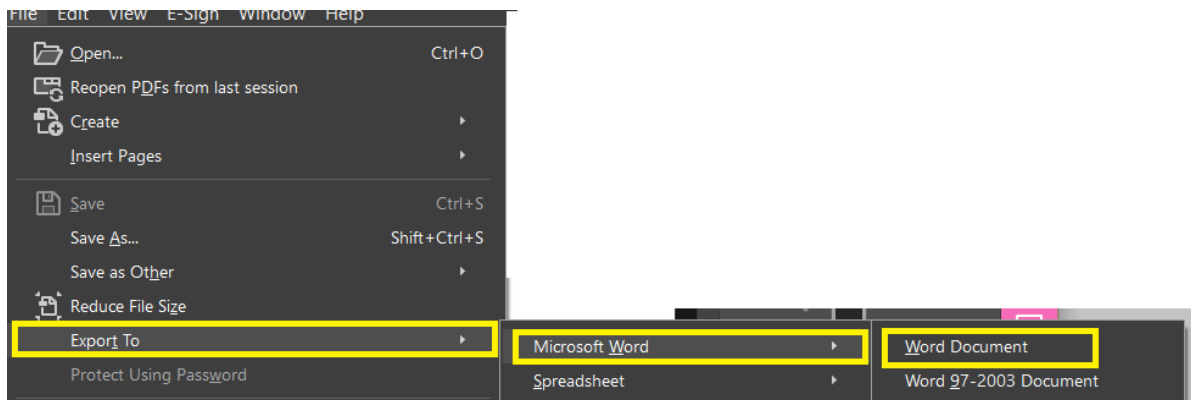
1. Once the Adobe notification has been received, the Recipient will open Adobe. The Recipient must checkmark the box to agree to the Consumer Disclosure. Click on **[Accept]**



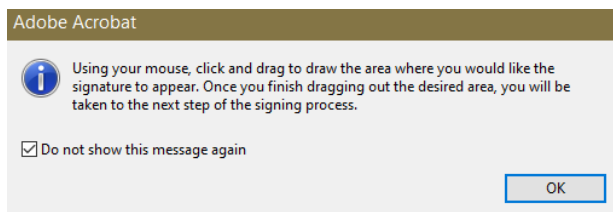
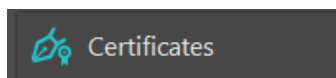
2. The Recipient will need to download the (PDF) documents by selecting the corresponding radio button. Ensure to save the documents to the desired location.



3. Once you have saved the documents to the desired location, the Recipient will proceed with generating the required closing documents. For the documents to be edited, you must save your file in Word format. Click on **[File-Export To-Microsoft Word – Word Document]**



4. Once the Recipient has completed the closing documents, the file must be saved as "Adobe PDF" for their respective digital signatures to be entered.
5. The Recipient will select **[Certificates]** from the tools field and using your mouse, click and drag to draw the area where you would like the signature to appear. A dialogue message box will display your Digital ID press **[Continue]** and click on **[Sign]**. **[Save]**



6. The Recipient will attach the signed documents to Adobe by clicking the [**Click to Attachment**] and downloading the signed document(s).

[Click to Attach ...](#)

7. Once the closing document(s) have been attached, the Recipient will click on the [**Click to Sign**] button.

By signing, I agree to the terms of this agreement and to do business electronically with
CALEPA - State Water Resources Control Board.

[Click to Sign](#)



DRINKING WATER

SOUTH TAHOE PUBLIC UTILITY DISTRICT

AND

CALIFORNIA STATE WATER RESOURCES CONTROL BOARD



CONSTRUCTION INSTALLMENT SALE AGREEMENT

PROJECT NO. 0910002-031C

GLENWOOD-RANCHO, LAKE TAHOE BLVD, TAHOE MOUNTAIN WATERLINE UPGRADES

AGREEMENT NO. D2502059

PROJECT FUNDING AMOUNT: \$13,244,439
ESTIMATED REASONABLE PROJECT COST: \$13,244,439

ELIGIBLE WORK START DATE: MAY 16, 2024
ELIGIBLE CONSTRUCTION START DATE: MARCH 6, 2026
COMPLETION OF CONSTRUCTION DATE: JUNE 30, 2029
PRINCIPAL PAYMENT START DATE: JUNE 30, 2030
INTEREST PAYMENT START DATE: SEE SECTION B.2.6
FINAL REIMBURSEMENT REQUEST DATE: DECEMBER 31, 2029
FINAL PAYMENT DATE: JUNE 30, 2059
RECORDS RETENTION END DATE: JUNE 30, 2065

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TABLE OF CONTENTS

AGREEMENT	1
1. AUTHORITY.....	1
2. INTENTION.....	1
3. AGREEMENT, TERM, DOCUMENTS INCORPORATED BY REFERENCE.....	1
4. PARTY CONTACTS.....	2
5. DEFINITIONS.....	3
EXHIBIT A – SCOPE OF WORK.....	10
A.1. PROJECT DESCRIPTION, USEFUL LIFE, AND SCOPE OF WORK.....	10
A.2. STANDARD PROJECT REQUIREMENTS.....	10
A.2.1 Acknowledgements.....	10
A.2.2 Reports.....	11
A.2.2.1 Progress Reports.....	11
A.2.2.2 Project Completion Report.....	11
A.2.2.3 As Needed Reports.....	11
A.2.3 Signage.....	12
A.2.4 Commencement of Operations.....	12
A.3 DATES & DELIVERABLES.....	12
A.4 SCHEDULE.....	13
EXHIBIT B – FUNDING TERMS.....	14
B.1. FUNDING AMOUNTS AND REIMBURSEMENTS	14
B.1.1 Funding Contingency and Other Sources.....	14
B.1.2 Estimated Reasonable Cost.....	14
B.1.3 Project Funding Amount.....	14
B.1.4 [Reserved].....	14
B.1.5 Budget Costs.....	14
B.1.6 Contingent Disbursement.....	15
B.1.7 Reimbursement Procedure.....	15
B.1.8 Withholding of Disbursements.....	16
B.1.9 Fraud and Misuse of Public Funds; Enforcement.....	17
B.2 RECIPIENT’S PAYMENT OBLIGATION, PLEDGE, AND RESERVE.....	17
B.2.1 Project Costs.....	17
B.2.2 Estimated Principal Payment Due.....	18
B.2.3 Interest Rate and In-Lieu of Interest Charges.....	18
B.2.4 [Reserved].....	18
B.2.5 Obligation Absolute.....	18
B.2.6 Payment Timing.....	18
B.2.7 Pledged Revenues.....	19

B.2.7.1	Establishment of Enterprise Fund and Reserve Fund	19
B.2.7.2	Pledge of Net Revenues, Enterprise Fund, and Reserve Fund.....	19
B.2.7.3	Application and Purpose of the Enterprise Fund.....	20
B.2.8	No Prepayment.....	20
B.2.9	Reserve Fund.....	20
B.3	RATES, FEES AND CHARGES.....	20
B.4	ADDITIONAL DEBT.....	20
B.5	NO LIENS.....	21
EXHIBIT C – GENERAL & PROGRAMMATIC TERMS & CONDITIONS	22
C.1	REPRESENTATIONS & WARRANTIES.....	22
C.1.1	Application and General Recipient Commitments.....	22
C.1.2	Authorization and Validity.....	22
C.1.3	No Violations.....	22
C.1.4	No Litigation.....	22
C.1.5	Property Rights and Water Rights.....	22
C.1.6	Solvency and Insurance.....	23
C.1.7	Legal Status and Eligibility.....	23
C.1.8	Financial Statements and Continuing Disclosure.....	23
C.1.9	System Obligations.....	23
C.1.10	No Other Material Obligations.....	23
C.1.11	Compliance with State Water Board Funding Agreements.....	23
C.2	DEFAULTS AND REMEDIES.....	23
C.2.1	Return of Funds; Acceleration; and Additional Payments.....	24
C.2.2	[Reserved].....	24
C.2.3	Administrative remedies.....	24
C.2.4	Judicial remedies.....	24
C.2.5	Termination.....	25
C.2.6	Damages for Breach of Tax-Exempt Status.....	25
C.2.7	Damages for Breach of Federal Conditions.....	25
C.2.8	Remedies and Limitations.....	25
C.2.9	Non-Waiver.....	25
C.2.10	Status Quo.....	25
C.3	STANDARD CONDITIONS.....	26
C.3.1	Access, Inspection, and Public Records.....	26
C.3.2	Accounting and Auditing Standards; Financial Management Systems; Records Retention.....	26
C.3.3	Amendment.....	27
C.3.4	Assignability.....	27
C.3.5	Audit.....	27
C.3.6	Bonding.....	27
C.3.7	Competitive Bidding.....	27
C.3.8	Compliance with Applicable Laws, Rules, and Requirements.....	27
C.3.9	Computer Software.....	28
C.3.10	Conflict of Interest.....	28
C.3.11	Continuous Use of Project; No Lease, Sale, Transfer of Ownership, or Disposal of Project.....	28
C.3.12	Data Management.....	28
C.3.13	Disputes.....	28
C.3.14	[Reserved].....	29
C.3.15	Environmental Clearance.....	29
C.3.16	Governing Law.....	29

C.3.17	Income Restrictions.....	29
C.3.18	Indemnification and State Reviews.....	29
C.3.19	Independent Actor.....	30
C.3.20	Integration.....	30
C.3.21	Leveraging Covenants.....	30
C.3.22	No Discrimination.....	31
C.3.23	No Third Party Rights.....	31
C.3.24	No Obligation of the State.....	31
C.3.25	Notice.....	32
C.3.26	Operation and Maintenance; Insurance.....	34
C.3.27	Permits, Subcontracting, and Remedies.....	35
C.3.28	Professionals.....	35
C.3.29	Prevailing Wages.....	35
C.3.30	Public Funding.....	35
C.3.31	Recipient's Responsibility for Work.....	35
C.3.33	Related Litigation.....	36
C.3.34	Rights in Data.....	36
C.3.35	State Water Board Action; Costs and Attorney Fees.....	36
C.3.36	Timeliness.....	36
C.3.37	Unenforceable Provision.....	37
C.3.38	Venue.....	37
C.3.39	Waiver and Rights of the State Water Board.....	37
C.4	MISCELLANEOUS STATE AND FEDERAL REQUIREMENTS.....	37
C.4.1	[Reserved].....	37
C.4.2	State Cross-Cutters.....	37
C.4.3	Federal Requirements and Cross-Cutters for SRF Funding.....	38
	EXHIBIT D – SPECIAL CONDITIONS.....	43
	EXHIBIT E – PAYMENT SCHEDULE.....	44
	EXHIBIT F – TAX CERTIFICATE.....	45
F.1	Purpose.....	45
F.2	Tax Covenant.....	45
F.3	Governmental Unit.....	45
F.4	Financing of a Capital Project.....	45
F.5	Ownership and Operation of Project.....	45
F.6	Temporary Period.....	45
F.7	Working Capital.....	46
F.8	Expenditure of Proceeds.....	46
F.9	Private Use and Private Payments.....	46
F.10	No Sale, Lease or Private Operation of the Project.....	46
F.11	No Disproportionate or Unrelated Use.....	47

F.12	Management and Service Contracts.....	47
F.13	No Disposition of Financed Property.....	47
F.14	Useful Life of Project.....	47
F.15	Payments.....	47
F.16	No Other Replacement Proceeds.....	48
F.17	No Sinking or Pledged Fund.....	48
F.18	Reserve Amount.....	48
F.19	Reimbursement Resolution.....	48
F.20	Reimbursement Expenditures.....	48
F.21	Change in Use of the Project.....	48
F.22	Rebate Obligations.....	49
F.23	No Federal Guarantee.....	49
F.24	Amendments.....	49
F.25	Reasonable Expectations.....	49
F.26	Assignment.....	49

AGREEMENT

1. AUTHORITY.

- (a) The State Water Resources Control Board (State Water Board) is authorized, and implements its authority, to provide financial assistance under this Agreement pursuant to Section 116760 et seq. of the Health and Safety Code, and Resolution Nos. 2025-0014 and 2025-0024.
- (b) The Recipient is authorized to enter into this Installment Sale Agreement (Agreement) pursuant to Resolution No. 3278-24.

2. INTENTION.

- (a) The Recipient desires to receive financial assistance for and undertake work required for the drinking water construction Project according to the terms and conditions set forth in this Agreement.
- (b) The State Water Board proposes to assist in providing financial assistance for eligible costs of the Project in the amount set forth in Exhibit B, according to the terms and conditions set forth in this Agreement, with the expectation that the Recipient shall repay all of the financial assistance to the State Water Board.
- (c) The Recipient intends to evidence its obligation to submit Payments to the State Water Board and secure its obligation with Net Revenues of its water enterprise, as set forth in Exhibit B, according to the terms and conditions set forth in this Agreement.
- (d) The Recipient intends to certify and evidence its compliance with the Tax Covenants set forth in Exhibit F.

3. AGREEMENT, TERM, DOCUMENTS INCORPORATED BY REFERENCE.

In consideration of the mutual representations, covenants and agreements herein set forth, the State Water Board and the Recipient, each binding itself, its successors and assigns, do mutually promise, covenant, and agree to the terms, provisions, and conditions of this Agreement.

- (a) The Recipient hereby sells to the State Water Board and the State Water Board hereby purchases from the Recipient the Project. Simultaneously therewith, the Recipient hereby purchases from the State Water Board, and the State Water Board hereby sells to the Recipient, the Project in accordance with the provisions of this Agreement. All right, title, and interest in the Project shall immediately vest in the Recipient on the date of execution and delivery of this Agreement by both parties without further action on the part of the Recipient or the State Water Board.
- (b) Subject to the satisfaction of all conditions precedent to this Agreement, this Agreement shall become effective upon the signature of both the Recipient and the State Water Board. Conditions precedent are not limited to the following:
 - i. The Recipient must deliver to the Division a resolution authorizing this Agreement.
 - ii. The Recipient must deliver an opinion of bond counsel and general counsel satisfactory to the State Water Board's counsel dated on or after the date that the Recipient signs this Agreement.
- (c) Upon execution, the term of the Agreement shall begin on the Eligible Work Start Date and extend through the Final Payment Date.
- (d) This Agreement includes the following exhibits and attachments thereto:

- i. EXHIBIT A – SCOPE OF WORK
- ii. EXHIBIT B – FUNDING TERMS
- iii. EXHIBIT C – GENERAL & PROGRAMMATIC TERMS & CONDITIONS
- iv. EXHIBIT D – SPECIAL CONDITIONS
- v. EXHIBIT E – PAYMENT SCHEDULE
- vi. EXHIBIT F – TAX CERTIFICATE

(e) This Agreement includes the following documents incorporated by reference, as well as any documents incorporated by reference in Exhibit D:

- i. the Final Plans & Specifications, which are the basis for the construction contract to be awarded by the Recipient;
- ii. the Drinking Water System Permit No. 01-09-05-PER-008, and any amendments thereto;
- iii. the Recipient’s Reimbursement Resolution No. 3277-24 dated May 16, 2024;
- iv. the Recipient’s Tax Questionnaire dated December 26, 2025.
- v. the federal Davis-Bacon requirements. By accepting this Agreement, the Recipient acknowledges and agrees to the terms and conditions provided in the [DBRA Requirements for EPA Subrecipients | US EPA \(https://www.epa.gov/grants/dbra-requirements-epa-subrecipients\)](https://www.epa.gov/grants/dbra-requirements-epa-subrecipients). The Recipient shall ensure that the following language is included in all contracts and subcontracts funded under this Agreement:

By accepting this contract, the contractor acknowledges and agrees to the terms and conditions provided in the [Contract Provisions for Davis-Bacon and Related Acts | US EPA \(https://www.epa.gov/grants/contract-provisions-davis-bacon-and-related-acts\)](https://www.epa.gov/grants/contract-provisions-davis-bacon-and-related-acts).

(For reference, see also https://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/davisbacon.html.)

(f) This Agreement, and any amendments hereto, may be executed and delivered in any number of counterparts, each of which when delivered shall be deemed to be an original, but such counterparts shall together constitute one document. The parties may sign this Agreement, and any amendments hereto, either by an electronic signature using a method approved by the State Water Board or by a physical, handwritten signature. The parties mutually agree that an electronic signature using a method approved by the State Water Board is the same as a physical, handwritten signature for the purposes of validity, enforceability, and admissibility.

4. PARTY CONTACTS

State Water Board		South Tahoe Public Utility District	
Section:	Division of Financial Assistance		
Name:	Joshua Ruehlig, Project Manager	Name:	Andrea Salazar, Chief Financial Officer
Address:	1001 I Street, 16th Floor	Address:	1275 Meadow Crest Drive
City, State, Zip:	Sacramento, CA 95814	City, State, Zip:	South Lake Tahoe, CA 96150
Phone:	(916) 445-3579	Phone:	(530) 543-6211
Email:	Joshua.Ruehlig@waterboards.ca.gov	Email:	asalazar@stpuud.us

The Recipient may change its contact upon written notice to the Division, which notice shall be accompanied by authorization from the Recipient’s Authorized Representative. The State Water Board will notify the Recipient of any changes to its contact.

While the foregoing are contacts for day-to-day communications regarding Project work, the Recipient shall provide official communications and events of Notice as set forth in Exhibit C to the Division's Deputy Director.

5. DEFINITIONS.

Unless otherwise specified, each capitalized term used in this Agreement has the following meaning:

"Additional Payments" means the reasonable extraordinary fees and expenses of the State Water Board, and of any assignee of the State Water Board's right, title, and interest in and to this Agreement, in connection with this Agreement, including all expenses and fees of accountants, trustees, staff, contractors, consultants, costs, insurance premiums and all other extraordinary costs reasonably incurred by the State Water Board or assignee of the State Water Board.

"Allowance" means an amount based on a percentage of the accepted bid for an eligible project to help defray the planning, design, and construction engineering and administration costs of the Project.

"Agreement" means this agreement, including all exhibits and attachments hereto.

"Authorized Representative" means the duly appointed representative of the Recipient as set forth in the certified original of the Recipient's authorizing resolution that designates the authorized representative by title.

"Bank" means the California Infrastructure and Economic Development Bank.

"Bond Funded Portion of the Project Funds" means any portion of the Project Funds which was or will be funded with Bond Proceeds.

"Bond Proceeds" means original proceeds, investment proceeds, and replacement proceeds of Bonds.

"Bonds" means any series of bonds issued by the Bank, the interest on which is excluded from gross income for federal tax purposes, all or a portion of the proceeds of which have been, are, or will be applied by the State Water Board to fund all or any portion of the Project Costs or that are secured in whole or in part by Payments paid hereunder.

"Charge In Lieu of Interest" means any fee or charge in lieu of some or all of, but not to exceed, the interest that would otherwise be owed under this Agreement, as set forth in Exhibit E.

"Code" as used in Exhibit F of this Agreement means the Internal Revenue Code of 1986, as amended, and any successor provisions and the regulations of the U.S. Department of the Treasury promulgated thereunder.

"Completion of Construction" means the date, as determined by the Division after consultation with the Recipient, that the work of building and erection of the Project is substantially complete, and is identified in Exhibit A of this Agreement.

"Cover Page" means the front page of this Agreement.

"Days" means calendar days unless otherwise expressly indicated.

"Debt Service" means, as of any date, with respect to outstanding System Obligations and, in the case of the additional debt tests in Exhibit B of this Agreement, any System Obligations that are proposed to be outstanding, the aggregate amount of principal and interest scheduled to become due (either at maturity

or by mandatory redemption), together with any Charge In Lieu of Interest on this Obligation or other System Obligations to the State Water Board, calculated with the following assumptions:

- a. Principal payments (unless a different subdivision of this definition applies for purposes of determining principal maturities or amortization) are made in accordance with any amortization schedule published for such principal, including any minimum sinking fund payments;
- b. Interest on a variable rate System Obligation that is not subject to a swap agreement and that is issued or will be issued as a tax-exempt obligation under federal law, is the average of the SIFMA Municipal Swap Index, or its successor index, during the 24 months preceding the date of such calculation;
- c. Interest on a variable rate System Obligation that is not subject to a swap agreement and that is issued or will be issued as a taxable obligation under federal law, is the average of SOFR, or its successor index, during the 24 months preceding the date of such calculation;
- d. Interest on a variable rate System Obligation that is subject to a swap agreement is the fixed swap rate or cap strike rate, as appropriate, if the variable rate has been swapped to a fixed rate or capped pursuant to an interest rate cap agreement or similar agreement;
- e. Interest on a fixed rate System Obligation that is subject to a swap agreement such that all or a portion of the interest has been swapped to a variable rate shall be treated as variable rate debt under subdivisions (b) or (c) of this definition of Debt Service;
- f. Payments of principal and interest on a System Obligation are excluded from the calculation of Debt Service to the extent such payments are to be paid from amounts then currently on deposit with a trustee or other fiduciary and restricted for the defeasance of such System Obligations;
- g. If 25% or more of the principal of a System Obligation is not due until its final stated maturity, then principal and interest on that System Obligation may be projected to amortize over the lesser of 30 years or the Useful Life of the financed asset, and interest may be calculated according to subdivisions (b)-(e) of this definition of Debt Service, as appropriate.

"Deputy Director" means the Deputy Director of the Division.

"District Office" means District Office of the Division of Drinking Water of the State Water Board.

"Division" means the Division of Financial Assistance of the State Water Board or any other segment of the State Water Board authorized to administer this Agreement.

"Division of Drinking Water" means the Division of Drinking Water of the State Water Board.

"Eligible Construction Start Date" means the date set forth on the Cover Page of this Agreement, establishing the date on or after which construction costs may be incurred and eligible for reimbursement hereunder.

"Eligible Work Start Date" means the date set forth on the Cover Page of this Agreement, establishing the date on or after which any non-construction costs may be incurred and eligible for reimbursement hereunder.

"Enterprise Fund" means the enterprise fund of the Recipient in which Revenues are deposited.

"Event of Default" means the occurrence of any of the following events:

- a) Failure by the Recipient to make any payment required to be paid pursuant to this Agreement, including Payments;
- b) A representation or warranty made by or on behalf of the Recipient in this Agreement or in any document furnished by or on behalf of the Recipient to the State Water Board pursuant to this Agreement shall prove to have been inaccurate, misleading or incomplete in any material respect;
- c) A material adverse change in the condition of the Recipient, the Revenues, or the System, which the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement.
- d) Failure by the Recipient to comply with the additional debt test or reserve fund requirement, if any, in Exhibit B or Exhibit D of this Agreement;
- e) Failure to operate the System or the Project without the Division's approval;
- f) Failure by the Recipient to observe and perform any covenant, condition, or provision in this Agreement, which failure shall continue for a period of time, to be determined by the Division;
- g) The occurrence of a material breach or event of default under any System Obligation or Material Obligation that results in the acceleration of principal or interest or otherwise requires immediate prepayment, repurchase or redemption;
- h) Initiation of proceedings seeking arrangement, reorganization, or any other relief under any applicable bankruptcy, insolvency, or other similar law; the appointment of or taking possession of the Recipient's property by a receiver, liquidator, assignee, trustee, custodian, conservator, or similar official; the Recipient's entering into a general assignment for the benefit of creditors; the initiation of resolutions or proceedings to terminate the Recipient's existence, or any action in furtherance of any of the foregoing;
- i) A determination pursuant to Gov. Code section 11137 that the Recipient has violated any provision in Article 9.5 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code; or
- j) Loss of the Recipient's rights, licenses, permits, or privileges necessary for the operation of the System or the Project, or the occurrence of any material restraint on the Recipient's enterprise by a government agency or court order.

"Final Budget Approval" or "FBA" means the Division's written approval of the final budget for the Project or a phase of the Project.

"Final Payment Date" is the date by which all principal and accrued interest due under this Agreement is to be paid in full to the State Water Board and is specified on the Cover Page of this Agreement.

"Final Reimbursement Request Date" means the date set forth as such on the Cover Page of this Agreement, after which date, no further Project Funds disbursements may be requested.

"Fiscal Year" means the period of twelve (12) months terminating on June 30 of any year, or any other annual period selected and designated by the Recipient as its Fiscal Year in accordance with applicable law.

"Force Account" means the use of the Recipient's own employees, equipment, or resources for the Project.

"GAAP" means generally accepted accounting principles, the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor, or the Uniform System of Accounts, as adopted by the California Public Utilities Commission for water utilities.

"Initiation of Construction" means the date that notice to proceed with work is issued for the Project, or, if notice to proceed is not required, the date of commencement of building and erection of the Project.

"Listed Event" means, so long as the Recipient has outstanding any System Obligation subject to Rule 15c2-12, any of the events required to be reported with respect to such System Obligation pursuant to Rule 15c2-12(b)(5).

"Material Obligation" means an obligation of the Recipient that is material to this transaction, including System Obligations.

"Maximum Annual Debt Service" means the maximum amount of Debt Service due on System Obligations in a Fiscal Year during the period commencing with the Fiscal Year for which such calculation is made and within the next five years in which Debt Service for any System Obligations will become due.

"Net Revenues" means, for any Fiscal Year, all Revenues received by the Recipient less the Operations and Maintenance Costs for such Fiscal Year.

"Obligation" means the obligation of the Recipient to make Payments (including Additional Payments) as provided herein, as evidenced by the execution of this Agreement, proceeds of such obligations being used to fund the Project as specified in the Project Description in Exhibit A and Exhibit B and in the documents thereby incorporated by reference.

"Operations and Maintenance Costs" means the reasonable and necessary costs paid or incurred by the Recipient for maintaining and operating the System, determined in accordance with GAAP, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the System in good repair and working order, and including all reasonable and necessary administrative costs of the Recipient that are charged directly or apportioned to the operation of the System, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses, and charges to operate the System and insurance premiums; but excluding, in all cases depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles.

"Parity Obligation" means a debt obligation of the Recipient on parity with this Obligation. The Recipient's Parity Obligations are these:

- Installment Sale Agreement by and between the Recipient and CSDA Finance Corporation, dated January 1, 2025, and Trust Agreement by and among U.S. Bank Trust Company, National Association, as Trustee, CSDA Finance Corporation, and the Recipient, dated January 1, 2025, related to the 2025 Water Revenue Certificates of Participation.
- Installment Sale Agreement by and between Public Property Financing Corporation of California and South Tahoe Public Utility District (2013 Water System Capital Project and Refunding Program – Compass Bank financing), dated April 1, 2013.
- Installment Sale Agreement No. SRF14C106 by and between the California State Department of Public Health and South Tahoe Public Utility District (DWSRF Project No. 0910002-016C, STPUD Water Meter Installation Phase 1), executed on June 23, 2014.
- Installment Sale Agreement No. D15-02052 by and between the State Water Resources Control Board and South Tahoe Public Utility District (DWSRF Project No. 0910002-010C, STPUD Water Meter Installation Phase 2), executed on August 16, 2016.
- Installment Sale Agreement No. D17-01007 by and between the State Water Resources Control Board and South Tahoe Public Utility District (CWSRF Project No. C-06-8220-110, STPUD Water Meter Installation Phase 3-5), executed on September 28, 2017.
- Installment Sale Agreement No. D17-02053 by and between the State Water Resources Control Board and South Tahoe Public Utility District (DWSRF Project No. 0910002-027C, Waterline Replacement Program), executed on February 2, 2018.

- Installment Sale Agreement No. D20-02049 by and between the State Water Resources Control Board and South Tahoe Public Utility District (DWSRF Project No. 0910002-028C, Keller Heavenly Water System Improvements Project), executed on August 25, 2021.
- Installment Sale Agreement No. D21-02004 by and between the State Water Resources Control Board and South Tahoe Public Utility District (DWSRF Project No. 0910002-029C, 2019 Waterline Replacement Program), executed on February 23, 2022.
- Installment Sale Agreement No. D24-02006 by and between the State Water Resources Control Board and South Tahoe Public Utility District (DWSRF Project No. 0910002-030C, Waterline Upgrades and Improvement Project), executed on September 27, 2024.
- Installment Sale Agreement No. D25-02022 by and between the State Water Resources Control Board and South Tahoe Public Utility District (DWSRF Project No. 0910002-032C, Waterline Upgrades and Improvement Project), executed on March 16, 2026.

“Payment” means any payment due to the State Water Board from the Recipient pursuant to this Agreement.

“Policy” means the State Water Board’s “Policy for Implementing the Drinking Water State Revolving Fund,” as amended from time to time, including the Intended Use Plan in effect as of the execution date of this Agreement.

“Project” means the Project financed by this Agreement as described in Exhibits A and B and in the documents incorporated by reference herein.

“Project Completion” means the date, as determined by the Division after consultation with the Recipient, that operation of the Project is initiated or is capable of being initiated, whichever comes first.

“Project Costs” means the incurred costs of the Recipient which are eligible for financial assistance under this Agreement, which are allowable costs as defined under the Policy, and which are reasonable, necessary and allocable by the Recipient to the Project under GAAP, and may include capitalized interest.

“Project Funds” means all moneys disbursed to the Recipient by the State Water Board for eligible Project Costs pursuant to this Agreement.

“Recipient” means South Tahoe Public Utility District.

“Records Retention End Date” means the last date that the Recipient is obligated to maintain records and is set forth on the Cover Page of this Agreement.

“Regional Water Quality Control Board” or “Regional Water Board” means the appropriate Regional Water Quality Control Board.

“Reimbursement Resolution” means the Recipient’s reimbursement resolution identified and incorporated by reference in this Agreement.

“Reserve Fund” means the reserve fund required pursuant to Exhibit B of this Agreement.

“Revenues” means, for each Fiscal Year, all gross income and revenue received or receivable by the Recipient from the ownership or operation of the System, determined in accordance with GAAP, including

(i) all rates, fees, and charges (including connection fees and charges) as received by the Recipient for the services of the System, and

(ii) all other income and revenue howsoever derived by the Recipient from the ownership or operation of the System or arising from the System, including all income from

a. the deposit or investment of any money in the Enterprise Fund or any rate stabilization fund of the Recipient or held on the Recipient's behalf,

b. any refundable deposits made to establish credit, and

c. advances or contributions in aid of construction.

For the avoidance of doubt, refundable deposits and advances or contributions are not included in the definition of Revenues.

"Rule 15c2-12(b)(5)" means Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

"Senior Obligation" means a debt obligation of the Recipient that is senior to this Obligation. There are no Senior Obligations.

"SRF" means the Drinking Water State Revolving Fund.

"State" means State of California.

"State Water Board" means the State Water Resources Control Board.

"Subordinate Obligation" means a debt obligation of the Recipient that is subordinate to this Obligation. There are no Subordinate Obligations.

"System" means all drinking water collection, pumping, transport, treatment, storage, and delivery facilities, including land and easements thereof, owned by the Recipient, including the Project, and all other properties, structures, or works hereafter acquired and constructed by the Recipient and determined to be a part of the System, together with all additions, betterments, extensions, or improvements to such facilities, properties, structures, or works, or any part thereof hereafter acquired and constructed.

"System Obligation" means any obligation of the Recipient payable from the Revenues, including but not limited to this Obligation, any Parity Obligation, any Subordinate Obligation, and such additional obligations as may hereafter be issued in accordance with the provisions of such obligations and this Agreement.

"Useful Life" means the economically useful life of the Project beginning at Completion of Construction and is set forth in Exhibit A.

"Year" means calendar year unless otherwise expressly indicated.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

SOUTH TAHOE PUBLIC UTILITY DISTRICT:

By: _____
Name: Andrea Salazar
Title: Chief Financial Officer

Date: _____

STATE WATER RESOURCES CONTROL BOARD:

By: _____
Name: Joe Karkoski
Title: Deputy Director
Division of Financial Assistance

Date: _____

EXHIBIT A – SCOPE OF WORK

A.1. PROJECT DESCRIPTION, USEFUL LIFE, AND SCOPE OF WORK.

- (a) The Project is the project set forth on the Cover Page of this Agreement.
- (b) The Useful Life of this Project is at least 30 years.
- (c) Project Purpose and Description

The Project is for the benefit of the Recipient. The funding under this Agreement will be used to replace approximately 21,000 linear feet (LF) of existing pipeline that has reached its useful life. Additionally, the project will look to correct fire hydrant spacing deficiencies by repositioning hydrants as necessary to meet local ordinance.

(d) Scope of Work.

i.Phase 1 - Tahoe Mountain Waterline Replacement Project

Replace approximately 4,090 LF of poor condition steel water mains on the following streets: Iron Mountain Circle, Granite Mountain Circle, Forest Mountain Circle, Brush Road, and Cone Road.

ii.Phase 2 – Lake Tahoe Blvd. Waterline Replacement Project

Replace approximately 6,300 LF of poor condition steel water mains on Lake Tahoe Blvd.

iii.Phase 3 – Glenwood-Rancho Waterline Replacement Project

Replace approximately 10,600 LF of poor condition steel water mains on the following streets: Glenwood Way, Rancho Drive, Becka Drive, Bruce Drive, Janet Drive, Plum Street, Jackson Court, Allen Rae Place, and Andy Jo Circle.

A.2. STANDARD PROJECT REQUIREMENTS.

A.2.1 Acknowledgements.

The Recipient shall include the following acknowledgement in any document, written report, or brochure prepared in whole or in part pursuant to this Agreement:

“Funding for this project has been provided in full or in part through Agreement No. D2502059 with the State Water Resources Control Board. California’s Drinking Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds. The contents of this document do not necessarily reflect the views and policies of the foregoing agencies, nor do the foregoing agencies endorse trade names or recommend the use of commercial products mentioned in this document, as well as any images, video, text, or other content created by generative artificial intelligence tools, nor does any such content necessarily reflect the views and policies of the foregoing.”

A.2.2 Reports

A.2.2.1 Progress Reports.

(a) The Recipient must provide a progress report to the Division each quarter, beginning no later than 90 days after execution of this Agreement.

(b) The Recipient must provide a progress report with each reimbursement request. Failure to provide a complete and accurate progress report may result in the withholding of Project Funds, as set forth in Exhibit B.

(c) A progress report must contain the following information:

- i. A summary of progress to date including a description of progress since the last report, percent construction complete, percent contractor invoiced, and percent schedule elapsed;
- ii. A description of compliance with environmental requirements;
- iii. A listing of change orders including amount, description of work, and change in contract amount and schedule; and
- iv. Any problems encountered, proposed resolution, schedule for resolution, and status of previous problem resolutions.

A.2.2.2 Project Completion Report.

