



# **CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY MEETING AGENDA**

**October 15, 2020  
6:00 PM**

***The Mission of the City of Coalinga is to provide for the preservation of the community character by delivering quality, responsive City services, in an efficient and cost-effective manner, and to develop, encourage, and promote a diversified economic base in order to ensure the future financial stability of the City for its citizens.***

**Notice is hereby given that the City Council will hold a Regular Meeting, on October 15, 2020 via webinar only. The webinar can be accessed by visiting  
[https://us02web.zoom.us/j/86949221313?](https://us02web.zoom.us/j/86949221313?pwd=UGx4ZU10YzdRKzB6TzBRYUlmbDROdz09)**

**pwd=UGx4ZU10YzdRKzB6TzBRYUlmbDROdz09 with PASSCODE: coalinga or by telephone at +1 (669) 900-9128 with WEBINAR ID: 869 4922 1313 and PASSCODE: 22656100. Persons with disabilities who may need assistance should contact the City Clerk at least 24 hours prior to the meeting at 935-1533 x113. Anyone interested in translation services should contact the City Clerk at least 24 hours prior to the meeting at (559) 935-1533 x113. The Meeting will begin at 6:00 p.m. and the Agenda will be as follows:**

## **1. CALL TO ORDER**

1. Pledge of Allegiance
2. Changes to the Agenda
3. Council's Approval of Agenda

## **2. AWARDS, PRESENTATIONS, APPOINTMENTS AND PROCLAMATIONS (NONE)**

## **3. CITIZEN COMMENTS**

*This section of the agenda allows members of the public to address the City Council on any item within the jurisdiction of the Council. Members of the public, when recognized by the Mayor, should come forward to the lectern, identify themselves and use the microphone. Comments are normally limited to three (3) minutes. In accordance with State Open Meeting Laws, no action will be taken by the City Council this evening and*

*all items will be referred to staff for follow up and a report.*

#### **4. PUBLIC HEARINGS**

1. Council Consideration and Adoption of the City of Coalinga 2015 Urban Water Management Plan

**Sean Brewer, Assistant City Manager**

2. City Council Consideration and Approval of Resolution No. 3989 Adopting Revised Water and Sewer Rates, Effective November 1, 2020.

**Sean Brewer, Assistant City Manager**

#### **5. CONSENT CALENDAR**

1. Approve MINUTES - October 1, 2020
2. Adopt Resolution No. 3987 - Unanticipated Revenue Derived From The Coalinga Police Department's K9 Foundation
3. Council Consideration and Adoption of Resolution No. 3988 Authorizing the Commencement of Proceedings in Connection with the Issuance and Sale of Revenue Bonds by the Coalinga Public Financing Authority to the Finance Department and rRefinance Water System and Sewer System Improvements, Retaining a Municipal Advisor, an Underwriter, Bond Counsel and Disclosure Counsel
4. Council Authorizing the City Manager to Execute a Project Development Agreement with Johnson Controls to Develop an Energy Services Project (Water Treatment Plan Solar PV System with Battery Backup) pursuant to California Government Code 4217.10-4217.18
5. Approve a Change in Vendor for the Portable Radio Purchases
6. Adoption of Joint Powers Agreement and Bylaws for California Intergovernmental Risk Authority, which Permits the Merger of Public Agency Risk Sharing Authority of California and the Redwood Empire Municipal Insurance Fund
7. Police Department's Third Quarter Report
8. Public Works, Utilities & Community Development Monthly Report for September 2020
9. Authorize Assistant City Manager to Execute a Contract with Precision Concrete Cutting to Assess and Repair Sidewalks Throughout the City

#### **6. ORDINANCE PRESENTATION, DISCUSSION AND POTENTIAL ACTION ITEMS**

1. Discussion regarding Modernization of Veteran's Park

**Marissa Trejo, City Manager**

#### **7. ANNOUNCEMENTS**

1. City Manager's Announcements
2. Councilmembers' Announcements/Reports
3. Mayor's Announcements

#### **8. FUTURE AGENDA ITEMS**

#### **9. CLOSED SESSION**

1. CONFERENCE WITH LABOR NEGOTIATORS – Government Code 54957.6.  
CITY NEGOTIATORS: City Manager, Marissa Trejo; City Attorney, and Mario Zamora. EMPLOYEE (ORGANIZATION): Coalinga Police Officers' Association

## **10. CLOSED SESSION REPORT**

**Closed Session:** A "Closed" or "Executive" Session of the City Council, Successor Agency, or Public Finance Authority may be held as required for items as follows: personnel matters; labor negotiations; security matters; providing instructions to real property negotiators; legal counsel regarding pending litigation; and protection of records exempt from public disclosure. Closed session will be held in the Administration Building at 155 W. Durian Avenue and any announcements or discussion will be held at the same location following Closed Session.

## **11. ADJOURNMENT**

# **STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY**

**Subject:** Council Consideration and Adoption of the City of Coalinga 2015 Urban Water Management Plan  
**Meeting Date:** October 15, 2020  
**From:** Marissa Trejo, City Manager  
**Prepared by:** Larry Miller, Public Works & Utilities Coordinator

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## **I. RECOMMENDATION:**

Recommendation of staff is to hold a public hearing and accept comments on the City's proposed 2015 Urban Water Management Plan and formally adopt the plan.

## **II. BACKGROUND:**

On January of 2020, the City of Coalinga entered a contract with AM Consulting Engineers to complete our 2015 Urban Water Management Plan. Urban Water Management Plans are important tools for reporting water agencies' long-term planning efforts to meet future demands and tracking progress toward achieving state-mandated water conservation targets. They also support state laws linking approval for large developments to water supply availability.

In 1983, the California Legislature enacted the Urban Water Management Planning Act (Division 6 Part 2.6 of the Water Code §§10610 - 10656). It requires that every urban water supplier that provides water to 3,000 or more customers, or that provides more than 3,000 acre-feet of water annually ensure the appropriate level of reliability to meet the needs of its customers during normal, dry and multiple dry years. The act describes the contents of the UWMP as well as how urban water suppliers should adopt and implement the plans. Plan updates are required every five years, and updates maintain the Water Authority's eligibility for state grants.

## **III. DISCUSSION:**

Water planning is an essential function of water suppliers but is critical as California grapples with ongoing drought and expected long-term climate changes.

Urban suppliers provide information on water management specific to their service areas. However, water management does not happen in isolation; there are other planning processes that integrate with the UWMP to accomplish urban planning. Some of these plans include city and county General Plans, Water Master Plans, Recycled Water Master Plans, integrated resource plans, Integrated Regional Water Management Plans, Groundwater Management Plans, and others.

This 2015 UWMP relies on planning documents prepared by the City of Coalinga, the City's 2007-2027 General Plan and the Fresno County Multi-Jurisdictional 2015-2023 Housing Element.

## **IV. ALTERNATIVES:**



Council may reject the 2015 Urban Water Management Plan or request changes.

**V. FISCAL IMPACT:**

None

**ATTACHMENTS:**

File Name	Description
DRAFT_Coalinga_2015_UWMP_(Rev_1__September_2020).pdf	2015 Urban Water Management Plan

# CITY OF COALINGA



## DRAFT 2015 URBAN WATER MANAGEMENT PLAN

September 2020

Prepared by:



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## ABBREVIATIONS

AWWA	American Water Works Association
AB	Assembly Bill
AF	Acre-Feet
BMP	Best Management Practices
CCR	California Code of Regulations
CUWCC	California Urban Water Conservation Council
CWC	California Water Code
CVP	Central Valley Project
City	City of Coalinga
CII	Commercial, Industrial, & Institutional
COG	Council of Governments
DMM	Demand Management Measures
DOF	Department of Finance
DWR	Department of Water Resources
DDW	Division of Drinking Water
eARDWP	Electronic Annual Reports to the Drinking Water Program
ET <sub>o</sub>	Evapotranspiration Rate
Ft	Feet
GAL	Gallons
GPCPD	Gallons per Capita per Day
GPM	Gallons per Minute
GHG	Greenhouse Gas
HCD	California Department of Housing and Community Development
HE	High-Efficiency
HP	Horsepower
CCF	Hundred Cubic Feet
in	Inch
in/month	Inch per Month
ITP	Independent Technical Panel
ITPIRWMP	Integrated Regional Water Management Plan

LAFCo	Local Agency Formation Commission
MG	Million Gallons
mgd	Million Gallons per Day
mg/L	Milligrams per liter
MFR	Multiple Family Residential
M&I	Municipal and Industrial
PWS	Public Water System
Reclamation	United States Bureau of Reclamation
SB	Senate Bill
SFR	Single Family Residential
SOI	Sphere of Influence
SWRCB	State Water Resources Control Board
TDS	Total Dissolved Solids
µg/L	Microgram per liter
ULF	Ultra Low Flush
UWMP	Urban Water Management Plan
UWMPA	Urban Water Management Plan Act
WCP	Water Conservation Plan
WSCP	Water Shortage Contingency Plan
WTP	Water Treatment Plant
WIIN	Water Infrastructure for Improvements to the Nation
WWTP	Wastewater Treatment Plant
WDR	Waste Discharge Requirement

## **CHAPTER 1 INTRODUCTION AND OVERVIEW**

### **1.1. Background and Purpose**

The California Water Code requires all urban water suppliers within the state to prepare and adopt Urban Water Management Plans (UWMP) for submission to the California Department of Water Resources (DWR). The UWMPs must be updated every five years and satisfy the requirements of the Urban Water Management Planning Act of 1983 including amendments that have been made to the Act. The UWMPA requires urban water suppliers servicing 3,000 or more connections or supplying more than 3,000 acre-feet (AF) of water annually, to prepare an UWMP.

The purpose of the UWMP is to maintain efficient use of urban water supplies, continue to promote conservation programs and policies, ensure that sufficient water supplies are available for future beneficial use, and provide a mechanism for response during water drought conditions. This report, which was prepared in compliance with the California Water Code, and as set forth in the guidelines and format established by the DWR, is the City of Coalinga's (City) 2015 UWMP.

### **1.2. Urban Water Management Planning and the California Water Code**

Water planning is an essential function of water suppliers but is critical as California grapples with ongoing drought and expected long-term climate changes. Prior to the adoption of the Urban Water Management Planning Act (UWMPA), there were no specific requirements that water agencies conduct long-term resource planning. While many water agencies had conducted long-term water supply and resource planning prior to the Act, those who had not were left vulnerable to supply disruptions during dry periods or catastrophic events.

#### **1.2.1. Urban Water Management Planning Act of 1983**

In 1983, State Assembly Bill (AB) 797 modified the California Water Code Division 6, by creating the UWMPA. Several amendments to the original UWMPA, which were introduced since 1983, have increased the data requirements and planning elements to be included in this 2015 UWMP.

Initial amendments to the UWMPA required that total projected water use be compared to water supply sources over the next 20 years, in 5-year increments. Recent DWR guidelines also suggest projecting through a 25-year planning horizon to maintain a 20-year timeframe until the next UWMP update has been completed and for use in developing Water Supply Assessments.

Other amendments require that UWMPs include provisions for recycled water use, demand management measures, and a water shortage contingency plan. Recycled water was added in the reporting requirements for water usage and figures prominently in the requirements for evaluation of alternative water supplies, when future projections predict the need for additional water supplies. Each urban water purveyor must coordinate the preparation of the water shortage contingency plan with other urban water purveyors in the area, to the extent practicable. Each water supplier must also describe their water demand management measures that are being implemented or scheduled for implementation.

In addition to the UWMPA and its amendments, there are several other regulations that are related to the content of the UWMP. In summary, the key relevant regulations are:

- AB 1420: Requires implementation of demand management measures (DMMs)/best management practices (BMPs) and meeting the 20 percent reduction by 2020 targets (mandated by SBx7-7) to qualify for water management grants or loans.
- AB 1465: Requires water suppliers to describe opportunities related to recycled water use and stormwater recapture to offset potable water use.
- Amendments Senate Bill (SB) 610 (Costa, 2001), and SB 221 (Daucher, 2001), which became effective beginning January 1, 2002, require counties and cities to consider information relating to the availability of water to supply new large developments by mandating the preparation of further water supply planning (Daucher) and Water Supply Assessments (Costa).
- SB 1087: Requires water suppliers to report single family residential (SFR) and multifamily residential (MFR) projected water use for planned lower income units separately.
- Amendment SB 318 (Alpert, 2004) requires the UWMP to describe the opportunities for development of desalinated water, including but not limited to, ocean water, brackish water, and groundwater, as long-term supply.
- AB 105 (Wiggins, 2004) requires urban water suppliers to submit their UWMPs to the California State Library.
- SBx7-7: Requires development and use of new methodologies for reporting population growth estimates, base per capita use, and water conservation. This water bill also extended the 2010 UWMP adoption deadline for retail agencies to July 1, 2011.

The UWMPA is included for reference in Appendix A.

### 1.2.2. Applicable changes to the Water Code since 2010

Table 1-1 provides a summary of the changes to the California Water Code (CWC) since 2010:

Table 1-1 Changes to the CWC since 2010			
Topic	CWC Section	Legislative Bill	Summary
Demand Management Measures	10631 (f)(1) and (2)	AB 2067 Weber 2014	Requires water suppliers to provide narratives describing their water demand management measures, as provided. Requires retail water suppliers to address the nature and extent of each water demand management measure implemented over the past 5 years and describe the water demand management measures that the supplier plans to implement to achieve its water use targets.
Submittal Date	10621 (d)	AB 2067 Weber 2014	Requires each urban water supplier to submit its 2015 plan to the Department of Water Resources by July 1, 2016.

**Table 1-1 Changes to the CWC since 2010**

Topic	CWC Section	Legislative Bill	Summary
Submittal Format	10644 (a) (2)	SB 1420 Wolk 2014	Requires the plan, or amendments to the plan, to be submitted electronically to the department.
Standardized Forms	10644 (a) (2)	SB 1420 Wolk 2014	Requires the plan, or amendments to the plan, to include any standardized forms, tables, or displays specified by the department.
Water Loss	10631 (e) (1) (J) and (e) (3) (A) and (B)	SB 1420 Wolk 2014	Requires a plan to quantify and report on distribution system water loss.

### 1.2.3. Water Conservation Act of 2009 (SB X7-7)

The Water Conservation Act of 2009 required retail urban water suppliers to report in their UWMPs their Base Daily Per capita Water Use (Baseline GPCPD), 2015 Interim Urban Water Use Target, 2020 Urban Water Use Target, and Compliance Daily per Capita Water Use. These terms are defined in Methodologies for Calculating Baseline and Compliance Urban per Capita Water Use, DWR 2011 (Methodologies) consistent with SB X7-7 requirements.

Beginning in 2016, retail water suppliers are required to comply with the water conservation requirements in SB X7-7 in order to be eligible for State water grants or loans. The complete text of the Water Conservation Act is in Appendix B. Retail water agencies are required to set targets and track progress toward decreasing daily per capita urban water use in their service area, which will assist the State in meeting its 20 percent reduction goal by 2020.

## 1.3. Urban Water Management Plan in Relation to Other Planning Efforts

Urban suppliers provide information on water management specific to their service areas. However, water management does not happen in isolation; there are other planning processes that integrate with the UWMP to accomplish urban planning. Some of these plans include city and county General Plans, Water Master Plans, Recycled Water Master Plans, integrated resource plans, Integrated Regional Water Management Plans, Groundwater Management Plans, and others.

This 2015 UWMP relies on planning documents prepared by the City of Coalinga, the City's 2007-2027 General Plan and the Fresno County Multi-Jurisdictional 2015-2023 Housing Element.

## 1.4. UWMP Organization

This 2015 UWMP has been organized following the DWR's recommended outline. The following is a description of the Chapters and a brief description of the content in each Chapter:

- ❖ **Chapter 1 - Introduction and Overview:** This introductory chapter provides a discussion on the importance and extent of the City of Coalinga's (City) water management planning efforts.

- ❖ **Chapter 2 - Plan Preparation:** This chapter provides information on the process followed for developing the UWMP, including efforts in coordination and outreach.
- ❖ **Chapter 3 - System Description:** This chapter includes maps of the service area, a description of the service area and climate, the Public Water System, and the City's organizational structure and history.
- ❖ **Chapter 4 - System Water Use:** This chapter describes and quantifies the current and projected water uses within the City's service area.
- ❖ **Chapter 5 - Baselines and Targets:** This chapter describes the method used for calculating the baseline and target water consumption. This chapter also demonstrates that the City has achieved the 2015 interim water use target, and the City's plans for achieving the 2020 water use target.
- ❖ **Chapter 6 - System Supplies:** This chapter describes and quantifies the current and projected sources of water available to the agency. This chapter also includes a description and quantification of potential recycled water uses and supply availability.
- ❖ **Chapter 7 - Water Supply Reliability:** This chapter describes the reliability of the City's water supply and project the reliability out 20 years. This description is provided for normal, single dry years and multiple dry years.
- ❖ **Chapter 8 - Water Shortage Contingency Planning:** This chapter provides the City's staged plan for dealing with water shortages, including a catastrophic supply interruption.
- ❖ **Chapter 9 - Demand Management Measures:** This chapter communicates the City's efforts to promote conservation and to reduce demand and specifically addresses several demand management measures.
- ❖ **Chapter 10 - Plan Adoption, Submittal, and Implementation:** This chapter describes the steps taken to adopt and submit the UWMP and to make it publicly available. This chapter also includes a discussion of the City's plan to implement the UWMP.

## CHAPTER 2 PLAN PREPARATION

### 2.1. Introduction

This chapter provides the basis for preparing the 2015 UWMP and describes the various levels of regional coordination that the City has employed. It also describes the reporting period and the units of measure used by the City to report water volumes throughout the 2015 UWMP.

Finally, this chapter also provides a description of the coordination and outreach efforts followed in the preparation of the 2015 UWMP. Coordination and outreach are key elements to developing a useful and accurate UWMP.

### 2.2. Basis for Preparing a Plan

#### *CWC 10617*

*“Urban water supplier” means a supplier, either publicly or privately owned, providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually. An urban water supplier includes a supplier or contractor for water, regardless of the basis of right, which distributes or sells for ultimate resale to customers. This part applies only to water supplied from public water systems...*

#### *CWC 10620 (b)*

*Every person that becomes an urban water supplier shall adopt an urban water management plan within one year after it has become an urban water supplier.*

#### *CWC 10621*

- (a) Each urban water supplier shall update its plan at least once every five years on or before December 31, in years ending in five and zero, except as provided in section (d).*
- (d) Each urban water supplier shall update and submit its 2015 plan to the department by July 1, 2016.*

According to the Department of Finance (DOF), in 2015 the City of Coalinga provided water for municipal purposes to a population of approximately 16,626. During this year, water was supplied to City residents through 3,647 active service connections. Thus, the City is classified as an “urban water supplier” as defined by Section 10617 of the CWC. In accordance with the CWC, as an urban water supplier the City is required to update its urban water management plan every five years. In June 2015, the City completed and approved their 2010 UWMP. However, the City’s 2010 UWMP was not filled with the DWR.

The City has prepared this update to the 2010 UWMP to ensure the efficient use of available water supplies, determine existing baseline water consumption, establish water use targets, describe and evaluate the existing water system and historical and projected water use, evaluate current and projected



water supply reliability, describe and evaluate demand management measures, and provide water shortage contingency plans as required by the UWMP Act.

### 2.2.1. Public Water Systems

*CWC 10644*

*(a)(2) The plan, or amendments to the plan, submitted to the department ... shall include any standardized forms, tables, or displays specified by the department.*

*CWC 10608.52*

*(a) The department, in consultation with the board, the California Bay-Delta Authority or its successor agency, the State Department of Public Health, and the Public Utilities Commission, shall develop a single standardized water use reporting form to meet the water use information needs of each agency, including the needs of urban water suppliers that elect to determine and report progress toward achieving targets on a regional basis as provided in subdivision (a) of Section 10608.28.*

*(b) At a minimum, the form shall be developed to accommodate information sufficient to assess an urban water supplier's compliance with conservation targets pursuant to Section 10608.24... The form shall accommodate reporting by urban water suppliers on an individual or regional basis as provided in subdivision (a) of Section 10608.28.*

*California Health and Safety Code 116275 (h)*

*"Public Water System" means a system for the provision of water for human consumption through pipes or other constructed conveyances that has 15 or more service connections or regularly serves at least 25 individuals daily at least 60 days out of the year.*

The City of Coalinga is a public water system (PWS#1010004) and is regulated by the State Water Resources Control Board, Division of Drinking Water (SWRCB-DDW). The SWRCB-DDW requires reporting on public water systems.

The City files electronic Annual Reports to the Drinking Water Program (eARDWP) to the Board, which include annual reports of water usage and other information. The information provided in this UWMP is consistent with the data reported in the eARDWP.

### 2.2.2. Agencies Serving Multiple Service Areas/Public Water Systems

The City of Coalinga serves only one PWS. Information about that PWS is shown below in Table 2-1.

Table 2-1 Retail Only: Public Water Systems (Standard Table 2-1)			
Public Water System Number	Public Water System Name	Number of Municipal Connections 2015	Volume of Water Supplied in 2015 (MG)
CA1010004	City of Coalinga	3,647	1,166

## 2.3. Individual or Regional Planning and Compliance

The City has developed this 2015 UWMP covering only its agency service area and addressing all requirements of the Water Code. The City is not part of any regional alliances for planning purposes, as shown in Table 2-2.

Table 2-2 Plan Identification (Standard Table 2-2)	
<input checked="" type="checkbox"/>	Individual UWMP
<input type="checkbox"/>	Regional UWMP (RUWMP)

## 2.4. Fiscal or Calendar Year and Units of Measure

*CWC 1608.20*

*(a)(1) Urban retail water suppliers...may determine the targets on a fiscal year or calendar year basis.*

### 2.4.1. Fiscal or Calendar Year

Water suppliers may report on either a fiscal or calendar year basis. DWR prefers that agencies report on a calendar year basis in order to ensure UWMP data is consistent with data submitted to other reports to the State.

The City of Coalinga is reporting on a calendar year basis. All data included in this 2015 UWMP is consistent with the calendar year basis.

### 2.4.2. Reporting Complete 2015 Data

The 2015 UWMPs are required to include the water use and planning data for the entire calendar year of 2015, if an agency is reporting on a calendar year basis. This 2015 UWMP contains information for the entire year of 2015.

### 2.4.3. Units of Measure

Water agencies use various units of measure when reporting water volumes, such as acre-feet (AF), million gallons (MG), or hundred cubic feet (CCF). Agencies may report volumes of water in any of these units, but must maintain consistency throughout the UWMP.

The City of Coalinga reports water volumes in million gallons (MG). For consistency, this 2015 UWMP also uses MG as the reporting units. Table 2-3 shows the type of agency, type of reporting year, and the units of measurement used throughout the 2015 UWMP.

Table 2-3 Agency Identification (Standard Table 2-3)	
Type of Agency	
<input type="checkbox"/>	Agency is a wholesaler

Table 2-3 Agency Identification (Standard Table 2-3)	
Type of Agency	
<input checked="" type="checkbox"/>	Agency is a retailer
Fiscal or Calendar Year	
<input checked="" type="checkbox"/>	UWMP Tables Are in Calendar Years
<input type="checkbox"/>	UWMP Tables Are in Fiscal Years
Units of Measure Used in UWMP	
Unit	Million Gallons (MG)
NOTES:	

## 2.5. Coordination and Outreach

CWC 10631

*(j) An urban water supplier that relies upon a wholesale agency for a source of water shall provide the wholesale agency with water use projections from that agency for that source of water in five-year increments to 20 years or as far as data is available. The wholesale agency shall provide information to the urban water supplier for inclusion in the urban water supplier's plan that identifies and quantifies, to the extent practicable, the existing and planned sources of water as required by subdivision (b), available from the wholesale agency to the urban water supplier over the same five-year increments, and during various water-year types in accordance with subdivision (c). An urban water supplier may rely upon water supply information provided by the wholesale agency in fulfilling the plan informational requirements of subdivisions (b) and (c).*

### 2.5.1. Wholesale and Retail Coordination

When a water supplier relies upon a wholesale agency for a water supply, both suppliers are required to provide each other with information regarding projected water supply and demand. The projections should be consistent with each agency's supply and demand projections.

The City of Coalinga does not receive water from any wholesale agency. Table 2-4 is included below to indicate that the information requested does not apply to the City of Coalinga.

Table 2-4 Water Supplier Information Exchange (Standard Table 2-4)
The retail supplier has informed the following wholesale supplier(s) of projected water use in accordance with CWC 10631.
Wholesale Water Supplier Name
Not Applicable

**Table 2-4 Water Supplier Information Exchange (Standard Table 2-4)**

The retail supplier has informed the following wholesale supplier(s) of projected water use in accordance with CWC 10631.

Wholesale Water Supplier Name

NOTES:

### 2.5.2. Coordination with Other Agencies and the Community

*CWC 10620*

*(d)(2) Each urban water supplier shall coordinate the preparation of its plan with other appropriate agencies in the area, including other water suppliers that share a common source, water management agencies, and relevant public agencies, to the extent practicable.*

*CWC 10642*

*Each urban water supplier shall encourage the active involvement of diverse social, cultural, and economic elements of the population within the service area prior to and during the preparation of the plan...*

In the preparation of this 2015 UWMP the City has coordinated with other appropriate agencies in the area, to the extent practicable. The following is a list of agencies and organizations that the City has contacted in the preparation of this 2015 UWMP:

- United States Bureau of Reclamation
- Westland's Water District
- Coalinga-Huron Unified School District

A copy of the letter sent to each of those agencies is included in Appendix C.

### 2.5.3. Notice to Cities and Counties

*CWC 10621 (b)*

*Every urban water supplier required to prepare a plan pursuant to this part shall, at least 60 days before the public hearing on the plan required by Section 10642, notify any city or county within which the supplier provides water supplies that the urban water supplier will be reviewing the plan and considering amendments or changes to the plan.*

Agencies must notify cities and counties within which they serve water that the UWMP is being updated and reviewed. The City provided formal written notice to the County of Fresno and the general public that

the City's UWMP was being updated. In accordance with the UWMPA, this notification was provided at least 60 days prior to the public hearing of the Plan. Appendix C contains a copy of the outreach documents.

- County of Fresno
- General Public

## CHAPTER 3 SYSTEM DESCRIPTION

### 3.1. General Description

*CWC Section 10631 (a)*

*Describe the service area of the supplier...*

The City of Coalinga is located in the Pleasant Valley at the base of the coastal mountain range on the western side of California’s Central Valley within Fresno County. The City is a public agency that provides water and sewer service to all residential, commercial, and industrial customers and for fire protection use. During 2015, the City served a total population of approximately 16,626 through 3,647 active service connections.

Located approximately 60 miles northeast from Coalinga is the City limits of Fresno, the Central Valley’s largest city and the state’s fifth largest city. Interstate 5 runs north to south approximately ten miles east of Coalinga. The County of Monterey lies to the west and Kings County to the east.

According to the U.S. Census Bureau (Census), there were 8,212 people living in Coalinga in 1990, 11,668 in 2000 and 13,380 in 2010. These population estimates represent an average annual growth rate of approximately 2.47 percent from 1990 through 2010. This increase in population is primarily a reflection of the regional growth pressures that are affecting the Central Valley as people living in more expensive regions look for affordable housing in the Valley.

The City of Coalinga is the governing agency and the sole purveyor of water within the City limits. The City adopted the City of Coalinga 2025 General Plan (General Plan) in June 2009. The General Plan assesses delineated land use areas referred to as the Sphere of Influence (SOI), which is larger than the City limits. The SOI includes land over which the City does not have complete jurisdiction; however, the City has the option to annex the land and develop it in the future.

According to the Fresno Local Agency Formation Commission (LAFCo), the City’s SOI encompasses approximately 9.05 square miles (5,793 acres) and is recognized as the ultimate growth boundary over the life of the City. Land uses within the City include single family residential, multi-family residential, mixed use, commercial, manufacturing/ business, public facilities, recreation, open space/conservation, agricultural, and street right of ways. The SOI is recognized as the ultimate growth boundary over the life of the City’s current General Plan. This 2015 UWMP assumes that the SOI describes the future water system service area.

### 3.2. Service Area Maps

Service area maps are included in Appendix D of this 2015 UWMP. The service area maps display the City limits and the potable water service area boundary.

### 3.3. Service Area Climate

*CWC Section 10631 (a)*

*Describe the service area of the supplier, including... climate...*

As previously stated, the City of Coalinga is located in the Pleasant Valley, a northwest to southeast trending alluvial basin, which is at the base of the Diablo Range and at the western boundary of the San Joaquin Valley. The Pleasant Valley has an arid climate, which leads to summers that are typically long and hot with mild and dry winters.

Climate within the City of Coalinga is typical of that of the Southern San Joaquin Valley, cool and foggy during the winters with little precipitation, and hot and dry summers with little to no rainfall. Coalinga enjoys a very high percentage of sunshine, averaging over 260 sunny days per year. According to the Western Regional Climate Center, the average maximum and minimum temperatures for the Coalinga area are 78.5°F and 49.0°F. Topography of the Coalinga area consist of flat to gently rolling hills, with perennial streambeds bisecting the area, which originate on the eastern side of the inner Coast Range and drain from west to east. Elevations in the area range from 660 to 680 feet above sea level.

The average annual precipitation in Coalinga is approximately 7.61 inches. Precipitation in the San Joaquin Valley is strongly influenced by the position of the semi-permanent subtropical high-pressure belt located off the Pacific coast. In the winter, this high-pressure system moves southward, allowing Pacific storms to move through San Joaquin Valley. These storms bring in moist, maritime air that produces considerable precipitation on the western up-slope side of the Coast Ranges. Temperatures in winter typically range from 38°F at night to 58°F during the daytime.

During the summer, wind usually originates at the north end of the San Joaquin Valley and flows in a south-southeasterly direction, through Tehachapi pass, and then into the Southeast Desert Air Basin. Since it typically does not rain in the summer and the sky is clear, strong sunlight drives the formation of ozone smog. Summer temperatures typically range from a low of 65°F at night to a high around 100°F.

The evapotranspiration rate ( $ET_o$ ), which is an indicator of how much water is required to maintain healthy agriculture and landscaping, ranges from 1.72 to 9.93 inches per month (in/month) and averages 5.67 inches (in) per month, with highest  $ET_o$  occurring during the months of May through September. Table 3-1 summarizes the temperature, precipitation, and  $ET_o$  averages for the service area.

Table 3-1 Climate Data				
Month	Avg. Precipitation (in) <sup>(1)</sup>	Avg. Max Temp (°F) <sup>(1)</sup>	Avg. Min Temp (°F) <sup>(1)</sup>	Monthly Eto (in) <sup>(2)</sup>
January	1.60	57.8	35.8	1.94
February	1.51	63.6	39.2	2.75
March	1.21	69.2	41.8	4.41
April	0.55	76.0	45.9	6.32
May	0.25	84.9	52.5	8.08
June	0.04	92.7	59.2	9.58

Table 3-1 Climate Data				
Month	Avg. Precipitation (in) <sup>(1)</sup>	Avg. Max Temp (°F) <sup>(1)</sup>	Avg. Min Temp (°F) <sup>(1)</sup>	Monthly Eto (in) <sup>(2)</sup>
July	0.01	99.4	65.3	9.93
August	0.02	97.8	63.2	8.95
September	0.19	92.7	58.6	6.89
October	0.31	81.8	49.7	4.81
November	0.72	67.6	40.6	2.61
December	1.20	58.2	35.7	1.72
<b>Annual Total/Average</b>	<b>7.61</b>	<b>78.5</b>	<b>49.0</b>	<b>67.99</b>
NOTE:				
<sup>(1)</sup> From Western Regional Climate Center Coalinga, CA.				
<sup>(2)</sup> From California Irrigation Management System, Coalinga, CA				

### 3.4. Service Area Population

#### *CWC Section 10631 (a)*

*Describe the service area of the supplier, including current and projected population . . . The projected population estimates shall be based upon data from the state, regional, or local service agency population projections within the service area of the urban water supplier and shall be in five-year increments to 20 years or as far as data is available.*

The City of Coalinga has experienced steady population growth since 2010, and future projections anticipate further growth within the City. This steady increase in population is primarily a reflection of the regional growth pressures that are affecting the Central Valley as people living in more expensive regions look for affordable housing in the Central Valley. Anticipating increased demand from population growth and new enterprise are important aspects of the City's UWMP. This 2015 UWMP anticipates the effects of increased demand on water resources arising from sustained population growth.

According to the 2010 Census, population within the City was 13,380, which was up from 11,668 at the 2000 Census, and up from 8,212 at the 1990 Census. According to the California Department of Finance, the City served a total population of approximately 16,626 in 2015. The City's total population includes the urban population of the City, the population of the Pleasant Valley State Prison, and the population of the State Mental Hospital. Based on these population figures, the average annual growth rate of from 1990 to 2015 is approximately 2.86 percent. Table 3-2 contains the projected population for the next twenty-five years, in 5-year increments, assuming a 2.86 percent annual average growth rate through 2040.



Table 3-2 Population - Current and Projected (Standard Table 3-1)						
Population Served	2015	2020	2025	2030	2035	2040
	16,626	19,145	22,046	25,386	29,232	33,661

## CHAPTER 4 SYSTEM WATER USE

### 4.1. Introduction

This chapter provides a description and quantifies the City’s current water use and water use projections through the year 2040. The data provided in this Section allows the City to accurately analyze the use of the City’s water resources and conduct good resource planning. The future demand estimates allow the City to manage the water supply and appropriately plan their infrastructure investments. The terms “water use” and “water demand” will be used interchangeably.

### 4.2. Recycled versus Potable and Raw Water Demand

The City’s water supply is exclusively surface water, supplied from the United States Department of Interior, Bureau of Reclamation (Reclamation) via the Central Valley Project. The City currently does not use recycled water to meet any of their water demands. Currently, the City’s wastewater is not treated to tertiary effluent quality and there is no infrastructure in place to deliver recycled water for the irrigation of landscape areas such as school, parks, and along roadways.

Tables 4-2, 4-4, and 4-5 contain the City’s current and projected potable water demands.

### 4.3. Water Use by Sector

*CWC 10631(e)*

*(1) Quantify, to the extent records are available, past and current water use, over the same five-year increments described in subdivision (a), and projected water use, identifying the uses among water use sectors, including, but not necessarily limited to, all of the following uses:*

*(A) Single-family residential.*

*(B) Multifamily.*

*(C) Commercial.*

*(D) Industrial.*

*(E) Institutional and governmental.*

*(F) Landscape.*

*(G) Sales to other agencies.*

*(H) Saline water intrusion barriers, groundwater recharge, or conjunctive use, or any combination thereof.*

*(I) Agricultural.*

*(2) The water use projections shall be in the same five-year increments described in subdivision (a).*

This 2015 UWMP includes past, current, and projected water use in five-year increments. The City will determine the reliability of their projected water supply based upon that information. This 2015 UWMP also identifies the water use by sector. The City breaks down metered water deliveries into single family residential, multi-family residential, commercial, industrial, and landscape irrigation. Commercial water includes water used by retail establishments, office buildings, laundries, schools, prisons, hospital, dormitories, nursing homes, and hotels. The number of water service accounts and volume of water severed provides insight into the different customer's water use, which can be useful in defining effective water conservation measures. Tables 4-1 and 4-3 provide the City's actual and projected water demands.

<b>Table 4-1 Retail: Demands for Potable and Raw Water - Actual</b>			
<b>Use Type</b>	<b>2015 Actual</b>		
	<b>Additional Description</b>	<b>Level of Treatment When Delivered</b>	<b>Volume</b>
Single Family	3,143 Service Connections	Drinking Water	394
Multi-Family	104 Service Connections	Drinking Water	75
Commercial	345 Service Connections	Drinking Water	411
Industrial	10 Service Connections	Drinking Water	60
Landscape Irrigation	45 Service Connections	Drinking Water	80
Losses	Un-Accounted Water	Drinking Water	146
<b>Total</b>			<b>1,166</b>
NOTES: <sup>(1)</sup> Commercial includes retail establishments, office buildings, laundries, schools, prisons, hospital, dormitories, and nursing homes, and hotels. <sup>(2)</sup> For projection purposes, losses or unaccounted water represents the volume of water that is produced and distrusted, but are not metered or sold to customers.			

Table 4-2 lists the projected number of accounts by user type. The number of accounts were projected by first multiplying the total number of metered accounts for 2015 by the annual average growth rate of 2.86 percent, which is consistent with the population growth determined in Section 3.4 of this UWMP. For single family, multi-family, and commercial connections, the projected number of connections was then divided by a factor of 3, since there are typically 3 persons per connections. It has been assumed that the projected number of connections for industrial users and landscape irrigation will remain constant.

<b>Table 4-2 Projected Number of Total Connections by User Type</b>						
<b>Use Type</b>	<b>2015</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>	<b>2035</b>	<b>2040</b>
Single Family	3,143	3,302	3,484	3,695	3,937	4,215
Multi-Family	104	109	115	122	130	140
Commercial	345	362	382	405	432	463
Industrial	10	10	10	10	10	10
Landscape Irrigation	45	45	45	45	45	45
<b>Total</b>	<b>3,647</b>	<b>3,828</b>	<b>4,037</b>	<b>4,277</b>	<b>4,554</b>	<b>4,873</b>

Table 4-3 lists the projected water demands through the year 2040. The projected water demands were obtained by multiplying the City’s annual average growth rate of 2.86 percent by each user’s 2015 annual water consumption.

<b>Table 4-3 Demands for Potable and Raw Water - Projected (Standard Table 4-2)</b>					
<b>Use Type</b>	<b>Projected Water Use</b>				
	<b>2020</b>	<b>2025</b>	<b>2030</b>	<b>2035</b>	<b>2040</b>
Single Family	454	523	602	693	798
Multi-Family	86	99	114	131	151
Commercial	473	545	628	723	833
Industrial	69	79	91	105	121
Landscape	92	106	122	140	161
Losses	146	146	146	146	146
<b>Total</b>	<b>1,320</b>	<b>1,498</b>	<b>1,703</b>	<b>1,938</b>	<b>2,210</b>

Table 4-4 provides a summary of the City’s potable water demand projections. Recycled water is not included in the City’s potable water demand. The City has plans to use recycled water to offset non potable water demands in the future but the implementation of a recycled water system is beyond 2040.

<b>Table 4-4 Total Water Demands (Standard Table 4-3)</b>						
	<b>2015</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>	<b>2035</b>	<b>2040</b>
Potable and Raw Water	1,166	1,320	1,498	1,703	1,938	2,210
Recycled Water Demand	0	0	0	0	0	0
<b>Total</b>	<b>1,166</b>	<b>1,320</b>	<b>1,498</b>	<b>1,703</b>	<b>1,938</b>	<b>2,210</b>

#### 4.4. Distribution System Losses

*CWC 10631(e)(1) and (2)*

*Quantify, to the extent records are available, past and current water use over the same five-year increments described in subdivision (a), and projected water use, identifying the uses among water use sectors, including, but not necessarily limited to, all of the following uses:(J) Distribution system water loss*

*CWC 10631 (e)(3)*

*(A) For the 2015 urban water management plan update, the distribution system water loss shall be quantified for the most recent 12-month period available. For all subsequent updates, the distribution system water loss shall be quantified for each of the five years preceding the plan update.*

*(B) The distribution system water loss quantification shall be reported in accordance with a worksheet approved or developed by the department through a public process. The water loss*

*quantification worksheet shall be based on the water system balance methodology developed by the American Water Works Association.*

Water distribution system losses is a crucial part of water demand management. Distribution system loss or unaccounted water is the volume of water that is produced and distributed but not sold or metered to customers. Leakage is usually the largest component of distribution loss. In addition to leakage, the following are other sources of water loss:

- Slow meters
- Failed meters
- Theft
- Fire Protection
- Unmetered construction water used for flushing pipelines and dust control
- Service leaks prior to meter connection flushing
- Unmetered water used for flushing dead ends within the system to maintain water quality

Table 4-5 contains the 12-month water loss audit over the past year.

Table 4-5 12 Month Water Loss Audit Reporting (Standardized Table 4-4)	
Reporting Period Start Date	Volume of Water Loss
01/2015	146

The unaccounted water was equal to approximately 13 percent of the total water produced in 2015. In the future, the City will actively pursue customer meter accuracy testing and repairs of the distribution system in order to reduce water losses

#### 4.5. Future Water Savings

*CWC 10631 (e)(4)*

*(A) If available and applicable to an urban water supplier, water use projections may display and account for the water savings estimated to result from adopted codes, standards, ordinances, or transportation and land use plans identified by the urban water supplier, as applicable to the service area.*

*(B) To the extent that an urban water supplier reports the information described in subparagraph (A), an urban water supplier shall do both of the following: (i) Provide citations of the various codes, standards, ordinances, or transportation and land use plans utilized in making the projections. (ii) Indicate the extent that the water use projections consider savings from codes, standards, ordinances, or transportation and land use plans. Water use projections that do not account for these water savings shall be noted of that fact.*

The water use projections are calculated using 2015 consumption data as the baseline. The 2015 consumption is considered to include water conservation measures that the City implemented due to drought conditions. Additional water savings will be realized in the future by reducing leaks in the system

and replacing old water fixtures. However, those future water savings have not been included in water use projections. The City adopted a Water Shortage Contingency Ordinance that amended the City's Municipal Code by adding a chapter on water conservation. It is still unclear how much savings the City's Shortage Contingency Plan will deliver in future years.

#### 4.6. Water Use for Lower Income Households

*CWC 10631.1(a)*

*The water use projections required by Section 10631 shall include projected water use for single-family and multifamily residential housing needed for lower income households, as defined in Section 50079.5 of the Health and Safety Code, as identified in the housing element of any city, county, or city and county in the service area of the supplier.*

*California Health and Safety Code 50079.5 (a)*

*"Lower income households" means persons and families whose income does not exceed the qualifying limits for lower income families... In the event the federal standards are discontinued, the department shall, by regulation, establish income limits for lower income households for all geographic areas of the state at 80 percent of area median income, adjusted for family size and revised annually.*

Urban water suppliers are required to identify water demand required for lower income housing in its water use projections. State legislation (SB 1087 and Government Code §65589.7), effective January 1, 2006, specifies that local water agencies and sewer districts must grant priority for service hook-ups to projects that help meet the community's fair housing need. Coalinga's share of regional housing needs originates with the California Department of Housing and Community Development (HCD). HCD first estimates a statewide need for housing, which is broken down into regions, each of which then has an assigned share of estimated housing needs. The Fresno County Council of Governments (Fresno COG) is the local agency mandated by California Government Code §65554(a) to distribute the "Fair Share Allocation" of the regional housing need to each jurisdiction in Fresno County. The "Fair Share Allocation" of housing is a specific number of residential units, in different price ranges, assigned to each local jurisdiction, including the City of Coalinga.

The Fresno COG's 2016 Multi-Jurisdictional Housing Element estimates that a total of 41,470 housing units will be needed in the County through the end of year 2023. The City of Coalinga's share of those units is 589 or approximately 1.42 percent. The 2016 Multi-Jurisdictional Housing Element also estimates that approximately 45 percent of the total housing needs in the City of Coalinga are for low income households. The needs allocation is further classified as low income, very low income and extremely low income. The extremely low-income families require rental assistance and these units are assumed to be multi-family residential (MFR) units. The low income and very low income are assumed to be single-family residential (SFR) units.

Based on the projected low-income housing residential unit needs, Table 4-6 lists the projected number of housing units through 2040.

Table 4-6 Projected Number of Additional Low Income Housing Units							
Use Type	Income <sup>(1)</sup>	Fresno COG Allocation	2015-20	2020-25	2025-30	2030-35	2035-40
Extremely Low Income	<30%	12.7%	2	2	3	3	4
Very Low Income	31%-50%	12.7%	61	70	80	92	106
Low Income	51%-80%	19.5%	93	107	123	142	163
Moderate Income	81%-120%	20.9%	99	114	132	152	175
Above Moderate Income	>120%	34.1%	162	187	215	248	285
<b>Total</b>		<b>100.0%</b>	<b>417</b>	<b>481</b>	<b>553</b>	<b>637</b>	<b>733</b>
NOTES:							
<sup>(1)</sup> As a percentage of the County's Median Household Income							

The estimated volume of water needed to meet the new lower income housing units are shown in Table 4-7. The projected water needed for additional low income units was estimated by first dividing the gross volume of water delivered to either multi-family or single-family residents by the total number of service connections for each use type, and then multiplied by the projected number of additional housing units determined in Table 4-6.

Table 4-7 Projected Number of Additional Low-Income Housing Units					
Use Type	2015-20	2020-25	2025-30	2030-35	2035-40
Extremely Low Income	1	2	2	2	3
Very Low Income	8	9	10	12	13
Low Income	12	13	15	18	20
<b>Total</b>	<b>21</b>	<b>24</b>	<b>27</b>	<b>32</b>	<b>36</b>

The projected water demands for lower income housing are included in the projections of water demands shown in Tables 4-3 and 4-4. Demand for existing lower income housing is being met and is included in the volumes shown in Tables 4-3 and 4-4.

Table 4-8 Inclusion in Water Use Projections (Standard Table 4-5)	
Are Future Water Savings Included in Projections?	No
If "Yes" to above, state the section or page number, in the cell to the right, where citations of the codes, ordinances, etc... utilized in demand projections are found.	Not Applicable
Are Lower Income Residential Demands Included In Projections?	Yes

## 4.7. Climate Change

DWR Guidelines recommend that the 2015 UWMP include a discussion of potential climate change impacts on projected demand. There is mounting scientific evidence that global climate conditions are changing and will continue to change as a result of the continued build-up of greenhouse gases (GHGs) in the Earth's atmosphere. Changes in climate can affect municipal water supplies through modifications in the timing, amount, and form of precipitation, as well as water demands and the quality of surface runoff.

These changes can affect all elements of water supply systems, from watersheds to reservoirs, conveyance systems, and treatment plants.

Indications of climate change have been observed over the last several decades throughout California. Statewide average temperatures have increased by about 1.7°F from 1895 to 2011, with the greatest warming in the Sierra Nevada. Although the State's weather has followed the expected pattern of a largely Mediterranean climate throughout the past century, no consistent trend in the overall amount of precipitation has been detected, except that a larger proportion of total precipitation is falling as rain instead of snow.

The correlation between temperature and water demand is well documented and understood. A large percentage of the City's water demand is driven by outdoor irrigation. Higher temperatures will increase evapotranspiration rates and increase demands. Higher temperatures will also extend the duration of the outdoor landscaping growing season increasing the maximum day demands on the spring and fall seasons.

It is evident that climate change adds new uncertainties to the challenges of planning. Changes in weather could significantly affect water supply planning. Since climatic pressures could potentially affect supply reliability, continual attention to this issue will be necessary in the future.



## CHAPTER 5 BASELINES AND TARGETS

### 5.1. Introduction

With the adoption of the Water Conservation Act of 2009, also known as the SB X7-7, (see Appendix B), the State is required to set a goal of reducing urban water use by 20 percent by the year 2020. Each retail urban water supplier must determine baseline water use during their baseline period and also target water use for the years 2015 and 2020 in order to help the State achieve the 20 percent reduction.

For the 2015 UWMP, water agencies must demonstrate compliance with their established water use target for the year 2015. This will also demonstrate whether the agency is currently on track to achieve its 2020 target. Compliance is verified by DWR's review of the SB X7-7 Verification Form included in Appendix E of this 2015 UWMP.

### 5.2. Updating Calculations from 2010 UWMP

*CWC 10608.20 (g)*

*An urban retail water supplier may update its 2020 urban water use target in its 2015 urban water management plan required pursuant to Part 2.6 (commencing with Section 10610).*

*Methodologies DWR 2010, Methodology 2 Service Area Population*

*Page 27 - Water suppliers may revise population estimates for baseline years between 2000 and 2010 when 2010 census information becomes available. DWR will examine discrepancy between the actual population estimate and DOF's projections for 2010; if significant discrepancies are discovered, DWR may require some or all suppliers to update their baseline population estimates.*

The City of Coalinga is considered an Urban Water Supplier and prepared a 2010 UWMP in June 2015. This 2015 UWMP contains updated calculations about water use targets and population estimates.

#### 5.2.1. Target Method

*CWC 10608.20 (b)*

*An urban retail water supplier shall adopt one of the following methods for determining its urban water use target pursuant to subdivision (a):*

*(1) Eighty percent of the urban retail water supplier's baseline per capita daily water use.*

*(2) The per capita daily water use that is estimated using the sum of the following performance standards:*

*(A) For indoor residential water use, 55 gallons per capita daily water use as a provisional standard. Upon completion of the department's 2016 report to the Legislature pursuant to Section 10608.42, this standard may be adjusted by the Legislature by statute.*

*(B) For landscape irrigated through dedicated or residential meters or connections, water efficiency equivalent to the standards of the Model Water Efficient Landscape Ordinance set forth in Chapter 2.7 (commencing with Section 490) of Division 2 of Title 23 of the California Code of Regulations, as in effect the later of the year of the landscape's installation or 1992. An urban retail water supplier using the approach specified in this subparagraph shall use satellite imagery, site visits, or other best available technology to develop an accurate estimate of landscaped areas.*

*(C) For commercial, industrial, and institutional uses, a 10-percent reduction in water use from the baseline commercial, industrial, and institutional water use by 2020.*

*(3) Ninety-five percent of the applicable state hydrologic region target, as set forth in the state's draft 20x2020 Water Conservation Plan (dated April 30, 2009). If the service area of an urban water supplier includes more than one hydrologic region, the supplier shall apportion its service area to each region based on population or area.*

*(4) A method that shall be identified and developed by the department, through a public process, and reported to the Legislature no later than December 31, 2010. The method developed by the department shall identify per capita targets that cumulatively result in a statewide 20-percent reduction in urban daily per capita water use by December 31, 2020. In developing urban daily per capita water use targets, the department shall do all of the following:*

*(A) Consider climatic differences within the state.*

*(B) Consider population density differences within the state.*

*(C) Provide flexibility to communities and regions in meeting the targets.*

*(D) Consider different levels of per capita water use according to plant water needs in different regions.*

*(E) Consider different levels of commercial, industrial, and institutional water use in different regions of the state.*

*(F) Avoid placing an undue hardship on communities that have implemented conservation measures or taken actions to keep per capita water use low.*

Target Method 1 has been selected by the City as the preferred compliance method to determine water use targets. Target Method 1 is calculated as a 20% reduction of the baseline daily water use.

### 5.2.2. SBX7-7 Verification Form

To satisfy the provisions of SB X7-7, the City must establish a per capita water use target for the year 2020 as well as an interim target. DWR has provided guidelines for determining these targets in its Methodologies for Calculating Baseline and Compliance Urban Per Capita Water Use and in the 2015 UWMP Guidebook. The City's baseline water use is based on the City's historic water use and is determined by procedures identified in the following sections.

All retail agencies, whether updating their baselines and targets from 2010, or calculating these for the first time in 2015 UWMPs, are required to submit the standardized tables in the SB X7-7 Verification Form with their 2015 UWMPs. These standardized tables were not available in 2005 or 2010 and are required to demonstrate compliance with the Water Conservation Act of 2009.

The tables in the SB X7-7 Verification Form are distinguished from the other standardized tables in this 2015 UWMP by their name, which will state "SB X7-7", followed by the table number.

### 5.3. Baseline Periods

CWC 10608.20

*(e) An urban retail water supplier shall include in its urban water management plan due in 2010. . . the baseline daily per capita water use...along with the bases for determining those estimates, including references to supporting data.*

*(g) An urban retail water supplier may update its 2020 urban water use target in its 2015 urban water management plan required pursuant to Part 2.6 (commencing with Section 10610).*

The City is responsible for determining both a 10 or 15-year baseline and a 5-year baseline in accordance with DWR's guidelines.

#### 5.3.1. Determination of the 10-15 Year Baseline Period (Baseline)

CWC 10608.12

*(b) "Base daily per capita water use" means any of the following:*

*(1) The urban retail water supplier's estimate of its average gross water use, reported in gallons per capita per day and calculated over a continuous 10-year period ending no earlier than December 31, 2004, and no later than December 31, 2010.*

*(2) For an urban retail water supplier that meets at least 10 percent of its 2008 measured retail water demand through recycled water that is delivered within the service area of an urban retail water supplier or its urban wholesale water supplier, the urban retail water supplier may extend the calculation described in paragraph (1) up to an additional five years to a maximum of a*

*continuous 15-year period ending no earlier than December 31, 2004, and no later than December 31, 2010.*

The City did not meet at least 10% of its 2008 measured retail water demand through recycled water. Therefore, the baseline must be calculated over a 10-year period. This 2015 UWMP uses the period between January 1<sup>st</sup>, 2001 and December 31<sup>st</sup>, 2010 as the baseline period.

### **5.3.2. Determination of the 5 Year Baseline (Target Confirmation)**

*CWC 10608.12 (b)*

*(3) For the purposes of Section 10608.22, the urban retail water supplier's estimate of its average gross water use, reported in gallons per capita per day and calculated over a continuous five-year period ending no earlier than December 31, 2007, and no later than December 31, 2010*

The UWMPA requires urban water suppliers to calculate water use, in gallons per capita per day (GPCD), for a 5-year baseline period. The 5-year baseline period is used to confirm that the selected 2020 target meets the minimum water use reduction requirements in accordance with CWC 10608.22. The selected 5-year Baseline Period for the 2015 UWMP is January 1<sup>st</sup>, 2006 through December 31<sup>st</sup>, 2010.

### **5.4. Service Area Population**

*CWC 10608.20*

*(e) An urban retail water supplier shall include in its urban water management plan...the baseline daily per capita water use, along with the bases for determining those estimates, including references to supporting data.*

*(f) When calculating per capita values for the purposes of this chapter, an urban retail water supplier shall determine population using federal, state, and local population reports and projections.*

*CWC 10644 (a)(2)*

*The plan... shall include any standardized forms, tables, or displays specified by the department.*

To obtain an accurate estimate of the annual per capita consumption, the 2015 UWMP must estimate population of the area served. The population estimates must include each baseline year in both baseline periods and for the 2015 compliance year. The methods available for estimating the City's population are provided in Methodology 2 of the Methodologies document. The following is a description of the methodology used in this 2015 UWMP to estimate the City's population.

### 5.4.1. Population Methodology

Agencies whose service area boundaries correspond by 95 percent or more with the boundaries of a city during the baseline period and the compliance year 2015 will be able to obtain population estimates from tables prepared by the Department of Finance (DOF). The DOF population estimates includes both the urban population of the City of Coalinga and the population of the Pleasant Valley State Prison and State Hospital.

The City’s service area boundaries correspond with the boundaries of the City during the baseline and compliance years. Department of Finance population tables have been used to estimate the service area population. The service area population for each of the baseline years is shown in Table 5-1.

Table 5-1 Service Area Population (SB X7-7 Table 3)		
Year		Population
<b>10 to 15 Year Baseline Population</b>		
Year 1	2001	15,833
Year 2	2002	15,830
Year 3	2003	15,765
Year 4	2004	16,335
Year 5	2005	16,566
Year 6	2006	16,662
Year 7	2007	17,330
Year 8	2008	18,310
Year 9	2009	18,295
Year 10	2010	18,087
<b>5 Year Baseline Population</b>		
Year 1	2006	16,662
Year 2	2007	17,330
Year 3	2008	18,310
Year 4	2009	18,295
Year 5	2010	18,087
<b>2015 Compliance Year Population</b>		
<b>2015</b>		16,626
NOTES: Population data is taken from the California Department of Finance records E-8.		

### 5.5. Gross Water Use

CWC 10608.12 (g)

*“Gross Water Use” means the total volume of water, whether treated or untreated, entering the distribution system of an urban retail water supplier, excluding all of the following:*

- (1) Recycled water that is delivered within the service area of an urban retail water supplier or its urban wholesale water supplier
- (2) The net volume of water that the urban retail water supplier places into long term storage
- (3) The volume of water the urban retail water supplier conveys for use by another urban water supplier
- (4) The volume of water delivered for agricultural use, except as otherwise provided in subdivision (f) of Section 10608.24.
- California Code of Regulations Title 23 Division 2 Chapter 5.1 Article*
- Section 596 (a) An urban retail water supplier that has a substantial percentage of industrial water use in its service area is eligible to exclude the process water use of existing industrial water customers from the calculation of its gross water use to avoid a disproportionate burden on another customer sector*

Gross water use is a measure of water that enters the City's distribution system over a 12-month period with certain allowable exclusions. These exclusions are:

- Recycled water delivered within the service area
- Indirect recycled water
- Water placed into long term storage
- Water conveyed to another urban supplier
- Water delivered for agricultural use
- Process water

Gross water use is accurately measured at the point that water enters the distribution system. Measuring at this point ensures that all the water, including losses and other non-revenue water (i.e., firefighting, line flushing, etc...) is accounted for. Gross water use is calculated for each baseline year and the 2015 Compliance Year. Gross Water Use is shown in Table 5-2.

Table 5-2 Annual Gross Water Use (SB X7-7 Table 4)								
Baseline Year		Volume Into Distribution System	Deductions					Annual Gross Water Use
			Exported Water	Change in Dist. System Storage	Indirect Recycled Water	Water Delivered for Agricultural Use	Process Water	
10 to 15 Year Baseline - Gross Water Use								
Year 1	2001	1,518	-	-	-	-	-	1,518
Year 2	2002	1,757	-	-	-	-	-	1,757
Year 3	2003	2,364	-	-	-	-	-	2,364
Year 4	2004	2,474	-	-	-	-	-	2,474

**Table 5-2 Annual Gross Water Use (SB X7-7 Table 4)**

Baseline Year		Volume Into Distribution System	Deductions					Annual Gross Water Use
			Exported Water	Change in Dist. System Storage	Indirect Recycled Water	Water Delivered for Agricultural Use	Process Water	
Year 5	2005	2,248	-	-	-	-	-	2,248
Year 6	2006	2,439	-	-	-	-	-	2,439
Year 7	2007	2,544	-	-	-	-	-	2,544
Year 8	2008	2,112	-	-	-	-	-	2,112
Year 9	2009	1,722	-	-	-	-	-	1,722
Year 10	2010	1,804	-	-	-	-	-	1,804
<b>10 – 15-Year Baseline Average Gross Water Use</b>								<b>2,098</b>
<b>5 Year Baseline - Gross Water Use</b>								
Year 1	2006	2,439	-	-	-	-	-	2,439
Year 2	2007	2,544	-	-	-	-	-	2,544
Year 3	2008	2,112	-	-	-	-	-	2,112
Year 4	2009	1,722	-	-	-	-	-	1,722
Year 5	2010	1,804	-	-	-	-	-	1,804
<b>5-Year Baseline Average Gross Water Use</b>								<b>2,124</b>
<b>2015 Compliance Year - Gross Water Use</b>								
<b>2015</b>		1,116	-	-	-	-	-	<b>1,116</b>

## 5.6. Baseline Daily per Capita Water Use

The final step in baseline calculations is to determine the water used per person per day GPCD in each of the baseline years. This is done for each baseline year by dividing the gross water use by the service area population. Each baseline year is shown in Table 5-3.

Table 5-3 Gallons Per Capita Per Day GPCD (SB X7-7 Table 5)				
Baseline Year		Service Area Population	Annual Gross Water Use	Daily Per Capita Water Use (GPCD)
<b>10 to 15 Year Baseline GPCD</b>				
Year 1	2001	15,833	1,518	263
Year 2	2002	15,830	1,757	304
Year 3	2003	15,765	2,364	411
Year 4	2004	16,335	2,474	415
Year 5	2005	16,566	2,248	372
Year 6	2006	16,662	2,439	401
Year 7	2007	17,330	2,544	402

Table 5-3 Gallons Per Capita Per Day GPCD (SB X7-7 Table 5)				
Baseline Year		Service Area Population	Annual Gross Water Use	Daily Per Capita Water Use (GPCD)
Year 8	2008	18,310	2,112	316
Year 9	2009	18,295	1,722	258
Year 10	2010	18,087	1,804	273
10-15 Year Average Baseline GPCD				<b>341</b>
<b>5 Year Baseline GPCD</b>				
Year 1	2006	16,662	2,439	401
Year 2	2007	17,330	2,544	402
Year 3	2008	18,310	2,112	316
Year 4	2009	18,295	1,722	258
Year 5	2010	18,087	1,804	273
5 Year Average Baseline GPCD				<b>330</b>
<b>2015 Compliance Year GPCD</b>				
<b>2015</b>		16,626	1,116	<b>184</b>

Table 5-4 provides a summary of the calculated baselines and 2015 consumption based on the data provided in Table 5-3.

Table 5-4 Summary of Baselines and Current Consumption (SB X7-7 Table 6)	
10-15 Year Baseline GPCD	341
5 Year Baseline GPCD	330
2015 Compliance Year GPCD	184

## 5.7. 2015 and 2020 Targets

*CWC 10608.20(e)*

*An urban retail water supplier shall include in its urban water management plan due in 2010. . . urban water use target, interim urban water use target, along with the bases for determining those estimates, including references to supporting data (10608.20(e)).*

*CWC 10608.20*

*(g) An urban retail water supplier may update its 2020 urban water use target in its 2015 urban water management plan...*

The UWMPA requires urban water suppliers to determine the 2020 Urban Water Use Target. Four target methods have been developed and identify the specific steps water suppliers shall follow to establish these targets. These methods are as follows:



- Target Method 1: 80% of 10-to 15-Year Baseline
- Target Method 2: Performance Standards
- Target Method 3: 95% of Hydrologic Regional Target
- Target Method 4: Savings by Water Sector

Once the 2015 plan is submitted, the Target Method may not be changed in any amendments to the 2015 Plan or in the 2020 Plan.

### 5.7.1. Target Method

The City's 2015 UWMP will be utilizing Target Method 1. The 2020 Urban Water Use Target is calculated as 80 percent of the base daily per capita water use. This 20 percent reduction of the 10 Year Baseline was determined to be 176 GPCD as shown Table 5-5.

Table 5-5 Target Method 1 (SB X7-7 Table 7-A)	
10-15 Year Baseline GPCD	2020 Target GPCD
341	273

### 5.7.2. Target Confirmation – Use of 5 Year Baseline

*CWC 10608.22*

*Notwithstanding the method adopted by an urban retail water supplier pursuant to Section 10608.20, an urban retail water supplier's per capita daily water use reduction shall be no less than 5 percent of base daily per capita water use as defined in paragraph (3) of subdivision (b) of Section 10608.12. This section does not apply to an urban retail water supplier with a base daily per capita water use at or below 100 gallons per capita per day.*

The 2020 water use target must reduce the City's 2020 water use by a minimum of 5% from the 5-year baseline. Table 5-6 shows that the Confirmed 2020 water use target is below that minimum at 273 GPCD.

Table 5-6 Confirm Minimum Reduction for 2020 Target (SB X7-7 Table 7-F)			
5 Year Baseline GPCD From SB X7-7 Table 5	Maximum 2020 Target <sup>(1)</sup>	Calculated 2020 Target <sup>(2)</sup>	Confirmed 2020 Target
330	314	273	273
NOTES: <sup>(1)</sup> Maximum 2020 Target is 95% of the 5 Year Baseline GPCD except for suppliers at or below 100 GPCD. <sup>(2)</sup> The 2020 Target is calculated based on the selected Target Method, see SB X7-7-A.			

### 5.7.3. 2015 Interim Urban Water Use Target

The 2015 Interim Target is the value halfway between the 10-year Baseline and the Confirmed 2020 Target. The City's 2015 Interim Target of 307 GPCD is shown in Table 5-7 below.

Table 5-7 2015 Interim Target GPCD (SB X7-7 Table 8)		
Confirmed 2020 Target	10-15 year Baseline GPCD	2015 Interim Target GPCD
273	341	307

### 5.7.4. Baselines and Targets Summary

A summary of baselines and targets is shown in Table 5-8 below.

Table 5-8 Baselines and Targets Summary (Standard Table 5-1)					
Baseline Period	Start Year	End Year	Average Baseline GPCD	2015 Interim Target	Confirmed 2020 Target
10-15 Year	2001	2010	341	307	273
5 Year	2006	2010	330		
NOTES: (1) All values are in Gallons per Capita per Day GPCD.					

## 5.8. 2015 Compliance Daily per Capita Water Use

*CWC 10608.12 (e)*

*"Compliance daily per-capita water use" means the gross water use during the final year of the reporting period...*

*CWC 10608.24 (a)*

*Each urban retail water supplier shall meet its interim urban water use target by December 31, 2015.*

*CWC 10608.20(e)*

*An urban retail water supplier shall include in its urban water management plan due in 2010...compliance daily per capita water use, along with the bases for determining those estimates, including references to supporting data.*

Water suppliers must calculate their actual 2015 water use for the calendar year to determine whether they have met their per capita 2015 and assess their progress towards meeting their 2020 target water use.

### 5.8.1. Meeting the 2015 Target

In 2015 the City's actual daily per capita water use was determined to be 184 GPCD, which is less than the 2015 Interim Target of 307 GPCD and Confirmed 2020 Target of 273 GPCD. Therefore, the City has met their 2015 per capita water use and is already on track to meet the Confirmed 2020 Target. This confirmation can be seen in Table 5-9 in the following section.

### 5.8.2. Adjustments to Gross Water Use

*CWC 10608.24 (d)*

*When determining compliance daily per capita water use, an urban retail water supplier may consider the following factors:*

*Differences in evapotranspiration and rainfall in the baseline period compared to the compliance reporting period.*

*Substantial changes to commercial or industrial water use resulting from increased business output and economic development that have occurred during the reporting period.*

*Substantial changes to institutional water use resulting from fire suppression services or other extraordinary events, or from new or expanded operations, that have occurred during the reporting period.*

*If the urban retail water supplier elects to adjust its estimate of compliance daily per capita water use due to one or more of the factors described in paragraph (1), it shall provide the basis for, and data supporting, the adjustment in the report required by Section 10608.40.*

*Methodology Document, Methodology 4*

*This section discusses adjustments to compliance-year because of changes in distribution area caused by mergers, annexation, and other scenarios that occur between the baseline and compliance years.*

For this 2015 UWMP there are several allowable adjustments that can be made to a City's gross water use. These adjustments would account for weather, economic development, and substantial changes to the City's water use. As shown in Table 5-9, the City did not elect to adjust their gross water use. In addition, the City's per capita water use is in compliance.

**Table 5-9 2015 Compliance (Standard Table 5-2)**

Actual 2015 GPCD	2015 Interim Target GPCD	Optional Adjustments (in GPCD)					2015 GPCD	Did Supplier Achieve Targeted Reduction for 2015?
		Extraordinary Events	Economic Adjustment	Weather Normalization	Total Adjustments	Adjusted 2015		
184	307	-	-	-	-	184	184	YES

## CHAPTER 6 SYSTEM SUPPLIES

### 6.1. Purchased Water

The City of Coalinga receives its potable water supply through a contract with the United States Bureau of Reclamation (Reclamation). Raw water is conveyed to the City's Water Treatment Plant (WTP) from the Coalinga Canal, which originates at the California Aqueduct. The City's interim water service contract, in effect through February 28, 2021, requires the Reclamation to furnish the City of Coalinga with up to 10,000 acre-feet of raw water per year. The Reclamation and the City are currently in the process of negotiating a long-term contract through Section 4011 of the Water Infrastructure for Improvements to the Nation (WIIN) Act, which is expected to be completed by 2021.

### 6.2. Groundwater

The City of Coalinga does not currently use groundwater as part of its water supply as groundwater in the area is unsuitable for drinking without treatment or blending. Due to poor groundwater quality, potable water utilized by the City consists of surface water from the California Aqueduct that is treated at the City's surface WTP.

#### 6.2.1. Groundwater Quality

The City's groundwater is of poor quality due to the high concentrations of sodium, sulfates and total dissolved solids (TDS). This condition occurs at depths between 500 and 1,500 feet; therefore, groundwater is not considered a viable source of potable water within the Coalinga planning area. Even for crop irrigation, groundwater is considered only of "marginal acceptability" because the groundwater tends to increase the concentrations of salts in the soil, further decreasing its agricultural suitability.

#### 6.2.2. Basin Description

*CWC 10631 (b)*

*If groundwater is identified as an existing or planned source of water available to the supplier, all of the following information shall be included in the plan:*

*(2) A description of any groundwater basin or basins from which the urban water supplier pumps groundwater.*

The City of Coalinga is located in the Pleasant Valley Subbasin in the Tulare Lake hydrologic region of the San Joaquin Groundwater Basin. The Pleasant Valley Subbasin covers approximately 227 square miles. DWR Bulletin 118 – Update 2006, "California's Groundwater" contains a detailed description of the Pleasant Valley Subbasin and its characteristics and conditions. A copy of this description is included in Appendix F.

As part of the San Joaquin Valley Groundwater Basin, the Pleasant Valley Subbasin (Subbasin) lies along the west side of the San Joaquin Valley, north of the Kings-Kern County line, and straddles the Fresno-Kings County line. The Subbasin occupies approximately 146,000 acres, and its perimeter is surrounded by tertiary continental and marine sediments of the Coastal Ranges and the west flank of the Kettleman

Hills. The Subbasin is bordered on the west by the Costal Ranges, on the south by the San Emigdio and Tehachapi Mountains, and on the north by the Sacramento-San Joaquin Delta and Sacramento Valley. The eastern boundary of the Subbasin is the alluvium-granite rock of the Sierra Nevada. The eastern boundary also borders the Westside and Tulare Lake Subbasins.

According to DWR Bulletin 118, the total storage capacity of the Subbasin is estimated to be approximately 14,100,000 acre-feet. The estimated TDS of groundwater within the Subbasin ranges from 1,000 to 3,000 milligrams per liter (mg/L), with an average of 1,500 mg/L. Constituents in the groundwater include calcium, magnesium, sodium, bicarbonates, chlorides, sulfates, and boron. The high TDS concentrations limit the usability of groundwater in the Subbasin for most uses.

### 6.2.3. Groundwater Management

*CWC 10631 (b)*

*If groundwater is identified as an existing or planned source of water available to the supplier, all of the following information shall be included in the plan:*

*A copy of any groundwater management plan adopted by the urban water supplier... or any other specific authorization for groundwater management.*

*...For basins that a court or the board has adjudicated the rights to pump groundwater, a copy of the order or decree adopted by the court or the board and a description of the amount of groundwater the urban water supplier has the legal right to pump under the order or decree.*

The City of Coalinga does not currently pump groundwater; therefore, a groundwater management plan is not required.

### 6.3. Surface Water

Due to the poor groundwater quality in the area, all potable water utilized by the City of Coalinga is imported through the federal Central Valley Project (CVP) – U.S. Bureau of Reclamation (Reclamation). On October 28, 1968, the City entered into a 40-year contract with the Reclamation for up to 10,000 acre-feet of CVP water on an annual basis. This contract expired on December 31, 2008 and has been succeeded by a series of interim renewal contracts pending completion of site-specific environmental analysis for the long-term contract renewal. The most recent was the sixth interim renewal contract (Contract No. 14-06-200-4173A-IR6) was issued March 1, 2019 and remains in effect until February 28, 2021.

Raw water for the City flows from the Sacramento-San Joaquin Delta to the south into either the Delta-Mendota Canal or the CVP California Aqueduct, which discharges in the O'Neil Forebay. From the O'Neil Forebay, water continues to flow south into the California Aqueduct to the point of origination of the Coalinga Canal, approximately 15 miles northeast of the City where Highway 145 crosses over the California Aqueduct. After leaving the California Aqueduct, water is carried in the Coalinga Canal approximately 12 miles south to the City of Coalinga WTP intake. A raw water pump station then lifts the water from the Coalinga Canal to the City's conventional surface WTP.

### **6.3.1. Existing Surface Water Treatment Plant**

The City's surface WTP originally came online in April 1972 with an average daily flow capacity of 8 million gallons per day (MGD) and maximum daily flow capacity of 12 MGD. In anticipation of the increased demands resulting from the construction of the Pleasant Valley State Prison, the capacity of the WTP was increased to receive an average daily flow of 12 MGD and a maximum daily flow of 16 MGD. The Plant provides convention surface water treatment, with processes that include chemical pretreatment, chlorine disinfection, corrosion control, filtration, flocculation, and sedimentation. As a secondary disinfection, chloramination is used to maintain chlorine residual in the distribution system while reducing further production of disinfection byproducts. Treated water is pumped by a filtered-water pump station into a 27-inch diameter pipeline in Palmer Avenue.

### **6.3.2. Filtered Water Pump Station**

The filtered water pump station includes two 450 horsepower (HP), 2,300 gallons per minute (gpm) and 2,400 gpm and three 700 HP, 3,600 gpm vertical turbine pumps. When in optimal condition, the pump station has the operational ability to pump the treatment plant capacity of 16.4 MGD (11,400 gpm) with one of the 450 HP pumps out of service. The booster pump station lifts treated water in a series of 24, 27 and 30-inch transmission mains leading to City. Treated water is pumped into five storage reservoirs with an estimated combined storage capacity of 16 MG. These storage reservoirs supply water to the City of Coalinga, surrounding commercial facilities, oil fields, the Pleasant Valley State Prison, and the Coalinga State Hospital.

