



Notice of Regular Meeting
Oceano Community Services District - Board of Directors Agenda
WEDNESDAY, MARCH 27, 2024 – 6:00 P.M.
Oceano Community Services District Board Room
1655 Front Street Oceano, CA

All items on the agenda, including information items, may be deliberated. Any member of the public with an interest in one of these items should review the background material and request information on the possible action that could be taken.

The Oceano Community Services District strongly encourages your active participation in the public process, which is the cornerstone of democracy. All persons desiring to speak during any Public Comment period are asked to fill out a "Board Appearance Form" to submit to the Board Secretary prior to the start of the meeting. If you wish to speak to an item NOT on the agenda, you may do so during the "Public Comment On Matters Not on the Agenda" period. Each individual speaker is limited to a presentation time of THREE (3) minutes per item. The time limits allocated to speakers may change to facilitate the Board meeting better. Time limits may not be yielded to or shared with other speakers.

The purpose of the Board meeting is to conduct the business of the community in an effective and efficient manner. For the benefit of the community, the Oceano Community Services District asks that you follow the Board meeting guidelines while attending Board meetings and treat everyone with respect and dignity. This is done by following meeting guidelines set forth in State law and Board policy. Disruptive conduct is not tolerated, including but not limited to addressing the Board without first being recognized; interrupting speakers, Board members, or staff; continuing to speak after the allotted time has expired; failing to relinquish the podium when directed to do so; and repetitiously addressing the same subject.

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. FLAG SALUTE**
- 4. AGENDA REVIEW**
- 5. CLOSED SESSION REPORT FROM THE SPECIAL MEETING OF MARCH 27, 2024**
- 6. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA**

This public comment period provides an opportunity for members of the public to address the Board on matters of interest within the jurisdiction of the District that are not listed on the agenda. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

7. SPECIAL PRESENTATIONS & REPORTS:

A. STAFF REPORTS:

- i. Sheriff's South Station – Commander Ian Doughty
- ii. FCFA Operations – FCFA Staff
- iii. Operations – Utility System Manager Tony Marraccino
- iv. OCSO Interim General Manager – Paavo Ogren

B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

- i. President Varni (Regional Water Mgt Group, State Water Subcontractors, Airport Land Use)
- ii. Vice President Joyce-Suneson (Parks & Recreation Advisory Committee, Budget & Finance Committee, CA Special District's Association)
 1. Oceano Parks and Recreation Committee meeting minutes for February 13, 2024
- iii. Director Austin (South San Luis Obispo County Sanitation District, Zone 1/1A)
- iv. Director Gibson (Zone 3, Regional Water Quality Control Board)
- v. Director Villa (Water Resource Advisory Committee, Local Agency Formation Commission)

C. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:

This public comment period provides an opportunity for members of the public to address the Board on matters discussed during Special Presentations and Reports. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

8. CONSENT AGENDA ITEMS:

Public comment *Items appearing on the Consent Items are considered routine and may be approved by one motion. Any member of the Board may request to have an item removed from the Consent Items. If an item is pulled, the President has the sole discretion to determine when the item will be heard. Members of the public wishing to speak on Consent items may do so when recognized by the Presiding Officer. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.*

- A. Review and Approve of the Minutes for the Special Meeting held on March 8, 2024
- B. Review and Approve of the Minutes for the Special Meeting held on March 13, 2024
- C. Review and Approve of the Minutes for the Regular Meeting held on March 13, 2024
- D. Review of Cash Disbursements
- E. Annual review of the District's Investment Policy and Consideration of a Recommendation to approve a resolution adopting the District's Investment Policy
- F. Recommendation to Approve the Property, General, Auto, and other Liability Insurance Coverage for 2024 and authorize payment in the amount of \$44,752
- G. Recommendation to Approve a Purchase Order for the replacement of four valves on 21st Street in the amount of \$41,000.

9. BUSINESS ITEMS:

Public comment *Members of the public wishing to speak on business items may do so when recognized by the Presiding Officer. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes on each of the following items.*

- A. Review of the District's Budget Status as of December 31, 2023
- B. Approval of a proposal for \$22,555 for Grant Writing Consultant Services for a WaterSMART Planning and Project Design grant to the Bureau of Reclamation and Water Resources Planning Department.
- C. Discussion of a press release on Central Coast Blue and development of comments in preparation for the upcoming town hall meeting
- D. Review and discuss possible additional projects in Oceano for funding under the "Local Roads Only" County sales tax increase initiative and review received correspondence from SLOCOG and provide direction as deemed appropriate

10. HEARING ITEMS:

Public comment *Members of the public wishing to speak on hearing items may do so when recognized by the Presiding Officer. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes on each of the following items.*