(a) The Recipient must submit a Project Completion Report to the Division with a copy to the appropriate District Office on or before the due date established by the Division and the Recipient at the time of final project inspection. The Project Completion Report must include the following:

- i. Description of the Project,
- ii. Description of the water quality problem the Project sought to address,
- iii. Discussion of the Project's likelihood of successfully addressing that water quality problem in the future, and
- iv. Summary of compliance with applicable environmental conditions.

(b) If the Recipient fails to submit a timely Project Completion Report, the State Water Board may stop processing pending or future applications for new financial assistance, withhold disbursements under this Agreement or other agreements, and begin administrative proceedings.

A.2.2.3 As Needed Reports.

The Recipient must provide expeditiously, during the term of this Agreement, any reports, data, and information reasonably required by the Division, including but not limited to material necessary or appropriate for evaluation of the funding program or to fulfill any reporting requirements of the state or federal government.

A.2.3 Signage.

The Recipient shall place a sign at least four feet tall by eight feet wide made of ¾ inch thick exterior grade plywood or other approved material in a prominent location on the Project site and shall maintain the sign in good condition for the duration of the construction period. The sign must include the following disclosure statement and color logos (available from the Division):



a.

b. "Funding for Glenwood-Rancho, Lake Tahoe Blvd, Tahoe Mountain Waterline Upgrades project has been provided in full or in part by the Drinking Water State Revolving Fund through an agreement with the State Water Resources Control Board. California's Drinking Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds."

c. The Project sign may include another agency's required promotional information so long as the above logos and disclosure statement are equally prominent on the sign. The sign shall be prepared in a professional manner.

A.2.4 Commencement of Operations.

Upon Completion of Construction of the Project, the Recipient must expeditiously initiate Project operations.

A.3 DATES & DELIVERABLES.

(a) Time is of the essence.

(b) The Recipient must expeditiously proceed with and complete construction of the Project.

(c) The following dates are established as on the Cover Page of this Agreement:

- i. Eligible Work Start Date
- ii. Eligible Construction Start Date
- iii. Completion of Construction Date
- iv. Final Reimbursement Request Date
- v. Records Retention End Date
- vi. Final Payment Date

(d) The Recipient must award the prime construction contract timely.

(e) The Recipient agrees to start construction no later than [DFA will insert date that is within 6 months after execution of this Agreement].

(f) The Recipient must deliver any request for extension of the Completion of Construction date no less than 90 days prior to the Completion of Construction date.

(g) The undisbursed balance of this Agreement will be deobligated if the Recipient does not provide its final reimbursement request to the Division on or before the Final Reimbursement Request Date.

A.4 SCHEDULE.

Failure to provide items by the due dates indicated in the table below may constitute a material violation of this Agreement. The Project Manager may adjust the dates in the "Estimated Due Date" column of this table, but Critical Due Date adjustments will require an amendment to this Agreement. The Recipient must complete and submit all work in time to be approved by the Division prior to Project Completion. As applicable for specific submittals, the Recipient must plan adequate time to solicit, receive, and address comments prior to submitting the final submittal. The Recipient must submit the final reimbursement request prior to the Final Reimbursement Request Date set forth on the Cover Page.

ITEM	DESCRIPTION OF SUBMITTAL	CRITICAL DUE DATE	ESTIMATED DUE DATE
SCOPE OF WORK			
1	Completion of Construction	June 30, 2029	N/A
REPORTING			
1	Progress Reports	N/A	Quarterly
2	Final Project Inspection and Certification	N/A	Upon completion of the Project
3	Project Completion Report	N/A	December 31, 2029
4	As Needed Information and Reports	N/A	As Requested by Division
BUDGET COSTS AND REIMBURSEMENT			
1	First Reimbursement Request	No later than 90 days from Agreement Execution Date	N/A
2	Final Budget Approval Package	N/A	March 31, 2027
3	Reimbursement Requests	N/A	Quarterly
4	Final Reimbursement Request	December 31, 2029	N/A

EXHIBIT B – FUNDING TERMS

B.1. FUNDING AMOUNTS AND REIMBURSEMENTS

B.1.1 Funding Contingency and Other Sources.

(a) If this Agreement's funding for any fiscal year expires due to reversion or is reduced, substantially delayed, or deleted by the state or federal government, such as by budget act, by executive order, or by order or action of the Department of Finance or a federal agency, the State Water Board has the option to either cancel this Agreement with no liability accruing to the State Water Board, or offer an amendment to the Recipient to reflect the reduced amount.

(b) If funding for Project Costs is made available to the Recipient from sources other than this Agreement, the Recipient must notify the Division. The Recipient may retain such funding up to an amount which equals the Recipient's share of Project Costs. To the extent allowed by requirements of other funding sources, excess funding must be remitted to the State Water Board to be applied to Payments due hereunder, if any.

B.1.2 Estimated Reasonable Cost.

The estimated reasonable cost of the total Project, including associated planning and design costs is thirteen million two hundred forty-four thousand four hundred thirty-nine dollars and no cents (\$13,244,439).

B.1.3 Project Funding Amount.

Subject to the terms of this Agreement, the State Water Board agrees to provide Project Funds not to exceed the amount of the Project Funding Amount set forth on the Cover Page of this Agreement.

B.1.4 [Reserved]

B. 1.5 Budget Costs.

(a) Estimated budget costs are contained in the Summary Project Cost Table below:

ITEM	DESCRIPTION	TOTAL ESTIMATED COST	PROJECT FUNDING AMOUNT
A	Construction	\$11,141,900	\$11,141,900
B	Pre-Purchased Material / Equipment	\$0	\$0
C	Real Property or Easement Acquisition	\$0	\$0
D	Change Order Contingency	\$1,114,190	\$1,114,190
E	Force Account	\$0	\$0
G	Allowances (Soft Costs)	\$988,349	\$988,349
	TOTAL	\$13,244,439	\$13,244,439

The Division's Final Budget Approval and related Form 259 and Form 260 will document a more detailed budget of eligible Project Costs and Project funding amounts. Construction of the Project may be completed in phases with written approval of the Division. If construction proceeds under separate phases, the Recipient must submit a Final Budget Approval package and receive Final Budget Approval from the Division for each phase.

Upon written request by the Recipient, the Division may adjust the line items of the budget at the time of Division's Final Budget Approval(s). Upon written request by the Recipient, the Division may also adjust the line items of the budget at the time of Recipient's submittal of its final claim. Any line item adjustments to the budget that are due to a change in scope of work will require an Agreement amendment. The sum of adjusted line items in the budget approved through the Final Budget Approval process must not exceed the Project Funding Amount. The Division may also propose budget adjustments.

(b) Under no circumstances may the sum of line items in the budget approved through the Final Budget Approval process exceed the Project Funding Amount. Any increase in the Project Funding Amount will require an Agreement amendment.

B.1.6 Contingent Disbursement.

(a) The State Water Board's disbursement of funds hereunder is contingent on the Recipient's compliance with the terms and conditions of this Agreement.

(b) The State Water Board's obligation to disburse Project Funds is contingent upon the availability of sufficient funds to permit the disbursements provided for herein. If sufficient funds are not available for any reason, including but not limited to failure of the federal or State government to appropriate funds necessary for disbursement of Project Funds, the State Water Board shall not be obligated to make any disbursements to the Recipient under this Agreement. This provision shall be construed as a condition precedent to the obligation of the State Water Board to make any disbursements under this Agreement. Nothing in this Agreement shall be construed to provide the Recipient with a right of priority for disbursement over any other entity. If any disbursements due the Recipient under this Agreement are deferred because sufficient funds are unavailable, it is the intention of the State Water Board that such disbursement will be made to the Recipient when sufficient funds do become available, but this intention is not binding.

(c) Construction costs and disbursements are not available until after the Division has approved the final budget form submitted by the Recipient for the corresponding costs.

(d) No costs incurred prior to the Eligible Work Start Date are eligible for reimbursement.

(e) Construction costs incurred prior to the Eligible Construction Start Date are not eligible for reimbursement.

(f) Failure to proceed according to the timelines set forth in this Agreement may require the Recipient to repay to the State Water Board all disbursed Project Funds.

(g) The Recipient agrees to ensure that its final reimbursement request is received by the Division no later than the Final Reimbursement Request Date. If the final reimbursement request is not received timely, the undisbursed balance of this Agreement will be deobligated.

(h) The Recipient is not entitled to interest earned on undisbursed funds.

B.1.7 Reimbursement Procedure.

Except as may be otherwise provided in this Agreement, disbursement of Project Funds will be made as follows:

- (a) Upon execution and delivery of this Agreement by both parties, the Recipient may request immediate reimbursement of any eligible incurred planning and design allowance costs through submission to the State Water Board of the Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed. To be eligible for reimbursement, Project Costs, including any planning and design allowance costs, must have been incurred in

compliance with all applicable requirements, including the state and federal cross-cutting requirements listed in Exhibit C.

- (b) The Recipient must submit a reimbursement request for costs incurred prior to the date this Agreement is executed by the State Water Board no later than ninety (90) days after this Agreement is executed by the State Water Board. Late reimbursement requests may not be honored.
- (c) The Recipient may request reimbursement of eligible construction and equipment costs consistent with budget amounts approved by the Division in the Final Budget Approval.
- (d) Additional Project Funds will be promptly disbursed to the Recipient upon receipt of reimbursement request Form 260 and Form 261, or any amendment thereto, duly completed and executed by the Recipient for incurred costs consistent with this Agreement, along with receipt of progress reports due under Exhibit A.
- (e) The Recipient must not request reimbursement for any Project Cost until such cost has been incurred and is currently due and payable by the Recipient, although the actual payment of such cost by the Recipient is not required as a condition of reimbursement request. Supporting documentation (e.g., receipts) must be submitted with each reimbursement request. The amount requested for administration costs must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = total amount claimed). Disbursement of Project Funds will be made only after receipt of a complete, adequately supported, properly documented, and accurately addressed reimbursement request. Upon request by the Division, supporting documents for professional and administrative services must include the employees' names, classifications, labor rates, hours worked, and descriptions of the tasks performed. Reimbursement requests submitted without supporting documents may be wholly or partially withheld at the discretion of the Division.
- (f) The Recipient must spend Project Funds within 30 days of receipt. If the Recipient earns interest earned on Project Funds, it must report that interest immediately to the State Water Board. The State Water Board may deduct earned interest from future disbursements.
- (g) The Recipient shall not request a reimbursement unless that Project Cost is allowable, reasonable, and allocable.
- (h) Notwithstanding any other provision of this Agreement, no disbursement shall be required at any time or in any manner which is in violation of or in conflict with federal or state laws, policies, or regulations.
- (i) No work or travel outside the State of California is permitted under this Agreement unless the Division provides prior written authorization. Failure to comply with this restriction may result in termination this Agreement, pursuant to Exhibit C. Any reimbursement for necessary travel and per diem shall be at rates not to exceed those set by the California Department of Human Resources at <http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>. as of the date costs are incurred by the Recipient.

B.1.8 Withholding of Disbursements.

Notwithstanding any other provision of this Agreement, the State Water Board may withhold all or any portion of the Project Funds upon the occurrence of any of the following events:

- (a) The Recipient's failure to maintain reasonable progress on the Project as determined by the Division;

- (b) Placement on the ballot or passage of an initiative or referendum to repeal or reduce the Recipient's taxes, assessments, fees, or charges levied for operation of the System or payment of debt service on System Obligations to an amount less than required by this Agreement in order to maintain Revenues required by this Agreement;
- (c) Commencement of litigation or a judicial or administrative proceeding related to the Project, System, or Revenues that the State Water Board determines may impair the timely satisfaction of Recipient's obligations under this Agreement;
- (d) Any investigation by the State Water Board, District Attorney, California State Auditor, Bureau of State Audits, the USEPA Office of Inspector General, the Internal Revenue Service, Securities and Exchange Commission, a grand jury, or any other state or federal agency, relating to the Recipient's financial management, accounting procedures, or internal fiscal controls;
- (e) A material adverse change in the condition of the Recipient, the Revenues, or the System, that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement, or any other event that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement;
- (f) The Recipient's material violation of, or threat to materially violate, any term of this Agreement;
- (g) Suspicion of fraud, forgery, embezzlement, theft, or any other misuse of public funds by the Recipient or its employees, or by its contractors or agents regarding the Project or the System;
- (h) An event requiring Notice as set forth in Exhibit C;
- (i) An Event of Default or an event that the Division determines may become an Event of Default.

B.1.9 Fraud and Misuse of Public Funds; Enforcement.

All requests for reimbursement submitted must be accurate and signed by the Recipient's Authorized Representative under penalty of perjury. All costs submitted pursuant to this Agreement must only be for the work or tasks set forth in this Agreement. The Recipient must not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., match costs). Any eligible costs for which the Recipient is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is improper and will not be compensated. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements and, notwithstanding any other section in this Agreement, the termination of this Agreement requiring the repayment of all Project Funds disbursed hereunder. Additionally, the Deputy Director of the Division may request an audit; refer the matter for appropriate administrative action, including but not limited to the recovery of financial assistance provided and the imposition of civil penalties; and/or refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. A person who knowingly makes or causes to be made any false statement, material misrepresentation, or false certification in any submittal may be subject to a civil penalty, criminal fine, or imprisonment. (Wat. Code, § 13490 et seq.)

B.2 RECIPIENT'S PAYMENT OBLIGATION, PLEDGE, AND RESERVE

B.2.1 Project Costs.

The Recipient must pay any and all costs connected with the Project including, without limitation, any and all Project Costs and Additional Payments. If the Project Funds are not sufficient to pay the Project Costs in full, the Recipient must nonetheless complete the Project and pay that portion of the Project Costs in excess of available Project Funds, and shall not be entitled to any reimbursement therefor from the State Water Board.

B.2.2 Estimated Principal Payment Due.

The estimated amount of principal that will be due to the State Water Board from the Recipient under this Agreement is thirteen million two hundred forty-four thousand four hundred thirty-nine dollars and no cents (\$13,244,439).

B.2.3 Interest Rate and In-Lieu of Interest Charges.

(a) The Recipient agrees to make all Payments according to the schedule in Exhibit E, and as otherwise set forth herein, at an interest rate of two and two tenth percent (2.10%) per annum.

(b) Interest will accrue beginning with each disbursement.

(c) In lieu of, and not to exceed, interest otherwise due under this Agreement, the Recipient agrees to pay the following charge(s), as further set forth in Exhibit E:

- an Administrative Service Charge
- a Drinking Water Small Community Emergency Grant Fund Charge

B.2.4 [Reserved]

B.2.5 Obligation Absolute.

The obligation of the Recipient to make the Payments and other payments required to be made by it under this Agreement, from the Net Revenues and/or other amounts legally available to the Recipient therefor, is absolute and unconditional, and until such time as the Payments and Additional Payments have been paid in full, the Recipient must not discontinue or suspend any Payments or other payments required to be made by it hereunder when due, whether or not the Project, or any related part thereof is operating or operable or has been completed, or its use is suspended, interfered with, reduced or curtailed or terminated in whole or in part, and such Payments and other payments shall not be subject to reduction whether by offset or otherwise and shall not be conditional upon the performance or nonperformance by any party of any agreement for any cause whatsoever.

B.2.6 Payment Timing.

(a) Once the Division has disbursed Project Funds to the Recipient, the Recipient must pay interest on those Project Funds annually, by June 30th of each year. The Recipient must begin making annual Payments of the principal of the Project Funds, together with all interest accruing thereon, by the Principal Payment Start Date stated on the Cover Page, with Payments due by June 30th of each year. The Recipient must make Payments fully amortizing the total principal of the Project Funds, together with interest, by the Final Payment Date stated on the Cover Page. Payment calculations are based on a standard fully amortized assistance amount with equal annual payments. As a courtesy, the Division will provide a payment notice to the Recipient prior to the Payment due date, which will include the Payment amount due. Regardless of the delivery of a payment notice, the Recipient is responsible for timely payment of all amounts due.

(b) The remaining balance is the previous balance, plus the disbursements, plus the accrued interest on both, plus any Charge In Lieu of Interest, less the Payment. Principal payment calculations will be made prior to the Principal Payment Start Date. Exhibit E is a payment schedule based on the provisions of this Exhibit and an estimated disbursement schedule. Actual payments will be based on actual disbursements. The Division will prepare any necessary changes to the payment schedule and send them to the Recipient.

(c) Upon Completion of Construction and submission of necessary reports by the Recipient, the Division will prepare an appropriate payment schedule and supply the same to the Recipient. The Division may amend this schedule as necessary to accurately reflect amounts due under this Agreement.

(d) The Recipient must make each Payment on or before the due date therefor. A ten (10) day grace period will be allowed, after which time a penalty in the amount of costs incurred by the State Water Board will be assessed for late payment. These costs may include, but are not limited to, lost interest earnings, staff time, bond debt service default penalties, if any, and other related costs. For purposes of penalty assessment, payment will be deemed to have been made if payment is deposited in the U.S. Mail within the grace period with postage prepaid and properly addressed. Any penalties assessed will not be added to the assistance amount balance, but will be treated as a separate account and obligation of the Recipient. The interest penalty will be assessed from the payment due date.

(e) The Recipient is obligated to make all payments required by this Agreement to the State Water Board, notwithstanding any individual default by its constituents or others in the payment to the Recipient of fees, charges, taxes, assessments, tolls or other charges ("Charges") levied or imposed by the Recipient. The Recipient must provide for the punctual payment to the State Water Board of all amounts which become due under this Agreement and which are received from constituents or others in the payment to the Recipient. In the event of failure, neglect or refusal of any officer of the Recipient to levy or cause to be levied any Charge to provide payment by the Recipient under this Agreement, to enforce or to collect such Charge, or to pay over to the State Water Board any money collected on account of such Charge necessary to satisfy any amount due under this Agreement, the State Water Board may take such action in a court of competent jurisdiction as it deems necessary to compel the performance of all duties relating to the imposition or levying and collection of any of such Charges and the payment of the money collected therefrom to the State Water Board. Action taken pursuant hereto shall not deprive the State Water Board of, or limit the application of, any other remedy provided by law or by this Agreement.

(f) Each Payment must be paid in lawful money of the United States of America by check or other acceptable form of payment set forth at www.waterboards.ca.gov/make_a_payment. The Recipient must pay Payments and Additional Payments from Net Revenues and/or other amounts legally available to the Recipient therefor.

B.2.7 Pledged Revenues.

B.2.7.1 Establishment of Enterprise Fund and Reserve Fund.

In order to carry out its System Obligations, the Recipient covenants that it shall establish and maintain or shall have established and maintained the Enterprise Fund. All Revenues received shall be deposited when and as received in trust in the Enterprise Fund. As required in this Exhibit, the Recipient must establish and maintain a Reserve Fund.

B.2.7.2 Pledge of Net Revenues, Enterprise Fund, and Reserve Fund.

The Obligation hereunder shall be secured by a lien on and pledge of the Enterprise Fund, Net Revenues, and any Reserve Fund on parity with the Parity Obligations. The Recipient hereby pledges and grants such lien on and pledge of the Enterprise Fund, Net Revenues, and any Reserve Fund to secure the Obligation, including payment of Payments and Additional Payments hereunder. The Enterprise Fund, Net Revenues in the Enterprise Fund, and any Reserve Fund shall be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the Recipient.

B.2.7.3 Application and Purpose of the Enterprise Fund.

Subject to the provisions of any outstanding System Obligation, money on deposit in the Enterprise Fund shall be applied and used first, to pay Operations and Maintenance Costs, and thereafter, all amounts due and payable with respect to the System Obligations in order of priority. After making all payments hereinabove required to be made in each Fiscal Year, the Recipient may expend in such Fiscal Year any remaining money in the Enterprise Fund for any lawful purpose of the Recipient.

B.2.8 No Prepayment.

Pursuant to State Water Board's Debt Management Policy, adopted on October 3, 2017, the Recipient may not prepay any portion of the principal and interest due under this Agreement without the written consent of the Deputy Director of the Division.

B.2.9 Reserve Fund.

Prior to Completion of Construction, the Recipient must establish a restricted Reserve Fund, held in its Enterprise Fund, equal to one year's Debt Service on this Obligation. The Recipient must maintain the Reserve Fund throughout the term of this Agreement. The Reserve Fund is subject to lien and pledged as security for this Obligation, and its use is restricted to payment of this Obligation during the term of this Agreement.

B.3 RATES, FEES AND CHARGES.

(a) The Recipient must, to the extent permitted by law, fix, prescribe and collect rates, fees and charges for the System during each Fiscal Year which are reasonable, fair, and nondiscriminatory and which will be sufficient to generate Revenues in the amounts necessary to cover Operations and Maintenance Costs, and must ensure that Net Revenues are equal to the sum of (i) at least 120% of the Maximum Annual Debt Service with respect to all outstanding System Obligations senior to and on parity with the Obligation and (ii) at least 100% of the Maximum Annual Debt Service with respect to all outstanding System Obligations subordinate to the Obligation, so long as System Obligations other than this Obligation are outstanding. Upon defeasance of all System Obligations other than this Obligation, this ratio must be at least 120%, except where System Obligations are defeased pursuant to refunding obligations.

(b) The Recipient may make adjustments from time to time in such fees and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates, fees and charges then in effect unless the Net Revenues from such reduced rates, fees, and charges will at all times be sufficient to meet the requirements of this section.

(c) Upon consideration of a voter initiative to reduce Revenues, the Recipient must make a finding regarding the effect of such a reduction on the Recipient's ability to satisfy the rate covenant set forth in this Section. The Recipient must make its findings available to the public. The Recipient's Authorized Representative must request, if necessary, the authorization of the Recipient's decision-maker or decision-making body to file litigation to challenge any such initiative that it finds will render it unable to satisfy the rate covenant set forth in this Agreement and its obligation to operate and maintain the Project for its Useful Life. The Recipient must diligently pursue and bear any and all costs related to such challenge. The Recipient must notify and regularly update the State Water Board regarding the status of any such challenge.

B.4 ADDITIONAL DEBT.

(a) The Recipient's future debt that is secured by Revenues pledged herein may not be senior to this Obligation.

(b) The Recipient may issue additional parity or subordinate debt only if all of the following conditions are met:

- i. No Event of Default (or no event with respect to which notice has been given and which, once all notice of grace periods have passed, would constitute an Event of Default) has occurred and is continuing;
- ii. Net Revenues in the most recent Fiscal Year, excluding transfers from a rate stabilization fund, if any, meet the ratio for rate covenants set forth in this Exhibit with respect to any outstanding and proposed additional obligations;
- iii. The Recipient is in compliance with any reserve fund requirement of this Obligation.

B.5 NO LIENS.

The Recipient must not make any pledge of or place any lien on the Project, System, or Revenues except as otherwise provided or permitted by this Agreement.

EXHIBIT C – GENERAL & PROGRAMMATIC TERMS & CONDITIONS

C.1 REPRESENTATIONS & WARRANTIES.

The Recipient represents, warrants, and commits to the following as of the Eligible Work Start Date and continuing thereafter for the term of this Agreement.

C.1.1 Application and General Recipient Commitments.

The Recipient has not made any untrue statement of a material fact in its application for this financial assistance, or omitted to state in its application a material fact that makes the statements in its application not misleading.

The Recipient agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents.

The Recipient agrees to fulfill all assurances, declarations, representations, and commitments in its application, accompanying documents, and communications filed in support of its request for funding under this Agreement.

C.1.2 Authorization and Validity.

The execution and delivery of this Agreement, including all incorporated documents, has been duly authorized by the Recipient. Upon execution by both parties, this Agreement constitutes a valid and binding obligation of the Recipient, enforceable in accordance with its terms, except as such enforcement may be limited by law.

C.1.3 No Violations.

The execution, delivery, and performance by Recipient of this Agreement, including all incorporated documents, do not violate any provision of any law or regulation in effect as of the date of execution of this Agreement by the Recipient, or result in any breach or default under any contract, obligation, indenture, or other instrument to which Recipient is a party or by which Recipient is bound as of the date of execution of this Agreement by the Recipient.

C.1.4 No Litigation.

There are, as of the date of execution of this Agreement by the Recipient, no pending or, to Recipient's knowledge, threatened actions, claims, investigations, suits, or proceedings before any governmental authority, court, or administrative agency which materially affect, or, if resolved unfavorably to the Recipient, would materially affect the financial condition or operations of the Recipient, the System, the Revenues, and/or the Project.

There are no proceedings, actions, or offers by a public entity to acquire by purchase or the power of eminent domain the System or any of the real or personal property related to or necessary for the Project.

C.1.5 Property Rights and Water Rights.

The Recipient owns or has sufficient property rights in the Project property for the longer of the Useful Life or the term of this Agreement, either in fee simple or for a term of years that is not

subject to third-party revocation during the Useful Life of the Project, except as disclosed to the State Water Board.

The Recipient possesses all water rights necessary for this Project.

C.1.6 Solvency and Insurance.

None of the transactions contemplated by this Agreement will be or have been made with an actual intent to hinder, delay, or defraud any present or future creditors of Recipient. The Recipient is solvent and will not be rendered insolvent by the transactions contemplated by this Agreement. The Recipient is able to pay its debts as they become due. The Recipient maintains sufficient insurance coverage considering the scope of this Agreement, including, for example but not necessarily limited to, general liability, automobile liability, workers compensation and employer liability, professional liability.

C.1.7 Legal Status and Eligibility.

The Recipient is duly organized and existing and in good standing under the laws of the State of California. Recipient must at all times maintain its current legal existence and preserve and keep in full force and effect its legal rights and authority. The Recipient acknowledges that changes to its legal or financial status may affect its eligibility for funding under this Agreement and commits to maintaining its eligibility. Within the preceding ten years, the Recipient has not failed to demonstrate compliance with state or federal audit disallowances.

C.1.8 Financial Statements and Continuing Disclosure.

The financial statements of Recipient previously delivered to the State Water Board as of the date(s) set forth in such financial statements: (a) are materially complete and correct; (b) present fairly the financial condition of the Recipient; and (c) have been prepared in accordance with GAAP. Since the date(s) of such financial statements, there has been no material adverse change in the financial condition of the Recipient, nor have any assets or properties reflected on such financial statements been sold, transferred, assigned, mortgaged, pledged or encumbered, except as previously disclosed in writing by Recipient and approved in writing by the State Water Board.

The Recipient is current in its continuing disclosure obligations associated with its material debt, if any.

C.1.9 System Obligations

The Recipient has no System Obligations other than those defined in this Agreement.

C.1.10 No Other Material Obligations.

The Recipient has no Material Obligations other than System Obligations.

C.1.11 Compliance with State Water Board Funding Agreements.

The Recipient represents that it is in compliance with all State Water Board funding agreements to which it is a party.

C.2 DEFAULTS AND REMEDIES

In addition to any other remedy set forth in this Agreement, the following remedies are available under this Agreement.

C.2.1 Return of Funds; Acceleration; and Additional Payments.

Notwithstanding any other provision of this Agreement, if the Division determines that an Event of Default has occurred, the Recipient may be required, upon demand, immediately to do each of the following:

- i. return to the State Water Board any grant or principal forgiveness amounts received pursuant to this Agreement;
- ii. accelerate the payment of any principal owed under this Agreement, all of which shall be immediately due and payable;
- iii. pay interest at the highest legal rate on all of the foregoing; and
- iv. pay any Additional Payments.

C.2.2 [Reserved]

C.2.3 Administrative remedies.

Whenever the State Water Board determines that the Recipient, the Recipient's contractor, consultant, employee, agent, assignee, or grantee has violated any requirement or term of the Agreement, the State Water Board may impose civil penalties in accordance with Water Code, section 13497. The State Water Board may impose civil liability administratively against the Recipient or the Recipient's consultant or contractor or other agent furnishing any information related to funds disbursed or costs claimed for reimbursement if the Recipient or the Recipient's consultant or contractor or other agent fails to personally attest that the information is true, accurate, and complete to the best of one's knowledge. (Wat. Code, § 13498.) The State Water Board may impose civil liability administratively against any person who makes a misrepresentation in any submittal to the State Water Board, including, but not limited to, an application, report, certification, record, invoice, form, or other document that is submitted to the State Water Board relating to a financial assistance agreement. (Wat. Code, § 13499.)

C.2.4 Judicial remedies.

Whenever the State Water Board determines that an Event of Default shall have occurred, the State Water Board may enforce its rights under this Agreement by any judicial proceeding, whether at law or in equity. Without limiting the generality of the foregoing, the State Water Board may:

- i. by suit in equity, require the Recipient to account for amounts relating to this Agreement as if the Recipient were the trustee of an express trust;
- ii. by mandamus or other proceeding, compel the performance by the Recipient and any of its officers, agents, and employees of any duty under the law or of any obligation or covenant under this Agreement, including but not limited to the imposition and collection of rates for the services of the System sufficient to meet all requirements of this Agreement; and
- iii. take whatever action at law or in equity as may appear necessary or desirable to the State Water Board to collect the Payments then due or thereafter to become due, or to enforce performance of any obligation or covenant of the Recipient under this Agreement.

Upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the State Water Board under this Agreement, the State Water Board may make application for the appointment of a receiver or custodian of the Revenues, pending such proceeding, with such power as the court making such appointment may confer.

C.2.5 Termination.

Upon an Event of Default, the State Water Board may terminate this Agreement. Interest shall accrue on all amounts due at the highest legal rate of interest from the date that the State Water Board delivers notice of termination to the Recipient.

C.2.6 Damages for Breach of Tax-Exempt Status.

In the event that any breach of any of the provisions of this Agreement by the Recipient results in the loss of tax-exempt status for any bonds of the State or any subdivision or agency thereof, or if such breach results in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government by reason of any arbitrage profits, the Recipient must immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

C.2.7 Damages for Breach of Federal Conditions.

In the event that any breach of any of the provisions of this Agreement by the Recipient results in the failure of Project Funds to be used pursuant to the provisions of this Agreement, or if such breach results in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government, the Recipient must immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

C.2.8 Remedies and Limitations.

None of the remedies available to the State Water Board shall be exclusive of any other remedy, and each such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. The State Water Board may exercise any remedy, now or hereafter existing, without exhausting and without regard to any other remedy.

Any claim of the Recipient is limited to the rights and remedies provided to the Recipient under this Agreement and is subject to the claims procedures provided to the Recipient under this Agreement.

C.2.9 Non-Waiver.

Nothing in this Agreement shall affect or impair the Recipient's Obligation to pay Payments as provided herein or shall affect or impair the right of the State Water Board to bring suit to enforce such payment. No delay or omission of the State Water Board in the exercise of any right arising upon an Event of Default shall impair any such right or be construed to be a waiver of any such Event of Default. The State Water Board may exercise from time to time and as often as shall be deemed expedient by the State Water Board, any remedy or right provided by law or pursuant to this Agreement.

C.2.10 Status Quo.

If any action to enforce any right or exercise any remedy shall be brought and either discontinued or determined adversely to the State Water Board, then the State Water Board shall be restored to its former position, rights and remedies as if no such action had been brought.

C.3 STANDARD CONDITIONS

C.3.1 Access, Inspection, and Public Records.

The Recipient must ensure that the State Water Board, the Governor of the State, the USEPA, the USEPA's Office of Inspector General, any member of Congress, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of the Agreement. The Recipient acknowledges that, except for a subset of information regarding archaeological records, the Project records and locations are public records, including but not limited to all of the submissions accompanying the application, all of the documents incorporated into this Agreement by reference, and all reports, reimbursement requests, and supporting documentation submitted hereunder.

C.3.2 Accounting and Auditing Standards; Financial Management Systems.

(a) The Recipient must maintain project accounts according to GAAP as issued by the Governmental Accounting Standards Board (GASB) or its successor. The Recipient must maintain GAAP-compliant project accounts, including GAAP requirements relating to the reporting of infrastructure assets.

(b) The Recipient must comply with federal standards for financial management systems. The Recipient agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit preparation of reports required by the federal government and tracking of Project funds to a level of expenditure adequate to establish that such funds have not been used in violation of federal or state law or the terms of this Agreement. To the extent applicable, the Recipient must comply with the provisions and requirements of the federal Single Audit Act (SAA) of 1984, 2 CFR part 200, subpart F, and 2 CFR section 200.302, and updates or revisions thereto, including but not limited to:

- Maintain an annual (Fiscal Year) accounting system and identify all expenditures of federal financial assistance;
- Conduct a SAA audit using an independent auditor in those Fiscal Years when expenditures of total federal financial assistance equal or exceed the applicable threshold in 2 CFR section 200.501, and submit the SAA audit to the Federal Audit Clearinghouse within the earlier of thirty (30) calendar days after receipt of the auditor's report(s) or nine (9) months of the end of the audit period;
- Notify the Division when a SAA audit has been conducted and submitted to the Federal Audit Clearinghouse;
- Notify and provide the Division with a copy of the SAA audit within thirty (30) days of completion of the audit;
- Inform the Division of findings and recommendations pertaining to federal financial assistance provided through the State Water Board contained in SAA audits conducted by the Recipient;
- Initiate corrective actions for audit reports with findings and recommendations that impact federal financial assistance provided through the State Water Board and notify the Division when corrective actions are complete.

(c) Without limitation of the requirement to maintain Project accounts in accordance with GAAP, the Recipient must:

- i. Establish an official file for the Project which adequately documents all significant actions relative to the Project;
- ii. Establish separate accounts which will adequately and accurately depict all amounts received and expended on the Project, including all assistance funds received under this Agreement;

- iii. Establish separate accounts which will adequately depict all income received which is attributable to the Project, specifically including any income attributable to assistance funds disbursed under this Agreement;
- iv. Establish an accounting system which will accurately depict final total costs of the Project, including both direct and Indirect Costs;
- v. Establish such accounts and maintain such records as may be necessary for the State to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and
- vi. If Force Account is used by the Recipient for any phase of the Project, other than for planning, design, and construction engineering and administration provided for by allowance, accounts will be established which reasonably document all employee hours charged to the Project and the associated tasks performed by each employee.

C.3.3 Amendment.

No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by both the Recipient and the Deputy Director or designee.

Requests for amendments must be in writing and directed to the contact listed in Section 4 and to the Division's Chief of Loans and Grants Administration Section.

C.3.4 Assignability.

This Agreement is not assignable by the Recipient, either in whole or in part, without the consent of the State Water Board in the form of a formal written amendment to this Agreement.

C.3.5 Audit.

(a) The Division may call for an audit of financial information relative to the Project if the Division determines that an audit is desirable to assure program integrity or if an audit becomes necessary because of state or federal requirements. If an audit is called for, the audit must be performed by a certified public accountant independent of the Recipient and at the cost of the Recipient. The audit must be in the form required by the Division.

(b) Audit disallowances must be returned to the State Water Board.

C.3.6 Bonding.