### **6.3.3. Storage Reservoirs**

The City's existing storage reservoirs all consist of steel tanks resting on reinforced concrete ring wall foundations. The following is a description of each of the City's treated water storage reservoirs:

- Palmer Avenue Reservoir – This reservoir is located on the south side of Palmer Avenue and has a capacity of 2.8 MG. This reservoir receives pumped treated water from the WTP.
- Calaveras Avenue Reservoir – This reservoir is located on the east side of Calaveras Avenue and has a capacity of 5.0 MG. Water flows from the WTP to the Calaveras Reservoir and then to the Pleasant Valley State Prison.
- Derrick Avenue Reservoir – This reservoir is located west of the City, on the east side of Derrick Avenue. This reservoir has a capacity of 7.6 MG. Water from the Palmer Reservoir flows to the Derrick Reservoir and then into the City.
- Oil King Reservoir – This reservoir is located west of Highway 33/198, approximately three miles north of Palmer Avenue. The reservoir has a capacity of 0.5 MG and exclusively serves the City's oil company customers.
- Northwest Reservoir – This reservoir is located east of Derrick Avenue, approximately three miles north of Gale Avenue. This reservoir has a capacity of 0.2 MG. Like the Oil King Reservoir, this reservoir is also used exclusively for the City's oil company customers.

Since the Oil King and Northwest reservoirs' sole function is to provide water to oil companies, they are excluded from the evaluation of the City's available storage. The existing combined storage capacity of the Palmer, Derrick and Calaveras reservoirs is 15.4 million gallons (MG).

#### **6.3.4. Booster Pump Station**

The City's water system includes two booster pumping stations. However, the booster pumping stations do not function as a part of the City's main service area and serve the oil company customers exclusively. The Oil King booster pumping station consists of two 200-HP, 1,440 gpm booster pumps that elevate the Palmer Avenue Reservoir water to the Oil King Reservoir. The Derrick Avenue booster station consists of two 75-HP, 556 gpm booster pumps to elevate water to the Northwest Reservoir.

#### **6.3.5. Water Distribution System**

As stated above, after water flows through the City's WTP, treated water is pumped by a filtered-water pump station into a 27-inch diameter pipeline on Palmer Avenue. Approximately two miles west of the WTP, the flow tees at Calaveras Avenue. Water flowing west continues for another mile and a half to the Palmer Avenue Reservoir. Water going to the Pleasant Valley State Prison travels south in the 12-inch Calaveras Avenue pipeline to the Calaveras Avenue Reservoir. After flowing through the Calaveras Reservoir, it continues south along Calaveras Avenue another 3.5 miles to Jayne Avenue and then east to the prison. Water can potentially travel from the Calaveras Reservoir westerly into the City; however, this seldom occurs due to the hydraulic conditions.

Water leaving the Palmer Reservoir flows through approximately eight miles of 24 and 27-inch transmission mains to the Derrick Avenue Reservoir. Water travels primarily from the Derrick Avenue Reservoir through 18, 24, and 30-inch transmission mains into the City's water distribution system. The distribution system consists of a network of water mains ranging in size from 4 to 14 inches in diameter. The system can supply peak hour needs without excessive losses and can deliver fire flows to main lines.

### **6.4. Stormwater**

The City's stormwater collection system consists of several independent networks of storm drain inlets and pipes that either discharge into four permanent storm drain basins or the Warthan or Los Gatos Creeks. The City's storm drainage system operates as a gravity flow system and does not require the use of pump stations or lift stations. The existing storm drain system consists of pipes up to 48-inches in diameter and twelve drainage zones. Several portions of the storm drain system are severely undersized, and the system relies on aboveground surface flow through street curbs and gutters as a means of stormwater conveyance.

### **6.5. Wastewater and Recycled Water**

#### **6.5.1. Recycled Water Coordination**

CWC 10633

*The plan shall provide, to the extent available, information on recycled water and its potential for use as a water source in the service area of the urban water supplier. The preparation of the plan shall be coordinated with local water, wastewater, groundwater, and planning agencies that operate within the supplier's service area.*



The City of Coalinga also owns and operates a citywide wastewater collection and treatment system. The City does not currently recycle effluent discharged from their wastewater treatment facilities; however, the City will coordinate any future recycled water plans with local water, wastewater, groundwater, and planning agencies within and near the City’s service area.

### 6.5.2. Wastewater Collection, Treatment, and Disposal

*CWC 10633 (a)*

*(Describe) the wastewater collection and treatment systems in the supplier's service area, including a quantification of the amount of wastewater collected and treated and the methods of wastewater disposal.*

*CWC 10633 (b)*

*(Describe) the quantity of treated wastewater that meets recycled water standards, is being discharged, and is otherwise available for use in a recycled water project.*

The City of Coalinga collects and treats wastewater generated from residential and commercial; there are currently no significant industrial users that discharge into the sewer collection system. The City’s existing sewer collection system is comprised of a network of over 42 miles of sewer pipelines with sizes ranging from six to 24-inches in diameter. The system also includes four sewer lift stations located at various locations within the City and their associated force mains. The sewer lift stations raise wastewater flows to higher elevation in order to continue gravity flow at reasonable slopes and depths.

According to the City’s General Plan, the backbone of the sewer collection system consists of a series of sewer truck lines and sewers interceptor. The sewer inceptors typically include larger pipelines, approximately 21-inches or larger, while the sewer trunk lines typically range from 12 to 18-inches. The sewer truck lines and sewer interceptor’s function to convey wastewater collected in the sewer system to the City’s wastewater treatment plant (WWTP).

The City owns and operates the WWTP under California Regional Water Quality Control Board (RWQCB) Waste Discharge Requirements (WDRs) Order No. 94-184. The WWTP treats and disposes municipal wastewater generated by residences and businesses within the City. The WWTP is located at the confluence of Los Gatos Creek and Warthan Creek, approximately one mile east of the City. The treatment process at the City’s WWTP consists of screening, primary clarification, and secondary treatment (aerated facultative lagoons followed by stabilization lagoons). Treated effluent quality is undisinfected secondary effluent as described in Section 30301.900 of Title 22 of the California Code of Regulations (CCR). Table 6-1 provides a total volume of wastewater collected within the service area in 2015.

**Table 6-1 Wastewater Collected Within Service Area in 2015 (Standard Table 6-2)**

<input type="checkbox"/>	There is no wastewater collection system. The supplier will not complete the table below.
100%	Percentage of 2015 service area covered by wastewater collection system <i>(optional)</i>
100%	Percentage of 2015 service area population covered by wastewater collection system

**Table 6-1 Wastewater Collected Within Service Area in 2015 (Standard Table 6-2)**

Wastewater Collection			Recipient of Collected Wastewater			
Name of Wastewater Collection Agency	Wastewater Volume Metered or Estimated?	Volume of Wastewater Collected from UWMP Service Area 2015	Name of Wastewater Treatment Agency Receiving Collected Wastewater	Treatment Plant Name	Is WWTP Located Within UWMP Area?	Is WWTP Operation Contracted to a Third Party?
City of Coalinga	Metered	307	City of Coalinga	City of Coalinga	Yes	No
<b>Total Wastewater Collected from Service Area in 2015:</b>		<b>307</b>				

The City's WWTP has undergone two major modifications and additions over the last 40 years. According to WDR Order No. 76-180, the WWTP originally consisted of a primary clarifier followed by three oxidation ponds in series. Final disposal consisted of irrigating land controlled by the City and West Hills Community College for agricultural reclamation. At that time, the WWTP's treatment capacity was 0.6 MGD.

In 1980 the City submitted a Report of Waste Discharge for the expansion of the existing treatment capacity from 0.6 MGD to 0.93 MGD. The modifications consisted of influent screening followed by aerated facultative lagoons and stabilization ponds. Final effluent disposal was consistent with previous practices on City-owned land and West Hills College grounds. These modifications and additions were implemented in 1982. WDR Order No. 80-064 was adopted on May 26, 1980.

In 1991, the City submitted a Report of Waste Discharge in support of a change in operation and an increase in quantity of discharge from its municipal WWTP. The treatment capacity was increased from 0.93 MGD to the current 1.34 MGD. The City completed the rehabilitation of the primary clarifier and aerobic digester, which were removed from service during the previous plant modification. The existing WWTP includes a bar screen, a primary clarifier, an aerobic sludge digester, sludge drying beds, two aerated facultative lagoons each with a surface area of three acres, and three stabilization ponds having a total surface area of 11 acres. Undisinfected secondary treated effluent is pumped from one of the stabilization ponds to adjacent land for percolation.

Table 6-2 provides a total volume of wastewater treated, discharged and recycled within the City.

**Table 6-2 Wastewater Treatment and Discharge Within Service Area in 2015 (Standard Table 6-3)**

<input type="checkbox"/>	No wastewater is treated or disposed of within the UWMP service area. The supplier will not complete the table below.									
Wastewater Treatment Plant Name	Discharge Location Name or Identifier	Discharge Location Description	Wastewater Discharge ID Number (optional)	Method of Disposal	Does This Plant Treat Wastewater Generated Outside the Service Area?	Treatment Level	2015 volumes			
							Wastewater Treated	Discharged Treated Wastewater	Recycled Within Service Area	Recycled Outside of Service Area
City of Coalinga	City of Coalinga	Domestic WWTP		Percolation & Land Disposal	No	Secondary, Undisinfected	307	307	0	0
Total							307	307	0	0

### 6.5.3. Recycled Water System

*CWC 10633(c)*

*(Describe) the recycled water currently being used in the supplier's service area, including, but not limited to, the type, place, and quantity of use.*

The City's WWTP does not treat any wastewater to disinfected tertiary water standards to allow it to be used as a component of its water supply. Prior to 2003, the City relied on the nearby West Hills Community College Farm (College) for the disposal of its treated wastewater effluent. The College, either on their own land or on land owned by the City, was responsible for the City's wastewater disposal operations. However, in 2003, the College announced its plans to relocate their facility and develop the land where effluent was being disposed of. Without the College the City did not have an effluent disposal method and began investigating alternative disposal methods.

While investigating disposal alternatives, the City found a landowner adjacent to the WWTP site who was interested in accepting the City's treated effluent. HCM Farms owned and operated about 448 acres of agricultural land adjacent to the WWTP and used the treated effluent to irrigate nonhuman consumption crops such as cotton, alfalfa, sudan grass, oat hay, and pasture. The City entered into an agreement with HCM Farms until 2010 when it was sold to Mouren Farms. Mouren Farms continued using recycled water from the City's WWTP until March 31, 2014.

Currently, treated effluent is pumped from one of the stabilization ponds to adjacent land, where percolates into the soil and is used to recharge the groundwater table. By way of this process, the majority of the treated domestic wastewater is recycled as groundwater recharge. Table 6-3 shows the current and projected recycled water uses through 2040 but is not applicable to the City of Coalinga. Although not recognized as a beneficial reuse, percolation provides additional groundwater recharge.

### 6.5.4. Recycled Water Beneficial Uses

*CWC 10633(d)*

*(Describe and quantify) the potential uses of recycled water, including, but not limited to, agricultural irrigation, landscape irrigation, wildlife habitat enhancement, wetlands, industrial reuse, groundwater recharge, indirect potable reuse, and other appropriate uses, and a determination with regard to the technical and economic feasibility of serving those uses.*

*CWC 10633(e)*

*(Describe) the projected use of recycled water within the supplier's service area at the end of 5, 10, 15 and 20 years...*

As previously stated, the City's WWTP produces undisinfected secondary effluent, which cannot be used as a component of the City's water supply and is approved only for the irrigation of non-potable crops. A

majority of the City’s effluent is discharged to land adjacent to the WWTP where it either evaporates or percolates. The City plans to implement a recycled water system or use recycled water to offset non potable water demands in the City. However, the implementation of a recycled water program is beyond the planning horizon of this document. Therefore, Table 6-3 shows no methods to encourage recycled water use in the future.

**Table 6-3 Current and Projected Recycled Water Direct Beneficial Uses Within Service Area (Standardized Table 6-4)**

<input checked="" type="checkbox"/>	Recycled water is not used and is not planned for use within the service area of the supplier. The supplier will not complete the table below.							
Name of Agency Producing (Treating) the Recycled Water:			City of Coalinga					
Name of Agency Operating the Recycled Water Distribution System:			City of Coalinga					
Supplemental Water Added in 2015			0					
Source of 2015 Supplemental Water								
Beneficial Use Type	General Description of 2015 Uses	Level of Treatment	2015	2020	2025	2030	2035	2040 (opt)
Agricultural irrigation								
Landscape irrigation (excludes golf courses)								
Golf course irrigation								
Commercial use								
Industrial use								
Geothermal and other energy production								
Seawater intrusion barrier								
Recreational impoundment								
Wetlands or wildlife habitat								
Groundwater recharge (IPR)*								
Surface water augmentation (IPR)*								
Direct potable reuse								
Other (Provide General Description)								
<b>Total:</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### 6.5.4.1. Planned Versus Actual Use of Recycled Water

*CWC 10633(e)*

*(Describe) the projected use of recycled water within the supplier's service area at the end of 5, 10, 15, and 20 years, and a description of the actual use of recycled water in comparison to uses previously projected pursuant to this subdivision.*

The City is exploring alternatives to expand water recycling; however, all of these alternatives would require tertiary treatment. At this time, the City's plan to use recycled water is uncertain and beyond the planning horizon of this document. The City will continue investigating opportunities and the potential for implementing a recycled water system and the findings of those investigations will be included in subsequent UWMPs.

The City's 2010 UWMP did not contain recycled water projections over the planning horizon, and Table 6-4 reflects both the current non-use and 2010 projected no-use of recycled water by use type.

Table 6-4 2005 UWMP Recycled Water Use Projection Compared to 2015 Actual (Standard Table 6-5)			
<input checked="" type="checkbox"/>	Recycled water was not used in 2010 nor projected for use in 2015. The supplier will not complete the table below.		
Use Type		2005 Projection for 2015	2015 Actual Use
Agricultural irrigation			
Landscape irrigation (excludes golf courses)			
Golf course irrigation			
Commercial use			
Industrial use			
Geothermal and other energy production			
Seawater intrusion barrier			
Recreational impoundment			
Wetlands or wildlife habitat			
Groundwater recharge (IPR)			
Surface water augmentation (IPR)			
Direct potable reuse			
Other	Required for this use		
<b>Total</b>		<b>0</b>	<b>0</b>

### 6.5.5. Actions to Encourage and Optimize Future Recycled Water Use

CWC 10633(f)

*(Describe the) actions, including financial incentives, which may be taken to encourage the use of recycled water, and the projected results of these actions in terms of acre- feet of recycled water used per year.*

CWC 10633(g)

*(Provide a) plan for optimizing the use of recycled water in the supplier's service area, including actions to facilitate the installation of dual distribution systems, to promote recirculating uses, to facilitate the increased use of treated wastewater that meets recycled water standards, and to overcome any obstacles to achieving that increased use.*

As previously stated in the above sections, the City's water recycling options have been determined to be infeasible or too expensive. Therefore, the City is not planning to change recycled water use in the near future. Given the current usage of treated wastewater for recharge purposes, there is no hydrological benefits to increasing such recycling use. Since recycled water options have been determined to be infeasible at this time, Table 6-5 shows no methods to expand the City's recycled water use.

**Table 6-5 Methods to Expand Future Recycled Water Use (Standard Table 6-6)**

<input checked="" type="checkbox"/>	Supplier does not plan to expand recycled water use in the future. Supplier will not complete the table below but will provide narrative explanation.		
	Provide page location of narrative in UWMP		
Name of Action	Description	Planned Implementation Year	Expected Increase in Recycled Water Use

### 6.6. Desalinated Water Opportunities

CWC 10631(i)

*Describe the opportunities for development of desalinated water, including, but not limited to, ocean water, brackish water, and groundwater, as a long-term supply.*

The City of Coalinga lies inland and is not located in a coastal area; therefore, desalination of seawater is not practical. In addition, because the groundwater below the City is not brackish, there are no plans to develop brackish groundwater desalination projects. As a result, the City does not intend to pursue desalination to augment water supplies at this time.



## 6.7. Exchanges or Transfers

*CWC 10631(d).*

*Describe the opportunities for exchanges or transfers of water on a short-term or long-term basis.*

As previously stated, all potable water utilized by the City is imported through the federal CVP through a water service contacted with the Reclamation. In 1968, the City entered into a 40-year contract with the Reclamation for up to 10,000 acre-feet of CVP water on an annual basis. This original contract expired on December 31, 2008 and has been succeeded by a series of interim renewal contracts pending completion of site-specific environmental analysis for the long-term contract renewal. The most recent was the sixth interim renewal contract (Contract No. 14-06-200-4173A-IR6), was issued on March 1, 2019 and remains in effect until February 28, 2021.

The City has explored dry year water transfers with other agencies locally and statewide. It is estimated that up to 3,000 acre-feet of additional water from other customers within the San Luis Unit could be purchased by the City as emergency water supply in critically dry years. In critically dry years, the most likely source of additional water would be from agricultural customers that would sell their water allocation to the City and fallow their lands in order to make their allocated water available for transfer. However, this could potentially have a negative economic impact on the individual growers and the region.

It is also possible that the City could, as an emergency measure, drill sufficient new groundwater wells to provide an estimated additional 2,000 acre-feet of emergency water to meet health and safety needs in critically dry years. As previously stated, the groundwater under Coalinga is generally unsuitable for drinking due to its high total dissolved solids concentration but could be suitable if blended with the treated surface water to meet health and safety needs in critically dry years.

## 6.8. Future Water Projects

*CWC 10631(h)*

*...The urban water supplier shall include a detailed description of expected future projects and programs... that the urban water supplier may implement to increase the amount of the water supply available to the urban water supplier in average, single-dry, and multiple-dry water years. The description shall identify specific projects and include a description of the increase in water supply that is expected to be available from each project. The description shall include an estimate with regard to the implementation timeline for each project or program.*

As shown in Table 6-6 below, the City of Coalinga does not have any planned water supply projects or programs that will provide a quantifiable increase to the City's supply. As previously stated, the City relies solely on surface water for its water supply. The City has evaluated the feasibility of groundwater use; however, due to the high concentrations of sodium, sulfates, and total dissolved solids (TDS) the groundwater in the Coalinga area is not considered a viable source of potable water. Therefore, the City intends to meet its projected water demands through the continued use of surface water alone.

Table 6-6 Expected Future Water Supply Projects or Programs (Standard Table 6-7)					
<input checked="" type="checkbox"/>	No expected future water supply projects or programs that provide a quantifiable increase to the agency's water supply. Supplier will not complete the table below.				
<input type="checkbox"/>	Some or all of the supplier's future water supply projects or programs are not compatible with this table and are described in a narrative format.				
	Provide page location of narrative in the UWMP				
Name of Future Projects or Programs	Joint Project with other agencies?	Additional Description (Planning Period)	Planned Implementation Year	Planned for Use in Year Type	Expected Increase in Water Supply (MG/year)

## 6.9. Summary of Existing and Planned Sources

CWC 10631

*(b) Identify and quantify, to the extent practicable, the existing and planned sources of water available to the supplier over the same five-year increments described in subdivision 10631(a).*

*(4) (Provide a) detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the urban water supplier. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.*

The primary water source for the City of Coalinga has historically been surface water provided through a water service contract with the Reclamation. Water delivered to the City is part of the California water supply facilities known as the Central Valley Project (CVP). The City's interim water service contract, in effect through February 28, 2021, requires the Reclamation to furnish the City of Coalinga with up to 10,000 acre-feet per year. Raw water destined for the City flows southerly in the Central Valley Project's California Aqueduct and then into the Coalinga Canal, approximately fifteen miles northeast of the City. A raw water pump station lifts water from the Canal to the City's surface WTP.

After water flows through the City's conventional filtration treatment plant, treated water is pumped by a filtered-water pump station into a 27-inch diameter pipeline on Palmer Avenue. Approximately two miles west of the WTP, the flow tees at Calaveras Avenue. Water flowing west continues for another mile and a half to the Palmer Avenue Reservoir. Water going to the Pleasant Valley State Prison travels south in the 12-inch Calaveras Avenue pipeline to the Calaveras Avenue Reservoir. After flowing through the Calaveras Reservoir, it continues south in Calaveras Avenue another 3.5 miles to Jayne Avenue and then east to the prison.

Water leaving the Palmer Reservoir flows through approximately eight miles of 24 and 27-inch transmission mains to the Derrick Avenue Reservoir. Water travels primarily from the Derrick Avenue Reservoir through 18, 24, and 30-inch transmission mains into the City's water distribution system. The distribution system

consists of a network of water mains ranging in size from 4 to 14-inches in diameter. The system is capable of supplying peak hour needs without excessive losses and can deliver fire flows to main lines.

During 2015, the City served a total population of approximately 16,626 through 3,647 active service connections. Table 6-7 below displays the amount of drinking water that was supplied to water customers in 2015.

<b>Table 6-7 Water Supplies — Actual (Standard Table 6-8)</b>			
<b>Water Supply</b>	<b>Additional Detail on Water Supply</b>	<b>2015</b>	
		<b>Actual Volume</b>	<b>Water Quality</b>
Surface Water	Purchased from the U.S. Bureau of Reclamation	1,166	Drinking Water
<b>Total</b>		1,166	-

Due to the poor groundwater quality in the area, the City of Coalinga intends to meet its projected water demands through the continued use of surface water alone. Currently, the City does not have any planned water supply projects or additional water supply sources that will provide a quantifiable increase to the City's supply. Table 6-8 below shows the projected water supply through 2040. The projected water supply is based on the 2.86 percent annual population growth presented in Section 3.4 of this UWMP.

**Table 6-8 Water Supplies — Projected (Standard Table 6-9)**

Water Supply	Projected Water Supply									
	2020		2025		2030		2035		2040	
	Reasonably Available Volume <sup>(1)</sup>	Total Right or Safe Yield <sup>(2)</sup>	Reasonably Available Volume <sup>(1)</sup>	Total Right or Safe Yield <sup>(2)</sup>	Reasonably Available Volume <sup>(1)</sup>	Total Right or Safe Yield <sup>(2)</sup>	Reasonably Available Volume <sup>(1)</sup>	Total Right or Safe Yield <sup>(2)</sup>	Reasonably Available Volume <sup>(1)</sup>	Total Right or Safe Yield <sup>(2)</sup>
Surface Water	3,259	1,320	3,259	1,498	3,259	3,259	3,259	1,938	3,259	2,210
<b>Total</b>	<b>3,259</b>	<b>1,320</b>	<b>3,259</b>	<b>1,498</b>	<b>3,259</b>	<b>3,259</b>	<b>3,259</b>	<b>1,938</b>	<b>3,259</b>	<b>2,210</b>
<p>NOTES:</p> <p><sup>(1)</sup>Reasonably available water supply includes water supplied by to the City by the Reclamation. Per the City's water service contract, the Reclamation is required to furnish the City with up to 10,000 acre-feet of water per year (approximately 3,259 MG per year).</p> <p><sup>(2)</sup>Total right or safe yield includes the City's projected water demands shown in Table 4-3 of this UWMP.</p>										

## **6.10. Climate Change Impacts to Supply**

The climatic conditions of the central San Joaquin Valley demand careful water management practices because of the typically low amount of rainfall and short rainy season and because of the high temperatures that frequently occur in the summer months. The average annual precipitation for the Coalinga area is approximately 7.61 inches. The rainy season typically runs from the beginning of November till the end of April. Drought conditions are not uncommon and can last for multiple years. Summer water consumption varies directly with daily temperature maximums and the Coalinga region experiences temperatures over 100 degrees during the summer months.

The City, as a water provider that is solely reliant upon surface water, is subject to significant water supply uncertainties and shortages due to dry hydrologic conditions. The amount of CVP water available each year for the City is based, among other factors, on the storage of winter precipitation and the control of spring runoff in the Sacramento and San Joaquin River basins. The schedule of CVP water conveyed to and diverted from these rivers is determined by state water right permits, judicial decisions, and state and federal obligations to maintain water quality, enhance environmental conditions, and prevent flooding. As a result, the City's surface water allocation may be decreased.

## CHAPTER 7 WATER SUPPLY RELIABILITY ASSESSMENT

### 7.1. Introduction

The Urban Water Management Planning Act (UWMPA) requires that the Urban Water Management Plan (UWMP) address the reliability of the agency's water supplies. This includes supplies that are vulnerable to seasonal or climatic variations. The UWMPA also requires that the UWMP include information on the quality of water supplies and how this affects management strategies and supply reliability. In addition, an analysis must be included to address supply availability in a single dry year and in multiple dry years. The relevant sections of the UWMPA are presented below.

### 7.2. Constraints on Water Sources

*CWC 10631(c)(2)*

*For any water source that may not be available at a consistent level of use, given specific legal, environmental, water quality, or climatic factors, describe plans to supplement or replace that source with alternative sources or water demand management measures, to the extent practicable.*

*CWC 10634*

*The plan shall include information, to the extent practicable, relating to the quality of existing sources of water available to the supplier over the same five-year increments as described in subdivision (a) of Section 10631, and the manner in which water quality affects water management strategies and supply reliability*

There are a variety of factors that can impact water supply reliability. These factors include water quality, legal constraints, and climatic issues. A brief discussion on each of these factors is provided below.

#### 7.2.1. Water Quality

The City's sole water source includes raw surface water obtained from the Sacramento-San Joaquin Delta (Delta). The water quality of the Delta is vulnerable to activities that occur near the source such as metal plating/finishing/fabricating, wood/pulp/paper processing and mills, and drinking water plants. Such activities can produce contaminants that may be detected in the water supply. In addition, the water quality of the Delta is also vulnerable to activities that are not associated with any detected contaminants such as concentrated aquatic animal production facilities, historic waste dumps/landfills, landfills/dumps, historic mining operations, and wastewater treatment plants and disposal facilities.

Potential water quality issues associated with the Delta could have an impact on water supply reliability in the near and long term. Further restrictions on pumping from the Delta could be imposed on the Central Valley Project (CVP) due to water quality issues or new standards. In this event, the City's surface water allocation may be decreased; however, it is unknown how these possible future reductions in pumping will impact the City's surface water allocation.

Another source of water quality issues is the potential contamination of water in the California Aqueduct or Coalinga Canal due to an intentional or unintentional spill of a contaminant. In this event, the emergency water reduction actions that are outlined in the City's Emergency Response Plan will be implemented.

### **7.2.2. Climatic Changes**

The climatic conditions of the central San Joaquin Valley demand careful water management practices because of the typically low amount of rainfall and short rainy season and because of the high temperatures that frequently occur in the summer months. The average annual precipitation for the Coalinga area is approximately 7.61 inches. The rainy season typically runs from the beginning of November till the end of April. Drought conditions are not uncommon and can last for multiple years. Summer water consumption varies directly with daily temperature maximums and the Coalinga region experiences temperatures over 100 degrees during the summer months.

Systems that rely heavily on surface water are most vulnerable to changes in water supply when a shift in precipitation and runoff amounts reduce the amount of surface water available. The amount of CVP water available each year for contractors is based on the storage of winter precipitation and the control of spring runoff in the Sacramento and San Joaquin River basins. The City, as a water provider that is solely reliant upon the CVP, is subject to significant water supply uncertainties and shortages due to dry hydrologic conditions, compounded by operational and regulatory constraints both directly and indirectly related to the Endangered Species Act. Much of the previously available yield from the CVP is no longer available to contractors as a result of regulatory actions and court rulings that mandate reoperation and water releases for environmental purposes. This reallocation of water supply over the last couple of decades with no added storage to offset these impacts potentially means the City will experience shortages more frequently and more severely in the future.

### **7.2.3. Legal Constraints**

Legal factors, such as surface water contracts, can affect the reliability of a water distribution system or water supply. Since 1968, the City has maintained a water service contract with the Reclamation, under which the Reclamation has agreed to supply the City with up to 10,000 acre-feet per year. Since the original contract expired in 2008, the City has maintained a series of interim renewal contracts pending the completion of site-specific environmental analysis for a long-term contract renewal. As previously stated, the City's most recent interim renewal contract was issued March 1, 2019 and remains in effect until February 28, 2021. The Reclamation and the City are currently in the process of negotiating a long-term contract, which is expected to be completed by 2021.

The City's water contract with the Reclamation to take water from the Sacramento and San Joaquin River basins is the City's main source of water. As stated above, the City's current contract allows the City to divert 10,000 acre-feet of CVP water per year for municipal and industrial (M&I) purposes; however, this supply is subject to shortages due to climate and environmental regulations. In normal years, there are no specific rules on how much of the CVP water must be allocated, but, during dry periods allocations of water supplies for M&I purposes are subject to rules in the Reclamation's M&I Shortage Policy. The Reclamation's M&I Shortage Policy was developed to:

- Define water shortage terms and conditions applicable to all CVP M&I contractors, as appropriate.

- Establish CVP water supply levels that would sustain urban areas during droughts, and during severe or continuing droughts would assist the M&I contractors in their efforts to protect public health and safety.
- Provide information to M&I contractors for development of drought contingency plans.

M&I water supply shortage is the difference between total M&I demands and the sum of the reduced CVP allocation and additional secure sources of supply for M&I purposes. In a severe water supply shortage (including a “Water Shortage Emergency” declared by the governor of the state of California), the USBR could reduce CVP water deliveries to the City to a public health and safety water supply level, providing CVP water is available. In such an event, the City will have to implement water conservation measures in order to satisfy human consumption, sanitation, and fire protection requirements. These measures are discussed further in Chapter’s 8 and 9 of this UWMP.

### 7.3. Reliability by Type of Year

*CWC Section 10631*

*(c)(1) Describe the reliability of the water supply and vulnerability to seasonal or climatic shortage, to the extent practicable, and provide data for each of the following:*

*(A) an average water year,*

*(B) a single dry water year,*

*(C) multiple dry water years.*

This section considers the City’s water supply reliability during three water scenarios: average (normal) year, single-dry year, and multiple-dry year period. Historically, the City’s water service contract with the Reclamation requires the diversion of 10,000 acre-feet of CVP water per year for M&I purposes. As shown in Table 7-1 below, during normal water years it has been assumed that the City will receive 100 percent of their CVP allocation from the Reclamation, which is approximately 3,259 MG per year. In the event of a single-dry year period, it has been assumed that the City’s allocation will be reduced by 50 percent and the volume available to meet the City’s water demand will be approximately 1,629 MG per year. In the event of a multiple-dry year, it has been assumed that the City allocation will be reduced by 25 percent during the first year and then 50 percent during the second and third years.

**Table 7-1 Basis of Water Year Data (Standard Table 7-1)**

Year Type	Base Year	Available Supplies if Year Type Repeats	
		Volume Available	% of Average Supply
Average Year	2015	3,259	100%
Single-Dry Year	2015	1,629	50%
Multiple-Dry Years 1st Year	2015	2,444	75%
Multiple-Dry Years 2nd Year	2015	1,629	50%
Multiple-Dry Years 3rd Year	2015	1,629	50%



## 7.4. Supply and Demand Assessment

### CWC 10635 (a)

*Every urban water supplier shall include, as part of its urban water management plan, an assessment of the reliability of its water service to its customers during normal, dry, and multiple dry water years. This water supply and demand assessment shall compare the total water supply sources available to the water supplier with the total projected water use over the next 20 years, in five-year increments, for a normal water year, a single dry water year, and multiple dry water years. The water service reliability assessment shall be based upon the information compiled pursuant to Section 10631, including available data from state, regional or local agency population projections within the service area of the urban water supplier.*

### 7.4.1. Normal Year

Table 7-2 below compare current and projected water supply and demand during a normal water year. As stated in the previous section, it has been assumed that during a normal water year period, the City will receive 100 percent of their CVP allocation from the Reclamation, which is approximately 3,259 MG. As shown, the City will have a sufficient water supply to meet customer’s projected water demands through 2040.

Table 7-2 Normal Year Supply and Demand Comparison (Standard Table 7-2)					
	2020	2025	2030	2035	2040
Supply Totals <sup>(1)</sup>	3,259	3,259	3,259	3,259	3,259
Demand Totals <sup>(2)</sup>	1,320	1,498	1,703	1,938	2,210
Difference	1,938	1,760	1,555	1,320	1,048
NOTES:					
<sup>(1)</sup> Supply totals includes water supplied by to the City by the Reclamation. Per the City's water service contract, the Reclamation is required to furnish the City with up to 10,000 acre-feet of water per year (approximately 3,259 MG per year).					
<sup>(2)</sup> Demand totals are based on the City's projected water demands shown in Table 4-3 of this UWMP.					

### 7.4.2. Single Dry Year

Table 7-3 illustrates how the City will deal with the possibility of a reduced water supply in the event of a single-dry year period. During a single-dry year, it has been assumed that the City’s CVP water allocation will be reduced by 50 percent; therefore, the City’s available water supply would be approximately 1,629 MG during this period.

Dry year effects are simulated through a methodology which assumes that dry year demand will decrease by approximately 35 percent below normal year demands as a result of mandatory water use restrictions that are implemented by the City. Projected supplies were compared to the decreased demands for dry years and are presented in Table 7-3.

Table 7-3 Single Dry Year Supply and Demand Comparison (Standard Table 7-3)					
	2020	2025	2030	2035	2040 (Opt)
Supply Totals <sup>(1)</sup>	1,629	1,629	1,629	1,629	1,629
Demand Totals <sup>(2)</sup>	858	974	1,107	1,260	1,437
Difference	771	655	522	369	192
NOTES: <sup>(1)</sup> Supply totals includes water supplied by to the City by the Reclamation. During a single dry year period, it has been assumed that the City's CVP allocation will be reduced by 50%. <sup>(2)</sup> During a single dry year period, it has been assumed that the City's water demand will be reduced by 35%.					

#### 7.4.3. Multiple Dry year

Table 7-4 shows water supply and demands during multiple dry year events over the planning period. During a multiple-dry year period, it has been assumed that the City's CVP water allocation will be reduced by 25 percent during the first year and then then 50 percent during the second and third years. Therefore, during a multiple dry year period, the City's available water supply will be approximately 2,444 MG and 1,629 MG respectively.

Multiple dry year effects are simulated through a methodology which assumes that the first dry year will decrease by approximately 25 percent below normal year demands as a result of mandatory water use restriction. Similarly, the second and third dry year will decrease by approximately 35 percent below normal year demands.

Table 7-4 Multiple Dry Years Supply and Demand Comparison (Standard Table 7-4)						
		2020	2025	2030	2035	2040
First year	Supply Totals <sup>(1)</sup>	2,444	2,444	2,444	2,444	2,444
	Demand Totals <sup>(2)</sup>	990	1,124	1,278	1,454	1,658
	Difference	1,454	1,320	1,166	990	786
Second year	Supply Totals <sup>(1)</sup>	1,629	1,629	1,629	1,629	1,629
	Demand Totals <sup>(2)</sup>	858	974	1,107	1,260	1,437
	Difference	771	655	522	369	192
Third year	Supply Totals <sup>(1)</sup>	1,629	1,629	1,629	1,629	1,629
	Demand Totals <sup>(2)</sup>	858	974	1,107	1,260	1,437
	Difference	771	655	522	369	192
NOTES: <sup>(1)</sup> Supply totals includes water supplied by to the City by the Reclamation. During a a multiple dry year period, it has been assumed that the City's CVP allocation will be reduced by 25% during the first year, and then reduced by 50% during the second and third years. <sup>(2)</sup> During ta multiple dry year period, it has been assumed that the City's water demand will be decrease by 25% below normal year demands during the first year and then by 35% below normal year demands during the second and third year.						

As shown in Tables 7-2, 7-3, and 7-4, anticipated supplies for surface water are sufficient to meet all demands through year 2040 even under drought conditions. To continue to utilize surface water, it is essential that the City continue its current efforts towards conservation and employ the water shortage response provisions as outlined in the Water Shortage Contingency Plan detailed in Chapter 8.

## 7.5. Regional Supply Reliability

*CWC 10620 (f)*

*An urban water supplier shall describe in the plan water management tools and options used by that entity that will maximize resources and minimize the need to import water from other regions.*

The City recognizes the importance of maintaining a high quality, reliable water supply. Although water is a renewable resource, there is a limit on the amount of water that can be sustainably drawn from a given supply source. Due to the City's location and lack of other available water supply sources, the use of surface water as a primary water supply source is expected to continue through 2040.

Water conservation measures implemented by the City will increase water supply reliability. These measures are discussed further in Chapter's 8 and 9 of this UWMP. Conservation measures include prohibitions on end users, enforceable water waste policy, and methods to increase public awareness on water waste and water conservation.

## CHAPTER 8 WATER SHORTAGE CONTINGENCY PLANNING

### 8.1. Introduction

*CWC 10632(a)*

*The plan shall provide an urban water shortage contingency analysis that includes each of the following elements that are within the authority of the urban water supplier.*

- (1) Stages of action to be undertaken by the urban water supplier in response to water supply shortages, including up to a 50 percent reduction in water supply, and an outline of specific water supply conditions which are applicable to each stage.*
- (2) An estimate of the minimum water supply available during each of the next three water years based on the driest three-year historic sequence for the agency's water supply.*
- (3) Actions to be undertaken by the urban water supplier to prepare for, and implement during, a catastrophic interruption of water supplies including, but not limited to, a regional power outage, an earthquake, or other disaster.*
- (4) Additional, mandatory prohibitions against specific water use practices during water shortages, including, but not limited to, prohibiting the use of potable water for street cleaning.*
- (5) Consumption reduction methods in the most restrictive stages. Each urban water supplier may use any type of consumption reduction methods in its water shortage contingency analysis that would reduce water use, are appropriate for its area, and have the ability to achieve a water use reduction consistent with up to a 50 percent reduction in water supply.*
- (6) Penalties or charges for excessive use, where applicable.*
- (7) An analysis of the impacts of each of the actions and conditions described in subdivisions (a) to (f), inclusive, on the revenues and expenditures of the urban water supplier, and proposed measures to overcome those impacts, such as the development of reserves and rate adjustments.*
- (8) A draft water shortage contingency resolution or ordinance.*
- (9) A mechanism for determining actual reductions in water use pursuant to the urban water shortage contingency analysis.*

Water shortage contingency planning is a strategic planning process to prepare for and respond to water shortages. Good planning and preparation can help the City maintain reliable supplies and reduce the impacts of supply interruptions.

This chapter provides a description of the water shortage contingency planning efforts at the City of Coalinga. Guidance is included for reporting the staged response to a water shortage, such as a drought, that occurs over a period of time, as well catastrophic supply interruptions which occur suddenly.

A Water Shortage Contingency Plan (WSCP) is a document that can be created separately from the UWMP and amended as needed without amending the corresponding UWMP. However, the most current version of the WSCP must be included as part of the UWMP when the UWMP is submitted to DWR.

## 8.2. Stages of Action

*CWC 10632 (a)*

*(1) Stages of action to be undertaken by the urban water supplier in response to water supply shortages, including up to a 50 percent reduction in water supply, and an outline of specific water supply conditions which are applicable to each stage.*

The number of stages of action in a WSCP is at the discretion of the water supplier. Typically, water agencies will include between three to five stages of action in a WSCP. The stages reflect decreasing water supplies with increasing levels of prohibitions and consumption reduction methods. Agencies must include a stage that addresses a reduction of 50 percent in the water supply.

Water agencies that rely solely on surface water, such as the City of Coalinga, are more likely to experience water shortages than those agencies relying primarily on groundwater. In addition to water allocation reductions, water supply shortages or interruptions can occur due to extended periods of drought, unexpected system failures, canal maintenance, regional power outages, earthquakes, etc.

California Water Code Section 375 et. seq. permits public entities that supply water for retail purposes to adopt and enforce a water conservation program, with the intent of reducing the quantity of water used by people and to conserve the water supplies of the public entity. In March 2009, the City Council of the City of Coalinga adopted Ordinance No. 746, which established a Water Conservation Plan. Title 6, Chapter 4C of the Coalinga Municipal Code implements mandatory restrictions related to the conservation of water. A copy of the City's WCP is provided in Appendix G.

As the water purveyor, the City must always provide the minimum health and safety water need for the community. The City's Water Conservation Plan consists of a three-stage water rationing plan to be enacted during a declared water shortage. The stages of the City's Plan are as follows:

### I. Stage 1: Standard Conservation Alert

The following restrictions shall be applicable throughout the year unless the City Council determines that an increased conservation effort shall be implemented (stage II or III):

- a) There shall be no hose washing of sidewalks, walkways, driveways, parking areas, patios, porches or verandas.
- b) No water shall be used to clean, fill, operate or maintain levels in decorative fountains unless such water is part of a recirculation system.

- c) No water customer shall permit water to leak on his or her premises. Such leak shall be repaired in a timely manner after written notification by the City, but in no case in excess of seventy-two hours after notification.
- d) Designated times and days of irrigation:
  - 1) No water customer shall sprinkle, water, or irrigate any shrubbery, trees, lawns, grass, groundcovers, plants, vines, gardens, vegetables, flowers, or any other landscaped or vegetated areas between the hours of 10:00 a.m. and 6:00 p.m. This provision shall not apply to equestrian and livestock businesses, dairies, nurseries, athletic fields, golf courses, or other water dependent industries.
  - 2) The use of a handheld hose with a shut-off valve shall be permitted at any time.
- e) The use of water from fire hydrants shall be limited to fire fighting and related activities necessary to maintain the public health, safety, and welfare. An exception may be made for construction use through a proper city-designated meter where recycled water is not available.

II. Stage 2: High Water Conservation Alert

The following restrictions shall be applicable during a high water conservation alert as declared by the City Council and whenever a recommendation has been made by the City Manager in conjunction with the Chief Plant Operator of the water treatment plant based upon a significant reduction or interruption in water supply or delivery that necessitates increased water conservation efforts:

- a) All prohibitions and restrictions in Stage I shall be in effect.
- b) Commercial nurseries, golf courses, and other water-dependent industries shall be prohibited from watering lawn, landscape, or other turf areas more than every other day. Irrigation shall occur between the hours of 6:00 p.m. and 6:00 a.m. only, with the exception of usage of recycled water.
- c) Designated times and days of irrigation:
  - 1) No water customer shall sprinkle, water, or irrigate any shrubbery, trees, lawns, grass, groundcovers, plants, vines, gardens, vegetables, flowers, or any other landscaped or vegetated areas on between the hours of 9:00 a.m. and 6:00 p.m. This provision shall not apply to equestrian and livestock businesses, dairies, nurseries, golf courses, or other water-dependent industries.
  - 2) Residential addresses ending in an even number may use water on Tuesday, and Friday. Residential addresses ending in an odd number and nonresidential (irrespective of address) may use water on Wednesday and Saturday.
  - 3) No irrigation shall occur on Sundays, Mondays and Thursdays.
- d) Swimming pool refilling or new construction swimming pool filling shall not occur without permission from the City Manager or his or her designee. The replenishment of swimming pools shall be limited to the same days as set forth in subsections (a) through (c) above for outdoor use of water.
- e) No restaurants or other public place which serves food shall serve drinking water to any customer unless expressly requested by the customer.

III. Stage 3: Emergency Water Conservation Alert

In the event of a major earthquake, large-scale fire, or other so called "act of nature" which has or could have serious impacts on the city's total available water storage or delivery capacity, whether storage capacities have been reduced or not, or in the case of an unanticipated significant reduction in City water supply, an emergency water conservation alert shall be declared by the City Council.

- a) All previous restrictions noted above in Stage I and Stage II shall be in effect.
- b) There shall be no outdoor use of water at any time except the minimal amount by handheld hose equipped with a shut-off nozzle.
- c) Commercial nurseries, golf courses, and other water-dependent industries shall be prohibited from the outdoor use of water except by a hand-held hose equipped with a shut-off nozzle.
- d) All nonessential uses of water shall be prohibited including the filling, or refilling of swimming pools, spas, jacuzzis, or other like devices beyond what is necessary for maintenance.

The UWMP requires that agencies manage water supplies to minimize the social and economic impact of water shortages. The UWMP must be designed to provide a minimum 50 percent of normal supply during a severe or extended water shortage. Table 8-1 summarizes the Stages of the City's current Water Conservation Plan and the water supply condition that would determine when a particulate stage must be implemented.

Table 8-1 Stages of Water Shortage Contingency Plan (Standard Table 8-1)		
Level	Percent Supply Reduction <sup>1</sup>	Water Supply Condition
1	10-20%	Up to 20% (Standard Water Conservation Alert)
2	20-35%	20% - 35% (High Water Conservation Alert)
3	35-50%	35% - 50% (Emergency Water Conservation Alert)
<sup>1</sup> One stage in the Water Shortage Contingency Plan must address a water shortage of 50%.		

Each stage includes a water reduction objective as a percentage of normal demand. The Plan is dependent on the cause, severity, and anticipated duration of the water supply shortage. Provisions of the City's Water Conservation Plan applies to all water served to persons, customers, and properties within the City's service area. Under the City's Water Conservation Plan, mandatory measures will be undertaken to reduce water usage to meet the reduction goals in the event of shortages.

### 8.3. Prohibitions on End Uses

*CWC 10632 (a)*

*(4) Additional, mandatory prohibitions against specific water use practices during water shortages, including, but not limited to, prohibiting the use of potable water for street cleaning.*

*(5) Consumption reduction methods in the most restrictive stages. Each urban water supplier may use any type of consumption reduction methods in its water shortage contingency analysis that would reduce water use, are appropriate for its area, and have the ability to achieve a water use reduction consistent with up to a 50 percent reduction in water supply.*

The City's WCP contains provisions with regards to water conservation including prohibition on end uses during the various stages of water conservation. Table 8-2 lists the restriction on end uses at the various stages of water conservation.

**Table 8-2 Restrictions and Prohibitions on End Uses (Standardized Table 8-2)**

Stage(s)	Restrictions and Prohibitions on End Users	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1	Other - Prohibit use of potable water for washing hard surfaces	No hose washing of sidewalks, walkways, driveways, parking areas, patios, porches or verandas.	Yes
1	Water Features - Restrict water use for decorative water features, such as fountains	No water shall be used to clean, fill, operate or maintain levels in decorative fountains unless such water is part of a recirculation system.	Yes
1	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner		Yes
1	Landscape - Limit landscape irrigation to specific times	No water customer shall sprinkle, water, or irrigate any shrubbery, trees, lawns, grass, groundcovers, plants, vines, gardens, vegetables, flowers, or any other landscaped or vegetated areas between the hours of 10:00 a.m. and 6:00 p.m.	Yes
1	Other - Require automatic shut of hoses		Yes
1	Other - Prohibit use of potable water for construction and dust control	The use of water from fire hydrants shall be limited to fire fighting and related activities necessary to maintain the public health, safety, and welfare. An exception may be made for construction use through a proper city-designated meter where recycled water is not available.	Yes
2	Landscape - Limit landscape irrigation to specific times	Commercial nurseries, golf courses, and other water-dependent industries shall be prohibited from watering lawn, landscape, or other turf areas more than every other day. Irrigation shall occur between the hours of 6:00 p.m. and 6:00 a.m.	Yes



**Table 8-2 Restrictions and Prohibitions on End Uses (Standardized Table 8-2)**

Stage(s)	Restrictions and Prohibitions on End Users	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
		only, with the exception of usage of recycled water.	
2	Landscape - Limit landscape irrigation to specific times	No water customer shall sprinkle, water, or irrigate any shrubbery, trees, lawns, grass, groundcovers, plants, vines, gardens, vegetables, flowers, or any other landscaped or vegetated areas on between the hours of 9:00 a.m. and 6:00 p.m. This provision shall not apply to equestrian and livestock businesses, dairies, nurseries, golf courses, or other water-dependent industries.	Yes
2	Landscape - Limit landscape irrigation to specific days	Residential addresses ending in an even number may use water on Tuesday, and Friday. Residential addresses ending in an odd number and nonresidential (irrespective of address) may use water on Wednesday and Saturday. No irrigation shall occur on Sundays, Mondays and Thursdays.	Yes
2	Other water feature or swimming pool restriction	Swimming pool refilling or new construction swimming pool filling shall not occur without permission from the City Manager or his or her designee.	Yes
2	CII - Restaurants may only serve water upon request		Yes
3	Landscape - Prohibit all landscape irrigation	There shall be no outdoor use of water at any time except the minimal amount by handheld hose equipped with a shut-off nozzle.	Yes
3	Landscape - Prohibit all landscape irrigation	Commercial nurseries, golf courses, and other water-dependent industries shall be prohibited from the outdoor use of water except by a hand-held hose equipped with a shut-off nozzle.	Yes
3	Other water feature or swimming pool restriction	All nonessential uses of water shall be prohibited including the filling, or refilling of swimming pools, spas, jacuzzis, or other like devices beyond what is necessary for maintenance.	Yes

### 8.3.1. Landscape Irrigation

On May 18, 2017, the Coalinga City Council adopted Ordinance Number 801 amending the Coalinga Municipal Code related to the Water Conservation Plan to allow irrigation water any day of the week. Although the community is currently allowed to water any day of the week, they are not allowed to

practice wasteful watering habits. Such wasteful watering habits include watering during the heat of the day, hosing driveways, allow water to run into the street gutters, and not using shut-off nozzles.

During Stage 1 of the City’s Water Conservation Plan no water customer shall irrigate outdoor landscape area between the hours of 10:00 a.m. and 6:00 p.m.; however, water customers can continue to irrigate any day of the week. During Stage 2, landscape irrigation can only occur between the hours of 9:00 a.m. and 6:00 p.m, and residential addresses ending in an even number may use water on Tuesday and Friday, while residential addresses ending in an odd number nonresidential (irrespective of address) may use water on Wednesday and Saturday. In addition, during this water conservation stage commercial nurseries, golf courses, and other water-dependent industries shall be prohibited from watering lawn, landscape, or other turf areas more than every other day. Irrigation of these areas shall occur between the hours of 6:00 p.m. and 6:00 a.m. only, with the exception of usage of recycled water. No landscape irrigation shall occur on Sundays, Mondays and Thursdays.

During Stage 3 of water conservation, the City shall prohibit the outdoor use of water at any time except the minimal amount by handheld hose equipped with a shut-off nozzle. Additionally, the outdoor use of water will also be prohibited for commercial nurseries, golf courses, and other water-dependent industries except if using a hand-held hose equipped with a shut-off nozzle.

### **8.3.2. Commercial, Industrial, & Institutional (CII)**

According to Section 6-4C.07 of the Coalinga Municipal Code, no restaurants or other public places that serves food shall serve drinking water to any customer unless expressly requested by the customer. The City has not adopted specific water use restrictions have been adopted for industrial and institutional users.

### **8.3.3. Water Features and Swimming Pools**

According to Section 6-4C.06 of the Coalinga Municipal Code, during stage 1 of water conservation, no water shall be used to clean, fill, operate or maintain levels in decorative fountains unless such water is part of a recirculation system. According to Section 6-4C.07, swimming pool refilling, or new construction swimming pool filling shall not occur without permission from the City Manager or his or her designee during stage 2 of water conservation. Additionally, the replenishment of swimming pools shall be limited to the same days that residential landscape irrigation occurs, as set forth in subsections (a) through (c) in Section 6-4C.07. According to Section 6-4C.08, all nonessential uses of water shall be prohibited during stage 3 of water conservation, including the filling, or refilling of swimming pools, spas, jacuzzis, or other like devices beyond what is necessary for maintenance.

### **8.3.4. Defining Water Features**

*CWC 10632 (b)*

*Commencing with the urban water management plan update due July 1, 2016, for purposes of developing the water shortage contingency analysis pursuant to subdivision (a), the urban water supplier shall analyze and define water features that are artificially supplied with water, including*

*ponds, lakes, waterfalls, and fountains, separately from swimming pools and spas, as defined in subdivision (a) of Section 115921 of the Health and Safety Code.*

*Health and Safety Code Section 115921*

*As used in this article the following terms have the following meanings:*

*(a) "Swimming pool" or "pool" means any structure intended for swimming or recreational bathing that contains water over 18 inches deep. "Swimming pool" includes in-ground and aboveground structures and includes, but is not limited to, hot tubs, spas, portable spas, and non-portable wading pools.*

The City limits or prohibits the refilling of decorative fountains starting at Stage 1 of the Water Conservation Plan.

#### **8.3.5. Other**

The following prohibitions and regulations are contained in the Sections 6-4C.06 through 6-4C.08 of the Coalinga Municipal Code:

- There shall be no hose washing of sidewalks, walkways, driveways, parking areas, patios, porches or verandas.
- No water customer shall permit water to leak on his or her premises. Such leak shall be repaired in a timely manner after written notification by the City, but in no case in excess of seventy-two (72) hours after notification.
- The use of water from fire hydrants shall be limited to fire fighting and related activities necessary to maintain the public health, safety, and welfare. An exception may be made for construction use through a proper city-designated meter where recycled water is not available.
- There shall be no outdoor use of water at any time except the minimal amount by handheld hose equipped with a shut-off nozzle.

#### **8.4. Penalties, Charges, Other Enforcement of Prohibitions**

*CWC 10632 (a)*

*(6) Penalties or charges for excessive use, where applicable.*

Chapter 6-4C.09 of the Coalinga Municipal Code the following penalties for water customers who violate the Water Conservation Plan:

- a) No water customer of the City shall knowingly use, or permit the use of, water in a manner contrary to any provisions of the Water Conservation Plan, or in an amount in excess of that use permitted by the Plan.

- b) Unless otherwise provided, any water customer violating any provision of the Water Conservation Plan shall be guilty of an infraction, and each day or portion thereof such violation is in existence shall be a new and separate offense.
- c) Any water customer determined to be guilty of a first-time violation shall be given a written reminder for compliance. Second and subsequent violations shall be punishable as follows:
  - 1) For a second violation during any period of declared water conservation alert: As an infraction, punishable by a fine of not more than fifty dollars (\$50.00).
  - 2) For a third violation during any period of declared water conservation alert: As an infraction, punishable by a fine not more than one hundred dollars (\$100.00).
  - 3) For a fourth violation during any period of declared water conservation alert: As an infraction, punishable by a fine not more than two hundred fifty dollars (\$250.00), and placement of a flow restrictor. In addition, the City may discontinue water services.
- d) Notwithstanding the above, the City Attorney or Deputy City Attorney may charge and prosecute second and subsequent offenses as misdemeanors at the City's sole discretion pursuant to California Water Code § 377. In addition to the above penalties, the City may file an action for civil abatement and, at the discretion of the court, be entitled to reimbursement for all necessary costs and Attorney's fees incurred through investigation, discovery, analysis, inspection, abatement and other actual costs incurred by the City or its agents pertaining to the violation.
- e) The Court shall fix the amount of any such reimbursements upon submission of proof of such costs by the City. Payment of any penalty provided in this section shall not relieve a person, firm or corporation, or other entity from the responsibility of correcting the condition resulting from the violation.
- f) In addition to the above remedies, the City Manager or his or her designee is empowered, to enforce any or all of the following penalties:
  - 1) Place a flow restricting device upon the water service;
  - 2) Lock off of a water meter;
  - 3) Remove a water meter;
  - 4) Shut off the service connection.
- g) All costs or expenses incurred by the City for enforcement of this section shall be borne by the water customer. No water service shall be limited or discontinued until the City Manager or his or her designee provides a written notice of intent to so limit or discontinue such service and the reasons for such decision, and further, provides such water customer notice of the right to request an administrative review and hearing pursuant to the procedures set forth in Section 6-4.26 of the Coalinga Municipal Code, except that any reference to "citation" in that section shall instead be deemed a reference to a "notice of intent" as described in this section. A written notice of intent shall be provided either by first class mail, by personal service on the water customer, or by posting said notice in a conspicuous place on the property wherein the violation occurred. Notwithstanding any other provision of this Code, there shall be no right to further administrative review or appeal.

## 8.5. Consumption Reduction Methods

### 8.5.1. Categories of Consumption Reduction Methods

Table 8-3 provides a summary of the consumption reduction methods that will be used by the City of Coalinga. The consumption reduction methods shown in the table come from the 2015 UWMP Guidebook for Urban Water Suppliers.

<b>Table 8-3 Stages of Water Shortage Contingency Plan - Consumption Reduction Methods (Standard Table 8-3)</b>		
<b>Stage</b>	<b>Consumption Reduction Methods by Water Supplier</b>	<b>Additional Explanation or Reference</b>
1	Expand Public Information Campaign	
1	Increase Water Waste Patrols	(to known or reported wasters)
1	Reduce System Water Loss	
2	Expand Public Information Campaign	
2	Increase Water Waste Patrols	(to known or reported wasters)
2	Reduce System Water Loss	
2	Decrease Line Flushing	
3	Expand Public Information Campaign	
3	Increase Water Waste Patrols	(to known or reported wasters)
3	Reduce System Water Loss	
3	Decrease Line Flushing	
3	Implement or Modify Drought Rate Structure or Surcharge	

Examples of specific actions that could fall into each category are discussed next. Where deemed helpful, comments regarding the City's specific implementations are also inserted into the suggested language from the State's publication.

- Expand Public Information Campaign- Begin or enlarge media campaign. Create bill insert with conservation information. Write articles for local newspaper. Conduct water efficiency workshops for different customer sectors.
- Improve Customer Billing- Increase billing frequency. Change format to report consumption in gallons per capita per day. Add information to the bill comparing the customer's use to similar customers.
- Offer Water Use Surveys- Actively reach out to high water users to offer water use surveys. Expand water use survey program to include new sectors.
- Provide Rebates or Giveaways of Plumbing Fixtures and devices- Implement new (toilet, clothes washer, etc....) rebate programs. Implement new (shower head, aerator, etc....) giveaway programs. The City will investigate funding sources and implementation of such programs over its next five-year water management planning cycle.

- Provide Rebates for Landscape Irrigation Efficiency - Implement a new landscape efficiency rebate program that provides rebates for landscape conversion, irrigation controllers, sprinkler heads, etc.... Funding for programs of this type has not been available. The City will investigate funding sources and implementation of such programs over its next five-year water management planning cycle.
- Decrease Line Flushing - Decrease the length of time for each line flushing. Decrease the frequency of line flushing.
- Reduce System Water Loss - Implement a water audit program and expand the leak repair program to control system losses.
- Increase Water Waste Patrols - Implement a Water Waste Patrol program. Increase staffing for Water Waste Patrol. Increase authority of Water Waste Patrol.
- Implement or Modify Drought Rate Structure or Surcharge - Implement a drought rate structure or modify a drought rate structure with a drought surcharge on all customers.

#### **8.5.2. Rate Structures**

"Drought surcharges" are surcharges that are implemented in times of water shortage. A drought surcharge is different from a conservation rate structure, which is in place at all times. Agencies may choose to embed a drought rate structure within their conservation rate structure. The City does not currently have a drought surcharge rate ordinance; provisions to recover costs directly caused by the drought were not built into the City's base rates. The City intends to cover the costs for any drought related expenses and the shortage in revenues from operational reserves. If the duration of a drought period is such that reserves are exhausted the City may elect to implement a drought surcharge at that time

It is an important water conservation strategy to set costs that recover the full water program costs. These costs include recharge and actions to sustain the groundwater basin that stores one hundred percent of the City's water supply. When these costs are ignored the price of water does not reflect its true costs. Traditional economic theories teach that any product that is underpriced will be subject to higher consumption demand than would be the case if fairly priced. This same principle seems to also apply to water.

As previously stated, the City meters all water services and charges for serve based on the quantity of water used. The City's rate structure includes a monthly fixed service charge based upon the size of the customer's meter, in addition to a volumetric or commodity charge based upon the total volume of water consumed by the customer during the billing period. Under the City's 2015 rate structure and assuming a monthly consumption of 10,000 gallons, approximately 57 percent of the monthly residential is fixed, while 43 percent is variable based on meter consumption charges. The City may elect in the future to further reduce the fixed amount in lieu of higher consumption charges. The City's rates also contain a tiered structure with higher consumption rates in the upper tiers which also encourages water conservation. A copy of the City's rate structure is provided in Appendix H.

## 8.6. Determining Reductions

*CWC 10632(a)*

*(9) A mechanism for determining actual reductions in water use pursuant to the urban water shortage contingency analysis.*

At a given water supply shortage level, customers will be required to reduce their water consumption by a specified percentage. Actual water restrictions are determined by comparing metered water consumption to the consumption during the same billing period in the last calendar year.

## 8.7. Revenue and Expenditure Impacts

*CWC 10632 (a)*

*(7) An analysis of the impacts of each of the actions and conditions described in paragraphs (1) to (6), inclusive, on the revenues and expenditures of the urban water supplier, and proposed measures to overcome those impacts, such as the development of reserves and rate adjustments.*

A portion of Coalinga's revenues come from volumetric water rates. During 2015, water sales revenues were charged at a rate of \$1.56/1,000 gallons for an initial 10,000 gallons and then \$1.91/1,000 gallons for 10,001 to 30,000 gallons. Any water sales revenues over 30,000 gallons are charged at a rate of \$2.32/1,000 gallons. As a result, Coalinga's revenues vary depending on the stage of water conservation that they City is in. In dry years, local demands will decrease as a consequence of prohibitions on certain water uses, and Coalinga may receive lower than anticipated revenues due to reduced sales volumes. In contrast, in wet years, demands increase as prohibitions are lifted, and revenues increase due to higher sales volumes.

Such revenue surpluses and shortages could cause instability in water rates. To mitigate this risk, Coalinga maintains financial reserves, with a minimum and target balance, to stabilize water rates during times of reduced water sales. The reserves hold revenues collected during times of high-water sales and are used to offset the need for revenues during times of low sales.

## 8.8. Resolution or Ordinance

*CWC 10632 (a)(8)*

*A draft water shortage contingency resolution or ordinance.*

Ordinance No. 746 was approved by the Coalinga City Council and became effective on March 19, 2009. Ordinance No. 746 established the City's WCP and implemented mandatory prohibitions related to water

conservation. The City adopted the Ordinance based upon the need to conserve water supplies and to avoid or minimize the effects of a future water shortage. A copy of the City's WCP is provided in Appendix G.

## 8.9. Catastrophic Supply Interruption

CWC 10632

*(a)(3) Actions to be undertaken by the urban water supplier to prepare for, and implement during, a catastrophic interruption of water supplies including, but not limited to, a regional power outage, an earthquake, or other disaster.*

This section of the UWMP identifies what actions will be taken by the City if there is a catastrophic reduction in water supplies. Catastrophic supply interruptions differ from the staged drought responses addressed earlier in this chapter in that catastrophic interruptions occur suddenly and can immediately jeopardize a large portion, or all, of the City's water supply. Catastrophic water shortages could occur as a result of earthquake damage, power outage, or water quality emergency.

In December 2004, the City adopted an Emergency Response Plan (ERP) for the water system to conform with Public Law 107-188 (The Bio-Terrorism Preparedness and Response Act). The purpose of the ERP is to provide City staff, particularly those responding to emergency situations concerning the water system, including police and firemen, with clear procedures and direction and to delineate a communication network and authority structure that will accommodate emergency personnel as well as key decision makers. The ERP addresses specific actions that will need to be taken during a water supply interruption, such as an earthquake or a regional power outage.

In addition to specific directions for actions that need to be taken during an emergency, the City's ERP contains the following:

- Emergency 24-hour telephone numbers for key City of Coalinga staff.
- Emergency telephone numbers for key State Department of Health Services staff.
- Samples of various public notices (Boil Water Notice, Unsafe Water – Do Not Drink Notice, & Public Notice of Regulation Violation) and specific directions for both their implementation and subsequent lifting.
- Complete list of all radio and TV stations and newspapers serving the Coalinga area.
- A list of emergency water purveyors that could supply water to the community for drinking and to maintain sanitary conditions
- A complete emergency response contact list of key City of Coalinga staff and Council members.

Although the ERP specifically addresses the City's water system, it is intended to complement and supplement the City of Coalinga Emergency Management Plan, which provides the basis for disaster response planning in Coalinga. The Plan is continually updated to address the jurisdiction's planned response to extraordinary emergency situations associated with natural disasters, technological incidents, and nuclear defense operations. Operational data including a listing of resources, key personnel, essential facilities, contacts, and other data needed for conducting emergency operations are also provided.



## 8.10. Minimum Supply Next Three Years

*CWC 10632 (a) (2)*

*An estimate of the minimum water supply available during each of the next three water years based on the driest three-year historic sequence for the agency's water supply.*

The CWR requires that the City estimate the minimum water supply available at the end of 12, 24, and 36 months, assuming the City's driest three-year historic supply. As stated throughout this UWMP, the City water supply consists solely of surface water obtained through a water service contract with the Reclamation. Historically, the City's water service contract requires the division of 10,000 ac-ft of CVP water on an annual basis. However, due to drought periods, climate and environmental regulation the City's water supply may be subject to a reduction. For this reason, the City's minimum supply over the next three years includes both the unrestricted water supply and minimum water supply available. As shown in Table 8-4, the unrestricted water supply is based on the City full water supply allocation from the Reclamation and the minimum available water supply is based on the single-dry year period. As previously described in Section 7.3, the single-dry year period assumes that the City's allocation will be reduced by 50 percent and the volume available to meet the City's water demand will be approximately 1,629 MG per year.

**Table 8-4 Minimum Supply Next Three Years (Standard Table 8-4)**

Description	2016	2017	2018
Unrestricted Water Supply <sup>(1)</sup>	3,259	3,259	3,259
Minimum Available Water Supply <sup>(2)</sup>	1,629	1,629	1,629
NOTES: <sup>(1)</sup> Based on the City's full allocation CVP water received from the Reclamation. <sup>(2)</sup> Based on single-dry year supplies, as shown in Table 7-1. Single-dry year assumes that the City's allocation will be reduced by 50 percent.			

## CHAPTER 9 DEMAND MANAGEMENT MEASURES

### 9.1. Introduction

Demand management measures (DMMs) are specific actions a water supplier takes to support its water conservation efforts. The goal of this Demand Management Measures (DMM) Chapter is to provide a comprehensive description of the water conservation programs that the City has implemented, is currently implementing, and plans to implement in order to meet its urban water use reduction targets.

The section of the CWC addressing DMMs was significantly modified in 2014, based on recommendations from the Independent Technical Panel (ITP) to the legislature. The ITP was formed by DWR to provide information and recommendations to DWR and the Legislature on new demand management measures, technologies and approaches to water use efficiency.

In its report to the Legislature, the ITP recommended that the UWMP Act should be amended to simplify, clarify, and update the DMM reporting requirements. The ITP recommended, and the legislature enacted, streamlining the retail agency requirements from 14 specific measures to six more general requirements plus an “other” category.

The City realizes the importance of DMMs to ensure a reliable future water supply. The City is committed to implementing water conservation programs to maximize sustainability in meeting future water needs for its customers. Due to the continued effective water conservation measures implemented by the City, the 2015 per capita water use has dropped to roughly 184 gallons per capita per day (GPCD) from 273 GPCD in 2010.

A description of the City’s DMMs follows.

### 9.2. Demand Management Measures for Retail Agencies

*CWC 10631 (f)*

*(1) (B) The narrative pursuant to this paragraph shall include descriptions of the following water demand management measures:*

*(i) Water waste prevention ordinances.*

*(ii) Metering.*

*(iii) Conservation pricing.*

*(iv) Public education and outreach.*

*(v) Programs to assess and manage distribution system real loss.*

*(vi) Water conservation program coordination and staffing support.*

*(vii) Other demand management measures that have a significant impact on water use as measured in gallons per capita per day, including innovative measures, if implemented.*

### 9.2.1. Water Waste Prevention Ordinance

This DMM consists of adopting and enforcing a water waste ordinance that explicitly states that the waste of water is to be prohibited. The ordinance must prohibit specific actions that waste water, such as excessive runoff from landscape irrigation, or use of a hose outdoors without a shut off nozzle.

The City adopted a Water Conservation Ordinance in 2009, which amended Title 6 of the Coalinga Municipal Code by adding Chapter 4C, Water Conservation. Section 6-4C.06 through Section 6-4C.09 describe the City's water conservation states and enforcement penalties. The City is currently in Stage 1, standard conservation alert, of water conservation.

Over the last few years, the City has been more pro-active in response to water wasting. Water wasting within the City is prevented by prohibiting the hosing of sidewalks, walkways, driveways, parking areas, patios, porches or verandas. In addition, water wasting is prevented by prohibiting runoff into the street gutters, establishing a 72-hour time frame limit to fix leaks or breaks, requiring the use of outdoor hoses with a shut-off nozzle and prohibiting watering during the heat of the day. The increased vigilance and enforcement by the City have been reflected in the per capita water use, which has declined approximately 33 percent from 273 GPCD in 2010 to 184 GPCD in 2015.

### 9.2.2. Metering

#### *CWC 526*

*(a) Notwithstanding any other provisions of law, an urban water supplier that, on or after January 1, 2004, receives water from the Federal Central Valley Project under a water service contract or subcontract... shall do both of the following:*

*(1) On or before January 1, 2013, install water meters on all service connections to residential and nonagricultural commercial buildings... located within its service area.*

#### *CWC 527*

*(a) An urban water supplier that is not subject to Section 526 shall do both the following:*

*(1) Install water meters on all municipal and industrial service connections located within its service area on or before January 1, 2025.*

This DMM requires that water meters be installed for all new connections to allow billing by volume of use. This program also applies to retrofitting any existing unmetered connections. In 1989, all customer classes within the City, except for single-family residential, were metered. In the early 1990's, the City passed an ordinance requiring that any single-family residential homeowner selling their home was required to install a water meter as a condition of the sale. By 1995, the number of single-family residential homes that remained without meters had been reduced to a point that the City opted to affect installation of meters on all remaining un-metered services. By the late 1990s, all of the City of Coalinga water services were metered and currently remain metered to this day. City staff collects monthly meter readings and bills for water using conservation pricing and a tiered volumetric rate structure.

### **9.2.3. Conservation Pricing**

As described above, the City meters all services and charges for water use based on the quantity on water used. The tiered rate structure includes a monthly fixed service charge based on the size of the customer's meter, in addition to a commodity charge based on the total volume water consumed by the customer during the billing period. For example, during 2015, urban residential and commercial customers paid a fixed rate of \$20.83 for a 1-inch meter and a volumetric charge of \$1.56/1,000 gallons for the first 10,000 gallons. If the residential or commercial customers used between 10,001 and 30,000 gallons during a billing period, the volumetric charge would increase to \$1.91/1,000 gallons. Water usage over 30,000 gallons is billed at a rate of \$2.32/1,000 gallons. The excess consumption amount is added to customer's the monthly bill.

### **9.2.4. Public Education and Outreach**

The City distributes public information regarding water issues in mass mailings to all water service customers through the U.S. mail, the City's Internet website, and directly to walk-in customers at City Hall. Also, when warranted, time-critical public information is dispersed through the local print media, radio station announcements and public events.

Water use regulations and the annual Drinking Water Consumer Confidence Report (water quality report) are mailed each year to all customers. The City takes advantage of these mailings when necessary to provide its customers additional information on water conservation and other demand management measures.

The City monthly water bill distributed to all water service customers is another vehicle used by the City for public education purposes. The bill mailing also contains public service announcements that are used to remind citizens of conservation and demand management measures.

### **9.2.5. Programs to Assess and Manage Distribution System Real Loss**

The City recognizes distribution system leakage can be a primary type of loss. While it is essential to control losses, the initial step is to assemble a water audit to identify the nature and volumes of losses and financial impacts that these losses exert. A water audit is a process of reviewing water use throughout a water system in order to quantify the volume of water not accounted for by the metering system of the water customers, which is typically the difference between metered well production, in the case of the City of Coalinga, and metered usage on a system-wide basis.

As described in Section 4.4 of this 2015 UWMP, the City's unaccounted water volume for 2015 averaged approximately 13 percent of the total water produced. In the future, the City complete annual water audits to accurately quantify the volume of water loss. Leak detection programs will be implemented to locate and reduce water loss in the distribution system. The City is also planning to begin submitting American Water Works Association (AWWA) Stand Water Audit and Water Balance worksheets every year.

The City Public Works Department utilizes specialized equipment for leak detection on an as-needed basis. The City does not track the number of miles of pipeline surveyed or the number of repairs completed each year but will do so in the future.

### **9.2.6. Water Conservation Program Coordination and Staffing Support**

Currently, the role of a water conservation coordinator for the City of Coalinga is shared among various City staff. As increased implementation of water demand management measures are brought into action, the City will create a part-time Water Conservation Coordinator position or assign specifically defined responsibilities to an existing position. These would likely include implementation, tracking, and coordination of water conservation programs, coordination with other agencies, and reporting to senior City staff.

### **9.2.7. Other Demand Management Measures**

#### **9.2.7.1. Residential Plumbing Retrofit**

This program benefits existing customers by reducing their water consumption while minimizing the impact of their lifestyle. State legislation requires the installation of efficient plumbing in new construction, and effective 1994 requires that only Ultra Low Flush (ULF) Toilets be sold in California.

Several studies suggest that savings resulting from miscellaneous interior retrofit fixtures can range between 25 and 65 gallons per day per housing unit. The studies also suggest that installation of retrofit fixtures in older single-family homes tend to produce more savings, while newer multi-family homes tend to produce less savings per housing unit.

Currently, the City requires ULF toilets in all new construction, but does not currently have a program to retroactively replace plumbing fixtures and appliances for residential customers. If available, the City will seek funding in the future to offer customers new water saving devices such as faucet aerators, water-saving shower heads and toilet tanks.

#### **9.2.7.2. High-Efficiency Washing Machine Rebate Program**

This program generally provides a financial incentive (rebate offer) to qualifying customers who install high efficiency washing machines in their home. Other regional municipalities that performed an economic analysis on this program concluded that it would have a low benefit-to-cost ratio. This program is not currently implemented in the City. However, the City will seek grant funding when available to offer rebate program to customers.

## **9.3. Implementation over the Past Five Years**

*CWC 10631*

*(f) Provide a description of the supplier's water demand management measures. This description shall include all of the following:*

*(1) (A) ... a narrative description that addresses the nature and extent of each water demand management measure implemented over the past five years.*

The following is a description of the water conservation efforts that the City has been implementing over the last five years:

I. Ordinance

In 2009, the City adopted a Water Conservation Ordinance which established Chapter 4C of Title 6 of the Coalinga Municipal Code. The Ordinance defines what actions constitute as water wasting and establishes penalties for violating the ordinance. The City adopted the Ordinance based upon the need to conserve water supplies and to avoid or minimize the effects of future water shortages. The City is currently in Stage 1 of water conservation.

In 2010, the City adopted Ordinance No. 755, which revised Chapter 4B of Title 6 of the Coalinga Municipal Code and adopted by reference the State Model Water Efficiency Landscape Ordinance.

In 2017, the City Council adopted Ordinance No. 801 amending the Coalinga Municipal Code related to the Water Conservation Plan to allow irrigation watering any day of the week. However, other language in the Ordinance remains unchanged and includes:

- No watering during the heat of the day;
- No hosing of driveways;
- No water running to street gutters;
- Shut-off nozzles must be used.

II. Metering

Since the later 1990's, the City has installed meters on all accounts and replaced older meters on existing accounts, when necessary.

III. Conservation Pricing

As discussed above, City has not considered pursuing a water budget based on conservation pricing. The tiered water rates have the same allocations for residential, commercial, and industrial. A water budget based pricing would become much more complex with various rates needed for various size single-family lots, multi-family parcels, different types of commercial businesses and industrial users. Currently, the City's rate structure includes a monthly service charge based upon the size of the customer's meter, in addition to a volumetric or commodity charge based upon the total volume of water consumed by the customer during the billing period.

IV. Public Education and Outreach

The programs described above and in Chapter 8 were either expanded or started in the last five years.

V. Water Distribution System Losses

Leak detection programs will be implemented to locate and reduce water loss in the distribution system. The City will complete annual water audits of its water production and metered deliveries to ensure that leakage in the distribution system is maintained at low levels or further reduced.

VI. Water Conservation Program Coordination and Staffing Support

The City has enlisted the assistance of all staff in any City department that is in the field and residents for purposes of reporting running water or potential water waste. These outside working staff are to report such observations to water department staff.

## 9.4. Planned Implementation to Meet Water Use Targets

### *CWC 10631*

*(f) Provide a description of the supplier's water demand management measures. This description shall include all of the following:*

*(1) (A) ...The narrative shall describe the water demand management measures that the supplier plans to implement to achieve its water use targets pursuant to Section 10608.20.*

As discussed just above, the City has implemented, either totally or in part, all of the demand management measures described in California Water Code 10631. The City is on target to meet its target of 273 GPCD in 2020, having already exceeded its goal at the 2015 midpoint (achieved 184 GPCD versus the 307 GPCD 2015 goal). It is likely that the City will continue to observe State 1 of the WCP.

## 9.5. Members of the California Urban Water Conservation Council

### *CWC 10631 (i)*

*For purposes of this part, urban water suppliers that are members of the California Urban Water Conservation Council shall be deemed in compliance with the requirements of subdivision (f) by complying with all the provisions of the "Memorandum of Understanding Regarding Urban Water Conservation in California," dated December 10, 2008, as it may be amended, and by submitting the annual reports required by Section 6.2 of that memorandum.*

In 1991 (amended September 16, 1999), an MOU regarding urban water conservation in California was made that formalizes an agreement between the Department of Water Resources (DWR), water utilities, environmental organizations, and other interested groups to implement DMMs and make a cooperative effort to reduce the consumption of California's water resources. This MOU is administered by the California Urban Water Conservation Council (CUWCC). The City of Coalinga is not currently a signatory of the MOU and is therefore not a member of the CUWCC. The City may consider becoming a member of the CUWCC in the future.

However, the City of Coalinga realizes the importance of BMPs to ensure a reliable future water supply. The City is committed to implementing water conservation programs to maximize sustainability in meeting future water needs for its customers. Due to the continued effective water conservation measures implemented by the City, the 2015 per capita water use has dropped to roughly 184 GPCD from 372 GPCD in 2005. Even though the City is already in compliance with their 2020 Confirmed Target of 273 GPCD, they will continue to monitor and adjust as necessary to this target in 2020.

## CHAPTER 10 PLAN ADOPTION, SUBMITTAL, AND IMPLEMENTATION

### 10.1. Inclusion of all 2015 Data

This 2015 UWMP includes the water use and planning data for the entire year of 2015.

### 10.2. Notice of Public Hearing

Water suppliers must hold a public hearing prior to adopting the 2015 UWMP. The public hearing provides an opportunity for the public to provide input to the plan before it is adopted. The City Council shall consider all public input before the 2015 UWMP is adopted.

#### 10.2.1. Notice to Cities and Counties

*CWC 10621 (b)*

*Every urban water supplier required to prepare a plan shall... at least 60 days prior to the public hearing on the plan ... notify any city or county within which the supplier provides waters supplies that the urban water supplier will be reviewing the plan and considering amendments or changes to the plan.*

*CWC 10642*

*The urban water supplier shall provide notice of the time and place of hearing to any city or county within which the supplier provides water supplies. A privately owned water supplier shall provide an equivalent notice within its service area.*

The City is the sole water supplier and water management agency for the area. For this reason, the City did not participate in an area, regional, watershed, or basin wide UWMP. While preparing the 2015 UWMP, however, the City coordinated its efforts with relevant agencies to ensure that the data and issues discussed in the plan are presented accurately.

The City provided formal written notification to County of Fresno that the City's 2015 UWMP was being prepared. A copy of the Notification letter is included in Appendix C. Copies of the final UWMP will be provided to Fresno County no later than 30 days after its submission to DWR.

#### 10.2.2. Notice to the Public

*CWC 10642*

*Prior to adopting a plan, the urban water supplier shall make the plan available for public inspection ...*

*Prior to the hearing, notice of the time and place of hearing shall be published within the jurisdiction of the publicly owned water supplier pursuant to Section 6066 of the Government Code.*

*Government Code 6066*



*Publication of notice pursuant to this section shall be once a week for two successive weeks. Two publications in a newspaper published once a week or oftener, with at least five days intervening between the respective publication dates not counting such publication dates, are sufficient. The period of notice commences upon the first day of publication and terminates at the end of the fourteenth day, including therein the first day.*

Copies of the City's draft UWMP were made available for public review at City Hall. The City noticed a public hearing to review and accept comments on the draft plan with more than two weeks in advance of the hearing. The notice of the public hearing was published in the local press and filed with the City Clerk. On \_\_\_\_\_ 2020, the City held a noticed public hearing to review and accept comments on the draft plan. Notice of the public hearing was published in the local press and a copy of the Notice of Public Hearing is included in Appendix M.

As required by the Act, the 2015 UWMP is being provided by the City to the California Department of Water Resources, the California State Library, and the public within 30 days of the City's adoption.

### **10.3. Public Hearing and Adoption**

*CWC 10642*

*Prior to adopting a plan, the urban water supplier ...shall hold a public hearing thereon.*

*CWC 10608.26*

*(a) In complying with this part, an urban retail water supplier shall conduct at least one public hearing to accomplish all of the following:*

- (1) Allow community input regarding the urban retail water supplier's implementation plan for complying with this part.*
- (2) Consider the economic impacts of the urban retail water supplier's implementation plan for complying with this part.*
- (3) Adopt a method, pursuant to subdivision (b) of Section 10608.20 for determining its urban water use target. (RETAIL AGENCIES ONLY)*

Pursuant to the requirements of the UWMPA, this section summarizes the adoption, submittal, and implementation of the City's 2015 UWMP.

#### **10.3.1. Adoption**

*CWC 10642*

*After the hearing, the plan shall be adopted as prepared or as modified after the hearing.*

The City prepared this 2015 UWMP during the winter and spring of 2020. The plan was adopted by its City Council on \_\_\_\_\_ 2020. A copy of the adopting resolution is provided in Appendix N.

Table 10-1 Notification to Cities and Counties (Standard Table 10-1)		
County Name	60 Day Notice	Notice of Public Hearing
Fresno County	☒	☒

## 10.4. Plan Submittal

*CWC 10621(d)*

*An urban water supplier shall update and submit its 2015 plan to the department by July 1, 2016.*

*CWC 10644(a)*

*An urban water supplier shall submit to the department, the California State Library, and any city or county within which the supplier provides water supplies a copy of its plan no later than 30 days after adoption.*

*CWC 10635 (b)*

*The urban water supplier shall provide that portion of its urban water management plan prepared pursuant to this article to any city or county within which it provides water supplies no later than 60 days after the submission of its urban water management plan.*

### 10.4.1. Submitting a UWMP to DWR

The City submitted the UWMP to the DWR on \_\_\_\_\_ 2020, using the electronic WUEdata submittal tool developed by DWR. A copy of the completion checklist is included in Appendix O.

### 10.4.2. Submitting UWMP to the California State Library

Within 30 days of submitting the UWMP to DWR the adopted UWMP was made available for public review during normal business hours at the locations specified for the viewing of the Draft 2015 UWMP and copies of the UWMP were submitted to the California State Library and Fresno County.

### 10.4.3. Submitting UWMP to the Cities and Counties

Within 30 days of submitting the UWMP to DWR the adopted UWMP was submitted to the County of Fresno.

## 10.5. Public Availability

*CWC 10645*

*Not later than 30 days after filing a copy of its plan with the department, the urban water supplier and the department shall make the plan available for public review during normal business hours.*

The adopted 2015 UWMP will be made available for public review at the City of Coalinga City Hall and Department of Public Works. Public may review the 2015 UWMP during regular business hours. In addition, a copy of the 2015 UWMP will also be posted on the City's website.

## **10.6. Amending an Adopted Plan**

*CWC 10621(c)*

*The amendments to, or changes in, the plan shall be adopted and filed in the manner set forth in Article 3 (commencing with Section 10640).*

*CWC 10644(a)*

*Copies of amendments or changes to the plans shall be submitted to the department, the California State Library, and any city or county within which the supplier provides water supplies within 30 days after adoption.*

If major changes are made to this 2015 UWMP, the City will hold an additional public hearing and City Council will readopt the plan.

**APPENDIX A**  
**URBAN WATER MANAGEMENT PLAN ACT**

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**California Water Code Division 6, Part 2.6.**

**Chapter 1. General Declaration and Policy §10610-10610.4**

**Chapter 2. Definitions §10611-10617**

**Chapter 3. Urban Water Management Plans**

Article 1. General Provisions §10620-10621

Article 2. Contents of Plans §10630-10634

Article 2.5. Water Service Reliability §10635

Article 3. Adoption And Implementation of Plans §10640-10645

**Chapter 4. Miscellaneous Provisions §10650-10656**

## **Chapter 1. General Declaration and Policy**

### **SECTION 10610-10610.4**

10610. This part shall be known and may be cited as the "Urban Water Management Planning Act."

10610.2. (a) The Legislature finds and declares all of the following:

- (1) The waters of the state are a limited and renewable resource subject to ever-increasing demands.
- (2) The conservation and efficient use of urban water supplies are of statewide concern; however, the planning for that use and the implementation of those plans can best be accomplished at the local level.
- (3) A long-term, reliable supply of water is essential to protect the productivity of California's businesses and economic climate.
- (4) As part of its long-range planning activities, every urban water supplier should make every effort to ensure the appropriate level of reliability in its water service sufficient to meet the needs of its various categories of customers during normal, dry, and multiple dry water years.
- (5) Public health issues have been raised over a number of contaminants that have been identified in certain local and imported water supplies.
- (6) Implementing effective water management strategies, including groundwater storage projects and recycled water projects, may require specific water quality and salinity targets for meeting groundwater basins water quality objectives and promoting beneficial use of recycled water.
- (7) Water quality regulations are becoming an increasingly important factor in water agencies' selection of raw water sources, treatment alternatives, and modifications to existing treatment facilities.

- (8) Changes in drinking water quality standards may also impact the usefulness of water supplies and may ultimately impact supply reliability.
- (9) The quality of source supplies can have a significant impact on water management strategies and supply reliability.
- (b) This part is intended to provide assistance to water agencies in carrying out their long-term resource planning responsibilities to ensure adequate water supplies to meet existing and future demands for water.

10610.4. The Legislature finds and declares that it is the policy of the state as follows:

- (a) The management of urban water demands and efficient use of water shall be actively pursued to protect both the people of the state and their water resources.
- (b) The management of urban water demands and efficient use of urban water supplies shall be a guiding criterion in public decisions.
- (c) Urban water suppliers shall be required to develop water management plans to actively pursue the efficient use of available supplies.

## **Chapter 2. Definitions**

### **SECTION 10611-10617**

10611. Unless the context otherwise requires, the definitions of this chapter govern the construction of this part.

10611.5. "Demand management" means those water conservation measures, programs, and incentives that prevent the waste of water and promote the reasonable and efficient use and reuse of available supplies.

10612. "Customer" means a purchaser of water from a water supplier who uses the water for municipal purposes, including residential, commercial, governmental, and industrial uses.

10613. "Efficient use" means those management measures that result in the most effective use of water so as to prevent its waste or unreasonable use or unreasonable method of use.

10614. "Person" means any individual, firm, association, organization, partnership, business, trust, corporation, company, public agency, or any agency of such an entity.

10615. "Plan" means an urban water management plan prepared pursuant to this part. A plan shall describe and evaluate sources of supply, reasonable and practical efficient uses,

reclamation and demand management activities. The components of the plan may vary according to an individual community or area's characteristics and its capabilities to efficiently use and conserve water. The plan shall address measures for residential, commercial, governmental, and industrial water demand management as set forth in Article 2 (commencing with Section 10630) of Chapter 3. In addition, a strategy and time schedule for implementation shall be included in the plan.

10616. "Public agency" means any board, commission, county, city and county, city, regional agency, district, or other public entity.

10616.5. "Recycled water" means the reclamation and reuse of wastewater for beneficial use.

10617. "Urban water supplier" means a supplier, either publicly or privately owned, providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually. An urban water supplier includes a supplier or contractor for water, regardless of the basis of right, which distributes or sells for ultimate resale to customers. This part applies only to water supplied from public water systems subject to Chapter 4 (commencing with Section 116275) of Part 12 of Division 104 of the Health and Safety Code.

## **Chapter 3. Urban Water Management Plans**

### **Article 1. General Provisions**

#### **SECTION 10620-10621**

10620. (a) Every urban water supplier shall prepare and adopt an urban water management plan in the manner set forth in Article 3 (commencing with Section 10640).
- (b) Every person that becomes an urban water supplier shall adopt an urban water management plan within one year after it has become an urban water supplier.
- (c) An urban water supplier indirectly providing water shall not include planning elements in its water management plan as provided in Article 2 (commencing with Section 10630) that would be applicable to urban water suppliers or public agencies directly providing water, or to their customers, without the consent of those suppliers or public agencies.
- (d) (1) An urban water supplier may satisfy the requirements of this part by participation in areawide, regional, watershed, or basinwide urban water management planning where those plans will reduce preparation costs and contribute to the achievement of conservation and efficient water use.
- (2) Each urban water supplier shall coordinate the preparation of its plan with other appropriate agencies in the area, including other water suppliers that

share a common source, water management agencies, and relevant public agencies, to the extent practicable.

- (e) The urban water supplier may prepare the plan with its own staff, by contract, or in cooperation with other governmental agencies.
  - (f) An urban water supplier shall describe in the plan water management tools and options used by that entity that will maximize resources and minimize the need to import water from other regions.
10621. (a) Each urban water supplier shall update its plan at least once every five years on or before December 31, in years ending in five and zero, except as provided in subdivision (d).
- (b) Every urban water supplier required to prepare a plan pursuant to this part shall, at least 60 days before the public hearing on the plan required by Section 10642, notify any city or county within which the supplier provides water supplies that the urban water supplier will be reviewing the plan and considering amendments or changes to the plan. The urban water supplier may consult with, and obtain comments from, any city or county that receives notice pursuant to this subdivision.
- (c) The amendments to, or changes in, the plan shall be adopted and filed in the manner set forth in Article 3 (commencing with Section 10640).
- (d) Each urban water supplier shall update and submit its 2015 plan to the department by July 1, 2016.

## **Article 2. Contents of Plan**

### **SECTION 10630-10634**

10630. It is the intention of the Legislature, in enacting this part, to permit levels of water management planning commensurate with the numbers of customers served and the volume of water supplied.
10631. A plan shall be adopted in accordance with this chapter that shall do all of the following:
- (a) Describe the service area of the supplier, including current and projected population, climate, and other demographic factors affecting the supplier's water management planning. The projected population estimates shall be based upon data from the state, regional, or local service agency population projections within the service area of the urban water supplier and shall be in five-year increments to 20 years or as far as data is available.
  - (b) Identify and quantify, to the extent practicable, the existing and planned sources of water available to the supplier over the same five-year increments described in subdivision (a). If groundwater is identified as an existing or planned source of



water available to the supplier, all of the following information shall be included in the plan:

- (1) A copy of any groundwater management plan adopted by the urban water supplier, including plans adopted pursuant to Part 2.75 (commencing with Section 10750), or any other specific authorization for groundwater management.
  - (2) A description of any groundwater basin or basins from which the urban water supplier pumps groundwater. For basins that a court or the board has adjudicated the rights to pump groundwater, a copy of the order or decree adopted by the court or the board and a description of the amount of groundwater the urban water supplier has the legal right to pump under the order or decree. For basins that have not been adjudicated, information as to whether the department has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present management conditions continue, in the most current official departmental bulletin that characterizes the condition of the groundwater basin, and a detailed description of the efforts being undertaken by the urban water supplier to eliminate the long-term overdraft condition.
  - (3) A detailed description and analysis of the location, amount, and sufficiency of groundwater pumped by the urban water supplier for the past five years. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.
  - (4) A detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the urban water supplier. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.
- (c) (1) Describe the reliability of the water supply and vulnerability to seasonal or climatic shortage, to the extent practicable, and provide data for each of the following:
- (A) An average water year.
  - (B) A single-dry water year.
  - (C) Multiple-dry water years.
- (2) For any water source that may not be available at a consistent level of use, given specific legal, environmental, water quality, or climatic factors, describe plans to supplement or replace that source with alternative sources or water demand management measures, to the extent practicable.

- (d) Describe the opportunities for exchanges or transfers of water on a short-term or long-term basis.
- (e) (1) Quantify, to the extent records are available, past and current water use, over the same five-year increments described in subdivision (a), and projected water use, identifying the uses among water use sectors, including, but not necessarily limited to, all of the following uses:
  - (A) Single-family residential.
  - (B) Multifamily.
  - (C) Commercial.
  - (D) Industrial.
  - (E) Institutional and governmental.
  - (F) Landscape.
  - (G) Sales to other agencies.
  - (H) Saline water intrusion barriers, groundwater recharge, or conjunctive use, or any combination thereof.
  - (I) Agricultural.
  - (J) Distribution system water loss.
- (2) The water use projections shall be in the same five-year increments described in subdivision (a).
- (3) (A) For the 2015 urban water management plan update, the distribution system water loss shall be quantified for the most recent 12-month period available. For all subsequent updates, the distribution system water loss shall be quantified for each of the five years preceding the plan update.
  - (B) The distribution system water loss quantification shall be reported in accordance with a worksheet approved or developed by the department through a public process. The water loss quantification worksheet shall be based on the water system balance methodology developed by the American Water Works Association.
- (4) (A) If available and applicable to an urban water supplier, water use projections may display and account for the water savings estimated to result from adopted codes, standards, ordinances, or transportation and land use plans identified by the urban water supplier, as applicable to the service area.

- (B) To the extent that an urban water supplier reports the information described in subparagraph (A), an urban water supplier shall do both of the following:
  - (i) Provide citations of the various codes, standards, ordinances, or transportation and land use plans utilized in making the projections.
  - (ii) Indicate the extent that the water use projections consider savings from codes, standards, ordinances, or transportation and land use plans. Water use projections that do not account for these water savings shall be noted of that fact.
- (f) Provide a description of the supplier's water demand management measures. This description shall include all of the following:
  - (1) (A) For an urban retail water supplier, as defined in Section 10608.12, a narrative description that addresses the nature and extent of each water demand management measure implemented over the past five years. The narrative shall describe the water demand management measures that the supplier plans to implement to achieve its water use targets pursuant to Section 10608.20.
  - (B) The narrative pursuant to this paragraph shall include descriptions of the following water demand management measures:
    - (i) Water waste prevention ordinances.
    - (ii) Metering.
    - (iii) Conservation pricing.
    - (iv) Public education and outreach.
    - (v) Programs to assess and manage distribution system real loss.
    - (vi) Water conservation program coordination and staffing support.
    - (vii) Other demand management measures that have a significant impact on water use as measured in gallons per capita per day, including innovative measures, if implemented.
  - (2) For an urban wholesale water supplier, as defined in Section 10608.12, a narrative description of the items in clauses (ii), (iv), (vi), and (vii) of subparagraph (B) of paragraph (1), and a narrative description of its distribution system asset management and wholesale supplier assistance programs.
- (g) Include a description of all water supply projects and water supply programs that may be undertaken by the urban water supplier to meet the total projected water

use, as established pursuant to subdivision (a) of Section 10635. The urban water supplier shall include a detailed description of expected future projects and programs that the urban water supplier may implement to increase the amount of the water supply available to the urban water supplier in average, single-dry, and multiple-dry water years. The description shall identify specific projects and include a description of the increase in water supply that is expected to be available from each project. The description shall include an estimate with regard to the implementation timeline for each project or program.

- (h) Describe the opportunities for development of desalinated water, including, but not limited to, ocean water, brackish water, and groundwater, as a long-term supply.
- (i) For purposes of this part, urban water suppliers that are members of the California Urban Water Conservation Council shall be deemed in compliance with the requirements of subdivision (f) by complying with all the provisions of the "Memorandum of Understanding Regarding Urban Water Conservation in California," dated December 10, 2008, as it may be amended, and by submitting the annual reports required by Section 6.2 of that memorandum.
- (j) An urban water supplier that relies upon a wholesale agency for a source of water shall provide the wholesale agency with water use projections from that agency for that source of water in five-year increments to 20 years or as far as data is available. The wholesale agency shall provide information to the urban water supplier for inclusion in the urban water supplier's plan that identifies and quantifies, to the extent practicable, the existing and planned sources of water as required by subdivision (b), available from the wholesale agency to the urban water supplier over the same five-year increments, and during various water-year types in accordance with subdivision (c). An urban water supplier may rely upon water supply information provided by the wholesale agency in fulfilling the plan informational requirements of subdivisions (b) and (c).

10631.1. (a) The water use projections required by Section 10631 shall include projected water use for single-family and multifamily residential housing needed for lower income households, as defined in Section 50079.5 of the Health and Safety Code, as identified in the housing element of any city, county, or city and county in the service area of the supplier.

- (b) It is the intent of the Legislature that the identification of projected water use for single-family and multifamily residential housing for lower income households will assist a supplier in complying with the requirement under Section 65589.7 of the Government Code to grant a priority for the provision of service to housing units affordable to lower income households.

10631.2. (a) In addition to the requirements of Section 10631, an urban water management plan may, but is not required to, include any of the following information:

- (1) An estimate of the amount of energy used to extract or divert water supplies.
  - (2) An estimate of the amount of energy used to convey water supplies to the water treatment plants or distribution systems.
  - (3) An estimate of the amount of energy used to treat water supplies.
  - (4) An estimate of the amount of energy used to distribute water supplies through its distribution systems.
  - (5) An estimate of the amount of energy used for treated water supplies in comparison to the amount used for nontreated water supplies.
  - (6) An estimate of the amount of energy used to place water into or withdraw from storage.
  - (7) Any other energy-related information the urban water supplier deems appropriate.
- (b) The department shall include in its guidance for the preparation of urban water management plans a methodology for the voluntary calculation or estimation of the energy intensity of urban water systems. The department may consider studies and calculations conducted by the Public Utilities Commission in developing the methodology.

10631.5. (a) (1) Beginning January 1, 2009, the terms of, and eligibility for, a water management grant or loan made to an urban water supplier and awarded or administered by the department, state board, or California Bay-Delta Authority or its successor agency shall be conditioned on the implementation of the water demand management measures described in Section 10631, as determined by the department pursuant to subdivision (b).

- (2) For the purposes of this section, water management grants and loans include funding for programs and projects for surface water or groundwater storage, recycling, desalination, water conservation, water supply reliability, and water supply augmentation. This section does not apply to water management projects funded by the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5).
- (3) Notwithstanding paragraph (1), the department shall determine that an urban water supplier is eligible for a water management grant or loan even though the supplier is not implementing all of the water demand management measures described in Section 10631, if the urban water supplier has

submitted to the department for approval a schedule, financing plan, and budget, to be included in the grant or loan agreement, for implementation of the water demand management measures. The supplier may request grant or loan funds to implement the water demand management measures to the extent the request is consistent with the eligibility requirements applicable to the water management funds.

(4) (A) Notwithstanding paragraph (1), the department shall determine that an urban water supplier is eligible for a water management grant or loan even though the supplier is not implementing all of the water demand management measures described in Section 10631, if an urban water supplier submits to the department for approval documentation demonstrating that a water demand management measure is not locally cost effective. If the department determines that the documentation submitted by the urban water supplier fails to demonstrate that a water demand management measure is not locally cost effective, the department shall notify the urban water supplier and the agency administering the grant or loan program within 120 days that the documentation does not satisfy the requirements for an exemption, and include in that notification a detailed statement to support the determination.

(B) For purposes of this paragraph, "not locally cost effective" means that the present value of the local benefits of implementing a water demand management measure is less than the present value of the local costs of implementing that measure.

(b) (1) The department, in consultation with the state board and the California Bay-Delta Authority or its successor agency, and after soliciting public comment regarding eligibility requirements, shall develop eligibility requirements to implement the requirement of paragraph (1) of subdivision (a). In establishing these eligibility requirements, the department shall do both of the following:

(A) Consider the conservation measures described in the Memorandum of Understanding Regarding Urban Water Conservation in California, and alternative conservation approaches that provide equal or greater water savings.

(B) Recognize the different legal, technical, fiscal, and practical roles and responsibilities of wholesale water suppliers and retail water suppliers.

(2) (A) For the purposes of this section, the department shall determine whether an urban water supplier is implementing all of the water demand management measures described in Section 10631 based on either, or a combination, of the following:

- (i) Compliance on an individual basis.
  - (ii) Compliance on a regional basis. Regional compliance shall require participation in a regional conservation program consisting of two or more urban water suppliers that achieves the level of conservation or water efficiency savings equivalent to the amount of conservation or savings achieved if each of the participating urban water suppliers implemented the water demand management measures. The urban water supplier administering the regional program shall provide participating urban water suppliers and the department with data to demonstrate that the regional program is consistent with this clause. The department shall review the data to determine whether the urban water suppliers in the regional program are meeting the eligibility requirements.
- (B) The department may require additional information for any determination pursuant to this section.
- (3) The department shall not deny eligibility to an urban water supplier in compliance with the requirements of this section that is participating in a multiagency water project, or an integrated regional water management plan, developed pursuant to Section 75026 of the Public Resources Code, solely on the basis that one or more of the agencies participating in the project or plan is not implementing all of the water demand management measures described in Section 10631.
- (c) In establishing guidelines pursuant to the specific funding authorization for any water management grant or loan program subject to this section, the agency administering the grant or loan program shall include in the guidelines the eligibility requirements developed by the department pursuant to subdivision (b).
- (d) Upon receipt of a water management grant or loan application by an agency administering a grant and loan program subject to this section, the agency shall request an eligibility determination from the department with respect to the requirements of this section. The department shall respond to the request within 60 days of the request.
- (e) The urban water supplier may submit to the department copies of its annual reports and other relevant documents to assist the department in determining whether the urban water supplier is implementing or scheduling the implementation of water demand management activities. In addition, for urban water suppliers that are signatories to the Memorandum of Understanding Regarding Urban Water Conservation in California and submit biennial reports to the California Urban Water Conservation Council in accordance with the memorandum, the department may use these reports to assist in tracking the implementation of water demand management measures.

- (f) This section shall remain in effect only until July 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before July 1, 2016, deletes or extends that date.

10631.7. The department, in consultation with the California Urban Water Conservation Council, shall convene an independent technical panel to provide information and recommendations to the department and the Legislature on new demand management measures, technologies, and approaches. The panel shall consist of no more than seven members, who shall be selected by the department to reflect a balanced representation of experts. The panel shall have at least one, but no more than two, representatives from each of the following: retail water suppliers, environmental organizations, the business community, wholesale water suppliers, and academia. The panel shall be convened by January 1, 2009, and shall report to the Legislature no later than January 1, 2010, and every five years thereafter. The department shall review the panel report and include in the final report to the Legislature the department's recommendations and comments regarding the panel process and the panel's recommendations.

10632. (a) The plan shall provide an urban water shortage contingency analysis that includes each of the following elements that are within the authority of the urban water supplier:
- (1) Stages of action to be undertaken by the urban water supplier in response to water supply shortages, including up to a 50 percent reduction in water supply, and an outline of specific water supply conditions that are applicable to each stage.
  - (2) An estimate of the minimum water supply available during each of the next three water years based on the driest three-year historic sequence for the agency's water supply.
  - (3) Actions to be undertaken by the urban water supplier to prepare for, and implement during, a catastrophic interruption of water supplies including, but not limited to, a regional power outage, an earthquake, or other disaster.
  - (4) Additional, mandatory prohibitions against specific water use practices during water shortages, including, but not limited to, prohibiting the use of potable water for street cleaning.
  - (5) Consumption reduction methods in the most restrictive stages. Each urban water supplier may use any type of consumption reduction methods in its water shortage contingency analysis that would reduce water use, are



appropriate for its area, and have the ability to achieve a water use reduction consistent with up to a 50 percent reduction in water supply.

- (6) Penalties or charges for excessive use, where applicable.
  - (7) An analysis of the impacts of each of the actions and conditions described in paragraphs (1) to (6), inclusive, on the revenues and expenditures of the urban water supplier, and proposed measures to overcome those impacts, such as the development of reserves and rate adjustments.
  - (8) A draft water shortage contingency resolution or ordinance.
  - (9) A mechanism for determining actual reductions in water use pursuant to the urban water shortage contingency analysis.
- (b) Commencing with the urban water management plan update due July 1, 2016, for purposes of developing the water shortage contingency analysis pursuant to subdivision (a), the urban water supplier shall analyze and define water features that are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, separately from swimming pools and spas, as defined in subdivision (a) of Section 115921 of the Health and Safety Code.

10633. The plan shall provide, to the extent available, information on recycled water and its potential for use as a water source in the service area of the urban water supplier. The preparation of the plan shall be coordinated with local water, wastewater, groundwater, and planning agencies that operate within the supplier's service area, and shall include all of the following:

- (a) A description of the wastewater collection and treatment systems in the supplier's service area, including a quantification of the amount of wastewater collected and treated and the methods of wastewater disposal.
- (b) A description of the quantity of treated wastewater that meets recycled water standards, is being discharged, and is otherwise available for use in a recycled water project.
- (c) A description of the recycled water currently being used in the supplier's service area, including, but not limited to, the type, place, and quantity of use.
- (d) A description and quantification of the potential uses of recycled water, including, but not limited to, agricultural irrigation, landscape irrigation, wildlife habitat enhancement, wetlands, industrial reuse, groundwater recharge, indirect potable reuse, and other appropriate uses, and a determination with regard to the technical and economic feasibility of serving those uses.

- (e) The projected use of recycled water within the supplier's service area at the end of 5, 10, 15, and 20 years, and a description of the actual use of recycled water in comparison to uses previously projected pursuant to this subdivision.
  - (f) A description of actions, including financial incentives, which may be taken to encourage the use of recycled water, and the projected results of these actions in terms of acre-feet of recycled water used per year.
  - (g) A plan for optimizing the use of recycled water in the supplier's service area, including actions to facilitate the installation of dual distribution systems, to promote recirculating uses, to facilitate the increased use of treated wastewater that meets recycled water standards, and to overcome any obstacles to achieving that increased use.
10634. The plan shall include information, to the extent practicable, relating to the quality of existing sources of water available to the supplier over the same five-year increments as described in subdivision (a) of Section 10631, and the manner in which water quality affects water management strategies and supply reliability.

## **Article 2.5. Water Service Reliability**

### **SECTION 10635**

10635. (a) Every urban water supplier shall include, as part of its urban water management plan, an assessment of the reliability of its water service to its customers during normal, dry, and multiple dry water years. This water supply and demand assessment shall compare the total water supply sources available to the water supplier with the total projected water use over the next 20 years, in five-year increments, for a normal water year, a single dry water year, and multiple dry water years. The water service reliability assessment shall be based upon the information compiled pursuant to Section 10631, including available data from state, regional, or local agency population projections within the service area of the urban water supplier.
- (b) The urban water supplier shall provide that portion of its urban water management plan prepared pursuant to this article to any city or county within which it provides water supplies no later than 60 days after the submission of its urban water management plan.
- (c) Nothing in this article is intended to create a right or entitlement to water service or any specific level of water service.

- (d) Nothing in this article is intended to change existing law concerning an urban water supplier's obligation to provide water service to its existing customers or to any potential future customers.

### **Article 3. Adoption and Implementation of Plans**

#### **SECTION 10640-10645**

10640. Every urban water supplier required to prepare a plan pursuant to this part shall prepare its plan pursuant to Article 2 (commencing with Section 10630). The supplier shall likewise periodically review the plan as required by Section 10621, and any amendments or changes required as a result of that review shall be adopted pursuant to this article.

10641. An urban water supplier required to prepare a plan may consult with, and obtain comments from, any public agency or state agency or any person who has special expertise with respect to water demand management methods and techniques.

10642. Each urban water supplier shall encourage the active involvement of diverse social, cultural, and economic elements of the population within the service area prior to and during the preparation of the plan. Prior to adopting a plan, the urban water supplier shall make the plan available for public inspection and shall hold a public hearing thereon. Prior to the hearing, notice of the time and place of hearing shall be published within the jurisdiction of the publicly owned water supplier pursuant to Section 6066 of the Government Code. The urban water supplier shall provide notice of the time and place of hearing to any city or county within which the supplier provides water supplies. A privately owned water supplier shall provide an equivalent notice within its service area.

After the hearing, the plan shall be adopted as prepared or as modified after the hearing.

10643. An urban water supplier shall implement its plan adopted pursuant to this chapter in accordance with the schedule set forth in its plan.

10644. (a) (1) An urban water supplier shall submit to the department, the California State Library, and any city or county within which the supplier provides water supplies a copy of its plan no later than 30 days after adoption. Copies of amendments or changes to the plans shall be submitted to the department, the California State Library, and any city or county within which the supplier provides water supplies within 30 days after adoption.

(2) The plan, or amendments to the plan, submitted to the department pursuant to paragraph (1) shall be submitted electronically and shall include any standardized forms, tables, or displays specified by the department.

- (b) (1) Notwithstanding Section 10231.5 of the Government Code, the department shall prepare and submit to the Legislature, on or before December 31, in the years ending in six and one, a report summarizing the status of the plans adopted pursuant to this part.

The report prepared by the department shall identify the exemplary elements of the individual plans. The department shall provide a copy of the report to each urban water supplier that has submitted its plan to the department. The department shall also prepare reports and provide data for any legislative hearings designed to consider the effectiveness of plans submitted pursuant to this part.

- (2) A report to be submitted pursuant to paragraph (1) shall be submitted in compliance with Section 9795 of the Government Code.
- (c) (1) For the purpose of identifying the exemplary elements of the individual plans, the department shall identify in the report water demand management measures adopted and implemented by specific urban water suppliers, and identified pursuant to Section 10631, that achieve water savings significantly above the levels established by the department to meet the requirements of Section 10631.5.
- (2) The department shall distribute to the panel convened pursuant to Section 10631.7 the results achieved by the implementation of those water demand management measures described in paragraph (1).
- (3) The department shall make available to the public the standard the department will use to identify exemplary water demand management measures.

10645. Not later than 30 days after filing a copy of its plan with the department, the urban water supplier and the department shall make the plan available for public review during normal business hours.

## **Chapter 4. Miscellaneous Provisions**

### **SECTION 10650-10656**

10650. Any actions or proceedings to attack, review, set aside, void, or annul the acts or decisions of an urban water supplier on the grounds of noncompliance with this part shall be commenced as follows:

- (a) An action or proceeding alleging failure to adopt a plan shall be commenced within 18 months after that adoption is required by this part.

- (b) Any action or proceeding alleging that a plan, or action taken pursuant to the plan, does not comply with this part shall be commenced within 90 days after filing of the plan or amendment thereto pursuant to Section 10644 or the taking of that action.
10651. In any action or proceeding to attack, review, set aside, void, or annul a plan, or an action taken pursuant to the plan by an urban water supplier on the grounds of noncompliance with this part, the inquiry shall extend only to whether there was a prejudicial abuse of discretion. Abuse of discretion is established if the supplier has not proceeded in a manner required by law or if the action by the water supplier is not supported by substantial evidence.
10652. The California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) does not apply to the preparation and adoption of plans pursuant to this part or to the implementation of actions taken pursuant to Section 10632. Nothing in this part shall be interpreted as exempting from the California Environmental Quality Act any project that would significantly affect water supplies for fish and wildlife, or any project for implementation of the plan, other than projects implementing Section 10632, or any project for expanded or additional water supplies.
10653. The adoption of a plan shall satisfy any requirements of state law, regulation, or order, including those of the State Water Resources Control Board and the Public Utilities Commission, for the preparation of water management plans or conservation plans; provided, that if the State Water Resources Control Board or the Public Utilities Commission requires additional information concerning water conservation to implement its existing authority, nothing in this part shall be deemed to limit the board or the commission in obtaining that information. The requirements of this part shall be satisfied by any urban water demand management plan prepared to meet federal laws or regulations after the effective date of this part, and which substantially meets the requirements of this part, or by any existing urban water management plan which includes the contents of a plan required under this part.
10654. An urban water supplier may recover in its rates the costs incurred in preparing its plan and implementing the reasonable water conservation measures included in the plan. Any best water management practice that is included in the plan that is identified in the "Memorandum of Understanding Regarding Urban Water Conservation in California" is deemed to be reasonable for the purposes of this section.
10655. If any provision of this part or the application thereof to any person or circumstances is held invalid, that invalidity shall not affect other provisions or applications of this part which can be given effect without the invalid provision or application thereof, and to this end the provisions of this part are severable.
10656. An urban water supplier that does not prepare, adopt, and submit its urban water management plan to the department in accordance with this part, is ineligible to receive funding pursuant to Division 24 (commencing with Section 78500) or Division 26

(commencing with Section 79000), or receive drought assistance from the state until the urban water management plan is submitted pursuant to this article.

**APPENDIX B**  
**WATER CONSERVATION ACT (SB X7-7)**

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**California Water Code Division 6, Part 2.55.**

<b>Chapter 1. General Declarations and Policy</b>	<b>§10608-10608.8</b>
<b>Chapter 2. Definitions</b>	<b>§10608.12</b>
<b>Chapter 3. Urban Retail Water Suppliers</b>	<b>§10608.16-10608.44</b>
<b>Chapter 4. Agricultural Water Suppliers</b>	<b>§10608.48</b>
<b>Chapter 5. Sustainable Water Management</b>	<b>§10608.50</b>
<b>Chapter 6 Standardized Data Collection</b>	<b>§10608.52</b>
<b>Chapter 7 Funding Provisions</b>	<b>§10608.56-10608.60</b>
<b>Chapter 8 Quantifying Agricultural Water Use Efficiency</b>	<b>§10608.64</b>

## **Chapter 1. General Declarations and Policy**

### **SECTION 10608-10608.8**

10608. The Legislature finds and declares all of the following:

- (a) Water is a public resource that the California Constitution protects against waste and unreasonable use.
- (b) Growing population, climate change, and the need to protect and grow California's economy while protecting and restoring our fish and wildlife habitats make it essential that the state manage its water resources as efficiently as possible.
- (c) Diverse regional water supply portfolios will increase water supply reliability and reduce dependence on the Delta.
- (d) Reduced water use through conservation provides significant energy and environmental benefits, and can help protect water quality, improve streamflows, and reduce greenhouse gas emissions.
- (e) The success of state and local water conservation programs to increase efficiency of water use is best determined on the basis of measurable outcomes related to water use or efficiency.
- (f) Improvements in technology and management practices offer the potential for increasing water efficiency in California over time, providing an essential water management tool to meet the need for water for urban, agricultural, and environmental uses.
- (g) The Governor has called for a 20 percent per capita reduction in urban water use statewide by 2020.
- (h) The factors used to formulate water use efficiency targets can vary significantly from location to location based on factors including weather, patterns of urban and suburban development, and past efforts to enhance water use efficiency.



- (i) Per capita water use is a valid measure of a water provider's efforts to reduce urban water use within its service area. However, per capita water use is less useful for measuring relative water use efficiency between different water providers. Differences in weather, historical patterns of urban and suburban development, and density of housing in a particular location need to be considered when assessing per capita water use as a measure of efficiency.

10608.4. It is the intent of the Legislature, by the enactment of this part, to do all of the following:

- (a) Require all water suppliers to increase the efficiency of use of this essential resource.
- (b) Establish a framework to meet the state targets for urban water conservation identified in this part and called for by the Governor.
- (c) Measure increased efficiency of urban water use on a per capita basis.
- (d) Establish a method or methods for urban retail water suppliers to determine targets for achieving increased water use efficiency by the year 2020, in accordance with the Governor's goal of a 20-percent reduction.
- (e) Establish consistent water use efficiency planning and implementation standards for urban water suppliers and agricultural water suppliers.
- (f) Promote urban water conservation standards that are consistent with the California Urban Water Conservation Council's adopted best management practices and the requirements for demand management in Section 10631.
- (g) Establish standards that recognize and provide credit to water suppliers that made substantial capital investments in urban water conservation since the drought of the early 1990s.
- (h) Recognize and account for the investment of urban retail water suppliers in providing recycled water for beneficial uses.
- (i) Require implementation of specified efficient water management practices for agricultural water suppliers.
- (j) Support the economic productivity of California's agricultural, commercial, and industrial sectors.
- (k) Advance regional water resources management.

10608.8. (a) (1) Water use efficiency measures adopted and implemented pursuant to this part or Part 2.8 (commencing with Section 10800) are water conservation measures subject to the protections provided under Section 1011.

- (2) Because an urban agency is not required to meet its urban water use target until 2020 pursuant to subdivision (b) of Section 10608.24, an urban retail water supplier's failure to meet those targets shall not establish a violation of law for purposes of any state administrative or judicial proceeding prior to

January 1, 2021. Nothing in this paragraph limits the use of data reported to the department or the board in litigation or an administrative proceeding. This paragraph shall become inoperative on January 1, 2021.

- (3) To the extent feasible, the department and the board shall provide for the use of water conservation reports required under this part to meet the requirements of Section 1011 for water conservation reporting.
- (b) This part does not limit or otherwise affect the application of Chapter 3.5 (commencing with Section 11340), Chapter 4 (commencing with Section 11370), Chapter 4.5 (commencing with Section 11400), and Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.
- (c) This part does not require a reduction in the total water used in the agricultural or urban sectors, because other factors, including, but not limited to, changes in agricultural economics or population growth may have greater effects on water use. This part does not limit the economic productivity of California's agricultural, commercial, or industrial sectors.
- (d) The requirements of this part do not apply to an agricultural water supplier that is a party to the Quantification Settlement Agreement, as defined in subdivision (a) of Section 1 of Chapter 617 of the Statutes of 2002, during the period within which the Quantification Settlement Agreement remains in effect. After the expiration of the Quantification Settlement Agreement, to the extent conservation water projects implemented as part of the Quantification Settlement Agreement remain in effect, the conserved water created as part of those projects shall be credited against the obligations of the agricultural water supplier pursuant to this part.

## **Chapter 2 Definitions**

### **SECTION 10608.12**

10608.12. Unless the context otherwise requires, the following definitions govern the construction of this part:

- (a) "Agricultural water supplier" means a water supplier, either publicly or privately owned, providing water to 10,000 or more irrigated acres, excluding recycled water. "Agricultural water supplier" includes a supplier or contractor for water, regardless of the basis of right, that distributes or sells water for ultimate resale to customers. "Agricultural water supplier" does not include the department.
- (b) "Base daily per capita water use" means any of the following:
  - (1) The urban retail water supplier's estimate of its average gross water use, reported in gallons per capita per day and calculated over a continuous 10-year period ending no earlier than December 31, 2004, and no later than December 31, 2010.

- (2) For an urban retail water supplier that meets at least 10 percent of its 2008 measured retail water demand through recycled water that is delivered within the service area of an urban retail water supplier or its urban wholesale water supplier, the urban retail water supplier may extend the calculation described in paragraph (1) up to an additional five years to a maximum of a continuous 15-year period ending no earlier than December 31, 2004, and no later than December 31, 2010.
- (3) For the purposes of Section 10608.22, the urban retail water supplier's estimate of its average gross water use, reported in gallons per capita per day and calculated over a continuous five-year period ending no earlier than December 31, 2007, and no later than December 31, 2010.
- (c) "Baseline commercial, industrial, and institutional water use" means an urban retail water supplier's base daily per capita water use for commercial, industrial, and institutional users.
- (d) "Commercial water user" means a water user that provides or distributes a product or service.
- (e) "Compliance daily per capita water use" means the gross water use during the final year of the reporting period, reported in gallons per capita per day.
- (f) "Disadvantaged community" means a community with an annual median household income that is less than 80 percent of the statewide annual median household income.
- (g) "Gross water use" means the total volume of water, whether treated or untreated, entering the distribution system of an urban retail water supplier, excluding all of the following:
  - (1) Recycled water that is delivered within the service area of an urban retail water supplier or its urban wholesale water supplier.
  - (2) The net volume of water that the urban retail water supplier places into long-term storage.
  - (3) The volume of water the urban retail water supplier conveys for use by another urban water supplier.
  - (4) The volume of water delivered for agricultural use, except as otherwise provided in subdivision (f) of Section 10608.24.
- (h) "Industrial water user" means a water user that is primarily a manufacturer or processor of materials as defined by the North American Industry Classification System code sectors 31 to 33, inclusive, or an entity that is a water user primarily engaged in research and development.
- (i) "Institutional water user" means a water user dedicated to public service. This type of user includes, among other users, higher education institutions, schools, courts, churches, hospitals, government facilities, and nonprofit research institutions.

- (j) "Interim urban water use target" means the midpoint between the urban retail water supplier's base daily per capita water use and the urban retail water supplier's urban water use target for 2020.
- (k) "Locally cost effective" means that the present value of the local benefits of implementing an agricultural efficiency water management practice is greater than or equal to the present value of the local cost of implementing that measure.
- (l) "Process water" means water used for producing a product or product content or water used for research and development, including, but not limited to, continuous manufacturing processes, water used for testing and maintaining equipment used in producing a product or product content, and water used in combined heat and power facilities used in producing a product or product content. Process water does not mean incidental water uses not related to the production of a product or product content, including, but not limited to, water used for restrooms, landscaping, air conditioning, heating, kitchens, and laundry.
- (m) "Recycled water" means recycled water, as defined in subdivision (n) of Section 13050, that is used to offset potable demand, including recycled water supplied for direct use and indirect potable reuse, that meets the following requirements, where applicable:
  - (1) For groundwater recharge, including recharge through spreading basins, water supplies that are all of the following:
    - (A) Metered.
    - (B) Developed through planned investment by the urban water supplier or a wastewater treatment agency.
    - (C) Treated to a minimum tertiary level.
    - (D) Delivered within the service area of an urban retail water supplier or its urban wholesale water supplier that helps an urban retail water supplier meet its urban water use target.
  - (2) For reservoir augmentation, water supplies that meet the criteria of paragraph (1) and are conveyed through a distribution system constructed specifically for recycled water.
- (n) "Regional water resources management" means sources of supply resulting from watershed-based planning for sustainable local water reliability or any of the following alternative sources of water:
  - (1) The capture and reuse of stormwater or rainwater.
  - (2) The use of recycled water.
  - (3) The desalination of brackish groundwater.

- (4) The conjunctive use of surface water and groundwater in a manner that is consistent with the safe yield of the groundwater basin.
- (o) "Reporting period" means the years for which an urban retail water supplier reports compliance with the urban water use targets.
- (p) "Urban retail water supplier" means a water supplier, either publicly or privately owned, that directly provides potable municipal water to more than 3,000 end users or that supplies more than 3,000 acre-feet of potable water annually at retail for municipal purposes.
- (q) "Urban water use target" means the urban retail water supplier's targeted future daily per capita water use.
- (r) "Urban wholesale water supplier," means a water supplier, either publicly or privately owned, that provides more than 3,000 acre-feet of water annually at wholesale for potable municipal purposes.

## **Chapter 3 Urban Retail Water Suppliers**

### **SECTION 10608.16-10608.44**

10608.16.(a) The state shall achieve a 20-percent reduction in urban per capita water use in California on or before December 31, 2020.

- (b) The state shall make incremental progress towards the state target specified in subdivision (a) by reducing urban per capita water use by at least 10 percent on or before December 31, 2015.

10608.20.(a) (1) Each urban retail water supplier shall develop urban water use targets and an interim urban water use target by July 1, 2011. Urban retail water suppliers may elect to determine and report progress toward achieving these targets on an individual or regional basis, as provided in subdivision (a) of Section 10608.28, and may determine the targets on a fiscal year or calendar year basis.

- (2) It is the intent of the Legislature that the urban water use targets described in paragraph (1) cumulatively result in a 20-percent reduction from the baseline daily per capita water use by December 31, 2020.

- (b) An urban retail water supplier shall adopt one of the following methods for determining its urban water use target pursuant to subdivision (a):

- (1) Eighty percent of the urban retail water supplier's baseline per capita daily water use.

- (2) The per capita daily water use that is estimated using the sum of the following performance standards:

- (A) For indoor residential water use, 55 gallons per capita daily water use as a provisional standard. Upon completion of the department's 2016 report to the Legislature pursuant to Section 10608.42, this standard may be adjusted by the Legislature by statute.
  - (B) For landscape irrigated through dedicated or residential meters or connections, water efficiency equivalent to the standards of the Model Water Efficient Landscape Ordinance set forth in Chapter 2.7 (commencing with Section 490) of Division 2 of Title 23 of the California Code of Regulations, as in effect the later of the year of the landscape's installation or 1992. An urban retail water supplier using the approach specified in this subparagraph shall use satellite imagery, site visits, or other best available technology to develop an accurate estimate of landscaped areas.
  - (C) For commercial, industrial, and institutional uses, a 10-percent reduction in water use from the baseline commercial, industrial, and institutional water use by 2020.
- (3) Ninety-five percent of the applicable state hydrologic region target, as set forth in the state's draft 20x2020 Water Conservation Plan (dated April 30, 2009). If the service area of an urban water supplier includes more than one hydrologic region, the supplier shall apportion its service area to each region based on population or area.
- (4) A method that shall be identified and developed by the department, through a public process, and reported to the Legislature no later than December 31, 2010. The method developed by the department shall identify per capita targets that cumulatively result in a statewide 20-percent reduction in urban daily per capita water use by December 31, 2020. In developing urban daily per capita water use targets, the department shall do all of the following:
- (A) Consider climatic differences within the state.
  - (B) Consider population density differences within the state.
  - (C) Provide flexibility to communities and regions in meeting the targets.
  - (D) Consider different levels of per capita water use according to plant water needs in different regions.
  - (E) Consider different levels of commercial, industrial, and institutional water use in different regions of the state.
  - (F) Avoid placing an undue hardship on communities that have implemented conservation measures or taken actions to keep per capita water use low.
- (c) If the department adopts a regulation pursuant to paragraph (4) of subdivision (b) that results in a requirement that an urban retail water supplier achieve a reduction in daily per capita water use that is greater than 20 percent by December 31, 2020, an urban retail water supplier that adopted the method

described in paragraph (4) of subdivision (b) may limit its urban water use target to a reduction of not more than 20 percent by December 31, 2020, by adopting the method described in paragraph (1) of subdivision (b).

- (d) The department shall update the method described in paragraph (4) of subdivision (b) and report to the Legislature by December 31, 2014. An urban retail water supplier that adopted the method described in paragraph (4) of subdivision (b) may adopt a new urban daily per capita water use target pursuant to this updated method.
- (e) An urban retail water supplier shall include in its urban water management plan due in 2010 pursuant to Part 2.6 (commencing with Section 10610) the baseline daily per capita water use, urban water use target, interim urban water use target, and compliance daily per capita water use, along with the bases for determining those estimates, including references to supporting data.
- (f) When calculating per capita values for the purposes of this chapter, an urban retail water supplier shall determine population using federal, state, and local population reports and projections.
- (g) An urban retail water supplier may update its 2020 urban water use target in its 2015 urban water management plan required pursuant to Part 2.6 (commencing with Section 10610).
- (h) (1) The department, through a public process and in consultation with the California Urban Water Conservation Council, shall develop technical methodologies and criteria for the consistent implementation of this part, including, but not limited to, both of the following:
  - (A) Methodologies for calculating base daily per capita water use, baseline commercial, industrial, and institutional water use, compliance daily per capita water use, gross water use, service area population, indoor residential water use, and landscaped area water use.
  - (B) Criteria for adjustments pursuant to subdivisions (d) and (e) of Section 10608.24.
- (2) The department shall post the methodologies and criteria developed pursuant to this subdivision on its Internet Web site, and make written copies available, by October 1, 2010. An urban retail water supplier shall use the methods developed by the department in compliance with this part.
- (i) (1) The department shall adopt regulations for implementation of the provisions relating to process water in accordance with subdivision (l) of Section 10608.12, subdivision (e) of Section 10608.24, and subdivision (d) of Section 10608.26.
- (2) The initial adoption of a regulation authorized by this subdivision is deemed to address an emergency, for purposes of Sections 11346.1 and 11349.6 of the Government Code, and the department is hereby exempted for that purpose from the requirements of subdivision (b) of Section 11346.1 of the

Government Code. After the initial adoption of an emergency regulation pursuant to this subdivision, the department shall not request approval from the Office of Administrative Law to readopt the regulation as an emergency regulation pursuant to Section 11346.1 of the Government Code.

- (j) (1) An urban retail water supplier is granted an extension to July 1, 2011, for adoption of an urban water management plan pursuant to Part 2.6 (commencing with Section 10610) due in 2010 to allow the use of technical methodologies developed by the department pursuant to paragraph (4) of subdivision (b) and subdivision (h). An urban retail water supplier that adopts an urban water management plan due in 2010 that does not use the methodologies developed by the department pursuant to subdivision (h) shall amend the plan by July 1, 2011, to comply with this part.
- (2) An urban wholesale water supplier whose urban water management plan prepared pursuant to Part 2.6 (commencing with Section 10610) was due and not submitted in 2010 is granted an extension to July 1, 2011, to permit coordination between an urban wholesale water supplier and urban retail water suppliers.

10608.22. Notwithstanding the method adopted by an urban retail water supplier pursuant to Section 10608.20, an urban retail water supplier's per capita daily water use reduction shall be no less than 5 percent of base daily per capita water use as defined in paragraph(3) of subdivision (b) of Section 10608.12. This section does not apply to an urban retail water supplier with a base daily per capita water use at or below 100 gallons per capita per day.

10608.24.(a) Each urban retail water supplier shall meet its interim urban water use target by December 31, 2015.

(b) Each urban retail water supplier shall meet its urban water use target by December 31, 2020.

(c) An urban retail water supplier's compliance daily per capita water use shall be the measure of progress toward achievement of its urban water use target.

(d) (1) When determining compliance daily per capita water use, an urban retail water supplier may consider the following factors:

(A) Differences in evapotranspiration and rainfall in the baseline period compared to the compliance reporting period.

(B) Substantial changes to commercial or industrial water use resulting from increased business output and economic development that have occurred during the reporting period.

(C) Substantial changes to institutional water use resulting from fire suppression services or other extraordinary events, or from new or expanded operations, that have occurred during the reporting period.

(2) If the urban retail water supplier elects to adjust its estimate of compliance daily per capita water use due to one or more of the factors described in



paragraph (1), it shall provide the basis for, and data supporting, the adjustment in the report required by Section 10608.40.

- (e) When developing the urban water use target pursuant to Section 10608.20, an urban retail water supplier that has a substantial percentage of industrial water use in its service area may exclude process water from the calculation of gross water use to avoid a disproportionate burden on another customer sector.
- (f) (1) An urban retail water supplier that includes agricultural water use in an urban water management plan pursuant to Part 2.6 (commencing with Section 10610) may include the agricultural water use in determining gross water use. An urban retail water supplier that includes agricultural water use in determining gross water use and develops its urban water use target pursuant to paragraph (2) of subdivision (b) of Section 10608.20 shall use a water efficient standard for agricultural irrigation of 100 percent of reference evapotranspiration multiplied by the crop coefficient for irrigated acres.
- (2) An urban retail water supplier, that is also an agricultural water supplier, is not subject to the requirements of Chapter 4 (commencing with Section 10608.48), if the agricultural water use is incorporated into its urban water use target pursuant to paragraph (1).

10608.26.(a) In complying with this part, an urban retail water supplier shall conduct at least one public hearing to accomplish all of the following:

- (1) Allow community input regarding the urban retail water supplier's implementation plan for complying with this part.
  - (2) Consider the economic impacts of the urban retail water supplier's implementation plan for complying with this part.
  - (3) Adopt a method, pursuant to subdivision (b) of Section 10608.20, for determining its urban water use target.
- (b) In complying with this part, an urban retail water supplier may meet its urban water use target through efficiency improvements in any combination among its customer sectors. An urban retail water supplier shall avoid placing a disproportionate burden on any customer sector.
- (c) For an urban retail water supplier that supplies water to a United States Department of Defense military installation, the urban retail water supplier's implementation plan for complying with this part shall consider the conservation of that military installation under federal Executive Order 13514.
- (d) (1) Any ordinance or resolution adopted by an urban retail water supplier after the effective date of this section shall not require existing customers as of the effective date of this section, to undertake changes in product formulation, operations, or equipment that would reduce process water use, but may provide technical assistance and financial incentives to those customers to implement efficiency measures for process water. This section shall not limit

an ordinance or resolution adopted pursuant to a declaration of drought emergency by an urban retail water supplier.

- (2) This part shall not be construed or enforced so as to interfere with the requirements of Chapter 4 (commencing with Section 113980) to Chapter 13 (commencing with Section 114380), inclusive, of Part 7 of Division 104 of the Health and Safety Code, or any requirement or standard for the protection of public health, public safety, or worker safety established by federal, state, or local government or recommended by recognized standard setting organizations or trade associations.

10608.28.(a) An urban retail water supplier may meet its urban water use target within its retail service area, or through mutual agreement, by any of the following:

- (1) Through an urban wholesale water supplier.
  - (2) Through a regional agency authorized to plan and implement water conservation, including, but not limited to, an agency established under the Bay Area Water Supply and Conservation Agency Act (Division 31 (commencing with Section 81300)).
  - (3) Through a regional water management group as defined in Section 10537.
  - (4) By an integrated regional water management funding area.
  - (5) By hydrologic region.
  - (6) Through other appropriate geographic scales for which computation methods have been developed by the department.
- (b) A regional water management group, with the written consent of its member agencies, may undertake any or all planning, reporting, and implementation functions under this chapter for the member agencies that consent to those activities. Any data or reports shall provide information both for the regional water management group and separately for each consenting urban retail water supplier and urban wholesale water supplier.

10608.32. All costs incurred pursuant to this part by a water utility regulated by the Public Utilities Commission may be recoverable in rates subject to review and approval by the Public Utilities Commission, and may be recorded in a memorandum account and reviewed for reasonableness by the Public Utilities Commission.

10608.36. Urban wholesale water suppliers shall include in the urban water management plans required pursuant to Part 2.6 (commencing with Section 10610) an assessment of their present and proposed future measures, programs, and policies to help achieve the water use reductions required by this part.

10608.40. Urban water retail suppliers shall report to the department on their progress in meeting their urban water use targets as part of their urban water management plans

submitted pursuant to Section 10631. The data shall be reported using a standardized form developed pursuant to Section 10608.52.

10608.42.(a) The department shall review the 2015 urban water management plans and report to the Legislature by July 1, 2017, on progress towards achieving a 20-percent reduction in urban water use by December 31, 2020. The report shall include recommendations on changes to water efficiency standards or urban water use targets to achieve the 20-percent reduction and to reflect updated efficiency information and technology changes.

(b) A report to be submitted pursuant to subdivision (a) shall be submitted in compliance with Section 9795 of the Government Code.

10608.43. The department, in conjunction with the California Urban Water Conservation Council, by April 1, 2010, shall convene a representative task force consisting of academic experts, urban retail water suppliers, environmental organizations, commercial water users, industrial water users, and institutional water users to develop alternative best management practices for commercial, industrial, and institutional users and an assessment of the potential statewide water use efficiency improvement in the commercial, industrial, and institutional sectors that would result from implementation of these best management practices. The taskforce, in conjunction with the department, shall submit a report to the Legislature by April 1, 2012, that shall include a review of multiple sectors within commercial, industrial, and institutional users and that shall recommend water use efficiency standards for commercial, industrial, and institutional users among various sectors of water use. The report shall include, but not be limited to, the following:

- (a) Appropriate metrics for evaluating commercial, industrial, and institutional water use.
- (b) Evaluation of water demands for manufacturing processes, goods, and cooling.
- (c) Evaluation of public infrastructure necessary for delivery of recycled water to the commercial, industrial, and institutional sectors.
- (d) Evaluation of institutional and economic barriers to increased recycled water use within the commercial, industrial, and institutional sectors.
- (e) Identification of technical feasibility and cost of the best management practices to achieve more efficient water use statewide in the commercial, industrial, and institutional sectors that is consistent with the public interest and reflects past investments in water use efficiency.

10608.44. Each state agency shall reduce water use at facilities it operates to support urban retail water suppliers in meeting the target identified in Section 10608.16.

## Chapter 4 Agricultural Water Suppliers

### SECTION 10608.48

- 10608.48.(a) On or before July 31, 2012, an agricultural water supplier shall implement efficient water management practices pursuant to subdivisions (b) and (c).
- (b) Agricultural water suppliers shall implement all of the following critical efficient management practices:
- (1) Measure the volume of water delivered to customers with sufficient accuracy to comply with subdivision (a) of Section 531.10 and to implement paragraph (2).
  - (2) Adopt a pricing structure for water customers based at least in part on quantity delivered.
- (c) Agricultural water suppliers shall implement additional efficient management practices, including, but not limited to, practices to accomplish all of the following, if the measures are locally cost effective and technically feasible:
- (1) Facilitate alternative land use for lands with exceptionally high water duties or whose irrigation contributes to significant problems, including drainage.
  - (2) Facilitate use of available recycled water that otherwise would not be used beneficially, meets all health and safety criteria, and does not harm crops or soils.
  - (3) Facilitate the financing of capital improvements for on-farm irrigation systems.
  - (4) Implement an incentive pricing structure that promotes one or more of the following goals:
    - (A) More efficient water use at the farm level.
    - (B) Conjunctive use of groundwater.
    - (C) Appropriate increase of groundwater recharge.
    - (D) Reduction in problem drainage.
    - (E) Improved management of environmental resources.
    - (F) Effective management of all water sources throughout the year by adjusting seasonal pricing structures based on current conditions.
  - (5) Expand line or pipe distribution systems, and construct regulatory reservoirs to increase distribution system flexibility and capacity, decrease maintenance, and reduce seepage.

- (6) Increase flexibility in water ordering by, and delivery to, water customers within operational limits.
  - (7) Construct and operate supplier spill and tailwater recovery systems.
  - (8) Increase planned conjunctive use of surface water and groundwater within the supplier service area.
  - (9) Automate canal control structures.
  - (10) Facilitate or promote customer pump testing and evaluation.
  - (11) Designate a water conservation coordinator who will develop and implement the water management plan and prepare progress reports.
  - (12) Provide for the availability of water management services to water users. These services may include, but are not limited to, all of the following:
    - (A) On-farm irrigation and drainage system evaluations.
    - (B) Normal year and real-time irrigation scheduling and crop evapotranspiration information.
    - (C) Surface water, groundwater, and drainage water quantity and quality data.
    - (D) Agricultural water management educational programs and materials for farmers, staff, and the public.
  - (13) Evaluate the policies of agencies that provide the supplier with water to identify the potential for institutional changes to allow more flexible water deliveries and storage.
  - (14) Evaluate and improve the efficiencies of the supplier's pumps.
- (d) Agricultural water suppliers shall include in the agricultural water management plans required pursuant to Part 2.8 (commencing with Section 10800) a report on which efficient water management practices have been implemented and are planned to be implemented, an estimate of the water use efficiency improvements that have occurred since the last report, and an estimate of the water use efficiency improvements estimated to occur five and 10 years in the future. If an agricultural water supplier determines that an efficient water management practice is not locally cost effective or technically feasible, the supplier shall submit information documenting that determination.
- (e) The data shall be reported using a standardized form developed pursuant to Section 10608.52.
- (f) An agricultural water supplier may meet the requirements of subdivisions (d) and (e) by submitting to the department a water conservation plan submitted to the United States Bureau of Reclamation that meets the requirements described in Section 10828.

- (g) On or before December 31, 2013, December 31, 2016, and December 31, 2021, the department, in consultation with the board, shall submit to the Legislature a report on the agricultural efficient water management practices that have been implemented and are planned to be implemented and an assessment of the manner in which the implementation of those efficient water management practices has affected and will affect agricultural operations, including estimated water use efficiency improvements, if any.
- (h) The department may update the efficient water management practices required pursuant to subdivision (c), in consultation with the Agricultural Water Management Council, the United States Bureau of Reclamation, and the board. All efficient water management practices for agricultural water use pursuant to this chapter shall be adopted or revised by the department only after the department conducts public hearings to allow participation of the diverse geographical areas and interests of the state.
- (i)
  - (1) The department shall adopt regulations that provide for a range of options that agricultural water suppliers may use or implement to comply with the measurement requirement in paragraph (1) of subdivision (b).
  - (2) The initial adoption of a regulation authorized by this subdivision is deemed to address an emergency, for purposes of Sections 11346.1 and 11349.6 of the Government Code, and the department is hereby exempted for that purpose from the requirements of subdivision (b) of Section 11346.1 of the Government Code. After the initial adoption of an emergency regulation pursuant to this subdivision, the department shall not request approval from the Office of Administrative Law to readopt the regulation as an emergency regulation pursuant to Section 11346.1 of the Government Code.

## **Chapter 5 Sustainable Water Management**

### **Section 10608.50**

- 10608.50.(a) The department, in consultation with the board, shall promote implementation of regional water resources management practices through increased incentives and removal of barriers consistent with state and federal law. Potential changes may include, but are not limited to, all of the following:
- (1) Revisions to the requirements for urban and agricultural water management plans.
  - (2) Revisions to the requirements for integrated regional water management plans.
  - (3) Revisions to the eligibility for state water management grants and loans.

- (4) Revisions to state or local permitting requirements that increase water supply opportunities, but do not weaken water quality protection under state and federal law.
- (5) Increased funding for research, feasibility studies, and project construction.
- (6) Expanding technical and educational support for local land use and water management agencies.
- (b) No later than January 1, 2011, and updated as part of the California Water Plan, the department, in consultation with the board, and with public input, shall propose new statewide targets, or review and update existing statewide targets, for regional water resources management practices, including, but not limited to, recycled water, brackish groundwater desalination, and infiltration and direct use of urban stormwater runoff.

## **Chapter 6 Standardized Data Collection**

### **SECTION 10608.52**

- 10608.52.(a) The department, in consultation with the board, the California Bay-Delta Authority or its successor agency, the State Department of Public Health, and the Public Utilities Commission, shall develop a single standardized water use reporting form to meet the water use information needs of each agency, including the needs of urban water suppliers that elect to determine and report progress toward achieving targets on a regional basis as provided in subdivision (a) of Section 10608.28.
- (b) At a minimum, the form shall be developed to accommodate information sufficient to assess an urban water supplier's compliance with conservation targets pursuant to Section 10608.24 and an agricultural water supplier's compliance with implementation of efficient water management practices pursuant to subdivision (a) of Section 10608.48. The form shall accommodate reporting by urban water suppliers on an individual or regional basis as provided in subdivision (a) of Section 10608.28.

## **Chapter 7 Funding Provisions**

### **Section 10608.56-10608.60**

- 10608.56.(a) On and after July 1, 2016, an urban retail water supplier is not eligible for a water grant or loan awarded or administered by the state unless the supplier complies with this part.
- (b) On and after July 1, 2013, an agricultural water supplier is not eligible for a water grant or loan awarded or administered by the state unless the supplier complies with this part.

- (c) Notwithstanding subdivision (a), the department shall determine that an urban retail water supplier is eligible for a water grant or loan even though the supplier has not met the per capita reductions required pursuant to Section 10608.24, if the urban retail water supplier has submitted to the department for approval a schedule, financing plan, and budget, to be included in the grant or loan agreement, for achieving the per capita reductions. The supplier may request grant or loan funds to achieve the per capita reductions to the extent the request is consistent with the eligibility requirements applicable to the water funds.
  - (d) Notwithstanding subdivision (b), the department shall determine that an agricultural water supplier is eligible for a water grant or loan even though the supplier is not implementing all of the efficient water management practices described in Section 10608.48, if the agricultural water supplier has submitted to the department for approval a schedule, financing plan, and budget, to be included in the grant or loan agreement, for implementation of the efficient water management practices. The supplier may request grant or loan funds to implement the efficient water management practices to the extent the request is consistent with the eligibility requirements applicable to the water funds.
  - (e) Notwithstanding subdivision (a), the department shall determine that an urban retail water supplier is eligible for a water grant or loan even though the supplier has not met the per capita reductions required pursuant to Section 10608.24, if the urban retail water supplier has submitted to the department for approval documentation demonstrating that its entire service area qualifies as a disadvantaged community.
  - (f) The department shall not deny eligibility to an urban retail water supplier or agricultural water supplier in compliance with the requirements of this part and Part 2.8 (commencing with Section 10800), that is participating in a multiagency water project, or an integrated regional water management plan, developed pursuant to Section 75026 of the Public Resources Code, solely on the basis that one or more of the agencies participating in the project or plan is not implementing all of the requirements of this part or Part 2.8 (commencing with Section 10800).
- 10608.60.(a) It is the intent of the Legislature that funds made available by Section 75026 of the Public Resources Code should be expended, consistent with Division 43 (commencing with Section 75001) of the Public Resources Code and upon appropriation by the Legislature, for grants to implement this part. In the allocation of funding, it is the intent of the Legislature that the department give consideration to disadvantaged communities to assist in implementing the requirements of this part.
- (b) It is the intent of the Legislature that funds made available by Section 75041 of the Public Resources Code, should be expended, consistent with Division 43 (commencing with Section 75001) of the Public Resources Code and upon appropriation by the Legislature, for direct expenditures to implement this part.



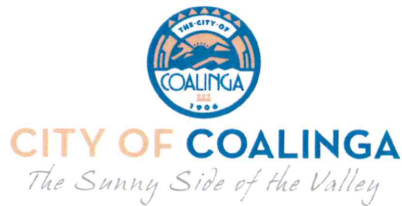
## **Chapter 8 Quantifying Agricultural Water Use Efficiency**

### SECTION 10608.64

10608.64. The department, in consultation with the Agricultural Water Management Council, academic experts, and other stakeholders, shall develop a methodology for quantifying the efficiency of agricultural water use. Alternatives to be assessed shall include, but not be limited to, determination of efficiency levels based on crop type or irrigation system distribution uniformity. On or before December 31, 2011, the department shall report to the Legislature on a proposed methodology and a plan for implementation. The plan shall include the estimated implementation costs and the types of data needed to support the methodology. Nothing in this section authorizes the department to implement a methodology established pursuant to this section.

**APPENDIX C**  
**NOTIFICATION LETTER**

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**Notice of Preparation**  
**City of Coalinga 2015 Urban Water Management Plan**

In accordance with the Urban Water Management Planning Act (California Water Code Sections 10610 to 10657), urban water suppliers are required to prepare an Urban Water Management Plan and update it every five years. The City of Coalinga (City) is preparing the 2015 UWMP for submission to the California Department of Water Resources (DWR).

We invite your participation in this process. A Draft of the 2015 UWMP will be made available for public review within the next few months. Public hearings will be scheduled sixty (60) days before adoption of the 2015 UWMP by the City council.

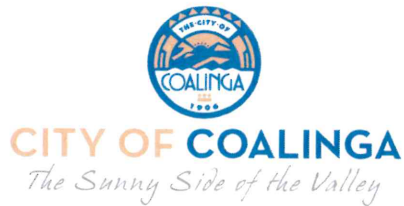
If you would like more information regarding the City of Coalinga 2015 UWMP please contact:

Sean Brewer  
Assistant City Manager  
City of Coalinga  
155 West Durian  
Coalinga, CA 93210  
e-mail: [sbrewer@coalinga.com](mailto:sbrewer@coalinga.com)

Sincerely,



Sean Brewer  
City of Coalinga



March 17, 2020

Westlands Water District  
Thomas W. Birmingham  
General Manager  
3130 N. Fresno Street  
P.O. Box 6056  
Fresno, CA 93703

**Subject: Notice of Preparation for City of Coalinga 2015 Urban Water Management Plan**

In accordance with the Urban Water Management Planning Act (California Water Code Sections 10610 to 10657), urban water suppliers are required to prepare an Urban Water Management Plan and update it every five years. The City of Coalinga (City) is preparing the 2015 UWMP for submission to the California Department of Water Resources (DWR).

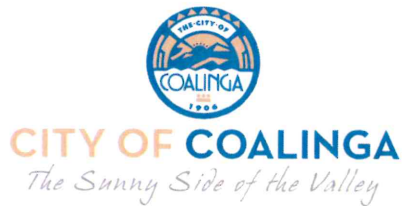
We invite your participation in this process. A Draft of the 2015 UWMP will be made available for public review within the next few months. Public hearings will be scheduled sixty (60) days before adoption of the 2015 UWMP by the City council.