Where contractors are used, the Recipient must not authorize construction to begin until each contractor has furnished a performance bond in favor of the Recipient in the following amounts: faithful performance (100%) of contract value; labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00.

C.3.7 Competitive Bidding

Recipient must adhere to any applicable state law or local ordinance for competitive bidding and applicable labor laws.

C.3.8 Compliance with Applicable Laws, Rules, and Requirements.

The Recipient must, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, guidelines, regulations, and requirements. Without limitation of the foregoing, to the extent applicable, the Recipient must:

- (a) Comply with the provisions of the adopted environmental mitigation plan, if any, for the term of this Agreement;
- (b) Comply with the Policy; and
- (c) Comply with and require compliance with the state and federal requirements set forth elsewhere in this Agreement.

C.3.9 Computer Software.

The Recipient certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

C.3.10 Conflict of Interest.

The Recipient certifies that its owners, officers, directors, agents, representatives, and employees are in compliance with applicable state and federal conflict of interest laws.

C.3.11 Continuous Use of Project; No Lease, Sale, Transfer of Ownership, or Disposal of Project.

The Recipient agrees that, except as provided in this Agreement, it will not abandon, substantially discontinue use of, lease, sell, transfer ownership of, or dispose of all or a significant part or portion of the Project during the Useful Life of the Project without prior written approval of the Division. Such approval may be conditioned as determined to be appropriate by the Division, including a condition requiring repayment of all disbursed Project Funds or all or any portion of all remaining funds covered by this Agreement together with accrued interest and any penalty assessments that may be due.

C.3.12 Data Management.

The Recipient will undertake appropriate data management activities so that Project data can be incorporated into statewide data systems.

C.3.13 Disputes.

- (a) The Recipient may appeal a staff decision within 30 days to the Deputy Director of the Division or designee, for a final Division decision. The Recipient may appeal a final Division decision to the State Water Board within 30 days. The Office of the Chief Counsel of the State Water Board will prepare a summary of the dispute and make recommendations relative to its final resolution, which will be provided to the State Water Board's Executive Director and each State Water Board Member. Upon the motion of any State Water Board Member, the State Water Board will review and resolve the dispute in the manner determined by the State Water Board. Should the State Water Board determine not to review the final Division decision, this decision will represent a final agency action on the dispute.
- (b) This clause does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final the decision of the State Water Board, or any official or representative thereof, on any question of law.
- (c) Recipient must continue with the responsibilities under this Agreement during any dispute.
- (d) This section relating to disputes does not establish an exclusive procedure for resolving claims within the meaning of Government Code sections 930 and 930.4.

C.3.14 [Reserved]

The Recipient certifies that it will provide a drug-free workplace in compliance with the Drug-Free Workplace Act (Gov. Code. §§ 8350-8357). The Recipient shall publish a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the Recipient's workplace and specifying the actions to be taken against employees for violations of the prohibition. The Recipient shall establish a drug-free awareness program to inform employees about the dangers of drug abuse in the workplace, the Recipient's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation and employee assistance programs, and penalties that may be imposed upon employees for drug abuse violations. The Recipient shall provide that every employee who works on the Project receives a copy of the Recipient's drug-free workplace policy statement and agrees to abide by the terms of the statement as a condition of employment on the Project.

C.3.15 Environmental Clearance.

(a) No work that is subject to CEQA or NEPA may proceed under this Agreement unless the State Water Board has provided environmental clearance. The State Water Board may require changes in the scope of work or additional mitigation as a condition to providing construction or implementation funding under this Agreement. Recipient shall not perform any work subject to CEQA and/or NEPA before the State Water Board completes its environmental review and specifies any changes in scope or additional mitigation that may be required. Proceeding with work subject to CEQA and/or NEPA without approval by the State Water Board shall constitute a breach of a material provision of this Agreement.

(b) If this Project includes modification of a river or stream channel, the Recipient must fully mitigate environmental impacts resulting from the modification. The Recipient must provide documentation that the environmental impacts resulting from such modification will be fully mitigated considering all of the impacts of the modification and any mitigation, environmental enhancement, and environmental benefit resulting from the Project, and whether, on balance, any environmental enhancement or benefit equals or exceeds any negative environmental impacts of the Project.

C.3.16 Governing Law.

This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

C.3.17 Income Restrictions.

The Recipient agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Recipient under this Agreement must be paid by the Recipient to the State Water Board, to the extent that they are properly allocable to costs for which the Recipient has been reimbursed by the State Water Board under this Agreement.

C.3.18 Indemnification and State Reviews.

The parties agree that review or approval of Project plans and specifications by the State Water Board is for administrative purposes only, including conformity with application and eligibility criteria, and expressly not for the purposes of design defect review or construction feasibility, and does not relieve the Recipient of its responsibility to properly plan, design, construct, operate, and maintain the Project. To the extent permitted by law, the Recipient agrees to indemnify, defend, and hold harmless the State Water Board, the Bank, and any trustee, and their officers, employees, and agents for the Bonds, if any (collectively, "Indemnified Persons"), against any loss or liability arising out of any claim or action brought against any Indemnified Persons from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character, and nature whatsoever arising out of, resulting from, or in any way connected with (1) the System or the Project or the conditions, occupancy, use, possession,

conduct, or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the System or the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the Toxic Substances Control Act, the Occupational Safety and Health Act, the Safe Drinking Water Act, the California Hazardous Waste Control Law, and California Water Code Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the System or the Project; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Recipient for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement, except those arising from the gross negligence or willful misconduct of the Indemnified Persons. The Recipient must also provide for the defense and indemnification of the Indemnified Persons in any contractual provision extending indemnity to the Recipient in any contract let for the performance of any work under this Agreement, and must cause the Indemnified Persons to be included within the scope of any provision for the indemnification and defense of the Recipient in any contract or subcontract. To the fullest extent permitted by law, the Recipient agrees to pay and discharge any judgment or award entered or made against Indemnified Persons with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section survive the term of this Agreement.

C.3.19 Independent Actor.

The Recipient, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State Water Board.

C.3.20 Integration.

This Agreement constitutes the complete and final agreement between the parties. No oral or written understanding or agreement not incorporated in this Agreement shall be binding on either party.

C.3.21 Leveraging Covenants.

Notwithstanding any other provision hereof, the Recipient covenants and agrees that it will comply with the Tax Covenants set forth in Exhibit F of this Agreement.

(a) The Recipient covenants to furnish such financial, operating and other data pertaining to the Recipient as may be requested by the State Water Board to: (i) enable the State Water Board to cause the issuance of Bonds and provide for security therefor; or (ii) enable any underwriter of Bonds issued for the benefit of the State Water Board to comply with Rule 15c2-12(b)(5).

(b) The Recipient further covenants to provide the State Water Board with copies of all continuing disclosure documents or reports that are disclosed pursuant to (i) the Recipient's continuing disclosure undertaking or undertakings made in connection with any outstanding System Obligation, (ii) the terms of any outstanding System Obligation, or (iii) a voluntary disclosure of information related to an outstanding System Obligation. The Recipient must disclose such documents or reports to the State Water Board at the same time such documents or reports are submitted to any dissemination agent, trustee, nationally recognized municipal securities information repository, the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) website or other person or entity.

C.3.22 No Discrimination.

(a) The Recipient must comply with Government Code section 11135 and the implementing regulations (Cal. Code Regs, tit. 2, § 14000 et seq.), including, but not limited to, ensuring that no person is unlawfully denied full and equal access to the benefits of, or unlawfully subjected to discrimination in the operation of, the Project or System on the basis of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, or sexual orientation as such terms are defined under California law, for as long as the Recipient retains ownership or possession of the Project.

(b) If Project Funds are used to acquire or improve real property, the Recipient must include a covenant of nondiscrimination running with the land in the instrument effecting or recording the transfer of such real property.

(c) The Recipient must comply with the federal American with Disabilities Act of 1990 and implementing regulations as required by Government Code section 11135(b).

(d) The Recipient's obligations under this section shall survive the term of this Agreement.

(e) During the performance of this Agreement, Recipient and its contractors and subcontractors must not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, sexual orientation, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family care leave, or genetic information, gender, gender identity, gender expression, or military and veteran status.

(f) The Recipient, its contractors, and subcontractors must ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

(g) The Recipient, its contractors, and subcontractors must comply with the provisions of the Fair Employment and Housing Act and the applicable regulations promulgated thereunder. (Gov. Code, §12990, subs. (a)-(f) et seq.; Cal. Code Regs., tit. 2, § 7285 et seq.) Such regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

(h) The Recipient, its contractors, and subcontractors must comply with all applicable federal civil rights regulations, including statutory and national policy requirements. (2 CFR § 200.300).

(i) The Recipient, its contractors, and subcontractors must give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

(j) The Recipient must include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

C.3.23 No Third Party Rights.

The parties to this Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or of any duty, covenant, obligation, or undertaking established herein.

C.3.24 No Obligation of the State.

Any obligation of the State Water Board herein contained shall not be an obligation, debt, or liability of the State and any such obligation shall be payable solely out of the moneys encumbered pursuant to this Agreement.

C.3.25 Notice.

Upon the occurrence of any of the following events, the Recipient must provide notice as set forth below.

- (a) Within 24 hours of the following, the Recipient must notify the Division by phone at (916) 327-9978, by email to Joshua.Ruehlig@waterboards.ca.gov, James.Garcia@waterboards.ca.gov and DrinkingWaterSRF@waterboards.ca.gov of:
- i. The seizure of, or levy on, any Revenues securing this Agreement;
 - ii. Any discovery of any potential tribal cultural resource, archaeological or historical resource, or human remains in the Project area (also notify the Division's Senior Cultural Resources Officer, at CulturalResources@waterboards.ca.gov). Should a potential tribal cultural resource or archaeological or historical resource be discovered during construction or Project implementation, the Recipient must ensure that all work in the area of the find will cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the Division has determined what actions should be taken to protect and preserve the resource. The Recipient must implement appropriate actions as directed by the Division. If there are any applicable provisions of a mitigation, monitoring and reporting program adopted for the Project, the Recipient shall comply with such provisions. In the event of the discovery of human remains during construction of the Project, the Recipient shall cease construction and take other action required by any applicable laws, which may include but are not limited to Health and Safety Code, section 7050.5 and Public Resources Code, section 5097.98.
- Any discovery of any potential tribal cultural resource, archaeological or historical resource, or human remains in the Project area. If there are any applicable provisions of a mitigation, monitoring and reporting program adopted for the project, the Recipient shall comply with such provisions. The Recipient must coordinate with the Division to determine the appropriate course of action necessary to mitigate potential impacts. In the event of the discovery of human remains during construction of the Project, the Recipient shall cease construction and take other action required by any applicable laws, which may include but are not limited to Health and Safety Code, section 7050.5 and Public Resources Code, section 5097.98.
- (b) Within five (5) business days, the Recipient must notify the Division by phone at (916) 327-9978; by email to Lance.Reese@waterboards.ca.gov, Joshua.Ruehlig@waterboards.ca.gov, James.Garcia@waterboards.ca.gov and DrinkingWaterSRF@waterboards.ca.gov; and by mail to the contact address set forth in Section 4 of this Agreement of the occurrence of any of the following events:
- i. Bankruptcy, insolvency, receivership or similar event of the Recipient, or actions taken in anticipation of any of the foregoing;
 - ii. Change of ownership of the Project or the System or change of management or service contracts, if any, for operation of the System;
 - iii. Loss, theft, damage, or impairment to Project, the Revenues or the System;
 - iv. Failure to meet any debt service coverage test in Exhibit B of this Agreement;
 - v. Draws on the Reserve Fund;
 - vi. Listed Events and Events of Default, except as otherwise set forth in this section;
 - vii. Failure to observe or perform any covenant or comply with any condition in this Agreement;
 - viii. An offer from a public entity to purchase the Project or the System or any portion thereof, or any of the real or personal property related to or necessary for the Project;

- ix. A proceeding or action by a public entity to acquire the Project or the System by power of eminent domain;
 - x. Incurrence of a System Obligation or other Material Obligation by the Recipient; or
 - xi. A default, event of acceleration, termination event, modification of terms, or other similar event under the terms of a System Obligation or other Material Obligation of the Recipient, any of which reflect financial difficulties.
- (c) Within ten (10) business days, the Recipient must notify the Division by phone at (916) 327-9978, by email to Joshua.Ruehlig@waterboards.ca.gov and James.Garcia@waterboards.ca.gov, and by mail to the contact address set forth in Section 4 of this Agreement of the following events:
- i. Material defaults on Material Obligations, other than this Obligation;
 - ii. Unscheduled draws on material debt service reserves or credit enhancements, reflecting financial difficulties;
 - iii. Substitution of credit or liquidity providers, if any or their failure to perform;
 - iv. Any litigation pending or threatened with respect to the Project or the Recipient's technical, managerial or financial capacity to operate the System or the Recipient's continued existence, or any judgment or court order relating to such litigation that has a significant effect on the Project or the System;
 - v. Circulation of a petition to repeal, reduce, or otherwise challenge the Recipient's rates for services of the System;
 - vi. Consideration of dissolution, or disincorporation, or any other event that could materially impair the Revenues;
 - vii. Adverse tax opinions, the issuance by the Internal Revenue Service or proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of any tax-exempt bonds;
 - viii. Rating changes on outstanding System Obligations, if any;
 - ix. Enforcement actions by or brought on behalf of the State Water Board or Regional Water Board; or
 - x. Any investigation by the District Attorney, California State Auditor, Bureau of State Audits, USEPA's Office of Inspector General, the Internal Revenue Service, Securities and Exchange Commission, a grand jury, or any other state or federal agency, relating to the Recipient's financial management, accounting procedures, or internal fiscal controls;
- (d) The Recipient must notify the Division promptly by phone at (916) 327-9978, by email to Joshua.Ruehlig@waterboards.ca.gov, James.Garcia@waterboards.ca.gov and DrinkingWaterSRF@waterboards.ca.gov, and by mail to the contact address set forth in Section 4 of this Agreement of any of the following events:
- i. The discovery of a false statement of fact or representation made in this Agreement or in the application to the Division for this financial assistance, or in any certification, report, or request for reimbursement made pursuant to this Agreement, by the Recipient, its employees, agents, or contractors;
 - ii. Any substantial change in scope of the Project. The Recipient must undertake no substantial change in the scope of the Project until prompt written notice of the proposed change has been provided to the Division and the Division has given written approval for the change;
 - iii. Cessation of all major construction work on the Project where such cessation of work is expected to or does extend for a period of thirty (30) days or more;
 - iv. Any circumstance, combination of circumstances, or condition, which is expected to or does delay Completion of Construction for a period of ninety (90) days or more;

- v. Any disputes related to the Project that may affect the Recipient's ability to comply with the terms of this Agreement;
- vi. Discovery of any unexpected endangered or threatened species, as defined in the federal Endangered Species Act. Should a federally protected species be unexpectedly encountered during construction of the Project, the Recipient agrees to promptly notify the Division. This notification is in addition to the Recipient's obligations under the federal Endangered Species Act;
- vii. Any Project monitoring, demonstration, or other implementation activities required in Exhibit A or Exhibit D of this Agreement, if any;
- viii. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by state and federal representatives with at least ten (10) working days' notice [to the Division](#);
- ix. Any allegation of research misconduct involving research activities that are supported in whole or in part with USEPA funds under this Project, as required by Exhibit C.4.3(xxvii);
- x. Any events requiring notice to the Division pursuant to the provisions of this Agreement;
- xi. Completion of Construction of the Project, and actual Project Completion;
- xii. The award of the prime construction contract for the Project;
- xiii. Initiation of construction of the Project.

C.3.26 Operation and Maintenance; Insurance.

The Recipient agrees to sufficiently and properly staff, operate and maintain all portions of the System during the Useful Life of the Project in accordance with all applicable state and federal laws, rules, and regulations.

The Recipient will procure and maintain or cause to be maintained insurance on the System with responsible insurers, or as part of a reasonable system of self-insurance, in such amounts and against such risks (including damage to or destruction of the System) as are usually covered in connection with systems similar to the System. Such insurance may be maintained by a self-insurance plan so long as such plan provides for (i) the establishment by the Recipient of a separate segregated self-insurance fund in an amount determined (initially and on at least an annual basis) by an independent insurance consultant experienced in the field of risk management employing accepted actuarial techniques and (ii) the establishment and maintenance of a claims processing and risk management program.

In the event of any damage to or destruction of the System caused by the perils covered by such insurance, the net proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the System. The Recipient must begin such reconstruction, repair or replacement as expeditiously as possible, and must pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same must be completed and the System must be free and clear of all claims and liens. If such net proceeds are insufficient to reconstruct, repair, or restore the System to the extent necessary to enable the Recipient to pay all remaining unpaid principal portions of the Payments, if any, in accordance with the terms of this Agreement, the Recipient must provide additional funds to restore or replace the damaged portions of the System.

Recipient agrees that for any policy of insurance concerning or covering the construction of the Project, it will cause, and will require its contractors and subcontractors to cause, a certificate of insurance to be issued showing the State Water Board, its officers, agents, employees, and servants as additional insured; and must provide the Division with a copy of all such certificates prior to the commencement of construction of the Project.

C.3.27 Permits, Subcontracting, and Remedies.

Recipient must procure all permits, licenses and other authorizations necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Signed copies of any such permits or licenses must be submitted to the Division before any construction begins.

The Recipient must not contract or allow subcontracting with excluded parties. The Recipient must not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized. For any work related to this Agreement, the Recipient must not contract with any individual or organization on the State Water Board's List of Disqualified Businesses and Persons that is identified as debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which funding under this Agreement is authorized. The State Water Board's List of Disqualified Businesses and Persons is located at http://www.waterboards.ca.gov/water_issues/programs/enforcement/fwa/dbp.shtml

C.3.28 Professionals.

The Recipient agrees that only licensed professionals will be used to perform services under this Agreement where such services are called for. All technical reports required pursuant to this Agreement that involve planning, investigation, evaluation, design, or other work requiring interpretation and proper application of engineering, architectural, or geologic sciences, shall be prepared by or under the direction of persons registered to practice in California pursuant to Business and Professions Code, sections 5536.1, 6735, 7835, and 7835.1. To demonstrate compliance with California Code of Regulations, title 16, sections 415 and 3065, all technical reports must contain a statement of the qualifications of the responsible registered professional(s). As required by these laws, completed technical reports must bear the signature(s) and seal(s) of the registered professional(s) in a manner such that all work can be clearly attributed to the professional responsible for the work.

C.3.29 Prevailing Wages.

The Recipient agrees to be bound by all applicable provisions of State Labor Code regarding prevailing wages. The Recipient must monitor all agreements subject to reimbursement from this Agreement to ensure that the prevailing wage provisions of the State Labor Code are being met.

In addition, the Recipient agrees to comply with the Davis-Bacon provisions incorporated by reference in Section 3 of this Agreement.

C.3.30 Public Funding.

This Project is publicly funded. Any service provider or contractor with which the Recipient contracts must not have any role or relationship with the Recipient, that, in effect, substantially limits the Recipient's ability to exercise its rights, including cancellation rights, under the contract, based on all the facts and circumstances.

C.3.31 Recipient's Responsibility for Work.

The Recipient shall be responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Recipient shall be responsible for responding to any and all disputes arising out of its contracts for work on the Project. The State Water Board will not mediate disputes between the Recipient and any other entity concerning responsibility for performance of work.

C. 3.32 Records Retention.

The Recipient must maintain separate books, records and other material relative to the Project, including compliance documentation. The Recipient must also retain such books, records, and other material for itself and for each contractor or subcontractor who performed or performs work on this project for a minimum of thirty-six (36) years after Completion of Construction. The Recipient must require that such books, records, and other material are subject at all reasonable times (at a minimum during normal business hours) to inspection, copying, and audit by the State Water Board, the California State Auditor, the Bureau of State Audits, the USEPA, the USEPA's Office of Inspector General, the Internal Revenue Service, the Governor, or any authorized representatives of the aforementioned. The Recipient must allow and must require its contractors to allow interviews during normal business hours of any employees who might reasonably have information related to such records. The Recipient agrees to include a similar duty regarding audit, interviews, and records retention in any contract or subcontract related to the performance of this Agreement. The provisions of this section survive the term of this Agreement.

C.3.33 Related Litigation.

Under no circumstances may the Recipient use funds from any reimbursement under this Agreement to pay costs associated with any litigation the Recipient pursues against the State Water Board or any Regional Water Quality Control Board. Regardless of the outcome of any such litigation, and notwithstanding any conflicting language in this Agreement, the Recipient agrees to repay all of the disbursed funds plus interest in the event that Recipient does not complete the project.

C.3.34 Rights in Data.

The Recipient agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement are subject to the rights of the State as set forth in this section. The State shall have the right to reproduce, publish, and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Recipient may copyright the same, except that, as to any work which is copyrighted by the Recipient, the State reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so, and to receive electronic copies from the Recipient upon request.

C.3.35 State Water Board Action; Costs and Attorney Fees.

Any remedy provided in this Agreement is in addition to and not in derogation of any other legal or equitable remedy available to the State Water Board as a result of breach of this Agreement by the Recipient, whether such breach occurs before or after completion of the Project, and exercise of any remedy provided by this Agreement by the State Water Board shall not preclude the State Water Board from pursuing any legal remedy or right which would otherwise be available. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that each party shall bear its own costs and attorney fees.

C.3.36 Timeliness.

Time is of the essence in this Agreement.

C.3.37 Unenforceable Provision.

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

C.3.38 Venue.

Any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California.

C.3.39 Waiver and Rights of the State Water Board.

Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the State Water Board provided for in this Agreement are in addition to any other rights and remedies provided by law.

C.4 MISCELLANEOUS STATE AND FEDERAL REQUIREMENTS

C.4.1 [Reserved]

C.4.2 State Cross-Cutters.

Recipient represents that, as applicable, it complies and covenants to maintain compliance with the following with respect to all Project Costs for the term of this Agreement:

- i. The California Environmental Quality Act (CEQA), as set forth in Public Resources Code 21000 et seq. and in the CEQA Guidelines at Title 14, Division 6, Chapter 3, Section 15000 et seq.
- ii. Water Conservation requirements, including regulations in Division 3 of Title 23 of the California Code of Regulations.
- iii. Monthly Water Diversion Reporting requirements, including requirements set forth in Water Code section 5103.
- iv. Public Works Contractor Registration with Department of Industrial Relations requirements, including requirements set forth in Sections 1725.5 and 1771.1 of the Labor Code.
- v. Volumetric Pricing & Water Meters requirements, including the requirements of Water Code sections 526 and 527.
- vi. Urban Water Management Plan requirements, including the Urban Water Management Planning Act (Water Code, § 10610 et seq.).
- vii. Urban Water Demand Management requirements, including the requirements of Section 10608.56 of the Water Code.
- viii. Delta Plan Consistency Findings requirements, including the requirements of Water Code section 85225 and California Code of Regulations, title 23, section 5002.
- ix. Agricultural Water Management Plan Consistency requirements, including the requirements of Water Code section 10852.

- x. Charter City Project Labor Requirements, including the requirements of Labor Code section 1782 and Public Contract Code section 2503.
- xi. The Recipient agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with directives or orders issued pursuant to Division 7 of the Water Code.
- xii. Regulations in Division 4 of Title 22 of the California Code of Regulations, including but not limited to California Waterworks Standards in Chapter 16, and Lead and Copper regulations in Chapter 17.5.

C.4.3 Federal Requirements and Cross-Cutters for SRF Funding.

The Recipient acknowledges, warrants compliance with, and covenants to continuing compliance with the following federal terms and conditions with respect to all Project Costs for the term of this Agreement and for the Useful Life of the Project:

- i. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient shall not purchase "iron and steel products" produced outside of the United States on this Project. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient hereby certifies that all "iron and steel products" used in the Project were or will be produced in the United States. For purposes of this section, the term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials. "Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.
- ii. The Recipient must include in full the Wage Rate Requirements (Davis-Bacon) language incorporated by reference in Section 3 of this Agreement in all construction contracts and subcontracts.
- iii. The Recipient must comply with the signage requirements set forth in Exhibit A.
- iv. The Recipient shall notify the State Water Board and the USEPA contact of public or media events publicizing the accomplishment of significant events related to this Project and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.
- v. The Recipient shall comply with applicable USEPA general terms and conditions found at: <https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2024-or-later>.
- vi. No Recipient may receive funding under this Agreement unless it has provided its Unique Entity Identifier, assigned by the System for Award Management, to the State Water Board.
- vii. The Recipient represents and warrants that it and its principals are not excluded or disqualified from participating in this transaction as such terms are defined in Parts 180 and 1532 of Title 2 of the Code of Federal Regulations (2 CFR). If the Recipient is excluded after execution of this Agreement, the Recipient shall notify the Division within ten (10) days and shall inform the Division of the Recipient's exclusion in any request for amendment of this Agreement. The Recipient shall comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of

Part 1532 of 2 CFR. Such compliance is a condition precedent to the State Water Board's performance of its obligations under this Agreement. When entering into a covered transaction as defined in Parts 180 and 1532 of 2 CFR, the Recipient shall require the other party to the covered transaction to comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR.

- viii. To the extent applicable, the Recipient shall disclose to the State Water Board any potential conflict of interest consistent with USEPA's Final Financial Assistance Conflict of Interest Policy at <https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy>. A conflict of interest may result in disallowance of costs.
- ix. USEPA and the State Water Board have the right to reproduce, publish, use and authorize others to reproduce, publish and use copyrighted works or other data developed under this assistance agreement. This includes the right to require the Recipient to make such works available through agency-designated public access repositories.
- x. Where an invention is made with Project Funds, USEPA and the State Water Board retain the right to a worldwide, nonexclusive, nontransferable, irrevocable, paid-up license to practice the invention owned by the Recipient. The Recipient must utilize the Interagency Edison extramural invention reporting system at <https://www.nist.gov/iedison> and shall notify the Division when an invention report, patent report, or utilization report is filed.
- xi. The Recipient agrees that any reports, documents, publications or other materials developed for public distribution supported by this Agreement shall contain the Disclosure statement set forth in Exhibit A.
- xii. The Recipient acknowledges that it is encouraged to follow guidelines established under Section 508 of the Rehabilitation Act, codified at 36 CFR Part 1194, with respect to enabling individuals with disabilities to participate in its programs supported by this Project.
- xiii. The Recipient, its employees, contractors and subcontractors and their employees warrants that it will not engage in severe forms of trafficking in persons, procure a commercial sex act during the term of this Agreement, use forced labor in the performance of this Agreement, or engage in acts that directly support or advance trafficking in persons, including (i) destroying, concealing, removing, confiscating, or otherwise denying an employee access to that employee's identity or immigration documents; (ii) failing to provide return transportation or pay for return transportation costs to an employee from a country outside the United States to the country from which the employee was recruited upon the end of employment if request by the employee, unless exempted from the requirement to provide or pay for such return transportation by the Federal department or agency providing or entering into the grant or cooperative agreements or the employee is a victim of human trafficking seeking victim services or legal redress in the country of employment or a witness in a human trafficking enforcement action; (iii) soliciting a person for the purpose of employment, or offering employment, by means of materially false or fraudulent pretenses, representations, or promises regarding that employment; (iv) charging recruited employees a placement or recruitment fee; or (v) providing or arranging housing that fails to meet the host country's housing and safety standards. The Recipient must include this provision in its contracts and subcontracts under this Agreement. The Recipient must inform the State Water Board immediately of any information regarding a violation of the foregoing. The Recipient understands that failure to comply with this provision may subject the State Water Board to loss of federal funds. The Recipient agrees to compensate the State Water Board for any such funds lost due to its failure to comply with this condition, or the failure of its contractors or subcontractors to comply with this condition. The State Water Board may unilaterally terminate this Agreement if the Recipient that is a private entity is determined to have violated the foregoing.

- xiv. The Recipient certifies to the best of its knowledge and belief that:
- a. No federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
 - b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with this Agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions, and notify the State Water Board.

The Recipient shall require this certification from all parties to any contract or agreement that the Recipient enters into and under which the Recipient incurs costs for which it seeks reimbursements under this Agreement.

- xv. The Recipient must comply with the following federal non-discrimination requirements:
- a. Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, and national origin, including limited English proficiency (LEP).
 - b. Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against persons with disabilities.
 - c. The Age Discrimination Act of 1975, which prohibits age discrimination.
 - d. Section 13 of the Federal Water Pollution Control Act Amendments of 1972, which prohibits discrimination on the basis of sex.
 - e. 40 CFR Part 7, as it relates to the foregoing.
- xvi. Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans; 42 USC § 7606; 33 USC § 1368. Except where the purpose of this Agreement is to remedy the cause of the violation, the Recipient may not procure goods, services, or materials from suppliers excluded under the federal System for Award Management: sam.gov
- xvii. Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended; 42 USC §§4601-4655. The Recipient must comply with the Act's implementing regulations at 49 CFR 24.101 through 24.105.
- xviii. The Recipient agrees that if its network or information system is connected to USEPA networks to transfer data using systems other than the Environmental Information Exchange Network or USEPA's Central Data Exchange, it will ensure that any connections are secure. For purposes of this subsection, a connection is defined as a dedicated persistent interface between a USEPA information technology system and an external information technology system for the purpose of transferring information. Transitory, user-controlled connections such as website browsing are excluded from this definition. If the Recipient's connections as defined above do not go through the Environmental Information Exchange Network or USEPA's Central Data Exchange, the Recipient agrees to contact the USEPA Project Officer and work with the designated Regional/Headquarters Information Security Officer to ensure that the connections meet USEPA security requirements, including entering into Interconnection Service Agreements as appropriate. This condition does not apply to manual entry of data by the Recipient into systems

operated and used by USEPA's regulatory programs for the submission of reporting and/or compliance data.

- xix. All geospatial data created pursuant to this Agreement that is submitted to the State Water Board for use by USEPA or that is submitted directly to USEPA must be consistent with Federal Geographic Data Committee endorsed standards. Information on these standards may be found at www.fgdc.gov.
- i. If the Recipient is a water system that serves 500 or fewer persons, the Recipient represents that it has considered publicly-owned wells as an alternative drinking water supply.
 - ii. The Recipient represents that it is not a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and it is not a corporation that was convicted of a felony criminal violation under a Federal law within the preceding 24 months.
 - iii. The Recipient agrees to immediately notify the Project Manager in writing about any allegation of research misconduct involving research activities that are supported in whole or in part with USEPA funds under this Project, including fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results, or ordering, advising, or suggesting that subordinates engage in research misconduct.
 - iv. The Recipient agrees to comply with, and require all contractors and subcontractors to comply with, USEPA's Scientific Integrity Policy, available at <https://www.epa.gov/osa/policy-epa-scientific-integrity>, when conducting, supervising, and communicating science and when using or applying the results of science. For purposes of this condition scientific activities include, but are not limited to, computer modelling, economic analysis, field sampling, laboratory experimentation, demonstrating new technology, statistical analysis, and writing a review article on a scientific issue.

The Recipient shall not suppress, alter, or otherwise impede the timely release of scientific findings or conclusions; intimidate or coerce scientists to alter scientific data, findings, or professional opinions or exert non-scientific influence on scientific advisory boards; knowingly misrepresent, exaggerate, or downplay areas of scientific uncertainty; or otherwise violate the USEPA's Scientific Integrity Policy. The Recipient must refrain from acts of research misconduct, including publication or reporting, as described in USEPA's Policy and Procedures for Addressing Research Misconduct, Section 9.C, and must ensure scientific findings are generated and disseminated in a timely and transparent manner, including scientific research performed by contractors and subcontractors.

- v. The Recipient agrees to comply with the Animal Welfare Act of 1966 (7 USC 2131-2156). Recipient also agrees to abide by the "U.S. Government Principles for the Utilization and Care of Vertebrate Animals used in Testing, Research, and Training," available at <http://grants.nih.gov/grants/olaw/references/phspol.htm#USGovPrinciples>.
- vi. The Recipient certifies that no Project Funds will be used on:
 - a. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities), telecommunications or video surveillance equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);

- b. Telecommunications or video surveillance services provided by such entities or using such equipment;
 - c. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country;
 - d. Systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system; or
 - e. Other telecommunications or video surveillance services or equipment in violation of [2 CFR 200.216](#).
- vii. The Recipient agrees to ensure that if the Project includes lead service line replacement, each lead service line replaced using Project Funds must be replaced in its entirety, unless the remaining portion of that service line has already been replaced or is concurrently being replaced with another funding source.
- viii. The Recipient agrees to comply with all applicable federal environmental cross-cutters, including the following:
- a. Archeological and Historic Preservation Act (16 U.S.C. § 469; 54 U.S.C. §§ 312501-312508)
 - b. Clean Air Act (42 U.S.C. § 7401)
 - c. Coastal Barriers Resources Act (16 U.S.C. § 3501 et seq.)
 - d. Coastal Zone Management Act (16 U.S.C. § 1451 et seq.)
 - e. Endangered Species Act (16 U.S.C. § 1531 et seq.)
 - f. Farmland Protection Policy Act (7 U.S.C. § 4201 et seq.)
 - g. Floodplain Management [Executive Order 11988 (1977), as amended by Executive Order No. 12148 (1979)]
 - h. Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. § 1801 et seq.)
 - i. National Historic Preservation Act (54 U.S.C. §§ 300101 et seq.)
 - j. Sole Source Aquifer, section 1424(e) of Safe Drinking Water Act, 42 U.S.C. 300h-3(e)
 - k. Wetlands Protection – Executive Order No. 11990 (1977), as amended by Executive Order No. 12608 (1997)
 - l. Wild and Scenic Rivers Act (16 U.S.C. § 1271 et seq.)

EXHIBIT D – SPECIAL CONDITIONS

D.1 Environmental Special Conditions:

1. The Recipient shall make no changes to the Project, construction area, or special conditions, without obtaining the appropriate and necessary prior approval from the State Water Board.
2. The Recipient shall provide notice to the DWSRF Program at DrinkingWaterSRF@waterboards.ca.gov or (916) 327-9978 within 24 hours of the discovery of any potential tribal cultural resource and/or archaeological or historical resource, and shall notify the Division promptly upon the discovery of any unexpected endangered or threatened species, as defined in the federal Endangered Species Act. For additional requirements, please refer to Exhibit C of this Agreement.

Executive Order N-6-22 — Russian Sanctions.

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State Water Board determine Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State Water Board shall provide Recipient advance written notice of such termination, allowing Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State Water Board.