If you would like more information regarding the City of Coalinga 2015 UWMP please contact:

Sean Brewer  
Assistant City Manager  
City of Coalinga  
155 West Durian  
Coalinga, CA 93210  
e-mail: [sbrewer@coalinga.com](mailto:sbrewer@coalinga.com)

Sincerely,

Sean Brewer  
City of Coalinga



March 17, 2020

U.S Bureau of Reclamation  
Michael P. Jackson, P.E.  
Area Manager  
South-Central California Area Office  
1243 N Street  
Fresno, CA 93727

**Subject: Notice of Preparation for City of Coalinga 2015 Urban Water Management Plan**

In accordance with the Urban Water Management Planning Act (California Water Code Sections 10610 to 10657), urban water suppliers are required to prepare an Urban Water Management Plan and update it every five years. The City of Coalinga (City) is preparing the 2015 UWMP for submission to the California Department of Water Resources (DWR).

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If you would like more information regarding the City of Coalinga 2015 UWMP please contact:

Sean Brewer  
Assistant City Manager  
City of Coalinga  
155 West Durian  
Coalinga, CA 93210  
e-mail: [sbrewer@coalinga.com](mailto:sbrewer@coalinga.com)

Sincerely,



Sean Brewer  
City of Coalinga



March 17, 2020

Coalinga-Huron Unified School District  
Lori Villanueva  
Superintendent  
657 Sunset St.  
Coalinga, CA 93210

**Subject: Notice of Preparation for City of Coalinga 2015 Urban Water Management Plan**

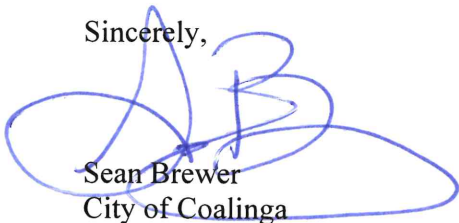
In accordance with the Urban Water Management Planning Act (California Water Code Sections 10610 to 10657), urban water suppliers are required to prepare an Urban Water Management Plan and update it every five years. The City of Coalinga (City) is preparing the 2015 UWMP for submission to the California Department of Water Resources (DWR).

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If you would like more information regarding the City of Coalinga 2015 UWMP please contact:

Sean Brewer  
Assistant City Manager  
City of Coalinga  
155 West Durian  
Coalinga, CA 93210  
e-mail: [sbrewer@coalinga.com](mailto:sbrewer@coalinga.com)

Sincerely,



Sean Brewer  
City of Coalinga





March 17, 2020

County of Fresno  
Bernard Jimenez  
Department of Public Works and Planning  
2220 Tulare Street  
Fresno, CA 93721

**Subject: Notice of Preparation for City of Coalinga 2015 Urban Water Management Plan**

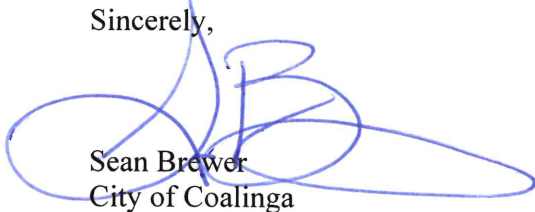
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Sean Brewer  
Assistant City Manager  
City of Coalinga  
155 West Durian  
Coalinga, CA 93210  
e-mail: [sbrewer@coalinga.com](mailto:sbrewer@coalinga.com)

Sincerely,



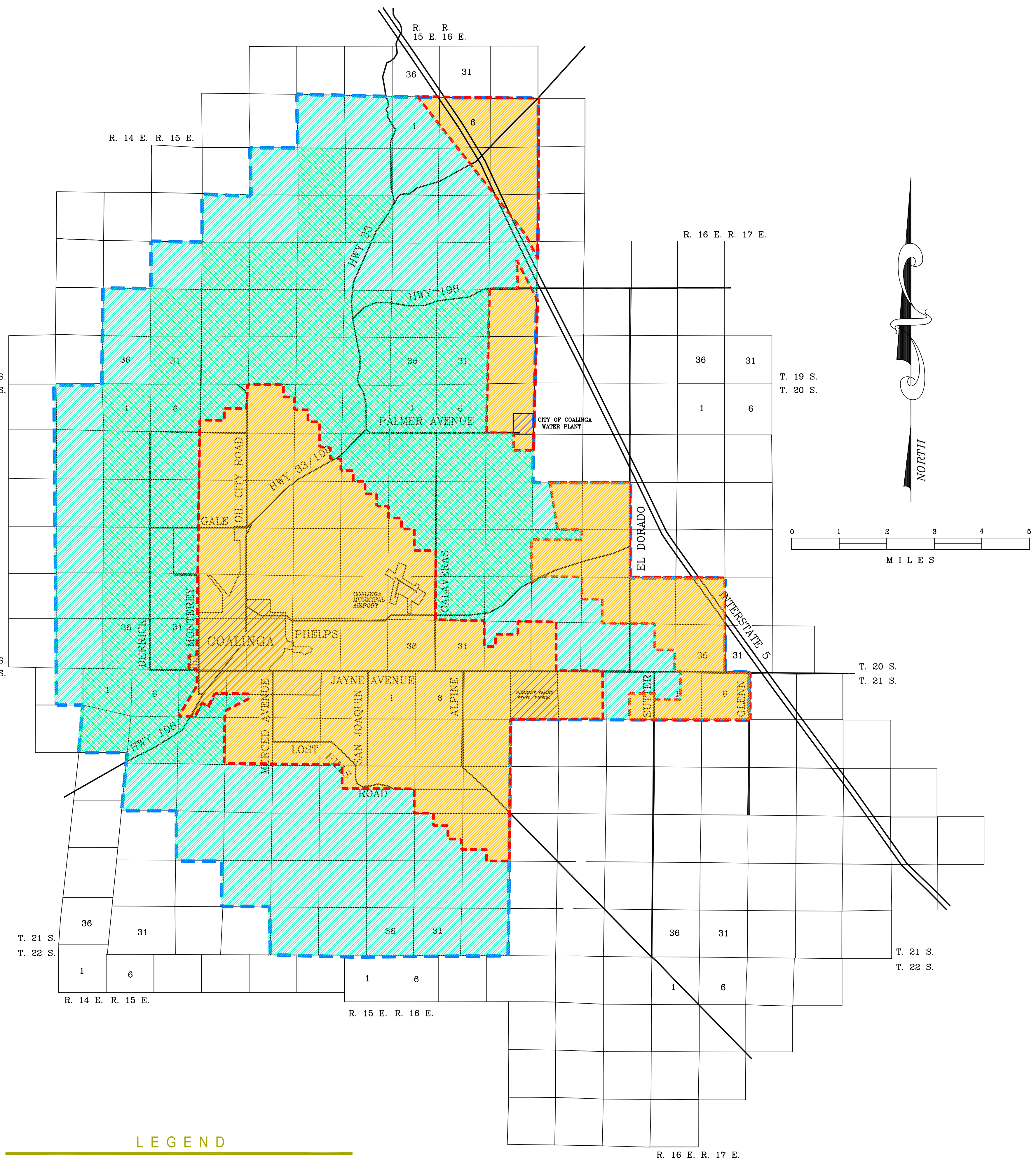
Sean Brewer  
City of Coalinga

**APPENDIX D**  
**SERVICE AREA MAP**

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DWG: V:\S08\0008 Coalinga Water Rights CAD\PLANSET\Bureau-2.dwg  
DATE: Jun 21, 2006 2:35pm  
USER: drodriguez  
XREFS: C-RP



#### LEGEND

- USBR CONSOLIDATED PLACE OF USE (POU) BOUNDARY
- WATER SERVICE AREA
- EXPANSION LANDS
- ENCROACHMENT LANDS
- CITY OF COALINGA DISTRICT BOUNDARY
- CITY LIMITS

### CITY OF COALINGA WATER SERVICE AREA AND USBR CONSOLIDATED PLACE OF USE

**APPENDIX E**  
**SB X7-7 VERIFICATION FORM**

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## SB X7-7 Verification Form Version FINAL.1

Table 4-C.4 has been modified from the FINAL version.

WUEdata Entry Exceptions	
The data from the tables below will not be entered into WUEdata tables (the tabs for these tables' worksheets are colored <b>purple</b> ). These tables will be submitted as separate uploads, in Excel, to WUEdata.	
<b>Process Water Deduction</b>	
SB X7-7 tables 4-C, 4-C.1, 4-C.2, 4-C.3, 4-C.4 and 4-D	A
supplier that will use the process water deduction will complete the appropriate tables in Excel, submit them as a separate upload to the WUE data tool, and include them in its UWMP.	
<b>Target Method 2</b>	
SB X7-7 tables 7-B, 7-C, and 7-D	
A supplier that selects Target Method 2 will contact DWR (gwen.huff@water.ca.gov) for SB X7-7 tables 7-B, 7-C, and 7-D.	
<b>Target Method 4</b>	
These tables are only available online at	
<a href="http://www.dwr.water.ca.gov/wateruseefficiency/sb7/committees/urban/u4/ptm4.cfm">http://www.dwr.water.ca.gov/wateruseefficiency/sb7/committees/urban/u4/ptm4.cfm</a>	A supplier
that selects Target Method 4 will save the tables from the website listed above, complete the tables, submit as a separate upload to WUE data, and include them with its UWMP.	

**SB X7-7 Table 0: Units of Measure Used in UWMP\***

*(select one from the drop down list)*

Million Gallons

*\*The unit of measure must be consistent with Table 2-3*

NOTES:



SB X7-7 Table-1: Baseline Period Ranges			
Baseline	Parameter	Value	Units
10- to 15-year baseline period	2008 total water deliveries	1,942	Million Gallons
	2008 total volume of delivered recycled water	-	Million Gallons
	2008 recycled water as a percent of total deliveries	0.00%	Percent
	Number of years in baseline period <sup>1, 2</sup>	10	Years
	Year beginning baseline period range	2001	
	Year ending baseline period range <sup>3</sup>	2010	
5-year baseline period	Number of years in baseline period	5	Years
	Year beginning baseline period range	2006	
	Year ending baseline period range <sup>4</sup>	2010	
<sup>1</sup> If the 2008 recycled water percent is less than 10 percent, then the first baseline period is a continuous 10-year period. If the amount of recycled water delivered in 2008 is 10 percent or greater, the first baseline period is a continuous 10- to 15-year period. <sup>2</sup> The Water Code requires that the baseline period is between 10 and 15 years. However, DWR recognizes that some water suppliers may not have the minimum 10 years of baseline data.			
<sup>3</sup> The ending year must be between December 31, 2004 and December 31, 2010.			
<sup>4</sup> The ending year must be between December 31, 2007 and December 31, 2010.			
NOTES:			

**SB X7-7 Table 2: Method for Population Estimates**

**Method Used to Determine Population**  
(may check more than one)

**1. Department of Finance (DOF)**

DOF Table E-8 (1990 - 2000) and (2000-2010) and  
DOF Table E-5 (2011 - 2015) when available

**2. Persons-per-Connection Method****3. DWR Population Tool****4. Other**

DWR recommends pre-review

NOTES:

**SB X7-7 Table 3: Service Area Population**

Year		Population
10 to 15 Year Baseline Population		
Year 1	2001	19,094
Year 2	2002	19,287
Year 3	2003	19,574
Year 4	2004	19,991
Year 5	2005	21,297
Year 6	2006	22,352
Year 7	2007	23,713
Year 8	2008	24,187
Year 9	2009	24,118
Year 10	2010	24,270
Year 11		
Year 12		
Year 13		
Year 14		
Year 15		
5 Year Baseline Population		
Year 1	2006	22,352
Year 2	2007	23,713
Year 3	2008	24,187
Year 4	2009	24,118
Year 5	2010	24,270
2015 Compliance Year Population		
2015		25,128
NOTES:		

**SB X7-7 Table 4: Annual Gross Water Use \***

Baseline Year <i>Fm SB X7-7 Table 3</i>		Volume Into Distribution System <i>This column will remain blank until SB X7-7 Table 4-A is completed.</i>	Deductions					Annual Gross Water Use
			Exported Water	Change in Dist. System Storage (+/-)	Indirect Recycled Water <i>This column will remain blank until SB X7-7 Table 4-B is completed.</i>	Water Delivered for Agricultural Use	Process Water <i>This column will remain blank until SB X7-7 Table 4-D is completed.</i>	
10 to 15 Year Baseline - Gross Water Use								
Year 1	2001	1,553	-	-	-	-	-	1,553
Year 2	2002	1,548	-	-	-	-	-	1,548
Year 3	2003	1,571	-	-	-	-	-	1,571
Year 4	2004	1,747	-	-	-	-	-	1,747
Year 5	2005	1,708	-	-	-	-	-	1,708
Year 6	2006	1,782	-	-	-	-	-	1,782
Year 7	2007	1,986	-	-	-	-	-	1,986
Year 8	2008	1,942	-	-	-	-	-	1,942
Year 9	2009	1,826	-	-	-	-	-	1,826
Year 10	2010	1,748	-	-	-	-	-	1,748
Year 11	-	-			-		-	-
Year 12	-	-			-		-	-
Year 13	-	-			-		-	-
Year 14	-	-			-		-	-
Year 15	-	-			-		-	-
10 - 15 year baseline average gross water use								1,741
5 Year Baseline - Gross Water Use								
Year 1	2006	1,782	-	-	-	-	-	1,782
Year 2	2007	1,986	-	-	-	-	-	1,986
Year 3	2008	1,942	-	-	-	-	-	1,942
Year 4	2009	1,826	-	-	-	-	-	1,826
Year 5	2010	1,748	-	-	-	-	-	1,748
5 year baseline average gross water use								1,857
2015 Compliance Year - Gross Water Use								
2015		1,687	-	-	-	-	-	1,687
* NOTE that the units of measure must remain consistent throughout the UWMP, as reported in Table 2-3								
NOTES:								



**SB X7-7 Table 4-B: Indirect Recycled Water Use Deduction** *(For use only by agencies that are deducting indirect recycled water)*

Baseline Year <i>Fm SB X7-7 Table 3</i>		Surface Reservoir Augmentation					Groundwater Recharge			Total Deductible Volume of Indirect Recycled Water Entering the Distribution System
		Volume Discharged from Reservoir for Distribution System Delivery	Percent Recycled Water	Recycled Water Delivered to Treatment Plant	Transmission/ Treatment Loss	Recycled Volume Entering Distribution System from Surface Reservoir Augmentation	Recycled Water Pumped by Utility*	Transmission/ Treatment Losses	Recycled Volume Entering Distribution System from Groundwater Recharge	
10-15 Year Baseline - Indirect Recycled Water Use										
Year 1	2001	-	-	-	-	-	-	-	-	-
Year 2	2004	-	-	-	-	-	-	-	-	-
Year 3	2005	-	-	-	-	-	-	-	-	-
Year 4	2006	-	-	-	-	-	-	-	-	-
Year 5	2007	-	-	-	-	-	-	-	-	-
Year 6	2008	-	-	-	-	-	-	-	-	-
Year 7	2009	-	-	-	-	-	-	-	-	-
Year 8	2010	-	-	-	-	-	-	-	-	-
Year 9	#REF!	-	-	-	-	-	-	-	-	-
Year 10	#REF!	-	-	-	-	-	-	-	-	-
Year 11	0			-	-	-			-	-
Year 12	0			-	-	-			-	-
Year 13	0			-	-	-			-	-
Year 14	0			-	-	-			-	-
Year 15	0			-	-	-			-	-
5 Year Baseline - Indirect Recycled Water Use										
Year 1	2006	-	-	-	-	-	-	-	-	-
Year 2	2007	-	-	-	-	-	-	-	-	-
Year 3	2008	-	-	-	-	-	-	-	-	-
Year 4	2009	-	-	-	-	-	-	-	-	-
Year 5	2010	-	-	-	-	-	-	-	-	-
2015 Compliance - Indirect Recycled Water Use										
2015		-	-	-	-	-	-	-	-	-
*Suppliers will provide supplemental sheets to document the calculation for their input into "Recycled Water Pumped by Utility". The volume reported in this cell must be less than total groundwater pumped - See Methodology 1, Step 8, section 2.c.										
NOTES:										

**SB X7-7 Table 4-C: Process Water Deduction Eligibility**

*(For use only by agencies that are deducting process water) Choose Only One*

<input type="checkbox"/>	<b>Criteria 1-</b> Industrial water use is equal to or greater than 12% of gross water use. Complete SB X7-7 Table 4-C.1
<input type="checkbox"/>	<b>Criteria 2</b> - Industrial water use is equal to or greater than 15 GPCD. Complete SB X7-7 Table 4-C.2
<input type="checkbox"/>	<b>Criteria 3</b> - Non-industrial use is equal to or less than 120 GPCD. Complete SB X7-7 Table 4-C.3
<input checked="" type="checkbox"/>	<b>Criteria 4</b> - Disadvantaged Community. Complete SB x7-7 Table 4-C.4

NOTES:

## SB X7-7 Table 4-C.1: Process Water Deduction Eligibility

### Criteria 1

Industrial water use is equal to or greater than 12% of gross water use

Baseline Year <i>Fm SB X7-7 Table 3</i>		Gross Water Use Without Process Water Deduction	Industrial Water Use	Percent Industrial Water	Eligible for Exclusion Y/N
10 to 15 Year Baseline - Process Water Deduction Eligibility					
Year 1	2001	1,553		0%	NO
Year 2	2004	1,747		0%	NO
Year 3	2005	1,708		0%	NO
Year 4	2006	1,782		0%	NO
Year 5	2007	1,986		0%	NO
Year 6	2008	1,942		0%	NO
Year 7	2009	1,826		0%	NO
Year 8	2010	1,748		0%	NO
Year 9	#REF!	#REF!			NO
Year 10	#REF!	#REF!			NO
Year 11	0	-			NO
Year 12	0	-			NO
Year 13	0	-			NO
Year 14	0	-			NO
Year 15	0	-			NO
5 Year Baseline - Process Water Deduction Eligibility					
Year 1	2006	1,782		0%	NO
Year 2	2007	1,986		0%	NO
Year 3	2008	1,942		0%	NO
Year 4	2009	1,826		0%	NO
Year 5	2010	1,748		0%	NO
2015 Compliance Year - Process Water Deduction Eligibility					
2015		1,687		0%	NO
NOTES:					

## SB X7-7 Table 4-C.2: Process Water Deduction Eligibility

### Criteria 2

Industrial water use is equal to or greater than 15 GPCD

Baseline Year <i>Fm SB X7-7 Table 3</i>	Industrial Water Use	Population	Industrial GPCD	Eligible for Exclusion Y/N
10 to 15 Year Baseline - Process Water Deduction Eligibility				
Year 1	2001		19,574	- NO
Year 2	2004		19,991	- NO
Year 3	2005		21,297	- NO
Year 4	2006		22,352	- NO
Year 5	2007		23,713	- NO
Year 6	2008		24,187	- NO
Year 7	2009		24,118	- NO
Year 8	2010		24,270	- NO
Year 9	#REF!		#REF!	NO
Year 10	#REF!		#REF!	NO
<i>Year 11</i>	0		-	NO
<i>Year 12</i>	0		-	NO
<i>Year 13</i>	0		-	NO
<i>Year 14</i>	0		-	NO
<i>Year 15</i>	0		-	NO
5 Year Baseline - Process Water Deduction Eligibility				
Year 1	2006		22,352	- NO
Year 2	2007		23,713	- NO
Year 3	2008		24,187	- NO
Year 4	2009		24,118	- NO
Year 5	2010		24,270	- NO
2015 Compliance Year - Process Water Deduction Eligibility				
<b>2015</b>			25,128	- NO
NOTES:				

**SB X7-7 Table 4-C.3: Process Water Deduction Eligibility**
**Criteria 3**

Non-industrial use is equal to or less than 120 GPCD

Baseline Year <i>Fm SB X7-7 Table 3</i>	Gross Water Use Without Process Water Deduction <i>Fm SB X7-7 Table 4</i>	Industrial Water Use	Non-industrial Water Use	Population <i>Fm SB X7-7 Table 3</i>	Non-Industrial GPCD	Eligible for Exclusion Y/N
--	--	----------------------	--------------------------	---	---------------------	-------------------------------

**10 to 15 Year Baseline - Process Water Deduction Eligibility**

Year 1	2001	1,553		1,553	19,574	217	NO
Year 2	2004	1,747		1,747	19,991	239	NO
Year 3	2005	1,708		1,708	21,297	220	NO
Year 4	2006	1,782		1,782	22,352	218	NO
Year 5	2007	1,986		1,986	23,713	229	NO
Year 6	2008	1,942		1,942	24,187	220	NO
Year 7	2009	1,826		1,826	24,118	207	NO
Year 8	2010	1,748		1,748	24,270	197	NO
Year 9	#REF!	#REF!		#REF!	#REF!		NO
Year 10	#REF!	#REF!		#REF!	#REF!		NO
Year 11	0	-		-	-		NO
Year 12	0	-		-	-		NO
Year 13	0	-		-	-		NO
Year 14	0	-		-	-		NO
Year 15	0	-		-	-		NO

**5 Year Baseline - Process Water Deduction Eligibility**

Year 1	2006	1,782		1,782	22,352	218	NO
Year 2	2007	1,986		1,986	23,713	229	NO
Year 3	2008	1,942		1,942	24,187	220	NO
Year 4	2009	1,826		1,826	24,118	207	NO
Year 5	2010	1,748		1,748	24,270	197	NO

**2015 Compliance Year - Process Water Deduction Eligibility**

2015	1,687		1,687	25,128	184	NO
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NOTES:

**SB X7-7 Table 4-C.4: Process Water Deduction Eligibility****Criteria 4**

Disadvantaged Community. A “Disadvantaged Community” (DAC) is a community with a median household income less than 80 percent of the statewide average.

**SELECT ONE**

"Disadvantaged Community" status was determined using one of the methods listed below:

**1. IRWM DAC Mapping tool**

[http://www.water.ca.gov/irwm/grants/resources\\_dac.cfm](http://www.water.ca.gov/irwm/grants/resources_dac.cfm)

If using the IRWM DAC Mapping Tool, include a screen shot from the tool showing that the service area is considered a DAC.

**2. 2010 Median Income**

California Median  
Household Income

Service Area  
Median Household  
Income

Percentage of  
Statewide  
Average

**Eligible for  
Exclusion?  
Y/N**

**2015 Compliance Year - Process Water Deduction Eligibility**

2010

\$60,883

\$43,099

71%

YES

NOTES:

**SB X7-7 Table 5: Gallons Per Capita Per Day (GPCD)**

<b>Baseline Year</b> <i>Fm SB X7-7 Table 3</i>	<b>Service Area Population</b> <i>Fm SB X7-7 Table 3</i>	<b>Annual Gross Water Use</b> <i>Fm SB X7-7 Table 4</i>	<b>Daily Per Capita Water Use (GPCD)</b>
---	---	--	--

**10 to 15 Year Baseline GPCD**

Year 1	2001	19,094	1,553	223
Year 2	2002	19,287	1,548	220
Year 3	2003	19,574	1,571	220
Year 4	2004	19,991	1,747	239
Year 5	2005	21,297	1,708	220
Year 6	2006	22,352	1,782	218
Year 7	2007	23,713	1,986	229
Year 8	2008	24,187	1,942	220
Year 9	2009	24,118	1,826	207
Year 10	2010	24,270	1,748	197
<i>Year 11</i>	0	-	-	
<i>Year 12</i>	0	-	-	
<i>Year 13</i>	0	-	-	
<i>Year 14</i>	0	-	-	
<i>Year 15</i>	0	-	-	

<b>10-15 Year Average Baseline GPCD</b>	<b>219</b>
---	------------

**5 Year Baseline GPCD**

Baseline Year <i>Fm SB X7-7 Table 3</i>		Service Area Population <i>Fm SB X7-7 Table 3</i>	Gross Water Use <i>Fm SB X7-7 Table 4</i>	Daily Per Capita Water Use
Year 1	2006	22,352	1,782	218
Year 2	2007	23,713	1,986	229
Year 3	2008	24,187	1,942	220
Year 4	2009	24,118	1,826	207
Year 5	2010	24,270	1,748	197

<b>5 Year Average Baseline GPCD</b>	<b>215</b>
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**2015 Compliance Year GPCD**

<b>2015</b>	25,128	1,687	<b>184</b>
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NOTES:

**SB X7-7 Table 6: Gallons per Capita per Day***Summary From Table SB X7-7 Table 5*

10-15 Year Baseline GPCD	219
5 Year Baseline GPCD	215
2015 Compliance Year GPCD	184

NOTES:



**SB X7-7 Table 7: 2020 Target Method***Select Only One*

Target Method		Supporting Documentation
<input checked="" type="checkbox"/>	Method 1	SB X7-7 Table 7A
<input type="checkbox"/>	Method 2	SB X7-7 Tables 7B, 7C, and 7D <i>Contact DWR for these tables</i>
<input type="checkbox"/>	Method 3	SB X7-7 Table 7-E
<input type="checkbox"/>	Method 4	Method 4 Calculator

NOTES:

**SB X7-7 Table 7-A: Target Method 1**  
20% Reduction

10-15 Year Baseline GPCD	2020 Target GPCD
219	176

NOTES:

SB X7-7 Table 7-B: Target Method 2 Landscape Water Use	Target
Tables for Target Method 2 (SB X7-7 Tables 7-B, 7-C, and 7-D) are not included in the SB X7-7 Verification Form, but are still required for water suppliers using Target Method 2. These water suppliers should contact Gwen Huff at (916) 651-9672 or <a href="mailto:gwen.huff@water.ca.gov">gwen.huff@water.ca.gov</a>	

**SB X7-7 Table 7-C: Target Method 2**

**Target CII Water Use**

Tables for Target Method 2 (SB X7-7 Tables 7-B, 7-C, and 7-D) are not included in the SB X7-7 Verification Form, but are still required for water suppliers using Target Method 2. These water suppliers should contact Gwen Huff at (916) 651-9672 or [gwen.huff@water.ca.gov](mailto:gwen.huff@water.ca.gov)

**SB X7-7 Table 7-D: Target Method 2 Summary**

Tables for Target Method 2 (SB X7-7 Tables 7-B, 7-C, and 7-D) are not included in the SB X7-7 Verification Form, but are still required for water suppliers using Target Method 2. These water suppliers should contact Gwen Huff at (916) 651-9672 or [gwen.huff@water.ca.gov](mailto:gwen.huff@water.ca.gov)

**SB X7-7 Table 7-E: Target Method 3**

Agency May Select More Than One as Applicable	Percentage of Service Area in This Hydrological Region	Hydrologic Region	"2020 Plan" Regional Targets	Method 3 Regional Targets (95%)
<input type="checkbox"/>		North Coast	137	130
<input type="checkbox"/>		North Lahontan	173	164
<input type="checkbox"/>		Sacramento River	176	167
<input type="checkbox"/>		San Francisco Bay	131	124
<input checked="" type="checkbox"/>	100%	San Joaquin River	174	165
<input type="checkbox"/>		Central Coast	123	117
<input type="checkbox"/>		Tulare Lake	188	179
<input type="checkbox"/>		South Lahontan	170	162
<input type="checkbox"/>		South Coast	149	142
<input type="checkbox"/>		Colorado River	211	200
<b>Target</b> <i>(If more than one region is selected, this value is calculated.)</i>				<b>165</b>
NOTES:				

**SB X7-7 Table 7-F: Confirm Minimum Reduction for 2020 Target**

5 Year Baseline GPCD <i>From SB X7-7 Table 5</i>	Maximum 2020 Target <sup>1</sup>	Calculated 2020 Target <sup>2</sup>	<b>Confirmed 2020 Target</b>
215	204	176	<b>176</b>

<sup>1</sup> Maximum 2020 Target is 95% of the 5 Year Baseline GPCD except for suppliers at or below 100 GPCD.

<sup>2</sup> 2020 Target is calculated based on the selected Target Method, see SB X7-7 Table 7 and corresponding tables for agency's calculated target.

NOTES:

**SB X7-7 Table 8: 2015 Interim Target GPCD**

Confirmed 2020 Target <i>Fm SB X7-7 Table 7-F</i>	10-15 year Baseline GPCD <i>Fm SB X7-7 Table 5</i>	<b>2015 Interim Target GPCD</b>
176	219	<b>198</b>

NOTES:



SB X7-7 Table 9: 2015 Compliance

Actual 2015 GPCD	2015 Interim Target GPCD	Optional Adjustments <i>(in GPCD)</i>					2015 GPCD <i>(Adjusted if applicable)</i>	Did Supplier Achieve Targeted Reduction for 2015?
		Enter "0" if Adjustment Not Used			TOTAL Adjustments	Adjusted 2015 GPCD		
		Extraordinary Events	Weather Normalization	Economic Adjustment				
184	198	<i>From Methodology 8 (Optional)</i>	<i>From Methodology 8 (Optional)</i>	<i>From Methodology 8 (Optional)</i>	-	184	184	YES

NOTES:

**APPENDIX F**  
**GROUNDWATER BULLETIN 118**

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## **San Joaquin Valley Groundwater Basin Pleasant Valley Subbasin**

- Groundwater Basin Number: 5-22.10
- County: Fresno, Kings
- Surface Area: 146,000 acres (227 square miles)

### **Basin Boundaries and Hydrology**

The San Joaquin Valley is surrounded on the west by the Coast Ranges, on the south by the San Emigdio and Tehachapi Mountains, on the east by the Sierra Nevada and on the north by the Sacramento-San Joaquin Delta and Sacramento Valley. The northern portion of the San Joaquin valley drains toward the Delta by the San Joaquin River and its tributaries, the Fresno, Merced, Tuolumne, and Stanislaus Rivers. The southern portion of the valley is internally drained by the Kings, Kaweah, Tule, and Kern Rivers that flow into the Tulare drainage basin including, the beds of the former Tulare, Buena Vista, and Kern Lakes.

The Pleasant Valley subbasin lies along the west side of the San Joaquin Valley, north of the Kings-Kern County line. It straddles the Fresno-Kings County Line. The subbasin is surrounded throughout most of its perimeter by Tertiary continental and marine sediments of the Coast Ranges and west flank of the Kettleman Hills. The subbasin includes the older and younger alluvium of the San Joaquin Valley. The eastern boundary of the subbasin abuts the Westside and Tulare Lake subbasins. The southern boundary abuts the Kern County subbasin. These subbasin boundaries have been derived from both hydrologic and political criteria. Several small, ephemeral streams enter the basin from the surrounding mountains; these streams include Los Gatos, Warthan, Jacalitos, Avenal, and Zapato Chino Creeks. Average precipitation values range from 7 in. for a majority of the basin with 9 in. along the western margin

### **Hydrogeologic Information**

The San Joaquin Valley represents the southern portion of the Great Central Valley of California. The San Joaquin Valley is a structural trough up to 200 miles long and 70 miles wide filled with up to 32,000 feet of marine and continental sediments deposited during periodic inundation by the Pacific Ocean and by erosion of the surrounding mountains, respectively.

Continental deposits shed from the surrounding mountains form an alluvial wedge that thickens from the valley margins toward the axis of the structural trough. This depositional axis is below to slightly west of the series of rivers, lakes, sloughs, and marshes which mark the current and historic axis of surface drainage in the San Joaquin Valley.

### ***Water Bearing Formations***

Geologic units comprising the Pleasant Valley subbasin include Holocene alluvium, the Plio-Pleistocene Tulare Formation, and possibly the upper part of the San Joaquin Formation. Specific yield is estimated to be 8.4 percent for the subbasin from DWR, San Joaquin District internal data. Williamson, Prudic, and Swain (1989) estimated water in storage in Pleasant Valley using a specific yield of 9.9 percent. For a study in Pleasant Valley WD, Summers

Engineering, Inc. (1986) estimated the specific yield at 10.3 percent. In another study for Pleasant Valley WD, Kenneth D. Schmidt and Associates (2000) estimated the average specific yield of deposits below the water table at 10 percent.

**Holocene Alluvium.** The alluvium consists of highly lenticular deposits of poorly sorted clay, silt, and sand with occasional interbeds of well-sorted fine-to-medium-grained sand. The thickness is unknown, but it is doubtful that it is more than 300 feet.

**Plio-Pleistocene Tulare Formation.** The alluvium consists of highly lenticular deposits of poorly sorted clay, silt, and sand with occasional interbeds of well-sorted fine-to-medium-grained sand. The thickness is unknown, but it is doubtful that it is more than 300 feet.

**San Joaquin Formation.** The San Joaquin Formation consists of unfossiliferous silt and clay beds alternating with beds of sandstone and conglomerate and contains marine, brackish water and nonmarine fossils (Kahanovit and Manning 1954).

### ***Recharge Areas***

Groundwater recharge is primary from seepage from the various streams that cross the subbasin. The cities of Coalinga, in the northern portion of the subbasin, and Avenal, near the longitudinal midpoint, import water for municipal purposes. The state prisons near Coalinga and Avenal also use imported water. Additional recharge may occur as a consequence of this water use.

### ***Groundwater Level Trends***

Summers Engineering, Inc. (1986) calculated the rate of water level decline between the mid-1960s and early 1980s in Pleasant Valley WD as 4.8 feet per year. Schmidt (2000) estimated the annual decline for the previous four decades at approximately 4 feet per year. The slower decline was attributed to recent reductions in groundwater pumping. In the past decade water levels have generally continued their long historic decline, with hydrographs on file with DWR indicating water level changes of -5 to -25 feet. Localized areas however have shown some rebound from 1995 to 2001.

### ***Groundwater Storage***

As part of this Bulletin 118 update, the total subbasin storage capacity is estimated to be 14,100,000 af. This assumes an average thickness of 1,150 feet (base of fresh water), a specific yield of 8.4 percent, and an area of 146,000 acres. Williamson, Prudic and Swain (1989) estimated the volume of water in storage to a maximum depth of 1,000 feet and a groundwater elevation in 1961 with a specific yield of 9.9 percent to be 4,000,000 af.

### ***Groundwater Budget (Type B)***

The budget presented below is based on data collected as part of DWR's Bulletin 160 preparation. The basis for calculations include a 1990 normalized year and land and water use data, with subsequent analysis by a DWR water budget spreadsheet to estimate overall applied water demands,

agricultural groundwater pumpage, urban pumping demand and other extraction data. No data for subsurface inflow or outflow exists. Applied water recharge is estimated at 4,000 af per year, there is no known artificial recharge, and natural recharge has not been determined. Estimated extractions include urban pumping at 5,700 af per year, agricultural pumping at 90,000 af per year, and oil industry related extractions 8,830 af per year.

### **Groundwater Quality**

Schmidt (2000) estimated the TDS of groundwater in Pleasant Valley WD ranged from 1,000 to 3,000 mg/L with an average of 1,500 mg/L. The constituents in groundwater include calcium, magnesium, sodium, bicarbonates, chlorides, sulfates, and boron. The high TDS concentrations limit the usability of groundwater in the subbasin for most uses.

### **Well Characteristics**

	<b>Well yields (gal/min)</b>	
Municipal/Irrigation	Range: 35-3,300 (DWR unpublished data)	
	<b>Total depths (ft)</b>	
Domestic	Range: Not Determined	Average: Not Determined
Municipal/Irrigation	Range: 300-1,760	Average: 1,000 (DWR unpublished data and Pleasant Valley Water District)

### **Active Monitoring Data**

<b>Agency</b>	<b>Parameter</b>	<b>Number of wells /measurement frequency</b>	
DWR and cooperators	Groundwater levels	151	Semi-annually
Department of Health Services and cooperators	Title 22 water quality	2	Varies

### **Basin Management**

Groundwater management:	The County of Fresno adopted in 2000 an ordinance, which includes a permit process for groundwater transfers. Pleasant Valley Water District adopted a groundwater management plan on May 9, 2000 and is currently working on an update of the plan.		
Water agencies			
Public	Pleasant Valley Water District, City of Coalinga, Devil's Den WD, Green Valley WD		
Private			

## References Cited

- California Department of Water Resources. 1994. Bulletin 160-93, "*California Water Plan Update, Vol. I.*"
- \_\_\_\_\_. San Joaquin District. Well completion report files.
- \_\_\_\_\_. San Joaquin District. Unpublished Land and Water Use Data.
- \_\_\_\_\_. San Joaquin District. Unpublished groundwater elevation data.
- \_\_\_\_\_. San Joaquin District. 1995. Internal computer spreadsheet for 1990 normal computation of net water demand used in preparation of DWR Bulletin 160-93.
- Kahanovitz, Y., and Manning, J.C. 1954. "*Ground-Water Hydrology of Pleasant Valley, Fresno County, California,*" Stanford University Publications University Series Geological Sciences, Volume IV.
- Pleasant Valley WD. 2001. Written communication 2-28-01.
- Schmidt, K.D. and Associates. 2000. "*Hydrogeologic Evaluation of Potential for Recharge and Water Banking in the Pleasant Valley Water District;* consultant report for the Pleasant Valley Water District, 15 p.
- Summers Engineering, Inc. 1986. *Pleasant Valley Water District, Coalinga, California Factual Report, April 1986;* consultant report for the Pleasant Valley Water District, 24p.
- Williamson, A.K., Prudic, D.E., and Swain, L.A. 1989. *Ground-Water Flow in the Central Valley, California:* US Geological Survey Professional Paper 1401-D, 127 p.

## Additional References

- California Department of Water Resources. 1980. Bulletin 118-80, "*Ground Water Basins in California.*"
- \_\_\_\_\_. San Joaquin District. 2000. *Spring 1999, Lines of Equal Elevation of Water in Wells, unconfined Aquifer*, 1,253,440 scale map sheet.
- \_\_\_\_\_. 1961. "*Water Quality Investigation - Proposed Pleasant Valley Water Storage District*", San Joaquin District Office Report.
- \_\_\_\_\_. 1956. "*Geologic and Waste Disposal Investigation, Pleasant Valley Oil Field, Fresno County, Project No. 56-5-5,*" San Joaquin District Office Report.
- Hydrodevelopment, Inc. 1969. *An Evaluation of Ground Water Quality in Deep Aquifers Beneath Pleasant Valley, Fresno County, California;* private consultant report prepared for Standard Oil Company of California.
- Wood, P.R. and Davis, G.H. 1959. Ground Water Conditions in the Avenal-McKittrick Area, Kings and Kern Counties, California; U.S. Geological Survey Water Supply Paper 1457, 141 p.

## Errata

Updated groundwater management information. (1/20/06)

**APPENDIX G**  
**WATER CONSERVATION ORDINANCE**

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## CHAPTER 4C. - WATER CONSERVATION

### Sec. 6-4C.01. - Findings of necessity.

It is necessary to minimize the potential for water shortage through the practice of water conservation pursuant to the provisions of California Water Code § 375 et seq. It is further necessary to reduce the potential effect of a water shortage on the residents, businesses and visitors of Coalinga and to adopt provisions that will significantly reduce the inefficient consumption of water, thereby extending the available water resources necessary for the domestic, sanitation, and fire protection of the community to the greatest extent possible. Nothing in this chapter shall prevent the City from also declaring a water emergency pursuant to California Water Code Section 350, if circumstances warrant such a declaration.

(Ord. No. 746, § 1, eff. March 19, 2009)

### Sec. 6-4C.02. - Water Customer.

Water customer for the purposes of this chapter, shall mean any person, partnership, business, corporation, special district, public agency, or association or legal entity to which the City of Coalinga (City) supplies water or "user" of water supplied by the City as defined in Subsection 6-4.01(s).

(Ord. No. 746, § 1, eff. March 19, 2009)

### Sec. 6-4C.03. - Application.

This chapter shall be applicable to all water customers.

(Ord. No. 746, § 1, eff. March 19, 2009)

### Sec. 6-4C.04. - Exceptions and exemptions.

- (a) *Exceptions:* The City Manager or his or her designee shall grant an exception from the requirements of this chapter for any of the following reasons:
- (1) Water use is necessary to public health and safety or for essential government services; or
  - (2) Recycled water is being used; or
  - (3) Water use is necessary due to the medical needs of the water customer.
  - (4) An alternative water source/supply is available for use.
- (b) *Exemptions:* The City Council may grant an exemption to the requirements of this chapter, with or without conditions, if it determines that a water customer would otherwise experience extreme financial hardship that cannot be mitigated. The City Council shall review any requests for an exemption from compliance with this chapter. A written request for an exemption must be submitted to the City Clerk a minimum of two (2) weeks prior to the regularly scheduled Council meeting at which the exemption is to be considered. If appropriate, the City Council may require the customer granted an exemption to reduce water use by other appropriate alternative methods. Notwithstanding any other provision of this Code, there shall be no right to further administrative review or appeal of the determination of exemption of the City Council. The City Council may establish an "exemption processing fee" by resolution.

(Ord. No. 746, § 1, eff. March 19, 2009)



#### Sec. 6-4C.05. - Authorization

The City Council may declare the conservation stage based on a determination made by the City Manager in conjunction with the Chief Plant Operator of the water treatment plant, or based upon any interruption in water supply or delivery that the City Council determines in its sole discretion necessitates water conservation pursuant to this chapter. The City Council may determine and order water prohibitions and restrictions as outlined herein in the three (3) stages:

Stage 1. Standard Conservation Alert

Stage 2. High Conservation Alert

Stage 3. Emergency Conservation Alert

(Ord. No. 746, § 1, eff. March 19, 2009)

#### Sec. 6-4C.06. - Stage I Prohibitions and restrictions—Standard conservation alert.

The following restrictions shall be applicable throughout the year unless the City Council determines that an increased conservation effort shall be implemented (stage 2 or 3):

- (a) There shall be no hose washing of sidewalks, walkways, driveways, parking areas, patios, porches or verandas.
- (b) No water shall be used to clean, fill, operate or maintain levels in decorative fountains unless such water is part of a recirculation system.
- (c) No water customer shall permit water to leak on his or her premises. Such leak shall be repaired in a timely manner after written notification by the City, but in no case in excess of seventy-two (72) hours after notification.
- (d) Designated times and days of irrigation:
  - (1) No water customer shall sprinkle, water, or irrigate any shrubbery, trees, lawns, grass, groundcovers, plants, vines, gardens, vegetables, flowers, or any other landscaped or vegetated areas between the hours of 10:00 a.m. and 6:00 p.m. This provision shall not apply to equestrian and livestock businesses, dairies, nurseries, athletic fields, golf courses, or other water dependent industries.
  - (2) The use of a hand held hose with a shut-off valve shall be permitted at any time.
- (e) The use of water from fire hydrants shall be limited to fire fighting and related activities necessary to maintain the public health, safety, and welfare. An exception may be made for construction use through a proper city-designated meter where recycled water is not available.

(Ord. No. 746, § 1, eff. March 19, 2009; Ord. No. 750, § 1, eff. 9-6-2009; [Ord. No. 801, § 1, eff. 6-17-2017](#).)

#### Sec. 6-4C.07. - Stage II Prohibitions and restrictions—High water conservation alert.

The following restrictions shall be applicable during a high water conservation alert as declared by the City Council and whenever a recommendation has been made by the City Manager in conjunction with the Chief Plant Operator of the water treatment plant based upon a significant reduction or interruption in water supply or delivery that necessitates increased water conservation efforts:

- (a) All prohibitions and restrictions in Stage I shall be in effect.
- (b) Commercial nurseries, golf courses, and other water-dependent industries shall be prohibited from watering lawn, landscape, or other turf areas more than every other day. Irrigation shall

occur between the hours of 6:00 p.m. and 6:00 a.m. only, with the exception of usage of recycled water.

(c) Designated times and days of irrigation:

- (1) No water customer shall sprinkle, water, or irrigate any shrubbery, trees, lawns, grass, groundcovers, plants, vines, gardens, vegetables, flowers, or any other landscaped or vegetated areas on between the hours of 9:00 a.m. and 6:00 p.m. This provision shall not apply to equestrian and livestock businesses, dairies, nurseries, golf courses, or other water-dependent industries.
- (2) Residential addresses ending in an even number may use water on Tuesday, and Friday. Residential addresses ending in an odd numbers and nonresidential (irrespective of address) may use water on Wednesday and Saturday.
- (3) No irrigation shall occur on Sundays, Mondays and Thursdays.
- (d) Swimming pool refilling or new construction swimming pool filling shall not occur without permission from the City Manager or his or her designee. The replenishment of swimming pools shall be limited to the same days as set forth in subsections (a) through (c) above for outdoor use of water.
- (e) No restaurants or other public place which serves food shall serve drinking water to any customer unless expressly requested by the customer.

(Ord. No. 746, § 1, eff. March 19, 2009)

Sec. 6-4C.08. - Stage III Prohibitions and restrictions—Emergency water conservation alert.

In the event of a major earthquake, large-scale fire, or other so called "act of nature" which has or could have serious impacts on the city's total available water storage or delivery capacity, whether storage capacities have been reduced or not, or in the case of an unanticipated significant reduction in City water supply, an emergency water conservation alert shall be declared by the City Council.

- (a) All previous restrictions noted above in Stage I and Stage II shall be in effect.
- (b) There shall be no outdoor use of water at any time except the minimal amount by handheld hose equipped with a shut-off nozzle.
- (c) Commercial nurseries, golf courses, and other water-dependent industries shall be prohibited from the outdoor use of water except by a hand-held hose equipped with a shut-off nozzle.
- (d) All nonessential uses of water shall be prohibited including the filling, or refilling of swimming pools, spas, jacuzzis, or other like devices beyond what is necessary for maintenance.

(Ord. No. 746, § 1, eff. March 19, 2009)

Sec. 6-4C.09. - Penalties.

- (a) No water customer of the City shall knowingly use, or permit the use of, water in a manner contrary to any provisions of this chapter, or in an amount in excess of that use permitted by the provisions of this chapter.
- (b) Unless otherwise provided, any water customer violating any provision of this chapter shall be guilty of an infraction, and each day or portion thereof such violation is in existence shall be a new and separate offense.
- (c) Any water customer determined to be guilty of a first time violation shall be given a written reminder for compliance. Second and subsequent violations shall be punishable as follows:

- (1) For a second violation during any period of declared water conservation alert: As an infraction, punishable by a fine of not more than fifty dollars (\$50.00).
  - (2) For a third violation during any period of declared water conservation alert: As an infraction, punishable by a fine not more than one hundred dollars (\$100.00).
  - (3) For a fourth violation during any period of declared water conservation alert: As an infraction, punishable by a fine not more than two hundred fifty dollars (\$250.00), and placement of a flow restrictor. In addition, the City may discontinue water services.
- (d) Notwithstanding the above, the City Attorney or Deputy City Attorney may charge and prosecute second and subsequent offenses as misdemeanors at the City's sole discretion pursuant to California Water Code § 377. In addition to the above penalties, the City may file an action for civil abatement and, at the discretion of the court, be entitled to reimbursement for all necessary costs and Attorneys fees incurred through investigation, discovery, analysis, inspection, abatement and other actual costs incurred by the City or its agents pertaining to the violation.
- (e) The court shall fix the amount of any such reimbursements upon submission of proof of such costs by the City. Payment of any penalty provided in this section shall not relieve a person, firm or corporation, or other entity from the responsibility of correcting the condition resulting from the violation.
- (f) In addition to the above remedies, the City Manager or his or her designee is empowered, to enforce any or all of the following penalties:
- (1) Place a flow restricting device upon the water service;
  - (2) Lock off of a water meter;
  - (3) Remove a water meter;
  - (4) Shut off the service connection.
- (g) All costs or expenses incurred by the City for enforcement of this section shall be borne by the water customer. No water service shall be limited or discontinued until the City Manager or his or her designee provides a written notice of intent to so limit or discontinue such service and the reasons for such decision, and further, provides such water customer notice of the right to request an administrative review and hearing pursuant to the procedures set forth in Section 6-4.26 of this Code, except that any reference to "citation" in that section shall instead be deemed a reference to a "notice of intent" as described in this section. A written notice of intent shall be provided either by first class mail, by personal service on the water customer, or by posting said notice in a conspicuous place on the property wherein the violation occurred. Notwithstanding any other provision of this Code, there shall be no right to further administrative review or appeal.

(Ord. No. 746, § 1, eff. March 19, 2009)

#### Sec. 6-4C.10. - Compliance.

The City Code Enforcement Officer and designee from the Community Development Department shall enforce the provisions of this chapter.

(Ord. No. 746, § 1, eff. March 19, 2009)

#### Sec. 6-4C.11. - Drought and water shortage regulations.

Notwithstanding anything to the contrary in this chapter, and in addition to anything set forth in this chapter, during any declared State of Emergency by the State or City related to drought or potable water conditions that mandate water conservation in the City, State or Federal regulations that mandate water conservation in the City, or during local water shortages, the City Council may by resolution adopt

additional water restrictions, including mandatory water usage limits, and impose penalties on the customer for violations of those additional restrictions. The penalties shall be added to the customer's account. A violation of the additional restrictions shall also be deemed a violation of the Municipal Code.

( [Ord. No. 780, § 2](#), eff. 5-7-2015; [Ord. No. 781, § 1](#), eff. 6-6-2015)

## **APPENDIX H**

### **WATER RATE STRUCTURE**

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**RESOLUTION NO. 3645**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COALINGA  
APPROVING NEW WATER RATES EFFECTIVE JULY 1, 2014 TO ADDRESS  
DROUGHT IMPACTS TO THE WATER FUND**

WHEREAS, Coalinga Municipal Code Section 6-4.20 provides for the establishment of water service rates by Resolution of the City Council; and

WHEREAS, the City Council of the City of Coalinga discussed Water Fund revenue impacts as a result of a 50% reduction in the Water Year 14-15 delivery schedule from the City's water supplier the U. S. Department of Interior Bureau of Reclamation to a historic and the lowest water delivery recorded at 3,258 acre-feet; and

WHEREAS, the City Council of the City of Coalinga enacted Stage 2 of 3 of its Water Conservation Ordinance in an attempt to curtail water use by water customers; and

WHEREAS, the most current water rate model prepared in 2011, the basis for current water rates, could not have contemplated such a low and historic water supply during Water Year 14-15, and therefore the current water rate model combined with ongoing drought conditions and conservation efforts will not generate sufficient revenue to cover Water Fund operating costs and debt coverage requirements without a water rate adjustment; and

WHEREAS, IGSservice, Inc. was employed to prepare a new Water Rate Study (Study) for the City, which analyzed the impacts of the drought and conservation, proposed a solution to City water rates to yield a revenue, based on anticipated water deliveries, sufficient to cover Water Fund operating costs and debt coverage requirements, and replace the existing water rate schedule adopted on January 19, 2012; and

WHEREAS, the City Council of the City of Coalinga discussed the Study alternatives on May 1, 2014, during which the rate alternatives presented in the Study were presented, debated, and comments were received from the public on the water rate alternatives; and

WHEREAS, the City Council of the City of Coalinga directed the City Manager to notify, via mail, the record owners of each parcel in accordance with the requirements of Proposition 218 and Government Code section 53750 et seq. of the proposed water rate adjustment; and

WHEREAS, a public hearing to consider the proposed new water rates and any protests to such rates was held at a public meeting on June 25, 2014 before the City Council of the City of Coalinga, which meeting and hearing was more than 45 days after the notice to property owners was mailed; and

WHEREAS, written protests to the proposed new water rates were not presented by a majority of the owners of the identified parcels in the City of Coalinga; and

WHEREAS, the proposed water rates set forth in Exhibit "A" attached hereto are nondiscriminatory and do not exceed the cost of providing water service and improvements to the water system (all as defined in section 6-4.01 of the Coalinga Municipal Code) for which the rates and charges are imposed; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Coalinga as follows:

1. The schedule of new water rates in Exhibit "A" attached hereto is hereby adopted, and the new water rates shall be effective on July 1, 2014.

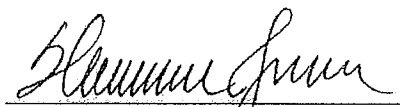
The foregoing resolution was approved and adopted at a regular meeting of the City Council of the City of Coalinga held on the 25th day of June, 2014, by the following vote:

AYES:	Lander, Oxborrow, Ramsey, Keough, Garcia
NOES:	None
ABSTAIN:	None
ABSENT:	None

APPROVED:

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk/Deputy City Clerk

## Exhibit A

City of Coalinga Water Rates and Charges Effective and Proposed Rates				
	Historical	Historical (3%)	Existing (3%)	Proposed (9%)
Volumetric Rates (\$/TG)	3/1/2012	3/1/2013	3/1/2014	7/1/2014
<b>Urban Residential</b>				
Tier 1: Up to 10,000 gals/mo.	\$1.35	\$1.39	\$1.43	\$1.56
Tier 2: 10,001 to 30,000 gals/mo.	\$1.65	\$1.70	\$1.75	\$1.91
Tier 3: Above 30,000 gals/mo.	\$2.00	\$2.06	\$2.12	\$2.32
Urban Commercial	\$1.45	\$1.49	\$1.53	\$1.67
Rural	\$1.41	\$1.45	\$1.49	\$1.63
PVSP and CSH	\$1.76	\$1.81	\$1.86	\$2.03
<b>Fixed Monthly Charge: (\$/Mo.)</b>				
<b>Urban Residential and Commercial</b>				Fixed Monthly Charges Unchanged
1" Meter Size	\$19.64	\$20.22	\$20.83	
1.5"	\$78.50	\$80.86	\$83.29	
2"	\$297.22	\$306.14	\$315.32	
3"	\$667.38	\$687.40	\$708.02	
4"	\$1,186.68	\$1,222.28	\$1,258.95	
6"	\$2,671.68	\$2,751.83	\$2,834.38	
8"	\$4,750.02	\$4,892.52	\$5,039.30	
10"	\$5,276.96	\$5,435.27	\$5,598.33	
<b>Rural</b>				
1" Meter Size	\$27.14	\$27.96	\$28.80	
1.5"	\$108.66	\$111.92	\$115.28	
2"	\$488.92	\$503.58	\$518.69	
3"	\$1,099.76	\$1,132.75	\$1,166.73	
4"	\$1,954.48	\$2,013.12	\$2,073.51	
6"	\$4,400.26	\$4,532.26	\$4,668.23	
8"	\$7,822.68	\$8,057.36	\$8,299.08	
10"	\$8,691.74	\$8,952.49	\$9,221.06	
Pleasant Valley State Prison (PVSP)	\$9,200.00	\$9,476.00	\$9,760.28	
Coalinga State Hospital (CSH)	\$2,600.00	\$2,678.00	\$2,758.34	



**Appendix I**  
**NOTICE OF PUBLIC HEARING**  
**(NOT INCLUDED IN DRAFT VERSION)**

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**APPENDIX J**  
**ADOPTING RESOLUTION**  
**(TO BE INCLUDED AFTER ADOPTION)**

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**APPENDIX K**  
**UWMP COMPLETION CHECKLIST**

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## Checklist Arranged by Subject

CWC Section	UWMP Requirement	Subject	Guidebook Location	UWMP Location
10620(b)	Every person that becomes an urban water supplier shall adopt an urban water management plan within one year after it has become an urban water supplier.	Plan Preparation	Section 2.1	Sec. 2.2, Page 5
10620(d)(2)	Coordinate the preparation of its plan with other appropriate agencies in the area, including other water suppliers that share a common source, water management agencies, and relevant public agencies, to the extent practicable.	Plan Preparation	Section 2.5.2	Sec. 2.5.2, Page 9
10642	Provide supporting documentation that the water supplier has encouraged active involvement of diverse social, cultural, and economic elements of the population within the service area prior to and during the preparation of the plan.	Plan Preparation	Section 2.5.2	Appendix C
10631(a)	Describe the water supplier service area.	System Description	Section 3.1	Sec. 3.1 Page 11-12
10631(a)	Describe the climate of the service area of the supplier.	System Description	Section 3.3	Sec. 3.3 Page 12-13
10631(a)	Provide population projections for 2020, 2025, 2030, and 2035.	System Description	Section 3.4	Sec. 3.4 Page 13-14
10631(a)	Describe other demographic factors affecting the supplier's water management planning.	System Description	Section 3.4	Ch. 3 Page 11-14
10631(a)	Indicate the current population of the service area.	System Description and Baselines and Targets	Sections 3.4 and 5.4	Sec. 3.4 Table 3-3 & Sec. 5.4 Table 5-1
10631(e)(1)	Quantify past, current, and projected water use, identifying the uses among water use sectors.	System Water Use	Section 4.2	Sec. 4.3. Tables 4-1, 4-3 & 4-4
10631(e)(3)(A)	Report the distribution system water loss for the most recent 12-month period available.	System Water Use	Section 4.3	Sec. 4.4. Table 4-5
10631.1(a)	Include projected water use needed for lower income housing projected in the service area of the supplier.	System Water Use	Section 4.5	Sec. 4.6. Table 4-7

<b>10608.20(b)</b>	Retail suppliers shall adopt a 2020 water use target using one of four methods.	Baselines and Targets	Section 5.7 and App E	Sec. 5.7 Page 30-31, & Appendix F
<b>10608.20(e)</b>	Retail suppliers shall provide baseline daily per capita water use, urban water use target, interim urban water use target, and compliance daily per capita water use, along with the bases for determining those estimates, including references to supporting data.	Baselines and Targets	Chapter 5 and App E	Ch. 5 & Appendix E
<b>10608.22</b>	Retail suppliers' per capita daily water use reduction shall be no less than 5 percent of base daily per capita water use of the 5-year baseline. This does not apply if the suppliers base GPCD is at or below 100.	Baselines and Targets	Section 5.7.2	Sec. 5.7.2. Table 5-6 & Appendix E
<b>10608.24(a)</b>	Retail suppliers shall meet their interim target by December 31, 2015.	Baselines and Targets	Section 5.8 and App E	Sec. 5.7.3. Table 5-7 & Appendix E
<b>10608.24(d)(2)</b>	If the retail supplier adjusts its compliance GPCD using weather normalization, economic adjustment, or extraordinary events, it shall provide the basis for, and data supporting the adjustment.	Baselines and Targets	Section 5.8.2	Section 5.8.2
<b>10608.36</b>	Wholesale suppliers shall include an assessment of present and proposed future measures, programs, and policies to help their retail water suppliers achieve targeted water use reductions.	Baselines and Targets	Section 5.1	N/A
<b>10608.40</b>	Retail suppliers shall report on their progress in meeting their water use targets. The data shall be reported using a standardized form.	Baselines and Targets	Section 5.8 and App E	Sec. 5.8. Table 5-9 & Appendix E
<b>10631(b)</b>	Identify and quantify the existing and planned sources of water available for 2015, 2020, 2025, 2030, and 2035.	System Supplies	Chapter 6	Ch. 6 Pages 34-50
<b>10631(b)</b>	Indicate whether groundwater is an existing or planned source of water available to the supplier.	System Supplies	Section 6.2	Sec. 6.2. Page 34-35
<b>10631(b)(1)</b>	Indicate whether a groundwater management plan has been adopted by the water supplier or if there is any other specific authorization for groundwater management. Include a copy of the plan or authorization.	System Supplies	Section 6.2.2	Sec. 6.2.3. Pages 35

<b>10631(b)(2)</b>	Describe the groundwater basin.	System Supplies	Section 6.2.1	Sec. 6.2. Page 34-35
<b>10631(b)(2)</b>	Indicate if the basin has been adjudicated and include a copy of the court order or decree and a description of the amount of water the supplier has the legal right to pump.	System Supplies	Section 6.2.2	Sec. 6.2. Page 34-35
<b>10631(b)(2)</b>	For adjudicated basins, indicate whether or not the department has identified the basin as over drafted, or projected to become over drafted. Describe efforts by the supplier to eliminate the long-term overdraft condition.	System Supplies	Section 6.2.3	Sec. 6.2. Page 34-35
<b>10631(b)(3)</b>	Provide a detailed description and analysis of the location, amount, and sufficiency of groundwater pumped by the urban water supplier for the past five years	System Supplies	Section 6.2.4	Sec. 6.2. Page 34-35
<b>10631(b)(4)</b>	Provide a detailed description and analysis of the amount and location of groundwater that is projected to be pumped.	System Supplies	Sections 6.2 and 6.9	Sec. 6.2. Page 34-35
<b>10631(d)</b>	Describe the opportunities for exchanges or transfers of water on a short-term or long-term basis.	System Supplies	Section 6.7	Sec. 6.7. Page 46
<b>10631(g)</b>	Describe the expected future water supply projects and programs that may be undertaken by the water supplier to address water supply reliability in average, single-dry, and multiple-dry years.	System Supplies	Section 6.8	Sec. 6.8. Page 46--47
<b>10631(i)</b>	Describe desalinated water project opportunities for long-term supply.	System Supplies	Section 6.6	Sec. 6.6. Page 45
<b>10631(j)</b>	Retail suppliers will include documentation that they have provided their wholesale supplier(s) – if any - with water use projections from that source.	System Supplies	Section 2.5.1	Section 2.5.1 Table 2-4
<b>10631(j)</b>	Wholesale suppliers will include documentation that they have provided their urban water suppliers with identification and quantification of the existing and planned sources of water available from the wholesale to the urban supplier during various water year types.	System Supplies	Section 2.5.1	N/A

<b>10633</b>	For wastewater and recycled water, coordinate with local water, wastewater, groundwater, and planning agencies that operate within the supplier's service area.	System Supplies (Recycled Water)	Section 6.5.1	Sec. 6.5.1. Page 31-38
<b>10633(a)</b>	Describe the wastewater collection and treatment systems in the supplier's service area. Include quantification of the amount of wastewater collected and treated and the methods of wastewater disposal.	System Supplies (Recycled Water)	Section 6.5.2	Sec. 6.5.2. Pages 38-40
<b>10633(b)</b>	Describe the quantity of treated wastewater that meets recycled water standards, is being discharged, and is otherwise available for use in a recycled water project.	System Supplies (Recycled Water)	Section 6.5.2.2	Sec. 6.5.2. Pages 38-40
<b>10633(c)</b>	Describe the recycled water currently being used in the supplier's service area.	System Supplies (Recycled Water)	Section 6.5.3 and 6.5.4	Sec. 6.5.4. Table 6-3
<b>10633(d)</b>	Describe and quantify the potential uses of recycled water and provide a determination of the technical and economic feasibility of those uses.	System Supplies (Recycled Water)	Section 6.5.4	Sec. 6.5.4. Table 6-3
<b>10633(e)</b>	Describe the projected use of recycled water within the supplier's service area at the end of 5, 10, 15, and 20 years, and a description of the actual use of recycled water in comparison to uses previously projected.	System Supplies (Recycled Water)	Section 6.5.4	Sec. 6.5.4. Table 6-3
<b>10633(f)</b>	Describe the actions which may be taken to encourage the use of recycled water and the projected results of these actions in terms of acre-feet of recycled water used per year.	System Supplies (Recycled Water)	Section 6.5.5	Sec. 6.5.5. Page 45
<b>10633(g)</b>	Provide a plan for optimizing the use of recycled water in the supplier's service area.	System Supplies (Recycled Water)	Section 6.5.5	Sec. 6.5.4.1 Page 44
<b>10620(f)</b>	Describe water management tools and options to maximize resources and minimize the need to import water from other regions.	Water Supply Reliability Assessment	Section 7.4	Sec. 7.4. Pages 54-56
<b>10631(c)(1)</b>	Describe the reliability of the water supply and vulnerability to seasonal or climatic shortage.	Water Supply Reliability Assessment	Section 7.1	Sec. 7.2. Pages 51-53

<b>10631(c)(1)</b>	Provide data for an average water year, a single dry water year, and multiple dry water years	Water Supply Reliability Assessment	Section 7.2	Sec. 7.3. Table 7-1
<b>10631(c)(2)</b>	For any water source that may not be available at a consistent level of use, describe plans to supplement or replace that source.	Water Supply Reliability Assessment	Section 7.1	Sec. 7.2. Pages 51-53
<b>10634</b>	Provide information on the quality of existing sources of water available to the supplier and the manner in which water quality affects water management strategies and supply reliability	Water Supply Reliability Assessment	Section 7.1	Sec. 7.2.1. Page 51-52
<b>10635(a)</b>	Assess the water supply reliability during normal, dry, and multiple dry water years by comparing the total water supply sources available to the water supplier with the total projected water use over the next 20 years.	Water Supply Reliability Assessment	Section 7.3	Sec. 7.4. & 7.5 Pages 54-56
<b>10632(a) and 10632(a)(1)</b>	Provide an urban water shortage contingency analysis that specifies stages of action and an outline of specific water supply conditions at each stage.	Water Shortage Contingency Planning	Section 8.1	Sec. 8.2. Page 58-60
<b>10632(a)(2)</b>	Provide an estimate of the minimum water supply available during each of the next three water years based on the driest three-year historic sequence for the agency.	Water Shortage Contingency Planning	Section 8.9	Sec. 8.10. Table 8-4
<b>10632(a)(3)</b>	Identify actions to be undertaken by the urban water supplier in case of a catastrophic interruption of water supplies.	Water Shortage Contingency Planning	Section 8.8	Sec. 8.9. Pages 69
<b>10632(a)(4)</b>	Identify mandatory prohibitions against specific water use practices during water shortages.	Water Shortage Contingency Planning	Section 8.2	Sec. 8.3. Table 8-2
<b>10632(a)(5)</b>	Specify consumption reduction methods in the most restrictive stages.	Water Shortage Contingency Planning	Section 8.4	Sec. 8.5. Table 8-3
<b>10632(a)(6)</b>	Indicated penalties or charges for excessive use, where applicable.	Water Shortage Contingency Planning	Section 8.3	Sec. 8.4. Page 64-65
<b>10632(a)(7)</b>	Provide an analysis of the impacts of each of the actions and conditions in the water shortage contingency analysis on the revenues and expenditures of the urban water supplier, and proposed measures to overcome those impacts.	Water Shortage Contingency Planning	Section 8.6	Sec. 8.7. Page 68



<b>10632(a)(8)</b>	Provide a draft water shortage contingency resolution or ordinance.	Water Shortage Contingency Planning	Section 8.7	Sec. 8.8. & Appendix G
<b>10632(a)(9)</b>	Indicate a mechanism for determining actual reductions in water use pursuant to the water shortage contingency analysis.	Water Shortage Contingency Planning	Section 8.5	Sec. 8.6. Page 68
<b>10631(f)(1)</b>	Retail suppliers shall provide a description of the nature and extent of each demand management measure implemented over the past five years. The description will address specific measures listed in code.	Demand Management Measures	Sections 9.2 and 9.3	Sec. 9.3. Pages 74-75
<b>10631(f)(2)</b>	Wholesale suppliers shall describe specific demand management measures listed in code, their distribution system asset management program, and supplier assistance program.	Demand Management Measures	Sections 9.1 and 9.3	N/A
<b>10631(j)</b>	CUWCC members may submit their 2013-2014 CUWCC BMP annual reports in lieu of, or in addition to, describing the DMM implementation in their UWMPs. This option is only allowable if the supplier has been found to be in full compliance with the CUWCC MOU.	Demand Management Measures	Section 9.5	N/A
<b>10608.26(a)</b>	Retail suppliers shall conduct a public hearing to discuss adoption, implementation, and economic impact of water use targets.	Plan Adoption, Submittal, and Implementation	Section 10.3	Sec. 10.3. Page 78
<b>10621(b)</b>	Notify, at least 60 days prior to the public hearing, any city or county within which the supplier provides water that the urban water supplier will be reviewing the plan and considering amendments or changes to the plan.	Plan Adoption, Submittal, and Implementation	Section 10.2.1	Sec. 10.2.1. Page 77
<b>10621(d)</b>	Each urban water supplier shall update and submit its 2015 plan to the department by July 1, 2016.	Plan Adoption, Submittal, and Implementation	Sections 10.3.1 and 10.4	Sec. 10.4. Page 79
<b>10635(b)</b>	Provide supporting documentation that Water Shortage Contingency Plan has been, or will be, provided to any city or county within which it provides water, no later than 60 days after the submission of the plan to DWR.	Plan Adoption, Submittal, and Implementation	Section 10.4.4	Sec. 10.4. Pages 79

<b>10642</b>	Provide supporting documentation that the urban water supplier made the plan available for public inspection, published notice of the public hearing, and held a public hearing about the plan.	Plan Adoption, Submittal, and Implementation	Sections 10.2.2, 10.3, and 10.5	Sec. 10.2.2., 10.3., & 10.5. & Appendix I
<b>10642</b>	The water supplier is to provide the time and place of the hearing to any city or county within which the supplier provides water.	Plan Adoption, Submittal, and Implementation	Sections 10.2.1	Sec. 10.2.1. Page 77
<b>10642</b>	Provide supporting documentation that the plan has been adopted as prepared or modified.	Plan Adoption, Submittal, and Implementation	Section 10.3.1	Sec. 10.3.1. Pages 78-79 & Appendix I
<b>10644(a)</b>	Provide supporting documentation that the urban water supplier has submitted this UWMP to the California State Library.	Plan Adoption, Submittal, and Implementation	Section 10.4.3	Sec. 10.4.2. Page 79
<b>10644(a)(1)</b>	Provide supporting documentation that the urban water supplier has submitted this UWMP to any city or county within which the supplier provides water no later than 30 days after adoption.	Plan Adoption, Submittal, and Implementation	Section 10.4.4	Sec. 10.4.3. Page 79
<b>10644(a)(2)</b>	The plan or amendments to the plan, submitted to the department shall be submitted electronically.	Plan Adoption, Submittal, and Implementation	Sections 10.4.1 and 10.4.2	Sec. 10.4.1. Page 79
<b>10645</b>	Provide supporting documentation that, not later than 30 days after filing a copy of its plan with the department, the supplier has or will make the plan available for public review during normal business hours.	Plan Adoption, Submittal, and Implementation	Section 10.5	Sec. 10.5. Pages 79-80

# **STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY**

**Subject:** City Council Consideration and Approval of Resolution No. 3989 Adopting Revised Water and Sewer Rates, Effective November 1, 2020.  
**Meeting Date:** October 15, 2020  
**From:** Marissa Trejo, City Manager  
**Prepared by:** Sean Brewer, Assistant City Manager

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## **I. RECOMMENDATION:**

City Council is hereby recommended to approve Resolution No. 3989 to adopt revised water and sewer rates, effective November 1, 2020, to cover increased operating costs, bond covenants, and critical capital projects for the water system.

## **II. BACKGROUND:**

Water rates were last increased July 1, 2015, primarily to compensate for lower sales caused by drought-related water conservation. Following the drought, water sales remained at the drought levels and have not returned to previous, higher levels. Since 2015, operating costs have continued to increase, and more attention is now focused on critical capital improvement projects for the water system. The cash balance of the water system is fully depleted.

Sewer rates were last increased July 1, 2005, 15 years ago. Sewer rates have been constant because sewer operating costs are less variable than water, less capital equipment is involved, and because of contributions from sewer impact fees. However, increases in operating costs have caught up with revenue, and now rates must be increased. Sewer, unlike water, has a healthy fund balance of approximately \$3 million. Consequently, the sewer system does not need a component of its rate increase to increase its fund balance or to cover project costs.

## **III. DISCUSSION:**

Working closely with City staff, Dan Bergmann of IGService has prepared a financial analysis and rate study which is the basis for the revised water and sewer rates. The full rate study is included with this staff report. In summary:

The critical components of the water rate increases are to:

- Cover operations and maintenance costs, including the bond covenant for debt service coverage.
- Collect additional rate-based revenue to cover new debt service for \$7 million in new bonds for capital improvement projects, most notably reconstruction of the seven-million-gallon Derrick water tank.
- Rebuild the depleted water enterprise fund balance.

There are also two components of the water rate study that reduce rates slightly. First, the Series 2012 bonds are being refinanced, resulting in combined savings to water and sewer of approximately \$100,000 per year. Second, associated with the refinance of the old bond money, and new bond money for new projects, is a third component of finance to enable payment of approximately \$1 million to USBR to obtain a new long-term water supply agreement. Lower water rates associated with the new USBR agreement more than offset the debt service cost of the additional \$1 million.

The critical component of the sewer rate study to achieve adequate rate-based revenue to cover increased operating expenses without reliance on impact fees, and to do so adequately to meet the bond covenant related to debt service coverage. The revised sewer rates are also reset to be more consistent with cost of service between residential and commercial customers. Specifically, the volumetric rate for commercial customers has been increased significantly, essentially doubled, to match the average system cost to process wastewater.

Much effort has been extended to communicate these needs with City Council and the public, as follows:

- A City Council workshop was held on July 29, 2020 to initially inform city council of the water and sewer system needs, and the associated costs and rate increases.
- A Proposition 218-compliant notice was sent to all customer as a billing insert with bills at the end of August. The notice explains the rate increases needed and provides the opportunity for customers to protest and attend the rate hearing on October 15, 2020.
- Virtual community meetings were advertised ahead of time and hosted by City Staff and Mr. Bergmann on Tuesday September 29th at 11 am, and Thursday October 8, at 6 pm.

Commercial customers with landscape water usage are being notified of the benefit of installing landscape water meters to avoid excessive monthly sewer bills during summer.

#### **IV. ALTERNATIVES:**

- The alternative is not to increase water and sewer rates. If so, water and sewer revenue will be less than operating expenses, bond covenants will be violated, and critical water system improvement projects will be suspended.

#### **V. FISCAL IMPACT:**

Over three years, stepped increases in water rates will increase rate-based revenue from the current level of \$4.4 million per year by a projected total of \$1.8 million. The projected revenue level of \$6.2 million per year in FY 22/23 will be a 40 percent increase over the current revenue level. The 37 percent increase in sewer rates will increase revenue in the first year from the current level of \$1.1 million per year to \$1.5 million per year. For both water and sewer, three percent increases follow through the fifth year to enable revenue to follow projected inflationary increases in expenses.

#### **ATTACHMENTS:**

File Name	Description
☐ Prop_218_English_and_Spanish_with_Tables.pdf	Prop 218 Hearing Notice
☐ Rate_Study_Report_2020_09_01_FINAL.pdf	Rate Study - FINAL
☐ Resolution_3989_2020_Water_Sewer_Rates.docx	Resolution No. 3989 Water Sewer Rates

**CITY OF COALINGA**  
**NOTICE OF PUBLIC HEARING ON**  
**PROPOSED INCREASES IN WATER AND SEWER RATES**

To comply with Proposition 218 (California Constitution Article XIII D, Section 6), the City of Coalinga gives the following notice.