The Recipient represents that the Recipient is not a target of economic sanctions imposed in response to Russia’s actions in Ukraine imposed by the United States government or the State of California. The Recipient is required to comply with the economic sanctions imposed in response to Russia’s actions in Ukraine, including with respect to, but not limited to, the federal executive orders identified in California Executive Order N-6-22, located at <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf> and the sanctions identified on the United States Department of the Treasury website (<https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions>). The Recipient is required to comply with all applicable reporting requirements regarding compliance with the economic sanctions, including, but not limited to, those reporting requirements set forth in California Executive Order N-6-22 for all Recipients with one or more agreements with the State of California with an aggregated value of Five Million Dollars (\$5,000,000) or more. Notwithstanding any other provision in this Agreement, failure to comply with the economic sanctions and all applicable reporting requirements may result in termination of this Agreement.

For Recipients with an aggregated agreement value of Five Million Dollars (\$5,000,000) or more with the State of California, reporting requirements include, but are not limited to, information related to steps taken in response to Russia’s actions in Ukraine, including but not limited to:

1. Desisting from making any new investments or engaging in financial transactions with Russian institutions or companies that are headquartered or have their principal place of business in Russia;
2. Not transferring technology to Russia or companies that are headquartered or have their principal place of business in Russia; and
3. Direct support to the government and people of Ukraine.

EXHIBIT E – PAYMENT SCHEDULE

See the attached preliminary Payment Schedule. The final Payment Schedule will be forwarded to the Recipient after all disbursements have been paid and construction of the Project has been completed.

California DWSRF Payment Schedule

Principal is paid over: **30 Years**

Project No. 0910002-031C - South Tahoe Public Utility District
 Agreement: D2502059 - based on Actual + Projected Disbursements

Interest rate: **2.10000%**

Glenwood-Rancho, Lake Tahoe Blvd, Tahoe Mountain Waterline Upgrades

Ref Num	Due Date	Date Received	Principal Payment	Interest Rate%	Interest Payment	Total P and I Payment	Total Payment	Ending Balance	CPI Interest
1	6/30/2027		0.00	2.100	113,272.04	113,272.04	113,272.04	8,356,816.00	0.00
2	6/30/2028		0.00	2.100	210,842.93	210,842.93	210,842.93	11,467,118.00	0.00
3	6/30/2029		0.00	2.100	266,858.31	266,858.31	266,858.31	13,244,439.00	0.00
4	6/30/2030		321,392.21	2.100	278,133.22	599,525.43	599,525.43	12,923,046.79	0.00
5	6/30/2031		328,141.45	2.100	271,383.98	599,525.43	599,525.43	12,594,905.34	0.00
6	6/30/2032		335,032.42	2.100	264,493.01	599,525.43	599,525.43	12,259,872.92	0.00
7	6/30/2033		342,068.10	2.100	257,457.33	599,525.43	599,525.43	11,917,804.82	0.00
8	6/30/2034		349,251.53	2.100	250,273.90	599,525.43	599,525.43	11,568,553.29	0.00
9	6/30/2035		356,585.81	2.100	242,939.62	599,525.43	599,525.43	11,211,967.48	0.00
10	6/30/2036		364,074.11	2.100	235,451.32	599,525.43	599,525.43	10,847,893.37	0.00
11	6/30/2037		371,719.67	2.100	227,805.76	599,525.43	599,525.43	10,476,173.70	0.00
12	6/30/2038		379,525.78	2.100	219,999.65	599,525.43	599,525.43	10,096,647.92	0.00
13	6/30/2039		387,495.82	2.100	212,029.61	599,525.43	599,525.43	9,709,152.10	0.00
14	6/30/2040		395,633.24	2.100	203,892.19	599,525.43	599,525.43	9,313,518.86	0.00
15	6/30/2041		403,941.53	2.100	195,583.90	599,525.43	599,525.43	8,909,577.33	0.00
16	6/30/2042		412,424.31	2.100	187,101.12	599,525.43	599,525.43	8,497,153.02	0.00
17	6/30/2043		421,085.22	2.100	178,440.21	599,525.43	599,525.43	8,076,067.80	0.00
18	6/30/2044		429,928.01	2.100	169,597.42	599,525.43	599,525.43	7,646,139.79	0.00
19	6/30/2045		438,956.49	2.100	160,568.94	599,525.43	599,525.43	7,207,183.30	0.00
20	6/30/2046		448,174.58	2.100	151,350.85	599,525.43	599,525.43	6,759,008.72	0.00
21	6/30/2047		457,586.25	2.100	141,939.18	599,525.43	599,525.43	6,301,422.47	0.00
22	6/30/2048		467,195.56	2.100	132,329.87	599,525.43	599,525.43	5,834,226.91	0.00
23	6/30/2049		477,006.66	2.100	122,518.77	599,525.43	599,525.43	5,357,220.25	0.00
24	6/30/2050		487,023.80	2.100	112,501.63	599,525.43	599,525.43	4,870,196.45	0.00
25	6/30/2051		497,251.30	2.100	102,274.13	599,525.43	599,525.43	4,372,945.15	0.00
26	6/30/2052		507,693.58	2.100	91,831.85	599,525.43	599,525.43	3,865,251.57	0.00
27	6/30/2053		518,355.15	2.100	81,170.28	599,525.43	599,525.43	3,346,896.42	0.00
28	6/30/2054		529,240.61	2.100	70,284.82	599,525.43	599,525.43	2,817,655.81	0.00
29	6/30/2055		540,354.66	2.100	59,170.77	599,525.43	599,525.43	2,277,301.15	0.00
30	6/30/2056		551,702.11	2.100	47,823.32	599,525.43	599,525.43	1,725,599.04	0.00
31	6/30/2057		563,287.85	2.100	36,237.58	599,525.43	599,525.43	1,162,311.19	0.00
32	6/30/2058		575,116.90	2.100	24,408.53	599,525.43	599,525.43	587,194.29	0.00
33	6/30/2059		587,194.29	2.100	12,331.08	599,525.37	599,525.37	0.00	0.00
			13,244,439.00		5,332,297.12	18,576,736.12	18,576,736.12		0.00

EXHIBIT F – TAX CERTIFICATE

F.1 Purpose.

The purpose of this Exhibit F is to establish the reasonable expectations of the Recipient regarding the Project and the Project Funds, and is intended to be and may be relied upon for purposes of Sections 103, 141 and 148 of the Code and as a certification described in Section 1.148-2(b)(2) of the Treasury Regulations. This Exhibit F sets forth certain facts, estimates and circumstances which form the basis for the Recipient's expectation that neither the Project nor the Bond Funded Portion of the Project Funds is to be used in a manner that would cause the Obligation to be classified as "arbitrage bonds" under Section 148 of the Code or "private activity bonds" under Section 141 of the Code.

F.2 Tax Covenant.

The Recipient agrees that it will not take or authorize any action or permit any action within its reasonable control to be taken, or fail to take any action within its reasonable control, with respect to the Project which would result in the loss of the exclusion of interest on the Bonds from gross income for federal income tax purposes under Section 103 of the Code.

F.3 Governmental Unit.

The Recipient is a state or local governmental unit as defined in Section 1.103-1 of the Treasury Regulations or an instrumentality thereof (a "Governmental Unit") and is not the federal government or any agency or instrumentality thereof.

F.4 Financing of a Capital Project.

The Recipient will use the Project Funds to finance capital expenditures it has incurred or will incur for the construction, reconstruction, installation or acquisition of the Project in accordance with the terms of this Agreement. Such expenditures shall not have previously been financed with the proceeds of any other issue of indebtedness except for interim financing by the Recipient, the date of maturity, prepayment or redemption of which is within thirty (30) days of the date of disbursement of Project Funds under this Agreement. All Project Funds shall be allocated to expenditures by the Recipient within thirty (30) days of the date of disbursement, including (if at all) Project Funds allocated to repay interim financing of the Recipient. For purposes of this Section F.4, "interim financing" means notes, commercial paper, loans, lines of credit and other forms of short-term borrowing.

F.5 Ownership and Operation of Project.

The Recipient exclusively owns and, except as provided in Section F.12 hereof, operates the Project.

F.6 Temporary Period.

The Recipient reasonably expects that at least eighty-five percent (85%) of the Bond Funded Portion of the Project Funds will be allocated to expenditures for the Project within three (3) years of the earlier of the effective date of this Agreement or the date the Bonds are issued ("Applicable Date"). The Recipient has incurred, or reasonably expects that it will incur within six (6) months of the Applicable Date, a substantial binding obligation (i.e., not subject to contingencies within the control of the Recipient or a related party) to a third party to expend at least five percent (5%) of the Bond Funded Portion of the Project Funds on Project Costs. The completion of acquisition, construction, improvement and equipping of the Project and the allocation of the Bond Funded Portion of the Project Funds to Project Costs will proceed with due diligence.

F.7 Working Capital.

No operational expenditures of the Recipient or any related entity are being, have been or will be financed or refinanced with Project Funds.

F.8 Expenditure of Proceeds.

The Bond Funded Portion of the Project Funds shall be used exclusively for the following purposes: (i) Reimbursement Expenditures (as defined in Section F.20 below), (ii) Preliminary Expenditures (as defined in Section F.20 below) in an aggregate amount not exceeding twenty percent (20%) of the Bond Funded Portion of the Project Funds, (iii) capital expenditures relating to the Project originally paid by the Recipient on or after the date hereof, (iv) interest on the Obligation through the later of three (3) years after the Applicable Date or one (1) year after the Project is placed in service, and (v) initial operating expenses directly associated with the Project in the aggregate amount not more than five percent (5%) of the Bond Funded Portion of the Project Funds.

F.9 Private Use and Private Payments.

No portion of the Project Funds or the Project is being, has been or will be used in the aggregate for any activities that constitute a Private Use (as defined below). No portion of the principal of or interest with respect to the Payments will be secured by any interest in property (whether or not the Project) used for a Private Use or in payments in respect of property used for a Private Use, or will be derived from payments in respect of property used for a Private Use. "Private Use" means any activity that constitutes a trade or business that is carried on by persons or entities, other than a Governmental Unit. The leasing of the Project or the access by or the use of the Project by a person or entity other than a Governmental Unit on a basis other than as a member of the general public shall constitute a Private Use. Use by or on behalf of the State of California or any of its agencies, instrumentalities or subdivisions or by any local Governmental Unit and use as a member of the general public will be disregarded in determining whether a Private Use exists. Use under an arrangement that conveys priority rights or other preferential benefits is generally not use on the same basis as the general public. Arrangements providing for use that is available to the general public at no charge or on the basis of rates that are generally applicable and uniformly applied do not convey priority rights or other preferential benefits. For this purpose, rates may be treated as generally applicable and uniformly applied even if (i) different rates apply to different classes of users, such as volume purchasers, if the differences in rates are customary and reasonable; or (ii) a specially negotiated rate arrangement is entered into, but only if the user is prohibited by federal law from paying the generally applicable rates, and the rates established are as comparable as reasonably possible to the generally applicable rates. An arrangement that does not otherwise convey priority rights or other preferential benefits is not treated, nevertheless, as general public use if the term of the use under the arrangement, including all renewal options, is greater than 200 days. For this purpose, a right of first refusal to renew use under the arrangement is not treated as a renewal option if (i) the compensation for the use under the arrangement is redetermined at generally applicable, fair market value rates that are in effect at the time of renewal; and (ii) the use of the financed property under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business.

F.10 No Sale, Lease or Private Operation of the Project.

The Project (or any portion thereof) will not be sold or otherwise disposed of, in whole or in part, to any person who is not a Governmental Unit prior to the final maturity date of the Obligation. The Project will not be leased to any person or entity that is not a Governmental Unit prior to the final maturity date of the Obligation. Except as permitted under Section F.12 hereof, the Recipient will not enter any contract or arrangement or cause or permit any contract or arrangement to be entered with persons or entities that are not Governmental Units if that contract or arrangement would confer on such persons or entities any right to use the Project on a basis different from the right of members of the general public. The contracts

or arrangements contemplated by the preceding sentence include but are not limited to management contracts, take or pay contracts or put or pay contracts, and capacity guarantee contracts.

F.11 No Disproportionate or Unrelated Use.

No portion of the Project Funds or the Project is being, has been, or will be used for a Private Use that is unrelated or disproportionate to the governmental use of the Project Funds.

F.12 Management and Service Contracts.

The Recipient represents that, as of the date hereof, it is not a party to any contract, agreement or other arrangement with any persons or entities engaged in a trade or business (other than Governmental Units) that involve the management or operation of property or the provision of services at or with respect to the Project that does not comply with the standards of the Treasury Regulations, or Revenue Procedure 2017-13, as applicable. The Recipient represents that it will not be party to any such contract, agreement or arrangement with any person or entity that is not a Governmental Unit for the management of property or the provision of services at or with respect to the Project, while the Obligation (including any obligation or series thereof issued to refund the Obligation, as the case may be) is outstanding, except: (a) with respect to any contract, agreement or arrangement that does not constitute "private business use" of the Project under Code §141(b), or (b) with respect to any contract, agreement or arrangement that complies with (i) Revenue Procedure 97-13, 1997-1 C.B. 632, as amended by Revenue Procedure 2001-39, 2001-2 C.B. 38, and as amplified by Notice 2014-67, with respect to contracts entered into before August 18, 2017 and not materially modified or extended after August 18, 2017, or (ii) Revenue Procedure 2017-13, with respect to contracts entered into or materially modified or extended on or after August 18, 2017, or (c) with respect to any contract, agreement or arrangement that does not give rise to use of the Bond Funded Portion of the Project Funds or the Project by a non-Governmental Unit of more than the amount of such non-qualified use permitted by the Code, or (d) in the event that the Recipient receives an opinion of counsel, satisfactory to the State Water Board and the Bank and expert in the issuance of state and local government bonds the interest on which is excluded from gross income under Section 103 of the Code ("Nationally-Recognized Bond Counsel"), that such contract, agreement or arrangement will not adversely affect the exclusion of the interest on the Obligation from gross income for federal income taxation purposes.

F.13 No Disposition of Financed Property.

As of the date hereof, the Recipient does not expect to sell or otherwise dispose of any portion of the Project, in whole or in part, prior to the final maturity date of the Obligation.

F.14 Useful Life of Project.

As of the date hereof, the Recipient reasonably expects that the economic useful life of the Project, commencing at Project Completion, will be at least equal to the term of this Agreement, as set forth in Exhibit A hereto.

F.15 Payments.

Payments generally are expected to be derived from assessments, taxes, fees, charges or other current Revenues of the Recipient in each year, and such current Revenues are expected to equal or exceed the Payments during each payment period. Any amounts accumulated in a sinking fund or bona fide debt service fund to pay Payments (whether or not deposited to a fund or account established by the Recipient) will be disbursed to pay Payments within thirteen months of the initial date of accumulation or deposit. Any such fund used for the payment of Payments will be depleted once a year except for a reasonable carryover amount not exceeding the greater of earnings on such fund or one-twelfth of the Payments in either case for the immediately preceding year.

F.16 No Other Replacement Proceeds.

The Recipient will not use any of the Bond Funded Portion of the Project Funds to replace or substitute other funds of the Recipient that were otherwise to be used to finance the Project or which are or will be used to acquire securities, obligations or other investment property reasonably expected to produce a yield that is materially higher than the yield on the Bonds.

F.17 No Sinking or Pledged Fund.

Except as set forth in Section F.18 below, the Recipient will not create or establish any sinking fund or pledged fund which will be used to pay Payments on the Obligation within the meaning of Section 1.148-1(c) of the Treasury Regulations. If any sinking fund or pledged fund comes into being with respect to the Obligation before the Obligation has been fully retired which may be used to pay the Payments, the Recipient will invest such sinking fund and pledged fund moneys at a yield that does not exceed the yield on the Bonds.

F.18 Reserve Amount.

The State Water Board requires that the Recipient maintain and fund a separate account in an amount equal to one (1) year of debt service with respect to the Obligation (the "Reserve Amount") as set forth in Exhibit B. The Recipient represents that the Reserve Amount is and will be available to pay debt service with respect to the Obligation, if and when needed. The Reserve Amount consists solely of revenues of the Recipient and does not include any proceeds of any obligations the interest on which is excluded from gross income for federal income tax purposes or investment earnings thereon. The aggregate of the Reserve Amount, up to an amount not exceeding the lesser of (i) ten percent of the aggregate principal amount of the Obligation, (ii) the maximum annual debt service with respect to the Obligation, or (iii) 125 percent of the average annual debt service with respect to the Obligation, will be treated as a reasonably required reserve fund.

F.19 Reimbursement Resolution.

The "reimbursement resolution" adopted by the Recipient is incorporated herein by reference.

F.20 Reimbursement Expenditures.

Reimbursements are disallowed, except as specifically authorized in Exhibit B or Exhibit D of this Agreement. To the extent so authorized, a portion of the Bond Funded Portion of the Project Funds may be applied to reimburse the Recipient for Project Costs paid before the date hereof, so long as the Project Cost was (i) not paid prior to sixty (60) days before the Recipient's adoption of a declaration of official intent to finance the Project, (ii) not paid more than eighteen (18) months prior to the date hereof or the date the Project was placed-in-service, whichever is later, and (iii) not paid more than three (3) years prior to the date hereof (collectively, "Reimbursement Expenditures"), unless such cost is attributable to a "preliminary expenditure." Preliminary expenditure for this purpose means architectural, engineering, surveying, soil testing and similar costs incurred prior to the commencement of construction or rehabilitation of the Project, but does not include land acquisition, site preparation and similar costs incident to the commencement of acquisition, construction or rehabilitation of the Project. Preliminary expenditures may not exceed 20% of the Bond Funded Portion of the Project Funds.

F.21 Change in Use of the Project.

The Recipient reasonably expects to use all of the Bond Funded Portion of the Project Funds and the Project for the entire stated term to maturity of the Obligation. Absent an opinion of Nationally-Recognized Bond Counsel to the effect that such use of the Bond Funded Portion of the Project Funds will not adversely affect the exclusion from federal gross income of interest on the Bonds pursuant to

Section 103 of the Code, the Recipient will use the Bond Funded Portion of the Project Funds and the Project solely as set forth in this Agreement.

F.22 Rebate Obligations.

If the Recipient satisfies the requirements of one of the spending exceptions to rebate specified in Section 1.148-7 of the Treasury Regulations, amounts earned from investments, if any, acquired with the Bond Funded Portion of the Project Funds will not be subject to the rebate requirements imposed under Section 148(f) of the Code. If the Recipient fails to satisfy such requirements for any period, it will notify the State Water Board and the Bank immediately and will comply with the provisions of the Code and the Treasury Regulations at such time, including the payment of any rebate amount calculated by the State Water Board or the Bank.

F.23 No Federal Guarantee.

The Recipient will not directly or indirectly use any of the Bond Funded Portion of the Project Funds in any manner that would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code, taking into account various exceptions including any guarantee related to investments during an initial temporary period until needed for the governmental purpose of the Bonds, investments as part of a bona fide debt service fund, investments of a reasonably required reserve or replacement fund, investments in bonds issued by the United States Treasury, investments in refunding escrow funds or certain other investments permitted under the Treasury Regulations.

F.24 Amendments.

The provisions in this Exhibit may be amended, modified or supplemented at any time to reflect changes in the Code upon obtaining written approval of the State Water Board and the Bank and an opinion of Nationally-Recognized Bond Counsel to the effect that such amendment, modification or supplement will not adversely affect the exclusion from federal gross income of interest on the Bonds pursuant to Section 103 of the Code.

F.25 Reasonable Expectations.

The Recipient warrants that, to the best of its knowledge, information and belief, and based on the facts and estimates as set forth in the tax covenants in this Exhibit, the expectations of the Recipient as set forth in this Exhibit are reasonable. The Recipient is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representation made in the provisions in this Exhibit.

F.26 Assignment.

The Recipient consents to any pledge, sale, or assignment to the Bank or a trustee for the benefit of the owners of the Bonds, if any, at any time of any portion of the State Water Board's estate, right, title, and interest and claim in, to and under this Agreement and the right to make all related waivers and agreements in the name and on behalf of the State Water Board, as agent and attorney-in-fact, and to perform all other related acts which are necessary and appropriate under this Agreement, if any, and the State Water Board's estate, right, title, and interest and claim in, to and under this Agreement to Payments (but excluding the State Water Board's rights to Additional Payments and to notices, opinions and indemnification under each Obligation).

[FORM OF OPINION OF GENERAL COUNSEL - REPAYABLE]

[Insert your letterhead]

[DATE]

State Water Resources Control Board
Division of Financial Assistance
Attn: Peter Santizo
1001 I St., 16th floor
Sacramento, CA 95814

Re: [Insert Name of Applicant] (“City/County/District”) – [Name of Project]
– Project No.[xxxxxxxxxxx] (“Project”) – Agreement No. [XXXXXXXXXXXXXXXXX]
 (“Agreement”)

Ladies and Gentlemen:

This firm serves as General Counsel to the [City/County/District] in connection with the Project. This opinion is delivered to the State Water Resources Control Board (“State Water Board”) at the request of the [City/County/District]. In connection therewith, I have examined the laws pertaining to the [City/County/District], originals of the Agreement, between the [City/County/District] and the State Water Board (“Agreement”), the [City/County/District]’s authorized representative resolution [number] adopted on [DATE], the [City/County/District]’s authorizing resolution [xxx] adopted on [DATE], the [City/County/District]’s reimbursement resolution [number] adopted on [DATE], the [City/County/District]’s rate-setting resolution [number] adopted on [DATE], (collectively, “the Resolutions”), the [City/County/District]’s debt management policy, documents related to each of the Material Obligations as set forth in the Agreement, and such other documents, legal opinions, instruments and records, and have made such investigation of law, as I have considered necessary or appropriate for the purpose of this opinion.

Based on the foregoing, it is my opinion that:

- a. The [City/County/District], a [general law city/charter city/county/special district/joint powers authority] of the State of California duly organized, validly existing under the laws of the State of California pursuant to [INSERT SPECIFIC LEGAL AUTHORITY], has the requisite legal right, power, and authority to execute and deliver the Agreement and carry out and consummate all transactions contemplated therein.

[and if charter city] [The [City/County/District] is a charter city, the governing board of which is not prohibited, limited or constrained in any way from adopting, requiring, or utilizing a project labor agreement that includes all taxpayer protection provisions of Public Contract Code section 2500.]

[AND IF JOINT POWERS AUTHORITY][None of the [City/County/District]’s member charter cities is prohibited, limited or constrained in any way from adopting, requiring, or utilizing a project labor agreement that includes all taxpayer protection

provisions of Public Contract Code section 2500.]

- b. The Resolutions have been duly adopted at meetings of the [City/County/District] which were called and held pursuant to law with all public notice required by law and at which a quorum was present and acting when the Resolutions were adopted. The Resolutions are in full force and effect and have not been amended, modified, supplemented, or rescinded, nor has the rate-setting resolution been challenged or the rates become subject of a referendum or initiative or other similar process.
- c. To the best of my knowledge and based upon a reasonable investigation, all proceedings required by law or under the ordinances or bylaws of the [City/County/District] to be taken by the [City/County/District] in connection with the authorization of the Agreement and the transactions contemplated by and related thereto, and all such approvals, authorizations, consents or other orders of or filings or registrations with such public boards or bodies, if any, as may be legally required to be obtained by the [City/County/District] prior to the date hereof with respect to all or any of such matters have been taken or obtained and are in full force and effect, except that no opinion is expressed as to any approvals, obligations or proceedings which may be required under any federal securities laws or state blue sky or securities laws.
- d. To the best of my knowledge and based upon a reasonable investigation, the execution and delivery of the Agreement and the consummation of the transactions therein will not conflict with or constitute a breach of or default (with due notice or the passage of time or both) under (i) the statutes creating the [City/County/District] or any amendments thereto, (ii) the ordinances or by laws of the [City/County/District], (iii) any bond, debenture, note or other evidence of indebtedness, or any material contract, agreement or lease to which the [City/County/District] is a party or by which it or its properties are otherwise subject or bound or (iv) any applicable law or administrative regulation or any applicable court or administrative decree or order.
- e. To the best of my knowledge and based upon a reasonable investigation, the [City/County/District] has sufficient property rights in the Project property for the purposes contemplated in the Agreement and has complied with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601) with respect to any property acquired for the purposes of the Project. Project property rights extend/s in perpetuity/until [date].
- f. To the best of my knowledge and based upon a reasonable investigation, there is no action, suit, proceeding, inquiry or investigation before or by any court of federal, state, municipal or other governmental authority pending or threatened against or affecting the [City/County/District]'s System, as defined in the Agreement, or the assets, properties or operations of the [City/County/District] relating to its System which, if determined

adversely to the [City/County/District] or its interests would result in any material change in the assets or financial condition of the [City/County/District], the [City/County/District]'s System or the financial condition thereof, and the [City/County/District] is not in default with respect to any order or decree of any court or any order, regulation, or demand of any federal, state, municipal, or other governmental agency which default might have consequences that would materially and adversely affect the financial condition of the [City/County/District] or its System.

- g. No facts have come to my attention which lead me to believe that the [City/County/District]'s authorized representative has made any untrue statement of a material fact or omitted or omits to state a material fact or has made misleading statements in the Agreement.
- h. The Agreement has been duly authorized, executed, and delivered, and assuming due authorization, execution and delivery of the Agreement by the State Water Board, constitutes legal, valid, and binding obligation of the [City/County/District] enforceable against the [City/County/District] in accordance with its terms, subject to the laws relating to bankruptcy, insolvency, reorganization, or creditors' rights generally and to the application of equitable principles, if equitable remedies are sought.

Sincerely,

General Counsel
[City/County/District]

FORM OF OPINION OF BOND COUNSEL

[Insert your letterhead]

[DATE]

State Water Resources Control Board
Division of Financial Assistance
Attn: Peter Santizo
1001 I St., 16th floor
Sacramento, CA 95814

Re: [Insert Name of Applicant] (“City/County/District”) – [Name of Project]
Project No.[xxxxxxxxxxx] (“Project”) – Agreement No. [XXXXXXXXXXXXXXXX]
 (“Agreement”)

Ladies and Gentlemen:

This firm serves as Bond Counsel to the [City/County/District] in connection with the Project. This opinion is delivered to the State Water Resources Control Board (“State Water Board”) at the request of the [City/County/District]. In connection therewith, I have reviewed originals of the Agreement between the [City/County/District] and the State Water Board, the [City/County/District]’s authorizing resolution [xxx] adopted on [date], the [City/County/District]’s reimbursement resolution [xxx] adopted on [date], documents related to each of the Material Obligations as set forth in the Agreement, the [City/County/District]’s tax questionnaire dated [date], and such other documents, legal opinions, instruments and records, and have made such investigation of law, as I have considered necessary or appropriate for the purpose of this opinion.

To the best of my knowledge and based upon a reasonable investigation, the execution and delivery of the Agreement and the consummation of the transactions therein will not conflict with or constitute a breach of or default (with due notice or the passage of time or both) under any bond, debenture, note or other evidence of indebtedness, or any material contract, agreement or lease to which the [City/County/District] is a party or by which it or its properties are otherwise subject or bound.

The Agreement has been duly authorized, executed, and delivered, and assuming due authorization, execution and delivery of the Agreement by the State Water Board, constitutes a legal, valid and binding obligation of the [City/County/District] enforceable against the [City/County/District] in accordance with its terms.

Sincerely,

California Environmental Quality Act (CEQA) Determination

South Tahoe Public Utility District (Applicant)
Tahoe/Glenwood Waterline Upgrades (Project)
Project Number: 0910002-031C

As the Deputy Director for the State Water Resources Control Board (State Water Board), Division of Financial Assistance, I have been delegated the authority to approve and execute financing agreements for projects that are routine and non-controversial. The execution of a financing agreement is an action that is subject to CEQA. The authority to make this CEQA determination necessarily accompanies the delegation to approve and execute the financing agreement for this Project. I hereby find the following:

1. The Applicant is the CEQA Lead Agency and has prepared a Notice of Exemption (NOE) titled Tahoe Mountain Waterline Replacement Project, for the Project. The State Water Board is a Responsible Agency under CEQA. The Applicant approved the NOE for the Project on March 6, 2024 and filed a copy with the El Dorado County Clerk and the Governor's Office of Land Use and Climate Innovation, State Clearinghouse (No. 2024030186) on March 6, 2024.
2. This Project is categorically exempt under the CEQA Guidelines, California Code of Regulations, title 14, division 6, chapter 3, article 19, sections 15301, 25302 and 15303. The Project involves the minor alteration of existing structures or equipment involving negligible or no expansion of existing or former use; the replacement of existing utility systems involving negligible or no expansion of capacity; and the construction of new, small facilities or structures.
3. The Project will not result in any significant adverse water quality impacts.

A final copy of the NOE and records of the financing approval for the Project are available to the general public at the State Water Board, Division of Financial Assistance at 1001 I Street, 16th Floor, Sacramento, CA 95814.

Joe Karkoski, Deputy Director
Division of Financial Assistance

California Environmental Quality Act (CEQA) Determination

South Tahoe Public Utility District (Applicant)
Tahoe/Glenwood Waterline Upgrades - Lake Tahoe Blvd (Project)
Project Number: 0910002-031C2

As the Deputy Director for the State Water Resources Control Board (State Water Board), Division of Financial Assistance, I have been delegated the authority to approve and execute financing agreements for projects that are routine and non-controversial. The execution of a financing agreement is an action that is subject to CEQA. The authority to make this CEQA determination necessarily accompanies the delegation to approve and execute the financing agreement for this Project. I hereby find the following:

1. The Applicant is the CEQA Lead Agency and has prepared a Notice of Exemption (NOE) titled Apache Avenue and Lake Tahoe Blvd Waterline Replacement Projects, for the Project. The State Water Board is a Responsible Agency under CEQA. The Applicant approved the NOE for the Project on November 8, 2022 and filed a copy with the El Dorado County Clerk on November 8, 2022 and the Governor's Office of Land Use and Climate Innovation, State Clearinghouse (No. 2022110146) on November 9, 2022.
2. This Project is categorically exempt under the CEQA Guidelines, California Code of Regulations, title 14, division 6, chapter 3, article 19, sections 15301, 25302 and 15303. The Project involves the minor alteration of existing structures or equipment involving negligible or no expansion of existing or former use; the replacement of existing utility systems involving negligible or no expansion of capacity; and the construction of new, small facilities or structures.
3. The Project will not result in any significant adverse water quality impacts.

A final copy of the NOE and records of the financing approval for the Project are available to the general public at the State Water Board, Division of Financial Assistance at 1001 I Street, 16th Floor, Sacramento, CA 95814.

Joe Karkoski, Deputy Director
Division of Financial Assistance

California Environmental Quality Act (CEQA) Determination

South Tahoe Public Utility District (Applicant)
Tahoe/Glenwood Waterline Upgrades (Project)
Project Number: 0910002-031C3

As the Deputy Director for the State Water Resources Control Board (State Water Board), Division of Financial Assistance, I have been delegated the authority to approve and execute financing agreements for projects that are routine and non-controversial. The execution of a financing agreement is an action that is subject to CEQA. The authority to make this CEQA determination necessarily accompanies the delegation to approve and execute the financing agreement for this Project. I hereby find the following:

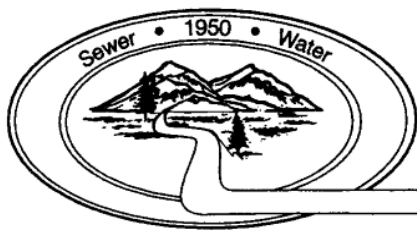
1. The Applicant is the CEQA Lead Agency and has prepared a Notice of Exemption (NOE) titled Glenwood-Rancho Waterline Replacement Project, for the Project. The State Water Board is a Responsible Agency under CEQA. The Applicant approved the NOE for the Project on March 6, 2024 and filed a copy with the El Dorado County Clerk and the Governor's Office of Land Use and Climate Innovation, State Clearinghouse (No. 2024030185) on March 6, 2024.
2. This Project is categorically exempt under the CEQA Guidelines, California Code of Regulations, title 14, division 6, chapter 3, article 19, sections 15301, 25302 and 15303. The Project involves the minor alteration of existing structures or equipment involving negligible or no expansion of existing or former use; the replacement of existing utility systems involving negligible or no expansion of capacity; and the construction of new, small facilities or structures.
3. The Project will not result in any significant adverse water quality impacts.

A final copy of the NOE and records of the financing approval for the Project are available to the general public at the State Water Board, Division of Financial Assistance at 1001 I Street, 16th Floor, Sacramento, CA 95814.

Joe Karkoski, Deputy Director
Division of Financial Assistance

General Manager
Paul Hughes

Directors
Nick Haven
Shane Romsos
Joel Henderson
Kelly Sheehan
Nick Exline



South Tahoe Public Utility District

1275 Meadow Crest Drive • South Lake Tahoe • CA 96150-7401
Phone 530 544-6474 • Fax 530 541-0614 • www.stpubd.us

BOARD AGENDA ITEM 7e

TO: Board of Directors

FROM: Andrea Salazar, Chief Financial Officer

MEETING DATE: May 21, 2026

ITEM – PROJECT NAME: Return Activated Sludge Pump Station Replacement Project

REQUESTED BOARD ACTION: Approve Resolution No. 3331-26, the Installment Sale Agreement Resolution of the Board of Directors of the South Tahoe Public Utility District for the Return Activated Sludge Pump Station Replacement Project.

DISCUSSION: District staff have been working with the State Water Resources Control Board to access a State Revolving Fund loan to finance the Return Activated Sludge Pump Station Replacement Project. Resolution No. 3331-26 approves the Installment Sale Agreement in an amount not to exceed \$19,440,896 which is the current budgeted amount of the Project. The loan includes a term of 30 years at an anticipated interest rate of 2.30%. The Project is dependent on this funding source, and the associated annual debt service payment is built into the District's long range financial forecast.

SCHEDULE: Agreement executed upon Board approval of Resolution No. 3331-26.

COSTS: Estimated annual debt service payment is not yet determined; the final amount will not be known until the Project is complete.

ACCOUNT NO: N/A

BUDGETED AMOUNT AVAILABLE: N/A

IDENTIFIED CAPITAL IMPROVEMENT PROJECT (CIP): Yes No N/A

ATTACHMENTS: Resolution No. 3331-26 and South Tahoe Public Utility District Funding Agreement.