**Public Hearing:** At **6:00 p.m. on Thursday, October 15, 2020**, at the City of Coalinga City Council Chambers, 155 West Durian, Coalinga, CA, 93210, the Coalinga City Council will hold a public hearing on proposed increases in rates for water and sewer service, and to hear and consider objections and protests to the proposed increases described in this notice. Access to the meeting is also available by phone or internet, with specific connection information to be on the City Council Meeting agenda, made available on the City's website ([www.coalinga.com](http://www.coalinga.com)) to the public prior to the hearing.

**Rate Study Report:** A Rate Study Report by IGService, dated September 1, 2020, describing details of the water and sewer rate increases and the method used to calculate the rate increases has been prepared, and the contents submitted to the City Council. The report is available at City Hall and can also be found on the City website.

**Amount of Proposed Increased Rates:** Existing and proposed rates are included in this Notice.

**Reason for the Increase in Water and Sewer Rates:** For water, the primary reason for the needed increase is to provide funding for \$7 million in planned major repair of the aging water system. A portion of the increase is also to cover increasing operating cost, as the last increase was five years ago in 2015, and costs have continued to increase since then. For sewer, the last increase was 15 years ago in 2005. Revenue from the old rates is inadequate to cover increased system costs, and sewer rates have been aligned to match cost of service more closely for each customer class. Details of the rate increases for both water and sewer can be found in the Report. Revenue from the increased rates and charges will not be more than the funds required for the City to provide adequate service. Specifically, for each sewer and water, the proposed increased rates do not exceed the proportional existing and future cost of providing each service.

**Procedure for Hearing and Determining Majority Protest:** At the time stated above in this Notice, the Council will hear and consider all objections and protests, if any, to the proposed increases and other matters described in the Report. The Council may continue the hearing from time to time. At the close of the hearing, if written protests against the proposed increases are presented and not withdrawn by a majority of the record owners of the parcels that would be subject to the increases, the City may not impose the increased water and sewer rates; instead, rates would continue at their existing, previously-approved amounts. If, at the close of the protest hearing, there is no majority protest as described above, the Council may approve the increases, as proposed, or as changed by the Council, to be effective commencing November 1, 2020.

**How to Submit a Protest.** Protests may be submitted by the record owner of the parcel or a tenant of a parcel subject to the proposed rates, but only one protest per parcel will be counted. Written protests must contain a clear statement that it is a protest against the proposed charges and it must include the name of the owner or customer of record, a description of the parcel or parcels (Assessor's Parcel Number or street address) and an original signature of the owner or customer of record. Written protests regarding the proposed rate changes may be mailed or personally delivered to: City of Coalinga, City Clerk, 155 West Durian, Coalinga, CA 93210. To be valid, a protest must be in writing and received by the City Clerk at or before the closing of the public hearing on October 15, 2020.

**Preserving the Right to Challenge:** Separate from the right to file a protest, any person who wants to preserve the opportunity to file a lawsuit challenging the proposed increases, if imposed, or other matters described in the Report, must state the specific grounds for the objection, and submit that objection in writing prior to or during the public hearing, or orally during the public hearing. Any grounds not provided and received before the close of the public hearing on October 15, 2020, will be deemed waived and may not be raised in any subsequent lawsuit.

**Additional Information:** Please direct questions about the proposed rate proceeding to Sean Brewer, Assistant City Manager, at (559) 935-1533 ext. 143, or by email to [sbrewer@coalinga.com](mailto:sbrewer@coalinga.com).

**CIUDAD DE COALINGA**  
**AVISO DE AUDIENCIA PÚBLICA SOBRE AUMENTOS PROPUESTOS EN LAS**  
**TARIFAS DE AGUA Y SYSTEMA DE DRENAJE**

Para cumplir con la Proposición 218 (Artículo XIID de la Constitución de California, Sección 6), la Ciudad de Coalinga da el siguiente aviso.

**Audiencia Pública:** a las **6:00 p.m. el Jueves 15 de Octubre de 2020**, en las Cámaras del Consejo de la Ciudad de Coalinga, 155 West Durian, Coalinga, CA, 93210, el Consejo de Coalinga realizará una audiencia pública sobre los aumentos propuestos en las tarifas del servicio de agua y drenaje, y escucharán y considerarán objeciones y protestas a los aumentos propuestos descritos en este aviso. El acceso a la audiencia también está disponible por teléfono o internet, con información de conexión específica que estará en la agenda de la junta del Concejo Municipal, disponible por internet en el sitio de la Ciudad ([www.coalinga.com](http://www.coalinga.com)) para el público antes de la audiencia.

**Informe de Estudio de Tarifas:** Se preparó un informe de estudio de tarifas de IGService, con fecha del 1 de septiembre de 2020 que describe los detalles de los aumentos de las tarifas de agua y drenaje y el método utilizado para calcular los aumentos de tarifas, y se presentó el contenido al Concejo Municipal. El informe está disponible en la oficina de la Ciudad y también se encuentra en el sitio web de la Ciudad.

**Cantidad de Aumento Propuesto:** Las tarifas existentes y propuestas se incluyen en este aviso.

**Razón del Aumento de Tarifas:** Para el agua, la razón principal de aumento necesario es proporcionar fondos por \$7 millones en reparaciones importantes planificadas del sistema de agua envejecido. Parte del aumento también es para cubrir el aumento de costos operativos, ya que el último aumento fue hace cinco años en 2015, y los costos siguen aumentando. Para el servicio del drenaje, el último aumento fue hace 15 años en 2005. Los ingresos de las tarifas presentes son inadecuados para cubrir el aumento de los costos del sistema, y las tarifas se han alineado por igualar al costo. Los detalles se pueden encontrar en el informe. Los ingresos provenientes del aumento de tarifas y cargos no superarán los fondos necesarios para que la Ciudad brinde un servicio adecuado. Para cada servicio, las tarifas aumentadas propuestas no exceden el costo proporcional existente y futuro de brindar cada servicio.

**Procedimiento Para Audiencia Pública y Determinación de Protesta Mayoritaria:** En el horario indicado anteriormente en este aviso, el Consejo escuchará y considerará todas las objeciones y protestas, si las hubiera, a los aumentos propuestos y otros asuntos descritos en el informe. El Consejo puede continuar la audiencia de tiempo a tiempo. Al cierre de la audiencia, si se presentan protestas por escrito contra los aumentos propuestos y la mayoría de los registrados de las parcelas que estarían sujetas a los aumentos no las retira, la Ciudad no podrá imponer el aumento de las tarifas de agua y del servicio de drenaje; en cambio, las tarifas continuarían en sus montos existentes previamente aprobados. Si al cierre de la audiencia no hay una protesta mayoritaria como se describe anteriormente, el Consejo puede aprobar los aumentos, según lo propuesto o modificado por el Consejo, efectivo a partir del 1 de noviembre de 2020.

**Como presentar una protesta.** Las protestas pueden ser enviadas por el propietario registrado de la parcela o un inquilino sujeto a las tarifas propuestas, pero solo se contará una protesta por parcela. Las protestas escritas deben contener una declaración clara de que se trata de una protesta contra los cargos propuestos y debe incluir el nombre del propietario o cliente registrado, una descripción de la parcela o parcelas (número de parcela del tasador o dirección postal) y una firma original del propietario o cliente registrado. Las protestas por escrito pueden enviarse por correo o entregarse personalmente a: Ciudad de Coalinga, Secretaria Municipal, 155 West Durian, Coalinga, CA 93210. Para ser válida, una protesta debe ser por escrito y recibida por la Secretaria Municipal en o antes del cierre de la audiencia pública el 15 de octubre de 2020.

**Preservar el derecho a impugnar:** Independientemente, del derecho a presentar una protesta, cualquier persona que desee conservar la oportunidad de presentar una demanda impugnando los aumentos propuestos, si se impone, u otros asuntos descritos en el informe, debe indicar los motivos específicos de la objeción y presentar dicha objeción por escrito antes o durante la audiencia pública, o verbalmente durante la audiencia pública. Cualquier fundamento no proporcionado y recibido antes del cierre de la audiencia pública el 15 de octubre de 2020, se considerará renunciado y no podrá plantearse en ninguna demanda posterior.

**Información Adicional:** Dirija sus preguntas sobre el procedimiento de tarifa propuesta a Sean Brewer, Asistente de Administrador de la Ciudad, al (559)935-1533 ext. 143, o por correo electrónico a [sbrewer@coalinga.com](mailto:sbrewer@coalinga.com).

City of Coalinga Water Rates and Charges								
		Present Rates	Proposed Rates					
			11/1/2020		11/1/2021	11/1/2022	11/1/2023	11/1/2024
Volumetric Rates (\$/TG)		Effective 7/1/2015	Percent Increase	New Rate	8%	8%	3%	3%
	Urban Residential	\$2.02	13%	\$2.28	\$2.46	\$2.66	\$2.74	\$2.82
	Urban Commercial	1.91	20%	2.28	2.47	2.67	2.75	2.83
	Rural	1.86	20%	2.23	2.41	2.60	2.68	2.76
	CDC - PVSP and CSH	2.32	16%	2.69	2.91	3.14	3.23	3.33
Fixed Monthly Charges (\$/Mo)								
	Urban Res and Commercial							
	1" Meter Size	\$23.81	16%	\$27.62	\$29.83	\$32.22	\$33.19	\$34.19
	1.5"	95.20	16%	110.43	119.26	128.80	132.66	136.64
	2"	360.41	16%	418.08	451.53	487.65	502.28	517.35
	3"	809.27	16%	938.75	1,013.85	1,094.96	1,127.81	1,161.64
	4"	1,438.98	16%	1,669.22	1,802.76	1,946.98	2,005.39	2,065.55
	6"	3,239.70	16%	3,758.05	4,058.69	4,383.39	4,514.89	4,650.34
	8"	5,759.92	16%	6,681.51	7,216.03	7,793.31	8,027.11	8,267.92
	10"	6,398.89	16%	7,422.71	8,016.53	8,657.85	8,917.59	9,185.12
	Rural							
	1" Meter Size	\$32.92	20%	\$39.50	\$42.66	\$46.07	\$47.45	\$48.87
	1.5"	131.77	20%	158.12	170.77	184.43	189.96	195.66
	2"	592.86	20%	711.43	768.34	829.81	854.70	880.34
	3"	1,333.57	20%	1,600.28	1,728.30	1,866.56	1,922.56	1,980.24
	4"	2,370.02	20%	2,844.02	3,071.54	3,317.26	3,416.78	3,519.28
	6"	5,335.79	20%	6,402.95	6,915.19	7,468.41	7,692.46	7,923.23
	8"	9,485.85	20%	11,383.02	12,293.66	13,277.15	13,675.46	14,085.72
	10"	10,539.67	20%	12,647.60	13,659.41	14,752.16	15,194.72	15,650.56
	California Department of Corrections							
	PVSP	\$11,156.00	16%	\$12,940.96	\$13,976.24	\$15,094.34	\$15,547.17	\$16,013.59
	CSH	3,152.78	16%	3,657.22	3,949.80	4,265.78	4,393.75	4,525.56

Tarifas y Cargos del Agua de la Ciudad de Coalinga								
		Tarifas Actuales	Tarifas Propuestas					
			11/1/2020		11/1/2021	11/1/2022	11/1/2023	11/1/2024
Tarifas Volumétricas (\$/mil galones)		Efectivo 7/1/2015	Aumento Porcentual	Nueva Tarifa	8%	8%	3%	3%
	Residenciales Urbanas	\$2.02	13%	\$2.28	\$2.46	\$2.66	\$2.74	\$2.82
	Comerciales Urbanas	1.91	20%	2.28	2.47	2.67	2.75	2.83
	Rurales	1.86	20%	2.23	2.41	2.60	2.68	2.76
	CDC - PVSP y CSH	2.32	16%	2.69	2.91	3.14	3.23	3.33
<b>Cargos Mensuales Fijos (\$/mes)</b>								
<b>Residenciales y Comerciales Urbanas</b>								
	1" Tamaño del medidor	\$23.81	16%	\$27.62	\$29.83	\$32.22	\$33.19	\$34.19
	1.5"	95.20	16%	110.43	119.26	128.80	132.66	136.64
	2"	360.41	16%	418.08	451.53	487.65	502.28	517.35
	3"	809.27	16%	938.75	1,013.85	1,094.96	1,127.81	1,161.64
	4"	1,438.98	16%	1,669.22	1,802.76	1,946.98	2,005.39	2,065.55
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	10"	6,398.89	16%	7,422.71	8,016.53	8,657.85	8,917.59	9,185.12
<b>Rurales</b>								
	1" Tamaño del medidor	\$32.92	20%	\$39.50	\$42.66	\$46.07	\$47.45	\$48.87
	1.5"	131.77	20%	158.12	170.77	184.43	189.96	195.66
	2"	592.86	20%	711.43	768.34	829.81	854.70	880.34
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	8"	9,485.85	20%	11,383.02	12,293.66	13,277.15	13,675.46	14,085.72
	10"	10,539.67	20%	12,647.60	13,659.41	14,752.16	15,194.72	15,650.56
<b>Departamento de Correcciones de California</b>								
	PVSP	\$11,156.00	16%	\$12,940.96	\$13,976.24	\$15,094.34	\$15,547.17	\$16,013.59
	CSH	3,152.78	16%	3,657.22	3,949.80	4,265.78	4,393.75	4,525.56



City of Coalinga Sewer Rates and Charges								
		Present Rates	Proposed Rates					
			11/1/2020		11/1/2021	11/1/2022	11/1/2023	11/1/2024
		Effective 7/1/2005	Percent Increase	New Rate	3%	3%	3%	3%
Residential Customers								
	Fixed monthly charge for Single-Family Residential and Multi-Family Residential for each unit	\$15.68	40%	\$21.95	\$22.61	\$23.29	\$23.99	\$24.71
Non-Residential Customers								
	Minimum monthly charge for non-residential customers	\$15.68	40%	\$21.95	\$22.61	\$23.29	\$23.99	\$24.71
	Volumetric charge based on metered potable water per thousand gallons ( <u>With</u> separate landscape meter)	\$2.59	88%	\$4.86	\$5.01	\$5.16	\$5.31	\$5.47
	Volumetric charge based on metered potable water per thousand gallons ( <u>Without</u> separate landscape meter)	\$2.32	109%	\$4.86	\$5.01	\$5.16	\$5.31	\$5.47
	Note: The City recommends the installation of separate landscape water meters, exempt from the calculation of sewer charges, for customers with landscape.							
Educational Institutions								
	Monthly charge is fixed based on the average monthly metered potable water volume during December through March each year	\$2.59	88%	\$4.86	\$5.01	\$5.16	\$5.31	\$5.47

Tarifas y Cargos del Sistema de Drenaje de la Ciudad de Coalinga								
		Tarifas Actuales	Tarifas Propuestas					
			11/1/2020		11/1/2021	11/1/2022	11/1/2023	11/1/2024
		Efectivo 7/1/2005	Aumento Porcentual	Nueva Tarifa	3%	3%	3%	3%
Clientes Residenciales								
	Cargo mensual fijo para Residencias Uni-Familiar y Resicencias Multi-Familiar para cada unidad	\$15.68	40%	\$21.95	\$22.61	\$23.29	\$23.99	\$24.71
Clientes No-Residenciales								
	Cargo mensual mínimo para clientes no-residenciales	\$15.68	40%	\$21.95	\$22.61	\$23.29	\$23.99	\$24.71
	Carga volumétrica basada en agua potable medida por mil galones (CON medidor independiente de jardinería)	\$2.59	88%	\$4.86	\$5.01	\$5.16	\$5.31	\$5.47
	Carga volumétrica basada en agua potable medida por mil galones (SIN medidor independiente de jardinería)	\$2.32	109%	\$4.86	\$5.01	\$5.16	\$5.31	\$5.47
	Nota: Para clientes no-residenciales/comerciales la Ciudad recomienda la instalación de medidores de agua para jardines separados, exentos del cálculo de los cargos del systema de drenaje para los clientes con jardín.							
Instituciones Educatacionales								
	El cargo mensual es fijo basado al promedio de volumen mensual de agua potable medida durante diciembre a marzo de cada año.	\$2.59	88%	\$4.86	\$5.01	\$5.16	\$5.31	\$5.47

# **Water and Wastewater Financial Analysis and Rate Study**

**For**

**City of Coalinga**

**September 1, 2020**

**Dan Bergmann, P.E.**

**Principal**



## Water and Wastewater Financial Analysis and Rate Study

For

City of Coalinga

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## I. Purpose

The purpose of this cost of service rate study is to evaluate the water and wastewater (sewer) enterprise funds to reset rates such that revenue is adequate for safe and reliable operation into the future. The rate study includes funding for capital improvement projects, such that each customer class provides a revenue contribution proportional to the cost to serve them. The approach to setting rates is outlined in this study. This work complies with the requirements of California's Proposition 218 when raising water and sewer rates. In general, this means:

- A rate study is conducted to support the revenue needed for each enterprise fund.
- Each customer group pays its proportionate share of costs.
- Revenue from rates from each enterprise fund is used only for that fund's purposes.
- Customers are notified in writing of the rate increases, the reasons why, information about the rate hearing that will be held after 45 days, and that they may protest in writing.
- If more than 50 percent of customers (parcel owners) protest, the increase may not happen.

## II. Approach to Setting Rates

This report includes two rate studies, one for water and another for wastewater (sewer). Each enterprise fund is handled separately; however, they are both conducted in the following sequential steps.

1. Audited financials are reviewed to observe history of revenues, expenses, and changing fund balances.
2. Accounting reports are reviewed to bridge the time frame between the end of the last audit and into the current fiscal year. The budget is reviewed for the current fiscal year and next fiscal year, when available.
3. Capital Improvement Projects (CIP) lists are developed for each enterprise for the next five years, including estimated costs and timing.
4. Operating expense projections are developed for the next five years.



5. Billing data is related for all billing cycles, including all customers from the most recent complete fiscal year. Billing data is reconciled to audited financial values in accounting reports, as appropriate.
6. Billing data is divided into appropriate customer classes to determine revenue collected from each customer class.
7. Cost of service modeling is done to assign overall costs between defined customer classes, based on system costs to serve each customer class.
8. Rate models are constructed for each enterprise to achieve the revenues needed for FYE 21 based on the revenue and expense workbooks, including changes in debt service associated with bond funding. Rate models demonstrate that established rates achieve the revenue needed for each customer class.

### **III. WATER RATE STUDY**

#### **IV. Water System Capital Improvements**

Many aspects of the water system have aged and need repair or replacement. A complete list of projects is shown in Attachment A. The most significant project is the rebuilding of Derrick water tank located on the West side of town. Derrick is the primary water reservoir for town, and a large tank at 180 feet in diameter and 40 feet high, holding seven million gallons of water. Built in 1971, it will be 50 years old next year. To ensure successful functioning into the future, the entire roof and top sections of wall must be replaced, it must be completely sand blasted and recoated inside, and it must also receive seismic upgrades. The other notable project is the installation of permanent equipment at the water plant to control water contaminants called total trihalomethanes (TTHMs). This project has already been fully designed. The construction phase consists of the installation of a chemical pump, controls, and piping to treat water at the canal intake. Beyond these two major projects, several smaller projects are listed that are essential to ensure safe drinking water that is reliably delivered to Coalinga's residents.

The project list is divided between projects to be paid with bond finance and two additional projects to be paid with excess operating funds over time on a pay-as-we-go basis ("pay-go"). The total of the bond finance projects is \$7 million, and the pay-go projects are \$2.5 million. It is anticipated that the oil companies will contribute the funds necessary for repair of the infrastructure associated with the Oil King and Northwest Reservoirs because they are the only customers served by that equipment. The result is that other customers will not subsidize service that is only for the oil companies. The replacement work of SCADA (Supervisory Control and Data



Acquisition) equipment for remote sites (equipment outside the water plant) is planned for 2022 through 2025, as the water enterprise fund balance will then have an adequate excess balance to support this project. Currently, the replacement of the SCADA equipment at the water plant is in progress and is planned to be complete in 2021. It is paid for by the remaining project funds from the Series 2012 bonds, which has a present balance of \$1.4 million.

## V. USBR Water Supply Contract

Coalinga receives its entire water supply from the Central Valley Project operated by the United States Bureau of Reclamation (USBR). The original 1968 contract expired in 2008, after a 40-year term. Since 2008, the City has entered two-year extensions with USBR for continued water supply, now on the sixth extension. The “Water Infrastructure Improvement for the Nation Act of 2016” (WIIN Act) directed USBR to convert water service contracts to repayment contracts upon a contractors request. The WIIN Act allows the City to enter a new agreement with USBR into “perpetuity,” meaning the new agreement has no termination date. However, one requirement for the new agreement is that the City pay USBR the full remaining balance of “Allocated Contractor Construction Costs” associated with the present USBR cost structure. The current USBR rate structure includes a cost component of \$20.86 per acre-foot to pay of these past construction costs. The new agreement will have the same rates as present, but without the construction cost component. The remaining balance is approximately \$1 million that must be paid at the time the new agreement is signed. The proposed plan is to pay the amount with taxable bond funding, in conjunction with the refinance discussed below. To the benefit of Coalinga ratepayers, the payoff of the construction costs will bring cost savings, although extended over the 30-year term of the bond funding.

USBR cost removed	\$104,300 per year based on 5,000 AF x \$20.86
Debt Service (30 years)	<u>57,000</u> per year from projected debt service cost
Savings	\$47,300 per year

Beyond the annual cash flow savings above, the WIIN agreement will benefit the City by guaranteeing a long-term supply of water from USBR. The agreement will also help with the acquisition of future debt funding, if needed for the water system.

## VI. Water System Refinance and New Funding

The City can benefit from refinance of its Series 2012 bonds because of available low interest rates. Savings to the water enterprise from refinance is estimated to be at least \$70,000 per year. The existing tax-exempt bonds are not callable until April 1, 2022 so the approach to refinance them is to use new taxable bonds to refund the 2012 bonds, in compliance with current laws. The



proceeds from the taxable bonds will be escrowed with the bond trustee until the April 2022 call date, at which time the proceeds will be used to pay off the 2012 bonds in full. The obligation of the City will be to make the overall lower payments associated with the new debt service schedule, which takes into consideration the old bonds being held by the trustee.

Additionally, as discussed above, \$7 million of new funding is needed for projects, plus \$1 million to pay off the USBR construction costs. Projected cash flows have been included from the City's financial advisor, Wulff, Hansen & Co. This includes deferring principal payments during the first two years to allow rate increases to customers to be more gradual. Attachment B shows historical and planned bond debt service.

## VII. Water Revenue, Expense, and Fund Balance

Water revenue from treated water sales over the past several years has been fairly constant. Water revenue from untreated water sales has varied depending on water available from USBR. Significant untreated sales occurred during FYE 20 from a full water allocation of 10,000 acre-feet from USBR, following a wet winter. Projected untreated sales are estimated at 1,600 acre-feet per year. Projected volumes of treated sales are projected to be the same as the past trend, equal to 3,800 acre-feet (1,238 million gallons). See the Revenue section of Attachment C.

Water expenses have been increasing in various categories as shown in the Expense section of Attachment C. For FYE 20, the bond covenant may not be met, which requires Net Income Available for Debt Service to exceed debt service by a minimum factor of 1.25. Based on preliminary data for FYE 20, the ratio will be 1.19. Although impact fee revenue has been allowed to contribute to the debt service calculation historically, impact fee revenue is not included in revenue projections, providing for a more conservative projection of debt service coverage. Consequently, before considering the burden of increased debt for projects and the WIIN contract, a rate increase is necessary to meet the existing bond covenant. Additionally, the cash balance of the water enterprise fund is presently near zero, therefore a rate increase is also needed to rebuild a healthy fund balance.

Projected expenses through FYE 25 include inflationary factors up to five percent shown at the right side of the table in Attachment C. However, the cost of wholesale water is reduced by \$100,000 in FYE 22 to account for the removal of the USBR construction cost component. The annual cost for Westlands canal maintenance is held at \$280,000 per year to compensate for high rates in FYE 21 caused by low water volumes on the Westland's system. Electricity costs may be reduced within the five-year planning period from new solar power; however, the costs and benefits of solar are not included in this analysis because planning is still early. Specifically, land must be acquired to locate panels adjacent to the water plant.





Total Bond Debt Service (detailed in Attachment B) is shown at the bottom of Attachment C. Annual amounts increase to almost \$1 million during the planning period. These amounts include the benefit of the Series 2012 refinance, plus the additional cost of the \$7 million for new projects and \$1 million for the WIIN agreement.

Revenue beginning in FYE 21 was increased to achieve debt service coverage of approximately 1.50 over the planning period. The result is an initial 16 percent increase, followed by two – eight percent increases, which is then followed by two – three percent increases (to follow inflation). These increases result in achieving adequate debt service coverage, providing \$400,000 per year available for Pay-Go capital projects, and building a healthy fund balance. The projected fund balance at FYE 25 exceeds \$500,000. If the solar project is implemented, the fund balance will grow faster.

## VIII. Existing Water Rates

Existing water rates have been in place since July 1, 2015. Rate classes for volumetric rates are divided by Urban Residential, Urban Commercial, Rural, and California Department of Corrections (CDC) facilities which include the Pleasant Valley State Prison (PVSP) and Coalinga State Hospital (CSH). Rate classes for fixed monthly rates are divided by Urban, Rural, and CDC. Fixed monthly costs are proportional to meter size following meter equivalency ratios from AWWA Manual M1.

Urban customers are in the centrally populated area of Coalinga, which is approximately 98 percent of all the accounts. Rural customers are located outside of town. Rural customers consist of the oil companies, a feed lot, and several homes. Historically, from a cost-of-service standpoint, Rural customers have paid a lower volumetric rate, but a higher fixed monthly rate. Rural customers do not have costs assigned for the local distribution system but are more burdensome because of the additional distances traveled for service calls and meter reading.

PVSP and CSH pay the same volumetric rate as each other but pay different fixed monthly rates. Historically, the fixed rates have been set to the same proportion of the total monthly bill for each facility, approximately 25 percent of the total water cost. Existing and proposed rates can be found in Attachment H.

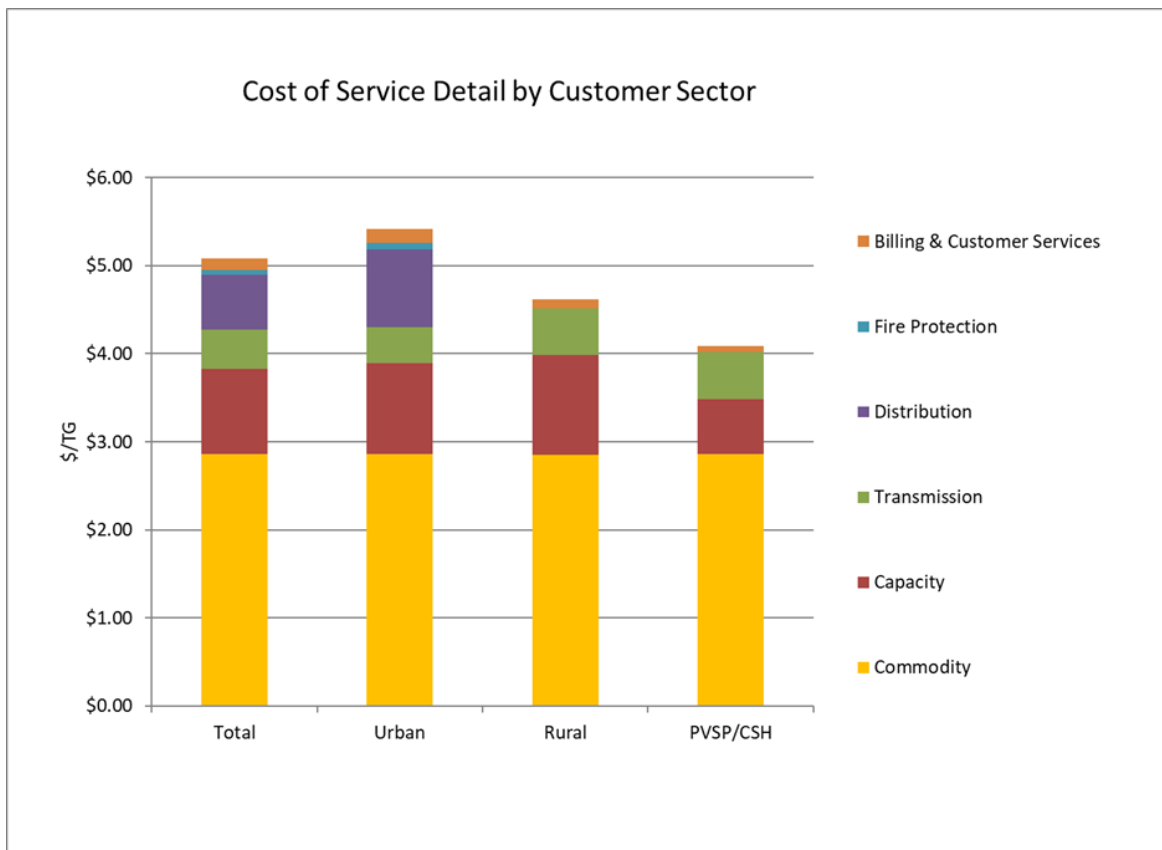
## IX. Proposed Water Rates

Proposed water rates simplify existing rates by making the Urban Residential and Urban Commercial volumetric rates the same. This is proposed because the cost difference in the existing rates is already small, within six percent, and from a customer class standpoint, the range of commercial customers is very wide, from schools to churches to small retail stores. Setting these the same is reasonable for a small water system and easier for customer billing purposes.



The combination of rate modifications in the first year is an overall revenue increase of 16 percent, consistent with revenue and expense projections. Rate modifications in the first year vary based on output from the updated cost-of-service model. Rate increases in the second through fifth year are applied evenly to all customers based on the percentage increases in the revenue and expense model (8%, 8%, 3%, and 3%).

The cost of service model was revised to consolidate Urban Residential and Urban Commercial to simply Urban. Revenue requirement input in the cost of service model is based on FYE 21 projected expenses, projected average debt, including adequate excess revenue for debt service coverage. The components of the cost of service model are provided in Attachment D. The most significant difference in cost allocation between rate classes is that Distribution and Fire Protection costs are not assigned to Rural customers nor to the CDC facilities. The first bar chart below shows a comparison of cost components across customer classes.

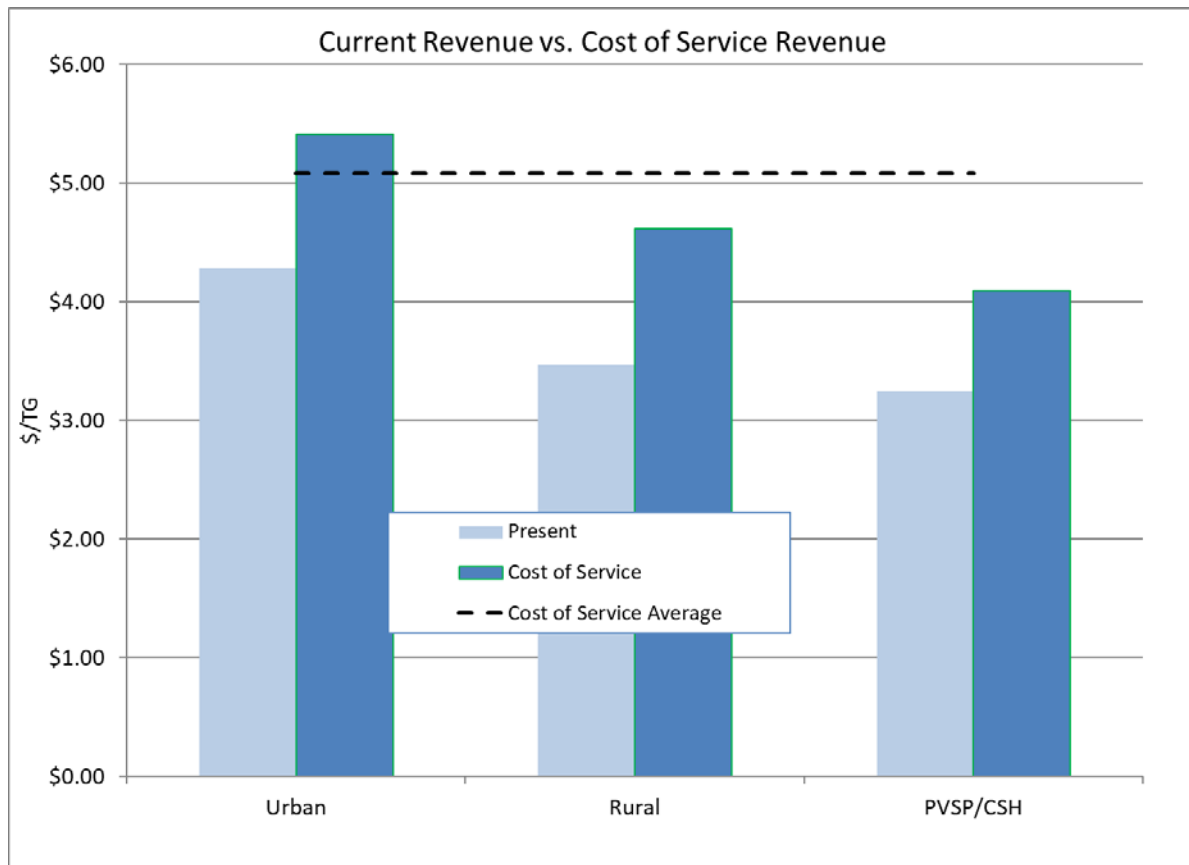


The Revenue Requirement Allocation table in Attachment D shows revenues at present rates from each customer class compared to revenues needed from an updated cost allocation. The total increase needed, if all done at once, is 27 percent; however, the revenue model is set to phase in the increases over several years. Accordingly, the initial rate increases for each



customer class are reduced proportionally such that the total increase in the first year is 16 percent, consistent with the revenue model.

The bar chart below shows the present average revenue from each customer class compared to the updated cost of service revenue. Urban customers pay slightly higher than the average cost due to added costs associated with the distribution system.





## **X. WASTEWATER (SEWER) RATE STUDY**

### **XI. Sewer System Capital Projects**

Capital improvement needs for the sewer system are minimal compared to the water system. Planned projects at the wastewater treatment plant are security upgrades such as improved fencing and the installation of cameras, and automated dissolved oxygen sensors. The purpose of the improvements is to enable the plant to operate more automatically requiring less employee time. The combined cost of the projects will be less than \$500,000 and will not require bond funding.

### **XII. Sewer Refinance**

The sewer portion of the Series 2012 bonds will be refinanced with the water portion. Savings to the sewer enterprise from the refinance is estimated at \$60,000 per year. The refinance of the sewer bonds will also include the return of approximately \$700,000 in Series 2012 project funds that are not needed. Planned sewer projects can be completed with available sewer enterprise cash, which is approximately \$3 million. The existing and proposed sewer debt service is shown in Attachment F.

### **XIII. Sewer Revenue, Expense, and Fund Balance**

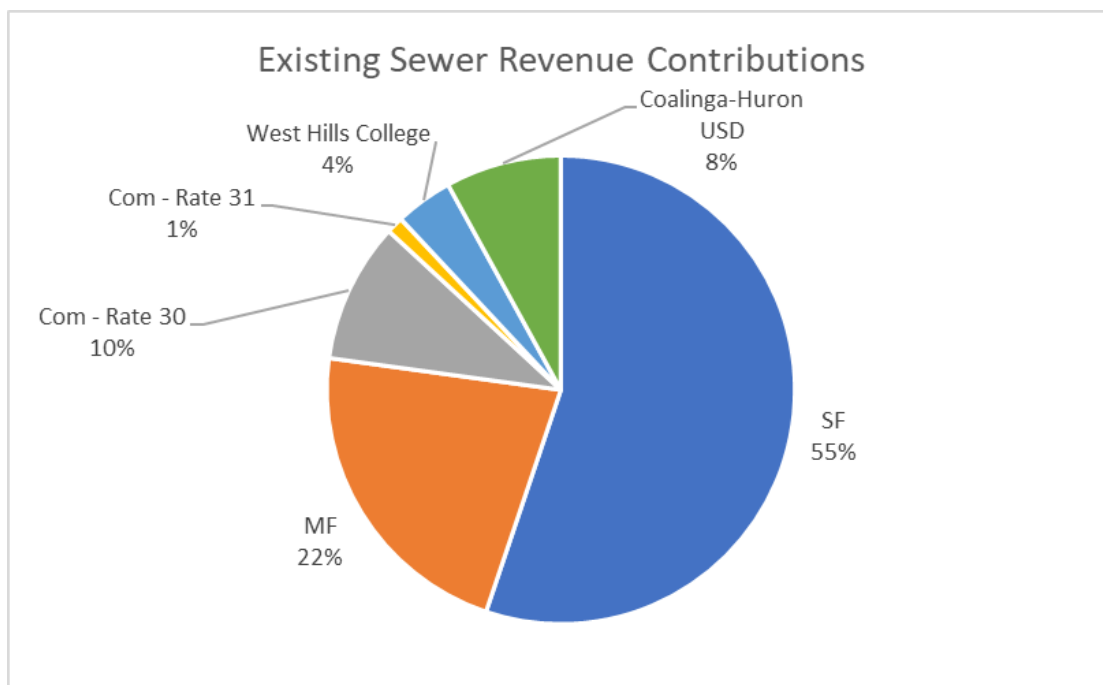
Detail of sewer revenues and expenses can be found in Attachment E. Sewer revenue over the years has been constant because most customers are billed a monthly fixed cost. However, in FYE 18 and FYE 19, the sewer fund received a total of almost \$1 million in additional revenue from impact fees associated with new housing developments.

Sewer expenses over the years have increased only gradually. Through FYE 19 the fund has been healthy, most recently because of the contributions from impact fees. However, FYE 20 shows Excess Cash After Debt Service to be negative, which is caused by the absence of impact fees. Considering that impact fees are intended for capital improvements for system expansion to meet new load, impact fees are therefore removed from the rate setting process. The result is that a significant increase in revenue is needed to cover costs and to meet debt service coverage requirements, even with the reduction in debt service payments from the bond refinance. The initial proposed increase in revenue is 37 percent, followed by three percent increases to follow inflation.



## XIV. Existing Sewer Rates

The existing sewer rates were put into place by Resolution in 1999<sup>1</sup>, and have been constant since 2005. Thus, sewer rates have been in place for 15 years without an increase. All single-family and multi-family customers pay a fixed monthly cost of \$15.68 per dwelling unit. This accounts for 77 percent of the overall revenue as shown in the pie chart below. Commercial customers pay a minimum fee of \$15.68 per month and may pay more based on metered potable water volume multiplied by the volumetric sewer rate. Most commercial customers are on the higher volumetric rate of \$2.59 per thousand gallons metered. This rate is for customers with separate landscape meters. A small percentage, approximately one percent, are on the lower rate of \$2.32 per thousand gallons, intended for customers without separate landscape meters. West Hills College and Coalinga-Huron schools have a rate set defined for “educational institutions” in the 1999 Resolution. The language in the resolution explains a procedure to set their rates based on wintertime usage as a baseline indicator of wastewater discharge.



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<sup>1</sup> Resolution No. 2720, dated June 24, 1999. Rates were reset each year based on a Consumer Price Index until July 1, 2005 when the rates at that time were held constant moving forward.



## XV. Proposed Sewer Rates

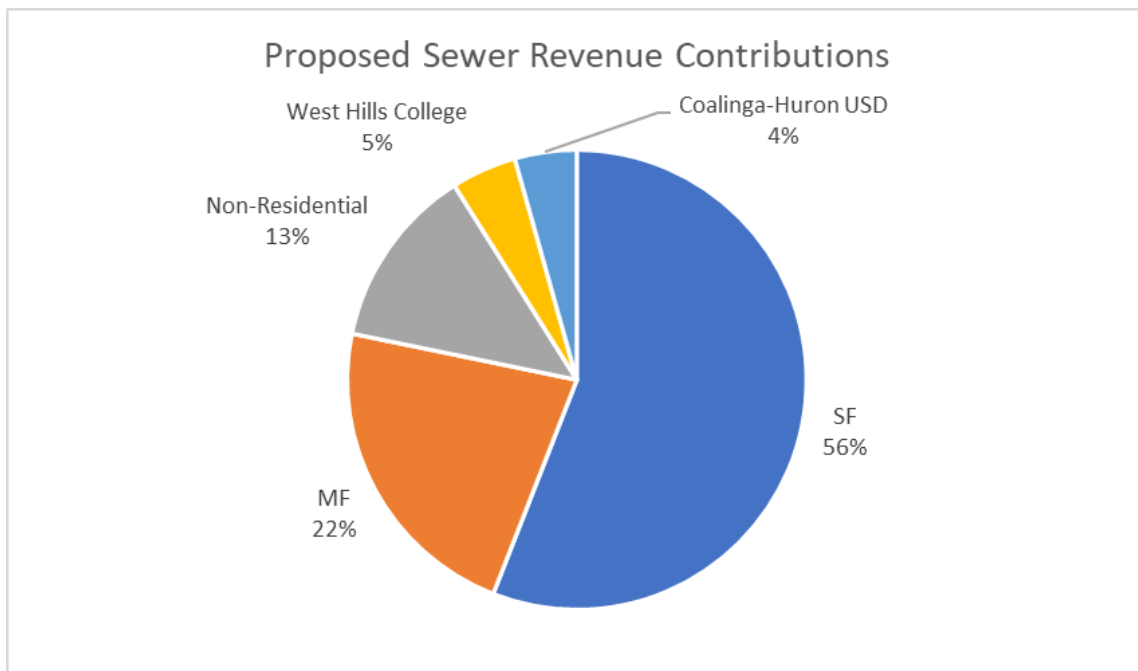
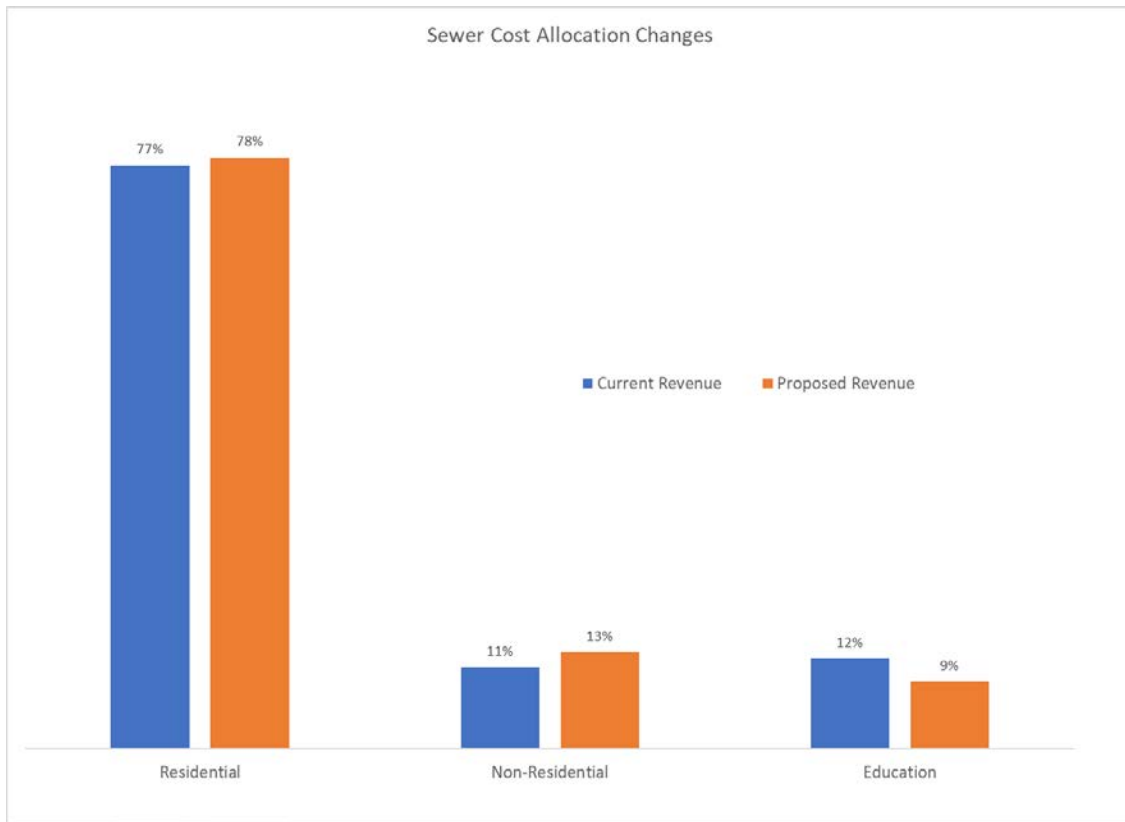
The combination of sewer rates must be increased by an overall average of 37 percent to achieve the revenue increase needed to cover increased expenses, including refinanced debt service coverage. Based on cost of service calculations, the increase in the fixed monthly cost to residential and non-residential customers is proposed higher at 40 percent to compensate for a recalculation of charges for the education sector. Specifically, the rate for Coalinga-Huron schools is recalculated to be 25 percent lower. This shift, illustrated in the charts below, provides better equity between customer classes.

The volumetric charge for non-residential customers has been recalculated based on the FYE 21 revenue requirement per thousand gallons metered into the wastewater plant. This calculation is shown in the sewer rate model in Attachment G. The average requirement is \$4.86 per thousand gallons, which becomes the new non-residential volumetric rate. This is an 88 percent increase from the existing volumetric rate of \$2.59 per thousand gallons.

In the proposed rates, all commercial customers are combined into one rate class, instead of separating based on possession of a landscape meter. A review of existing commercial customers shows that some customers without landscape meters pay disproportionately high monthly amounts in the summer, even on the lower rate, because landscape water use is significant compared to inside use. Considering that the proposed volumetric rate is almost twice the existing rate, the cost impact could be severe to commercial customers with significant landscape, but without dedicated landscape meters. To help these customers, the City should proactively contact them to facilitate installation of landscape meters to moderate their sewer bills.

For educational institutions, specifically West Hills College and Coalinga-Huron schools, the monthly sewer bill amount is proposed to continue to be based on winter baseline usage; however, simplified to be based on the monthly average for December through March each year.

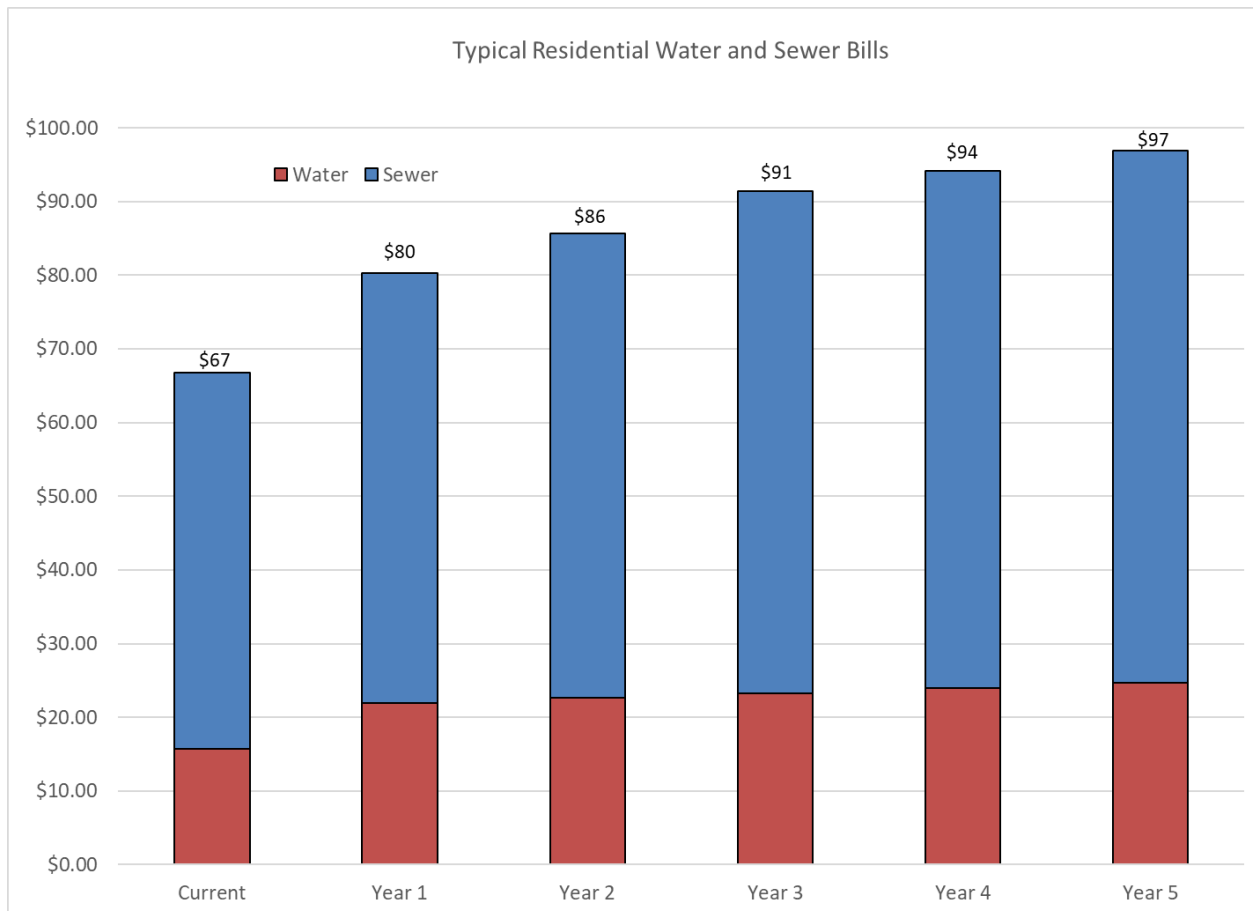
For many sewer systems, non-residential customer rates are based partially on the concentration of discharge based on the type of business. For example, discharge from a restaurant is more concentrated because of disposed food than discharge from an office building. This approach is not taken in this study because of the added administrative burden to implement more complex rates. The next rate study may implement rates based on discharge, leveraging from the progress made in this study.





## XVI. Conclusion: Effect on a Median Residential Customer

Increased operating costs necessitate the need for water and sewer rate increases, even with the benefit of refinanced debt. For the water enterprise, the increases are significant because of the need for capital improvement work, especially the cost to rebuild the Derrick water tank. The bar chart below shows the impact on a median residential customer over the five-year planning period. Debt service payments associated with the new bonds is stepped up gradually over the first two years to soften the rate impact on customers. The increases for the last three years are to cover inflation only.





## XVII. ATTACHMENTS

### A. Water System Capital Improvement Projects

<b>City of Coalinga Water Enterprise</b>		
<b>Major Repair and Capital Project Preliminary Planning: Bond Finance</b>		
<b>Water Plant and Transmission Projects</b>		
TTHM Project Construction Cost	\$1,000,000	
Wash Water Tank repair	\$200,000	
Moss Screens (2)	\$200,000	
Pumps (See detail)	\$400,000	
Rehab basins 1 and 2 (walls, clarifier sweep arms)	\$700,000	
Chlorine Room Safety Provisions	\$70,000	
Replace filter valve actuators (6)	\$180,000	
Updated Operations and Maintenance Manual	\$80,000	
Recycle and Sludge Drying Bed Pumps	\$150,000	
Air Scour for filter beds	\$200,000	
Repairs to Palmer Avenue (50% of 2,000 ft)	\$120,000	
Replace air vacs on transmission line	\$100,000	
Contingency	\$400,000	
Subtotal		\$3,800,000
<b>Derrick Tank Rebuild</b>		
New Valve upstream of Derrick	\$50,000	
Derrick Tank Bypass Repair	\$50,000	
Derrick Storage Tank Rebuild	\$2,500,000	
Subtotal		\$2,600,000
<b>Distribution System</b>		
Replace distribution lines		\$600,000
<b>Total Water Projects for Bond Finance</b>		<b>\$7,000,000</b>
<b>Major Repair and Capital Project Preliminary Planning: Pay-Go</b>		
Oil King and NW Reservoirs, pipelines, and pumps*	\$1,000,000	
SCADA Phase Two (Remote Sites)	\$1,500,000	
* To be separately allocated to oil companies		

B.

[illegible]

C. Water Revenue, Expense, and Fund Balance Table (Historical and Projected)

COALINGA WATER ENTERPRISE FUND									
For the Fiscal Years Ending June 30,									
	2017	2018	2019	2020	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
	Audited	Audited	Preliminary	Projected	Projected	Projected	Projected	Projected	Projected
Revenues:				Increases:	16%	8%	8%	3%	3%
Treated Water Production (MG)	1,184	1,219	1,224	1,238	1,238	1,238	1,238	1,238	1,238
Rate-Based Revenues	\$4,345,215	\$4,595,645	\$4,428,064	\$4,600,000	\$5,336,000	\$5,763,000	\$6,224,000	\$6,411,000	\$6,603,000
Untreated Water Sales	124,265	764,252	589,479	1,085,924	421,800	421,800	421,800	421,800	421,800
Acct Services & Misc	158,200	300	228	300	1,000	1,000	1,000	1,000	1,000
Installation Charges	2,775	10,150	20,986	1,500	10,000	10,000	10,000	10,000	10,000
Total Operating Revenue	4,630,455	5,370,347	5,038,757	5,687,724	5,768,800	6,195,800	6,656,800	6,843,800	7,035,800
Operation & Maintenance Expenses:									
PG&E Electricity	727,188	643,174	666,000	686,000	707,000	728,000	750,000	773,000	796,000
Westlands Canal Fees	177,866	118,050	212,500	282,000	385,000	280,000	280,000	280,000	280,000
Contractual Services	412,635	576,546	592,333	647,000	500,000	515,000	530,000	546,000	562,000
Personnel	1,031,102	1,031,380	1,034,327	1,101,000	1,320,000	1,386,000	1,455,000	1,528,000	1,604,000
Supplies and Material	715,321	725,350	656,525	747,000	974,000	1,003,000	1,033,000	1,064,000	1,096,000
Cost of Wholesale Water	606,223	1,014,718	1,050,000	1,389,000	1,056,000	988,000	1,018,000	1,049,000	1,080,000
Bad Debt	49,167	102,226	100,000	100,000	100,000	103,000	106,000	109,000	112,000
Depreciation & Amortization	422,543	427,460	430,000	-	-	-	-	-	-
Total Operating Expenses	4,142,045	4,638,904	4,741,686	4,952,000	5,042,000	5,003,000	5,172,000	5,349,000	5,530,000
Operating Income/(Loss)	488,410	731,443	297,071	735,724	726,800	1,192,800	1,484,800	1,494,800	1,505,800
Non-Operating:									
Impact Fee Revenue	54,257	170,345	192,301	-	-	-	-	-	-
Miscellaneous Revenue	-	750	3,267	1,500	1,500	1,500	1,500	1,500	1,500
Interest Income	2,361	16,687	4,392	5,000	1,000	5,000	5,000	5,000	5,000
Interest Expense / Amortization	(480,477)	(472,858)	0	0	0	0	0	0	0
Total Non-Operating	(423,859)	(285,076)	199,960	6,500	2,500	6,500	6,500	6,500	6,500
Debt Service Coverage Calculation:									
Operating Income	488,410	731,443	297,071	735,724	726,800	1,192,800	1,484,800	1,494,800	1,505,800
Depreciation & Amortization	422,543	427,460	430,000	-	-	-	-	-	-
Impact Fee Revenue	54,257	170,345	192,301	-	-	-	-	-	-
Miscellaneous	-	750	3,267	1,500	1,500	1,500	1,500	1,500	1,500
Interest Income	2,361	16,687	4,392	5,000	1,000	5,000	5,000	5,000	5,000
Net Income Available for Debt Service	967,571	1,346,685	927,031	742,224	729,300	1,199,300	1,491,300	1,501,300	1,512,300
Bond Debt Service (P&I)	\$713,277	\$625,493	\$625,610	\$625,330	\$482,082	\$582,342	\$987,955	\$991,806	\$995,090
Debt Service Coverage Ratio	1.36	2.15	1.48	1.19	1.51	2.06	1.51	1.51	1.52
Excess Cash After Debt Service	\$254,294	\$721,192	\$301,421	\$116,894	\$247,218	\$616,958	\$503,345	\$509,495	\$517,210
Cash for Pay-Go Capital Projects						(\$400,000)	(\$400,000)	(\$400,000)	(\$400,000)
Projected Year-End Cash Fund Balance						\$216,958	\$320,303	\$429,798	\$547,008

D. Water Cost of Service Allocation Model

<b>Coalinga Water Enterprise Revenue Requirement Allocation Table</b>				
<b>Cost Component (\$/yr)</b>	<b>Total</b>	<b>Urban</b>	<b>Rural</b>	<b>PVSP/CSH</b>
Commodity	\$3,287,155	\$2,337,797	\$323,157	\$626,200
Capacity	1,111,923	846,464	127,721	137,738
Transmission	511,521	334,783	60,161	116,577
Distribution	721,521	721,521	0	0
Fire Protection	60,000	60,000	0	0
Billing & Customer Services	154,000	126,938	10,926	16,136
Total Revenue Requirement	5,846,120	4,427,503	521,965	896,652
Revenues at Present Rates	4,608,000	3,505,000	392,000	711,000
Balance/(Deficiency) of Funds	(1,238,120)	(922,503)	(129,965)	(185,652)
<b>Summary Statistics</b>				
Treated Water Sales (TG)	1,150,100	817,900	113,100	219,100
Cost of Service (\$/TG)	5.08	5.41	4.62	4.09
Present Revenue (\$/TG)	4.01	4.29	3.47	3.25
Change (%)	27%	26%	33%	26%
16%				
60%	16%	16%	20%	16%
<b>Cost of Service Detail by Customer Sector in \$/TG</b>				
	<b>Total</b>	<b>Urban</b>	<b>Rural</b>	<b>PVSP/CSH</b>
Commodity	\$2.86	\$2.86	\$2.86	\$2.86
Capacity	0.97	1.03	1.13	0.63
Transmission	0.44	0.41	0.53	0.53
Distribution	0.63	0.88	0.00	0.00
Fire Protection	0.05	0.07	0.00	0.00
Billing & Customer Services	0.13	0.16	0.10	0.07
Total	\$5.08	\$5.41	\$4.62	\$4.09
		\$5.08	\$5.08	\$5.08

## D. Water Cost of Service Allocation Model (Cont.)

Functionalization and Classification of Revenue Requirement									
Account Description	Total	Total (Calculated)	Commodity	Capacity	Trans	Dist	Dist - Fire Protection	Billing & Customer Services	Comments
Electricity	707,000	707,000	494,900	212,100	0	0	0	0	70/30 assuming 30% electric capacity charges in summer.
Westlands Canal Maintenance*	152,000	152,000	76,000	76,000	0	0	0	0	50/50 split, based on 3,800 AF Treated @ \$40. Assumes WWD charges 50% fixed and 50% variable.
Personnel - Plant & Distribution	1,100,000	1,100,000	220,000	220,000	220,000	385,000	55,000	0	35% Dist, 5% Fire, 20% Comm, 20% Cap, 20% Trans.
Personnel - Finance	220,000	220,000	66,000	0	0	0	0	154,000	30/70 split
Chemicals	325,000	325,000	325,000	0	0	0	0	0	100% Variable
Other Contractual Services	500,000	500,000	350,000	150,000	0	0	0	0	70/30 split
Supplies and Materials	449,000	449,000	314,300	134,700	0	0	0	0	70/30 split
Major Non-Capital Repair	200,000	200,000	30,000	20,000	50,000	95,000	5,000	0	\$100,000 (50%) to Dist. Balance allocated to other categories as shown.
USBR Wholesale Water*	656,000	656,000	656,000	0	0	0	0	0	100% Variable, based on 3,800 AF (1,238 MG) at \$193.60 - 20.96 = \$172.64. Subtracted for WIIN benefit
Bad Debt (Customers)	100,000	100,000	70,000	30,000	0	0	0	0	70/30 split
Old Debt: Projects	555,000	555,000	252,525	108,225	97,125	97,125	0	0	65% to Commodity/Capacity based on 70/30. 35% to Trans/Dist based on 50/50. Based on project planning list.
New Debt: Projects \$7M	386,000	386,000	175,630	75,270	67,550	67,550	0	0	65% to Commodity/Capacity based on 70/30. 35% to Trans/Dist based on 50/50. Based on project planning list.
New Debt: USBR for WIIN	57,000	57,000	57,000	0	0	0	0	0	100% Variable
Debt Service Coverage @ 0.44	439,120	439,120	199,800	85,628	76,846	76,846	0	0	65% to Commodity/Capacity based on 70/30. 35% to Trans/Dist based on 50/50. Based on project planning list.
Totals	5,846,120	5,846,120	3,287,155	1,111,923	511,521	721,521	60,000	154,000	
* Excluding untreated sales to Harris and PVWCP									
		100%	56%	19%	9%	12%	1%	3%	
Reconcile to Total Operating Expenses in Workbook for FY21									
Westlands	385,000	152,000	233,000	5,846,120					
USBR Wholesale Water	1,056,000	656,000	400,000	Here					
Old Debt: Projects		555,000	-555,000						
New Debt: Projects \$7M/\$8M		386,000	-386,000						
New Debt USBR		57,000	-57,000						
Debt Svc Coverage		439,120	-439,120						
Workbook Total Operating Expenses			5,042,000						
			-5,042,000						
		Should be zero: 0							

D. Water Cost of Service Allocation Model (Cont.)

Commodity and Capacity Allocation Factors										
	Commodity				Capacity					
	MG/Yr Treated Sales	% Losses	MG/Yr before Losses	Commodity Allocation %	Avg Mo MG	Peaking Factor	Peak Mo MG	Peaking - Average	Peak Capacity Allocation %	
Urban	817.9	8.0%	883.3	71%	68	1.50	101.8	33.8	76%	August 2019 Peak
Rural	113.1	8.0%	122.1	10%	9	1.57	14.1	5.1	11%	August 2019 Peak
PVSP/CSH	219.1	8.0%	236.6	19%	18	1.31	23.5	5.5	12%	Oct 2019 Combined Peak
Totals	1,150		1,242	100%	95		139.4	44.4	100%	
			1,242,000,000 G					44.4		
			325,851 G/AF							
			3,812 AF							

#### D. Water Cost of Service Allocation Model (Cont.)

Billing & Customer Services					
	Number of Customers	Weighting Factor		Allocation	
Urban	3,776	1	3,776	82.4%	
Rural	65	5	325	7.1%	
PVSP/CSH	6	80	480	10.5%	To account for monthly monitoring of meter operations
Totals	3,847		4,581	100%	
Fire Protection					
	Number of Customers	Weighting Factor	Weighed Values	Allocation	
Urban	3,776	1	3,776	100.0%	
Rural	65	0	0	0.0%	
PVSP/CSH	6	0	0	0.0%	
Totals	3,847		3,776	100%	
Transmission					
	Commodity Allocation %	Weighting Factor		Allocation	
Urban	71%	1	0.71	65%	
Rural	10%	1.3	0.13	12%	To account for service calls outside of town
PVSP/CSH	19%	1.3	0.25	23%	To account for service calls outside of town
Totals	100%		1.09	100%	
Distribution					
	Commodity Allocation %	Weighting Factor		Allocation	
Urban	71%	1	0.71	100%	
Rural	10%	0	0.00	0%	no distribution
PVSP/CSH	19%	0	0.00	0%	no distribution
Totals	100%		0.71	100%	

D. Water Cost of Service Allocation Model (Cont.)

Determination of Fixed Monthly and Volumetric Rates Consistent with Cost of Service Model										
	Fixed Monthly	Billed Volumes (TG)	Current Rate (\$/TG)	Current Vol \$	Current Total	Increased Fixed Monthly	Increased Volumetric Rate	Resultant Volumetric Revenue	Combined Total	Combined Percent Increase
<b>Residential</b>	915,733	454,400	2.02	\$917,888	\$1,833,621	16%	13%	\$1,036,000	\$2,098,250	14%
<b>Commercial</b>	955,354	363,400	1.91	\$694,094	\$1,649,448	16%	19%	825,000	\$1,933,210	17%
<b>Rural</b>	210,089	113,100	1.86	\$210,366	\$420,455	20%	20%	252,000	\$504,107	20%
<b>Prison</b>	133,872	172,700	2.32	\$400,664	\$534,536	16%	16%	465,000	\$620,292	16%
<b>State Hospital</b>	37,845	46,400	2.32	\$107,648	\$145,493	16%	16%	125,000	\$168,901	16%
<b>Total</b>	\$2,252,893	1,150,000			4,583,553.1			\$2,703,000	\$5,324,760	16%
Prison Fixed Portion		25%							\$741,206	
Hospital Fixed Portion		26%					<b>Target</b>	<b>60%</b>	\$742,800	
									-\$1,594	



E. Sewer Revenue and Expense Table (Historical and Projected)

COALINGA SEWER ENTERPRISE FUND											
Audited Historical Statement of Revenues and Expenses											
For the Fiscal Years Ending June 30,											
	2017	2018	2019	2020	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5		
	Audited	Audited	Preliminary	Projected	Projected	Projected	Projected	Projected	Projected		
Revenues:				Increases:	37%	3%	3%	3%	3%		
Total Operating Revenue	\$1,187,091	\$1,191,108	\$967,502	\$1,112,363	\$1,524,000	\$1,570,000	\$1,617,000	\$1,666,000	\$1,716,000		
<b>Operation &amp; Maintenance Expenses:</b>											
Contractual Services and Utilities										Inflation	
Personnel	206,610	327,218	247,049	238,973	342,000	352,000	363,000	374,000	385,000	3%	
Supplies and Material	382,786	477,267	499,371	529,201	660,000	693,000	728,000	764,000	802,000	5%	
Bad Debt	124,009	191,955	206,967	240,188	278,000	286,000	295,000	304,000	313,000	3%	
Depreciation and Amortization	15,017	45,341	45,000	45,000	45,000	46,000	47,000	48,000	49,000	3%	
Total Operating Expenses	261,573	268,301	268,000	0	0	0	0	0	0	0%	
	989,995	1,310,082	1,266,387	1,053,363	1,325,000	1,377,000	1,433,000	1,490,000	1,549,000		
<b>Operating Income/(Loss)</b>	197,096	(118,974)	(298,885)	59,000	199,000	193,000	184,000	176,000	167,000		
<b>Non-Operating Revenues:</b>											
Impact Fee Revenue	-	454,983	525,796	34,866	0	0	0	0	0		
Investment Earnings	6,340	23,688	20,000	20,000	15,000	15,000	15,000	15,000	15,000		
Rental Income & Misc	22,700	46,863	20,350	20,000	34,000	20,000	20,000	20,000	20,000		
Interest Expense	(149,273)	(149,273)	(147,698)	(146,048)	(144,298)	(142,235)	(140,104)	(137,644)	(135,094)		
Total Non-Operating	(120,233)	376,261	418,448	(71,182)	(95,298)	(107,235)	(105,104)	(102,644)	(100,094)		
<b>Net Income before Transfers</b>	76,863	257,287	119,563	(12,182)	103,702	85,765	78,896	73,356	66,906		
Operating Transfers In/(Out)	-	-	-	-	-	-	-	-	-		
Net Income after Transfers	76,863	257,287	119,563	(12,182)	103,702	85,765	78,896	73,356	66,906		
<b>DEBT SERVICE COVERAGE:</b>											
Operating Income/(Loss)	197,096	(118,974)	(298,885)	59,000	199,000	193,000	184,000	176,000	167,000		
Depreciation & Amortization	261,573	268,301	268,000	0	0	0	0	0	0		
Impact Fee Revenue	-	454,983	525,796	34,866	-	-	-	-	-		
Rental Fee Revenue	22,700	46,863	20,350	20,000	34,000	20,000	20,000	20,000	20,000		
Interest Income	6,340	23,688	20,000	20,000	15,000	15,000	15,000	15,000	15,000		
Net Income Available for Debt Service	487,709	674,861	535,261	133,866	248,000	228,000	219,000	211,000	202,000		
<b>Bond Debt Service (P&amp;I)</b>	149,273	199,273	197,698	196,048	99,065	72,855	142,855	136,630	140,440		
<b>Debt Service Coverage Ratio</b>	3.27	3.39	2.71	0.68	2.50	3.13	1.53	1.54	1.44		
<b>Excess Cash After Debt Service</b>	338,436	475,588	337,563	(62,182)	148,935	155,145	76,145	74,370	61,560		

F. Sewer Historical and Projected Bond Debt Service

City of Coalinga Sewer Enterprise Principal and Interest Payments												
	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25		
	Audited	Audited	Audited	Prelim								
2012 Bonds Principal and Interest	149,285	149,273	199,273	197,698	196,048	72,149						
2020 Sewer Refunding Principal (Projected)*						0	0	70,000	65,000	70,000		
2020 Sewer Refunding Interest (Projected)*						26,916	72,855	72,855	71,630	70,440		
Total Debt Service	149,285	149,273	199,273	197,698	196,048	99,065	72,855	142,855	136,630	140,440		
2012 Bonds Principal and Interest						199,298	197,235	200,104	197,644	200,094		
2020 Refunding Total Payment						99,065	72,855	142,855	136,630	140,440		
2020 Savings						100,233	124,380	57,249	61,014	59,654		
* Refinance includes refunding \$700,000 of unused Series 2012 project funds.												

G. Sewer Existing and Proposed Rates and Revenue

City of Coalinga Sewer Rates and Revenue									
Existing and Proposed									
EXISTING RATES AND REVENUE (MONTHLY)									
	Customer Count	Billing Count	Fixed Rates	Total Fixed\$	\$/TG	TG	Total Vol \$	Total \$ Subtotals	
SF	3,230	3,230	\$15.68	\$50,646				\$50,646	
MF	75	1,287	\$15.68	\$20,180				\$20,180	77%
Com - Rate 30	162	162	\$15.68	\$2,540	\$2.59	2,450	\$6,346	\$8,886	
Com - Rate 31	25	25	\$15.68	\$392	\$2.32	290	\$673	\$1,065	11%
West Hills College	1	5	\$0.00	\$0			\$3,649	\$3,649	4%
Coalinga-Huron USD	1	5	\$0.00	\$0			\$7,352	\$7,352	8%
	3,494	4,714		\$73,759			\$18,019	\$91,778	100%
						Annual Revenue:	\$1,101,000 (rounded)		
						Influent:	313,900 TG/yr		
						Average Contribution:	\$3.51 /TG		
PROPOSED RATES AND REVENUE (MONTHLY)									
	Customer Count	Count	Fixed Rates	Total Fixed \$	\$/TG	TG	Total Vol \$	Total \$ Subtotals Change	
		Increase:	40%						
SF	3,230	3,230	\$21.95	\$70,905				\$70,905	
MF	75	1,287	\$21.95	\$28,252				\$28,252	40%
Non-Residential	187	187	\$21.95	\$4,105	\$4.86	2,500	\$12,138	\$16,243	63%
West Hills College	1	5	\$0.00	\$0	\$4.86	1,200	\$5,826	\$5,826	60%
Coalinga-Huron USD	1	5	\$0.00	\$0	\$4.86	1,140	\$5,535	\$5,535	-25%
	3,494	4,714		\$103,262			\$17,964	\$126,761	38%
						Annual Revenue:	\$1,521,000 (rounded)		
						Target Revenue:	\$1,524,000	\$4.86 /TG	
						Deviation:	-\$3,000	-0.2%	

**CITY OF COALINGA  
NOTICE OF PUBLIC HEARING ON  
PROPOSED INCREASES IN WATER AND SEWER RATES**

To comply with Proposition 218 (California Constitution Article XIII D, Section 8), the City of Coalinga gives the following notice.

**Public Hearing:** At 6:00 p.m. on Thursday, October 15, 2020, at the City of Coalinga City Council Chambers, 155 West Durian, Coalinga, CA, 93210, the Coalinga City Council will hold a public hearing on proposed increases in rates for water and sewer service, and to hear and consider objections and protests to the proposed increases described in this notice. Access to the meeting is also available by phone or internet, with specific connection information to be on the City Council Meeting agenda, made available on the City's website ([www.coalinga.com](http://www.coalinga.com)) to the public prior to the hearing.

**Rate Study Report:** A Rate Study Report by IGService, dated September 1, 2020, describing details of the water and sewer rate increases and the method used to calculate the rate increases has been prepared, and the contents submitted to the City Council. The report is available at City Hall and can also be found on the City website.

**Amount of Proposed Increased Rates:** Existing and proposed rates are included in this Notice.

**Reason for the Increase in Water and Sewer Rates:** For water, the primary reason for the needed increase is to provide funding for \$7 million in planned major repair of the aging water system. A portion of the increase is also to cover increasing operating cost, as the last increase was five years ago in 2015, and costs have continued to increase since then. For sewer, the last increase was 15 years ago in 2005. Revenue from the old rates is inadequate to cover increased system costs, and sewer rates have been aligned to match cost of service more closely for each customer class. Details of the rate increases for both water and sewer can be found in the Report. Revenue from the increased rates and charges will not be more than the funds required for the City to provide adequate service. Specifically, for each sewer and water, the proposed increased rates do not exceed the proportional existing and future cost of providing each service.

**Procedure for Hearing and Determining Majority Protest:** At the time stated above in this Notice, the Council will hear and consider all objections and protests, if any, to the proposed increases and other matters described in the Report. The Council may continue the hearing from time to time. At the close of the hearing, if written protests against the proposed increases are presented and not withdrawn by a majority of the record owners of the parcels that would be subject to the increases, the City may not impose the increased water and sewer rates; instead, rates would continue at their existing, previously-approved amounts. If, at the close of the protest hearing, there is no majority protest as described above, the Council may approve the increases, as proposed, or as changed by the Council, to be effective commencing November 1, 2020.