CONCURRENCE WITH REQUESTED ACTION:

CATEGORY: Sewer/Water

GENERAL MANAGER: YES AA NO _____

CHIEF FINANCIAL OFFICER: YES AS NO _____

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RESOLUTION NO. 3331-26

**INSTALLMENT SALE AGREEMENT RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SOUTH TAHOE PUBLIC UTILITY DISTRICT
FOR THE RETURN ACTIVATED SLUDGE PUMP STATION REPLACEMENT PROJECT**

WHEREAS, the South Tahoe Public Utility District (the "District") desires to finance the costs of the Return Activated Sludge Pump Station Replacement Project (the "Project");

WHEREAS, the District intends to finance the construction and/or reconstruction of the Project or portions of the Project with funds provided by the State of California, acting by and through the State Water Resources Control Board (the "State Water Board") through the execution of an agreement currently entitled "Construction Installment Sale Agreement, Project No. C-06-8849-110, Return Activated Sludge Pump Station Replacement Project," by and between the District and the State Water Board;

WHEREAS, pursuant to Government Code Section 5852.1, certain information relating to the Installment Sale Agreement is set forth in Appendix A attached to this Resolution, and such information is hereby disclosed and made public;

WHEREAS, the Board of Directors has duly considered the Installment Sale Agreement and the transaction represented thereby, and wishes at this time to approve this transaction in the public interests of the District;

THEREFORE, BE IT RESOLVED by the Board of Directors of the South Tahoe Public Utility District, as follows:

The District is hereby authorized to issue indebtedness for the District in accordance with the Installment Sale Agreement. The Board of Directors hereby approves the Installment Sale Agreement in substantially the form on file with the Secretary of the Board, and authorizes the General Manager or the Chief Financial Officer or their designee to execute the Installment Sale Agreement in such form, together with such additions or changes as are approved by the member of the Board executing the Installment Sale Agreement, the General Manager or the Chief Financial Officer, after consultation with counsel, provided that (a) the principal amount represented thereby may not exceed \$19,440,896 and (b) the annual interest rate represented thereby may not exceed an anticipated 2.3%

Each officer of the District is hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and performance of the Installment Sale Agreement in accordance with this resolution. All actions previously taken by the officers of the District in furtherance of this resolution are hereby ratified and confirmed.

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WE, THE UNDERSIGNED, do hereby certify that the above and foregoing Resolution No. 3331-26 was duly adopted and passed by the Board of Directors of the South Tahoe Public Utility District at a regularly scheduled meeting held on the 21st day of May, 2026, by the following vote:

AYES:

NOES:

ABSENT:

Shane Romsos, Board President
South Tahoe Public Utility District

ATTEST:

Melonie Guttry, Executive Services Manager/
Clerk of the Board

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EXHIBIT A
Government Code Section 5852.1 Disclosure

The good faith estimates set forth herein are provided with respect to the Installment Sale Agreement in accordance with California Government Code Section 5852.1. Such good faith estimates have been prepared by the District.

(A) True interest cost of the Installment Sale Agreement: 2.3% (anticipated)

(B) Finance charge related to the execution and delivery of the Installment Sale Agreement (sum of all costs of issuance and fees/charges paid to third parties):
\$0

(C) Net proceeds to be received (net of finance charges): \$19,440,896

(D) Total payment amount through maturity: TBD



State Water Resources Control Board

May 6, 2026

South Tahoe Public Utility District
Attn: Andrea Salazar - Chief Financial Officer
1275 Meadow Crest Drive
South Lake Tahoe, CA, 96150

Agreement Number: D2501030
Project Number: C-06-8849-110

Please review, and if appropriate, electronically sign the signature page of the Agreement via Adobe Sign no later than thirty (30) calendar days from the date of this letter. Once electronically signed, the Agreement will be routed automatically to the next signer. You will automatically receive a copy of the fully executed Agreement via Adobe Sign once the final signer has signed. This Agreement cannot be considered binding by either party until executed by the State Water Resources Control Board (State Water Board).

For the Funding Agreement to be executed by the State Water Board, the following items **must also be returned electronically with the signed signature pages**. The Opinion will need to be dated and signed on or after the date the agreement is signed. Counsel can file and attach the letters and submit them back to Adobe.

1. Opinion of General Counsel.

If you have questions about the General Counsel Opinion Letter, please contact Brian Morris at (916) 322-3603 or email at Brian.morris@waterboards.ca.gov.

Except for letterhead, date, and signature, opinions of counsel must be identical to the form of opinion attached to this submittal in order for timely execution and for the opinion cost to be reimbursable. For questions regarding General Counsel Opinion Letter, please contact your Agreement Analyst.

Please note that all projects receiving funding must comply with all applicable implementing guidelines and regulations adopted by the California Department of Industrial Relations (DIR), regarding state prevailing wage requirements. You must contact DIR for guidance on how to comply. Information can be found at: <http://www.dir.ca.gov/lcp.asp>.

Additional Compliance Requirements:

Davis Bacon Compliance:
https://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/davisbacon.shtml

Disadvantaged Business Enterprise (DBE)
https://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/docs/policy0513/dbe_compliance_guidelines_instructions.pdf

We strive to provide superior service to our recipients and would appreciate your feedback on the application process. Please assist us in completing a 5-minute Customer Satisfaction Survey at <https://www.surveymonkey.com/s/CWSRFSatisfaction> so we can continue to improve on our service and process. Your comments are valuable to the success of the CWSRF Program. Thank you for your time and we look forward to continuing to work with you.

Mr. Morris may be contacted at (916) 322-3603 or Brian.morris@waterboards.ca.gov.

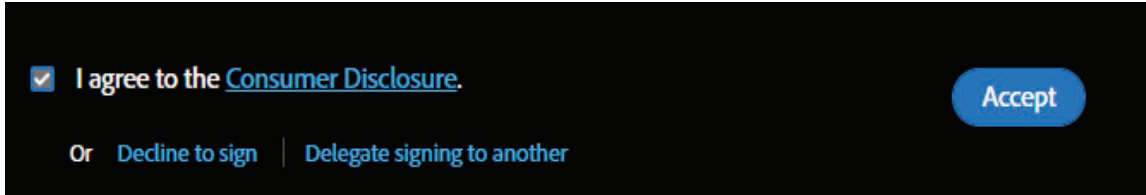
Enclosures

E. JOAQUIN ESQUIVEL, CHAIR | ERIC OPPENHEIMER, EXECUTIVE DIRECTOR

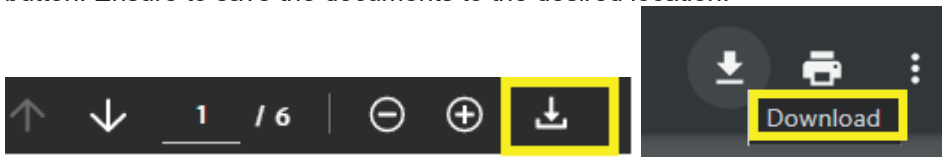
Documents Transmitted back to Adobe by the Recipient:

Steps:

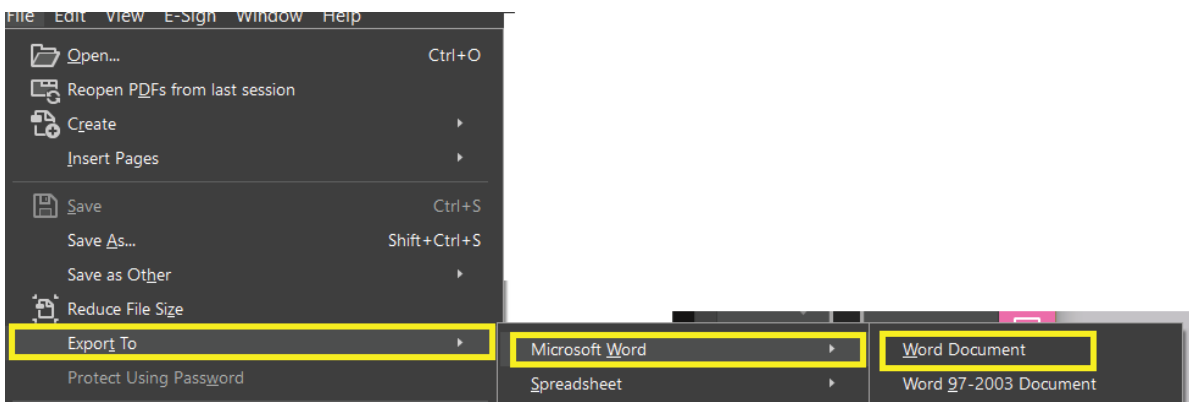
1. Once the Adobe notification has been received, the Recipient will open Adobe. The Recipient must checkmark the box to agree to the Consumer Disclosure. Click on **[Accept]**



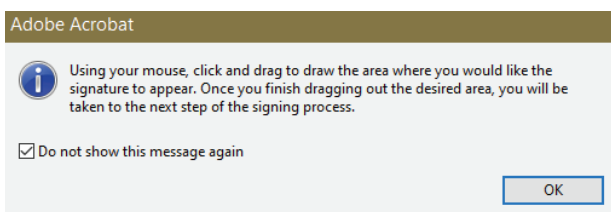
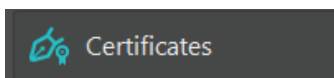
2. The Recipient will need to download the (PDF) documents by selecting the corresponding radio button. Ensure to save the documents to the desired location.



3. Once you have saved the documents to the desired location, the Recipient will proceed with generating the required closing documents. For the documents to be edited, you must save your file in Word format. Click on **[File-Export To-Microsoft Word – Word Document]**



4. Once the Recipient has completed the closing documents, the file must be saved as "Adobe PDF" for their respective digital signatures to be entered.
5. The Recipient will select **[Certificates]** from the tools field and using your mouse, click and drag to draw the area where you would like the signature to appear. A dialogue message box will display your Digital ID press **[Continue]** and click on **[Sign]**. **[Save]**



6. The Recipient will attach the signed documents to Adobe by clicking the [**Click to Attachment**] and downloading the signed document(s).

Click to Attach ...

7. Once the closing document(s) have been attached, the Recipient will click on the [**Click to Sign**] button.

By signing, I agree to the terms of this agreement and to do business electronically with
CALEPA - State Water Resources Control Board.

Click to Sign



CLEAN WATER

SOUTH TAHOE PUBLIC UTILITY DISTRICT

AND

CALIFORNIA STATE WATER RESOURCES CONTROL BOARD



CONSTRUCTION
INSTALLMENT SALE AGREEMENT

RETURN ACTIVATED SLUDGE PUMP STATION REPLACEMENT PROJECT
PROJECT NO. C-06-8849-110

AGREEMENT NO. D2501030

PROJECT FUNDING AMOUNT: \$19,440,896.00
ESTIMATED REASONABLE PROJECT COST: \$19,440,896.00

ELIGIBLE WORK START DATE: DECEMBER 27, 2024
ELIGIBLE CONSTRUCTION START DATE: FEBRUARY 27, 2026
COMPLETION OF CONSTRUCTION DATE: DECEMBER 31, 2028
PAYMENT START DATE: DECEMBER 31, 2029
FINAL REIMBURSEMENT REQUEST DATE: JUNE 30, 2029
FINAL PAYMENT DATE: DECEMBER 31, 2058
RECORDS RETENTION END DATE: DECEMBER 31, 2064

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TABLE OF CONTENTS

AGREEMENT 2

1. AUTHORITY..... 2

2. INTENTION..... 2

3. AGREEMENT, TERM, DOCUMENTS INCORPORATED BY REFERENCE..... 2

4. PARTY CONTACTS..... 4

5. DEFINITIONS..... 4

EXHIBIT A – SCOPE OF WORK 12

A.1. PROJECT DESCRIPTION, USEFUL LIFE, AND SCOPE OF WORK..... 12

A.2. STANDARD PROJECT REQUIREMENTS..... 12

 A.2.1 Acknowledgements..... 12

 A.2.2 Reports..... 13

 A.2.2.1 Progress Reports..... 13

 A.2.2.2 Project Completion Report..... 13

 A.2.2.3 As Needed Reports..... 13

 A.2.2.4 RESERVED..... 14

 A.2.2.5 RESERVED..... 14

 A.2.3 Signage..... 14

 A.2.4 Commencement of Operations..... 14

A.3 DATES & DELIVERABLES..... 14

A.4 SCHEDULE..... 15

EXHIBIT B – FUNDING TERMS..... 16

B.1. FUNDING AMOUNTS AND REIMBURSEMENTS 16

 B.1.1 Funding Contingency and Other Sources..... 16

 B.1.2 Estimated Reasonable Cost..... 16

 B.1.3 Project Funding Amount..... 16

 B.1.4 RESERVED..... 16

 B.1.5 Budget Costs..... 16

 B.1.6 Contingent Disbursement..... 17

 B.1.7 Reimbursement Procedure..... 17

 B.1.8 Withholding of Disbursements..... 18

 B.1.9 Fraud and Misuse of Public Funds; Enforcement..... 19

B.2 RECIPIENT’S PAYMENT OBLIGATION, PLEDGE, AND RESERVE..... 20

 B.2.1 Project Costs..... 20

 B.2.2 Estimated Principal Payment Due..... 20

 B.2.3 Interest Rate and In-Lieu of Interest Charges..... 20

 B.2.4 RESERVED..... 20

 B.2.5 Obligation Absolute..... 20

B.2.6	Payment Timing.....	21
B.2.7	Pledged Revenues.....	22
B.2.7.1	Establishment of Enterprise Fund and Reserve Fund.....	22
B.2.7.2	Pledge of Net Revenues, Enterprise Fund, and Reserve Fund.....	22
B.2.7.3	Application and Purpose of the Enterprise Fund.....	22
B.2.8	No Prepayment.....	22
B.2.9	Reserve Fund.....	22
B.3	RATES, FEES AND CHARGES.....	22
B.4	ADDITIONAL DEBT.....	23
B.5	NO LIENS.....	23
EXHIBIT C – GENERAL & PROGRAMMATIC TERMS & CONDITIONS.....		24
C.1	REPRESENTATIONS & WARRANTIES.....	24
C.1.1	Application and General Recipient Commitments.....	24
C.1.2	Authorization and Validity.....	24
C.1.3	No Violations.....	24
C.1.4	No Litigation.....	24
C.1.5	Property Rights.....	24
C.1.6	Solvency and Insurance.....	25
C.1.7	Legal Status and Eligibility.....	25
C.1.8	Financial Statements and Continuing Disclosure.....	25
C.1.9	System Obligations.....	25
C.1.10	No Other Material Obligations.....	25
C.1.11	Compliance with State Water Board Funding Agreements.....	25
C.2	DEFAULTS AND REMEDIES.....	25
C.2.1	Return of Funds; Acceleration; and Additional Payments.....	25
C.2.2	RESERVED.....	26
C.2.3	Administrative remedies.....	26
C.2.4	Judicial remedies.....	26
C.2.5	Termination.....	26
C.2.6	Damages for Breach of Tax-Exempt Status.....	26
C.2.7	Damages for Breach of Federal Conditions.....	27
C.2.8	Remedies and Limitations.....	27
C.2.9	Non-Waiver.....	27
C.2.10	Status Quo.....	27
C.3	STANDARD CONDITIONS.....	27
C.3.1	Access, Inspection, and Public Records.....	27
C.3.2	Accounting and Auditing Standards; Financial Management Systems.....	28
C.3.3	Amendment.....	28
C.3.4	Assignability.....	28
C.3.5	Audit.....	28
C.3.6	Bonding.....	29
C.3.7	Competitive Bidding.....	29
C.3.8	Compliance with Applicable Laws, Rules, and Requirements.....	29
C.3.9	Computer Software.....	29
C.3.10	Conflict of Interest.....	29
C.3.11	Continuous Use of Project; No Lease, Sale, Transfer of Ownership, or Disposal of Project.....	29
C.3.12	Data Management.....	30
C.3.13	Disputes.....	30

C.3.14	RESERVED.	30
C.3.15	Environmental Clearance.....	30
C.3.16	Governing Law.....	30
C.3.17	Income Restrictions.....	31
C.3.18	Indemnification and State Reviews.....	31
C.3.19	Independent Actor.....	31
C.3.20	Integration.....	31
C.3.21	Leveraging Covenants.....	32
C.3.22	No Discrimination.....	32
C.3.23	No Third Party Rights.....	33
C.3.24	No Obligation of the State.....	33
C.3.25	Notice.....	33
C.3.26	Operation and Maintenance; Insurance.....	35
C.3.27	Permits, Subcontracting, and Remedies.....	36
C.3.28	Professionals.....	36
C.3.29	Prevailing Wages.....	36
C.3.30	Public Funding.....	37
C.3.31	Recipient’s Responsibility for Work.....	37
C.3.32	Records Retention.....	37
C.3.33	Related Litigation.....	37
C.3.34	Rights in Data.....	37
C.3.35	State Water Board Action; Costs and Attorney Fees.....	37
C.3.36	Timeliness.....	38
C.3.37	Unenforceable Provision.....	38
C.3.38	Venue.....	38
C.3.39	Waiver and Rights of the State Water Board.....	38
C.4	MISCELLANEOUS STATE AND FEDERAL REQUIREMENTS.....	38
C.4.1	RESERVED.....	38
C.4.2	State Cross-Cutters.....	38
C.4.3	Federal Requirements and Cross-Cutters for SRF Funding.....	39
	EXHIBIT D – SPECIAL CONDITIONS.....	44
	EXHIBIT E – PAYMENT SCHEDULE.....	45
	EXHIBIT F – TAX CERTIFICATE.....	46
F.1	Purpose.....	46
F.2	Tax Covenant.....	46
F.3	Governmental Unit.....	46
F.4	Financing of a Capital Project.....	46
F.5	Ownership and Operation of Project.....	46
F.6	Temporary Period.....	46
F.7	Working Capital.....	47
F.8	Expenditure of Proceeds.....	47
F.9	Private Use and Private Payments.....	47

F.10	No Sale, Lease or Private Operation of the Project.	47
F.11	No Disproportionate or Unrelated Use.	48
F.12	Management and Service Contracts.	48
F.13	No Disposition of Financed Property.	48
F.14	Useful Life of Project.....	48
F.15	Payments.....	48
F.16	No Other Replacement Proceeds.....	49
F.17	No Sinking or Pledged Fund.....	49
F.18	Reserve Amount.	49
F.19	Reimbursement Resolution.	49
F.20	Reimbursement Expenditures.	49
F.21	Change in Use of the Project.....	49
F.22	Rebate Obligations.	50
F.23	No Federal Guarantee.	50
F.24	Amendments.....	50
F.25	Reasonable Expectations.	50
F.26	Assignment.....	50

AGREEMENT

1. AUTHORITY.

- (a) The State Water Resources Control Board (State Water Board) is authorized, and implements its authority, to provide financial assistance under this Agreement pursuant to Section 13475 et seq. of the Water Code, and Resolution Nos. 2025-0013 and 2025-0022.
- (b) The Recipient is authorized to enter into this Installment Sale Agreement (Agreement) pursuant to Resolution No. 3299-24.

2. INTENTION.

- (a) The Recipient desires to receive financial assistance for and undertake work required for the wastewater construction Project according to the terms and conditions set forth in this Agreement.
- (b) The State Water Board proposes to assist in providing financial assistance for eligible costs of the Project in the amount set forth in Exhibit B, according to the terms and conditions set forth in this Agreement, with the expectation that the Recipient shall repay all of the financial assistance to the State Water Board.
- (c) The Recipient intends to evidence its obligation to submit Payments to the State Water Board and secure its obligation with Net Revenues of its wastewater enterprise, as set forth in Exhibit B, according to the terms and conditions set forth in this Agreement.
- (d) The Recipient intends to certify and evidence its compliance with the Tax Covenants set forth in Exhibit F.

3. AGREEMENT, TERM, DOCUMENTS INCORPORATED BY REFERENCE.

In consideration of the mutual representations, covenants and agreements herein set forth, the State Water Board and the Recipient, each binding itself, its successors and assigns, do mutually promise, covenant, and agree to the terms, provisions, and conditions of this Agreement.

- (a) The Recipient hereby sells to the State Water Board and the State Water Board hereby purchases from the Recipient the Project. Simultaneously therewith, the Recipient hereby purchases from the State Water Board, and the State Water Board hereby sells to the Recipient, the Project in accordance with the provisions of this Agreement. All right, title, and interest in the Project shall immediately vest in the Recipient on the date of execution and delivery of this Agreement by both parties without further action on the part of the Recipient or the State Water Board.
- (b) Subject to the satisfaction of all conditions precedent to this Agreement, this Agreement shall become effective upon the signature of both the Recipient and the State Water Board. Conditions precedent are not limited to the following:
 - i. The Recipient must deliver to the Division a resolution authorizing this Agreement.
 - ii. The Recipient must deliver an opinion of bond counsel and general counsel satisfactory to the State Water Board's counsel dated on or after the date that the Recipient signs this Agreement.
- (c) Upon execution, the term of the Agreement shall begin on the Eligible Work Start Date and extend through the Final Payment Date.

(d) This Agreement includes the following exhibits and attachments thereto:

- i. EXHIBIT A – SCOPE OF WORK
- ii. EXHIBIT B – FUNDING TERMS
- iii. EXHIBIT C – GENERAL & PROGRAMMATIC TERMS & CONDITIONS
- iv. EXHIBIT D – SPECIAL CONDITIONS
- v. EXHIBIT E – PAYMENT SCHEDULE
- vi. EXHIBIT F – TAX CERTIFICATE

(e) This Agreement includes the following documents incorporated by reference, as well as any documents incorporated by reference in Exhibit D:

- i. if DFA doesn't have the final plans and specs the Final Plans & Specifications, which are the basis for the construction contract to be awarded by the Recipient, including any amendments approved by the Division;
- ii. the Waste Discharge Requirement Order No. R6T-2004-0010A1, and any amendments thereto;
- iii. the Recipient's Reimbursement Resolution No. 3326 dated February 5, 2026;
- iv. the Recipient's Tax Questionnaire dated February 5, 2026.

the federal Davis-Bacon requirements. By accepting this Agreement, the Recipient acknowledges and agrees to the terms and conditions provided in the [DBRA Requirements for EPA Subrecipients | US EPA \(https://www.epa.gov/grants/dbra-requirements-epa-subrecipients\)](https://www.epa.gov/grants/dbra-requirements-epa-subrecipients). The Recipient shall ensure that the following language is included in all contracts and subcontracts funded under this Agreement:

By accepting this contract, the contractor acknowledges and agrees to the terms and conditions provided in the [Contract Provisions for Davis-Bacon and Related Acts | US EPA \(https://www.epa.gov/grants/contract-provisions-davis-bacon-and-related-acts\)](https://www.epa.gov/grants/contract-provisions-davis-bacon-and-related-acts).

(For reference, see also https://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/davisbacon.html.)

(f) This Agreement, and any amendments hereto, may be executed and delivered in any number of counterparts, each of which when delivered shall be deemed to be an original, but such counterparts shall together constitute one document. The parties may sign this Agreement, and any amendments hereto, either by an electronic signature using a method approved by the State Water Board or by a physical, handwritten signature. The parties mutually agree that an electronic signature using a method approved by the State Water Board is the same as a physical, handwritten signature for the purposes of validity, enforceability, and admissibility.

4. PARTY CONTACTS

State Water Board		South Tahoe Public Utility District	
Section:	Division of Financial Assistance		
Name:	Julie Mah, Project Manager	Name:	Andrea Salazar, Chief Financial Officer
Address:	1001 I Street, 16 th Floor	Address:	1275 Meadow Crest Drive
City, State, Zip:	Sacramento, CA 95814	City, State, Zip:	South Lake Tahoe, CA, 96150
Phone:	(916) 319-0806	Phone:	(530) 543-6211
Email:	julie.mah@waterboards.ca.gov programemail@waterboards.ca.gov	Email:	asalazar@stpud.us

The Recipient may change its contact upon written notice to the Division, which notice shall be accompanied by authorization from the Recipient's Authorized Representative. The State Water Board will notify the Recipient of any changes to its contact.

While the foregoing are contacts for day-to-day communications regarding Project work, the Recipient shall provide official communications and events of Notice as set forth in Exhibit C to the Division's Deputy Director.

5. DEFINITIONS.

Unless otherwise specified, each capitalized term used in this Agreement has the following meaning:

"Additional Payments" means the reasonable extraordinary fees and expenses of the State Water Board, and of any assignee of the State Water Board's right, title, and interest in and to this Agreement, in connection with this Agreement, including all expenses and fees of accountants, trustees, staff, contractors, consultants, costs, insurance premiums and all other extraordinary costs reasonably incurred by the State Water Board or assignee of the State Water Board.

"Allowance" means an amount based on a percentage of the accepted bid for an eligible project to help defray the planning, design, and construction engineering and administration costs of the Project.

"Agreement" means this agreement, including all exhibits and attachments hereto.

"Authorized Representative" means the duly appointed representative of the Recipient as set forth in the certified original of the Recipient's authorizing resolution that designates the authorized representative by title.

"Bank" means the California Infrastructure and Economic Development Bank.

"Bond Funded Portion of the Project Funds" means any portion of the Project Funds which was or will be funded with Bond Proceeds.

"Bond Proceeds" means original proceeds, investment proceeds, and replacement proceeds of Bonds.

"Bonds" means any series of bonds issued by the Bank, the interest on which is excluded from gross income for federal tax purposes, all or a portion of the proceeds of which have been, are, or will be applied by the State Water Board to fund all or any portion of the Project Costs or that are secured in whole or in part by Payments paid hereunder.

"Charge In Lieu of Interest" means any fee or charge in lieu of some or all of, but not to exceed, the interest that would otherwise be owed under this Agreement, as set forth in Exhibit E.

"Code" as used in Exhibit F of this Agreement means the Internal Revenue Code of 1986, as amended, and any successor provisions and the regulations of the U.S. Department of the Treasury promulgated thereunder.

"Completion of Construction" means the date, as determined by the Division after consultation with the Recipient, that the work of building and erection of the Project is substantially complete, and is identified in Exhibit A of this Agreement.

"Construction Period Interest" (CPI) means interest that accrues on disbursed Project Funds prior to Completion of Construction. Construction Period Interest is capitalized at Completion of Construction.

"Cover Page" means the front page of this Agreement.

"Days" means calendar days unless otherwise expressly indicated.

"Debt Service" means, as of any date, with respect to outstanding System Obligations and, in the case of the additional debt tests in Exhibit B of this Agreement, any System Obligations that are proposed to be outstanding, the aggregate amount of principal and interest scheduled to become due (either at maturity or by mandatory redemption), together with any Charge In Lieu of Interest on this Obligation or other System Obligations to the State Water Board, calculated with the following assumptions:

- (a) Principal payments (unless a different subdivision of this definition applies for purposes of determining principal maturities or amortization) are made in accordance with any amortization schedule published for such principal, including any minimum sinking fund payments;
- (b) Interest on a variable rate System Obligation that is not subject to a swap agreement and that is issued or will be issued as a tax-exempt obligation under federal law, is the average of the SIFMA Municipal Swap Index, or its successor index, during the 24 months preceding the date of such calculation;
- (c) Interest on a variable rate System Obligation that is not subject to a swap agreement and that is issued or will be issued as a taxable obligation under federal law, is the average of SOFR, or its successor index, during the 24 months preceding the date of such calculation;
- (d) Interest on a variable rate System Obligation that is subject to a swap agreement is the fixed swap rate or cap strike rate, as appropriate, if the variable rate has been swapped to a fixed rate or capped pursuant to an interest rate cap agreement or similar agreement;
- (e) Interest on a fixed rate System Obligation that is subject to a swap agreement such that all or a portion of the interest has been swapped to a variable rate shall be treated as variable rate debt under subdivisions (b) or (c) of this definition of Debt Service;
- (f) Payments of principal and interest on a System Obligation are excluded from the calculation of Debt Service to the extent such payments are to be paid from amounts then currently on deposit with a trustee or other fiduciary and restricted for the defeasance of such System Obligations;
- (g) If 25% or more of the principal of a System Obligation is not due until its final stated maturity, then principal and interest on that System Obligation may be projected to amortize over the lesser of 30 years or the Useful Life of the financed asset, and interest may be calculated according to subdivisions (b)-(e) of this definition of Debt Service, as appropriate.

"Deputy Director" means the Deputy Director of the Division.

"Division" means the Division of Financial Assistance of the State Water Board or any other segment of the State Water Board authorized to administer this Agreement.

"Eligible Construction Start Date" means the date set forth on the Cover Page of this Agreement, establishing the date on or after which construction costs may be incurred and eligible for reimbursement hereunder.

"Eligible Work Start Date" means the date set forth on the Cover Page of this Agreement, establishing the date on or after which any non-construction costs may be incurred and eligible for reimbursement hereunder.

"Enterprise Fund" means the enterprise fund of the Recipient in which Revenues are deposited.

"Event of Default" means the occurrence of any of the following events:

- (a) Failure by the Recipient to make any payment required to be paid pursuant to this Agreement, including Payments;
- (b) A representation or warranty made by or on behalf of the Recipient in this Agreement or in any document furnished by or on behalf of the Recipient to the State Water Board pursuant to this Agreement shall prove to have been inaccurate, misleading or incomplete in any material respect;
- (c) A material adverse change in the condition of the Recipient, the Revenues, or the System, which the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement.
- (d) Failure by the Recipient to comply with the additional debt test or reserve fund requirement, if any, in Exhibit B or Exhibit D of this Agreement;
- (e) Failure to operate the System or the Project without the Division's approval;
- (f) Failure by the Recipient to observe and perform any covenant, condition, or provision in this Agreement, which failure shall continue for a period of time, to be determined by the Division;
- (g) The occurrence of a material breach or event of default under any System Obligation or Material Obligation that results in the acceleration of principal or interest or otherwise requires immediate prepayment, repurchase or redemption;
- (h) Initiation of proceedings seeking arrangement, reorganization, or any other relief under any applicable bankruptcy, insolvency, or other similar law; the appointment of or taking possession of the Recipient's property by a receiver, liquidator, assignee, trustee, custodian, conservator, or similar official; the Recipient's entering into a general assignment for the benefit of creditors; the initiation of resolutions or proceedings to terminate the Recipient's existence, or any action in furtherance of any of the foregoing;
- (i) A determination pursuant to Gov. Code section 11137 that the Recipient has violated any provision in Article 9.5 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code; or

- (j) Loss of the Recipient's rights, licenses, permits, or privileges necessary for the operation of the System or the Project, or the occurrence of any material restraint on the Recipient's enterprise by a government agency or court order.

"Final Budget Approval" or "FBA" means the Division's written approval of the final budget for the Project or a phase of the Project.

"Final Payment Date" is the date by which all principal and accrued interest due under this Agreement is to be paid in full to the State Water Board and is specified on the Cover Page of this Agreement.

"Final Reimbursement Request Date" means the date set forth as such on the Cover Page of this Agreement, after which date, no further Project Funds disbursements may be requested.

"Fiscal Year" means the period of twelve (12) months terminating on June 30 of any year, or any other annual period selected and designated by the Recipient as its Fiscal Year in accordance with applicable law.

"Force Account" means the use of the Recipient's own employees, equipment, or resources for the Project.

"GAAP" means generally accepted accounting principles, the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor, or the Uniform System of Accounts, as adopted by the California Public Utilities Commission for water utilities.

"Initiation of Construction" means the date that notice to proceed with work is issued for the Project, or, if notice to proceed is not required, the date of commencement of building and erection of the Project.

"Listed Event" means, so long as the Recipient has outstanding any System Obligation subject to Rule 15c2-12, any of the events required to be reported with respect to such System Obligation pursuant to Rule 15c2-12(b)(5).

"Material Obligation" means an obligation of the Recipient that is material to this transaction, including System Obligations.

"Maximum Annual Debt Service" means the maximum amount of Debt Service due on System Obligations in a Fiscal Year during the period commencing with the Fiscal Year for which such calculation is made and within the next five years in which Debt Service for any System Obligations will become due.

"Net Revenues" means, for any Fiscal Year, all Revenues received by the Recipient less the Operations and Maintenance Costs for such Fiscal Year.

"Obligation" means the obligation of the Recipient to make Payments (including Additional Payments) as provided herein, as evidenced by the execution of this Agreement, proceeds of such obligations being used to fund the Project as specified in the Project Description in Exhibit A and Exhibit B and in the documents thereby incorporated by reference.

"Operations and Maintenance Costs" means the reasonable and necessary costs paid or incurred by the Recipient for maintaining and operating the System, determined in accordance with GAAP, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the System in good repair and working order, and including all reasonable and necessary administrative costs of the Recipient that are charged directly or apportioned to the operation of the

System, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses, and charges to operate the System and insurance premiums; but excluding, in all cases depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles.

“Parity Obligation” means a debt obligation of the Recipient on parity with this Obligation. The Recipient’s Parity Obligations are these:

- 2012 Installment Sale, in the original principal amount of \$10,605,000, by and between the Public Property Financing Corporation of California and the South Tahoe Public Utility District (Sewer System Improvements Refinancing - Compass Bank financing), dated Sept. 1, 2012.
- 2013 Loan Agreement, in the original principal amount of \$8,400,000, by and between Compass Bank and the South Tahoe Public Utility District, dated April 1, 2013.
- 2015 Installment Sale Agreement No. 14-835-550, in the original principal amount of \$7,014,139, by and between the State Water Resources Control Board and the South Tahoe Public Utility District (CWSRF Project No. C-06-5611-110), executed May 21, 2015.
- 2015 Installment Sale Agreement No. D15-01010, in the original principal amount of \$4,444,057, by and between the State Water Resources Control Board and the South Tahoe Public Utility District (CWSRF Project No. C-06-8042-110), executed October 1, 2015.
- 2016 Installment Sale Agreement No. D16-01007, in the original principal amount of \$1,800,000, by and between the State Water Resources Control Board and the South Tahoe Public Utility District (CWSRF Project No. C-06-8066-110), executed October 18, 2016.
- 2016 Installment Sale Agreement No. D16-01006, in the original principal amount of \$1,394,607, by and between the State Water Resources Control Board and the South Tahoe Public Utility District (CWSRF Project No. C-06-8057-110, Treatment Plant Primary Clarifier 1 Rehabilitation), executed October 18, 2016.
- 2017 Installment Sale Agreement, in the original principal amount of \$5,000,000, by and between the Public Property Financing Corporation of California and the South Tahoe Public Utility District (Wastewater Treatment Plant Emergency Generator Project- JPMorgan Chase Bank, N.A. financing), dated December 1, 2017.
- South Tahoe Public Utility District 2021 Wastewater Revenue Refunding Bonds, issued on May 5, 2021, in the original principal amount of \$5,745,000, under an Indenture of Trust dated as of May 1, 2021, by and between the Bank of New York Mellon Trust Company, N.A., as Trustee, and South Tahoe Public Utility District.
- 2021 Installment Sale Agreement No. D2001049, in the original principal amount of \$6,189,331, by and between the State Water Resources Control Board and the South Tahoe Public Utility District (CWSRF Project No. C-06-8544-110, Tahoe Keys Wastewater Pump Station Rehabilitation Project), executed February 14, 2022.
- 2022 Installment Sale Agreement No. D2101016, in the original principal amount of \$4,280,375, by and between the State Water Resources Control Board and the South Tahoe Public Utility District (CWSRF Project No. C-06-8599-110, Upper Truckee Wastewater Pump Stations Rehabilitation Project), executed April 27, 2022.