**How to Submit a Protest.** Protests may be submitted by the record owner of the parcel or a tenant of a parcel subject to the proposed rates, but only one protest per parcel will be counted. Written protests must contain a clear statement that it is a protest against the proposed charges and it must include the name of the owner or customer of record, a description of the parcel or parcels (Assessor's Parcel Number or street address) and an original signature of the owner or customer of record. Written protests regarding the proposed rate changes may be mailed or personally delivered to: City of Coalinga, City Clerk, 155 West Durian, Coalinga, CA 93210. To be valid, a protest must be in writing and received by the City Clerk at or before the closing of the public hearing on October 15, 2020.

**Preserving the Right to Challenge:** Separate from the right to file a protest, any person who wants to preserve the opportunity to file a lawsuit challenging the proposed increases, if imposed, or other matters described in the Report, must state the specific grounds for the objection, and submit that objection in writing prior to or during the public hearing, or orally during the public hearing. Any grounds not provided and received before the close of the public hearing on October 15, 2020, will be deemed waived and may not be raised in any subsequent lawsuit.

**Additional Information:** Please direct questions about the proposed rate proceeding to Sean Brewer, Assistant City Manager, at (559) 935-1533 ext. 143, or by email to [sbrewer@coalinga.com](mailto:sbrewer@coalinga.com).

**CIUDAD DE COALINGA**  
**AVISO DE AUDIENCIA PÚBLICA SOBRE AUMENTOS PROPUESTOS EN LAS**  
**TARIFAS DE AGUA Y SYSTEMA DE DRENAJE**

Para cumplir con la Proposición 218 (Artículo XIII D de la Constitución de California, Sección 8), la Ciudad de Coalinga da el siguiente aviso.

**Audiencia Pública:** a las 6:00 p.m. el Jueves 15 de Octubre de 2020, en las Cámaras del Consejo de la Ciudad de Coalinga, 155 West Durian, Coalinga, CA, 93210, el Consejo de Coalinga realizará una audiencia pública sobre los aumentos propuestos en las tarifas del servicio de agua y drenaje, y escucharán y considerarán objeciones y protestas a los aumentos propuestos descritos en este aviso. El acceso a la audiencia también está disponible por teléfono o internet, con información de conexión específica que estará en la agenda de la junta del Concejo Municipal, disponible por internet en el sitio de la Ciudad ([www.coalinga.com](http://www.coalinga.com)) para el público antes de la audiencia.

**Informe de Estudio de Tarifas:** Se preparó un informe de estudio de tarifas de IGService, con fecha del 1 de septiembre de 2020 que describe los detalles de los aumentos de las tarifas de agua y drenaje y el método utilizado para calcular los aumentos de tarifas, y se presentó el contenido al Concejo Municipal. El informe está disponible en la oficina de la Ciudad y también se encuentra en el sitio web de la Ciudad.

**Cantidad de Aumento Propuesto:** Las tarifas existentes y propuestas se incluyen en este aviso.

**Razón del Aumento de Tarifas:** Para el agua, la razón principal de aumento necesario es proporcionar fondos por \$7 millones en reparaciones importantes planificadas del sistema de agua envejecido. Parte del aumento también es para cubrir el aumento de costos operativos, ya que el último aumento fue hace cinco años en 2015, y los costos siguen aumentando. Para el servicio del drenaje, el último aumento fue hace 15 años en 2005. Los ingresos de las tarifas presentes son inadecuados para cubrir el aumento de los costos del sistema, y las tarifas se han alineado por igualar al costo. Los detalles se pueden encontrar en el informe. Los ingresos provenientes del aumento de tarifas y cargos no superarán los fondos necesarios para que la Ciudad brinde un servicio adecuado. Para cada servicio, las tarifas aumentadas propuestas no exceden el costo proporcional existente y futuro de brindar cada servicio.

**Procedimiento Para Audiencia Pública y Determinación de Protesta Mayoritaria:** En el horario indicado anteriormente en este aviso, el Consejo escuchará y considerará todas las objeciones y protestas, si las hubiera, a los aumentos propuestos y otros asuntos descritos en el informe. El Consejo puede continuar la audiencia de tiempo a tiempo. Al cierre de la audiencia, si se presentan protestas por escrito contra los aumentos propuestos y la mayoría de los registrados de las parcelas que estarían sujetas a los aumentos no las retira, la Ciudad no podrá imponer el aumento de las tarifas de agua y del servicio de drenaje; en cambio, las tarifas continuarían en sus montos existentes previamente aprobados. Si al cierre de la audiencia no hay una protesta mayoritaria como se describe anteriormente, el Consejo puede aprobar los aumentos, según lo propuesto o modificado por el Consejo, efectivo a partir del 1 de noviembre de 2020.

**Como presentar una protesta.** Las protestas pueden ser enviadas por el propietario registrado de la parcela o un inquilino sujeto a las tarifas propuestas, pero solo se contará una protesta por parcela. Las protestas escritas deben contener una declaración clara de que se trata de una protesta contra los cargos propuestos y debe incluir el nombre del propietario o cliente registrado, una descripción de la parcela o parcelas (número de parcela del tasador o dirección postal) y una firma original del propietario o cliente registrado. Las protestas por escrito pueden enviarse por correo o entregarse personalmente a: Ciudad de Coalinga, Secretaría Municipal, 155 West Durian, Coalinga, CA 93210. Para ser válida, una protesta debe ser por escrito y recibida por la Secretaría Municipal en o antes del cierre de la audiencia pública el 15 de octubre de 2020.

**Preservar el derecho a impugnar:** Independientemente, del derecho a presentar una protesta, cualquier persona que desee conservar la oportunidad de presentar una demanda impugnando los aumentos propuestos, si se impone, u otros asuntos descritos en el informe, debe indicar los motivos específicos de la objeción y presentar dicha objeción por escrito antes o durante la audiencia pública, o verbalmente durante la audiencia pública. Cualquier fundamento no proporcionado y recibido antes del cierre de la audiencia pública el 15 de octubre de 2020, se considerará renunciado y no podrá plantearse en ninguna demanda posterior.

**Información Adicional:** Dirija sus preguntas sobre el procedimiento de tarifa propuesta a Sean Brewer, Asistente de Administrador de la Ciudad, al (559)935-1533 ext. 143, o por correo electrónico a [sbrewer@coalinga.com](mailto:sbrewer@coalinga.com).



City of Coalinga Water Rates and Charges								
	Present Rates	Proposed Rates						
		11/1/2020		11/1/2021	11/1/2022	11/1/2023	11/1/2024	
Volumetric Rates (\$/TG)	Effective 7/1/2015	Percent Increase	New Rate	8%	8%	3%	3%	
Urban Residential	\$2.02	13%	\$2.28	\$2.46	\$2.66	\$2.74	\$2.82	
Urban Commercial	1.91	20%	2.28	2.47	2.67	2.75	2.83	
Rural	1.86	20%	2.23	2.41	2.60	2.68	2.76	
CDC - PVSP and CSH	2.32	16%	2.69	2.91	3.14	3.23	3.33	
Fixed Monthly Charges (\$/Mo)								
Urban Res and Commercial								
1" Meter Size	\$23.81	16%	\$27.62	\$29.83	\$32.22	\$33.19	\$34.19	
1.5"	95.20	16%	110.43	119.26	128.80	132.66	136.64	
2"	360.41	16%	418.08	451.53	487.65	502.28	517.35	
3"	809.27	16%	938.75	1,013.85	1,094.96	1,127.81	1,161.64	
4"	1,438.98	16%	1,669.22	1,802.76	1,946.98	2,005.39	2,065.55	
6"	3,239.70	16%	3,758.05	4,058.69	4,383.39	4,514.89	4,650.34	
8"	5,759.92	16%	6,681.51	7,216.03	7,793.31	8,027.11	8,267.92	
10"	6,398.89	16%	7,422.71	8,016.53	8,657.85	8,917.59	9,185.12	
Rural								
1" Meter Size	\$32.92	20%	\$39.50	\$42.66	\$46.07	\$47.45	\$48.87	
1.5"	131.77	20%	158.12	170.77	184.43	189.96	195.66	
2"	592.86	20%	711.43	768.34	829.81	854.70	880.34	
3"	1,333.57	20%	1,600.28	1,728.30	1,866.56	1,922.56	1,980.24	
4"	2,370.02	20%	2,844.02	3,071.54	3,317.26	3,416.78	3,519.28	
6"	5,335.79	20%	6,402.95	6,915.19	7,468.41	7,692.46	7,923.23	
8"	9,485.85	20%	11,383.02	12,293.66	13,277.15	13,675.46	14,085.72	
10"	10,539.67	20%	12,647.60	13,659.41	14,752.16	15,194.72	15,650.56	
California Department of Corrections								
PVSP	\$11,158.00	16%	\$12,940.96	\$13,976.24	\$15,094.34	\$15,547.17	\$16,013.59	
CSH	3,152.78	16%	3,657.22	3,949.80	4,265.78	4,393.75	4,525.56	

Proposition 218 Notice (Cont.)

City of Coalinga Sewer Rates and Charges								
	Present Rates	Proposed Rates						
		11/1/2020		11/1/2021	11/1/2022	11/1/2023	11/1/2024	
	Effective 7/1/2005	Percent Increase	New Rate	3%	3%	3%	3%	
<b>Residential Customers</b>								
Fixed monthly charge for Single-Family Residential and Multi-Family Residential for each unit	\$15.68	40%	\$21.95	\$22.61	\$23.29	\$23.99	\$24.71	
<b>Non-Residential Customers</b>								
Minimum monthly charge for non-residential customers	\$15.68	40%	\$21.95	\$22.61	\$23.29	\$23.99	\$24.71	
Volumetric charge based on metered potable water per thousand gallons ( <u>With</u> separate landscape meter)	\$2.59	88%	\$4.86	\$5.01	\$5.16	\$5.31	\$5.47	
Volumetric charge based on metered potable water per thousand gallons ( <u>Without</u> separate landscape meter)	\$2.32	109%	\$4.86	\$5.01	\$5.16	\$5.31	\$5.47	
Note: The City recommends the installation of separate landscape water meters, exempt from the calculation of sewer charges, for customers with landscape.								
<b>Educational Institutions</b>								
Monthly charge is fixed based on the average monthly metered potable water volume during December through March each year	\$2.59	88%	\$4.86	\$5.01	\$5.16	\$5.31	\$5.47	

## **RESOLUTION NO. 3989**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COALINGA APPROVING NEW WATER AND SEWER RATES EFFECTIVE NOVEMBER 1, 2020**

WHEREAS, Coalinga Municipal Code provides for modifications to water and sewer rates by resolution of the City Council; and

WHEREAS, water rates were last increased July 1, 2015, based on Resolution No. 3683, dated June 18, 2015; and

WHEREAS, sewer rates were last increased July 1, 2005, based on Resolution No. 2720, dated June 24, 1999; and

WHEREAS, water and sewer system operation and maintenance costs have increased over the years resulting in needed rate increases to cover costs and meet bond covenant requirements; and

WHEREAS, the water system is in critical need of infrastructure improvements resulting in needed rate increases to provide for additional bond funding; and

WHEREAS, the water enterprise fund balance is depleted, and the proposed rate increases are designed to gradually rebuild water enterprise cash reserves; and

WHEREAS, IGService prepared a Water and Wastewater Financial Analysis and Rate Study, dated September 1, 2020, providing explanations and calculations for the determination of reset water and sewer rates; and

WHEREAS, the City Council of the City of Coalinga discussed the proposed revised rates on July 29, 2020, and supported issuing a rate increase notice to all customers and property owners; and

WHEREAS, virtual community meetings to allow customer questions and hear customer concerns were advertised ahead of time and then held at 11 am, Tuesday September 29, 2020, and at 6 pm Thursday October 8, 2020; and

WHEREAS, a notice of the proposed water and sewer rates was mailed to customers and property owners in accordance with the requirements of Proposition 218 and Government Code section 53750 et seq.; and

WHEREAS, a public hearing to consider the proposed new water and sewer rates and any protests to such rates was held at a public meeting on October 15, 2020, before the City Council of the City of Coalinga, which meeting and hearing was more than 45 days after the notice to customers and property owners was mailed; and



WHEREAS, written protests to the proposed new water and sewer rates were not presented by a majority of customers and property owners; and

WHEREAS, the proposed water and sewer rates set forth in Exhibit "A" attached hereto are nondiscriminatory and do not exceed the cost of providing service and improvements to the water and sewer systems for which the rates and charges are imposed.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Coalinga as follows:

1. The schedule of new water and sewer rates in Exhibit "A" attached hereto are hereby adopted, and the new water and sewer rates shall be effective on November 1, 2020. New rates will appear on customer bills received at the end of December for billing cycles spanning November into December.
2. The new water and sewer rates shall be effective until a subsequent City Council Resolution is adopted further amending these rates.

The foregoing resolution was approved and adopted at a regular meeting of the City Council of the City of Coalinga held on the 15th day of October 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

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Mayor

ATTEST:

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City Clerk/Deputy City Clerk

## EXHIBIT “A”

City of Coalinga Water Rates and Charges								
		Present Rates	Proposed Rates					
			11/1/2020		11/1/2021	11/1/2022	11/1/2023	11/1/2024
Volumetric Rates (\$/TG)		Effective 7/1/2015	Percent Increase	New Rate	8%	8%	3%	3%
	Urban Residential	\$2.02	13%	\$2.28	\$2.46	\$2.66	\$2.74	\$2.82
	Urban Commercial	1.91	20%	2.28	2.47	2.67	2.75	2.83
	Rural	1.86	20%	2.23	2.41	2.60	2.68	2.76
	CDC - PVSP and CSH	2.32	16%	2.69	2.91	3.14	3.23	3.33
Fixed Monthly Charges (\$/Mo)								
	Urban Res and Commercial							
	1" Meter Size	\$23.81	16%	\$27.62	\$29.83	\$32.22	\$33.19	\$34.19
	1.5"	95.20	16%	110.43	119.26	128.80	132.66	136.64
	2"	360.41	16%	418.08	451.53	487.65	502.28	517.35
	3"	809.27	16%	938.75	1,013.85	1,094.96	1,127.81	1,161.64
	4"	1,438.98	16%	1,669.22	1,802.76	1,946.98	2,005.39	2,065.55
	6"	3,239.70	16%	3,758.05	4,058.69	4,383.39	4,514.89	4,650.34
	8"	5,759.92	16%	6,681.51	7,216.03	7,793.31	8,027.11	8,267.92
	10"	6,398.89	16%	7,422.71	8,016.53	8,657.85	8,917.59	9,185.12
	Rural							
	1" Meter Size	\$32.92	20%	\$39.50	\$42.66	\$46.07	\$47.45	\$48.87
	1.5"	131.77	20%	158.12	170.77	184.43	189.96	195.66
	2"	592.86	20%	711.43	768.34	829.81	854.70	880.34
	3"	1,333.57	20%	1,600.28	1,728.30	1,866.56	1,922.56	1,980.24
	4"	2,370.02	20%	2,844.02	3,071.54	3,317.26	3,416.78	3,519.28
	6"	5,335.79	20%	6,402.95	6,915.19	7,468.41	7,692.46	7,923.23
	8"	9,485.85	20%	11,383.02	12,293.66	13,277.15	13,675.46	14,085.72
	10"	10,539.67	20%	12,647.60	13,659.41	14,752.16	15,194.72	15,650.56
	California Department of Corrections							
	PVSP	\$11,156.00	16%	\$12,940.96	\$13,976.24	\$15,094.34	\$15,547.17	\$16,013.59
	CSH	3,152.78	16%	3,657.22	3,949.80	4,265.78	4,393.75	4,525.56

## EXHIBIT “A” (Continued)

City of Coalinga Sewer Rates and Charges								
	Present Rates	Proposed Rates						
		11/1/2020		11/1/2021	11/1/2022	11/1/2023	11/1/2024	
	Effective 7/1/2005	Percent Increase	New Rate	3%	3%	3%	3%	
<b>Residential Customers</b>								
Fixed monthly charge for Single-Family Residential and Multi-Family Residential for each unit	\$15.68	40%	\$21.95	\$22.61	\$23.29	\$23.99	\$24.71	
<b>Non-Residential Customers</b>								
Minimum monthly charge for non-residential customers	\$15.68	40%	\$21.95	\$22.61	\$23.29	\$23.99	\$24.71	
Volumetric charge based on metered potable water per thousand gallons ( <u>With</u> separate landscape meter)	\$2.59	88%	\$4.86	\$5.01	\$5.16	\$5.31	\$5.47	
Volumetric charge based on metered potable water per thousand gallons ( <u>Without</u> separate landscape meter)	\$2.32	109%	\$4.86	\$5.01	\$5.16	\$5.31	\$5.47	
Note: The City recommends the installation of separate landscape water meters, exempt from the calculation of sewer charges, for customers with landscape.								
<b>Educational Institutions</b>								
Monthly charge is fixed based on the average monthly metered potable water volume during December through March each year	\$2.59	88%	\$4.86	\$5.01	\$5.16	\$5.31	\$5.47	

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE  
AUTHORITY**

**Subject:** Approve MINUTES - October 1, 2020  
**Meeting Date:** October 15, 2020  
**From:** Marissa Trejo, City Manager  
**Prepared by:** Shannon Jensen, City Clerk

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**I. RECOMMENDATION:**

**II. BACKGROUND:**

**III. DISCUSSION:**

**IV. ALTERNATIVES:**

**V. FISCAL IMPACT:**

**ATTACHMENTS:**

File Name	Description
<input type="checkbox"/> MINUTES_REGULAR__SPECIAL_For_Approval_100120.pdf	Minutes - October 1, 2020

# MINUTES

## CITY COUNCIL/SUCCESSOR

### AGENCY/PUBLIC FINANCE AUTHORITY

### MEETING AGENDA

### October 1, 2020

#### 1. CALL TO ORDER 6:00PM *Meeting conducted via Zoom webinar.*

Council Members Present: Lander, Ramsey, Stolz, Adkisson, Singleton

Others Present: City Manager Marissa Trejo, Assistant City Manager Sean Brewer, City Attorney Mario Zamora, Chief of Police Darren Blevins, Financial Services Director Jasmin Bains, City Treasurer James Vosburg, Fire Chief Greg DuPuis, Administrative Analyst Mercedes Garcia, Public Works and Utilities Coordinator Larry Miller, and City Clerk/Assistant to the City Manager Shannon Jensen

Council Members Absent: None

Others Absent: None

#### 1. Changes to the Agenda

*City Manager Marissa Trejo announced Item No. 6.1 "Discussion, Direction and Potential Action regarding a Potential Conflict of Interest with Councilman Adkisson Voting on Cannabis Related Items", from the Special Meeting scheduled for October 1, 2020, has been **Pulled and Tabled** for a later date. Therefore, there is no need to add, and run the Special Meeting concurrently with the Regular Meeting.*

*Motion by Ramsey, Second by Stolz to Pull Item No. 6.1 from the Special Agenda and to Approve the Agenda for the Regular Meeting of October 1, 2020. Motion **Approved** by a 5/0 Majority Voice Vote.*

#### 2. AWARDS, PRESENTATIONS, APPOINTMENTS AND PROCLAMATIONS

##### 1. AMI Water Metering Pilot Program - Larry Miller

Public Works and Utilities Coordinator Larry Miller presented information on the launch of the City's Advanced Metering Infrastructure ("AMI") Pilot Program. Detailed information can be found on the City's website under the Public Works page. These are smart water meters, similar to what you would find with PG&E, that allow you to see your usage in real-time. The program is only for the water system at this time, as the natural gas element is much more intricate. The intent of the program is to identify any issues or bugs prior to moving forward with a full integration in the future. Anyone interested in being a part of the candidate pool for the pilot program may apply online on the City's webpage or by contacting Kristi Anderson at (559) 935-1533 ext. 150.

##### 2. Capital Street Projects Update 2020 - Sean Brewer

Assistant City Manager Sean Brewer presented the Capital Street Projects 2020 update.

### 3. CITIZEN COMMENTS

*The following individual(s) submitted electronic comment(s):*

Mary Jones – wrote in favor of the City painting small murals on City utility boxes. Mrs. Jones requested Imaginarium community artists join in the project to help paint other utility boxes in the future. (*Agenda Item No. 5.10*) Mrs. Jones asked if the Police/Fire street painting could be designed and painted by local artists instead of just lettering, suggesting it would be more interesting, save the City time and money, as well as giving the community an opportunity to get involved. (*Agenda Item No. 5.11*)

### 4. PUBLIC HEARINGS (NONE)

### 5. CONSENT CALENDAR

1. Approve MINUTES - September 17, 2020
2. Check Register: 08/01/2020 - 08/31/2020
3. Adopt Resolution No. 3986 Amending the City's Conflict of Interest Code Regarding Designated Employees and Disclosure Categories as Required by the Political Reform Act and Approving the 2020 Local Agency Biennial Notice
4. Information on Public Camera Registration Program
5. Authorize Police Department to Declare a 2005 Ford Crown Victoria as Surplus Property and Donate to Gimme Love

*Councilwoman Stolz pulled Item No. 5.5 for discussion.*

Chief of Police Darren Blevins gave a brief overview of the item, explaining that Gimme Love is willing to purchase the vehicle at the lowest Kelley Blue Book value if the donation was not acceptable.

Councilwoman Stolz is in favor of using the lowest Kelley Blue Book value of \$324 and allocating the unanticipated revenue to finishing the flooring at the Police Department or to the K-9 unit.

*Consensus of the Council is to **Approve** Declaring the 2005 Ford Crown Victoria as Surplus Property and to Sell it to Gimme Love for the Lowest Kelley Blue Book Value of \$324.00 and to Allocate the Unanticipated Revenue to the Coalinga K-9 Unit.*

6. Review and Approve Regulatory Permit for Claremont Capitol Partners, LLC
7. Review and Approve Regulatory Permit for Urbgreen Co.
8. Approve the Purchase of Portable Radios from 49er Communication for use by the Fire Department
9. Authorize Fire Chief to submit a Request for Proposals (RFP) for a Standard of Cover
10. Authorize City Manager to Work with the Elks to Paint City Utility Boxes

11. Direct City Manager to Work with Police Chief and Fire Chief to Paint "Support the Blue/Red" or Similar Slogans on the Streets Outside of Each Department

*Councilwoman Stolz pulled Item No. 5.11 for discussion.*

Councilwoman Stolz suggested the Item be Tabled until the Coalinga Police Officers' Association and Fire Department personnel could be asked how they feel about the proposed painting of the streets outside of each department.

*Consensus of the Council is to **Table** Item No. 5.11 Until the Coalinga Police Officers' Association and Fire Department Personnel Input is Obtained.*

12. Direct City Manager to Send a Letter from Mayor regarding Withholding of CARES Act Funding to Congress

*Mayor Lander pulled Item No. 5.12 for discussion.*

Mayor Lander suggested it be more appropriate for the Mayor Pro-Tem to sign the letter as he did not vote in favor of Resolution No. 3964 Declaring All Businesses in the City as Essential Businesses.

*Consensus of the Council is to have the Mayor Pro-Tem Sign a Letter to Congress regarding the Withholding of CARES Act Funding.*

13. Authorize City Manager to Allocate and Spend Incorporated Rural City CARES Grant Program Funds as Identified

*Councilman Adkisson pulled Item No. 5.13 for discussion.*

City Manager Marissa Trejo explained how the \$136,850 Rural City CARES Grant Program Funds would be allocated. Information on how to apply for a small business grant or residential rental assistance will be made available on the City's web and Facebook pages.

*Motion by Ramsey, Second by Stolz to Approve Consent Calendar Item Nos. 5.1 through 5.4, 5.6 through 5.10, and 5.13. Motion **Approved** by Roll-Call 5/0 Majority Vote.*

## **6. ORDINANCE PRESENTATION, DISCUSSION AND POTENTIAL ACTION ITEMS**

1. Council Direction Requesting City Staff to Research the Opportunity of Re-Zoning the City Owned Property Located at the Southwest Corner of Alpine and Jayne Ave in order to Accommodate Outdoor Cannabis Cultivation  
**Sean Brewer, Assistant City Manager**

Assistant City Manager Sean Brewer stated this is a Future Agenda Item requested by Councilman Adkisson.

*Consensus of the Council is for Staff to research the ability of utilizing the City-owned property located at the SW corner of Alpine and Jayne Avenues in order to accommodate outdoor cannabis cultivation.*

2. Council Consideration of the League of California Cities 2020 Annual Conference Resolutions  
**Marissa Trejo, City Manager**

City Manager Marissa Trejo gave a brief overview of the item.

*Consensus of the Council is to not attend the League of California Cities 2020 Annual Conference.*

**7. ANNOUNCEMENTS**

City Manager's Announcements:

None

Council Member's Announcements:

None

Mayor's Announcements:

None

**8. FUTURE AGENDA ITEMS**

None

**9. CLOSED SESSION**

1. CONFERENCE WITH LABOR NEGOTIATORS – Government Code 54957.6. CITY NEGOTIATORS: City Manager, Marissa Trejo; City Attorney, Mario Zamora. EMPLOYEE (ORGANIZATION): Non-Represented Employees, General Employees, and Coalinga Police Officers' Association

**10. CLOSED SESSION REPORT**

None

**11. ADJOURNMENT 6:58PM**

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Ron Lander, Mayor

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Shannon Jensen, City Clerk

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October 15, 2020

Date



**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE  
AUTHORITY**

**Subject:** Adopt Resolution No. 3987 - Unanticipated Revenue Derived From The Coalinga Police Department's K9 Foundation  
**Meeting Date:** Thursday, October 15, 2020  
**From:** Marissa Trejo, City Manager  
**Prepared by:** Darren Blevins, Chief of Police

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**I. RECOMMENDATION:**

Request Council adopt Resolution No.3987 of Unanticipated revenue from the Coalinga PD K-9 Foundation, to fund half the years operational costs for the police K-9 unit.

**II. BACKGROUND:**

In May of 2018, the Coalinga PD K-9 Supporters were formed with the idea of raising funds from donations from the community to support and fund a police K-9 Unit for the Coalinga Police Department.

**III. DISCUSSION:**

The Coalinga Police Department is requesting the City accept a monetary donation of \$6,000.00 from the Coalinga Police Department K-9 Foundation to fund half of the 20/21 fiscal years operational budget for the police department's K-9 Program.

The department plans on using this money to purchase Eli's food, veterinary services and any other equipment the unit may need during this fiscal year.

**IV. ALTERNATIVES:**

The council can deny the request to receive the funds at which the Coalinga PD K9 Foundation.

**V. FISCAL IMPACT:**

There would be a \$6,000.00 increase to the Coalinga Police Department's K9 operational budget for expenses.

**ATTACHMENTS:**

File Name	Description
▣ RESO#3987_Accepting_Unanticipated_Revenue_from_Police_K-9_Foundation__Inc_101520.pdf	Resolution No. 3987 - Accepting Unanticipated Revenue from the Coalinga Police K-9 Foundation, Inc.

**RESOLUTION NO. 3987**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COALINGA ACCEPTING AND  
APPROPRIATING UNANTICIPATED REVENUE DERIVED FROM THE  
COALINGA POLICE K-9 FOUNDATION, INC.**

**BE IT HEREBY RESOLVED** by the City Council of the City of Coalinga, State of California, that:

1. Pursuant to Section 29130 of the Government Code of the State of California, the City Council of the City of Coalinga does make available and specifically recognizes and establishes unanticipated revenues in the amount of \$6,000.00 derived from the Coalinga PD K-9 Foundation, Inc.
2. Said revenues shall be appropriated to the specific budgetary units(s) as follows:

**Police Revenues:**

Police Department – Fund 101

Account No. 101-400-48191 – Donations – K-9 Program – \$6,000.00

**Police Expenditures:**

Police Department – Fund 101

Account No. 101-413-92211 – K-9 Program Expense – \$6,000.00

3. The Finance Director is hereby authorized to make such budgetary adjustments and shall carry out the intent and purpose of this Resolution.

The foregoing Resolution was introduced and adopted at a regular meeting of the City Council of the City of Coalinga held on the **15th day of October, 2020**, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

\_\_\_\_\_  
Ron Lander, Mayor

APPROVED:

\_\_\_\_\_  
Shannon Jensen, City Clerk

# **STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY**

**Subject:** Council Consideration and Adoption of Resolution No. 3988 Authorizing the Commencement of Proceedings in Connection with the Issuance and Sale of Revenue Bonds by the Coalinga Public Financing Authority to the Finance Department and rRefinance Water System and Sewer System Improvements, Retaining a Municipal Advisor, an Underwriter, Bond Counsel and Disclosure Counsel

**Meeting Date:** October 15, 2020

**From:** Marissa Trejo, City Manager

**Prepared by:** Sean Brewer, Assistant City Manager

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## **I. RECOMMENDATION:**

Council Consideration and Adoption of Resolution No. 3988 authorizing the commencement of proceedings in connection with the issuance and sale of revenue bonds by the Coalinga Public Financing Authority to the Finance Department and refinance water system and sewer system improvements, retaining a municipal advisor, an underwriter, bond counsel and disclosure counsel.

## **II. BACKGROUND:**

The City is in the process of raising its water and sewer rates to support a future bond authorization to fund future capital expenditures for the water enterprise. As part of the bond issuance will be the refunding of the 2012 water and sewer bonds in order to capitalize on lower interest rates and refinance debt into the bond issuance. Including in this bond issue is a possible solar project at the water and wastewater plants and the cost of entering into a long term contract with USBR under the WINN Act.

## **III. DISCUSSION:**

The purposed of Resolution No. 3988 is to allow the City, once rates have been approved to immediately begin working on the list of projects identified and once bonds are issued seek reimbursement for cost incurred between the time of resolution adoption and bond issuance. This Resolution also authorizes the retention of a municipal services advisor (Wulff Hansen & Co.), underwriter (Brandis Tallman, LLC), bond counsel and disclosure counsel (Quint & Thimmig, LLP) needed to process the bond. This does not commit the City to issue the proposed \$16,000,000 but does permit the reimbursement for costs incurred between the time of the resolution adoption and bond issuance and establishes the team to complete the transaction. At the appropriate time, a resolution to issue the bonds will be brought back to the City Council for approval.

The estimated tax exempt bonds to be issued total \$16,000,000 which is comprised of \$8,000,000 in new water projects and \$8,000,000 for solar. In addition, the refunding of the 2012 water and wastewater bonds (taxable) in the amount of 12,000,000 and the initial purchase of water \$1,000,000 will be issued. All of these costs are subject to change and will be reflected in the final bond documents.

#### **IV. ALTERNATIVES:**

Do not approve Resolution No. 3988 - Staff does not recommend.

#### **V. FISCAL IMPACT:**

All the costs associated with the bond issuance will be absorbed within the bond and will not directly effect the existing water or wastewater budgets.

#### **ATTACHMENTS:**

File Name	Description
 Initial_Resolution_3988_Revenue_Bonds.docx	Resolution No. 3988 Revenue Bonds

**CITY OF COALINGA**

**RESOLUTION NO. 3988**

**RESOLUTION AUTHORIZING THE COMMENCEMENT OF PROCEEDINGS IN CONNECTION WITH THE ISSUANCE AND SALE OF REVENUE BONDS BY THE COALINGA PUBLIC FINANCING AUTHORITY TO FINANCE AND REFINANCE WATER SYSTEM AND SEWER SYSTEM IMPROVEMENTS, RETAINING A MUNICIPAL ADVISOR, AN UNDERWRITER, BOND COUNSEL AND DISCLOSURE COUNSEL AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO**

RESOLVED, by the City Council (the "Council") of the City of Coalinga (the "City"):

WHEREAS, the City has determined that is prudent at this time to issue and sell its revenue bonds (the "Bonds"), in one or more series, by the Coalinga Public Financing Authority (the "Authority") to finance and refinance improvements to the City's municipal water enterprise (the "Water System") and the City's municipal sewer enterprise (the "Sewer System" and, with the Water System, the "Systems"), including to (a) refund, on an advance basis, the outstanding Coalinga Public Financing Authority (Fresno County, California) Revenue Bonds, Series 2012 (Water and Wastewater Financing Projects), issued to finance and refinance the costs of improvements to the Systems, (b) finance new improvements to the Systems, including solar projects (collectively, the "New Project"), (c) acquire water rights;

WHEREAS, all or a portion of the expenditures relating to the New Project described in Exhibit A attached hereto (the "Expenditures") (i) have been paid within the sixty days prior to the passage of this Resolution or (ii) will be paid on or after the passage of this Resolution;

WHEREAS, the City reasonably expects to reimburse itself for the Expenditures with the proceeds of the portion of the Bonds the interest on which will be excluded from the gross income of the owner or owners of such Bonds;

WHEREAS, it is appropriate that the Council formally authorize the preparation of the necessary documents in connection with the issuance and sale of the Bonds by the Authority and to retain a municipal advisor, an underwriter, bond counsel and disclosure counsel to assist the City;

NOW, THEREFORE, it is hereby DECLARED and ORDERED, as follows:

*Section 1.* The City reasonably expects to reimburse the Expenditures with proceeds of the portion of the Bonds the interest on which will be excluded from the gross income of the owner or owners of such Bonds.

*Section 2.* The maximum principal amount of the portion of the Bonds allocable to the New Project the interest on which will be excluded from the gross income of the owner or owners of such Bonds is expected to be \$16,000,000.

*Section 3.* This Resolution is a declaration of official intent to reimburse expenditures pursuant to Treasury Regulations Section 1.150-2.

*Section 4.* The City authorizes the Mayor, the City Manager, the Finance Director (the "Authorized Officers") and other appropriate officers and officials of the City to proceed with the preparation of the necessary documents in connection with the issuance and sale of the Bonds, subject to the final approval by the Council at a subsequent meeting.

*Section 5.* Wulff Hansen & Co. is hereby retained as municipal advisor to the City in connection with the issuance and sale of the Bonds, the compensation for such services as set forth in the such firm's agreement for municipal advisory services on file with the City Clerk.

*Section 6.* Brandis Tallman LLC is hereby designated as underwriter to the City in connection with the issuance and sale of the Bonds, which will purchase the Bonds for re-sale to the public.

*Section 7.* Quint & Thimmig LLP is hereby retained as bond counsel and as disclosure counsel, in connection with the issuance and sale of the Bonds, the compensation for such services to be as set forth in the such firm's agreement for legal services on file with the City Clerk.

*Section 8.* The Authorized Officers and other appropriate officers and officials of the City are hereby authorized and directed to take such action and to execute such documents as may be necessary or desirable to effectuate the intent of this Resolution.

*Section 9.* This Resolution shall be in full force and effect immediately upon its adoption.

\* \* \* \* \*

I hereby certify that the foregoing resolution was duly adopted at a meeting of the City Council of the City of Coalinga held on the 15th day of October, 2020, by the following vote:

AYES, and in favor of, Council Members:

NOES, Council Members:

ABSENT, Council Members:

\_\_\_\_\_  
Mayor/Mayor Pro-Tem

By \_\_\_\_\_  
City Clerk

## EXHIBIT A

### NEW PROJECT DESCRIPTION

<b>City of Coalinga Water Enterprise</b>		
<b>Major Repair and Capital Project Preliminary Planning: Bond Finance</b>		
<b>Water Plant and Transmission Projects</b>		
TTHM Project Construction Cost	\$1,000,000	
Wash Water Tank repair	\$200,000	
Moss Screens (2)	\$200,000	
Pumps (See detail)	\$400,000	
Rehab basins 1 and 2 (walls, clarifier sweep arms)	\$700,000	
Chlorine Room Safety Provisions	\$70,000	
Replace filter valve actuators (6)	\$180,000	
Updated Operations and Maintenance Manual	\$80,000	
Recycle and Sludge Drying Bed Pumps	\$150,000	
Air Scour for filter beds	\$200,000	
Repairs to Palmer Avenue (50% of 2,000 ft)	\$120,000	
Replace air vacs on transmission line	\$100,000	
Contingency	\$400,000	
Subtotal		\$3,800,000
<b>Derrick Tank Rebuild</b>		
New Valve upstream of Derrick	\$50,000	
Derrick Tank Bypass Repair	\$50,000	
Derrick Storage Tank Rebuild	\$2,500,000	
Subtotal		\$2,600,000
<b>Distribution System</b>		
Replace distribution lines		\$600,000
<b>Total Water Projects for Bond Finance</b>		<b>\$7,000,000</b>

#### **Water and Wastewater Plant Solar Projects**

Purchase of 7 acres adjacent to the water treatment plant and new installation of solar array systems at the water plant and wastewater plants including battery backup. \$8,000,000.

**Entering into the WINN Contract:** \$1,000,000

# **STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY**

**Subject:** Council Authorizing the City Manager to Execute a Project Development Agreement with Johnson Controls to Develop an Energy Services Project (Water Treatment Plant Solar PV System with Battery Backup) pursuant to California Government Code 4217.10-4217.18

**Meeting Date:** October 15, 2020

**From:** Marissa Trejo, City Manager

**Prepared by:** Sean Brewer, Assistant City Manager

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## **I. RECOMMENDATION:**

Staff recommends that the City Council Authorize the City Manager to Execute a Project Development Agreement with Johnson Controls to Develop an Energy Services Project (Water Treatment and Wastewater Plant Solar PV System with Battery Backup) pursuant to California Government Code 4217.10-4217.18.

## **II. BACKGROUND:**

Staff has been working with Johnson Controls Inc. (JCI) to develop a solar facility with battery backup at the Water Treatment Plant on Palmer Ave and the Wastewater Treatment Plant. This project is expected to be placed on land adjacent to the existing water treatment plant. The first step in the process is to execute a project development agreement (PDA). The PDA will provide the basis of the scope, schedule, and deliverables of the PDA as well as the obligations of both parties, and the financial criteria representing the intended outcome of the project.

## **III. DISCUSSION:**

Under the PDA, JCI will develop a project including engineers costs estimates and savings estimates and various other facility improvement measures as identified in the agreement. The result of the PDA will be the development and anticipated execution of an Energy Performance Contract that will confirm the scope of work, guaranteed energy savings, customer responsibilities, confirm the feasibility of the financial criteria and total price for the work.

Upon execution of the contract, the City agrees that JCI will incur significant cost by providing the services required by the PDA and that all reasonable, actual, project development costs incurred will be included in the Total Price of the Work in the Energy Savings Performance Contract. Since the City does not control the property adjacent to the Water Treatment Plant at this time, JCI has agreed that until the property has been secured and under the control of the City, work performed under the executed PDA will be at their own risk should the City be unable to secure the land.

If JCI proposes a project that meets the Financial Criteria, and the City chooses not to enter into the Energy Savings Performance Contract within sixty (60) days after JCI submits the deliverables of the PDA, the City will be responsible for paying JCI **\$148,000** as reasonable compensation for services provided under this PDA.



The City shall have no obligation to pay JCI for services performed as part of the Project Development Agreement if:

1. JCI and the City enter into the Energy Savings Performance Contract for the proposed project within 60 days after JCI provides the Deliverables of the PDA; or
2. JCI is unable to propose a project that meets the financial criteria of this PDA.

#### **IV. ALTERNATIVES:**

- Do not enter into the PDA with JCI and direct staff accordingly.

#### **V. FISCAL IMPACT:**

The fiscal impact to the City would be \$148,000 if the City chooses not to proceed the a ESPC after JCI has met all of its obligations under the PDA and presents a viable project. If the obligations of the PDA have been met and the City chooses to move forward, the \$148,000 would be absorbed in the bond issue related to the financing of this project when that time comes.

#### **ATTACHMENTS:**

File Name	Description
 City_of_Coalinga_-_Project_Development_Agreement__final.pdf	Project Development Agreement - Signed

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**PROJECT DEVELOPMENT AGREEMENT  
BETWEEN**

**City of Coalinga  
155 West Durian Ave.  
Coalinga, CA 93210**

**AND**

**Johnson Controls  
3451 West Ashlan Ave.  
Fresno, CA 93722**

The purpose of this Project Development Agreement ("PDA") is to confirm the intent of the City of Coalinga ("Customer") to select Johnson Controls ("JCI") to develop an Energy Services Project pursuant to California Government Code 4217.10-4217.18. Subject to the City securing the required land at the water filtration plant, this PDA will provide the basis of the scope, schedule, and deliverables of the PDA as well as the obligations of both parties, and the financial criteria representing the intended outcome of the project.

**1. Scope of Services**

The scope of services of this PDA shall include:

- a. Project development, including engineering cost and savings estimates, the following facility Improvement measures (FIMs):
  - i. Water Filtration Plant Solar PV
  - ii. Wastewater Treatment Plant Solar PV
  - iii. Battery Energy Storage and/or Back up Generation to increase the resiliency of the Water Filtration Plant
- b. JCI will provide the following additional services associated with these FIMs:
  - i. Obtaining from PG&E an interconnection pre-application report for each site (qty. 2)
  - ii. Identification of potential rebates or incentives
  - iii. Project financial analysis
  - iv. JCI will assist and provide financial variables to the City Financial Advisor. An independent financial Proforma will be provided by the City Financial Advisor based on the information provided by JCI.
- c. JCI will provide additional engineering services associated with acquisition of land at the Water Filtration Plant:
  - i. Prepare a Phase 1 Environmental Site Assessment
  - ii. Conduct a Geotechnical Study
  - iii. Prepare Lot Line Adjustment
  - iv. Prepare Annexation Process Discussion with City Planner and County involvement
- d. JCI will provide additional engineering services associated with land at the Wastewater Treatment Plant:
  - i. Prepare a Phase 1 Environmental Site Assessment
  - ii. Conduct a Geotechnical Study

**2. Deliverables**

At the completion of services provided under this Agreement, Johnson Controls shall deliver the following ("Deliverables"):

- a. An Energy Savings Performance Contract (ESPC) which sets forth:
  - i. Scope of Work of the FIMs
  - ii. Guaranteed energy savings and the proposed measurement and verification plan
  - iii. Customer responsibilities
  - iv. Total price of the work

- 
- b. Input values (FIM costs, savings, etc.) required to develop a pro-forma cash flow projection for the proposed project that meets the financial criteria outlined in this Agreement. The pro-forma cash flow projection will be developed by Customer's municipal financial advisor using these inputs.

### **3. Financial Criteria**

For the purpose of clearly defining the project's outcome and for efficiently guiding the effort to provide the services of this PDA, Customer and JCI agree that the Financial Criteria used to evaluate this project shall be as presented in this section. These values may be changed, upon mutual agreement of Customer and JCI, at any time as more accurate information becomes known. However, for the purposes of determining whether or not JCI has met the financial criteria identified in Section 2 "Deliverables", the values indicated herein will be used to make such determination.

- Average annual utility escalation rate is 5%
- Average annual water rate increase be at least of 3% for the first 5 years
- Operational Savings Percentage annual increase of 4%
- Planned Service Agreement (PSA) or Measurement and Verification annual percentage increase of 3%
- Any applicable rebates and grants are estimates and subsequently not guaranteed

The scope of the proposed project shall include the combination of the evaluated Facility Improvement Measures (FIMs) that satisfy, as a combination of FIMs and not necessarily individually, the Financial Criteria most advantageously for Customer. As a result, some FIMs may or may not be developed and some FIMs may or may not be included in the scope of the proposed project.

### **4. Schedule**

It is the intent and commitment of all parties identified in this Agreement, to work diligently and cause others under their direction, to work diligently toward meeting the following timeline:

- |                     |  |
|---------------------|--|
| • November 5, 2020  | City to Approve PDA                    |
| • December 18, 2020 | 25% progress meeting                   |
| • January 29, 2021  | 75% progress meeting                   |
| • February 19, 2021 | 90% progress meeting                   |
| • March 26, 2021    | JCI to submit Installation Agreement   |
| • May 18, 2021      | City to Approve Installation Agreement |

These timeframes may be modified by subsequent work plans approved by all parties.

### **5. Price and Payment Terms**

Customer agrees that JCI will incur significant cost by providing the services required by this Project Development Agreement and that all reasonable, actual, project development costs incurred will be included in the Total Price of the Work in the Energy Savings Performance Contract.

However, if JCI proposes a project that meets the Financial Criteria, and the Customer does not enter into the Energy Savings Performance Contract within sixty (60) days after JCI submits the deliverables of this PDA, the Customer shall promptly pay JCI in the amount of **\$148,000** as reasonable compensation for services provided under this PDA.

The Customer shall have no obligation to pay JCI for services performed as part of this Project Development Agreement if:

- 
1. JCI and the Customer enter into the Energy Savings Performance Contract for the proposed project within 60 days after JCI provides the Deliverables of the PDA; or
  2. JCI is unable to propose a project that meets the financial criteria of this PDA.

## **6. Records and Data**

To enable JCI to fulfill its obligations, **Customer** will furnish to JCI all data, documents, and authorizations requested that are pertinent to the scope of work. JCI will provide a separate document requesting the information and Customer shall make every effort to provide that information within a reasonable time. If the requested information is not provided in a timely manner then JCI shall be allowed to modify the schedule in this agreement.

## **7. Indemnity**

Johnson Controls and Customer agree that the parties shall each be responsible only for such injury, loss, or damage caused by the intentional misconduct or the negligent act or omission of the parties, their officers, agents, directors, and employees. To the extent permitted by law, Johnson Controls and Customer agree to indemnify and to hold each other, including their officers, agents, directors, and employees, harmless from all claims, demands, or suits of any kind, including all legal costs and attorney's fees, resulting from the intentional misconduct of their officers, agents or employees or any negligent act or omission by their officers, employees or agents.

## **8. Disputes**

If a dispute arises under this Agreement, the parties shall promptly attempt in good faith to resolve the dispute by negotiation. All disputes not resolved by negotiation may be resolved in accordance with the Commercial Rules of the American Arbitration Association in effect at the time, except as modified herein, if the parties elect to at the time the dispute arises. In that event, all disputes shall be decided by a single arbitrator. A decision shall be rendered by the arbitrator no later than nine months after the demand for arbitration is filed, and the arbitrator shall state in writing the factual and legal basis for the award. The arbitrator shall issue a scheduling order that shall not be modified except by the mutual agreement of the parties. Judgment may be entered upon the award in the highest State or Federal court having jurisdiction over the matter. The prevailing party shall recover all costs, including attorney's fees, incurred as a result of this dispute.

## **9. Confidentiality**

This agreement creates a confidential relationship between JCI and Customer. Both parties acknowledge that while performing this Agreement, each will have access to confidential information, including, but not limited to, systems, services or planned services, suppliers, data, financial information, computer software, processes, methods, knowledge, ideas, marketing promotions, current or planned activities, research, development, and other information relating to the other party ("Proprietary Information"). Except as authorized in writing, both parties agree to keep all Proprietary Information confidential. JCI may only make copies of Proprietary Information necessary for performing its services. Upon cessation of services, termination, or expiration of this Agreement, or upon either party's request, whichever is earlier, both parties will return all such information and all documents, data and other materials in their control that contain or relate to such Proprietary Information.

JCI and City understand that this is a confidential project and agree to keep and maintain confidentiality regarding its undertaking of this project. JCI shall coordinate its services only through the designated Customer representative and shall provide information regarding this project to only those persons approved by Customer. JCI will be notified in writing of any changes in the designated Customer representative.

Notwithstanding the foregoing confidentiality provisions, JCI acknowledges that the City is a California municipality and is subject to the California Public Records Act as found under the California Government Code Section 6250 et seq. City shall provide JCI no less than six (6) days' prior written notice of City's intent to disclose any of JCI's Proprietary Information pursuant to a request for disclosure and/or copying under the California Public Records Act. If JCI disagrees

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with City's decision to disclose JCI's Proprietary Information, JCI will respond in writing within forty-eight (48) hours of receipt of such written notice from the City informing the City of JCI's course of action including, but not limited to, seeking a protective order. If JCI fails to initiate seeking a protective order within two days of City's receipt of JCI's notification to City, City shall be permitted to comply with the demand to disclose the Proprietary Information. If JCI does initiate seeking such a protective order, the City shall cooperate with, and shall not oppose, JCI in obtaining such protective order, provided, however, that JCI agrees to assume all out-of-pocket legal costs related to the matter incurred by the City including, but not limited to, any reasonable attorney's fees. So long as the City complies with the provisions of notification set forth in this section, the City shall not be liable for, and JCI hereby releases City from, any liability for any damages arising from any release of Proprietary Information to a requestor of such information, and such release includes the representation of the City.

## **10. Miscellaneous Provisions**

This Agreement cannot be assigned by either party without the prior written consent of the other party. This Agreement is the entire Agreement between JCI and the Customer and supersedes any prior oral understandings, written agreements, proposals, or other communications between JCI and the Customer. Any change or modification to this Agreement will not be effective unless made in writing. This written instrument must specifically indicate that it is an amendment, change, or modification to this Agreement.

This Agreement and all matters arising out of or relating to it shall be governed by and construed in accordance with the laws of the State of California. The parties hereby irrevocably consent to the jurisdiction of the state courts located in Fresno County, California, in any action arising out of or relating to this Agreement, and waive any other venue to which either party might be entitled by domicile or otherwise.

If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to reimbursement for all out-of-pocket costs and expenses, including without limitation, reasonable attorney's fees.

If any provision of this Agreement is determined to be invalid, illegal or unenforceable, the remaining provisions of this Agreement remain in full force and effect and are not affected or impaired in any way.

This Agreement is not intended, and shall not be construed, to create any association, joint venture, agency, employment, or fiduciary relationship or partnership between the parties or to impose any such obligation or liability upon either party. Neither party shall have any right, power of authority to enter into any agreement or undertaking for, or act as or be an agent or representative of, or otherwise bind, the other party.

Without limiting the generality of the foregoing paragraph, neither this Agreement, nor any duties or obligations under this Agreement, nor the intentions or expectations of either party shall create an employment relationship between City and JCI for any purpose. JCI shall perform its obligations under this Agreement as an independent contractor and not as an employee of the City. JCI shall have no power or authority by this Agreement to bind the City in any respect. Nothing in this Agreement shall be construed to be inconsistent with this relationship or status. All employees, agents, contractors or subcontractors hired or retained by JCI are employees, agents, contractors or subcontractors of JCI and not of the City. The City shall not be obligated in any way to pay any wage claims or other claims made against JCI by any such employees, agents, contractors or subcontractors, or any other person, resulting from performance of this Agreement.

This Agreement does not and is not intended to confer any rights or remedies upon any party other than the parties to this Agreement.

This Agreement shall be construed as to its fair meaning and not strictly for or against either party. The headings hereof are descriptive only and not to be construed in interpreting the provisions hereof.

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All notices required or permitted under this Agreement shall be in writing and shall be deemed given on the date sent if delivered by hand or by email with an attachment in a portable document format (.pdf) or similar file format, on the next business day if sent by overnight courier, or on the third business day if sent by United States mail, postage prepaid, to each party at its address shown on Page 1 of this Agreement (or at such other address as a party may specify by notice under this section).

This document represents the business intent of both parties and should be executed by the parties who would ultimately be signatory to a final agreement.

**Johnson Controls, Inc.**

By: Scott Avirett

Signature: Scott Avirett

Title: Area General Manager, West Region

Date: 10/7/2020

**City of Coalinga**

By: Marissa Trejo

Signature: \_\_\_\_\_

Title: City Manager

Date: \_\_\_\_\_

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE  
AUTHORITY**

**Subject:** Approve a Change in Vendor for the Portable Radio Purchases  
**Meeting Date:** Thursday, October 15, 2020  
**From:** Marissa Trejo, City Manager  
**Prepared by:** Greg DuPuis, Fire Chief

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**I. RECOMMENDATION:**

This is an addendum to the previously approved staff report on Oct 1, 2020 for the purchase of portable radios. Staff is requesting a vendor change for the purchase of the radios.

**II. BACKGROUND:**

On October 1, 2020 Council approved the purchase of portable radios from 49er communication. After the approval, staff discovered some discrepancies in the quote from the original selected vendor. After review and research, staff is requesting to change vendor to Cook's Communication.

**III. DISCUSSION:**

After review and research, It was determined that the original vendor was not selling OEM parts for some of the components based on the "equivalent to" wording on the quote for five of the items. All of the components listed on Cook's quote are OEM parts.

**IV. ALTERNATIVES:**

1. Do not approve the vendor change and staff will continue with the original approved vendor.

**V. FISCAL IMPACT:**

The cost from Cook's Communications will be \$902.98 less than the previous vendor's original quote. Attached are the original quotes with highlighted fields indicating the "equivalent to" parts.

**ATTACHMENTS:**

	File Name	Description
□	RadioQuotes(2).pdf	Radio Quotes



160 North Broadway  
Fresno, CA 93701-1592

Phone: (559) 233-8818

(559) 268-8506

# Quote

Customer No.: COALINGAFIRE

Quote No.: 9904

Quote To: **City of Coalinga Fire Dept**

300 W Elm Ave  
Coalinga, CA 93210

Ship To: **City of Coalinga Fire Dept**

300 W Elm Ave  
Coalinga, CA 93210

Phone: (559) 935-1652

Fax:

Date			Ship Via		F.O.B.	Terms	
09/16/20					Origin	Net Next EOM	
Purchase Order Number					Sales Person	Required	
					Paul Lambert	09/16/20	
Quantity			Item Number	Description	Unit Price	Amount	
Required	Shipped	B.O.					
19			KNG2-P150CME	BK 136-174mHz, 5000CH, 6 Watt, P25 Command Version Portable	1400.00	26600.00	
19			KAA0818	Antenna, 150-170Mhz SMA, Whip	45.00	855.00	
19			KAA0204-35	BK Speaker Mic w/3.5mm audio jack IP68	140.00	2660.00	
19			BP0101LIXT	Battery Relm KNG 10.8V/3600mAh/Li-Ion Clip/Smart	110.00	2090.00	
38			KAA0120	KNG "AA" Clam Shell	36.00	1368.00	
2			EC6M-V2	Endura 6 Unit Charger (Specify Pod)	350.00	700.00	
6			EC1-V2-BK2	Endura Single Unit Charger for KNG-Pxxx	62.00	372.00	
5			EC2M-BK2A-D	Endura Dual Charger for BK KNG Series	125.00	625.00	
6			NX-1300DUK5	Kenwood UHF, 5 Watt, 260CH, LCD, Analog/DMR Radio PKG 3 Year Warranty	290.00	1740.00	
6			EC1M	Endura Single Unit Vehicle Charger (Includes selected pod)	80.00	480.00	

Quote subtotal 37490.00  
Sales tax @ 8.97500% 3364.73

Quote total 40854.73

We appreciate your continued patronage

Thank You





361 Railroad Ave  
Nevada City, CA 95959  
Phone 530-477-2590  
Fax 530-478-9188  
E-Mail cs@49er.cc

**Quote 55689**



**Quoted 9/16/2020**

**Bill To**

Coalinga Fire Dept  
300 W. Elm Ave.  
Coalinga, CA 93210

**Ship To**

Coalinga Fire Dept  
Attn: Isaac Rodriguez  
300 W. Elm Ave.  
Coalinga, CA 93210

**Quote Expires**

10/16/2020

Purchase Order	Ship Via	FOB	Reference	Entered By	Terms
	UPS Ground	Destination		JLC 9/16/2020	Prepaid
Product	Description	Ordered	Price	Amount	
HHKNGVHREDK2C	KNG2-P150CMD, Digital P25 APCO, 5000 Channels, 6 Watt, VHF 136-174 MHz, Full Keypad, Color Display, Specialized Command Groups - Relm BK Portable Radio	19	1,450.00	27,550.00	
ANKNGWPBB18V	18 Inch Whip BigBoost Antenna, ANKNGWPBB18V - VHF 148-174 MHz, SMA Male Connector, 2.1dB Gain for RELM BK Radio KNG P150 and Midland Radio STP105B	19	50.00	950.00	
BAKNGRCBA36	Black, 3600 mAh, Li-Ion Rechargeable Battery, BAKNGRCBA36 - Includes belt clip, Equivalent to KAA0101 for RELM BK Radio KNG	19	100.00	1,900.00	
BAKNGCSBAO	Orange "AA" Clamshell, BAKNGCSBAO - Equivalent to KAA0120 for RELM BK Radio KNG	38	42.00	1,596.00	
CHKNGDT9R6BE	6-Bay Gang Charger, CHKNGDT9R6BE - Rapid Rate, Quad-Chemistry, Black, CA Energy Certified, Equivalent to KAA0301P for RELM BK Radio KNG	2	360.00	720.00	
CHKNGDT9R1BE	Desktop Charger, CHKNGDT9R1BE - Rapid Rate, Quad-Chemistry, BLACK, CA Energy Certified, Equivalent to KAA0300P for RELM BK Radio KNG	6	65.00	390.00	
CHKNGVC9R2BE	Dual Vehicle Charger, CHKNGVC9R2BE - Rapid Rate, Tri Chemistry, CA Energy Certified, Includes hardwire kit and mounting bracket for RELM BK Radio KNG	5	130.00	650.00	
NX-1300NUK5	Kenwood Portable Radio, NXDN - UHF 400-470 MHz, 260 Channels, LCD Display. Includes Battery, Desktop Charger, Antenna and Belt Clip.	6	315.00	1,890.00	
CHKW8VC9R1BE	Vehicle Charger, CHKW8VC9R1BE - CA Engery Certified, Rapid Rate, Quad Chemistry, Includes Mounting Bracket and Cigarette Lighter Plug, Charges KNB45L Batteries for Kenwood NX1300, NX240, NX340, TK2000, TK2200L, TK2200LP, TK2207, TK2212L, TK2300, TK2300VP, TK2302VK, TK2307, TK2312, TK2400/VP, TK2402/VK, TK3000, TK3200L, TK3200LP, TK3207, TK3212L, TK3300, TK3300UP, TK3302U K, TK3307, TK3312, TK3400UP, TK3402UK Portable Radios.	6	85.00	510.00	

WE WILL BEAT ANY OTHER DEALERS PRICE!

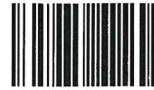
**\$38,673.50**

**Tax 7.98%**



361 Railroad Ave  
Nevada City, CA 95959  
Phone 530-477-2590  
Fax 530-478-9188  
E-Mail cs@49er.cc

**Quote 55689**



**Quoted 9/16/2020**

**Bill To**

Coalinga Fire Dept  
300 W. Elm Ave.  
Coalinga, CA 93210

**Ship To**

Coalinga Fire Dept  
Attn: Isaac Rodriguez  
300 W. Elm Ave.  
Coalinga, CA 93210

**Quote Expires**

10/16/2020

Purchase Order	Ship Via	FOB	Reference	Entered By	Terms
	UPS Ground	Destination		JLC 9/16/2020	Prepaid
Product	Description	Ordered	Price	Amount	
AAKNGSPMMR3	Ruggedized Miner Mic, AAKNGSPMMR3 - IP56 (Driven Rain), Equivalent to Speaker Mic KAA0204-35 for RELM BK Radio KNG P Series	19	132.50	2,517.50	

WE WILL BEAT ANY OTHER DEALERS PRICE!

**Sub-total** \$38,673.50

**Tax 7.98%** 3,084.21

**Total** \$41,757.71

# **STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY**

**Subject:** Adoption of Joint Powers Agreement and Bylaws for California Intergovernmental Risk Authority, which Permits the Merger of Public Agency Risk Sharing Authority of California and the Redwood Empire Municipal Insurance Fund

**Meeting Date:** October 15, 2020

**From:** Marissa Trejo, City Manager

**Prepared by:** Mercedes Garcia, Senior Administrative Analyst

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## **I. RECOMMENDATION:**

City Manager and Senior Administrative Analyst recommend adoption of Joint Powers Agreement and Bylaws for California Intergovernmental Risk Authority, which permits the merger of Public Agency Risk Sharing Authority of California and the Redwood Empire Municipal Insurance Fund.

## **II. BACKGROUND:**

Rather than purchase commercial insurance through a commercial insurance carrier, the City of Coalinga participates in an intergovernmental arrangement through which a group of cities and towns (referred to as the members) contribute to a shared fund that pays for liability and workers' compensation claims and provides risk management services. That fund is often commonly referred to as a pool. Pools are empowered to exist through the sections of the California Government Code known as joint powers authority (JPA), which allow two or more like entities to pool funds to pay for claims.

Our pool functions as an extension of the City of Coalinga and is governed by a board of directors comprised of members in the pool.

Public entity pools are fundamentally different from conventional insurance. The primary purpose of any public entity pool is to manage and reduce underlying risks to the benefit of public entity members and the public at large. Conventional insurers exist primarily to finance losses, while public pools are collaborating partners that help public entities create, foster, and manage safe environments in order to minimize personal, physical, and property damages and losses.

## **III. DISCUSSION:**

The Redwood Empire Municipal Insurance Fund (REMIF) is a public entity pool representing 15 small to medium sized cities/towns. It was formed in 1976 with a mission to provide workers' compensation coverage in response to increasing and unaffordable commercial rates. Coverage was expanded in the mid-1980s to include liability coverage and other services. Other lines of coverage have been added since that time, which are outlined further below.

The Public Agency Risk Sharing Authority of California (PARSAC) is a public entity pool representing 34 small to medium sized cities/towns and one fire district. It was formed in 1986 with a mission to provide liability coverage in response to the insurance crisis that eliminated commercial coverage for cities. Coverage was expanded in 1990 to include workers' compensation coverage and other services. Other lines of

coverage have been added since that time, which are outlined further below.

PARSAC and REMIF provide a pooled liability program, pooled workers' compensation program, and coverage for group purchased property, Board of Directors public officials' errors and omissions, auto physical damage, special events, fidelity bonds, cyber liability and other ancillary benefits.

REMIF has a pooled medical/health program.

Through PARSAC's fiscally conservative approach, their liability and workers' compensation programs are funded in excess of the 90% confidence level.

Both pools focus on managing and maintaining a financially stable risk sharing pool for members, and the board of directors have a conservative funding and investment philosophy. They share a similar philosophy to embrace diverse opinions, have discussions that are constructive and collaborative, encourage participation from the members, balance member interests with those of the pool and work together towards a greater good.

Both pools also share a similar culture in that the pool is member owned, member governed, member driven and exists to serve its members. The organizations are also similar in that they serve small to medium sized cities/towns, and share a similar footprint in Northern California, while PARSAC has presence throughout the State.

A comparison matrix of the lines of coverage and services offered by both pools are attached to this staff report.

Given the similarities between the two agencies, REMIF and PARSAC explored a strategic partnership, which ultimately led to a proposed merger between the two organizations. Rather than one pool merging into the other, the Board of Directors for the pools directed the creation of a new pool (called the California Intergovernmental Risk Sharing Authority or CIRA). There will be great benefits in sharing resources, sharing expenses and drawing on strengths. Benefits also include succession planning, more robust, stable programs, shared training resources, long term program sustainability, and eliminating redundancies. While a merger could have realized savings to the members of both pools, the intent of a merger between PARSAC and REMIF is to have long term stability, sustainability and adding depth and breadth to the agencies, with the singular goal of better serving our members.

After over a year of in-depth analysis of such a merger, the Board of Directors for both pools directed the merger of the organizations, effective 07/01/21, creating a new pool, CIRA. To proceed, the individual members must seek adoption of the CIRA agreements, attached hereto. Council is asked to adopt the CIRA Joint Powers Agreement and Bylaws, and further direct staff to work with the CIRA on steps necessary to complete the merger.

#### **IV. ALTERNATIVES:**

Do not approve the CIRA JPA Agreement and Bylaws.

#### **V. FISCAL IMPACT:**

The merger will consolidate the operations and expenses of both pools. CIRA will work towards eliminating redundant expenses which will lower long term operating costs. Consolidating operations will also achieve

greater economies of scale, improve service delivery, and CIRA will be in better position to leverage its larger size for better services, rates and coverage with service providers and excess insurers. A larger organization will also result in more predictable funding and reserving forecasts (with more available data), which reduces the likelihood of future assessments. The merged organization will be more fiscally viable and provide greater long term stability and sustainability.

#### ATTACHMENTS:

File Name	Description
<input type="checkbox"/> CIRA_JPA_Agreement_-_Approved_by_PARSAC-REMIF.pdf	CIRA JPA Agreement Approved by PARSAC-REMIF
<input type="checkbox"/> CIRA_Bylaws_-_Approved_by_PARSAC-REMIF.pdf	CIRA Bylaws -Approved by PARSAC-REMIF
<input type="checkbox"/> Staff_Report_Attachment_-_CIRA.pdf	Staff Report Attachment-CIRA
<input type="checkbox"/> CIRA_FAQ.pdf	CIRA FAQ

**AMENDED AND RESTATED  
JOINT EXERCISE OF POWERS AGREEMENT  
OF THE  
CALIFORNIA INTERGOVERNMENTAL RISK AUTHORITY**  
(formerly Public Agency Risk Sharing Authority of California)

This Amended and Restated Joint Exercise of Powers Agreement of the California Intergovernmental Risk Authority (“CIRA” or “Authority”) (“Agreement”), formerly known as the Public Agency Risk Sharing Authority of California (“PARSAC”), is entered into by and among the public entities, hereafter referred to as “Members”, each of which is organized and existing under the laws of the State of California and is a signatory to this Agreement and listed in Appendix “A”, attached hereto and made a part hereof. This Agreement supersedes the Public Agency Risk Sharing Authority of California [PARSAC] Joint Powers Agreement dated May 25, 2017 as of, and is effective on, July 1, 2021 (“Effective Date”).

**RECITALS**

1. The Authority was originally created as the California Municipal Insurance Authority effective May 21, 1986 pursuant to that certain Joint Powers Agreement Creating the California Municipal Insurance Authority (“Original JPA Agreement”). The Original JPA Agreement was revised and restated effective July 1, 1989 and then again effective November 19, 1993 when the original name was changed to the Public Agency Risk Sharing Authority of California. Subsequent restatements were approved effective May 31, 1996, December 13, 2002, December 12, 2003, May 20, 2005, May 31, 2007, and May 26, 2011. The most recent restatement is the PARSAC Joint Powers Agreement which was approved effective May 25, 2017 (“PARSAC Agreement”).

2. Labor Code Section 3700 authorizes public entities, including members of a pooling arrangement under a joint powers authority, to fund their own workers’ compensation claims.

3. Government Code Sections 989 and 990 authorize a local public entity to insure itself and its employees against tort or inverse condemnation liability.

4. Government Code Section 990.4 authorize a local public entity to fund insurance and self-insurance in any desired combination.

5. Government Code Section 990.6 provides that the cost of insurance is an appropriate public expenditure.

6. Government Code Section 990.8 authorizes two or more local public entities to enter into an agreement to jointly fund such expenditures under the authority of the Joint Exercise of Powers Act (Gov. Code Section 6500 et seq.).

7. Government Code Section 6500 et seq. authorizes two or more public entities to jointly exercise, under an agreement, any power which is common to each of them.

8. Each Member that is a party to this Agreement desires to join with the other Members to fund programs of insurance for workers’ compensation, liability, property and other coverages to be determined and for other purposes set forth in this Agreement.

9. The governing body of each Member has determined that it is in the Member's own best interest, and in the public interest, to execute this Agreement and participate as a Member of the Authority.

In consideration of the recitals, mutual benefits, covenants, and agreements set forth in this Agreement, the Members agree as follows:

**ARTICLE I.  
CALIFORNIA INTERGOVERNMENTAL RISK AUTHORITY  
AS SUCCESSOR TO AND EXPANSION OF PARSAC**

- A. Authority Created. The Authority was originally formed on May 21, 1986 as the California Municipal Insurance Authority by operation of the Original JPA Agreement and subsequently renamed as the Public Agency Risk Sharing Authority of California effective November 19, 1993. The Authority was, and is, formed pursuant to the provisions of Article I (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California ("Code"), which authorizes two or more public agencies, by a joint powers agreement entered into respectively by them and authorized by their legislative or governing bodies, to exercise jointly any power or powers common to the member agencies.
1. Name Change. As of the Effective Date, the Public Agency Risk Sharing Authority of California shall be known as the California Intergovernmental Risk Authority, hereinafter referred to as "CIRA" or the "Authority."
2. Separate Entity. Pursuant to Code Sections 6506 and 6507, from its inception, the Authority has, is, and shall be a public entity separate and independent from the Members which is governed exclusively by the Authority's Board of Directors ("Board").
- B. Membership in the Authority as of the Effective Date. As of the Effective Date, the membership of the Authority shall consist of the members of PARSAC and the members of the Redwood Empire Municipal Insurance Fund ("REMIF"), with respect to only those that have approved this Agreement as of the Effective Date, as listed in Appendix "A".
- C. Future Membership. Membership in the Authority is open to public entities throughout the State of California, if such public entities meet the requirements specified in the Bylaws and are approved by the Board.

**ARTICLE II.  
PURPOSE**

The purpose of the Authority is to exercise the powers of the Members to jointly accomplish the following:

- A. Develop comprehensive Programs with the objective to reduce the cost of risk against which the Members are authorized or required to protect against by insurance, self-insurance, or pooling. Such Programs may include, but are not limited to, coverages for tort liability, workers'

compensation, employee health benefits, loss to real or personal property, or liability arising out of the ownership, maintenance, or use of real or personal property.

- B. The design of the Programs may evolve with the needs of the Members and in accordance with contemporary economic and financial conditions. Programs may therefore operate on an insured, pooled, self-funded, or other appropriate basis whereby the Members share some portion, or all, of the costs of Program losses.
- B. Jointly secure administrative and other services including, but not limited to, general administration, underwriting, risk management, loss prevention, claims adjusting, data processing, brokerage, accounting, legal and other services related to any authorized purpose.

### **ARTICLE III. PARTIES TO THE AGREEMENT AND RESPONSIBILITIES OF MEMBERS**

- A. Each Member represents and warrants that it intends to, and does hereby, contract with all other Members listed in Appendix "A", and any new members admitted to the Authority. Each Member also represents and warrants that the withdrawal or expulsion of any Member shall not relieve any Member of its rights, obligations, liabilities or duties under this Agreement or the individual Programs in which the Member participates.
- B. Each Member agrees to be bound by and to comply with all the terms and conditions of the Governing Documents and any Resolution or other action adopted by the Board as they now exist or may hereinafter be adopted or amended. Each Member assumes the obligations and responsibilities set forth in the Governing Documents, as they may be amended.
- C. Each new Member agrees to participate for a minimum of five years, except that members of PARSAC and REMIF as of June 30, 2021 must continue for a minimum of two years thereafter. Also, each new Member agrees to meet its obligations and responsibilities as set forth in the Governing Documents.

### **ARTICLE IV. POWERS**

The Authority shall have the powers common to its Members. As provided by Government Code Section 6509, the Authority's power is subject to the restrictions upon the manner of exercising the power of the Member specified in the Bylaws. Under this Agreement, the Authority is authorized, in its own name, to do all acts necessary and to exercise such common powers to fulfill the purposes of this Agreement, including but not limited to the following:

- A. Make and enter contracts;
- B. Employ agents and employees;
- C. Incur debts, liabilities or obligations;
- D. Receive, collect, invest, and disburse funds;



- E. Receive contributions and donations of property, funds, services and other forms of assistance;
- F. Acquire, construct, manage, maintain, hold, lease or dispose of real and personal property; and
- G. Sue and be sued in its own name and settle any claim against it.

**ARTICLE V.  
BOARD OF DIRECTORS**

- A. The Authority shall be governed by the Board. Each Member shall appoint a representative to the Board and an alternate representative, each of whom shall meet the parameters set forth in the Bylaws. In the absence of a resolution of the Board providing otherwise, representatives and alternates will serve without compensation by the Authority.
- B. The Member's representative and/or alternate representative shall be removed from the Board upon the occurrence of any one of the following events: (1) the expulsion or withdrawal of the Member from the Authority; (2) the death or resignation of the Member representative; (3) the Member gives notice that the Member representative is no longer employed by the Member; or (4) as otherwise provided in the Authority's Bylaws.
- C. The Board shall exercise all powers and conduct all business of the Authority, either directly or by delegation of authority to committees or other bodies or individuals.

**ARTICLE VI.  
ADMINISTRATION OF PREEXISTING OBLIGATIONS**

- A. All liabilities and obligations of the Authority existing prior to the Effective Date ("Preexisting Obligations") will be administered under the terms and conditions of the PARSAC Agreement. For this purpose, the PARSAC Agreement in effect on June 30, 2021, which is attached hereto as Appendix B, is hereby made a part of this Agreement and incorporated herein by this reference.
- B. The Board shall appoint a committee made up of representatives of Authority members that were members prior to the Effective Date to make recommendations to the Board regarding the administration of the Preexisting Obligations. As to specific agenda items relating to such matters, only Directors representing Members who were members of the Authority prior to the Effective Date may vote, and as to such items, a quorum shall be determined solely by reference to the number of Members that were members of the Authority prior to the Effective Date.
- C. All assets of the Authority existing on June 30, 2021 shall be reserved by the Authority for the sole purpose of administering the Preexisting Obligations. Similarly, all assets of REMIF shall be used exclusively for the purpose of administering the obligations of REMIF.

**ARTICLE VII.  
OFFICERS**

- A. The Board shall elect a President, Vice-President, Treasurer, and Auditor/Controller. The President, Vice-President, and Auditor/Controller must be Directors. The General Manager shall serve as Secretary of the Board. The manner of election and term of office of elected officers and their authority and responsibilities shall be as set forth in the Authority's Bylaws. If any of the elected officers ceases to be a Member's representative, the resulting vacancy shall be filled as provided in the Authority's Bylaws. The Board may elect such other officers as it considers necessary.
- B. As permitted by Government Code Section 6505.6, the Treasurer shall comply with the duties and responsibilities set for the subdivisions (a) through (d) of Government Code Section 6505.5, and shall cause an independent audit to be made by a certified public accountant, or public accountant, in compliance with Government Code Section 6505. The Treasurer will have no vote on the Board unless the Treasurer is also a Director.
- C. The Board shall appoint a General Manager who shall act as Secretary of the Board and as the Chief Administrative Officer of the Authority. Although an officer, the General Manager shall not have a vote on the Board or any committee of the Authority.

**ARTICLE VIII.  
MEETINGS AND RECORDS**

- A. Not less than once a year, the Board and all standing committees shall hold regular meetings as set forth in the Bylaws of the Authority. Special meetings may be called as provided in the Bylaws.
- B. All meetings of the Board, and appointed committees, including without limitation, regular, adjourned regular, and special meetings, shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act (Section 54950 et. seq. of the Government Code).
- C. Minutes of regular, adjourned regular, and special meetings of the Authority shall be kept under the direction of the Secretary. After each meeting, the Secretary shall cause copies of the minutes to be forwarded to each Board member for review and approval at the next regular meeting.

**ARTICLE IX.  
BUDGET**

The Board shall adopt an annual budget prior to the beginning of each Fiscal Year.

**ARTICLE X.  
REGULAR AUDITS AND REVIEWS**

- A. The Board shall cause an annual financial audit of the accounts and records to be prepared by a Certified Public Accountant in compliance with California Government Code Sections 6505 and

6505.5 or 6505.6 with respect to all receipts, disbursements, other transactions and entries into the books of the Authority. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Government Code Section 26909 and shall conform to generally accepted accounting standards. A report of each such audit shall be filed as a public record with the Board, each of the Members, and the auditor/controller of the county in which the Authority's administrative office is located. The report shall be filed within twelve months of the end of the fiscal year under examination. The Authority shall pay all costs for such financial audits.

- B. The Board shall cause an annual actuarial review to be prepared for each of the Programs of the Authority and a report of such actuarial review shall be made available for inspection by the Board and the Members. The Authority shall pay all costs for such actuarial review.
- C. The Board shall cause a claims audit of the administration of the claims for each of the Programs of the Authority at least biannually. A report of such claims review shall be made available for inspection by the Board and the Members. The Authority shall pay all costs for such claims reviews.

#### **ARTICLE XI. ADMISSION OF NEW MEMBERS**

- A. Any public entity eligible for membership as stated in Article I may apply for membership in the Authority and participation in one or more of the Authority's Programs at any time. To be considered, the applicant must submit any documentation or information requested by the Authority and pay any costs required to analyze their application and determine their initial contribution.
- B. The Authority shall review all applications by potential new members to determine if they meet the requirements provided for in the Bylaws and any relevant Board policies to determine whether and on what conditions to admit the applicant.
- C. Upon approval for membership by two-thirds vote of the Board, to become a Member the applicant must execute this Agreement and pay any contributions or premiums required to participate in the Program(s) for the initial Program Year in which the applicant will participate.

#### **ARTICLE XII. WITHDRAWAL**

- A. After the initial commitment period described in Article III, any Member which enters a Program may withdraw from that Program by compliance with the requirements stated in the Bylaws for withdrawal from the Program.
- B. Withdrawal of a Member does not terminate its rights to coverage arising under any Program in which it participated for the years in which it participated. A Member that has withdrawn from a Program may later seek to renew participation in the Program subject to any terms and conditions set forth in the Bylaws.

- C. A Member that has withdrawn from all of the Authority's Programs shall no longer have a right to a representative on the Board, but shall remain liable for assessments and other obligations arising from the Program Years in which it participated.
- D. As soon as administratively feasible after the Effective Date, the Members of the Authority shall agree on the method of apportioning the CalPERS retirement obligations of the Authority in the event of a default event as defined by Government Code Section 6508.2. Until such time, and in the event of a default event, the terms of the Public Agency Risk Sharing Authority of California (PARSAC) Agreement for Apportion of Retirement Obligations dated May 25, 2017, and attached hereto as Exhibit "C", shall apply with respect to all Members of the Authority.

### **ARTICLE XIII. EXPULSION**

The Board may expel any Member from the Authority and/or from a Program for material breaches of the Governing Documents consistent with the provisions of the Bylaws, subject to any warning or probationary provisions in the Governing Documents. Expulsion does not terminate the obligations of either the Authority or the Member incurred prior to the expulsion.

### **ARTICLE XIV. TERMINATION AND DISTRIBUTION**

- A. This Agreement shall continue in full force and effect until terminated. Termination of this Agreement shall also constitute the termination of all Programs. This Agreement may be terminated at any time by the vote of three-fourths of the Members; provided, however, that this Agreement and CIRA shall continue to exist for the purpose of disposing of all claims and paying its obligations for employees' health and pension benefits, before the distribution of assets, and any other functions necessary to wind up the affairs of CIRA.
- B. Upon termination of this Agreement, all assets of each Program of CIRA shall be distributed among the Members which participated in such Programs, in accordance with the retrospective premium adjustment process in effect during the term of this Agreement. Such distributions shall be determined within six [6] months after the disposal of the last pending claim or other liability covered by all Programs of the Authority. The Board may in its sole discretion determine that earlier distributions are appropriate as to Programs for which there remains no claim or liability.
- C. Following the termination of this Agreement, any Member which was a participant in any Program of CIRA shall pay any additional amount of premium, determined by the Board or its designee in accordance with a retrospective premium adjustment, which may be necessary to enable final disposition of all claims arising from losses under that Program during the Member's period of participation.
- D. The Board is vested with all powers of CIRA for the purpose of concluding and dissolving the business affairs of CIRA. The Board may designate legal counsel and any committee or person to carry out a plan of dissolution adopted by the Board.

**ARTICLE XV.**  
**LIABILITY OF MEMBERS, DIRECTORS, OFFICERS, AND COMMITTEE MEMBERS**

- A. Pursuant to Government Code section 6508.1, except as to liabilities to a public retirement system, the debts, liabilities, and obligations of the Authority shall not constitute debts, liabilities, or obligations of any Member. However, each Member shall remain liable to the Authority for contributions assessed by the Authority to pay its debts, liabilities, or obligations.
- B. The debts, liabilities or obligations incurred by either PARSAC or REMIF prior to the Effective Date shall not constitute the debts, liabilities or obligations of the other. Notwithstanding the preceding, the Authority intends to be the successor to the CalPERS pension obligations of REMIF pursuant to California Government Code Section 20508. As such, the liability to CalPERS with respect to service credited under REMIF's CalPERS contract, and the continuing liability to CalPERS of the Authority with respect to service credit accrued both prior to and after the Effective Date under the Authority's CalPERS contract, shall be the contractual liability of the Authority. The Authority and REMIF shall separately enter into an agreement to provide for the allocation of liability, and the payment of related contributions, with respect to service credit accrued prior to the Effective Date.
- C. The representatives to the Board of Directors and to each of the Programs and any officer, employee, contractor, or agent of the Authority shall use ordinary care and reasonable diligence in the exercise of their power and in the performance of their duties under this Agreement. Directors, officers, committee members of the Authority shall be liable for any act or omission within the scope of their office or employment by the Authority only in the event that they act or fail to act because of actual fraud, corruption, or actual malice or willfully fail or refuse to conduct the defense of a claim or action in good faith or to reasonably cooperate in good faith in the defense conducted by the Authority.
- D. The Authority shall defend and indemnify its directors, officers, and employees to the same extent as any other public entity of the State of California is obliged to defend and indemnify its employees pursuant to Government Code Section 825, et seq., or other applicable provisions of law. Nothing herein shall limit the right of the Authority to purchase insurance to satisfy this obligation.
- E. The Authority shall indemnify, protect, defend, and hold harmless each and all of the Members, and their officials, agents, and employees, for and from any and all liability, claims, causes of action, damages, losses, judgments, costs, or expenses (including attorney fees) resulting from an injury caused by a negligent or wrongful act or omission occurring in the performance of this Agreement by the Authority, by one or more of the Members, or any of their officials, employees, agents, or independent contractors.

**ARTICLE XVI.  
NOTICES**

Notices to each Member under this Agreement shall be sufficient if mailed to its respective address on file with the Authority. Any Member may designate any other address in substitution of the foregoing address to which such notice will be given at any time by giving five days written notice to the Authority and all other Members.

**ARTICLE XVII.  
AMENDMENTS**

This Agreement may be amended at any time with the approval of two-thirds of the Directors on the Board acting with the approval of their governing bodies, except that any amendment that reduces the voting requirement for termination of the Authority must be approved by three-fourths of the Directors on the Board acting with the approval of their governing bodies. Authority of the Member representative (director) to give such approval may be delegated such in advance by the Member's governing body, or in the absence of such prior delegation by action of a Member's governing body to approve the proposed amendment. The amended Agreement shall take effect on the first day of the month following the Authority's receipt of notice of approval by two-thirds of the Members, unless otherwise stated in the Amendment, and once effective shall apply to all Members regardless of whether a particular Member approved the amendment. Refusal to execute or comply with the amended Agreement shall be a basis for expulsion of the Member. A Member that does not approve of the amendment may withdraw from the Authority and all its Programs at the end of the fiscal year next following the effective date of the amendment, notwithstanding the five-year minimum commitment provided for in Article III, Section C.

**ARTICLE XVIII.  
SEVERABILITY**

Should any portion, term, condition, or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions, and provisions shall not be affected thereby.

**ARTICLE XIX.  
COMPLETE AGREEMENT**

The foregoing constitutes the full and complete Agreement of the parties. There are no oral understandings or agreements not set forth in writing herein, except as to the Bylaws.

**ARTICLE XX.  
TERM OF AGREEMENT**

This Agreement shall become effective upon execution, and shall continue in effect until satisfaction of all obligations created hereunder following termination of the Authority created by this Agreement.

**ARTICLE XXI.  
COUNTERPARTS**

The Agreement may be executed in multiple counterparts, each of which shall be considered an original.

**ARTICLE XXII.  
ARBITRATION**

Any controversy arising out of this Agreement shall be submitted to binding arbitration, which shall be conducted in accordance with the provisions of the California Arbitration Act (California Code of Civil Procedure § 1280 et seq.).

**ARTICLE XXIII.  
FORCE MAJEURE**

No party will be deemed to be in default where failure or delay in performance of any of its obligations (other than payment obligations) under this Agreement is caused by floods, earthquakes, other Acts of God, fires, wars, riots or similar hostilities, actions of legislative, judicial, executive, or regulatory government bodies or other cause, without fault and beyond the reasonable control of such party ("Force Majeure"). If any such events shall occur, the time for performance by such party of any of its obligations under this Agreement will be extended by the parties for the period of time that such events prevented such performance. Upon the occurrence of an event of Force Majeure, the affected party shall: (i) promptly notify the other parties of such Force Majeure event, (ii) provide reasonable details relating to such Force Majeure event and (iii) implement mitigation measures to the extent reasonable.

**ARTICLE XXIV.  
DEFINITIONS**

The following definitions shall apply to the provisions of this Agreement and the Bylaws of the Authority:

- A. "Agreement" shall mean this Agreement, as it may be amended from time to time, creating the California Intergovernmental Risk Authority.
- B. "Board" or "Board of Directors" shall mean the governing body of the Authority.
- C. "Bylaws" shall mean the Bylaws attached to this Agreement, as amended from time to time by the Board consistent with the amendment provisions in the Bylaws.

- D. "Claim(s)" shall mean demand(s) made against the Member arising out of occurrences which are covered or alleged to be covered by the Authority's Memorandums of Coverage or policies of insurance.
- E. "Fiscal Year" shall mean the period of time commencing on July 1 of each year and ending on June 30 of the following year.
- F. "Governing Documents" shall mean this Agreement, the Bylaws of the Authority, each Program's Memorandum of Coverage, the Master Program Document, , and any other document stipulated as a Governing Document in the Bylaws or by action of the Board.
- G. "Insurance" shall mean insurance or reinsurance purchased by the Authority to cover Claims against or losses of the Authority and/or its Members.
- H. "Jurisdiction" shall mean the territory in which the Authority may exercise its powers; i.e., the State of California.
- I. "Member" shall mean any public entity authorized to be a member of a Joint Powers Authority, which is a party to this Agreement and is participating in one or more Programs.
- J. "Memorandum of Coverage" shall mean a document issued by the Authority for each Program specifying the coverages and limits provided to the Members participating in the Program.
- K. "Participation" or "participating" shall refer to a Member that has elected to join and take part in a Program.
- L. "Pooling" shall mean group self-insurance as allowed by Government Code section 990.8, Labor Code section 3700, or any other applicable law.
- M. "Program" shall mean those coverage programs of risk sharing, insurance, self-insurance, pooling and risk management services created by the Authority to manage specific types of risks.
- N. "Program Year" shall mean the annual period in each Program to be segregated for determination of coverage premiums or assessments.
- O. "Risk Management" shall mean the process of identifying, evaluating, reducing, transferring, and eliminating risks. Risk Management includes, but is not limited to, various methods of funding claims payments, purchasing insurance, legal defense of claims, controlling losses, and determining self-insured retention levels and the amount of reserves for potential claims.



IN WITNESS WHEREOF, the undersigned party hereto has executed this Agreement on the date indicated below.

California Intergovernmental Risk Authority ["CIRA"]

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Name/Title

Attest: \_\_\_\_\_  
Secretary, CIRA

Member Entity: \_\_\_\_\_

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Name/Title

Attest: \_\_\_\_\_  
City/Town Clerk

## APPENDIX "A"

### CALIFORNIA INTERGOVERNMENTAL RISK AUTHORITY MEMBERS

- |                            |   |
|----------------------------|---|
| 1. City of Arcata          | 27. City of Point Arena                       |
| 2. City of Amador City     | 28. City of Rancho Cucamonga                  |
| 3. City of Avalon          | 29. Rancho Cucamonga Fire Protection District |
| 4. City of Belvedere       | 30. City of Rancho Santa Margarita            |
| 5. City of Blue Lake       | 31. City of Rohnert Park                      |
| 6. City of California City | 32. City of San Juan Bautista                 |
| 7. City of Calimesa        | 33. City of Sebastopol                        |
| 8. City of Calistoga       | 34. City of Sierra Madre                      |
| 9. City of Citrus Heights  | 35. City of Sonoma                            |
| 10. City of Clearlake      | 36. City of South Lake Tahoe                  |
| 11. City of Cloverdale     | 37. City of St. Helena                        |
| 12. City of Coalinga       | 38. City of Tehama                            |
| 13. City of Cotati         | 39. City of Trinidad                          |
| 14. City of Eureka         | 40. Town of Truckee                           |
| 15. City of Ferndale       | 41. City of Twentynine Palms                  |
| 16. City of Fort Bragg     | 42. City of Ukiah                             |
| 17. City of Fortuna        | 43. City of Watsonville                       |
| 18. City of Grass Valley   | 44. City of Wheatland                         |
| 19. City of Healdsburg     | 45. City of Wildomar                          |
| 20. City of Highland       | 46. City of Willits                           |
| 21. City of Lakeport       | 47. Town of Windsor                           |
| 22. City of Menifee        | 48. Town of Yountville                        |
| 23. City of Nevada City    | 49. City of Yucaipa                           |
| 24. City of Placentia      | 50. Town of Yucca Valley                      |
| 25. City of Placerville    |   |
| 26. City of Plymouth       |   |

APPENDIX “B”

PARSAC Agreement

**PARSAC**  
**JOINT POWERS AGREEMENT**

Revised & Adopted May 25, 2017

**Public Agency Risk Sharing  
Authority of California**

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# **PUBLIC AGENCY RISK SHARING AUTHORITY OF CALIFORNIA [PARSAC]**

## **JOINT POWERS AGREEMENT**

THIS AGREEMENT is made in the State of California by and among those municipalities organized and existing under the laws of the State of California, hereinafter referred to as "Member Entity[ies]," which are parties' signatory to this Agreement. All such Member Entities are listed in Appendix "A", which is attached hereto and made a part hereof.

### **RECITALS**

A. California Government Code Section 6500 and following permits two or more public agencies by agreement to jointly exercise any power common to the contracting parties.

B. California Government Code Section 990.4 permits a local public entity to self-insure, purchase insurance through an authorized carrier, or purchase insurance through a surplus line broker, or any combination of these;

C. California Government Code Section 990.6 provides that the cost of insurance provided by a local public entity is a proper charge against that local public entity;

D. California Government Code Section 990.8 permits two or more local entities to, by a joint powers agreement, provide insurance for any purpose by any one or more of the methods specified in Government Code Section 990.4 and provides that such pooling of self-insured claims or losses does not constitute the business of insurance under the California Insurance Code;

E. California Labor Code Section 3700(c) permits all political subdivisions of the State of California, including each member of a pooling arrangement under a joint exercise of powers agreement to self-insure against workers' compensation claims by securing a certificate of consent from the Department of Industrial Relations;

F. Each of the Member Entities, which is a party to this Agreement, desires to join with the other Member Entities to fund programs of insurance for workers' compensation, liability, property and other coverages to be determined and for other purposes set forth in Article III of this Agreement;

G. The governing body of each Member Entity has determined that it is in its own best interest and in the public interest that this Agreement be executed and that it participate as a member of the Public Agency Risk Sharing Authority of California [PARSAC] created by this Agreement; and

H. As of the effective date of this Agreement, this Agreement shall replace and supersede the Joint Powers Agreement Creating the Public Agency Risk Sharing Authority of California, dated May 21, 1986, as amended on November 20, 1987, July 1, 1989, and November 19, 1993, May 31, 1996, December 13, 2002, December 12, 2003, May 20, 2005, May 31, 2007, December 2, 2010, May 26, 2011 and May 25, 2017.

Now, therefore, in consideration of the above facts and the mutual benefits, promises and agreements set forth below, the Member Entities hereby agree as follows:

## **AGREEMENT**

### **ARTICLE I DEFINITIONS**

The following terms shall have the following definitions:

- A. “**Agreement**” shall mean this Revised and Restated Joint Powers Agreement creating the Public Agency Risk Sharing Authority of California [PARSAC].
- B. “**Alternate**” shall mean the person designated by the Member Entity to act as a director of PARSAC in the absence of the Director. The Alternate shall have the same responsibility, power and authority as the Director when acting in the Director's stead.
- C. “**Board**” or “**Board of Directors**” shall mean the governing body of PARSAC.
- D. “**Bylaws**” shall mean the Bylaws of PARSAC, revised as of May 27, 2010, and as they may be further amended or revised.
- E. “**Claims**” shall mean any demand[s] made against a Member Entity to recover for monetary damages within, or alleged to be within, the scope of coverage provided by any of PARSAC's Memoranda of Coverage [or any commercial insurance policy related to a PARSAC Program].
- F. “**PARSAC**” shall mean the Public Agency Risk Sharing Authority of California created by this Agreement.
- G. “**Covered Loss**” shall mean any loss resulting from a claim or claims against a Member Entity which is in excess of its Self-Insured Retention and which is covered by any of PARSAC's Memoranda of Coverage [or insurance policy related to a PARSAC Program].
- H. “**Deposit Premium**” shall mean the estimated amount determined for each Member Entity necessary to fund each layer of coverage for each Policy Year of each



Program of PARSAC.

I. **“Executive Committee”** shall mean that committee of the Board, constituted and exercising the authority set forth in this Agreement and in the Bylaws.

J. **“Fiscal Year”** shall mean the period of time ending on June 30 of each year during which PARSAC is in existence.

K. **“Incurred Loss”** shall mean the amount of monies paid and reserved by PARSAC to investigate, defend and satisfy a demand or demands made against a Member Entity.

L. **“Insurance”** shall mean commercial insurance policies which PARSAC may purchase for its Member Entities, from time to time, in order to effect a transfer of risk. The term "Insurance" shall not mean any self-insurance, risk-sharing or pooling of losses or risks.

M. **“Liability Program Participant”** shall refer only to members of PARSAC that have been approved and are in good standing to participate in the Liability Program.

N. **“Member Entity”** shall mean any California public entity which is a party signatory to this Agreement including any other agency for which the City Council sits as the Governing board.

O. **“Memorandum of Coverage”** shall mean the document or documents issued by PARSAC specifying the type and amount of coverages provided under any Program to the Member Entities by PARSAC.

P. **“Program Year”** shall mean a period of time, usually 12 months, for which each Program is to determine Deposit Premiums, Retrospective Premiums, and Retrospective Premium Adjustments.

- Q.     **“Program”** shall mean arrangements to cover specific types of claims which may include, but not be limited to, property, workers' compensation, and comprehensive liability claims.
- R.     **“Public Entity”** shall mean a county, city, whether general law or chartered, city and county, town, district, political subdivision, joint powers authority, or any board, commission, or agency thereof providing a municipal service, excluding school districts.
- S.     **“Retrospective Premium”** shall mean, the amount determined retrospectively as each Member Entity's share of losses, reserves, expenses and interest income as may be determined periodically for any Program.
- T.     **“Retrospective Premium Adjustment”** shall mean the amount necessary to periodically adjust the Deposit Premium, or prior Retrospective Premiums if any, to the newly calculated Retrospective Premium amount.
- U.     **“Self-Insured Retention”** or **“SIR”** shall mean the amount of loss from each occurrence which the Member Entity shall retain and pay directly and which shall not be shared by the Member Entities of PARSAC.
- V.     **“Workers’ Compensation Program Participant”** shall refer only to members of PARSAC that have been approved and are in good standing to participate in the Workers’ Compensation Program.
- W.     **“Group Purchase Programs”** shall mean coverage programs provided by insurance policies where there is no self-insurance, risk sharing or pooling.

## **ARTICLE II PARTIES TO THE AGREEMENT**

Each Member Entity is a party to this Agreement and agrees that it intends to, and does contract with, all other parties who are signatories of this Agreement and with such other parties as may later be added. Each Member Entity also agrees that the expulsion or withdrawal of any Member Entity from this Agreement shall not affect this Agreement nor the remaining parties as to the other Member Entities then remaining.

## **ARTICLE III PURPOSES**

This Agreement is entered into by the Member Entities in order to:

- A. Create the Public Agency Risk Sharing Authority of California to carry out the purposes listed below and to exercise the powers contained in this Agreement;
- B. Develop effective risk management programs to reduce the amount and frequency of their losses;
- C. Share some portion, or all, of the cost of their losses;
- D. Jointly purchase commercial insurance, associate with other risk-sharing pools, or self-insure against risks;
- E. Jointly purchase administrative and other services including, but not limited to, underwriting, risk management, loss prevention, claims adjusting, data processing, brokerage, accounting and legal services when related to any of the other purposes;
- F. Provide other joint powers risk sharing authorities with management services;  
and
- G. Do all things necessary to carry out the foregoing purposes, as well as all things necessary to implement the terms of this Agreement as permitted by law.

**ARTICLE IV  
CREATION OF THE PUBLIC AGENCY  
RISK SHARING AUTHORITY OF CALIFORNIA**

Pursuant to the California Government Code, the Member Entities hereby agree to continue in existence a public entity, separate and apart from the parties to this Agreement, to be known as the Public Agency Risk Sharing Authority of California ["PARSAC"]. The debts, liabilities or obligations of PARSAC shall not constitute debts, liabilities or obligations of any party to this Agreement. However, a Member Entity may separately contract for, or assume responsibility for, specific debts, liabilities or obligations of PARSAC.

**ARTICLE V  
TERM OF AGREEMENT**

This Agreement shall become effective as of the date hereof and shall continue in full force and effect until terminated in accordance with Article XXVI.

**ARTICLE VI  
POWERS OF PARSAC**

PARSAC shall have the powers common to its Member Entities in California and all additional powers permitted to a joint powers authority by California law, and the parties hereby authorize PARSAC to do all acts necessary to exercise such powers to fulfill the purposes of this Agreement including, but not limited to, the following:

- A. Make and enter into contracts;
- B. Incur debts, liabilities and obligations;
- C. Acquire, hold, lease or dispose of real and personal property, contributions and donations of property, funds, services and other forms of assistance;
- D. Sue and be sued in its own name and settle any claim against it;
- E. Employ agents and employees;

F. Acquire, construct, manage, maintain or operate buildings, works or improvements;

G. Receive, collect, and disburse monies; and invest money not required for immediate necessities; and

H. Exercise all powers necessary and proper to carry out the terms and provisions of this Agreement.

## **ARTICLE VII RESPONSIBILITIES OF MEMBER ENTITIES**

Each member entity shall:

A. Sign this Agreement and its legally enacted amendments and participate in PARSAC's Liability Program and/or Workers' Compensation Program;

B. Sign a Membership Resolution for each Program;

C. Pay Deposit Premiums, Retrospective Premium Adjustments, and any Special Assessments to PARSAC on or before the due date;

D. Appoint, elect or remove representatives to serve as director and alternate on the Board, which representatives are expressly authorized to act on behalf of the Member Entity on all matters coming before the Board;

E. Assure that its representative director or alternate attends at least one meeting of the Board annually;

F. Assure that its representative director and alternate keep informed about PARSAC's activities and assist them in doing so;

G. Approve Amendments to this Agreement as set forth in Article XXIX; provided, however, the Member Entity may, by resolution or ordinance, authorize its director and alternate on the Board to approve and execute amendments on behalf of the Member Entity

without the necessity of a resolution or ordinance of the legislative body of the Member Entity confirming or ratifying such amendment.

H. File, in a prompt and timely manner, all statewide, county, and locally-mandated reports and filings, including but not limited to the Fair Political Practices Commission's Statement of Economic Interests;

I. Undertake a risk management audit of its facilities and activities, conducted by a person and/or firm approved by PARSAC's Executive Committee and, based upon such report, to evidence correction, elimination and/or clarification of all noted deficiencies or recommended corrections to the satisfaction of PARSAC's Executive Committee. Risk management audits may be required by the Executive Committee as frequently as it chooses. Risk management audits may be paid by PARSAC and charged back to Member;

J. Provide PARSAC with a copy of its most recent audited annual financial statements prepared by a Certified Public Accountant; or, if not available, provide PARSAC with the most recent set of unaudited monthly financial statements, and any other financial material as may be requested by PARSAC from time to time;

K. Cooperate with, communicate and assist in a timely manner, PARSAC and any insurer, provider of excess coverage, claims adjuster, legal counsel or other service provider engaged or retained by PARSAC in all matters relating to this Agreement;

L. Promptly cooperate with PARSAC to determine and/or clarify any incidents which might become losses, the cause of any and all actual losses, and methods to bring about settlement of claims;

M. Comply with its obligations and responsibilities under this Agreement, the

Bylaws, the Memoranda of Coverage, the Risk Management Standards, PARSAC's policies and procedures, and any other contract or requirement [as any of the foregoing may be created or amended] necessary to implement this Agreement or any Program;

N. Pay any fines or penalties assessed by the Board or any regulatory agency that are attributable to the Member Entity's failure to perform in accordance with self-insurance regulations or comply with the provisions of this Agreement. An appeal may be filed with the appropriate regulatory agency. All decisions of the Board are final.

O. Use an Executive Committee-approved third-party claims administrator for claims handling, under such circumstances as the Board of Directors may require.

Failure to comply with any of the obligations under this section may be grounds for expulsion pursuant to Article XXIV of this Agreement.

## **ARTICLE VIII BOARD OF DIRECTORS**

Except as otherwise provided in this Agreement or in the Bylaws, the powers of PARSAC shall be exercised, its property shall be controlled, and its affairs shall be conducted by its Board of Directors whose meetings, functions and activities shall be governed by the Bylaws.

The Board shall be composed of one director who represents and acts on behalf of each respective Member Entity which participates in PARSAC's Liability and/or Workers' Compensation Program. The number of persons on the Board shall be equal to the number of Member Entities. In addition, each Member Entity shall appoint a second individual as alternate director, who shall have the authority to attend, participate in, and vote at any meeting of the Board when the respective director is absent. Each director and alternate director shall be an elected official or employee of the respective Member Entity, shall be appointed by the

respective Member Entity's governing body, and shall serve at its pleasure. If a director or alternate ceases to be an employee or elected official of a Member Entity for any reason, his or her position on the Board and any of its committees shall immediately terminate.

The Board of Directors shall have the following powers and functions:

A. The Board shall exercise all powers and conduct all business of PARSAC, either directly or by delegation of authority to other bodies or persons pursuant to this Agreement and applicable law;

B. The Board shall form an Executive Committee from its membership. In the Bylaws the Board shall delegate to that Committee such powers as it sees fit;

C. The Board may form such other committees as it deems appropriate in conducting PARSAC's business;

D. The Board shall elect PARSAC's officers;

E. The Board shall cause to be prepared and adopt PARSAC's annual operating budget;

F. The Board shall develop, or cause to be developed, and shall review, modify as necessary, and adopt each of PARSAC's Programs, including all provisions for reinsurance and administrative services necessary to carry out such Program;

G. The Board shall contract or otherwise provide for necessary services to PARSAC and to Member Entities. These necessary services may include, but shall not be limited to, risk management consulting, loss prevention and control, centralized loss reporting, actuarial consulting, claims adjusting, and legal defense services;

H. The Board, either directly or through the Executive Committee, shall provide policy direction to PARSAC's General Manager;



I. The Board shall receive and act upon reports of its committees and the General Manager, either directly or through the Executive Committee;

J. The Board shall establish monetary limits upon any delegation of the claims payment and settlement authority, beyond which a proposed settlement must be referred to the Board for approval;

K. The Board may require that PARSAC review, audit, report upon, and make recommendations with regard to the safety or claims administration functions of any Member Entity insofar as those functions are affecting PARSAC's liability or potential liability. The Board may forward any or all such recommendations to the Member Entity with a request for compliance and a statement of potential consequences for noncompliance;

L. The Board shall receive, review and act upon periodic reports and audits of PARSAC's funds;

M. The Board may amend, repeal or adopt new Bylaws, this Agreement or other key documents;

N. The Board may increase, decrease, or otherwise amend the coverages, limits and other terms of any Memorandum of Coverage;

O. The Board shall approve any proposal by the Executive Committee for Special Assessments from the Member Entities before such Special Assessments are billed;

P. The Board may expel a Member Entity from any Program or from membership in PARSAC pursuant to Article XXIV of this Agreement;

Q. The Board may ratify actions of the Executive Committee, where such ratification is required before the action becomes final;

R. The Board may enter into a joint venture or contractual arrangement with any

similar entity and may also enter into a merger or acquisition agreement with a similar entity, provided that if PARSAC is not the surviving entity in any such merger or acquisition, such action shall require approval by the vote of three-fourths of the Member Entities; and

S. The Board shall have such other powers and functions as are provided for in this Agreement, the Bylaws, and applicable law.

## **ARTICLE IX OFFICERS**

The officers of PARSAC shall be the President, Vice President, Treasurer, and Auditor/Controller, and their qualifications and duties shall be those set forth in the Bylaws.

## **ARTICLE X EXECUTIVE COMMITTEE**

There shall be an Executive Committee, all of whose members shall be directors. The Executive Committee shall set policy for and direct the administration of PARSAC on a day-to-day basis and may, without limitation, provide incentives and impose penalties, financial or otherwise, for performing or failing to perform in conformance with PARSAC requirements, programs, standards and policies. The composition, specific authority and meeting arrangements of the Executive Committee shall be set forth in the Bylaws.

## **ARTICLE XI ADMINISTRATION**

PARSAC shall have a general manager, who shall be appointed or terminated by the Executive Committee, shall be responsible to the Executive Committee for the efficient and effective administration of PARSAC, and who shall serve as the Secretary of PARSAC. The General Manager shall attend all meetings of the Board, the Executive Committee, and other committees of the Board (but shall have no vote), shall prepare and maintain all minutes of meetings of the Board and its Committees, notices of meetings, and records of PARSAC, and

shall carry out all duties set forth in the Bylaws.

## **ARTICLE XII BUDGET**

The Executive Committee shall recommend and the Board shall adopt an annual operating budget prior to the beginning of each Fiscal Year.

## **ARTICLE XIII ANNUAL AUDITS AND REVIEWS**

A. **Financial Audit.** The Auditor/Controller shall cause an annual financial audit of the accounts and records to be prepared by a Certified Public Accountant in compliance with California Government Code Sections 6505 and 6505.5 or 6505.6 with respect to all receipts, disbursements, other transactions and entries into the books of PARSAC. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Government Code Section 26909 and shall conform to generally accepted accounting standards. A report of each such audit shall be filed as a public record with the Board, each of the Member Entities, and the auditor/controller of the county in which PARSAC's administrative office is located. The report shall be filed within twelve [12] months of the end of the fiscal year under examination. PARSAC shall pay all costs for such financial audits.

B. **Actuarial Review.** The Board shall cause an annual actuarial review to be prepared for each of the Programs of PARSAC and a report of such actuarial review shall be made available for inspection by the Board and the Member Entities. PARSAC shall pay all costs for such actuarial review.

C. **Claims Audit.** The Board shall cause a biannual claims audit of the administration of the claims for each of the Programs of PARSAC. A report of such claims review shall be made available for inspection by the Board and the Member Entities. PARSAC

shall pay all costs of such claims reviews.

#### **ARTICLE XIV ESTABLISHMENT AND ADMINISTRATION OF FUNDS**

PARSAC shall be responsible for the strict accountability of all funds and the reporting of all receipts and disbursements in accordance with generally accepted accounting principles. It will comply with all provisions of law relating to this subject, including California Government Code Sections 6500-6525.

The Treasurer of PARSAC shall establish and maintain such funds and accounts as may be required by good accounting practices and by the Board. Separate accounts shall be established and maintained for each Program Year of each Program of PARSAC. Books and records of PARSAC in the hands of the Treasurer or other designated person shall be open to inspection at all reasonable times by members of the Board or authorized representatives of the Member Entities.

The Treasurer shall have the custody of and disburse PARSAC's funds. He or she may delegate disbursing authority to such persons as may be authorized by the Board to perform that function provided that, pursuant to Government Code Section 6505.5, the Treasurer shall:

- A. Receive and acknowledge receipt of all funds of PARSAC and place them in the treasury to the credit of PARSAC;
- B. Be responsible upon his or her official bond for the safekeeping and disbursement of PARSAC's funds so held by him or her;
- C. Pay any sums due from PARSAC as approved for payment by the Board or by any body or person to whom the Board has delegated approval authority, making such payments from PARSAC's funds upon warrants drawn by the Auditor;
- D. Verify and report in writing to PARSAC and to Member Entities, as of the first

day of each quarter of the fiscal year, the amount of money then held for PARSAC, the amount of receipts since the last report, and the amount paid out since the last report;

E. Prepare a complete written report of all financial activities within one hundred and twenty [120] days after the close of each fiscal year for such fiscal year to the Board and to each Member Entity; and

F. Receive, invest, and disburse funds in accordance with the procedures established by the Board or the Bylaws and in conformity with applicable law.

Pursuant to Government Code Section 6505.1, the General Manager, the Treasurer, and such other persons as the Board may designate shall have charge of, handle, and have access to PARSAC's property.

PARSAC shall secure and pay for a fidelity bond or bonds, in an amount or amounts and in form specified by the Board, covering all officers and employees of PARSAC who are authorized to hold or disburse PARSAC's funds and all officers and employees who are authorized to have charge of, handle, and have access to PARSAC's property.

The Authority shall defend and indemnify its directors, officers, and employees to the same extent as any other public entity of the State of California is obliged to defend and indemnify its public employees pursuant to California Government Code Section 825, *et seq.*, or other applicable provisions of law.

The Authority may insure or self-insure itself to the extent deemed necessary by the Board against loss, liability and claims arising out of or connected to the conduct of the Authority's activities.

## **ARTICLE XV**

### **SUPPORT OF PARSAC'S GENERAL EXPENSES**

Costs of staffing and supporting PARSAC [hereinafter called PARSAC's general

expenses] shall be equitably allocated among the various Programs by the Board, and shall be funded by the Member Entities which participate in such Programs [and ex-Member Entities] in accordance with such allocations.

## **ARTICLE XVI DEPOSIT PREMIUMS**

The Deposit Premiums for the Liability and Workers' Compensation Programs shall be set at a level estimated to be sufficient, as determined by the Executive Committee, to cover PARSAC's budget for each Policy year. The Deposit Premiums for the Member Entities shall be set by PARSAC using various rating and underwriting criteria, such as:

- [1] The Member Entity's payroll;
- [2] The Member Entity's exposure base;
- [3] The results of an on-site underwriting inspection;
- [4] The Member Entity's prior claims history;
- [5] Total insurable values; and/or
- [6] Employee classification ratings.

Deposit Premiums for the Liability, Workers' Compensation, and Group Purchase Programs shall be billed to the Member Entities.

At the conclusion of each Program Year, PARSAC shall conduct a payroll audit of each Member Entity to adjust for any discrepancies between estimated and actual payroll. In the sole discretion of PARSAC, an on-site payroll audit may be conducted by PARSAC or an independent auditor. Any adjustments in payrolls, either debits or credits, shall result in an assessment of additional premiums or a return of overpaid premiums. This adjustment shall be made within sixty (60) days after the date of the audit.

## **ARTICLE XVII PARSAC MEMBERSHIP**

Member Entities shall participate in PARSAC's Liability Program and/or Workers' Compensation Program as a condition of membership in PARSAC. Participation in either Program shall be a minimum of three years and the Term shall be renewed for subsequent one-year periods at the commencement of each Program Year upon payment of the applicable Deposit Premium, unless termination, withdrawal, or expulsion occurs pursuant to Articles XXIII and XXIV of this Agreement. The Executive Committee shall establish the initial SIR for each Liability or Workers' Compensation Program Participant and may require a different SIR for Program Participants from time to time, in its sole discretion.

Program Years shall begin on July 1 of each year and shall continue through the following June 30. Retroactive coverage may be provided as approved by the Board and documented on the Declaration Page of the respective Memorandum of Coverage.

## **ARTICLE XVIII MEMORANDA OF COVERAGE**

The types and amounts of coverage for each Program available to Member Entities shall be specified in a Declarations Page and/or Memorandum of Coverage which shall be issued by PARSAC to each Member Entity for each Program Year in which the Member Entity has coverage. The Board shall have the power and authority to decrease, increase, or amend the coverage provided by a Memorandum of Coverage. If any such amendment is approved by the Board during a Program Year, no Member Entity participating in that Program Year shall be entitled to withdraw by reason of any said amendment prior to the termination of that Program Year.

## **ARTICLE XIX**

### **SIR MANDATORY RESERVES/PAYMENTS**

A Member Entity participating in the Liability Program must establish by resolution a “Fund Balance Reserve” (“Reserve”) equal to three times (3) the designated SIR, or any underlying insurance deductible chosen, and approved for the Member Entity by PARSAC. The Reserve will be recorded and maintained in the appropriate Member Entity Fund in accordance with Generally Acceptable Accounting Principles.

PARSAC will be notified of any proposed adjustment to the Reserve prior to the Member Entity’s adoption of such a resolution.

PARSAC may request certification, by the Member Entity, of the balance in the Reserve account at any time.

Applicants establishing coverage with PARSAC shall be required to submit the “Fund Balance Reserve Resolution” prior to coverage inception.

Any Member Entity which does not desire to establish a local Fund Balance Reserve at the required three-times its SIR, or underlying insurance deductible amount, may contract for an actuarial study of its losses and reserves by a Fellow of the Casualty Actuary Society (FCAS) to ascertain and represent to PARSAC adequate SIR Reserves. Such SIR amount shall be established as the correct Reserve for that Member Entity.

Although not obligated to do so, PARSAC may elect to pay a portion of claims expenses before the Member Entity’s self-insured retention has been exhausted in order to expedite the resolution of a claim. In this event, the member will be invoiced and shall have 30 days from the date of invoice to remit reimbursement. A 10% penalty shall be applied to the balance if payment is not received by the due date.

The claims payment procedures for members participating in the Workers’



Compensation Program with a self-insured retention are as follows:

1. The Member Entity shall set up a checking account with the Third-Party Administrator (TPA). The TPA shall pay all claim expenses within the Member's Entity's self-insured retention from the checking account. The Member Entity shall be responsible for ensuring sufficient funds are available for all costs related to the checking account, including any set-up fees charged by the TPA; or
2. PARSAC shall pay all claim expenses within the Member Entity's self-insured retention, which shall be reconciled and invoiced to the Member Entity quarterly. The Member Entity shall have 30 days from the date of invoice to submit its self-insured retention payment. A 10% penalty shall be applied to the balance if payment is not received by the due date. This option is available to Member Entities with an SIR of \$100,000 or lower.

## **ARTICLE XX RETROSPECTIVE PREMIUM ADJUSTMENTS AND ASSESSMENTS**

Retrospective Premium Adjustments (RPA) for self-funded Programs shall be calculated annually as determined by each Program's funding policy. The Board may determine and levy special assessments on Member Entities by majority vote.

The RPA is a financial reconciliation made by PARSAC to determine whether the Deposit Premium collected for that Policy Year was sufficient to cover the costs. An RPA summary is presented annually to the Board for approval. Distribution of credits or collection of assessments will follow each Program's funding policy.

If a Member Entity has timely withdrawn or been expelled from a Program, any Retrospective Premium Adjustment credit shall remain with PARSAC until all Policy Year(s) in which they participated have been closed and reconciled. Any Retrospective Premium

Adjustment deficit shall be billed to the Member Entity at the time that particular Policy Year(s) is being reconciled. If a withdrawn or expelled member's total equity for all program years in which they participated is insufficient, the member will be billed at the time the deficit is identified. A member that has untimely withdrawn from a program foregoes their right to any remaining equity and is subject to assessment for any deficits.

## **ARTICLE XXI NEW MEMBERS**

Any California public entity as defined in Article I may apply for membership in PARSAC and participation in any of PARSAC's Programs at any time. Public Entities must participate in either the Liability or Workers' Compensation program before participating in other Program offerings.

PARSAC shall review all requests for Program membership, and the Executive Committee shall approve and the Board shall ratify, which applicants shall be accepted for membership, in which Programs they may participate, and when such participation shall begin. Public Entities shall become new Member Entities as of the effective date of coverage indicated on the Program Declarations Page and upon payment of the Deposit Premium. Public Entities which are in the process of formation shall be covered only as of the effective date of formation.

Deposit Premiums for coverage which begins during a Program Year may be prorated for the remainder of the Program Year. A Public Entity applying for membership in the Workers' Compensation or Liability Program shall complete, return and comply with all of the following:

A. An "Application for a Certificate of Consent to Self-Insure" from the Department of Industrial Relations/Division of Self-Insurance Plans (DIR/SIP) (Workers' Compensation only);

- B. Loss reports for the five (5) most recent policy years;
- C. Estimated payroll for the current year and corresponding to the 5 years of loss data
- D. Liability Exposure questionnaire from PARSAC, questionnaires from the excess carrier or reinsurer, and most recent three years' audited financial statements;
- E. Undertake a risk management audit of its facilities and activities and, based upon such audit report, provide evidence of correction, elimination and/or clarification of all noted deficiencies revealed by such inspection; and
- F. Such other information as is reasonably required by PARSAC to assure compliance with law and PARSAC policies.

## **ARTICLE XXII WITHDRAWAL**

Any Member Entity who has been a member for at least three full fiscal years may withdraw from its status as a member and as a party to the Joint Powers Agreement by submitting notice in writing to PARSAC as follows:

- A. Timely Notice of Withdrawal. A withdrawing Member Entity must notify PARSAC of its intention to withdraw at least six (6) months prior to the end of the fiscal year in which the member intends to withdraw, unless a shorter withdrawal period is approved by the Executive Committee, in its sole discretion. Withdrawing members who submit Timely Notice shall be subject to an administrative fee equal to their pro-rata share of ongoing expenses for the three program years following withdrawal. Ongoing expenses include but are not limited to staff payroll and benefits, actuarial services, investment services, financial audits, and claims administration. Withdrawing member will be

invoiced for their portion of the administrative fee each of the three years.

*Calculation and Payment of Fee.* The administrative fee shall be calculated based on the member's actual payroll and self-insured retention level in the last year in which the member participated. In year one, 100% of the administrative fee will be charged to the member; 50% in year two; and 25% in year three. The withdrawing member shall be invoiced for their portion of the administrative fee and it shall not be taken from equity. Should equity be insufficient to cover any deficit, the member will be subject to assessment. The withdrawing member's equity will remain with PARSAC until all years in which the member has participated are closed. Any equity remaining after all years have closed will be returned to the withdrawn member.

- B. Untimely Notice of Withdrawal. Members submitting a notice of intent to withdraw less than six (6) months prior to the end of the fiscal year, but not later than April 1, in which the member intends to withdraw shall be considered untimely. In the event of an untimely notice of intent to withdraw, the withdrawing member shall forego their right to any remaining equity. In addition to foregoing equity, withdrawing members who submit Untimely Notice shall be subject to an administrative fee equal to their pro-rata share of ongoing expenses for the three program years following withdrawal. Ongoing expenses include but are not limited to staff payroll and benefits, actuarial services, investment services,

financial audits, and claims administration, and will remain subject to both the administrative fee and assessments for all years in which they participated. Withdrawing members will be invoiced for their portion of the administrative fee each of the three years. *Calculation and Payment of Fee.* The administrative fee shall be calculated based on the member's actual payroll and self-insured retention level in the last year in which the member participated. In year one, 100% of the administrative fee will be charged to the member; 50% in year two; and 25% in year three.

Withdrawal from the Liability or Workers Compensation Program shall terminate coverage under that Program. If withdrawal would result in the Member Entity no longer being a member of either the Liability or the Workers Compensation Program, then such withdrawal shall constitute withdrawal from this Agreement and from membership in PARSAC, subject to the ex-Member Entity's continuing obligations under Article XXV below.

A notice of intent to withdraw may be rescinded in writing with Executive Committee consent at any time earlier than ninety (90) days before the expiration of the withdrawal period, except that any withdrawal approved by the Executive Committee upon less than 6 months notice shall be final.

Any Member Entity which withdraws as a participant in any Program may renew participation in that Program by complying with all Program rules and regulations.

## **ARTICLE XXIII EXPULSION**

Regardless of its three-year commitment under the Liability and/or Workers' Compensation Program, a Member Entity may be expelled from PARSAC or a Program either with or without cause. The General Manager shall review any lack of satisfactory performance or other problem with the Member Entity and shall attempt to resolve the matter. If the General Manager determines that the Member Entity is unwilling or unable to correct the problem, the General Manager shall present the matter to the Executive Committee. The Executive Committee may recommend to the Board that the Member Entity be expelled, either with or without cause. Written notice of the Executive Committee's recommendation for expulsion shall be delivered to the Member Entity with return receipt at least fourteen [14] days before the Board meeting at which the matter will be discussed. Action by the Board shall require the vote of a majority of the total number of directors. Expelled members are subject to the administrative fee for a timely withdrawal as described in Article XXIII, Paragraph A.

In considering the expulsion of a Member Entity, the Executive Committee shall allow the affected Member Entity a reasonable opportunity to address and remedy the reasons, if any, for the proposed expulsion. The period of time so allowed shall be within the sole discretion of the Executive Committee. If such a reasonable opportunity is allowed, PARSAC may require quarterly audits to monitor the affected Member Entity's remedial actions or any other conditions to its continued participation in PARSAC or its Programs.

A Member Entity which is the subject of a proposed expulsion shall be responsible for investigating the availability of alternate coverage. On the request of the Member Entity, the Board may permit the Member Entity a reasonable time to make arrangements for alternative coverage, but such period of time shall be at the Board's sole discretion.

**ARTICLE XXIV**  
**EFFECT OF WITHDRAWAL OR EXPULSION**  
**ON MEMBER ENTITY'S RESPONSIBILITIES**

The withdrawal or expulsion of any Member Entity after its participation in any Program shall not terminate its responsibility with respect to the following:

A. Provide PARSAC with such statistical and loss experience data and other information as may be necessary for PARSAC to carry out the purposes of this Agreement;

B. Pay to PARSAC when due any Deposit Premiums or Retrospective Premium Adjustments for each Policy Year of each Program in which it participated;

C. Cooperate fully with PARSAC in determining the cause of losses in the settlement of claims;

D. Cooperate with and assist PARSAC and any insurer, excess provider, claims adjuster, legal counsel or other service provider engaged or retained by PARSAC in all matters relating to this Agreement; and

E. Comply with the Bylaws and all policies and procedures of PARSAC not inconsistent with the provisions of this Agreement and not inconsistent with its withdrawal from PARSAC.

*Disposition of Equity – Timely Withdrawal or Expulsion.* In addition, PARSAC shall retain all remaining equity, and the ex-Member Entity is obligated to pay any future assessments made with respect to the Policy Years of any Program in which it participated, until all such Policy Year[s] have been closed, at which time PARSAC shall refund to the ex-Member Entity, any remaining equity which was not expended in settling, paying or otherwise resolving claims against the ex-Member Entity.

*Disposition of Equity – Untimely Withdrawal.* PARSAC shall retain all remaining equity

and the ex-Member Entity is obligated to pay any future assessments made with respect to the Policy Years of any Program in which it participated, until all such Policy Year[s] have been closed and the administrative fee charged per Article XXII, Paragraph B.

## **ARTICLE XXV TERMINATION OF AGREEMENT AND DISTRIBUTION OF ASSETS**

This Agreement shall continue in full force and effect until terminated. Termination of this Agreement shall also constitute the termination of all Programs. This Agreement may be terminated at any time by the vote of three-fourths of the Member Entities; provided, however, that this Agreement and PARSAC shall continue to exist for the purpose of disposing of all claims and paying its obligations (to CalPERS) for employees' health and pension benefits, before the distribution of assets, and any other functions necessary to wind up the affairs of PARSAC.

Upon termination of this Agreement, all assets of each Program of PARSAC shall be distributed among the Member Entities [and ex-Member Entities which previously timely withdrew or were expelled] which participated in such Programs, in accordance with the retrospective premium adjustment process in effect during the term of this Agreement. Such distributions shall be determined within six [6] months after the disposal of the last pending claim or other liability covered by each Program.

Following the termination of this Agreement, any Member Entity which was a participant in any Program of PARSAC shall pay any additional amount of premium, determined by the Board or its designee in accordance with a retrospective premium adjustment, which may be necessary to enable final disposition of all claims arising from losses under that Program during the Member Entity's period of participation.

The Board is vested with all powers of PARSAC for the purpose of concluding and



dissolving the business affairs of PARSAC. The Board may designate legal counsel and any committee or person to carry out a plan of dissolution adopted by the Board.

## **ARTICLE XXVI NOTICES**

Notices to Member Entities under this Agreement or the Bylaws shall be sufficient if mailed to their respective addresses on file with PARSAC. Notices to PARSAC shall be sufficient if mailed to the address of the principal executive office of PARSAC, addressed to the General Manager.

## **ARTICLE XXVII PROHIBITION AGAINST ASSIGNMENT**

No Member Entity may assign any right, claim, or interest it may have under this Agreement, and no creditor, assignee or third-party beneficiary of any Member Entity shall have any right, claim or title to any part, share, interest, fund, premium or asset of PARSAC.

## **ARTICLE XXVIII AMENDMENTS**

This Agreement may be amended by a two-thirds vote of the Board present and voting at any duly convened regular or special meeting; provided that, any such amendment has been submitted to the directors and the Member Entities at least thirty [30] days in advance of such meeting. Member Entities may, by resolution or ordinance, grant their director and alternate on the Board explicit authorization to approve and execute amendments to this Agreement on behalf of the Member Entity without the necessity of a resolution or ordinance of the legislative body of the Member Entity confirming or ratifying such amendment. Any such amendment shall become effective immediately, unless otherwise stated therein.

**ARTICLE XXIX  
SEVERABILITY**

Should any portion, term, condition or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions and provisions shall not be affected thereby.

**ARTICLE XXX  
AGREEMENT COMPLETE**

The foregoing constitutes the full and complete agreement of the parties. There are no oral understandings or agreements not set forth in writing herein, except as noted with respect to the Bylaws and Memoranda of Coverage. If any provision of this Agreement conflicts with a provision of the Bylaws, Memoranda of Coverage or other document, such conflicting provisions shall be interpreted to avoid any such conflict, but this Agreement shall govern.

**ARTICLE XXXI  
EXECUTION OF COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but altogether shall constitute one and the same Agreement.

**Public Agency Risk Sharing Authority of California ["PARSAC"]**

Date: By: \_\_\_\_\_

Name/Title

Attest: \_\_\_\_\_

Deputy Secretary, PARSAC

**Member Entity:** \_\_\_\_\_

Date: By: \_\_\_\_\_

Name/Title

Attest: \_\_\_\_\_

City/Town Clerk

## **APPENDIX “A”**

### **PUBLIC AGENCY RISK SHARING AUTHORITY OF CALIFORNIA [PARSAC]**

#### **MEMBER ENTITIES**

City of Amador City  
City of Avalon  
City of Belvedere  
City of Blue Lake  
City of California City  
City of Calimesa  
City of Calistoga  
City of Citrus Heights  
City of Clearlake  
City of Coalinga  
City of Ferndale  
City of Grass Valley  
City of Highland  
City of Menifee  
City of Nevada City  
City of Pacific Grove  
City of Placentia  
City of Placerville  
City of Plymouth  
City of Point Arena  
City of Rancho Cucamonga  
Rancho Cucamonga Fire Protection District  
City of Rancho Santa Margarita  
City of San Juan Bautista  
City of South Lake Tahoe  
City of Tehama  
City of Trinidad  
Town of Truckee  
City of Twentynine Palms  
City of Watsonville  
City of West Hollywood  
City of Wheatland  
City of Wildomar  
Town of Yountville  
City of Yucaipa  
Town of Yucca Valley

**Appendix "C"**

**Public Agency Risk Sharing Authority of California (PARSAC) Agreement for Apportionment of Retirement Obligations Dated May 25, 2017**

**PARSAC**

**AGREEMENT FOR APPORTIONMENT OF  
RETIREMENT OBLIGATIONS**

**Public Agency Risk Sharing  
Authority of California**

**PUBLIC AGENCY RISK SHARING AUTHORITY OF CALIFORNIA [PARSAC]**

**AGREEMENT FOR APPORTIONMENT OF RETIREMENT OBLIGATIONS**

THIS AGREEMENT is made in the State of California by and among those municipalities organized and existing under the laws of the State of California, hereinafter referred to as "Member Entity[ies]," which are parties' signatory to the Joint Powers Authority Agreement (as revised effective May 25, 2017, hereafter "JPA Agreement. All such Member Entities are listed in Appendix "A," which is attached hereto and made a part hereof.

**RECITALS**

Whereas PARSAC is an entity formed under California Government Code § 6500 which permits two or more public agencies by agreement to jointly exercise any power common to the contracting parties.

Whereas California Government Code § 6508.2 requires that the member agencies of a joint powers agency ("AGENCY") mutually agree to a 100% apportionment of the AGENCY's retirement liability prior to either a dissolution of the AGENCY or the termination of the AGENCY's participation in a public retirement system.

Now, therefore, in consideration of the above facts and the mutual benefits, promises and agreements set forth below, the Member Entities hereby agree as follow:

**AGREEMENT**

**ARTICLE I**

**DEFINITIONS**

The following terms shall have the following definitions:

- A. **"Agreement"** shall mean this Revised and Restated Joint Powers Agreement creating the Public Agency Risk Sharing Authority of California [PARSAC].

- B. **“Board”** or **“Board of Directors”** shall mean the governing body of PARSAC.
- C. **“PARSAC”** shall mean the Public Agency Risk Sharing Authority of California created by this Agreement.
- D. **“Deposit Premium”** shall mean the estimated amount determined for each Member Entity necessary to fund each layer of coverage for each Policy Year of each Program of PARSAC.
- E. **“Member Entity”** shall mean any California public entity which is a party signatory to this Agreement including any other agency for which the City Council sits as the Governing board.
- F. **“Program Year”** shall mean a period of time, usually 12 months, for which each Program is to determine Deposit Premiums, Retrospective Premiums, and Retrospective Premium Adjustments.
- G. **“Program”** shall mean arrangements to cover specific types of claims which may include, but not be limited to, property, workers' compensation, and comprehensive liability claims.
- H. **“Public Entity”** shall mean a county, city, whether general law or chartered, city and county, town, district, political subdivision, joint powers authority, or any board, commission, or agency thereof providing a municipal service, excluding school districts.
- I. **“Public Retirement System”** shall mean CalPERS or any other Public Entity retirement program established or operated by a California Public Entity available to public employees as to which current or former employees of PARSAC participated.
- J. **“Retirement Liability”** shall mean the liability that PARSAC possesses to all former or current employees of PARSAC for retirement benefits owed to them pursuant to a contract between PARSAC and a Public Retirement System and arising by reason of those employees participation in the Public Retirement System.

K. **“Retrospective Premium”** shall mean, the amount determined retrospectively as each Member Entity's share of losses, reserves, expenses and interest income as may be determined periodically for any Program.

L. **“Retrospective Premium Adjustment”** shall mean the amount necessary to periodically adjust the Deposit Premium, or prior Retrospective Premiums if any, to the newly calculated Retrospective Premium amount.

## **ARTICLE II**

### **PARTIES TO THE AGREEMENT**

Each Member Entity is a party to this Agreement and agrees that it intends to, and does contract with, all other parties who are signatories of this Agreement and with such other parties as may later be added. Each Member Entity also agrees that the expulsion or withdrawal of any Member Entity from this Agreement shall not affect this Agreement nor the remaining parties as to the other Member Entities then remaining.

## **ARTICLE III**

### **PURPOSE**

This Agreement is entered into by the Member Entities in order to:

A. Provide for an apportionment among current and former PARSAC Member Entities of 100% of PARSAC's Retirement Liability consistent with the requirements of Government Code §§ 6508.1 and 6508.2 as enacted and amended effective January 1, 2019. The current Member Entities of PARSAC are set forth in Appendix A. The former Member Entities of PARSAC as of the date of this Agreement are set forth in Appendix B.



## **ARTICLE IV**

### **METHOD OF APPORTIONMENT OF RETIREMENT LIABILITY**

A. In the event of a decision by the governing Board of PARSAC to dissolve and cease all operations, or in the event of a decision by the governing Board of PARSAC to terminate PARSAC's contract with a Public Retirement System, the Member Entities agree that 100% of PARSAC's Retirement Liability shall be funded by all current and former PARSAC Member Entities based on a pro rata share of the former and current Member Entities' historical Deposit Premium in the Workers' Compensation and Liability self-funded Programs. The apportionment of the Retirement Liability shall be calculated as set forth above, and the unfunded Retirement Liability then existing shall be paid as follows: The unfunded Retirement Liability then existing shall be paid prior to any distribution of assets as provided in ARTICLE XXV of the JPA Agreement and prior to the payment of any equity that may be determined as the result of the Retrospective Premium Adjustment process as set forth in ARTICLE XX. (For example, should a Member Entity have remaining equity in either the Workers' Compensation or Liability program, at the time of PARSAC's dissolution or PARSAC's termination of PARSAC's contract with a public retirement system, the Member Entity's equity shall first be applied to reduce that Member Entity's share of the apportionment of the Unfunded Retirement Liability.)

B. In the event that PARSAC disposes of the real property identified as 1525 Response Road, Sacramento, CA, 95815 (the "Property"), any unfunded Retirement Liability of PARSAC shall first be reduced by applying the proceeds from the sale of the Property as provided in Resolution 2019-03, attached hereto as Exhibit A, prior to the determination of the amounts owed by the former or current Member Entities under the apportionment provided herein.

C. The apportionment of the Retirement Liability of PARSAC among the former and current Member Entities of PARSAC and the obligation of the former and current Member Entities to pay such apportionment of the PARSAC Retirement Liability as provided herein shall be a separate and independent obligation from the obligation of the Member Entities arising upon termination, expulsion or withdrawal of a Member Entity or upon termination of the Joint Powers Agreement (as revised effective May 25, 2017) including but not limited to ARTICLES XX, XXII, XXIII, XXIV and XXV of that Agreement.

#### **ARTICLE V**

##### **TERM OF AGREEMENT**

This Agreement shall become effective as of the date hereof and shall continue in full force and effect for the purpose of paying 100% of the Retirement Liability of PARSAC pursuant to the apportionment among former and current Member Entities as provided for herein.

#### **ARTICLE VI**

##### **SEVERABILITY**

Should any portion, term, condition or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions and provisions shall not be affected thereby.

#### **ARTICLE VII**

##### **AGREEMENT COMPLETE**

The foregoing constitutes the full and complete agreement of the parties. There are no oral understandings or agreements not set forth in writing herein, except as noted with respect to the Bylaws and Memoranda of Coverage. If any provision of this Agreement conflicts with a provision

of the Bylaws, Memoranda of Coverage or other document, such conflicting provisions shall be interpreted to avoid any such conflict, but this Agreement shall govern.

## **ARTICLE VIII**

### **AMENDMENTS**

This Agreement may be amended by a two-thirds vote of the Board present and voting at any duly convened regular or special meeting; provided that, any such amendment has been submitted to the directors and the Member Entities at least thirty [30] days in advance of such meeting. Member Entities may, by resolution or ordinance, grant their director and alternate on the Board explicit authorization to approve and execute amendments to this Agreement on behalf of the Member Entity without the necessity of a resolution or ordinance of the legislative body of the Member Entity confirming or ratifying such amendment. Any such amendment shall become effective immediately, unless otherwise stated therein.

## **ARTICLE IX**

### **EXECUTION OF COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but altogether shall constitute one and the same Agreement.

**Public Agency Risk Sharing Authority of California [“PARSAC”]**

Date:

By: \_\_\_\_\_

Name/Title

Attest: \_\_\_\_\_

Deputy Secretary, PARSAC

**Member Entity:** \_\_\_\_\_

Date:

By: \_\_\_\_\_

Name/Title

Attest: \_\_\_\_\_

City/Town Clerk

## **APPENDIX “A”**

### **PUBLIC AGENCY RISK SHARING AUTHORITY OF CALIFORNIA [PARSAC]**

#### **MEMBER ENTITIES**

City of Amador City  
City of Avalon  
City of Belvedere  
City of Blue Lake  
City of California City  
City of Calimesa  
City of Calistoga  
City of Citrus Heights  
City of Clearlake  
City of Coalinga  
City of Ferndale  
City of Grass Valley  
City of Highland  
City of Menifee  
City of Nevada City  
City of Pacific Grove  
City of Placentia  
City of Placerville  
City of Plymouth  
City of Point Arena  
City of Rancho Cucamonga  
Rancho Cucamonga Fire Protection District  
City of Rancho Santa Margarita  
City of San Juan Bautista  
City of South Lake Tahoe  
City of Tehama  
City of Trinidad  
Town of Truckee  
City of Twentynine Palms  
City of Watsonville  
City of Wheatland  
City of Wildomar  
Town of Yountville  
City of Yucaipa  
Town of Yucca Valley

**APPENDIX “B”**

**PUBLIC AGENCY RISK SHARING AUTHORITY OF CALIFORNIA  
[PARSAC]**

**FORMER MEMBER ENTITIES**

City of Alturas  
City of Canyon Lake  
City of Carlsbad  
City of Elk Grove  
City of Hesperia  
City of Rialto  
City of Ridgecrest  
City of Rio Dell  
City of West Hollywood

**BYLAWS  
of the  
CALIFORNIA INTERGOVERNMENTAL RISK AUTHORITY**

**ARTICLE I.  
PREAMBLE**

The California Intergovernmental Risk Authority ("CIRA" or "the Authority") is established for the purposes and under the authorities described in its Joint Exercise of Powers Agreement ("Agreement"). The Agreement specifies that Bylaws will govern many of the operations of the Authority, and defines certain terms used in these Bylaws.

**ARTICLE III.  
NEW MEMBERS**

Any California public agency that provides municipal services may become a Member of the Authority by agreeing to be bound by the Governing Documents and by complying with all of the following requirements:

- A. Submit a completed application for membership 90 days before the start of the fiscal year, including any required application fee;
- B. Submit a signed resolution acknowledging participation under the terms and conditions which then prevail;
- C. Execute the Agreement then in effect and agree to be bound by any subsequent amendments to the Agreement;
- D. Agree to be a Member for at least five consecutive fiscal years after commencement of membership or, if a member of the Public Agency Risk Sharing Authority of California (PARSAC) or the Redwood Empire Municipal Insurance Fund (REMIF) as of June 30, 2021, for two fiscal years after that date;
- E. Be accepted for membership by a two-thirds vote of the Board of Directors;
- F. Appoint, in writing, a representative to act as Director on the Authority's Board and another to act as alternate Director in the absence of the Director, who shall be officers or employees of the Member; and
- G. Ensure the Director and alternate Director file with the Authority the required Fair Political Practices Commission (FPPC) forms upon assuming office, annually, and upon termination of office.

Before the Board votes on a potential Member's application, there shall be a review and interview of the applicant, in accordance with the Underwriting Guidelines, including the applicant's most recent audited financial statement and associated management letters. This review may also include a safety inspection of the facilities of the applicant. A two-thirds vote of the Board of Directors is required to approve the

application, based upon the application, and any inspections, reports, or other material pertinent to the decision.

#### **ARTICLE IV. MEMBER RESPONSIBILITIES**

Each Member is responsible for the following:

1. Cooperation with the Authority, its insurers, adjusters and legal counsel in determining the cause of losses in settling claims, and supporting effective risk management and risk transfer decisions;
2. Timely payment of all contributions, assessments, interest, penalties, or other charges imposed consistent with the Governing Documents;
3. Providing the Authority with statistical and loss experience and other data as requested.
4. Execution of a membership resolution for each Program in which the Member participates.
5. Appointing a representative and alternate to represent the Member on the Authority's Board, expressly authorizing such representatives to act on behalf of the Member on all matters coming before the Board, and assuring that its representative or alternate regularly attend meetings of the Board and any committee to which a representative has been appointed.
6. Execution of amendments to this Agreement as set forth in Article XV; provided, however, the Member may, by resolution or ordinance, authorize its representative on the Board to approve and execute amendments on behalf of the Member without the necessity of a resolution or ordinance of the legislative body of the Member confirming or ratifying such amendment.
7. As required by the Authority, undertake risk management audits of its facilities and activities, conducted by a person and/or firm approved by the Authority and provide evidence of correction, elimination and/or clarification of all noted deficiencies or recommended corrections to the satisfaction of the Authority.
8. Use of an Authority-approved third-party claims administrator.
9. Payment for the costs of staffing and supporting the Authority ("general expenses") shall be funded by the Members in accordance with the Board's allocation of general expenses to the Authority's various Programs.

#### **ARTICLE V. GOVERNING BOARD**

- A. The governing body of the Authority shall be the Board of Directors (Board). The Board shall be comprised of one Director from each Member. Each Director has one vote. An alternate Director may cast a vote only in the absence of the Director. Each Director and alternate Director must be an officer or employee of the Member. A Member may change any of its representatives to



the Board only by written notification to the Authority from the Member's governing body or the Member's Chief Executive Officer or equivalent.

- B. The Board shall provide policy direction for the General Manager, the Executive Committee, any other standing committees, and any administrative or legal service providers to the Authority. The Board may delegate any or all of its responsibilities, except those requiring a vote by the Board as specified in the Governing Documents.
- C. As to Program-specific agenda items, only the Directors representing Members that participate in that Program may vote, and as to such items a quorum shall be determined by reference to the number of Members participating in the Program. As to agenda items relating to all liabilities and obligations of CIRA existing prior to the Effective Date ("Preexisting Obligations"), only Directors representing Members who were members of the Authority prior to the Effective Date may vote, and as to such items, a quorum shall be determined solely by reference to the number of Members that were members of the Authority prior to the Effective Date.
- D. The Board reserves unto itself the authority to do the following (except where specifically noted, a simple majority of the Board present at a meeting may take action):
  - 1. Accept a new Member to the Authority (two-thirds vote of the Board);
  - 2. Accept indebtedness (two-thirds vote of the entire Board);
  - 3. Adopt a budget;
  - 4. Amend these Bylaws;
  - 5. Elect and remove Officers;
  - 6. Expel a Member from the Authority (two-thirds vote of the Board);
  - 7. Approve dissolution of Authority (two-thirds vote of the entire Board); and
  - 8. Approve financing costs from one Program to another (Program to Program borrowing) if such financing extends beyond a twelve-month period.
- E. The Board will meet at least once a year to review the operations of the Authority. The Board will establish a time and place to hold such regular meetings. The Board Secretary will mail notices of all Board meetings to each Member, keep minutes of the meetings, and send copies of such minutes to the Members.
- F. A special meeting may be called by the president or by a majority of the Board with twenty-four (24) hours' notice, stating the purpose, date, time, and place of the meeting, provided such notice is in writing.
- G. Every Member is expected to have its Director or alternate attend Board meetings.

- H. All meetings of the Board shall be conducted in accordance with the Ralph M. Brown Act (Government Code §54950 et seq.)
- I. A quorum shall consist of a majority of the Directors then appointed and serving, without counting vacancies. All matters within the purview of the Board may be decided by a majority vote of a quorum of the Board, except as specified otherwise in the Governing Documents.

## **ARTICLE VI. OFFICERS**

- A. The officers of the Authority shall consist of a President, a Vice President, a Treasurer, an Auditor/Controller, and a Secretary. The Board shall elect the President, Vice-President, Treasurer, and Auditor/Controller. The President, Vice-President, and Auditor/Controller must be directors on the Board. The Treasurer may be a Director, an employee of the Authority, or an employee of a Member, and if the Treasurer is an employee of a Member the employee need not be the Member's designated representative on the Board. The General Manager shall serve as Secretary.
- B. Initial officers shall serve staggered terms with the President and Treasurer serving a two-year term and Vice President and Auditor/Controller serving a one-year term. The terms of office for subsequent officer elections shall be two years. The President and Auditor/Controller will be elected in odd-numbered years and the Vice President and Treasurer will be elected in even-numbered years.
- C. Initial officers (other than the Secretary) shall be elected at the first meeting of the Board of Directors. At least 30 days before each subsequent election, the President may appoint a nominating committee as set forth in these Bylaws or propose a slate informally.
- D. The nominating committee's nomination of candidates for elected officer positions shall be made in writing, and the slate of nominees will be sent to each Member at least seven (7) days before the last regular Board meeting of the fiscal year. Additional candidates for any of the offices may be made by an open nomination and second from the floor at the time of the meeting.
- E. The election of officers will be held at the last regular Board meeting of the fiscal year in which their terms expire or at a special meeting called for that purpose. Those candidates receiving a majority of votes cast for each office will succeed to those offices. If no nominee receives a majority of the vote, the nominee with the least votes shall be deleted as a nominee and a new vote taken. This elimination process will continue until one nominee receives a majority vote. Each Director or, in the absence of that Director, the Director's alternate, shall be eligible to vote.
- F. Each elected officer will serve until the next election of officers, or termination of his or her employment with the Member, or until removal from office by a majority vote of the Board, whichever is earliest.
- G. The Board shall make the appointment to a vacancy in the office of the President. Vacancies in any other office shall be filled by appointments by the President with ratification by the Board at

the next Board meeting held after the vacancy occurs. In the event that the Board fails to ratify an appointment, the President shall make another appointment which will be subject to ratification by the Board.

- H. The President shall preside at all meetings of the Authority. The President shall, with the consent of the Board or Executive Committee, appoint representatives to the board of any joint powers authority of which the Authority is a Member, and shall make all Committee appointments with the exception of the Executive Committee. The President shall execute documents on behalf of the Authority as authorized by the Board and shall serve as the primary liaison between the Authority and any other organization. The President shall serve as a member of the Executive Committee and as a nonvoting ex-officio member of all other Committees.
- I. In the absence or temporary incapacity of the President, the Vice-President shall exercise the functions of the President. The Vice-President shall serve as member of the Executive Committee and as a nonvoting ex-officio member of all other committees when the President is unable to attend.
- J. The Auditor/Controller shall be responsible for the duties and functions prescribed by Government Code Section 6505.6, as well as any other duties as may be specified by the Board or the Executive Committee. The Auditor/Controller may appoint an assistant to serve as needed, provided such assistant shall not be an employee or public official of the same Member as the Auditor/Controller. In the absence of both the President and Vice President at any one meeting, the Auditor/Controller shall preside over that meeting only and shall have powers and duties as may be required by the Board for this purpose. If the President, Vice-President, and Auditor/Controller will be absent from any one meeting, any of them may designate a director to preside over the meeting, but the designated director shall have only the powers and duties as may be required by the Board for this purpose.
- K. The Secretary shall be responsible for preparing all minutes and agendas of the Board, the Executive Committee, and any other Committee meetings, preparing necessary correspondence, and maintaining files and records.
- L. The Treasurer shall have no vote on the Board or Executive Committee unless the Treasurer is a designated representative of a Member to the Board. The Treasurer shall have the responsibility to establish and maintain such funds and accounts as may be required by accepted accounting practices and procedures prescribed by the Government Accounting Standards Board and by the Board. Separate accounts shall be established and maintained for each Program Year of each Program. Books and records of the Authority in the hands of the Treasurer or other designated person shall be open to inspection at all reasonable times by members of the Board or authorized representatives of the Members. The Treasurer shall disburse Authority funds, accounts, and property, in accordance with the Government Code and at the direction of the Board.
- M. An Officer Emeritus is a retired or former member of the Authority's or REMIF's Executive Committee or Board of Directors, preferably an Officer, having served three terms or more on the Executive Committee or six years on the Board for each agency. The Officer Emeritus serves to maintain the institutional knowledge, culture, and practice of CIRA. The Officer Emeritus is

independent and does not represent any Member. The Officer Emeritus attends and may participate in meetings but does not vote. The Officer Emeritus may represent CIRA as directed and may serve as a mentor or advisor as needed and available. The Officer Emeritus receives a stipend as determined by the Board via resolution and reimbursement for reasonable travel expenses. The Executive Committee shall appoint up to two Officers Emeritus to be affirmed by the Board. The Officer Emeritus position will be re-evaluated by the Board after five years.