- 2022 Installment Sale Agreement No. D2101017, in the original principal amount of \$5,281,344, by and between the State Water Resources Control Board and the South Tahoe Public Utility District (CWSRF Project No. C-06-8581-110, WWTP Secondary Clarifiers Upgrade Project), executed May 4, 2022.
- 2024 Installment Sale Agreement No. D24-01007, in the original principal amount of 7,988,220, by and between the State Water Resources Control Board and the South Tahoe Public Utility District (CWSRF Project No. C-06-8725-110, Bijou Wastewater Pump Station Rehabilitation Project), executed November 4, 2024.
- South Tahoe Public Utility District 2025 Wastewater Revenue Certificates of Participation, in the original principal amount of \$18,955,000, pursuant to an Installment Sale Agreement, dated as of January 1, 2025, by and between the South Tahoe Public Utility District and the CSDA Finance Corporation.

“Payment” means any payment due to the State Water Board from the Recipient pursuant to this Agreement.

“Policy” means the State Water Board’s “Policy for Implementing the Clean Revolving Fund,” as amended from time to time, including the Intended Use Plan in effect as of the execution date of this Agreement.

“Project” means the Project financed by this Agreement as described in Exhibits A and B and in the documents incorporated by reference herein.

“Project Completion” means the date, as determined by the Division after consultation with the Recipient, that operation of the Project is initiated or is capable of being initiated, whichever comes first.

“Project Costs” means the incurred costs of the Recipient which are eligible for financial assistance under this Agreement, which are allowable costs as defined under the Policy, and which are reasonable, necessary and allocable by the Recipient to the Project under GAAP, and may include capitalized interest.

“Project Funds” means all moneys disbursed to the Recipient by the State Water Board for eligible Project Costs pursuant to this Agreement.

“Recipient” means South Tahoe Public Utility District.

“Records Retention End Date” means the last date that the Recipient is obligated to maintain records and is set forth on the Cover Page of this Agreement.

“Regional Water Quality Control Board” or “Regional Water Board” means the appropriate Regional Water Quality Control Board.

“Reimbursement Resolution” means the Recipient’s reimbursement resolution identified and incorporated by reference in this Agreement.

“Reserve Fund” means the reserve fund required pursuant to Exhibit B of this Agreement.

“Revenues” means, for each Fiscal Year, all gross income and revenue received or receivable by the Recipient from the ownership or operation of the System, determined in accordance with GAAP, including

- (a) all rates, fees, and charges (including connection fees and charges) as received by the Recipient for the services of the System, and
- (b) all other income and revenue howsoever derived by the Recipient from the ownership or operation of the System or arising from the System, including all income from
 - i. the deposit or investment of any money in the Enterprise Fund or any rate stabilization fund of the Recipient or held on the Recipient's behalf,
 - ii. any refundable deposits made to establish credit, and
 - iii. advances or contributions in aid of construction.

For the avoidance of doubt, refundable deposits and advances or contributions are not included in the definition of Revenues.

"Rule 15c2-12(b)(5)" means Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

"Senior Obligation" means a debt obligation of the Recipient that is senior to this Obligation. There are no Senior Obligations.

"SRF" means the Clean Water State Revolving Fund.

"State" means State of California.

"State Water Board" means the State Water Resources Control Board.

"Subordinate Obligation" means a debt obligation of the Recipient that is subordinate to this Obligation. There are no Subordinate Obligations.

"System" means all wastewater collection, pumping, transport, treatment, storage, and disposal facilities, including land and easements thereof, owned by the Recipient, including the Project, and all other properties, structures, or works hereafter acquired and constructed by the Recipient and determined to be a part of the System, together with all additions, betterments, extensions, or improvements to such facilities, properties, structures, or works, or any part thereof hereafter acquired and constructed.

"System Obligation" means any obligation of the Recipient payable from the Revenues, including but not limited to this Obligation, any Parity Obligation, any Subordinate Obligation, and such additional obligations as may hereafter be issued in accordance with the provisions of such obligations and this Agreement.

"Useful Life" means the economically useful life of the Project beginning at Completion of Construction and is set forth in Exhibit A.

"Year" means calendar year unless otherwise expressly indicated.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

SOUTH TAHOE PUBLIC UTILITY DISTRICT:

By: _____
Name: Andrea Salazar
Title: Chief Financial Officer

Date: _____

STATE WATER RESOURCES CONTROL BOARD:

By: _____
Name: Joe Karkoski
Title: Deputy Director
Division of Financial Assistance

Date: _____

EXHIBIT A – SCOPE OF WORK

A.1. PROJECT DESCRIPTION, USEFUL LIFE, AND SCOPE OF WORK.

- (a) The Project is the Project set forth on the Cover Page of this Agreement.
- (b) The Useful Life of this Project is at least thirty (30) years.
- (c) Project Purpose and Description

The Project is for the benefit of the Recipient and has a Useful life of at least thirty (30) years. The funding under this Agreement will be used to completely overhaul the Raw Activated Sludge (RAS) pump station to ensure its longevity and efficiency. This Project will ensure the pump station has the capability to operate over the current range of present and future flows, and provide process resiliency and redundancy for the RAS pumping process. This encompasses the installation of new pumps, the implementation of advanced process control systems, and seismic retrofitting of building structures to withstand potential earthquakes. This Project aims to not only replace outdated equipment but also improve the overall resilience and operational capacity of the pump station. The extended service life and reliability of the system will provide long-term benefits to the community of South Tahoe.

- (d) Scope of Work.

The Recipient agrees to do the following:

- Construct a new centralized RAS/Waste-Activated Sludge (WAS) Pump Station building and sub-grade pump station
- Install new RAS pumps
- Install new WAS pumps and a floor drainage sump pump
- Upgrade the existing sludge pump station building and
- Rehabilitate three (3) below-grade hydraulic structures

A.2. STANDARD PROJECT REQUIREMENTS.

A.2.1 Acknowledgements.

The Recipient shall include the following acknowledgement in any document, written report, or brochure prepared in whole or in part pursuant to this Agreement:

“Funding for this project has been provided in full or in part through Agreement No. D2501030 with the State Water Resources Control Board. California’s Clean Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds. The contents of this document do not necessarily reflect the views and policies of the foregoing agencies, nor do the foregoing agencies endorse trade names or recommend the use of commercial products mentioned in this document, as well as any images, video, text, or other content created by generative artificial intelligence tools, nor does any such content necessarily reflect the views and policies of the foregoing.”

A.2.2 Reports

A.2.2.1 Progress Reports.

- (a) The Recipient must provide a progress report to the Division each quarter, beginning no later than ninety (90) days after execution of this Agreement.
- (b) The Recipient must provide a progress report with each reimbursement request. Failure to provide a complete and accurate progress report may result in the withholding of Project Funds, as set forth in Exhibit B.
- (c) A progress report must contain the following information:
 - i. A summary of progress to date including a description of progress since the last report, percent construction complete, percent contractor invoiced, and percent schedule elapsed;
 - ii. A description of compliance with environmental requirements;
 - iii. A listing of change orders including amount, description of work, and change in contract amount and schedule; and
 - iv. Any problems encountered, proposed resolution, schedule for resolution, and status of previous problem resolutions.

A.2.2.2 Project Completion Report.

- (a) The Recipient must submit a Project Completion Report to the Division with a copy to the appropriate Regional Water Board on or before the due date established by the Division and the Recipient at the time of final project inspection. The Project Completion Report must include the following:
 - i. Description of the Project,
 - ii. Description of the water quality problem the Project sought to address,
 - iii. Discussion of the Project's likelihood of successfully addressing that water quality problem in the future, and
 - iv. Summary of compliance with applicable environmental conditions.
- (b) If the Recipient fails to submit a timely Project Completion Report, the State Water Board may stop processing pending or future applications for new financial assistance, withhold disbursements under this Agreement or other agreements, and begin administrative proceedings.

A.2.2.3 As Needed Reports.

The Recipient must provide expeditiously, during the term of this Agreement, any reports, data, and information reasonably required by the Division, including but not limited to material necessary or appropriate for evaluation of the funding program or to fulfill any reporting requirements of the state or federal government.

A.2.2.4 RESERVED.

A.2.2.5 RESERVED.

A.2.3 Signage.

The Recipient shall place a sign at least four (4) feet tall by eight (8) feet wide made of three-fourths ($\frac{3}{4}$) inch thick exterior grade plywood or other approved material in a prominent location on the Project site and shall maintain the sign in good condition for the duration of the construction period. The sign must include the following disclosure statement and color logos (available from the Division):



- (a) Funding for this Return Activated Sludge Pump Station Replacement Project has been provided in full or in part by the Clean Water State Revolving Fund through an agreement with the State Water Resources Control Board. California's Clean Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds."
- (b) The Project sign may include another agency's required promotional information so long as the above logos and disclosure statement are equally prominent on the sign. The sign shall be prepared in a professional manner.

A.2.4 Commencement of Operations.

Upon Completion of Construction of the Project, the Recipient must expeditiously initiate Project operations.

A.3 DATES & DELIVERABLES.

- (a) Time is of the essence.
- (b) The Recipient must expeditiously proceed with and complete construction of the Project.
- (c) The following dates are established as on the Cover Page of this Agreement:
 - i. Eligible Work Start Date
 - ii. Eligible Construction Start Date
 - iii. Completion of Construction Date
 - iv. Final Reimbursement Request Date
 - v. Records Retention End Date
 - vi. Final Payment Date
- (d) The Recipient must award the prime construction contract timely.
- (e) The Recipient agrees to start construction no later than May 1, 2027
- (f) The Recipient must deliver any request for extension of the Completion of Construction date no less than ninety (90) days prior to the Completion of Construction date.

- (g) The undisbursed balance of this Agreement will be deobligated if the Recipient does not provide its final reimbursement request to the Division on or before the Final Reimbursement Request Date.

A.4 SCHEDULE.

Failure to provide items by the due dates indicated in the table below may constitute a material violation of this Agreement. The Project Manager may adjust the dates in the “Estimated Due Date” column of this table, but Critical Due Date adjustments will require an amendment to this Agreement. The Recipient must complete and submit all work in time to be approved by the Division prior to Project Completion. As applicable for specific submittals, the Recipient must plan adequate time to solicit, receive, and address comments prior to submitting the final submittal. The Recipient must submit the final reimbursement request prior to the Final Reimbursement Request Date set forth on the Cover Page.

ITEM	DESCRIPTION OF SUBMITTAL	CRITICAL DUE DATE	ESTIMATED DUE DATE
EXHIBIT A – SCOPE OF WORK			
A.	ADDITIONAL SUBMITTAL(S) TO DIVISION		
1.	Final Budget Approval Package	N/A	April 30, 2027
2.	Construction Completion Date	December 31, 2028	N/A
B.	REPORTS		
1.	Progress Reports	N/A	Quarterly
2.	Final Inspection and Certification	N/A	December 31, 2028
3.	Project Completion Report	N/A	June 30, 2029
4.	As Needed Reports	N/A	As Requested by Division
EXHIBIT B – REIMBURSEMENT, BUDGET DETAIL, AND REPORTING PROVISIONS			
A.	REIMBURSEMENTS		
1.	Reimbursement Requests	N/A	Quarterly
2.	Final Reimbursement Request	June 30, 2029	N/A

EXHIBIT B – FUNDING TERMS

B.1. FUNDING AMOUNTS AND REIMBURSEMENTS

B.1.1 Funding Contingency and Other Sources.

- (a) If this Agreement’s funding for any fiscal year expires due to reversion or is reduced, substantially delayed, or deleted by the state or federal government, such as by budget act, by executive order, or by order or action of the Department of Finance or a federal agency, the State Water Board has the option to either cancel this Agreement with no liability accruing to the State Water Board, or offer an amendment to the Recipient to reflect the reduced amount.
- (b) If funding for Project Costs is made available to the Recipient from sources other than this Agreement, the Recipient must notify the Division. The Recipient may retain such funding up to an amount which equals the Recipient's share of Project Costs. To the extent allowed by requirements of other funding sources, excess funding must be remitted to the State Water Board to be applied to Payments due hereunder, if any.

B.1.2 Estimated Reasonable Cost.

The estimated reasonable cost of the total Project, including associated planning and design costs is nineteen million four hundred forty thousand eight hundred ninety-six dollars and no cents (\$19,440,896).

B.1.3 Project Funding Amount.

Subject to the terms of this Agreement, the State Water Board agrees to provide Project Funds not to exceed the amount of the Project Funding Amount set forth on the Cover Page of this Agreement.

B.1.4 RESERVED.

B. 1.5 Budget Costs.

Estimated budget costs are contained in the Summary Project Cost Table below:

ITEM	DESCRIPTION	TOTAL ESTIMATED COST	PROJECT FUNDING AMOUNT
A	Construction	\$17,419,851	\$17,419,851
B	Pre-Purchased Material/Equipment	\$0	\$0
C	Real Property/Easement Acquisition	\$0	\$0
D	Change Order Contingency	\$1,741,985	\$1,741,985
E	Force Account	\$0	\$0
F	Allowances (<i>Soft Costs</i>)	\$279,060	\$279,060
	TOTAL	\$19,440,896	\$19,440,896

The Division’s Final Budget Approval and related Form 259 and Form 260 will document a more detailed budget of eligible Project Costs and Project funding amounts. Construction of the Project may be completed in phases with written approval of the Division. If construction proceeds under separate phases, the Recipient must submit a Final Budget Approval package and receive Final Budget Approval from the Division for each phase.

Upon written request by the Recipient, the Division may adjust the line items of the budget at the time of Division's Final Budget Approval(s). Upon written request by the Recipient, the Division may also adjust the line items of the budget at the time of Recipient's submittal of its final claim. Any line item adjustments to the budget that are due to a change in scope of work will require an Agreement amendment. The sum of adjusted line items in the budget approved through the Final Budget Approval process must not exceed the Project Funding Amount. The Division may also propose budget adjustments.

Under no circumstances may the sum of line items in the budget approved through the Final Budget Approval process exceed the Project Funding Amount. Any increase in the Project Funding Amount will require an Agreement amendment.

B.1.6 Contingent Disbursement.

- (a) The State Water Board's disbursement of funds hereunder is contingent on the Recipient's compliance with the terms and conditions of this Agreement.
- (b) The State Water Board's obligation to disburse Project Funds is contingent upon the availability of sufficient funds to permit the disbursements provided for herein. If sufficient funds are not available for any reason, including but not limited to failure of the federal or State government to appropriate funds necessary for disbursement of Project Funds, the State Water Board shall not be obligated to make any disbursements to the Recipient under this Agreement. This provision shall be construed as a condition precedent to the obligation of the State Water Board to make any disbursements under this Agreement. Nothing in this Agreement shall be construed to provide the Recipient with a right of priority for disbursement over any other entity. If any disbursements due the Recipient under this Agreement are deferred because sufficient funds are unavailable, it is the intention of the State Water Board that such disbursement will be made to the Recipient when sufficient funds do become available, but this intention is not binding.
- (c) Construction costs and disbursements are not available until after the Division has approved the final budget form submitted by the Recipient for the corresponding costs.
- (d) No costs incurred prior to the Eligible Work Start Date are eligible for reimbursement.
- (e) Construction costs incurred prior to the Eligible Construction Start Date are not eligible for reimbursement.
- (f) Failure to proceed according to the timelines set forth in this Agreement may require the Recipient to repay to the State Water Board all disbursed Project Funds.
- (g) The Recipient agrees to ensure that its final reimbursement request is received by the Division no later than the Final Reimbursement Request Date. If the final reimbursement request is not received timely, the undisbursed balance of this Agreement will be deobligated.
- (h) The Recipient is not entitled to interest earned on undisbursed funds.

B.1.7 Reimbursement Procedure.

Except as may be otherwise provided in this Agreement, disbursement of Project Funds will be made as follows:

- (a) Upon execution and delivery of this Agreement by both parties, the Recipient may request immediate reimbursement of any eligible incurred planning and design allowance costs through submission to the State Water Board of the Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed. To be eligible for reimbursement, Project

Costs, including any planning and design allowance costs, must have been incurred in compliance with all applicable requirements, including the state and federal cross-cutting requirements listed in Exhibit C.

- (b) The Recipient must submit a reimbursement request for costs incurred prior to the date this Agreement is executed by the State Water Board no later than ninety (90) days after this Agreement is executed by the State Water Board. Late reimbursement requests may not be honored.
- (c) The Recipient may request reimbursement of eligible construction and equipment costs consistent with budget amounts approved by the Division in the Final Budget Approval.
- (d) Additional Project Funds will be promptly disbursed to the Recipient upon receipt of reimbursement request Form 260 and Form 261, or any amendment thereto, duly completed and executed by the Recipient for incurred costs consistent with this Agreement, along with receipt of progress reports due under Exhibit A.
- (e) The Recipient must not request reimbursement for any Project Cost until such cost has been incurred and is currently due and payable by the Recipient, although the actual payment of such cost by the Recipient is not required as a condition of reimbursement request. Supporting documentation (e.g., receipts) must be submitted with each reimbursement request. The amount requested for administration costs must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = total amount claimed). Disbursement of Project Funds will be made only after receipt of a complete, adequately supported, properly documented, and accurately addressed reimbursement request. Upon request by the Division, supporting documents for professional and administrative services must include the employees' names, classifications, labor rates, hours worked, and descriptions of the tasks performed. Reimbursement requests submitted without supporting documents may be wholly or partially withheld at the discretion of the Division.
- (f) The Recipient must spend Project Funds within 30 days of receipt. If the Recipient earns interest earned on Project Funds, it must report that interest immediately to the State Water Board. The State Water Board may deduct earned interest from future disbursements.
- (g) The Recipient shall not request a reimbursement unless that Project Cost is allowable, reasonable, and allocable.
- (h) Notwithstanding any other provision of this Agreement, no disbursement shall be required at any time or in any manner which is in violation of or in conflict with federal or state laws, policies, or regulations.
- (i) No work or travel outside the State of California is permitted under this Agreement unless the Division provides prior written authorization. Failure to comply with this restriction may result in termination this Agreement, pursuant to Exhibit C. Any reimbursement for necessary travel and per diem shall be at rates not to exceed those set by the California Department of Human Resources at <http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>, as of the date costs are incurred by the Recipient.

B.1.8 Withholding of Disbursements.

Notwithstanding any other provision of this Agreement, the State Water Board may withhold all or any portion of the Project Funds upon the occurrence of any of the following events:

- (a) The Recipient's failure to maintain reasonable progress on the Project as determined by the Division;
- (b) Placement on the ballot or passage of an initiative or referendum to repeal or reduce the Recipient's taxes, assessments, fees, or charges levied for operation of the System or payment of debt service on System Obligations;
- (c) Commencement of litigation or a judicial or administrative proceeding related to the Project, System, or Revenues that the State Water Board determines may impair the timely satisfaction of Recipient's obligations under this Agreement;
- (d) Any investigation by the State Water Board, District Attorney, California State Auditor, Bureau of State Audits, the USEPA Office of Inspector General, the Internal Revenue Service, Securities and Exchange Commission, a grand jury, or any other state or federal agency, relating to the Recipient's financial management, accounting procedures, or internal fiscal controls;
- (e) A material adverse change in the condition of the Recipient, the Revenues, or the System, that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement, or any other event that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement;
- (f) The Recipient's material violation of, or threat to materially violate, any term of this Agreement;
- (g) Suspicion of fraud, forgery, embezzlement, theft, or any other misuse of public funds by the Recipient or its employees, or by its contractors or agents regarding the Project or the System;
- (h) An event requiring Notice as set forth in Exhibit C;
- (i) An Event of Default or an event that the Division determines may become an Event of Default.

B.1.9 Fraud and Misuse of Public Funds; Enforcement.

All requests for reimbursement submitted must be accurate and signed by the Recipient's Authorized Representative under penalty of perjury. All costs submitted pursuant to this Agreement must only be for the work or tasks set forth in this Agreement. The Recipient must not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., match costs). Any eligible costs for which the Recipient is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is improper and will not be compensated. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements and, notwithstanding any other section in this Agreement, the termination of this Agreement requiring the repayment of all Project Funds disbursed hereunder. Additionally, the Deputy Director of the Division may request an audit; refer the matter for appropriate administrative action, including but not limited to the recovery of financial assistance provided and the imposition of civil penalties; and/or refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. A person who knowingly makes or causes to be made any false statement, material misrepresentation, or false certification in any submittal may be subject to a civil penalty, criminal fine, or imprisonment. (Wat. Code, § 13490 et seq.)

B.2 RECIPIENT'S PAYMENT OBLIGATION, PLEDGE, AND RESERVE

B.2.1 Project Costs.

The Recipient must pay any and all costs connected with the Project including, without limitation, any and all Project Costs and Additional Payments. If the Project Funds are not sufficient to pay the Project Costs in full, the Recipient must nonetheless complete the Project and pay that portion of the Project Costs in excess of available Project Funds, and shall not be entitled to any reimbursement therefor from the State Water Board.

B.2.2 Estimated Principal Payment Due.

The estimated amount of principal that will be due to the State Water Board from the Recipient under this Agreement is nineteen million four hundred forty thousand eight hundred ninety-six dollars and no cents (\$19,440,896).

B.2.3 Interest Rate and In-Lieu of Interest Charges.

- (a) The Recipient agrees to make all Payments according to the schedule in Exhibit E, and as otherwise set forth herein, at an interest rate of two percent (2.0%) per annum.
- (b) Interest will accrue beginning with each disbursement. Interest accrued prior to Completion of Construction will be Construction Period Interest and will be capitalized. At Completion of Construction, all accrued Construction Period Interest will be added to the principal amount. The final Payment Schedule will reflect the inclusion of Construction Period Interest in the principal amount.
- (c) Construction Period Interest cannot be estimated at the date of execution of the Agreement. Estimated payments in the preliminary Payment Schedule, attached as Exhibit E, will include zero Construction Period Interest. Construction Period Interest will accrue as the Recipient receives disbursements. The total amount of Construction Period Interest owed by the Recipient will not be finalized until Completion of Construction.
- (d) In lieu of, and not to exceed, interest otherwise due under this Agreement, the Recipient agrees to pay the following charge(s), as further set forth in Exhibit E:
 - an Administrative Service Charge
 - a Small Community Grant Fund Charge

B.2.4 RESERVED.

B.2.5 Obligation Absolute.

The obligation of the Recipient to make the Payments and other payments required to be made by it under this Agreement, from the Net Revenues and/or other amounts legally available to the Recipient therefor, is absolute and unconditional, and until such time as the Payments and Additional Payments have been paid in full, the Recipient must not discontinue or suspend any Payments or other payments required to be made by it hereunder when due, whether or not the Project, or any related part thereof is operating or operable or has been completed, or its use is suspended, interfered with, reduced or curtailed or terminated in whole or in part, and such Payments and other payments shall not be subject to reduction whether by offset or otherwise and shall not be conditional upon the performance or nonperformance by any party of any agreement for any cause whatsoever.

B.2.6 Payment Timing.

- (a) The Recipient must make the first annual Payment of the principal due under this Agreement, including capitalized Construction Period Interest, together with all interest accruing thereon, by the Payment Start Date indicated on the Cover Page. The Recipient must make annual Payments, due by December 31, 2029, fully amortizing the total principal due under this Agreement, together with interest, by the Final Payment Date stated on the Cover Page. Payment calculations are based on a standard fully amortized assistance amount with equal annual payments. As a courtesy, the Division will provide a payment notice to the Recipient prior to the Payment due date, which will include the Payment amount due. Regardless of the delivery of a payment notice, the Recipient is responsible for timely payment of all amounts due.
- (b) The remaining balance is the previous balance, plus the disbursements, plus the accrued interest on both, plus any Charge In Lieu of Interest, less the Payment. Payment calculations will be made prior to the Payment Start Date. Exhibit E is a payment schedule based on the provisions of this Exhibit and an estimated disbursement schedule. Actual payments will be based on actual disbursements. The Division will prepare any necessary changes to the payment schedule and send them to the Recipient.
- (c) Upon Completion of Construction and submission of necessary reports by the Recipient, the Division will prepare an appropriate payment schedule and supply the same to the Recipient. The Division may amend this schedule as necessary to accurately reflect amounts due under this Agreement.
- (d) The Recipient must make each Payment on or before the due date therefor. A ten (10) day grace period will be allowed, after which time a penalty in the amount of costs incurred by the State Water Board will be assessed for late payment. These costs may include, but are not limited to, lost interest earnings, staff time, bond debt service default penalties, if any, and other related costs. For purposes of penalty assessment, payment will be deemed to have been made if payment is deposited in the U.S. Mail within the grace period with postage prepaid and properly addressed. Any penalties assessed will not be added to the assistance amount balance, but will be treated as a separate account and obligation of the Recipient. The interest penalty will be assessed from the payment due date.
- (e) The Recipient is obligated to make all payments required by this Agreement to the State Water Board, notwithstanding any individual default by its constituents or others in the payment to the Recipient of fees, charges, taxes, assessments, tolls or other charges ("Charges") levied or imposed by the Recipient. The Recipient must provide for the punctual payment to the State Water Board of all amounts which become due under this Agreement and which are received from constituents or others in the payment to the Recipient. In the event of failure, neglect or refusal of any officer of the Recipient to levy or cause to be levied any Charge to provide payment by the Recipient under this Agreement, to enforce or to collect such Charge, or to pay over to the State Water Board any money collected on account of such Charge necessary to satisfy any amount due under this Agreement, the State Water Board may take such action in a court of competent jurisdiction as it deems necessary to compel the performance of all duties relating to the imposition or levying and collection of any of such Charges and the payment of the money collected therefrom to the State Water Board. Action taken pursuant hereto shall not deprive the State Water Board of, or limit the application of, any other remedy provided by law or by this Agreement.
- (f) Each Payment must be paid in lawful money of the United States of America by check or other acceptable form of payment set forth at www.waterboards.ca.gov/make_a_payment. The Recipient must pay Payments and Additional Payments from Net Revenues and/or other amounts legally available to the Recipient therefor.

B.2.7 Pledged Revenues.

B.2.7.1 Establishment of Enterprise Fund and Reserve Fund.

In order to carry out its System Obligations, the Recipient covenants that it shall establish and maintain or shall have established and maintained the Enterprise Fund. All Revenues received shall be deposited when and as received in trust in the Enterprise Fund. As required in this Exhibit, the Recipient must establish and maintain a Reserve Fund.

B.2.7.2 Pledge of Net Revenues, Enterprise Fund, and Reserve Fund.

The Obligation hereunder shall be secured by a lien on and pledge of the Enterprise Fund, Net Revenues, and any Reserve Fund on parity with the Parity Obligations. The Recipient hereby pledges and grants such lien on and pledge of the Enterprise Fund, Net Revenues, and any Reserve Fund to secure the Obligation, including payment of Payments and Additional Payments hereunder. The Enterprise Fund, Net Revenues in the Enterprise Fund, and any Reserve Fund shall be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the Recipient.

B.2.7.3 Application and Purpose of the Enterprise Fund.

Subject to the provisions of any outstanding System Obligation, money on deposit in the Enterprise Fund shall be applied and used first, to pay Operations and Maintenance Costs, and thereafter, all amounts due and payable with respect to the System Obligations in order of priority. After making all payments hereinabove required to be made in each Fiscal Year, the Recipient may expend in such Fiscal Year any remaining money in the Enterprise Fund for any lawful purpose of the Recipient.

B.2.8 No Prepayment.

Pursuant to State Water Board's Debt Management Policy, adopted on October 3, 2017, the Recipient may not prepay any portion of the principal and interest due under this Agreement without the written consent of the Deputy Director of the Division.

B.2.9 Reserve Fund.

Prior to Completion of Construction, the Recipient must establish a restricted Reserve Fund, held in its Enterprise Fund, equal to one year's Debt Service on this Obligation. The Recipient must maintain the Reserve Fund throughout the term of this Agreement. The Reserve Fund is subject to lien and pledged as security for this Obligation, and its use is restricted to payment of this Obligation during the term of this Agreement.

B.3 RATES, FEES AND CHARGES.

- (a) The Recipient must, to the extent permitted by law, fix, prescribe and collect rates, fees and charges for the System during each Fiscal Year which are reasonable, fair, and nondiscriminatory and which will be sufficient to generate Revenues in the amounts necessary to cover Operations and Maintenance Costs, and must ensure that Net Revenues are equal to the sum of (i) at least 120% of the Maximum Annual Debt Service with respect to all outstanding System Obligations senior to and on parity with the Obligation and (ii) at least 100% of the Maximum Annual Debt Service with respect to all outstanding System Obligations subordinate to the Obligation, so long as System Obligations other than this Obligation are outstanding. Upon defeasance of all System Obligations other than this Obligation, this ratio must be at least 120%, except where System Obligations are defeased pursuant to refunding obligations.

- (b) The Recipient may make adjustments from time to time in such fees and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates, fees and charges then in effect unless the Net Revenues from such reduced rates, fees, and charges will at all times be sufficient to meet the requirements of this section.
- (c) Upon consideration of a voter initiative to reduce Revenues, the Recipient must make a finding regarding the effect of such a reduction on the Recipient's ability to satisfy the rate covenant set forth in this Section. The Recipient must make its findings available to the public. The Recipient's Authorized Representative must request, if necessary, the authorization of the Recipient's decision-maker or decision-making body to file litigation to challenge any such initiative that it finds will render it unable to satisfy the rate covenant set forth in this Agreement and its obligation to operate and maintain the Project for its Useful Life. The Recipient must diligently pursue and bear any and all costs related to such challenge. The Recipient must notify and regularly update the State Water Board regarding the status of any such challenge.

B.4 ADDITIONAL DEBT.

- (a) The Recipient's future debt that is secured by Revenues pledged herein may not be senior to this Obligation.
- (b) The Recipient may issue additional parity or subordinate debt only if all of the following conditions are met:
 - i. No Event of Default (or no event with respect to which notice has been given and which, once all notice of grace periods have passed, would constitute an Event of Default) has occurred and is continuing;
 - ii. Net Revenues in the most recent Fiscal Year, excluding transfers from a rate stabilization fund, if any, meet the ratio for rate covenants set forth in this Exhibit with respect to any outstanding and proposed additional obligations;
 - iii. The Recipient is in compliance with any reserve fund requirement of this Obligation.

B.5 NO LIENS.

The Recipient must not make any pledge of or place any lien on the Project, System, or Revenues except as otherwise provided or permitted by this Agreement.

EXHIBIT C – GENERAL & PROGRAMMATIC TERMS & CONDITIONS

C.1 REPRESENTATIONS & WARRANTIES.

The Recipient represents, warrants, and commits to the following as of the Eligible Work Start Date and continuing thereafter for the term of this Agreement.

C.1.1 Application and General Recipient Commitments.

The Recipient has not made any untrue statement of a material fact in its application for this financial assistance, or omitted to state in its application a material fact that makes the statements in its application not misleading.

The Recipient agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents.

The Recipient agrees to fulfill all assurances, declarations, representations, and commitments in its application, accompanying documents, and communications filed in support of its request for funding under this Agreement.

C.1.2 Authorization and Validity.

The execution and delivery of this Agreement, including all incorporated documents, has been duly authorized by the Recipient. Upon execution by both parties, this Agreement constitutes a valid and binding obligation of the Recipient, enforceable in accordance with its terms, except as such enforcement may be limited by law.

C.1.3 No Violations.

The execution, delivery, and performance by Recipient of this Agreement, including all incorporated documents, do not violate any provision of any law or regulation in effect as of the date of execution of this Agreement by the Recipient, or result in any breach or default under any contract, obligation, indenture, or other instrument to which Recipient is a party or by which Recipient is bound as of the date of execution of this Agreement by the Recipient.

C.1.4 No Litigation.

There are, as of the date of execution of this Agreement by the Recipient, no pending or, to Recipient's knowledge, threatened actions, claims, investigations, suits, or proceedings before any governmental authority, court, or administrative agency which materially affect, or, if resolved unfavorably to the Recipient, would materially affect the financial condition or operations of the Recipient, the System, the Revenues, and/or the Project.

There are no proceedings, actions, or offers by a public entity to acquire by purchase or the power of eminent domain the System or any of the real or personal property related to or necessary for the Project.

C.1.5 Property Rights.

The Recipient owns or has sufficient property rights in the Project property for the longer of the Useful Life or the term of this Agreement, either in fee simple or for a term of years that is not subject to third-party revocation during the Useful Life of the Project.

C.1.6 Solvency and Insurance.

None of the transactions contemplated by this Agreement will be or have been made with an actual intent to hinder, delay, or defraud any present or future creditors of Recipient. The Recipient is solvent and will not be rendered insolvent by the transactions contemplated by this Agreement. The Recipient is able to pay its debts as they become due. The Recipient maintains sufficient insurance coverage considering the scope of this Agreement, including, for example but not necessarily limited to, general liability, automobile liability, workers compensation and employer liability, professional liability.

C.1.7 Legal Status and Eligibility.

The Recipient is duly organized and existing and in good standing under the laws of the State of California. Recipient must at all times maintain its current legal existence and preserve and keep in full force and effect its legal rights and authority. The Recipient acknowledges that changes to its legal or financial status may affect its eligibility for funding under this Agreement and commits to maintaining its eligibility. Within the preceding ten years, the Recipient has not failed to demonstrate compliance with state or federal audit disallowances.

C.1.8 Financial Statements and Continuing Disclosure.

The financial statements of Recipient previously delivered to the State Water Board as of the date(s) set forth in such financial statements: (a) are materially complete and correct; (b) present fairly the financial condition of the Recipient; and (c) have been prepared in accordance with GAAP. Since the date(s) of such financial statements, there has been no material adverse change in the financial condition of the Recipient, nor have any assets or properties reflected on such financial statements been sold, transferred, assigned, mortgaged, pledged or encumbered, except as previously disclosed in writing by Recipient and approved in writing by the State Water Board.

The Recipient is current in its continuing disclosure obligations associated with its material debt, if any.

C.1.9 System Obligations

The Recipient has no System Obligations other than those defined in this Agreement.

C.1.10 No Other Material Obligations.

The Recipient has no Material Obligations other than System Obligations.

C.1.11 Compliance with State Water Board Funding Agreements.

The Recipient represents that it is in compliance with all State Water Board funding agreements to which it is a party.

C.2 DEFAULTS AND REMEDIES

In addition to any other remedy set forth in this Agreement, the following remedies are available under this Agreement.

C.2.1 Return of Funds; Acceleration; and Additional Payments.

Notwithstanding any other provision of this Agreement, if the Division determines that an Event of Default has occurred, the Recipient may be required, upon demand, immediately to do each of the following:

- i. return to the State Water Board any grant or principal forgiveness amounts received pursuant to this Agreement;
- ii. accelerate the payment of any principal owed under this Agreement, all of which shall be immediately due and payable;
- iii. pay interest at the highest legal rate on all of the foregoing; and
- iv. pay any Additional Payments.

C.2.2 RESERVED.

C.2.3 Administrative remedies.

Whenever the State Water Board determines that the Recipient, the Recipient's contractor, consultant, employee, agent, assignee, or grantee has violated any requirement or term of the Agreement, the State Water Board may impose civil penalties in accordance with Water Code, section 13497. The State Water Board may impose civil liability administratively against the Recipient or the Recipient's consultant or contractor or other agent furnishing any information related to funds disbursed or costs claimed for reimbursement if the Recipient or the Recipient's consultant or contractor or other agent fails to personally attest that the information is true, accurate, and complete to the best of one's knowledge. (Wat. Code, § 13498.) The State Water Board may impose civil liability administratively against any person who makes a misrepresentation in any submittal to the State Water Board, including, but not limited to, an application, report, certification, record, invoice, form, or other document that is submitted to the State Water Board relating to a financial assistance agreement. (Wat. Code, § 13499.)

C.2.4 Judicial remedies.

Whenever the State Water Board determines that an Event of Default shall have occurred, the State Water Board may enforce its rights under this Agreement by any judicial proceeding, whether at law or in equity. Without limiting the generality of the foregoing, the State Water Board may:

- i. by suit in equity, require the Recipient to account for amounts relating to this Agreement as if the Recipient were the trustee of an express trust;
- ii. by mandamus or other proceeding, compel the performance by the Recipient and any of its officers, agents, and employees of any duty under the law or of any obligation or covenant under this Agreement, including but not limited to the imposition and collection of rates for the services of the System sufficient to meet all requirements of this Agreement; and
- iii. take whatever action at law or in equity as may appear necessary or desirable to the State Water Board to collect the Payments then due or thereafter to become due, or to enforce performance of any obligation or covenant of the Recipient under this Agreement.

C.2.5 Termination.

Upon an Event of Default, the State Water Board may terminate this Agreement. Interest shall accrue on all amounts due at the highest legal rate of interest from the date that the State Water Board delivers notice of termination to the Recipient.

C.2.6 Damages for Breach of Tax-Exempt Status.

In the event that any breach of any of the provisions of this Agreement by the Recipient results in the loss of tax-exempt status for any bonds of the State or any subdivision or agency thereof, or if such breach results in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government by reason of any arbitrage profits, the Recipient must immediately reimburse the

State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

C.2.7 Damages for Breach of Federal Conditions.

In the event that any breach of any of the provisions of this Agreement by the Recipient results in the failure of Project Funds to be used pursuant to the provisions of this Agreement, or if such breach results in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government, the Recipient must immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

C.2.8 Remedies and Limitations.

None of the remedies available to the State Water Board shall be exclusive of any other remedy, and each such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. The State Water Board may exercise any remedy, now or hereafter existing, without exhausting and without regard to any other remedy.

Any claim of the Recipient is limited to the rights and remedies provided to the Recipient under this Agreement and is subject to the claims procedures provided to the Recipient under this Agreement.

C.2.9 Non-Waiver.

Nothing in this Agreement shall affect or impair the Recipient's Obligation to pay Payments as provided herein or shall affect or impair the right of the State Water Board to bring suit to enforce such payment. No delay or omission of the State Water Board in the exercise of any right arising upon an Event of Default shall impair any such right or be construed to be a waiver of any such Event of Default. The State Water Board may exercise from time to time and as often as shall be deemed expedient by the State Water Board, any remedy or right provided by law or pursuant to this Agreement.

C.2.10 Status Quo.

If any action to enforce any right or exercise any remedy shall be brought and either discontinued or determined adversely to the State Water Board, then the State Water Board shall be restored to its former position, rights and remedies as if no such action had been brought.

C.3 STANDARD CONDITIONS

C.3.1 Access, Inspection, and Public Records.

The Recipient must ensure that the State Water Board, the Governor of the State, the USEPA, the USEPA's Office of Inspector General, any member of Congress, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of the Agreement. The Recipient acknowledges that, except for a subset of information regarding archaeological records, the Project records and locations are public records, including but not limited to all of the submissions accompanying the application, all of the documents incorporated into this Agreement by reference, and all reports, reimbursement requests, and supporting documentation submitted hereunder.

C.3.2 Accounting and Auditing Standards; Financial Management Systems.

- (a) The Recipient must maintain project accounts according to GAAP as issued by the Governmental Accounting Standards Board (GASB) or its successor. The Recipient must maintain GAAP-compliant project accounts, including GAAP requirements relating to the reporting of infrastructure assets.
- (b) The Recipient must comply with federal standards for financial management systems. The Recipient agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit preparation of reports required by the federal government and tracking of Project funds to a level of expenditure adequate to establish that such funds have not been used in violation of federal or state law or the terms of this Agreement.
- (c) Without limitation of the requirement to maintain Project accounts in accordance with GAAP, the Recipient must:
 - i. Establish an official file for the Project which adequately documents all significant actions relative to the Project;
 - ii. Establish separate accounts which will adequately and accurately depict all amounts received and expended on the Project, including all assistance funds received under this Agreement;
 - iii. Establish separate accounts which will adequately depict all income received which is attributable to the Project, specifically including any income attributable to assistance funds disbursed under this Agreement;
 - iv. Establish an accounting system which will accurately depict final total costs of the Project, including both direct and indirect costs;
 - v. Establish such accounts and maintain such records as may be necessary for the State to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and
 - vi. If Force Account is used by the Recipient for any phase of the Project, other than for planning, design, and construction engineering and administration provided for by allowance, accounts will be established which reasonably document all employee hours charged to the Project and the associated tasks performed by each employee. Indirect costs are not eligible for funding.

C.3.3 Amendment.

No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by both the Recipient and the Deputy Director or designee.

Requests for amendments must be in writing and directed to the contact listed in Section 4 and to the Division's Chief of Loans and Grants Administration Section.

C.3.4 Assignability.

This Agreement is not assignable by the Recipient, either in whole or in part, without the consent of the State Water Board in the form of a formal written amendment to this Agreement.

C.3.5 Audit.

- (a) The Division may call for an audit of financial information relative to the Project if the Division determines that an audit is desirable to assure program integrity or if an audit becomes necessary because of state or federal requirements. If an audit is called for, the audit must be performed by

a certified public accountant independent of the Recipient and at the cost of the Recipient. The audit must be in the form required by the Division.

(b) Audit disallowances must be returned to the State Water Board.

C.3.6 Bonding.

Where contractors are used, the Recipient must not authorize construction to begin until each contractor has furnished a performance bond in favor of the Recipient in the following amounts: faithful performance (100%) of contract value; labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00.

C.3.7 Competitive Bidding.

Recipient must adhere to any applicable state law or local ordinance for competitive bidding and applicable labor laws.

C.3.8 Compliance with Applicable Laws, Rules, and Requirements.

The Recipient must, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, guidelines, regulations, and requirements. Without limitation of the foregoing, to the extent applicable, the Recipient must:

- (a) Comply with the provisions of the adopted environmental mitigation plan, if any, for the term of this Agreement;
- (b) Comply with the Policy; and
- (c) Comply with and require compliance with the state and federal requirements set forth elsewhere in this Agreement.

C.3.9 Computer Software.

The Recipient certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

C.3.10 Conflict of Interest.

The Recipient certifies that its owners, officers, directors, agents, representatives, and employees are in compliance with applicable state and federal conflict of interest laws.

C.3.11 Continuous Use of Project; No Lease, Sale, Transfer of Ownership, or Disposal of Project.

The Recipient agrees that, except as provided in this Agreement, it will not abandon, substantially discontinue use of, lease, sell, transfer ownership of, or dispose of all or a significant part or portion of the Project during the Useful Life of the Project without prior written approval of the Division. Such approval may be conditioned as determined to be appropriate by the Division, including a condition requiring repayment of all disbursed Project Funds or all or any portion of all remaining funds covered by this Agreement together with accrued interest and any penalty assessments that may be due.

C.3.12 Data Management.

The Recipient will undertake appropriate data management activities so that Project data can be incorporated into statewide data systems.

C.3.13 Disputes.

- (a) The Recipient may appeal a staff decision within 30 days to the Deputy Director of the Division or designee, for a final Division decision. The Recipient may appeal a final Division decision to the State Water Board within 30 days. The Office of the Chief Counsel of the State Water Board will prepare a summary of the dispute and make recommendations relative to its final resolution, which will be provided to the State Water Board's Executive Director and each State Water Board Member. Upon the motion of any State Water Board Member, the State Water Board will review and resolve the dispute in the manner determined by the State Water Board. Should the State Water Board determine not to review the final Division decision, this decision will represent a final agency action on the dispute.
- (b) This clause does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final the decision of the State Water Board, or any official or representative thereof, on any question of law.
- (c) Recipient must continue with the responsibilities under this Agreement during any dispute.
- (d) This section relating to disputes does not establish an exclusive procedure for resolving claims within the meaning of Government Code sections 930 and 930.4.

C.3.14 RESERVED.

C.3.15 Environmental Clearance.

- (a) No work that is subject to CEQA or NEPA may proceed under this Agreement unless the State Water Board has provided environmental clearance. The State Water Board may require changes in the scope of work or additional mitigation as a condition to providing construction or implementation funding under this Agreement. Recipient shall not perform any work subject to CEQA and/or NEPA before the State Water Board completes its environmental review and specifies any changes in scope or additional mitigation that may be required. Proceeding with work subject to CEQA and/or NEPA without approval by the State Water Board shall constitute a breach of a material provision of this Agreement.
- (b) If this Project includes modification of a river or stream channel, the Recipient must fully mitigate environmental impacts resulting from the modification. The Recipient must provide documentation that the environmental impacts resulting from such modification will be fully mitigated considering all of the impacts of the modification and any mitigation, environmental enhancement, and environmental benefit resulting from the Project, and whether, on balance, any environmental enhancement or benefit equals or exceeds any negative environmental impacts of the Project.

C.3.16 Governing Law.

This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

C.3.17 Income Restrictions.

The Recipient agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Recipient under this Agreement must be paid by the Recipient to the State Water Board, to the extent that they are properly allocable to costs for which the Recipient has been reimbursed by the State Water Board under this Agreement.

C.3.18 Indemnification and State Reviews.

The parties agree that review or approval of Project plans and specifications by the State Water Board is for administrative purposes only, including conformity with application and eligibility criteria, and expressly not for the purposes of design defect review or construction feasibility, and does not relieve the Recipient of its responsibility to properly plan, design, construct, operate, and maintain the Project. To the extent permitted by law, the Recipient agrees to indemnify, defend, and hold harmless the State Water Board, the Bank, and any trustee, and their officers, employees, and agents for the Bonds, if any (collectively, "Indemnified Persons"), against any loss or liability arising out of any claim or action brought against any Indemnified Persons from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character, and nature whatsoever arising out of, resulting from, or in any way connected with (1) the System or the Project or the conditions, occupancy, use, possession, conduct, or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the System or the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the Toxic Substances Control Act, the Occupational Safety and Health Act, the Safe Drinking Water Act, the California Hazardous Waste Control Law, and California Water Code Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the System or the Project; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Recipient for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement, except those arising from the gross negligence or willful misconduct of the Indemnified Persons. The Recipient must also provide for the defense and indemnification of the Indemnified Persons in any contractual provision extending indemnity to the Recipient in any contract let for the performance of any work under this Agreement, and must cause the Indemnified Persons to be included within the scope of any provision for the indemnification and defense of the Recipient in any contract or subcontract. To the fullest extent permitted by law, the Recipient agrees to pay and discharge any judgment or award entered or made against Indemnified Persons with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section survive the term of this Agreement.

C.3.19 Independent Actor.

The Recipient, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State Water Board.

C.3.20 Integration.

This Agreement constitutes the complete and final agreement between the parties. No oral or written understanding or agreement not incorporated in this Agreement shall be binding on either party.

C.3.21 Leveraging Covenants.

- (a) Notwithstanding any other provision hereof, the Recipient covenants and agrees that it will comply with the Tax Covenants set forth in Exhibit F of this Agreement.
- (b) The Recipient covenants to furnish such financial, operating and other data pertaining to the Recipient as may be requested by the State Water Board to: (i) enable the State Water Board to cause the issuance of Bonds and provide for security therefor; or (ii) enable any underwriter of Bonds issued for the benefit of the State Water Board to comply with Rule 15c2-12(b)(5).
- (c) The Recipient further covenants to provide the State Water Board with copies of all continuing disclosure documents or reports that are disclosed pursuant to (i) the Recipient's continuing disclosure undertaking or undertakings made in connection with any outstanding System Obligation, (ii) the terms of any outstanding System Obligation, or (iii) a voluntary disclosure of information related to an outstanding System Obligation. The Recipient must disclose such documents or reports to the State Water Board at the same time such documents or reports are submitted to any dissemination agent, trustee, nationally recognized municipal securities information repository, the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) website or other person or entity.

C.3.22 No Discrimination.

- (a) The Recipient must comply with Government Code section 11135 and the implementing regulations (Cal. Code Regs, tit. 2, § 14000 et seq.), including, but not limited to, ensuring that no person is unlawfully denied full and equal access to the benefits of, or unlawfully subjected to discrimination in the operation of, the Project or System on the basis of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, or sexual orientation as such terms are defined under California law, for as long as the Recipient retains ownership or possession of the Project.
- (b) If Project Funds are used to acquire or improve real property, the Recipient must include a covenant of nondiscrimination running with the land in the instrument effecting or recording the transfer of such real property.
- (c) The Recipient must comply with the federal American with Disabilities Act of 1990 and implementing regulations as required by Government Code section 11135(b).
- (d) The Recipient's obligations under this section shall survive the term of this Agreement.
- (e) During the performance of this Agreement, Recipient and its contractors and subcontractors must not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, sexual orientation, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family care leave, or genetic information, gender, gender identity, gender expression, or military and veteran status.
- (f) The Recipient, its contractors, and subcontractors must ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.
- (g) The Recipient, its contractors, and subcontractors must comply with the provisions of the Fair Employment and Housing Act and the applicable regulations promulgated thereunder. (Gov.

Code, §12990, subds. (a)-(f) et seq.; Cal. Code Regs., tit. 2, § 7285 et seq.) Such regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

- (h) The Recipient, its contractors, and subcontractors must comply with all applicable federal civil rights regulations, including statutory and national policy requirements. (2 CFR § 200.300).
- (i) The Recipient, its contractors, and subcontractors must give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- (j) The Recipient must include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

C.3.23 No Third Party Rights.

The parties to this Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or of any duty, covenant, obligation, or undertaking established herein.

C.3.24 No Obligation of the State.

Any obligation of the State Water Board herein contained shall not be an obligation, debt, or liability of the State and any such obligation shall be payable solely out of the moneys encumbered pursuant to this Agreement.

C.3.25 Notice.

Upon the occurrence of any of the following events, the Recipient must provide notice as set forth below.

- (a) Within 24 hours of the following, the Recipient must notify the Division by phone at (916) 327-9978 and by email to julie.mah@waterboards.ca.gov and melky.calderon@waterboards.ca.gov and CleanWaterSRF@waterboards.ca.gov of:
 - i. The seizure of, or levy on, any Revenues securing this Agreement;
 - ii. Any discovery of any potential tribal cultural resource, archaeological or historical resource, or human remains in the Project area. If there are any applicable provisions of a mitigation, monitoring and reporting program adopted for the project, the Recipient shall comply with such provisions. The Recipient must coordinate with the Division to determine the appropriate course of action necessary to mitigate potential impacts. In the event of the discovery of human remains during construction of the Project, the Recipient shall cease construction and take other action required by any applicable laws, which may include but are not limited to Health and Safety Code, section 7050.5 and Public Resources Code, section 5097.98.
- (b) Within five (5) business days, the Recipient must notify the Division by phone at (916) 327-9978; by email to Lance.Reese@waterboards.ca.gov and julie.mah@waterboards.ca.gov and melky.calderon@waterboards.ca.gov and CleanWaterSRF@waterboards.ca.gov; and by mail to the contact address set forth in Section 4 of this Agreement of the occurrence of any of the following events:
 - i. Bankruptcy, insolvency, receivership or similar event of the Recipient, or actions taken in anticipation of any of the foregoing;

- ii. Change of ownership of the Project or the System or change of management or service contracts, if any, for operation of the System;
 - iii. Loss, theft, damage, or impairment to Project, the Revenues or the System;
 - iv. Failure to meet any debt service coverage test in Exhibit B of this Agreement;
 - v. Draws on the Reserve Fund;
 - vi. Listed Events and Events of Default, except as otherwise set forth in this section;
 - vii. Failure to observe or perform any covenant or comply with any condition in this Agreement;
 - viii. An offer from a public entity to purchase the Project or the System or any portion thereof, or any of the real or personal property related to or necessary for the Project;
 - ix. A proceeding or action by a public entity to acquire the Project or the System by power of eminent domain;
 - x. Incurrence of a System Obligation or other Material Obligation by the Recipient; or
 - xi. A default, event of acceleration, termination event, modification of terms, or other similar event under the terms of a System Obligation or other Material Obligation of the Recipient, any of which reflect financial difficulties.
- (c) Within ten (10) business days, the Recipient must notify the Division by phone at (916) 327-9978, by email to julie.mah@waterboards.ca.gov and melky.calderon@waterboards.ca.gov and CleanWaterSRF@waterboards.ca.gov, and by mail to the contact address set forth in Section 4 of this Agreement of the following events:
- i. Material defaults on Material Obligations, other than this Obligation;
 - ii. Unscheduled draws on material debt service reserves or credit enhancements, reflecting financial difficulties;
 - iii. Substitution of credit or liquidity providers, if any or their failure to perform;
 - iv. Any litigation pending or threatened with respect to the Project or the Recipient's technical, managerial or financial capacity to operate the System or the Recipient's continued existence, or any judgment or court order relating to such litigation that has a significant effect on the Project or the System;
 - v. Circulation of a petition to repeal, reduce, or otherwise challenge the Recipient's rates for services of the System;
 - vi. Consideration of dissolution, or disincorporation, or any other event that could materially impair the Revenues;
 - vii. Adverse tax opinions, the issuance by the Internal Revenue Service or proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of any tax-exempt bonds;
 - viii. Rating changes on outstanding System Obligations, if any;
 - ix. Enforcement actions by or brought on behalf of the State Water Board or Regional Water Board; or
 - x. Any investigation by the District Attorney, California State Auditor, Bureau of State Audits, USEPA's Office of Inspector General, the Internal Revenue Service, Securities and Exchange Commission, a grand jury, or any other state or federal agency, relating to the Recipient's financial management, accounting procedures, or internal fiscal controls;
- (d) The Recipient must notify the Division promptly by phone at (916) 327-9978, by email to julie.mah@waterboards.ca.gov and melky.calderon@waterboards.ca.gov and CleanWaterSRF@waterboards.ca.gov, and by mail to the contact address set forth in Section 4 of this Agreement of any of the following events:

- i. The discovery of a false statement of fact or representation made in this Agreement or in the application to the Division for this financial assistance, or in any certification, report, or request for reimbursement made pursuant to this Agreement, by the Recipient, its employees, agents, or contractors;
- ii. Any substantial change in scope of the Project. The Recipient must undertake no substantial change in the scope of the Project until prompt written notice of the proposed change has been provided to the Division and the Division has given written approval for the change;
- iii. Cessation of all major construction work on the Project where such cessation of work is expected to or does extend for a period of thirty (30) days or more;
- iv. Any circumstance, combination of circumstances, or condition, which is expected to or does delay Completion of Construction for a period of ninety (90) days or more;
- v. Any disputes related to the Project that may affect the Recipient's ability to comply with the terms of this Agreement;
- vi. Discovery of any unexpected endangered or threatened species, as defined in the federal Endangered Species Act. Should a federally protected species be unexpectedly encountered during construction of the Project, the Recipient agrees to promptly notify the Division. This notification is in addition to the Recipient's obligations under the federal Endangered Species Act;
- vii. Any Project monitoring, demonstration, or other implementation activities required in Exhibit A or Exhibit D of this Agreement, if any;
- viii. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by state and federal representatives with at least ten (10) working days' notice to the Division;
- ix. Any allegation of research misconduct involving research activities that are supported in whole or in part with USEPA funds under this Project, as required by Exhibit C.4.3(xxvii);
- x. Any events requiring notice to the Division pursuant to the provisions of this Agreement;
- xi. Completion of Construction of the Project, and actual Project Completion;
- xii. The award of the prime construction contract for the Project;
- xiii. Initiation of construction of the Project.

C.3.26 Operation and Maintenance; Insurance.

The Recipient agrees to sufficiently and properly staff, operate and maintain all portions of the System during the Useful Life of the Project in accordance with all applicable state and federal laws, rules, and regulations.

The Recipient will procure and maintain or cause to be maintained insurance on the System with responsible insurers, or as part of a reasonable system of self-insurance, in such amounts and against such risks (including damage to or destruction of the System) as are usually covered in connection with systems similar to the System. Such insurance may be maintained by a self-insurance plan so long as such plan provides for (i) the establishment by the Recipient of a separate segregated self-insurance fund in an amount determined (initially and on at least an annual basis) by an independent insurance consultant experienced in the field of risk management employing accepted actuarial techniques and (ii) the establishment and maintenance of a claims processing and risk management program.

In the event of any damage to or destruction of the System caused by the perils covered by such insurance, the net proceeds thereof shall be applied to the reconstruction, repair or replacement of the

damaged or destroyed portion of the System. The Recipient must begin such reconstruction, repair or replacement as expeditiously as possible, and must pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same must be completed and the System must be free and clear of all claims and liens. If such net proceeds are insufficient to reconstruct, repair, or restore the System to the extent necessary to enable the Recipient to pay all remaining unpaid principal portions of the Payments, if any, in accordance with the terms of this Agreement, the Recipient must provide additional funds to restore or replace the damaged portions of the System.

Recipient agrees that for any policy of insurance concerning or covering the construction of the Project, it will cause, and will require its contractors and subcontractors to cause, a certificate of insurance to be issued showing the State Water Board, its officers, agents, employees, and servants as additional insured; and must provide the Division with a copy of all such certificates prior to the commencement of construction of the Project.

C.3.27 Permits, Subcontracting, and Remedies.

Recipient must procure all permits, licenses and other authorizations necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Signed copies of any such permits or licenses must be submitted to the Division before any construction begins.

The Recipient must not contract or allow subcontracting with excluded parties. The Recipient must not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized. For any work related to this Agreement, the Recipient must not contract with any individual or organization on the State Water Board's List of Disqualified Businesses and Persons that is identified as debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which funding under this Agreement is authorized. The State Water Board's List of Disqualified Businesses and Persons is located at

http://www.waterboards.ca.gov/water_issues/programs/enforcement/fwa/dbp.shtml

C.3.28 Professionals.

The Recipient agrees that only licensed professionals will be used to perform services under this Agreement where such services are called for. All technical reports required pursuant to this Agreement that involve planning, investigation, evaluation, design, or other work requiring interpretation and proper application of engineering, architectural, or geologic sciences, shall be prepared by or under the direction of persons registered to practice in California pursuant to Business and Professions Code, sections 5536.1, 6735, 7835, and 7835.1. To demonstrate compliance with California Code of Regulations, title 16, sections 415 and 3065, all technical reports must contain a statement of the qualifications of the responsible registered professional(s). As required by these laws, completed technical reports must bear the signature(s) and seal(s) of the registered professional(s) in a manner such that all work can be clearly attributed to the professional responsible for the work.

C.3.29 Prevailing Wages.

The Recipient agrees to be bound by all applicable provisions of State Labor Code regarding prevailing wages. The Recipient must monitor all agreements subject to reimbursement from this Agreement to ensure that the prevailing wage provisions of the State Labor Code are being met.

In addition, the Recipient agrees to comply with the Davis-Bacon provisions incorporated by reference in Section 3 of this Agreement.

C.3.30 Public Funding.

This Project is publicly funded. Any service provider or contractor with which the Recipient contracts must not have any role or relationship with the Recipient, that, in effect, substantially limits the Recipient's ability to exercise its rights, including cancellation rights, under the contract, based on all the facts and circumstances.

C.3.31 Recipient's Responsibility for Work.

The Recipient shall be responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Recipient shall be responsible for responding to any and all disputes arising out of its contracts for work on the Project. The State Water Board will not mediate disputes between the Recipient and any other entity concerning responsibility for performance of work.

C.3.32 Records Retention.

The Recipient must maintain separate books, records and other material relative to the Project, including compliance documentation. The Recipient must also retain such books, records, and other material for itself and for each contractor or subcontractor who performed or performs work on this project for a minimum of thirty-six (36) years after Completion of Construction. The Recipient must require that such books, records, and other material are subject at all reasonable times (at a minimum during normal business hours) to inspection, copying, and audit by the State Water Board, the California State Auditor, the Bureau of State Audits, the USEPA, the USEPA's Office of Inspector General, the Internal Revenue Service, the Governor, or any authorized representatives of the aforementioned. The Recipient must allow and must require its contractors to allow interviews during normal business hours of any employees who might reasonably have information related to such records. The Recipient agrees to include a similar duty regarding audit, interviews, and records retention in any contract or subcontract related to the performance of this Agreement. The provisions of this section survive the term of this Agreement.

C.3.33 Related Litigation.

Under no circumstances may the Recipient use funds from any reimbursement under this Agreement to pay costs associated with any litigation the Recipient pursues against the State Water Board or any Regional Water Quality Control Board. Regardless of the outcome of any such litigation, and notwithstanding any conflicting language in this Agreement, the Recipient agrees to repay all of the disbursed funds plus interest in the event that Recipient does not complete the project.

C.3.34 Rights in Data.

The Recipient agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement are subject to the rights of the State as set forth in this section. The State shall have the right to reproduce, publish, and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Recipient may copyright the same, except that, as to any work which is copyrighted by the Recipient, the State reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so, and to receive electronic copies from the Recipient upon request.

C.3.35 State Water Board Action; Costs and Attorney Fees.

Any remedy provided in this Agreement is in addition to and not in derogation of any other legal or equitable remedy available to the State Water Board as a result of breach of this Agreement by the

Recipient, whether such breach occurs before or after completion of the Project, and exercise of any remedy provided by this Agreement by the State Water Board shall not preclude the State Water Board from pursuing any legal remedy or right which would otherwise be available. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that each party shall bear its own costs and attorney fees.

C.3.36 Timeliness.

Time is of the essence in this Agreement.

C.3.37 Unenforceable Provision.

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

C.3.38 Venue.

Any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California.

C.3.39 Waiver and Rights of the State Water Board.

Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the State Water Board provided for in this Agreement are in addition to any other rights and remedies provided by law.

C.4 MISCELLANEOUS STATE AND FEDERAL REQUIREMENTS

C.4.1 RESERVED.

C.4.2 State Cross-Cutters.

Recipient represents that, as applicable, it complies and covenants to maintain compliance with the following with respect to all Project Costs for the term of this Agreement:

- i. The California Environmental Quality Act (CEQA), as set forth in Public Resources Code 21000 et seq. and in the CEQA Guidelines at Title 14, Division 6, Chapter 3, Section 15000 et seq.
- ii. Water Conservation requirements, including regulations in Division 3 of Title 23 of the California Code of Regulations.
- iii. Monthly Water Diversion Reporting requirements, including requirements set forth in Water Code section 5103.
- iv. Public Works Contractor Registration with Department of Industrial Relations requirements, including requirements set forth in Sections 1725.5 and 1771.1 of the Labor Code.
- v. Volumetric Pricing & Water Meters requirements, including the requirements of Water Code sections 526 and 527.

- vi. Urban Water Management Plan requirements, including the Urban Water Management Planning Act (Water Code, § 10610 et seq.).
- vii. Urban Water Demand Management requirements, including the requirements of Section 10608.56 of the Water Code.
- viii. Delta Plan Consistency Findings requirements, including the requirements of Water Code section 85225 and California Code of Regulations, title 23, section 5002.
- ix. Agricultural Water Management Plan Consistency requirements, including the requirements of Water Code section 10852.
- x. Charter City Project Labor Requirements, including the requirements of Labor Code section 1782 and Public Contract Code section 2503.
- xi. The Recipient agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with directives or orders issued pursuant to Division 7 of the Water Code.
- xii. Regulations in Division 4 of Title 22 of the California Code of Regulations, including but not limited to California Waterworks Standards in Chapter 16, and Lead and Copper regulations in Chapter 17.5.

C.4.3 Federal Requirements and Cross-Cutters for SRF Funding.

The Recipient acknowledges, warrants compliance with, and covenants to continuing compliance with the following federal terms and conditions with respect to all Project Costs for the term of this Agreement and for the Useful Life of the Project:

- i. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient shall not purchase "iron and steel products" produced outside of the United States on this Project. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient hereby certifies that all "iron and steel products" used in the Project were or will be produced in the United States. For purposes of this section, the term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials. "Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.
- ii. The Recipient must include in full the Wage Rate Requirements (Davis-Bacon) language incorporated by reference in Section 3 of this Agreement in all construction contracts and subcontracts.
- iii. The Recipient must comply with the signage requirements set forth in Exhibit A.
- iv. The Recipient shall notify the State Water Board and the USEPA contact of public or media events publicizing the accomplishment of significant events related to this Project and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

- v. The Recipient shall comply with applicable USEPA general terms and conditions found at: <https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2024-or-later>.
- vi. No Recipient may receive funding under this Agreement unless it has provided its Unique Entity Identifier, assigned by the System for Award Management, to the State Water Board.
- vii. The Recipient represents and warrants that it and its principals are not excluded or disqualified from participating in this transaction as such terms are defined in Parts 180 and 1532 of Title 2 of the Code of Federal Regulations (2 CFR). If the Recipient is excluded after execution of this Agreement, the Recipient shall notify the Division within ten (10) days and shall inform the Division of the Recipient's exclusion in any request for amendment of this Agreement. The Recipient shall comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR. Such compliance is a condition precedent to the State Water Board's performance of its obligations under this Agreement. When entering into a covered transaction as defined in Parts 180 and 1532 of 2 CFR, the Recipient shall require the other party to the covered transaction to comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR.
- viii. To the extent applicable, the Recipient shall disclose to the State Water Board any potential conflict of interest consistent with USEPA's Final Financial Assistance Conflict of Interest Policy at <https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy>. A conflict of interest may result in disallowance of costs.
- ix. USEPA and the State Water Board have the right to reproduce, publish, use and authorize others to reproduce, publish and use copyrighted works or other data developed under this assistance agreement. This includes the right to require the Recipient to make such works available through agency-designated public access repositories.
- x. Where an invention is made with Project Funds, USEPA and the State Water Board retain the right to a worldwide, nonexclusive, nontransferable, irrevocable, paid-up license to practice the invention owned by the Recipient. The Recipient must utilize the Interagency Edison extramural invention reporting system at <https://www.nist.gov/iedison> and shall notify the Division when an invention report, patent report, or utilization report is filed.
- xi. The Recipient agrees that any reports, documents, publications or other materials developed for public distribution supported by this Agreement shall contain the Disclosure statement set forth in Exhibit A.
- xii. The Recipient acknowledges that it is encouraged to follow guidelines established under Section 508 of the Rehabilitation Act, codified at 36 CFR Part 1194, with respect to enabling individuals with disabilities to participate in its programs supported by this Project.
- xiii. The Recipient, its employees, contractors and subcontractors and their employees warrants that it will not engage in severe forms of trafficking in persons, procure a commercial sex act during the term of this Agreement, use forced labor in the performance of this Agreement, or engage in acts that directly support or advance trafficking in persons, including (i) destroying, concealing, removing, confiscating, or otherwise denying an employee access to that employee's identity or immigration documents; (ii) failing to provide return transportation or pay for return transportation costs to an employee from a country outside the United States to the country from which the employee was recruited upon the end of employment if request by the employee, unless exempted from the requirement to provide or pay for such return transportation by the Federal department or agency providing or entering into the grant or cooperative agreements or the employee is a victim of human trafficking seeking victim services or legal redress in the country of employment or a witness in a human trafficking enforcement action; (iii) soliciting a person for the

purpose of employment, or offering employment, by means of materially false or fraudulent pretenses, representations, or promises regarding that employment; (iv) charging recruited employees a placement or recruitment fee; or (v) providing or arranging housing that fails to meet the host country's housing and safety standards. The Recipient must include this provision in its contracts and subcontracts under this Agreement. The Recipient must inform the State Water Board immediately of any information regarding a violation of the foregoing. The Recipient understands that failure to comply with this provision may subject the State Water Board to loss of federal funds. The Recipient agrees to compensate the State Water Board for any such funds lost due to its failure to comply with this condition, or the failure of its contractors or subcontractors to comply with this condition. The State Water Board may unilaterally terminate this Agreement if the Recipient that is a private entity is determined to have violated the foregoing.

- xiv. The Recipient certifies to the best of its knowledge and belief that:
- a. No federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
 - b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with this Agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions, and notify the State Water Board.

The Recipient shall require this certification from all parties to any contract or agreement that the Recipient enters into and under which the Recipient incurs costs for which it seeks reimbursements under this Agreement.

- xv. The Recipient must comply with the following federal non-discrimination requirements:
- a. Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, and national origin, including limited English proficiency (LEP).
 - b. Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against persons with disabilities.
 - c. The Age Discrimination Act of 1975, which prohibits age discrimination.
 - d. Section 13 of the Federal Water Pollution Control Act Amendments of 1972, which prohibits discrimination on the basis of sex.
 - e. 40 CFR Part 7, as it relates to the foregoing.
- xvi. If the Project relates to construction of a publicly owned treatment works, where the Recipient contracts for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services, the Recipient shall ensure that any such contract is negotiated in the same manner as a contract for architectural and engineering services is negotiated under chapter 11 of title 40, United States Code, or an equivalent State qualifications-based requirement as determined by the State Water Board.
- xvii. If the Project relates to construction of a publicly owned treatment works, the Recipient certifies that it has developed and is implementing a fiscal sustainability plan for the Project, except as set forth in Exhibit D, that includes an inventory of critical assets that are a part of the Project, an evaluation of the condition and performance of inventoried assets or asset groupings, a

certification that the Recipient has evaluated and will be implementing water and energy conservation efforts as part of the plan, and a plan for maintaining, repairing, and, as necessary, replacing the Project and a plan for funding such activities.