## **ARTICLE VII. COMMITTEES**

- A. Executive Committee. There shall be an Executive Committee to conduct the day-to-day business of the Authority. The Board may create other committees, standing or temporary, as it deems necessary.
- B. All committee meetings shall be conducted in accordance with applicable law, including but not limited to the Ralph M. Brown Act (Government Code § 54950, et seq.). For all committees, a quorum shall consist of a majority of committee members then appointed and serving, without counting vacancies. All matters within the purview of a committee may be decided by a majority vote of a quorum of the committee, except as specified otherwise in the Governing Documents.
- C. The Executive Committee shall be composed of thirteen members including the President, Vice-President, Treasurer (if a Board Member), and Auditor/Controller, and nine (or ten, if necessary) other individuals, all of whom must be Directors and not alternates. Five of the nine shall be elected by the Board in even numbered years and four (or five, if necessary) shall be elected by the Board in odd numbered years. One each shall be elected by the Directors in each of three regions designated by the Board. One each shall be elected by the Directors in each of three size categories (small, medium, and large) designated by the Board. Three (or if necessary four) shall be elected at large. Executive Committee members may be re-elected without restriction. All nine shall be elected in the first election following adoption of these Bylaws, with either four or five being designated to serve an initial term of one year until the next election depending on whether the next year is odd or even. For the first two elections after these Bylaws become effective on July 1, 2021, at least five members of the Executive Committee shall be from former members of the Redwood Empire Municipal Insurance Fund. No Member shall be represented by more than one member on the Executive Committee.
- D. Members of the Executive Committee may be removed with or without cause by the Board, which shall elect replacements for the vacancies caused by such removal. Members may also be removed for failure to attend two consecutive meetings without reasonable excuses. The President may appoint replacements to fill any vacancies caused by death, disability, resignation, disqualification, or removal for unexcused absences, and such appointees shall serve until the next meeting of the Board, at which time the selection of replacement shall be ratified or another replacement elected.
- E. The Executive Committee may exercise all powers and authority of the Board, except those reserved to the Board as set forth in Article V.D. The Executive Committee may make recommendations to the Board on matters including a change in Members' retention levels, approval of the annual budget, and approval of new Members. The Executive Committee may also establish subcommittees, define their functions and responsibilities and appoint members

to them; appoint or terminate the General Manager; and exercise such other powers and perform such other duties as these Bylaws or the Board may prescribe.

- F. PARSAC Committee. The Board shall appoint a committee made up of representatives of Authority members that were members prior to the Effective Date to make recommendations to the Board regarding the administration of the Preexisting Obligations.
- G. Personnel Committee. The Officers (not including the Secretary or any Treasurer who is not a Director) and two other Directors appointed by the President (three if the Treasurer is not a Director) shall serve collectively as the Personnel Committee, with the authority to oversee, review and recommend action to be taken by the Executive Committee regarding the performance and compensation of the General Manager and any other personnel issues.

## **ARTICLE VIII. GENERAL MANAGER**

- A. The General Manager shall be the Chief Administrative Officer and Secretary of the Authority, appointed by the Board and serving at the pleasure of the Board. The General Manager may not be an employee or an officer of a Member.
- B. The General Manager shall be responsible for administering the operations of the Authority, including giving notices of meetings, posting of agendas for meetings, preparation of minutes of meetings, maintenance of all accounting and other financial records of the Authority, filing of all financial reports of the Authority, reporting activities of the Authority to Members, and other such duties as the Board may specify.
- C. The General Manager shall appoint all staff positions of the Authority, subject to budget approval by the Board, and shall be responsible for their supervision.
- D. The General Manager shall attend all meetings of the Board and Executive Committee

## **ARTICLE IX. SETTLEMENT OF CLAIMS**

- A. The General Manager shall have authority to settle workers compensation, property and liability claims up to the limit specified by Board policy but not to exceed the actual amount of the claim. The Executive Committee, Board, or a designated claims committee, if appointed, shall have authority to settle claims beyond the authority of the General Manager.
- B. For workers' compensation claims, staff has standing authority to pay benefits due under workers' compensation law for medical benefits, temporary disability, etc. and to resolve permanent disability claims up to statutory requirements. Any settlements for permanent disability and/or a compromise and release exceeding the statutory requirements may be settled by the General Manager, or by the Executive Committee or Board for amounts in excess of the General Manager's authority up to the Authority's limit of coverage.

**ARTICLE X.  
FINANCIAL AUDIT**

- A. The Auditor/Controller shall cause an annual audit of the financial accounts and records of the Authority to be made by a qualified, independent individual or firm. The minimum requirements of the audit shall be those prescribed by law.
- B. The financial audit report shall be filed with the State Controller's Office within six months of the end of the fiscal year under examination. A copy of the audit report shall be filed as a public record with each Member.
- C. The costs of the audit shall be charged against the operating funds of the Authority.

**ARTICLE XI.  
FISCAL YEAR**

- A. The fiscal year of the Authority shall be the period from July 1 of each year through June 30 of the subsequent year.

**ARTICLE XII.  
BUDGET**

- A. A draft budget shall be presented to the Board at the last scheduled Board meeting prior to July 1 of the next fiscal year.
- B. The Board shall adopt the annual budget by July 1 of each year.

**ARTICLE XIII.  
ESTABLISHMENT AND ADMINISTRATION OF FUNDS**

- A. The Authority is responsible for the strict accountability of all funds and reports of all receipts and disbursements. It shall comply with every provision of law relating to the subject, particularly Section 6505 of the Government Code. The Treasurer shall receive, invest, and disburse funds only in accordance with procedures established by the Board and in conformity with applicable law.
- B. The funds received for each Program shall be accounted for separately on a full-accrual basis. The portion of each Program's annual contribution allocated for payment of claims and losses shall be held by the Authority in trust for the Program members.
- C. The Treasurer may invest funds not required for the immediate operations of the Authority, as directed by the Board or Executive Committee, in the same manner and on the same conditions as local agencies as provided by Government Code Section 53601.
- D. The General Manager shall draw warrants to pay demands against the Authority, after such demands have been approved by both the President and the Treasurer, except for employee payroll and benefits disbursements, and other unusual or urgent circumstances as determined

by the General Manager. All checks disbursing funds of the Authority shall be signed by at least two Authority officials, one of whom must be the General Manager or designee.

- E. Officers, directors and employees handling funds shall be properly bonded as determined by the Board or Executive Committee.

#### **ARTICLE XIV. PROGRAMS**

- A. The Authority shall establish Programs in such areas as the Board may select including, but not limited to, the areas of property, workers' compensation, and liability coverage.
- B. Coverage in a Program may be provided by a self-funded risk-sharing pool, participation in pooled excess self-insurance, purchased insurance, reinsurance or any combination thereof, as determined by the Board or Executive Committee.
- C. The Authority may authorize and use administrative funds to study the feasibility and development of new Programs. If a new Program is approved by the Board, the estimated contributions to fund the Program shall be developed and presented in writing to each Member. Each Member shall have sixty (60) days from the date of such notice to state in writing its intent to join or refrain from joining the new Program. Unless the Member provides written notice to the Authority of its intent to participate in the new Program, it shall be presumed that the Member declines to participate in the Program. Upon conclusion of the notice period, the final contributions will be determined and billed to the Members in the new Program. Each Member that elected to participate will be bound to the new Program for the period of time required by the Master Program Document.
- D. The Board will adopt and maintain a Memorandum of Coverage and Master Program Document, and determine the financial contributions to be required of the Members for each Program. The Memorandum of Coverage or Master Program Document shall, among other things, establish procedures for addressing claims disputes.
- E. Each Program will be financially self-contained and individually evaluated for administrative and equity allocation purposes. Each fiscal year within each Program shall be separately accounted and maintained. Program funds may be co-mingled with the funds of another Program for durations shorter than a twelve-month period, or when specifically allowed by the Board.
- F. Each Member shall cooperate fully with the Authority to provide underwriting and safety and loss control information. Additionally, each Member shall comply with the provisions of the annual Safety and Loss Prevention Program Plan as approved by the Board.
- G. Members with delinquent amounts due may be assessed a penalty which shall be set by the Authority.
- H. The condition of each Program shall be evaluated by an independent actuary. The Workers' Compensation and Liability Programs shall receive such evaluation on an annual basis. Other Programs shall be evaluated as determined by the Board. The condition of each open fiscal year within each such Program shall be evaluated to determine its actuarial soundness. If it is

determined by the actuary that any year is no longer actuarially sound, appropriate actions shall be taken. In addition, the Board reserves the right to assess all Members and/or the Members of any Program an amount determined by the Board to be necessary for the soundness of the Program and to allocate such assessment in a fair and equitable manner.

- I. The withdrawal or expulsion of a Member from any Program shall be in accordance with the provisions of the Master Program Document.
- J. The withdrawal or expulsion of any Member from any Program shall not terminate the Member's responsibility to contribute its share of contributions, or funds, to any fund or Program in which it participated, nor its responsibility to provide requested data for the periods in which it participated. All current and past Members shall be responsible for their respective share of the expenses, as determined by the Authority, until all claims, or other unpaid liabilities covering the period of the Member's participation in the Program, have been finally resolved and a determination of the final amount of payments due by, or credit to, the Member for the period of its participation has been made by the Board. Past Members shall receive any distribution of surplus based on the same methodology as current Members. The withdrawal or expulsion of any Member from any Program shall not require the repayment or return to that Member of all or any part of any contributions, payments, advances, or distributions except in conformance with the provisions as set forth herein and in the Master Program Document.
- K. The Treasurer may deposit and invest Authority funds, subject to the same requirements and restrictions that apply to deposit and investment of the general funds of a city incorporated in the State of California and in accordance with the Investment Policy adopted annually by the Board.
- L. The accounting method for each Program will be in accordance with the provisions of the Master Program Document and the principles established by the Government Accounting Standards Board.

#### **ARTICLE XV.**

#### **WITHDRAWAL, DEFAULTS AND EXPULSION FROM THE AUTHORITY**

- A. Withdrawal from a Program
  - 1. Any Member which withdraws as a participant in any Program may renew participation in that Program by complying with all Program rules and regulations.
  - 2. All Members must participate in at least one of the following two Programs: Workers' Compensation and Liability. If withdrawal from a Program would result in the Member no longer participating in either of these two Programs, then such withdrawal shall constitute withdrawal as a party to the Joint Powers Agreement, subject to the Member's continuing obligations outlined in this Agreement and any other relevant governing documents. Withdrawal from the Authority pursuant to this Section A requires one year's notice of intent to withdraw as described in Section B below.



B. Withdrawal from the Authority

1. A withdrawing Member must notify CIRA of its intention to withdraw at least one year prior to the end of the fiscal year in which the Member intends to withdraw, unless a shorter withdrawal period is approved by the Executive Committee, in its sole discretion.
2. Withdrawing Members shall forfeit any remaining equity. In addition to foregoing equity, withdrawing members shall be subject to an administrative fee equal to their pro-rata share of ongoing expenses for the three program years following withdrawal. Ongoing expenses include but are not limited to staff payroll and benefits, actuarial services, investment services, financial audits, and claims administration. The withdrawing member will be invoiced its portion of the administrative fee for each of the three years, as outlined in the Master Program Document.
3. Following withdrawal, any Member which was a participant in any Program shall be responsible for its share of any additional amount of contribution, determined by the Board in accordance with the retrospective contribution adjustment, which may be necessary to enable final disposition of all claims arising from losses under that Program during the withdrawn Member's period of participation. Any such additional contribution shall be taken first from the Member's forfeited equity, if any, and if such equity is insufficient the withdrawn Member shall be responsible to pay the difference.
4. A notice of intent to withdraw may be rescinded in writing with Executive Committee consent at any time earlier than ninety (90) days before the expiration of the withdrawal period, except that any withdrawal approved by the Executive Committee upon less than six (6) months' notice shall be final.

C. The following shall be "defaults" under the Agreement and these Bylaws:

1. Failure by a Member to observe and/or perform any covenant, condition, or agreement under the Governing Documents, including but not limited to risk management or loss reporting procedures;
2. Consistent failure to attend meetings by a Member's designated representative or alternate, submit requested documents, or cooperate in the fulfillment of the Program objectives;
3. Failure to pay any amounts, including penalties and interest, due to the Authority for more than thirty (30) days;
4. Consistent inability to sustain the financial and insurance criteria that was reviewed and considered upon application for membership. For example, excessive losses, financial distress of member, handling of legal matters, corrective actions and other areas as determined by the Board;

5. The filing of a petition applicable to the Member in any proceedings instituted under the provisions of the Federal Bankruptcy Code or under any similar act which may hereafter be enacted; or
6. Any condition of the Member which the Board believes jeopardizes the financial viability of the Authority.

C. Remedies on Default

1. Whenever any default has occurred, the Authority may exercise any and all remedies available pursuant to law or granted pursuant to the Agreement and these Bylaws including, but not limited to increasing a Member's retention, penalty, or assessment, canceling a Member's coverage, or expelling the Member. However, no remedy shall be sought for defaults until the Member has been given thirty (30) days' notice of default by the Authority.
2. Probation of a Member from a Program and/or Authority:
  - a. If deemed appropriate by the Authority a member may be put on probation for a defined period of time to remedy any stated failures or matters noted in this Article.
  - b. Notice of such probation shall be in writing and signed by both parties.
  - c. The probation remedies and timelines shall be stated clearly in the notice of probation so that the Authority's actions at the end of the probation period are understood by both parties.
3. Expulsion of a Member from the Authority:
  - a. The Board, with at least a two-thirds vote, may expel any Member that is in default from the Authority.
  - b. Such expulsion shall be effective on the date prescribed by the Board, but not earlier than thirty days after notice of expulsion has been personally served or sent by certified mail to the Member.
  - c. The expulsion of any Member from any Program, after the effective date of such Program, shall not terminate its responsibility to contribute its share of contributions, or funds, to any fund Program in which it participated, nor its responsibility to provide requested data for the period(s) in which it participated.

D. Cancellation by the Authority of Coverage under a Program:

1. Upon the occurrence of any default, the Board may temporarily cancel all rights of the defaulting Member in any Program in which such Member is in default until such time as the condition causing default is corrected.

2. Upon the occurrence of any default, the Board, with at least a two-thirds (2/3) vote, may cancel permanently all rights of the defaulting Member in any Program in which such Member is in default.
- E. No remedy contained herein is intended to be exclusive. No delay or failure to exercise any right or power accruing upon any default, shall impair any such right or shall be construed to be a waiver thereof.
- F. In the event any provision in any of the Governing Documents is breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.
- G. Except as stated in this Article or elsewhere in the Governing Documents, neither withdrawal nor expulsion shall extinguish the rights and obligations of the parties incurred prior to such withdrawal or expulsion.

#### **ARTICLE XVII. LEGAL REPRESENTATION**

- A. Legal counsel may be retained by the Board to advise on matters relating to the operation of the Authority and interpretation of the Governing Documents, including but not limited to the Memoranda of Coverage. In matters in which the parties' interests are adverse or potentially adverse, counsel for the Board shall only represent the Board and shall not represent any individual Member without the informed written consent of both parties.
- B. The Authority shall have the right to pay such legal counsel reasonable compensation for said services.

#### **ARTICLE XVIII. EXECUTION OF CONTRACTS**

- A. The Board or Executive Committee may authorize any officer or officers, or any agent or agents, to enter into any contract or execute any instrument in the name, and on behalf, of the Authority and such authorization may be general or confined to specific instances.
- B. Unless so authorized by the Board, no officer, agent, or employee shall have any power or authority to bind the Authority by any contract or to pledge its credit or to render it liable for any purpose or to any amount.

#### **ARTICLE XXIV. EXPENSE REIMBURSEMENT AND INSURANCE**

- A. The Authority shall reimburse any Director who does not otherwise receive compensation for actual expenses incurred, for reasonable out of pocket expenses of the Director in the performance of his/her duty on behalf of the Authority.

- B. The Authority shall obtain insurance or provide other coverage (which may include self-insurance) indemnifying the directors, officers, and employees for personal liabilities arising out of wrongful acts in the discharge of their duties to the Authority.

#### **ARTICLE XIX.**

##### **NOTICES**

- A. Any notice to be given to any Member, in connection with these Bylaws, must be in writing (which may include facsimile or email) and will be deemed to have been given when deposited in the mail to the address specified by the Member to receive such notice. Any notice delivered by facsimile will be deemed to have been given when the facsimile transmission is complete. Any notice delivered by email will be deemed to have been given when the message is successfully sent. Any Member may, at any time, change the address to which such notice will be given by giving five (5) days written notice to the Authority.
- B. Any notice to or claim against the Authority shall be mailed or delivered to the mailing address of the Authority.

#### **ARTICLE XX.**

##### **EFFECTIVE DATE, AMENDMENTS, AND SUPREMACY**

- A. These Bylaws shall be effective immediately upon the date of adoption.
- B. Any amendments to these Bylaws shall be effective upon adoption, unless the Board in adopting them specifies otherwise, and shall supersede and cancel any prior Bylaws and/or amendments thereto.
- C. These Bylaws shall not be amended until at least 30 days after notice of the proposed amendment has been given to each Member.
- D. The adoption or amendment of these Bylaws shall not affect the Agreement or any amendments thereto. Any provision in these Bylaws which is inconsistent with the Agreement shall be superseded by the Agreement but only to the extent of the inconsistency.

#### **ARTICLE XXI.**

##### **POWER OF DESIGNATED PARTY**

- A. Pursuant to Government Code section 6509, the Authority is subject to the restrictions upon the manner of exercising the power of the City of Rancho Cucamonga. In the event that the City of Rancho Cucamonga ceases to be a member of the Authority, the Authority's power shall be subject to the restrictions applicable to the City of Sebastopol.

<b>Lines of coverage</b>	<b>PARSAC</b>	<b>REMIF</b>
Liability	✓	✓
Employment Practices Liability	✓	✓
Automobile Liability	✓	✓
Property Damage (3 <sup>rd</sup> party)	✓	✓
Workers' Compensation	✓	✓
Auto Physical Damage	✓	✓
Public Official Errors and Omissions	✓	✓
Property Damage (for members' property)	✓	✓
Special Events Coverage	✓	✓
Fidelity Bond	✓	✓
Employee Benefits (dental, vision, LTD, life)	✓	✓
Medical benefits (actives, retirees)	⊘	✓

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<b>Services Offered</b>	<b>PARSAC</b>	<b>REMIF</b>
Safety Program	✓	✓
Grants	✓	⊘
Consultation and referral services	✓	✓
Customized risk management presentations	✓	⊘
Video and print resource library	✓	⊘
Regional and onsite risk management training	✓	✓
Web-based OSHA safety courses	✓	✓
In person OSHA safety courses	⊘	✓
Web-based employment practices courses	✓	✓
On site risk assessments	✓	✓
Post-accident assistance and mitigation	✓	✓
Operational Best Practices Templates	✓	⊘

Lexipol Fire and LE	✓	✓
Consultation with employment law firms	✓	✓
Liebert Cassidy Whitmore (LCW) Consortium Membership	✓	✓
DMV pull program	✓	⊘
DOT Drug Screening Program	✓	✓
Defensive Driver Training	✓	✓
Pre-employment physicals	⊘	✓

**Who is the other organization that we are merging with?**

*We are forming a partnership with the Redwood Empire Municipal Insurance Fund (REMIF). REMIF is a pool of 15 cities located throughout five counties in Sonoma, Napa, Lake, Mendocino and Humboldt. REMIF offers self-funded general and auto liability, employment liability, workers' compensation, and health programs. A majority of REMIF members are full-service cities providing police and/or fire services. REMIF's total payroll is \$131 million.*

**Why are we merging organizations?**

*The pooling industry has dramatically changed throughout the past decade. Some pools have dissolved due to retirement of key personnel, inability to remain fiscally solvent and have been absorbed by larger organizations. The industry has also become very competitive with pools competing for new members in a finite market. Larger organizations may leverage their assets to offer short term rates reductions, programs and services to attract new members; while smaller organizations, such as PARSAC and REMIF, are somewhat vulnerable to these aggressive marketing campaigns.*

*The merger of our organizations will strengthen the pool. It will lead to long term stability and sustainability as we will be able to spread risks and operating costs to a larger base of members. Bigger is not always better. However, when pooling risks, bigger is generally better as there are more members to share losses. The financial impact due to a series of adverse loss years will be diminished because of our larger size. A larger membership base will also result in more predictable funding and reserving forecasts (with more available data), which reduces the likelihood of future assessments. Finally, it will ultimately result in lower operating costs. Consolidating operations will eliminate redundancies, achieve economies of scale, improve service delivery, and we will be in better position to leverage our larger size for better services, rates and coverage with service providers and excess insurers.*

**What is the name of the new organization?**

*The new organization will be the California Intergovernmental Risk Authority (CIRA).*

**What is the effective date for CIRA?**

*It is proposed CIRA will begin to provide coverage and services to its members July 1, 2021.*

**Will my agency have representation on the CIRA Board?**

*Yes, each member will be represented by one Board Director and one Alternate Director. Each member will have one vote.*

**What will be the role of the Board?**

*The duties of the CIRA Board will be very similar to the current PARSAC Board. CIRA Board members will adopt the budget, approve new members, approve dividends and assessments, approve new programs and services, elect officers, etc.*

**Will the Executive Committee composition remain the same?**

*No, the Executive Committee will expand from 11 to 13. For the first two election cycles, former REMIF members will occupy at least 5 Committee seats. At least one of these seats will be an officer position (President, Vice President, Treasurer, Auditor Controller). Committee members will be elected to serve a two-year term.*

**How many Board meeting will there be and where will they be located?**

*There will be two semiannual Board meetings each year. Although not yet determined, it is very likely Board meeting will continue to be held in Sacramento and will be held in May and December*

**How long is my agency committed to CIRA membership?**

*Existing PARSAC and REMIF members must participate for two fiscal years. New CIRA members may withdraw after 5 years.*

**Will there be any staffing changes?**

*The staffs of both organizations will be combined. Although there will not be any positions eliminated, job duties and assignments may be reassigned to achieve efficiency and improve service delivery.*

**What happens to my agency's equity in liability and workers' compensation programs?**

*PARSAC program equity and assets will not transfer to CIRA. Each organization will retain their respective equity and liability pre-merger. We will continue to determine equity through the retrospective premium adjustment process annually. PARSAC members will determine, independently, how and when pre-merger equity is ultimately returned.*



**Will my existing claims transfer to CIRA?**

*No, claims with incident dates prior to the merger (June 30, 2021 or before) will remain with each organization. Each organization will determine, independently, how those claims are concluded.*

**What will happen to my agency's grant funds?**

*Grants funds allocated to your agency will remain with you. You may continue to use your grant funds once we become CIRA.*

**Will there be any change in coverage?**

*We will continue to offer the same coverages as currently provided, general liability, employment liability, workers' compensation, property, crime/employee dishonesty, special events, etc. We are currently analyzing excess providers for general liability, workers' compensation, and employment liability programs, and exploring alternative property coverage which will provide broader coverage and potentially lower costs. In the coming months, the analysis will be presented to the Transition Committee for review. In addition, REMIF offers a self-funded health program and this will be available to PARSAC members.*

**How will the merger affect my annual program premium contributions?**

*We will be allocating fixed costs to more members and this will reduce overall administration costs. Funding rates will be more stable (in the long term) as the predictive value of our loss data become more credible with a larger membership base. The actuary will complete his funding analysis later this year. Although there will be normal contribution adjustments due to changes in members' payroll and loss experience, our goal is to limit rate changes to no more than +/- 10% due to the merger.*

**Where will the CIRA office be located?**

*The CIRA office will be based out of our current PARSAC location. REMIF will continue to maintain and provide certain pre-merger programs and services through its Sonoma office, as well as house some CIRA employees. The operating expenses for both buildings relating to CIRA's self-funded and insured programs (liability, workers' compensation, property, etc.) will be allocated to all CIRA members.*

**Will PARSAC members be able to participate in REMIF's self-funded health program?**

*Yes, PARSAC members will eligible to participate in this program if they meet all qualifying underwriting standards.*



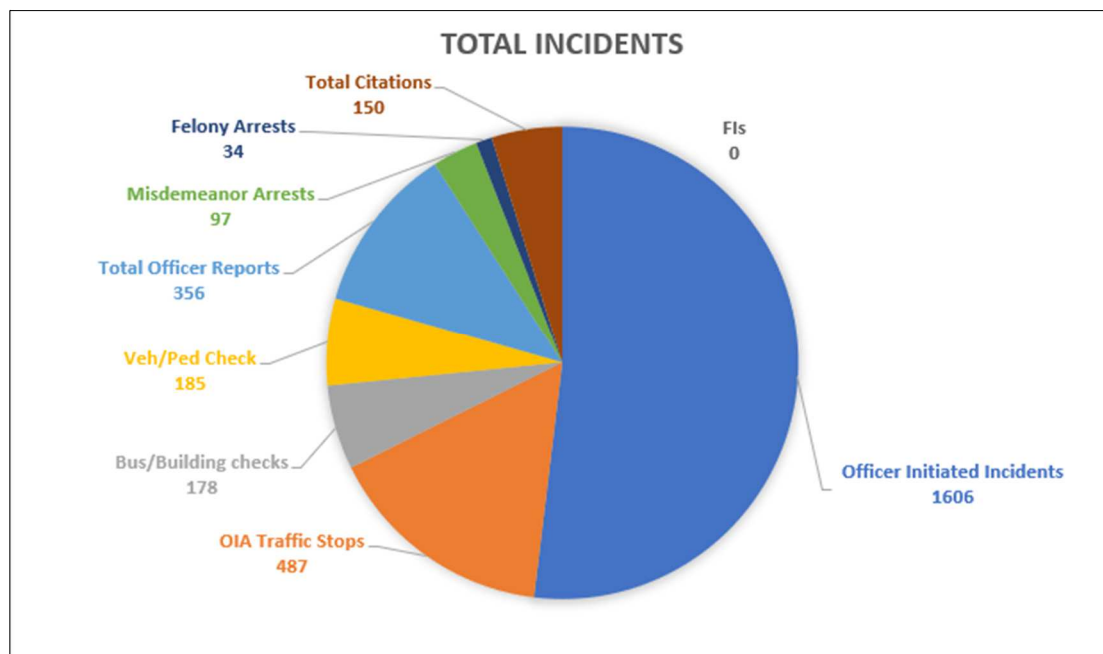
COALINGA POLICE DEPARTMENT'S  
THIRD QUARTER REPORT  
July through September 2020

## Staffing Report:

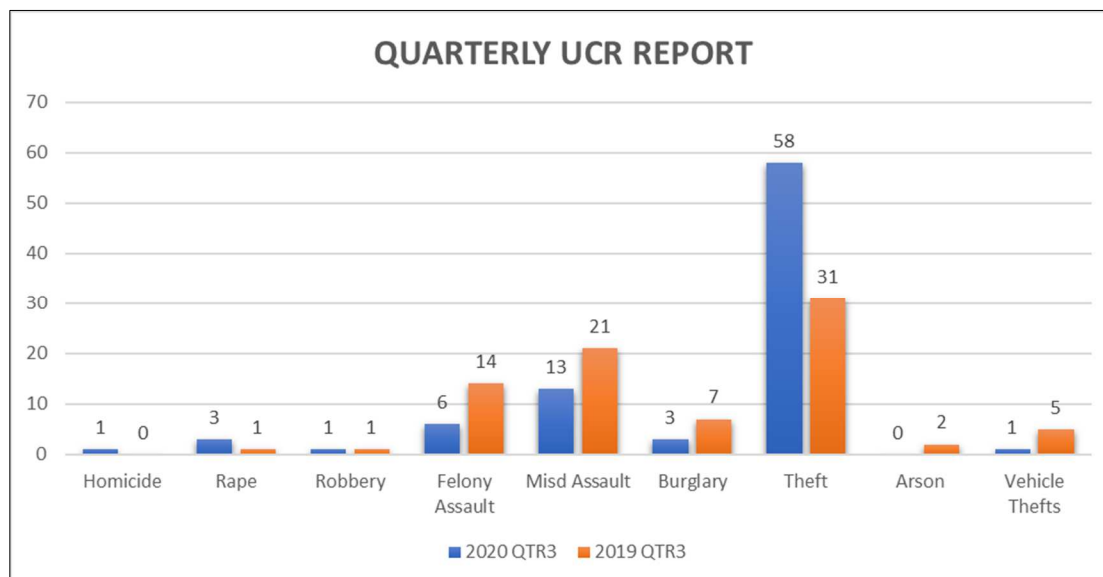
- ▶ Authorized Strength: 18 sworn/ 17 funded FY 2020/2021
- ▶ # of Personnel Available: 15
- ▶ # of Personnel Modified Duty/Leave, Injured: 1
- ▶ # of Personnel in field training: 1
- ▶ # of Full Time Vacancies: 1

## Total Incidents

4904



## Quarterly UCR Report



The City had its first homicide in over 2 years. This case is actively being investigated and officers are following up daily on leads they are receiving. The City has shown a reduction in Part 1 Crimes in the following areas: Felony assaults, Misdemeanor Assaults, Burglaries, Arsons, and vehicle thefts. however, there has been an increase in the areas of Homicide, Rape, and thefts. The officers and support staff are working hard to keep crime down, but due to the early release of inmates from the state prisons and zero bail every city is seeing an increase in crime. I am sorry to say that until the state and county jails start holding people this trend will continue. This department will do everything possible within the law to stay ahead of this issue.

## DA Filing Rate:

### 2020 Third Quarter

Cases Submitted to DA	25	
Charges Filed	10	(40%)
Declined to Prosecute	15	(60%)
Other Disposition from DA	0	
Reasons Declined to Prosecute		
Furtherance of Justice	0	
Lack of Evidence	11	(73%)
Mutual Combat	0	
Pending FU	0	
Pled to another charge/case	3	(20%)
Statue of Limitations	0	
Victim Request	0	
Other	1	(7%)

### 2020 DA Filing Year to Date

Cases Submitted to DA	95	
Charges Filed	48	(51%)
Declined to Prosecute	47	(49%)
Other Disposition from DA	0	
Reasons Declined to Prosecute		
Furtherance of Justice	0	
Lack of Evidence	17	(36%)
Mutual Combat	0	
Pending FU	0	
Pled to another charge/case	3	(6%)
Statue of Limitations	0	
Victim Request	0	
Other	27	(57%)

## **Notable Second Quarter Activity:**

### **SHOOTING ON ELM AVE**

On Wednesday, July 15, 2020 at approximately 8:35 PM officers responded to the area of Walnut and Elm Ave. on the reports of shots fired.

Upon arrival officers located two subjects sitting in a car in the West Hills College parking lot. Both subjects stated they were at the intersection of Walnut and Elm Ave. when they heard what sounded like fireworks and then realized it was gunfire. After speaking with the subjects Officers located damage to their vehicle consistent with gunshots.

Officers were contacted by fire personnel who were in the area that stated they observed two vehicles involved in the shooting.

A white Scion TC parked on the side of the road near the motel on Elm Ave. and a black Nissan Sentra north bound on Elm Ave. as the Sentra approached the Scion it slowed down and opened fire on the Scion. Both vehicles then fled northbound on Elm Ave. out of the city. Officers were able to recover evidence at the scene.

As Officers were clearing the scene they were advised by California Highway Patrol that a victim of a shooting that occurred in the county near the cemetery on Calaveras Ave. was reported to be in the parking lot of Taqueria La Piedad on Polk St. in Coalinga. Officers arrived and confirmed the incident occurred outside the city at which time they contacted Fresno County Sheriffs Dept. and turned the case over to them.

### **VEHICLE STOP LEADS TO NARCOTIC ARRESTS**

On Wednesday July 22, 2020 at approximately 1:56 pm, Officer Ybarra observed a vehicle in the area of Garfield and Polk Street with expired registration. Officer Ybarra initiated a traffic enforcement stop on the vehicle at which time he contacted the driver and two other occupants in the vehicle.

Officer Ybarra requested a secondary unit and once the second officer arrived on scene Officer Ybarra asked the occupants to exit the vehicle. At that time, Officer Ybarra conducted a K-9 search for outside the vehicle. K9 Eli alerted on the front passenger side of the vehicle and once the door was opened, he alerted to the front passenger seat.

Officer Ybarra contacted the front passenger and identified her as 40-year-old Coalinga Resident Sarah Rodriguez. Officer Ybarra asked Rodriguez where the narcotics were because his partner had alerted to where she was sitting. Rodriguez then stated she had placed them down her pants. Rodriguez retrieved the items from her pants which was determined to be a meth pipe and 1 gram of methamphetamines. Rodriguez was placed under arrest and was transported to the Coalinga Police Department where she was booked on charges of being in possession of methamphetamines and meth pipe.

## **SEARCH WARRANT LEADS TO ARREST**

On Thursday, August 20, 2020, at approximately 8 AM, officers from Coalinga Police Department served a search warrant to a home on the 300 block of Jefferson Street. The search warrant was in regard to fraud. Upon arrival, CPD officers contacted Coalinga resident Chad McComas who was taken into custody for fraud.

A search of the house led to the recovery of numerous items related to identity theft such as stolen mail and items used to commit these types of crimes. Also found inside the home was a large vending machine which had been purchased using someone's stolen identity. McComas was taken into custody and placed in the Coalinga jail. He was later transported to the Fresno County jail.

## **Shooting on Madison Street**

While Coalinga Police Officers were serving a search warrant on the 300 block of Jefferson Street this morning, officers heard three to five shots fired at approximately 8:30 AM. Shortly after, CPD began receiving multiple reports of shots fired in the vicinity of the 100 block of Madison.

Coalinga Police Officers who were at the Jefferson Street location quickly responded to the shooting and found an adult female who had been struck by bullet fragments. Evidence indicated that bullets had struck a metal door frame and had fragmented upon impact, striking the female as she was walking out the front door of the home.

Officers found evidence on scene that indicated a shooting had occurred. It is believed that this shooting may be in retaliation for the shooting last week on the 400 block of Madison in which a young male was struck by a bullet.

## **SEARCH WARRANT YIELDS NARCOTICS AND BODY ARMOR**

On August 25, 2020, Officers of the Coalinga Police Department and the California Department of Corrections Crisis Response Team served a search warrant on the 400 block of East Pleasant at a known Bulldog Criminal Street Gang members residence. While conducting the search warrant, body armor, firearms accessories, narcotics, and narcotic related paraphernalia were located.

## **Multiple Shots Fired Near Echo Canyon Apartments**

On Friday August 28, 2020 at approximately 9 :00pm, Coalinga dispatch received two calls of multiple shots fired near 300 Juniper Ridge Boulevard. On Officer's arrival they located a silver KIA running with no occupants inside of the vehicle. The vehicle was found in the parking lot riddled with bullet holes.

Officers canvassed the area and located several other pieces of evidence which supports the shooting. At this time there have been no reports of injuries from any of the surrounding hospitals.

## **Coalinga PD Welcomes Its Newest Officer**

The Coalinga Police Department has welcomed its 17th police officer, Police Officer Greg

Gonzalez. He began his career with the Coalinga Police Department on July 27, 2020. Officer Gonzalez was born and raised in the City of Clovis until his family moved to Coalinga. Officer Gonzalez attended school in Coalinga, until middle school when he moved back to Clovis. After returning to Clovis, Officer Gonzalez continued to visit his family who remained in Coalinga.

Officer Gonzalez, put himself through the police academy and graduated on November 18, 2018. Officer Gonzalez was hired by the Huron Police Department six months later where he spent the next year working as a police officer for the City of Huron. While working in Huron, Officer Gonzalez knew he wanted to eventually make a lateral move to the City of Coalinga because it was where he grew up.

Officer Gonzalez stated, "I appreciate the opportunity that both Huron had provided me and the opportunity that the City of Coalinga is giving me. I look forward to serving the citizens of Coalinga."

## **Creek Fire**

Coalinga Police Dept has received a request for mutual aid from Fresno County Sheriff's office to assist in the evacuation of the residents of Shaver and Huntington Lake areas.

Coalinga PD officers Francisco Ybarra and Ben Mann are at the #creekfire assisting the residents of Tollhouse in evacuations.

Our thoughts and prayers are with the residents, business owners and all the first responders.

## **DECEASED BODY FOUND IN CREEK BED**

On Thursday, September 10, 2020 at approximately 7:30pm, Officers responded to the area of Cambridge Avenue and Gregory Way regarding a body in the creek bed. Upon arriving, Officers they located a deceased Hispanic male adult in the creek bed. Crime Scene Technicians with the Fresno County Investigative Bureau Division were called in to process the scene while investigators from the Coalinga Police Department began canvassing the area for information. The Fresno County Coroner's office was called in and upon their arrival a preliminary infield examination of the body was conducted, and it was determined that the victim had been shot. Family members of the decedent were notified and are cooperating with investigators. The victim is identified as 28-year-old Coalinga resident Omar Contreras. It is unknown at this time if this incident is gang related.

## **Respectfully Submitted:**

**Darren L. Blevins**

Darren Blevins  
Chief of Police

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE  
AUTHORITY**

**Subject:** Public Works, Utilities & Community Development Monthly Report for September 2020  
**Meeting Date:** October 15, 2020  
**From:** Marissa Trejo, City Manager  
**Prepared by:** Sean Brewer, Assistant City Manager

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**I. RECOMMENDATION:**

Approve the Public Works, Utilities & Community Development Monthly Report for September 2020.

**II. BACKGROUND:**

**III. DISCUSSION:**

**IV. ALTERNATIVES:**

**V. FISCAL IMPACT:**

**ATTACHMENTS:**

File Name	Description
□ Monthly_Report_Sept_2020.pdf	Monthly Report for September 2020





**PUBLIC WORKS AND UTILITIES DEPARTMENT  
MONTHLY REPORT FOR  
SEPTEMBER 2020**

**\*Note: New items and updates from last month's report are in bold print.**

**PUBLIC WORKS**

**NATURAL GAS DISTRIBUTION:**

- **99 %** of Gas leaks detected from Survey have been completed
- Checked on for gas leak 765 E Elm No leak located

**WATER DISTRIBUTION:**

- Replaced two fire hydrants W. Elm
- Repaired water leak 655 W. Polk
- Repaired leak 301 W. Polk
- Repaired leak 43331 S. Alpine
- Repaired leak 340 W. Polk
- Installed new water meter and backflow Mid Valley
- Water main line Flushing
- **Repaired water leak 355 Cambridge Ave**
- **Repaired water leak 288 ½ Birch**
- **Repaired water leak 25 W. Polk**
- **Installed new water service line for 229 W. Durian**
- **Repaired 16" Butterfly Valve Palmer Ave**
- **Repaired 12" water main leak Highway 198**
- **Repaired water leak Mott's fountain**
- **Repaired water leak behind 198 W. Forest Ave**

**WASTEWATER COLLECTION:**

- Cleared sewer blockage 200 Blk Hawthorne
- Cleared sewer blockage 4<sup>th</sup> and Cedar
- **Cleared sewer blockage 105 N 2<sup>nd</sup>**
- **Cleared sewer blockage 500 blk Pine**

**SIDEWALKS:**

- Nothing to report.

**PARKS:**

- Started working on repairing lights Sandalwood Park

- **Installed new light Poles Sandalwood Park**

#### **MISCELLANEOUS:**

- Installed new doggy bag station Phelps multi-trail
- Started tree trimming Forest, 2<sup>nd</sup>, Elm, Pacific
- Painted hydrant red curbs in Thursday's route of Street Sweeping schedule
- Saw cut section of S. Monterey in prep for shoulder road repair
- Replaced 6 faded Stop Signs downtown will continue replacing old signs
- Replaced 10 dead trees
- **Trimmed Tree Garfield/Roosevelt**
- **Removed tree stub in front of 297 W Elm**
- **Replaced flags Motts Fountain**
- **Installed Geotab equipment in both Street Sweepers**

#### **UTILITIES**

- City wide fire hydrant flushing. **Next Flushing Nov 13<sup>th</sup>.**

#### **WATER TREATMENT PLANT (WTP)**

- City staff is working with Carter Redding on PHA for Fresno County. In progress
- Hach equipment quarterly maintenance is schedule for **October 14<sup>th</sup>.**
- P15 motor and pump will be out of service. **Pump is expected to be return January 2021 due to covid.**
- VFD quotes for P-1 & P-3. Electric Motor Shop will be installing the VFD. P1 & P3 pumps back in service. **Complete**
- **AC unit replacement for electrical building. Garza's AC will be installing the new ac unit.**
- Westland canal 24-hour algae treatment 7am-7am scheduled for September 9 last treatment. **Complete**
- Anthracite filter media for beds 1, 2 & 4 was delivered. **Installation schedule for November.**
- New Surface Scatter for raw water turbidimeter has arrived and waiting for installation. Should be installed by the end of September. **Surface Scatter installed and working.**
- All TU5300 turbidimeters have been installed. **Complete**
- Alum sludge removal project expected to start September or October. Project has been pushed back due to having to do biosolid testing for landfill. **Alum removal schedule for mid-October.**
- **Sludge drying beds 1 & 2 have been shut down to dry out for scheduled maintenance and Alum removal. Scheduled removal is set for November.**
- Derrick Reservoir – RTU / UPS notification system and backup generator transfer switch have been ordered by Solomon Electric. **RTU/UPS system project is up and running. Complete**
- **Corrpro checked cathodic protection on Palmer & Calaveras reservoir. Palmer passed; Calaveras is on the bubble. Corrpro is getting us quotes for replacement anodes and new Impressed Current system.**
- **Telstar did the route maintenance on the OSG cells.**

#### **WASTEWATER TREATMENT PLANT (WWTP)**

- City crew working on getting pond 3 & 4 cleaned by spraying and burning the weeds, cattails and small trees. **On going**
- Control room equipment up grade. **In progress**
- New facility lighting. **Lights have been ordered in progress.**
- Quote for new recycle water meter. In progress. Parts have been ordered.
- Removing sludge out of the new basin. **Complete.** Waiting on parts to divert effluent water to new basin. **In progress Rain-4 Rent is getting the piping system.**

- Digester blower #1 has been serviced and is back in service. **Complete**
- Sludge pump is being scheduled to be removed for maintenance & repairs.
- **WWTP Control Box project in progress about 50% complete.**

## ASSISTANT CITY MANAGER

### PUBLIC WORKS/UTILITIES

- **Water/Sewer Rate Study:** Water Rate Hearing notices have been released to the public as of September 1, 2020. Staff conducted 1 of the 2 rates increase public forums to allow the public to ask questions and express concerns about the impending rate increase for water and sewer. Rate hearing is scheduled for October 15<sup>th</sup>.
- **Street Light Acquisition:** Staff has been working with Tanko and coordinating effort to acquire the streetlights. Staff is awaiting funding allocation from the TDA funds to utilize to purchase the lights.
- **TTHM:** Project is shovel ready and is expected to be funded by the impending future water bond.
- **Derrick Bypass / Reservoir Assessment:** MKN presented the hydraulic analysis to understand the water system when the City either rehabilitates/replaces the Derrick Reservoir. Staff is awaiting approval of water rates in order to proceed with the rehabilitation of the reservoir.
- **SCADA:** Project is out to bid, and staff hopes to authorize construction in December 2020.
- **Coalinga Water Plant PSM/RMP:** Environmental Permitting Specialist is finalizing all PSM/RMP programs for staff review in the next month. Due to COVID restrictions, finalizing reports and documents have been delayed until site visits are safe.
- **County Inspection (Water Plant):** Fresno County department of environmental health inspected the water plant and provided a correction plan which staff is currently working on to complete in the 30 days given by the County. Staff has completed all of the corrective actions that the County has requested at this time. Once the PSM RMP is complete the final items the County has requested will be addressed.
- **Secondary WWTP Access Road:** The City Engineer is reviewing the location and will then begin working on obtaining the appropriate easements for dedication. Property owners will need to be contacted in the near future. This is a low priority project as this time considering the other items staff is working on.
- Ordinances related to property owner responsibility for tree trimming and sidewalk repairs has been approved by the Council and staff is currently working on a shared cost program for sidewalk repairs that will be presented to the City Council in the coming months.
- **S. Princeton Drainage Issues:** Staff is coordinating a meeting with PG&E to do a field inspection of the site location
- **Training:** No updates in September.
- **Pavement Management System:** The pavement management system is operational, and staff will be utilizing its full potential for determining treatments for streets, budgeting and prioritization.
- **Elm/Pacific Parcel Map** – Staff is working with the City Engineer to finalize the parcel map at Pacific and Elm to support future development and the future trail system.
- **WWTP Hydraulic Control Boxes** – Project is under construction and expected to be completed by Mid-October.
- **2015 Urban Water Management Plan:** Public Notices have been posted and the plan is expected to go before the City Council on October 15, 2020.
- **Capital Improvement Program** Continued discussions with Staff, IGS and City Engineer on developing a long-range plan for the Water and Wastewater Infrastructure in coordination with the water rate discussion.
- **Surge Tanks:** Staff has been working with the oil companies to develop an equitable cost share related to the facilities that the City owns and maintains where the oil companies it serves directly benefit. Staff is developing an RFP to solicit consultants who have the expertise in inspecting the facilities and provide a cost estimate for repairs and maintenance.
- **Water Treatment Plant Solar Facility:** Staff is working with Johnson Controls on a plan to develop a solar facility adjacent to the existing water treatment plant in an effort to address energy

costs and find an emergency power solution. Staff is working with the property owner in order to negotiate price for land.

## LOCAL STREET PROEJCTS

- **Phelps Ave Reconstruction Project** – Project is nearing completion and the contractor is currently completing their punch list items.
- **Sunset Street Reconstruction:** Plans and Specifications are complete, and the staff is expecting to bid this project in early October.

## GRANTS

Staff has been continuing to meet with Blais and Associates on a monthly basis in accordance with their grant contract to review possible grant opportunities. Below is a status update on all grant activity within the Public Works/Utilities and Community Development Department(s):

- **State Parks Per Capita Program:** Staff is developing a scope of work for the \$177,000 the City is allocated in state parks funds. Applications for projects are due by December 31, 2021.
- **HOME** Staff was notified by the State that the City will be receiving an award letter related to the application, however a letter has yet to be received.
- **AHSC Affordable Housing Grant Application for Pacific and Elm Ave:** On June 25, 2020, the City of Coalinga was notified that it was awarded funding for the project. Staff is expected to have a kickoff meeting with the development team sometime by the end of the year.
- **STBG (2015):** Forest Phase 4 (Elm -1<sup>st</sup>) – This project is under construction and should be complete by winter due to PG&E Delays, the project has been placed in suspension until PG&E can energize the lights.
- **CMAQ (2015):** Alley Paving – this project is currently under design and expected to go to construction in winter 2020.
- **ATP Cycle 3:** Sidewalk Gaps and Safety Enhancements – The City Engineer is currently finalizing the design and staff should be reviewing 90% drawings by November 2020 for possible construction summer 2021.
- **CMAQ:** Trail Segments 10-12 – This project is currently under design with construction expected in spring 2021.
- **ATP Cycle 4** – Trail segments, 9, 4 and 3 (portion) – Work is currently underway, preliminary documents have been submitted to Caltrans for review.
- **STBG (2017)** – Design is complete and expected to bid in October with construction expected in early 2021.
- **CMAQ (2019):** The City was notified of two grant awards that the City applied for in early 2020. Under the CMAQ program the City was awarded an alley project in amount of \$681,000 and another segment of our master trail system in the amount of \$1.1 million.
- **STBG (2019)** – The City was awarded funding for the reconstruction of Polk Street from Elm to Monterey. Design will proceed once authorization has been granted which is expected in 2021.
- **CDBG** – Staff received notice that the City will not be eligible for CDBG funding at this time for Van Ness Storm Drain Project due to the income levels the state has listed for the block in which the project is located. With that, this project will be shovel ready in the coming weeks and staff will be working with Self Help to look into a broader income study or wait for the release of the 2020 census data which is expected to be favorable to the City in terms of eligibility.
- **LSRP** – Staff is currently working on a local safety roadway plan that will allow the City to be eligible for future Highway Safety Improvement Program grant funds. The next cycle of HSIP funding will be in September 2021.
- **LEAP** – The City has applied for housing funds through the local Early Action Planning Grant for \$65,000 in order to support the kickstart to the City's Cottage home program. Staff is currently awaiting an award letter from the State.

- **PLHA** - The City has applied for additional housing funds through the Permanent Local Housing Allocation program to complement the City's Cottage home program by offering down payment assistance and rehabilitation funds to income qualifying residents.
- **Clean Water State Revolving Fund Grant Application** – Staff is finalizing the application to be submitted to the state for a planning grant to study needed improvements the waste collection and wastewater treatment plant. Once the Urban Water Management Plan is complete the application will be submitted to the State.
- **Water Meter AMI Pilot Program** – Staff presented the AMI pilot program to the City Council at the October 1, 2020 Meeting and currently accepting application for participation.
- **ATP Cycle 5 Grant** – Staff submitted the grant application in mid-September. The scope includes safety improvements on Polk Street from 5<sup>th</sup> to Willow Springs. This will include sidewalk gaps, cross walks, and a trail segment from Willow Springs to Merced.
- **HSIP (highway Safety Improvement Program) – Cambridge/Elm Signalization** – Bids have been awarded and construction is expected to begin mid-October. There has been a delay in Caltrans review and lead time on the signal poles.
- **Cross Connection Control** – 50 initial notices have been sent to backflow owners.
- **Depolarization Survey**- Completed Cathodic Protection Depolarization Survey.
- **CPUC Audit** - Staff is currently making arrangements with the CPUC to perform an online audit of our natural gas damage prevention plan.
- **Uniform Public Cost Accounting** - Currently organizing methods to track and present all data required by the State in accordance with Public Contract Code.
- **Sidewalk Inspection & Repair** - Working with Precision Concrete to solidify a contract that would utilize \$100,000 budgeted for sidewalk repair to inspect the entirety of Coalinga's sidewalk and repair uneven pathways. The inspection would also produce a map of areas that need to be replaced.
- **Asset Management Program** - Coordinating & creating the implementation of an asset management program for Public Works and Utilities to be able to track and predict needed maintenance on infrastructure.

## **PARKS**

- **Frame Park Splash Pad:** Plans and Specification are currently being reviewed by City Staff and the City is expecting to advertise bids in winter 2020 once other prioritized federal projects with strict deadlines have been completed.

## **COMMUNITY DEVELOPMENT**

- Cottage Home Program – Staff is working with Self Help Enterprises on a fund request to obtain program funds to start the development of the cottage home ADU program. This is being accomplished through the LEAP and PLHA programs.
- Continuing coordination with the County and surrounding agencies regarding Community Choice Solar. *Ongoing*
- Council Chambers Technology Modernization - staff has completed the majority of the upgrades to the Council chambers and conference room. Staff is preparing the final order for additional items needed to complete the improvements.
- Staff continuing to work with Tyler Technologies on Energov Migration. There have been some slow downs during implementation and staff is expecting to delay the implementation until 2021 due to unforeseen circumstances.
- Family Dollar building, landscape and sign plans have been approved. Permits are expected to be pulled anytime. No word from FD in the last 9 months.
- Council approved the rehabilitation of the hotel units on Valley Street. Staff issued the approval letter to the applicant with conditions. Awaiting response from applicant.
- The City Engineer is currently reviewing the Luxe Estates Final Map application. This project is located on the northeast corner of La Questa and Phelps. The developer has requested that this project proceed with review. City Engineering currently reviewing.

- Staff is working with Ranch WIFI on a CUP application for a wireless network within the City of Coalinga. Waiting on additional information from the applicant to accept and begin processing.
- Staff is working on an ordinance that will update the Large Family Daycare regulations to be consistent with State law related to land use.
- ZTA 20-02 - Staff is working on an ordinance to update fence setbacks, particularly those on street side reverse corner lots.
- CUP 20-02 – New AT&T Cell Tower (monopine) – The Planning Commission approved this project in July and staff is awaiting submission of building plans.
- Granite Mining Expansion – Staff is working with Fresno County on an application by Granite Construction to expand their mining permits. The County of Fresno is processing a CUP for the land in the County as well as an environmental document that covers both City and County jurisdiction which will be used by the City when Granite Submits their application to the City for land within its jurisdiction.
- Heritage Park Assisted Living and Alzheimer’s Facility – staff recently received an application for a new assisted living and Alzheimer’s facility to be located on Phelps Ave west of the CRMC. This application was accepted by staff for review as of September 1, 2020 and hearings are tentatively scheduled for Jan/Feb 2021.
- CDA 18-02 - Urb Green Cannabis Cultivation Facility –Planning Commission Approval on September 8, 2020.
- CUP 20-04 – Clermont Capital Partners Outdoor Cultivation Facility – Planning Commission Approval on October 28, 2020.

# **STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY**

**Subject:** Authorize Assistant City Manager to Execute a Contract with Precision Concrete Cutting to Assess and Repair Sidewalks Throughout the City  
**Meeting Date:** October 15, 2020  
**From:** Marissa Trejo, City Manager  
**Prepared by:** Larry Miller, Public Works & Utilities Coordinator

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## **I. RECOMMENDATION:**

Staff recommends that the City Council authorize the Assistant City Manager to execute a contract with Precision Concrete Cutting to assess and repair sidewalks throughout the City not to exceed \$100,000.

## **II. BACKGROUND:**

Coalinga, like many other cities, has an aging sidewalk infrastructure. This infrastructure must be repaired, improved upon, or otherwise addressed. In so far, projects such as ATP Cycle 1 & 2, Forest Street Improvement, and other maintenance activities have helped address some of these improvements. There are also some improvements to look forward to as well. Such as ATP Cycle 3 & 4, Polk Street improvements, and Sunset Ave reconstruction. While these past and future projects will greatly improve our sidewalks, there are some other issues that need attention that can be achieved at a relatively low cost.

## **III. DISCUSSION:**

Precision Concrete Cutting offers the ability to survey the entirety of Coalinga's sidewalk infrastructure, record its condition via GIS, and repair any lifted or uneven sidewalk. The results of their repairs are smooth transitions across the surface of the sidewalk. This will serve to address any ADA concerns as well as improve the visual aesthetic and usability of the sidewalk. Unfortunately, Precision Concrete Cutting cannot address every issue that they assess through the survey. Anything that exceeds two inches, 50% of the sidewalks thickness, cannot be repaired with their methods, but these areas will be identified in the assessment and a recommended solution will be given.

This survey information will enable staff to correlate the data with ATP Cycle 3 & 4, future road projects, and other construction activities in an effort to best approach a repair solution.

## **IV. ALTERNATIVES:**

Council may choose to not authorize Public works to contract Precision Concrete Cutting.

## **V. FISCAL IMPACT:**

The contract authorizes the expenditure not to exceed \$100,000, drawing from budgeted Measure C ADA

and TDA funds. The assessment is estimated to use \$30,000 of those funds. Leaving approximately \$70,000 for repair services. The full amount may or may not be used. It will be dependent upon the assessment. The finds being used are specifically restricted for ADA improvements.

**ATTACHMENTS:**

	File Name	Description
📎	Coalinga_Sidewalk_contract_signed.pdf	Contract
📎	PCCSample.jpg	Example 1
📎	PCCSample2.jpg	Example 2



## AGREEMENT FOR PROFESSIONAL SERVICES FOR CONCRETE CUTTING SERVICES

This Agreement for Professional Services ("Agreement") is made and entered into this 6<sup>th</sup> of October, by and between the City of Coalinga, a Municipal Corporation ("City"), and Precision Concrete Cutting ("Provider").

### RECITALS

- A. Provider represents to City that they are specially trained, experienced, licensed and competent to perform the services which will be required by this Agreement; and
- B. Provider represents to City that they possess the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein.
- C. City desires to retain Provider to render the services as set forth in this Agreement, as Exhibit 1.

NOW THEREFORE, in consideration of the mutual covenants set forth herein for such other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. **Retention of Provider.** Subject to the terms and conditions set forth herein, City retains Provider to perform the services identified in this Agreement, as an independent contractor and Provider hereby accepts this independent contractor appointment.
2. **Scope of Services.** The Provider shall perform professional services, in accordance with all the provisions of this Agreement. The Scope of Work is attached hereto as Exhibit 1. Provider estimates that at \$100,000, they can provide the City with services. Provider shall correct any and all errors and/or omissions, which arise out of Provider's negligence or intentional misconduct, in the performance of the Services and any documents resulting therefrom even though City has accepted said Services or documents. Provider shall make such corrections upon City's request and at no cost or expense to City.
3. **Time of Performance.** This agreement shall remain in effect until April 5<sup>th</sup>, 2021. Contract time of completion for individual projects will be agreed upon before assignment of each project to Provider. Services designated in the scope of work shall be completed on agreed date unless prior written approval for a time extension has been granted by Sean Brewer.
4. **Compensation.** Compensation to be paid to Provider shall be in accordance with the fee schedule, Exhibit 2, subject to the Prevailing Wage Requirements which are available at the office of the Public Works Director. An estimate for cost of services for each project shall be submitted to the Public Works Director before commencement of work. Payment by City under this Agreement shall not be deemed a waiver of defects, even if such defects were known to the City at the time of payment. An increase in the fee schedule will be allowed at the beginning of year three of this

agreement and when the Prevailing Wage for services included in this agreement increases by the same amount approved for increase by the Department of Industrial Relations.

5. **Method of Payment.** Provider shall submit monthly billings to City describing the work performed during the preceding month. Provider's bills shall include a brief description of the Services performed and the date the Services were performed the number of hours spent and by whom, and a description of any reimbursable expenditures. City shall pay Provider no later than 30 days after the date of submittal of a complete invoice for completed tasks and approval of the invoice by City staff.

6. **Extra Work.** At any time during the term of this Agreement, City may request that Provider perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Services, but which the parties did not include in the Scope of Work. Extra work will be performed on an hourly basis under the Provider's most current hourly fee schedule. Provider shall not perform, nor be compensated for Extra Work without written authorization from City.

7. **Termination.** This Agreement may be terminated by the City immediately and without notice for cause or by City without cause upon ten (10) days' written notice of termination to Provider. Upon termination, Provider shall be entitled to compensation for Services performed up to the effective date of termination, unless this Agreement is terminated for cause, in which case, City may withhold compensation due Provider in order to reimburse City for any losses, damages or expenses caused by Provider's default under this Agreement.

8. **Equal Opportunity Employment.** Provider represents that it is an equal opportunity employer and it shall not discriminate against any sub provider, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Provider shall also comply with all relevant provisions of City's programs or guidelines currently in effect as identified and provided to Provider by City.

9. **Insurance Requirements.**

a. Provider, at Provider's own cost and expense, shall procure and maintain, for the duration of this Agreement, the following insurance policies.

i. **Workers Compensation Coverage.** As required by the State of California, with Statutory Limits, and Employer's Liability Insurance with a limit of no less than ONE MILLION AND NO/100 DOLLARS (\$1,000,000) per accident for bodily injury or disease.

ii. **General Liability Coverage.** Insurance Services Office (ISO) Form CG 0001, including products and completed operations, with limits of no less than ONE MILLION AND NO/100 DOLLARS (\$1,000,000) per occurrence for bodily injury, personal injury, and property damage. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be TWO MILLION AND NO/100 DOLLARS (\$2,000,000), twice the required occurrence limit.



iii. Automobile Liability Coverage. ISO Form Number CA 0001 covering any auto (Code 1), with a limit no less than ONE MILLION AND NO/100 DOLLARS (\$1,000,000) per accident for bodily injury and property damage.

iv. Professional Liability Coverage. Contractor will maintain Professional Liability coverage with limits no less than ONE MILLION AND NO/100 DOLLARS (\$1,000,000) per occurrence or claim, and ONE MILLION AND NO/100 DOLLARS (\$1,000,000) policy aggregate.

If Provider maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by Provider.

Provider's insurance policies shall be "occurrence" policies and not "claims-made" coverage except for Professional Liability Coverage.

Provider may maintain an Umbrella policy in conjunction with the insurance policies referenced above. In such case, Provider shall be deemed to have satisfied the insurance requirements of this contract as long as: (i) the coverage limits of the Umbrella policy and of the underlying liability policy(ies), when combined, satisfy each of the per occurrence and aggregate requirements identified in this subsection a.; and (ii) coverage under the Umbrella policy is as broad as and includes all incidents and events covered by the underlying insurance that it supplements.

Any deductibles or self-insured retentions must be declared to and approved by the City. The City may require Provider to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. Alternatively, the City may require Provider to provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses within the retention.

The policies are to contain, or be endorsed to contain, the following provisions:

i. The City and its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL and automobile liability policies with respect to liability arising out of work or operations performed by or on behalf of Provider including materials, parts, or equipment furnished in connection with such work or operations; products used by Provider; or automobiles owned, leased, hired or borrowed by Provider. General liability coverage can be provided in the form of an endorsement to Provider's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, officials, employees or volunteers.

ii. For any claims related to this contract, Provider's insurance coverage shall be primary insurance as respects the City and its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City and/or its officers, officials, employees, or volunteers shall be in excess of Provider's insurance and shall be non-contributory.

iii. Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City.

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

Provider shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Provider's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Provider hereby grants to City and its officers, officials, employees, and volunteers a waiver of any right to subrogation which any insurer of Provider may acquire against the City and/or its officers, officials, employees, and volunteers by virtue of the payment of any loss under such insurance. Provider agrees to obtain endorsements necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The City reserves the right to modify the insurance requirements contained in this contract, including, without limitation, coverage limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

10. **Indemnification.** To the fullest extent allowable by law, Provider agrees to indemnify, defend and hold harmless the City and its officials, officers, employees, agents and volunteers from and against all claims, demands, actions, injuries, liabilities, losses, costs or damages, direct or indirect, and any and all attorneys' fees and other expenses which City or its officials, officers, employees, agents or volunteers may sustain or incur as a consequence of or are in any way related to Provider's or its owners, directors, officers, managers, employees, agents and subcontractor's willful or negligent acts or omissions in the performance of the services and Providers responsibilities and obligations to be performed under this agreement or its failure to perform or comply with any of its obligations or responsibilities contained in this agreement; excluding, however, such liability, claims, losses, damages or expenses arising from City's sole or active negligence or willful acts. This duty to indemnify, defend, and hold harmless shall survive the termination of this agreement. If Provider maintains additional coverage or higher limits than those required herein, then City shall be entitled to additional coverage or higher limits maintained by Provider.

11. **Independent Contractor Status.** It is understood and agreed that Provider, in the performance of the Services to be performed pursuant to this Agreement, shall act as and be an independent contractor and shall not act as an agent or employee of City. Provider shall obtain no retirement benefits or other benefits which accrue to City's employees and Provider hereby expressly waives any claim it may have to any such rights. Nothing in this Agreement shall create or be construed as creating a partnership, joint venture or any other relationship between City and Provider.

12. **Provider's Books and Records.**  
a. Provider shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for



services, or expenditures and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Provider under this Agreement.

b. Provider shall maintain all documents and records that demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City. Copies of such documents shall be provided to the City for inspection at the City offices.

d. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Provider's business, City may, by written request, require that custody of the records be given to the City and that the records and documents be maintained in the City offices. Access to such records and documents shall be granted to any party authorized by Provider, Provider's representatives, or Provider's successor-in-interest.

13. **Professional Ability of Provider.** City has relied upon Provider's representations regarding its training and professional ability to perform the Services hereunder as a material inducement to enter into this Agreement. Provider shall therefore provide properly skilled personnel to perform all Services under this Agreement. The primary provider of the Services called for by this Agreement shall be Precision Concrete Cutting who shall not be replaced without the written consent of the City. All work performed by Provider under this Agreement shall be in accordance with the applicable professional standard of care and shall meet the local professional standard of quality ordinarily to be expected of competent persons in Provider's field of expertise working in Fresno County.

14. **Compliance with Laws.** Provider shall use the proper standard of care in performing the Services and shall comply with all applicable federal, state and local laws, codes, ordinances and regulations in effect at the time the Agreement is executed. In addition, if the request for proposal to provide professional services which are the subject of this Agreement cited any federal or state financial assistance involved in the project for which the Services are provided, the Provider shall perform all services in accordance with all applicable federal and state laws, rates and regulations in effect at the time the agreement is executed.

15. **Licenses.** Provider represents and warrants to City that it has all licenses, permits, qualifications, and insurance which are legally required of Provider to lawfully and competently perform the Services. Provider represents and warrants to City that Provider shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, and insurance which are legally required of Provider to lawfully and competently perform the Services. Provider shall maintain a City of Coalinga business license.

16. **Assignment and Subcontracting.** The parties recognize that a substantial inducement to City for entering into this Agreement is the reputation, experience and competence of Provider. Assignments of any or all rights, duties or obligations of the Provider under this Agreement

will be permitted only with the express written consent of the City, which will not be unreasonably withheld. Provider shall not subcontract any portion of the Services to be performed under this Agreement without the express written consent of the City, which will not be unreasonably withheld. If City consents to such subcontract, Provider shall be fully responsible to City for all acts or omissions of the subcontractor. Nothing in this Agreement shall: (i) create any contractual relationship between City and sub Provider; (ii) create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor; (iii) or relieve Provider of any of its obligations and responsibilities under this Agreement.

17. **Attorneys' Fees.** If an action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other reasonable relief to which he may be entitled. With respect to any suit, action or proceeding arising out of or related to this Agreement, or the documentation related hereto, the parties hereby submit to the jurisdiction and venue of the Superior Court for the County of Fresno, State of California for any proceeding arising hereunder.

18. **Sole and Only Agreement.** This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the matters set forth herein and contains all of the covenants and agreements between the parties regarding said matters. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or in writing, have been made by any party or anyone acting on behalf of any party which are not embodied in this Agreement and no other agreement, statement or promise shall be valid or binding.

19. **Invalidity.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

20. **Amendment.** No change, amendment or modification of this Agreement shall be valid unless the same be in writing and signed by the parties hereto.

21. **Governing Law.** This Agreement shall be construed and governed pursuant to the laws of the State of California. Any action to enforce this Agreement is to be brought in Fresno County, California.

22. **Waiver.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.

23. **Mediation.** The parties agree to make a good faith attempt to resolve any disputes arising out of this Agreement through mediation prior to commencing litigation. The parties shall mutually agree upon the mediator and shall divide the costs of mediation equally. If the parties are unable to agree upon a mediator, the dispute shall be submitted to JAMS/ENDISPUTE ("JAMS") or its successor in interest. JAMS shall provide the parties with the names of five qualified mediators. Each party shall have the option to strike two of the five mediators selected by JAMS and thereafter the mediator remaining shall hear the dispute. If the dispute remains unresolved after mediation, either party may commence litigation.



24. **Authority to Enter Agreement.** Provider has all requisite power and authority to conduct its business and to execute, deliver and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

25. **Notice.** Except as otherwise expressly provided herein, any notice, consent, authorization or other communication to be given hereunder shall be in writing and shall be deemed duly given and received when delivered personally, when transmitted by facsimile or e-mail if receipt is acknowledged by the addressee, one business day after being deposited for next-day delivery with a nationally recognized overnight delivery service, or three business days after being mailed by first class mail, charges and postage prepaid, property addressed to the party to receive such notice at the last address furnished for such purpose by the party to whom notice is directed and addressed as follows:

**CITY:**

City of Coalinga  
155 West Durian  
Coalinga, California 93210

**PROVIDER:**

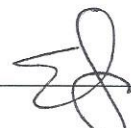
Precision Concrete Cutting  
335 Beach Rd.  
Burlingame, Ca. 94010

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the day and in the year first set forth above.

CITY OF COALINGA, a Municipal Corporation

By: \_\_\_\_\_  
Marissa Trejo, City Manager

PROVIDER

By:  \_\_\_\_\_  
Ernesto Martinez, Project Manager

APPROVED AS TO CONTENT:

\_\_\_\_\_  
Sean Brewer  
Assistant City Manager

ATTEST:

\_\_\_\_\_  
City Clerk

## **Exhibit 1**

### **Scope of Work**

#### **Overview**

It is proposed that the City of Coalinga and PCC enter into an agreement whereby PCC will assess, and repair sidewalks as identified and requested by City staff. The price for these services shall not exceed the dollar amount and quantity defined in the "Proposal Detail" section below.

#### **Assessment Services**

PCC technicians will walk every panel in the project area and visually assess potential tripping hazards and damage. PCC will provide a GIS compatible report that list each location identified including a photo, exact location, off-set height, and square foot amount for replacement locations.

#### **Proposal Detail**

The entirety (approx. 80 sidewalk miles) of the publicly accessible sidewalks within Coalinga. Once the assessment has been completed, any remainder of funding is to be utilized to perform sidewalk shaving services. The prioritization of repair shall be determined by City of Coalinga Staff upon reviewing the initial assessment report. The total project amount is not to exceed \$100,000.



## Exhibit 2

### Fee Schedule

Billing Units: Services are billed in "Inch Feet". An inch foot is calculated by measuring the average height of the sidewalk off-set and multiplying this average by the length of the cut.

Example: A sidewalk off-set on a 4-foot wide sidewalk that consists of a 0.5" rise on one side, and tapers down to a zero rise on the other is calculated as follows:

$$(0.5'' + 0'' \times 4\text{ft}) / 2 = 1 \text{ inch-foot}$$

Unit price for sidewalk assessment: \$365 per sidewalk mile

Unit Price for sidewalk shaving: \$33.50



Date: 9/25/20

## **PROPOSAL FOR “NOT TO EXCEED” AGREEMENT BETWEEN THE CITY OF COALINGA & PRECISION CONCRETE CUTTING (PCC)**

### **OVERVIEW**

Uneven sidewalks caused by ground settling and tree roots cause a potential hazard to pedestrians. Displaced sidewalks cause problems for both public and private entities in the form of trip and fall liability exposure.

It is proposed that the City of Coalinga and PCC enter into an agreement whereby PCC will assess and repair sidewalks as identified and requested by City staff. The price for these services shall not exceed the dollar amount and quantity defined in the “Proposal Detail” section below.

### **BACKGROUND INFORMATION ON PRECISION CONCRETE CUTTING**

PCC has been assessing and repairing sidewalks since 1990. The company performs work throughout the United States and with dozens of cities in California.

PCC is the leader in sidewalk asset management. We specialize in assessing sidewalk infrastructure and repairing uneven sidewalks. Our unique saw-cutting method for correcting off-set sidewalk panels leaves behind ADA compliant results for a fraction of the cost of new concrete. Our clients benefit from detailed GIS maps that allow them to create a GIS database to cost effectively manage their sidewalk infrastructure.

### **ASSESSMENT SERVICES**

PCC technicians will walk every panel in the project area and visually assess potential tripping hazards and damage. PCC will provide a GIS compatible report that list each location identified including a photo, exact location, off-set height and square foot amount for replacement locations.

### **PROPRIETARY MOBILE PHONE SOFTWARE**

PCC has developed proprietary mobile software useable across multiple platforms (Android, iPhone, iPad, Smart Phone, etc.)

- Provides GPS Coordinates – Integrates with GIS systems
- Mapping – Provides detailed location data plotted with Google Maps
- Detailed Reporting – Provides specific and detailed data on measurements for every trip hazard
- Addresses – The software gives the address and longitude / latitude of each trip hazard location
- Additional Data - Records other data, e.g. spalling, cracks, replacements or other data you need
- Sidewalk Asset Management – PCC offers complete sidewalk asset management

### **PROPRIETARY AND PATENTED REPAIR METHOD**

To Date, PCC has been awarded 6 patents by the US Patent and Trademark Office on our trip hazard removal equipment and process. The following is each patent description and number where they can be reviewed on the US Patent office web site – [www.uspto.gov](http://www.uspto.gov)





- 6,827,074 - Hub and blade combination patent
- 6,896,604 - Dust hood patent
- 7,000,606 - Cutting apparatus and broadening patent
- 7,143,760 - Method patent
- 7,201,644 - Variations and broadening patent
- 7,402,095 - Extended methods patent

### **SCOPE OF WORK PROPOSAL DETAILS**

**Billing Units:** Services are billed in "Inch Feet". An inch foot is calculated by measuring the average height of the sidewalk off-set and multiplying this average by the length of the cut. Example: A sidewalk off-set on a 4-foot wide sidewalk that consists of a 0.5" rise on one side, and tapers down to a zero rise on the other is calculated as follows:

$$\frac{0.5" + 0"}{2} \times 4\text{ft} = 1 \text{ inch-foot}$$

**Unit price for sidewalk assessment:** \$365 per sidewalk mile

**Unit Price for sidewalk shaving:** \$33.50

### **LIMITATIONS**

PCC removes only those trip hazards specifically requested or approved by customers, and therefore makes no guarantee or representation that areas are free of trip hazards after the work is completed. It is our customers' responsibility to provide proper access and PCC assumes no liability for trip hazards that cannot be repaired due to parked vehicles or other obstacles preventing safe and practical access. In such cases, PCC returns once to attempt completion of repairs that could not be completed the first time. Additionally, it is recognized that after completion of the work, the concrete trip hazards may and frequently do continue to move naturally over time due to roots, water, freezing, pipes, and other natural or man-made causes. PCC is not responsible for movement or changes in the sidewalk and is not liable for any related claims, losses, damages or liabilities thereto pertaining.

Precision Concrete Cutting is committed to providing the highest quality service to our customers. Should you have any questions or comments, please do not hesitate to contact us.

PCC Representative:

Sean Brewer

Ernesto Martinez













**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE  
AUTHORITY**

**Subject:** Discussion regarding Modernization of Veteran's Park  
**Meeting Date:** Thursday, October 15, 2020  
**From:** Marissa Trejo, City Manager  
**Prepared by:** Marissa Trejo, City Manager

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**I. RECOMMENDATION:**

There is no staff recommendation. This was requested as a Future Agenda Item by Councilman Adkisson to allow the Council to discuss modernizing Veteran's Park.

**II. BACKGROUND:**

**III. DISCUSSION:**

**IV. ALTERNATIVES:**

**V. FISCAL IMPACT:**

None at this time. This is only a discussion.

**ATTACHMENTS:**

File Name	Description
No Attachments Available	