- xviii. Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans; 42 USC § 7606; 33 USC § 1368. Except where the purpose of this Agreement is to remedy the cause of the violation, the Recipient may not procure goods, services, or materials from suppliers excluded under the federal System for Award Management: sam.gov.
- xix. Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended; 42 USC §§4601-4655. The Recipient must comply with the Act's implementing regulations at 49 CFR 24.101 through 24.105.
- xx. The Recipient agrees that if its network or information system is connected to USEPA networks to transfer data using systems other than the Environmental Information Exchange Network or USEPA's Central Data Exchange, it will ensure that any connections are secure. For purposes of this subsection, a connection is defined as a dedicated persistent interface between a USEPA information technology system and an external information technology system for the purpose of transferring information. Transitory, user-controlled connections such as website browsing are excluded from this definition. If the Recipient's connections as defined above do not go through the Environmental Information Exchange Network or USEPA's Central Data Exchange, the Recipient agrees to contact the USEPA Project Officer and work with the designated Regional/Headquarters Information Security Officer to ensure that the connections meet USEPA security requirements, including entering into Interconnection Service Agreements as appropriate. This condition does not apply to manual entry of data by the Recipient into systems operated and used by USEPA's regulatory programs for the submission of reporting and/or compliance data.
- xxi. All geospatial data created pursuant to this Agreement that is submitted to the State Water Board for use by USEPA or that is submitted directly to USEPA must be consistent with Federal Geographic Data Committee endorsed standards. Information on these standards may be found at www.fgdc.gov.
- xxii. If the Recipient is a water system that serves 500 or fewer persons, the Recipient represents that it has considered publicly-owned wells as an alternative drinking water supply.
- xxiii. The Recipient represents that it is not a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and it is not a corporation that was convicted of a felony criminal violation under a Federal law within the preceding 24 months.
- xxiv. The Recipient agrees to immediately notify the Project Manager in writing about any allegation of research misconduct involving research activities that are supported in whole or in part with USEPA funds under this Project, including fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results, or ordering, advising, or suggesting that subordinates engage in research misconduct.
- xxv. The Recipient agrees to comply with, and require all contractors and subcontractors to comply with, USEPA's Scientific Integrity Policy, available at <https://www.epa.gov/osa/policy-epa-scientific-integrity>, when conducting, supervising, and communicating science and when using or applying the results of science. For purposes of this condition scientific activities include, but are

not limited to, computer modelling, economic analysis, field sampling, laboratory experimentation, demonstrating new technology, statistical analysis, and writing a review article on a scientific issue.

The Recipient shall not suppress, alter, or otherwise impede the timely release of scientific findings or conclusions; intimidate or coerce scientists to alter scientific data, findings, or professional opinions or exert non-scientific influence on scientific advisory boards; knowingly misrepresent, exaggerate, or downplay areas of scientific uncertainty; or otherwise violate the USEPA's Scientific Integrity Policy. The Recipient must refrain from acts of research misconduct, including publication or reporting, as described in USEPA's Policy and Procedures for Addressing Research Misconduct, Section 9.C, and must ensure scientific findings are generated and disseminated in a timely and transparent manner, including scientific research performed by contractors and subcontractors.

- xxvi. The Recipient agrees to comply with the Animal Welfare Act of 1966 (7 USC 2131-2156). Recipient also agrees to abide by the "U.S. Government Principles for the Utilization and Care of Vertebrate Animals used in Testing, Research, and Training," available at <http://grants.nih.gov/grants/olaw/references/phspol.htm#USGovPrinciples>.
- xxvii. The Recipient certifies that no Project Funds will be used on:
- a. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities), telecommunications or video surveillance equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
 - b. Telecommunications or video surveillance services provided by such entities or using such equipment;
 - c. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country;
 - d. Systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system; or
 - e. Other telecommunications or video surveillance services or equipment in violation of [2 CFR 200.216](#).

EXHIBIT D – SPECIAL CONDITIONS

Environmental:

1. The Recipient shall make no changes to the Project, construction area, or special conditions, without obtaining the appropriate and necessary prior approval from the State Water Board.
2. The Recipient shall provide notice to the CWSRF Program at CleanWaterSRF@waterboards.ca.gov or (916) 327-9978 within 24 hours of the discovery of any potential tribal cultural resource and/or archaeological or historical resource, and shall notify the Division promptly upon the discovery of any unexpected endangered or threatened species, as defined in the federal Endangered Species Act. For additional requirements, please refer to Exhibit C of this Agreement.

Executive Order N-6-22 — Russian Sanctions.

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State Water Board determine Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State Water Board shall provide Recipient advance written notice of such termination, allowing Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State Water Board.

The Recipient represents that the Recipient is not a target of economic sanctions imposed in response to Russia’s actions in Ukraine imposed by the United States government or the State of California. The Recipient is required to comply with the economic sanctions imposed in response to Russia’s actions in Ukraine, including with respect to, but not limited to, the federal executive orders identified in California Executive Order N-6-22, located at <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf> and the sanctions identified on the United States Department of the Treasury website (<https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions>). The Recipient is required to comply with all applicable reporting requirements regarding compliance with the economic sanctions, including, but not limited to, those reporting requirements set forth in California Executive Order N-6-22 for all Recipients with one or more agreements with the State of California with an aggregated value of Five Million Dollars (\$5,000,000) or more. Notwithstanding any other provision in this Agreement, failure to comply with the economic sanctions and all applicable reporting requirements may result in termination of this Agreement.

For Recipients with an aggregated agreement value of Five Million Dollars (\$5,000,000) or more with the State of California, reporting requirements include, but are not limited to, information related to steps taken in response to Russia’s actions in Ukraine, including but not limited to:

1. Desisting from making any new investments or engaging in financial transactions with Russian institutions or companies that are headquartered or have their principal place of business in Russia;
2. Not transferring technology to Russia or companies that are headquartered or have their principal place of business in Russia; and
3. Direct support to the government and people of Ukraine.

EXHIBIT E – PAYMENT SCHEDULE

See the attached preliminary Payment Schedule, which may be updated as discussed in Exhibit B. The final Payment Schedule will be forwarded to the Recipient after all disbursements have been paid and construction of the Project has been completed.

EXHIBIT F – TAX CERTIFICATE

F.1 Purpose.

The purpose of this Exhibit F is to establish the reasonable expectations of the Recipient regarding the Project and the Project Funds, and is intended to be and may be relied upon for purposes of Sections 103, 141 and 148 of the Code and as a certification described in Section 1.148-2(b)(2) of the Treasury Regulations. This Exhibit F sets forth certain facts, estimates and circumstances which form the basis for the Recipient's expectation that neither the Project nor the Bond Funded Portion of the Project Funds is to be used in a manner that would cause the Obligation to be classified as "arbitrage bonds" under Section 148 of the Code or "private activity bonds" under Section 141 of the Code.

F.2 Tax Covenant.

The Recipient agrees that it will not take or authorize any action or permit any action within its reasonable control to be taken, or fail to take any action within its reasonable control, with respect to the Project which would result in the loss of the exclusion of interest on the Bonds from gross income for federal income tax purposes under Section 103 of the Code.

F.3 Governmental Unit.

The Recipient is a state or local governmental unit as defined in Section 1.103-1 of the Treasury Regulations or an instrumentality thereof (a "Governmental Unit") and is not the federal government or any agency or instrumentality thereof.

F.4 Financing of a Capital Project.

The Recipient will use the Project Funds to finance capital expenditures it has incurred or will incur for the construction, reconstruction, installation or acquisition of the Project in accordance with the terms of this Agreement. Such expenditures shall not have previously been financed with the proceeds of any other issue of indebtedness except for interim financing by the Recipient, the date of maturity, prepayment or redemption of which is within thirty (30) days of the date of disbursement of Project Funds under this Agreement. All Project Funds shall be allocated to expenditures by the Recipient within thirty (30) days of the date of disbursement, including (if at all) Project Funds allocated to repay interim financing of the Recipient. For purposes of this Section F.4, "interim financing" means notes, commercial paper, loans, lines of credit and other forms of short-term borrowing.

F.5 Ownership and Operation of Project.

The Recipient exclusively owns and, except as provided in Section F.12 hereof, operates the Project.

F.6 Temporary Period.

The Recipient reasonably expects that at least eighty-five percent (85%) of the Bond Funded Portion of the Project Funds will be allocated to expenditures for the Project within three (3) years of the earlier of the effective date of this Agreement or the date the Bonds are issued ("Applicable Date"). The Recipient has incurred, or reasonably expects that it will incur within six (6) months of the Applicable Date, a substantial binding obligation (i.e., not subject to contingencies within the control of the Recipient or a related party) to a third party to expend at least five percent (5%) of the Bond Funded Portion of the Project Funds on Project Costs. The completion of acquisition, construction, improvement and equipping of the Project and the allocation of the Bond Funded Portion of the Project Funds to Project Costs will proceed with due diligence.

F.7 Working Capital.

No operational expenditures of the Recipient or any related entity are being, have been or will be financed or refinanced with Project Funds.

F.8 Expenditure of Proceeds.

The Bond Funded Portion of the Project Funds shall be used exclusively for the following purposes: (i) Reimbursement Expenditures (as defined in Section F.20 below), (ii) Preliminary Expenditures (as defined in Section F.20 below) in an aggregate amount not exceeding twenty percent (20%) of the Bond Funded Portion of the Project Funds, (iii) capital expenditures relating to the Project originally paid by the Recipient on or after the date hereof, (iv) interest on the Obligation through the later of three (3) years after the Applicable Date or one (1) year after the Project is placed in service, and (v) initial operating expenses directly associated with the Project in the aggregate amount not more than five percent (5%) of the Bond Funded Portion of the Project Funds.

F.9 Private Use and Private Payments.

No portion of the Project Funds or the Project is being, has been or will be used in the aggregate for any activities that constitute a Private Use (as defined below). No portion of the principal of or interest with respect to the Payments will be secured by any interest in property (whether or not the Project) used for a Private Use or in payments in respect of property used for a Private Use, or will be derived from payments in respect of property used for a Private Use. "Private Use" means any activity that constitutes a trade or business that is carried on by persons or entities, other than a Governmental Unit. The leasing of the Project or the access by or the use of the Project by a person or entity other than a Governmental Unit on a basis other than as a member of the general public shall constitute a Private Use. Use by or on behalf of the State of California or any of its agencies, instrumentalities or subdivisions or by any local Governmental Unit and use as a member of the general public will be disregarded in determining whether a Private Use exists. Use under an arrangement that conveys priority rights or other preferential benefits is generally not use on the same basis as the general public. Arrangements providing for use that is available to the general public at no charge or on the basis of rates that are generally applicable and uniformly applied do not convey priority rights or other preferential benefits. For this purpose, rates may be treated as generally applicable and uniformly applied even if (i) different rates apply to different classes of users, such as volume purchasers, if the differences in rates are customary and reasonable; or (ii) a specially negotiated rate arrangement is entered into, but only if the user is prohibited by federal law from paying the generally applicable rates, and the rates established are as comparable as reasonably possible to the generally applicable rates. An arrangement that does not otherwise convey priority rights or other preferential benefits is not treated, nevertheless, as general public use if the term of the use under the arrangement, including all renewal options, is greater than 200 days. For this purpose, a right of first refusal to renew use under the arrangement is not treated as a renewal option if (i) the compensation for the use under the arrangement is redetermined at generally applicable, fair market value rates that are in effect at the time of renewal; and (ii) the use of the financed property under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business.

F.10 No Sale, Lease or Private Operation of the Project.

The Project (or any portion thereof) will not be sold or otherwise disposed of, in whole or in part, to any person who is not a Governmental Unit prior to the final maturity date of the Obligation. The Project will not be leased to any person or entity that is not a Governmental Unit prior to the final maturity date of the Obligation. Except as permitted under Section F.12 hereof, the Recipient will not enter any contract or arrangement or cause or permit any contract or arrangement to be entered with persons or entities that are not Governmental Units if that contract or arrangement would confer on such persons or entities any right to use the Project on a basis different from the right of members of the general public. The contracts

or arrangements contemplated by the preceding sentence include but are not limited to management contracts, take or pay contracts or put or pay contracts, and capacity guarantee contracts.

F.11 No Disproportionate or Unrelated Use.

No portion of the Project Funds or the Project is being, has been, or will be used for a Private Use that is unrelated or disproportionate to the governmental use of the Project Funds.

F.12 Management and Service Contracts.

The Recipient represents that, as of the date hereof, it is not a party to any contract, agreement or other arrangement with any persons or entities engaged in a trade or business (other than Governmental Units) that involve the management or operation of property or the provision of services at or with respect to the Project that does not comply with the standards of the Treasury Regulations, or Revenue Procedure 2017-13, as applicable. The Recipient represents that it will not be party to any such contract, agreement or arrangement with any person or entity that is not a Governmental Unit for the management of property or the provision of services at or with respect to the Project, while the Obligation (including any obligation or series thereof issued to refund the Obligation, as the case may be) is outstanding, except: (a) with respect to any contract, agreement or arrangement that does not constitute "private business use" of the Project under Code §141(b), or (b) with respect to any contract, agreement or arrangement that complies with (i) Revenue Procedure 97-13, 1997-1 C.B. 632, as amended by Revenue Procedure 2001-39, 2001-2 C.B. 38, and as amplified by Notice 2014-67, with respect to contracts entered into before August 18, 2017 and not materially modified or extended after August 18, 2017, or (ii) Revenue Procedure 2017-13, with respect to contracts entered into or materially modified or extended on or after August 18, 2017, or (c) with respect to any contract, agreement or arrangement that does not give rise to use of the Bond Funded Portion of the Project Funds or the Project by a non-Governmental Unit of more than the amount of such non-qualified use permitted by the Code, or (d) in the event that the Recipient receives an opinion of counsel, satisfactory to the State Water Board and the Bank and expert in the issuance of state and local government bonds the interest on which is excluded from gross income under Section 103 of the Code ("Nationally-Recognized Bond Counsel"), that such contract, agreement or arrangement will not adversely affect the exclusion of the interest on the Obligation from gross income for federal income taxation purposes.

F.13 No Disposition of Financed Property.

As of the date hereof, the Recipient does not expect to sell or otherwise dispose of any portion of the Project, in whole or in part, prior to the final maturity date of the Obligation.

F.14 Useful Life of Project.

As of the date hereof, the Recipient reasonably expects that the economic useful life of the Project, commencing at Project Completion, will be at least equal to the term of this Agreement, as set forth in Exhibit A hereto.

F.15 Payments.

Payments generally are expected to be derived from assessments, taxes, fees, charges or other current Revenues of the Recipient in each year, and such current Revenues are expected to equal or exceed the Payments during each payment period. Any amounts accumulated in a sinking fund or bona fide debt service fund to pay Payments (whether or not deposited to a fund or account established by the Recipient) will be disbursed to pay Payments within thirteen months of the initial date of accumulation or deposit. Any such fund used for the payment of Payments will be depleted once a year except for a reasonable carryover amount not exceeding the greater of earnings on such fund or one-twelfth of the Payments in either case for the immediately preceding year.

F.16 No Other Replacement Proceeds.

The Recipient will not use any of the Bond Funded Portion of the Project Funds to replace or substitute other funds of the Recipient that were otherwise to be used to finance the Project or which are or will be used to acquire securities, obligations or other investment property reasonably expected to produce a yield that is materially higher than the yield on the Bonds.

F.17 No Sinking or Pledged Fund.

Except as set forth in Section F.18 below, the Recipient will not create or establish any sinking fund or pledged fund which will be used to pay Payments on the Obligation within the meaning of Section 1.148-1(c) of the Treasury Regulations. If any sinking fund or pledged fund comes into being with respect to the Obligation before the Obligation has been fully retired which may be used to pay the Payments, the Recipient will invest such sinking fund and pledged fund moneys at a yield that does not exceed the yield on the Bonds.

F.18 Reserve Amount.

The State Water Board requires that the Recipient maintain and fund a separate account in an amount equal to one (1) year of debt service with respect to the Obligation (the "Reserve Amount") as set forth in Exhibit B. The Recipient represents that the Reserve Amount is and will be available to pay debt service with respect to the Obligation, if and when needed. The Reserve Amount consists solely of revenues of the Recipient and does not include any proceeds of any obligations the interest on which is excluded from gross income for federal income tax purposes or investment earnings thereon. The aggregate of the Reserve Amount, up to an amount not exceeding the lesser of (i) ten percent of the aggregate principal amount of the Obligation, (ii) the maximum annual debt service with respect to the Obligation, or (iii) 125 percent of the average annual debt service with respect to the Obligation, will be treated as a reasonably required reserve fund.

F.19 Reimbursement Resolution.

The "reimbursement resolution" adopted by the Recipient is incorporated herein by reference.

F.20 Reimbursement Expenditures.

Reimbursements are disallowed, except as specifically authorized in Exhibit B or Exhibit D of this Agreement. To the extent so authorized, a portion of the Bond Funded Portion of the Project Funds may be applied to reimburse the Recipient for Project Costs paid before the date hereof, so long as the Project Cost was (i) not paid prior to sixty (60) days before the Recipient's adoption of a declaration of official intent to finance the Project, (ii) not paid more than eighteen (18) months prior to the date hereof or the date the Project was placed-in-service, whichever is later, and (iii) not paid more than three (3) years prior to the date hereof (collectively, "Reimbursement Expenditures"), unless such cost is attributable to a "preliminary expenditure." Preliminary expenditure for this purpose means architectural, engineering, surveying, soil testing and similar costs incurred prior to the commencement of construction or rehabilitation of the Project, but does not include land acquisition, site preparation and similar costs incident to the commencement of acquisition, construction or rehabilitation of the Project. Preliminary expenditures may not exceed 20% of the Bond Funded Portion of the Project Funds.

F.21 Change in Use of the Project.

The Recipient reasonably expects to use all of the Bond Funded Portion of the Project Funds and the Project for the entire stated term to maturity of the Obligation. Absent an opinion of Nationally-Recognized Bond Counsel to the effect that such use of the Bond Funded Portion of the Project Funds will not adversely affect the exclusion from federal gross income of interest on the Bonds pursuant to

Section 103 of the Code, the Recipient will use the Bond Funded Portion of the Project Funds and the Project solely as set forth in this Agreement.

F.22 Rebate Obligations.

If the Recipient satisfies the requirements of one of the spending exceptions to rebate specified in Section 1.148-7 of the Treasury Regulations, amounts earned from investments, if any, acquired with the Bond Funded Portion of the Project Funds will not be subject to the rebate requirements imposed under Section 148(f) of the Code. If the Recipient fails to satisfy such requirements for any period, it will notify the State Water Board and the Bank immediately and will comply with the provisions of the Code and the Treasury Regulations at such time, including the payment of any rebate amount calculated by the State Water Board or the Bank.

F.23 No Federal Guarantee.

The Recipient will not directly or indirectly use any of the Bond Funded Portion of the Project Funds in any manner that would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code, taking into account various exceptions including any guarantee related to investments during an initial temporary period until needed for the governmental purpose of the Bonds, investments as part of a bona fide debt service fund, investments of a reasonably required reserve or replacement fund, investments in bonds issued by the United States Treasury, investments in refunding escrow funds or certain other investments permitted under the Treasury Regulations.

F.24 Amendments.

The provisions in this Exhibit may be amended, modified or supplemented at any time to reflect changes in the Code upon obtaining written approval of the State Water Board and the Bank and an opinion of Nationally-Recognized Bond Counsel to the effect that such amendment, modification or supplement will not adversely affect the exclusion from federal gross income of interest on the Bonds pursuant to Section 103 of the Code.

F.25 Reasonable Expectations.

The Recipient warrants that, to the best of its knowledge, information and belief, and based on the facts and estimates as set forth in the tax covenants in this Exhibit, the expectations of the Recipient as set forth in this Exhibit are reasonable. The Recipient is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representation made in the provisions in this Exhibit.

F.26 Assignment.

The Recipient consents to any pledge, sale, or assignment to the Bank or a trustee for the benefit of the owners of the Bonds, if any, at any time of any portion of the State Water Board's estate, right, title, and interest and claim in, to and under this Agreement and the right to make all related waivers and agreements in the name and on behalf of the State Water Board, as agent and attorney-in-fact, and to perform all other related acts which are necessary and appropriate under this Agreement, if any, and the State Water Board's estate, right, title, and interest and claim in, to and under this Agreement to Payments (but excluding the State Water Board's rights to Additional Payments and to notices, opinions and indemnification under each Obligation).

[DATE]

[FORM OF OPINION OF GENERAL COUNSEL- NON-REPAYABLE] – insert your letterhead]

State Water Resources Control Board
Division of Financial Assistance
Attn: Brian Morris
1001 I Street, Sacramento, CA 95814

Re: **Recipient Entity** ("Recipient") - **Name of Project** -Project No. [xxxxxxxxxxx]
("Project") - Agreement No. [xxxxxxxxxxxxxxxxxxx] ("Agreement")

Ladies and Gentlemen:

I am/This firm acts as General Counsel to the Recipient in connection with the Project. This opinion is delivered to the State Water Resources Control Board ("State Water Board") at the request of the Recipient. In connection therewith, I have examined the laws and organizational documents pertaining to the Recipient, originals of the Agreement between the Recipient and the State Water Board, the Recipient's authorized representative resolution [number] adopted on [DATE], the Recipient's rate-setting resolution [number] adopted on [DATE] [add the following if required by the Recipient's articles of incorporation or bylaws, or if otherwise applicable: , the Recipient's resolution authorizing and approving the Agreement as issued by the State Water Board, adopted on [DATE]] (collectively, "the Resolutions"), [if EDWG project: the Expedited Drinking Water Grant Funding Program Self-Certification Form signed by the Recipient on [DATE] (Recipient's Self-Certification),] all material contracts, agreements, or leases, [if EDWG project: including but not limited to any listed in the Recipient's Self-Certification,] and such other documents, authorizations, agreements, legal opinions, instruments and records, and have made such investigation of law, as I have considered necessary or appropriate for the purpose of this opinion.

[If Recipient is a corporation or if otherwise applicable: This includes review of the Recipient's certificate of status dated [DATE], issued by the Secretary of State, and status letter dated [DATE], issued by the State of California Franchise Tax Board.]

Based on the foregoing, it is my opinion that:

- a. The Recipient, a [non-profit corporation/for profit corporation/general law city/charter city/county/special district/joint powers authority] of the State of California duly organized, validly existing and in good standing under the laws of the State of California pursuant to [INSERT SPECIFIC CODE SECTIONS], has the requisite legal right, power, and authority to execute and deliver the

Agreement and carry out and consummate all transactions contemplated therein.

AND IF CHARTER CITY

[The Recipient is a charter city, the governing board of which is not prohibited, limited or constrained in any way from adopting, requiring, or utilizing a project labor agreement that includes all taxpayer protection provisions of Public Contract Code section 2500.]

AND IF JOINT POWERS AUTHORITY

[None of the Recipient's member charter cities is prohibited, limited or constrained in any way from adopting, requiring, or utilizing a project labor agreement that includes all taxpayer protection provisions of Public Contract Code section 2500.]

AND IF A CORPORATION OR IF OTHERWISE APPLICABLE

[[If applicable] The Recipient is a [wholly owned] subsidiary of _____, a [State] [non-profit/for profit] [corporation/other entity].

To the best of my knowledge and based upon a reasonable investigation, the Recipient maintains its primary place of business in California.]

- b. The Resolutions have been duly adopted at meetings of the [board of directors/shareholders/city council, etc., as applicable] of the Recipient which were called and held pursuant to law [and the bylaws of the Recipient] with all notice required by law [and the bylaws of the Recipient] and at which a quorum was present and acting when the Resolutions were adopted. The Resolutions are in full force and effect and have not been amended, modified, supplemented, or rescinded, nor has the rate-setting resolution been challenged or the rates become subject of a referendum or initiative or other similar process.
- c. To the best of my knowledge and based upon a reasonable investigation, all proceedings required by law or under the ordinances or bylaws of the Recipient to be taken by the Recipient in connection with the authorization of the Agreement and the transactions contemplated by and related thereto, and all such approvals, authorizations, consents or other orders of or filings or registrations with such public boards or bodies, if any, as may be legally required to be obtained by the Recipient prior to the date hereof with respect to all or any of such matters have been taken or obtained and are in full force and effect, [except as provided below,]except that no opinion is expressed as to any approvals, obligations or proceedings which may be required under any federal securities laws or state blue sky or securities laws. [Describe any approvals, etc. still pending.]

- d. To the best of my knowledge and based upon a reasonable investigation, the execution and delivery of the Agreement and the consummation of the transactions contemplated therein will not: (a) result in a material violation of any applicable law, statute, ordinance or regulation, or of any judgment, order, writ, injunction, decree or rule of any court, administrative agency, governmental authority or arbitrator, or (b) materially conflict with or constitute a breach of or default (with due notice or the passage of time or both) under (i) the statutes creating the Recipient or any amendments thereto, (ii) the ordinances, articles of incorporation or bylaws of the Recipient, (iii) any bond, debenture, note or other evidence of indebtedness, or any material contract, agreement or lease to which the Recipient is a party or by which it or its properties are otherwise subject or bound.
- e. [paragraph required for construction projects; delete if solely planning and no access to property will occur during planning] To the best of my knowledge and based upon a reasonable investigation, the Recipient has sufficient property rights in the Project property for the purposes contemplated in the Agreement and, if applicable, has complied with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.) with respect to any property acquired[, except as provided below]. All real property necessary for the Project and corresponding property rights are listed in Attachment A to this opinion. These property rights extend for at least fifty (50) years from today's date, as follows: [in perpetuity]/(until [date]).] [[Describe any property rights that are still pending.]
- f. To the best of my knowledge and based upon a reasonable investigation, there is no action, suit, proceeding, inquiry or investigation before any court, or by any federal, state, municipal or other governmental authority pending or threatened against or affecting the Project or any water/wastewater system of which the Project is a part (the System), or the assets, properties, or operations of the Recipient relating to the Project or System, which, if determined adversely to the Recipient or its interests would result in any material change in the assets or financial condition of the Recipient, the Project, the ability of the Recipient to perform under the Agreement or the transactions contemplated therein, or the System; and the Recipient is not in default with respect to any order or decree of any court or any order, regulation, or demand of any federal, state, municipal, or other governmental agency which default might have consequences that would materially and adversely affect the financial condition or operation of the Recipient, the Project, or the System.
- g. No facts have come to my attention which lead me to believe that the Recipient's authorized representative has made any untrue statement of a material fact or omitted or omits to state a material fact or has made misleading statements in the Agreement.
- h. The Agreement has been duly authorized, executed, and delivered by the Recipient, and assuming due authorization, execution and delivery of the Agreement by the State Water Board, constitutes legal, valid, and binding

obligation of the Recipient enforceable against the Recipient in accordance with its terms, subject to the laws relating to bankruptcy, insolvency, reorganization, or creditors' rights generally and to the application of equitable principles, if equitable remedies are sought.

I am admitted to the practice of law in California.

Sincerely,

General Counsel
[Recipient Name]

California Environmental Quality Act (CEQA) Determination

South Tahoe Public Utility District (Applicant)
Return Activated Sludge Pump Station Replacement Project (Project)
Project Number: C-06-8849-110

As the Deputy Director for the State Water Resources Control Board (State Water Board), Division of Financial Assistance, I have been delegated the authority to approve and execute financing agreements for projects that are routine and non-controversial. The execution of a financing agreement is an action that is subject to CEQA. The authority to make this CEQA determination necessarily accompanies the delegation to approve and execute the financing agreement for this Project. I hereby find the following:

1. The Applicant is the CEQA Lead Agency and has prepared a Notice of Exemption (NOE) titled Return Activated Sludge Pump Station Replacement Project, for the Project. The State Water Board is a Responsible Agency under CEQA. The Applicant approved the NOE for the Project on November 27, 2024 and filed a copy with the El Dorado County Clerk on November 27, 2024 and the Governor's Office of Land Use and Climate Innovation, State Clearinghouse (No. 2024120421) on December 11, 2024.
2. This Project is categorically exempt under the CEQA Guidelines, California Code of Regulations, title 14, division 6, chapter 3, article 19, sections 15301, 15302, and 15303. The Project involves the repair of existing public structures, facilities, and mechanical equipment, involving negligible or no expansion of existing or former use. The Project involves the replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced. The Project involves the construction of limited numbers of new, small facilities or structures.
3. The Project will not result in any significant adverse water quality impacts.

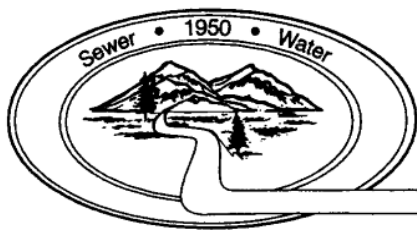
A final copy of the NOE and records of the financing approval for the Project are available to the general public at the State Water Board, Division of Financial Assistance at 1001 I Street, 16th Floor, Sacramento, CA 95814.

Digitally signed by Joe
Karkoski
Date: 2026.05.06
06:26:27 -07'00'
Water Boards

Joe Karkoski, Deputy Director
Division of Financial Assistance

General Manager
Paul Hughes

Directors
Nick Haven
Shane Romsos
Joel Henderson
Kelly Sheehan
Nick Exline



South Tahoe Public Utility District

1275 Meadow Crest Drive • South Lake Tahoe • CA 96150-7401
Phone 530 544-6474 • Fax 530 541-0614 • www.stpud.us

BOARD AGENDA ITEM 13a

TO: Board of Directors
FROM: Mark Seelos, Water Resources Manager
MEETING DATE: May 21, 2026
ITEM – PROJECT NAME: Conference with Real Property Negotiators

REQUESTED BOARD ACTION: Direct Staff

DISCUSSION: Pursuant to Section 54956.8 of the California Government Code, Closed Session may be held for conference with real property negotiators prior to the purchase, sale, exchange, or lease of real property by or for the local agency. The negotiating parties are Paul Hughes, General Manager, Ryan Jones, General Counsel; Tech Ventures QOZB, LLC, owner of the subject property located at 930 Tanglewood Drive, South Lake Tahoe, California; and Radley Raven of The Oppenheim Group Real Estate, the owner's agent. Under negotiation are the price and terms of payment.

SCHEDULE: N/A

COSTS: N/A

ACCOUNT NO: N/A

BUDGETED AMOUNT AVAILABLE: N/A

IDENTIFIED CAPITAL IMPROVEMENT PROJECT (CIP): Yes No N/A

ATTACHMENTS: N/A

CONCURRENCE WITH REQUESTED ACTION:

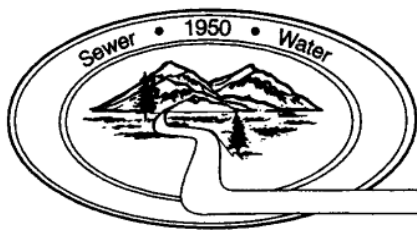
CATEGORY: General

GENERAL MANAGER: YES AA NO _____

CHIEF FINANCIAL OFFICER: YES AS NO _____

General Manager
Paul Hughes

Directors
Nick Haven
Shane Romsos
Joel Henderson
Kelly Sheehan
Nick Exline



South Tahoe Public Utility District

1275 Meadow Crest Drive • South Lake Tahoe • CA 96150-7401
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BOARD AGENDA ITEM 13b

TO: Board of Directors
FROM: Mark Seelos, Water Resources Manager
MEETING DATE: May 21, 2026
ITEM – PROJECT NAME: Conference with Real Property Negotiators

REQUESTED BOARD ACTION: Direct Staff

DISCUSSION: Pursuant to Section 54956.8 of the California Government Code, Closed Session may be held for conference with real property negotiators prior to the purchase, sale, exchange, or lease of real property by or for any local agency. The negotiating parties are Paul Hughes, General Manager; Ryan Jones, General Counsel; Mano and Lata Murthy, owners of the subject property located at 885 Sunset Drive, South Lake Tahoe, California; and Doug Rosner, the owner's agent. Under negotiation are the price and terms of payment.

SCHEDULE: N/A

COSTS: N/A

ACCOUNT NO: N/A

BUDGETED AMOUNT AVAILABLE: N/A

IDENTIFIED CAPITAL IMPROVEMENT PROJECT (CIP): Yes No N/A

ATTACHMENTS: N/A

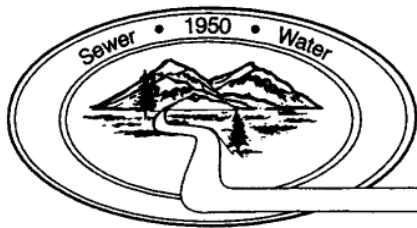
CONCURRENCE WITH REQUESTED ACTION: _____ **CATEGORY:** General

GENERAL MANAGER: YES AA NO _____

CHIEF FINANCIAL OFFICER: YES AS NO _____

General Manager
Paul Hughes

Directors
Nick Haven
Shane Romsos
Joel Henderson
Kelly Sheehan
Nick Exline



South Tahoe Public Utility District

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BOARD AGENDA ITEM 13c

TO: Board of Directors
FROM: Paul Hughes, General Manager
MEETING DATE: May 21, 2026
ITEM – PROJECT NAME: Conference with Legal Counsel – Existing Litigation
REQUESTED BOARD ACTION: Direct Staff

DISCUSSION: Pursuant to Section 54956.9(d)(1) of the California Government code, Closed Session may be held for conference with legal counsel regarding existing litigation: Yolo County Superior Court Case CV 2021-1686, Alpine County vs. South Tahoe Public Utility District; et al.

SCHEDULE: N/A

COSTS: N/A

ACCOUNT NO: N/A

BUDGETED AMOUNT AVAILABLE: N/A

IDENTIFIED CAPITAL IMPROVEMENT PROJECT (CIP): Yes No N/A

ATTACHMENTS: N/A

CONCURRENCE WITH REQUESTED ACTION:

CATEGORY: General

GENERAL MANAGER: YES AA NO _____

CHIEF FINANCIAL OFFICER: YES AS NO _____