11. RECEIVED WRITTEN COMMUNICATIONS:

12. LATE RECEIVED WRITTEN COMMUNICATIONS:

13. FUTURE AGENDA ITEMS:

14. FUTURE HEARING ITEMS:

15. CLOSED SESSION:

16. ADJOURNMENT:

This agenda was prepared and posted pursuant to Government Code Section 54954.2. The agenda is posted at the Oceano Community Services District, 1655 Front Street, Oceano, CA. Agenda and reports can be accessed and downloaded from the Oceano Community Services District website at www.oceanocsd.org

ASSISTANCE FOR THE DISABLED If you are disabled in any way and need accommodation to participate in the Board meeting, please call the Clerk of the Board at (805) 481-6730 for assistance at least three (3) working days prior to the meeting so necessary arrangements can be made.

GENERAL MANAGER REPORT

OCEANO COMMUNITY SERVICES DISTRICT

Week of March 4-8

- GM recruitment
- OPARC and Ecologistics
- Agenda preparation
- Fire Divestiture

Weeks of March 11-15 & 18-22

- Agenda review with Board members
- Board meeting 3/13/2024
- Fire Divestiture meetings
- Meeting with Rincon and the Coastal Commission regarding CIP projects
- Initial discussion with GSI regarding the Groundwater Management Plan
- OPFAB meeting 3/21/2024
- Agenda preparation for 3/27/2024 meeting
- General Manager Recruitment
- CCB review

Follow Up Information from the 3/13/2024 Meeting:

- The District has two active groundwater wells (Well #6 & #8)
- 2023 the District pumped 45.29 AF
- Well #8 produces 950 GPM and in 2023 produced 45.29 AF
- Well #6 produces 350 GPM and in 2023 produced 0 AF



Oceano Parks and Recreation Committee Meeting

Summary Minutes - Revised

Tuesday, February 13, 2024 – 1:00 P.M.

Oceano Community Services District

1. **Call To Order:** The meeting was called to order by Chair Joyce-Suneson at 1:06 PM.
2. **Roll Call:** The attendees present were Charles Varni, Beverly Joyce-Suneson, Ray Monson, Wanda Monson, Andy Stenson (LMUSD), Jeannie Harper (Habitat for Humanity), Jasmine Carranza-Dexter (Boys & Girls Club), and Nicole Miller (OCSD).
3. **Agenda Review:** Accepted as presented.
4. **Public Comment on Matters Not On the Agenda:** None

Consent Agenda	Discussion/Action:
5A: Review and Approval of Minutes for the Oceano Parks and Recreation Committee Meeting of January 9, 2024	Minutes accepted as presented with a motion from Mr. Varni and a second from Mrs. Monson, and a 4-0 vote. Mr. Stenson abstained – absent at the prior meeting.

Business Items	Discussion/Action:
6A: OPARC/OES Track Fundraiser	<p>Presentation by Mr. Varni and discussion of:</p> <ul style="list-style-type: none"> •Development of a conceptual agreement; roles and responsibilities and Board of Director approval •501(c)(3) creation •Artist rendering of the project – Mr. Stenson will reach out to designers who may provide assistance pro bono •Mr. Stenson will confer with the LMUSD Superintendent to determine if the LMUSD Board needs to agendize this project •Discussion of track size, materials (DG, grass, and concrete), and the possibility of selling bricks or tiles to help raise funds •Future town hall meeting when the project has progressed further (donors, grant opportunities, County funding, local school, and community involvement) •Fundraising kick-off event (Oceano Depot or new Oceano Plaza) •Discussion of other ideas •See attached handout

Business Items	Discussion/Action:
6B: OPARC Foundation	<p>Continued discussion of forming a non-profit 501(c)(3) section to OCSD's parks and recreation program or partnering with another agency with a non-profit status for parks and recreation. OCSD's legal counsel is researching more information.</p> <p>Public Comment: None</p>

Business Items	Discussion/Action:
6C: Safe Route to Beach Project	Continued discussion regarding 900 ft of sidewalk and/or guardrail on HWY 1 to have a complete safe route to the beach. Mr. Varni, Mr. Ogren (OCSD Interim GM) and Caltrans will meet tomorrow to walk the project, Public Comment: None

Business Items	Discussion/Action:
6D: Fieldtrip Grant from State Parks Organization	Mrs. Monson noted that the field trip schedule is nearly complete to include the following: <ul style="list-style-type: none"> • Morro Bay Natural History Museum • Avila Bay Aquarium • Beaver Brigade • La Purisima Mission • Oceano Lagoon • Oso Flaco • Hearst Castle

7. **Items for Next Agenda:** 6A-D (Business Items) will be revisited on the next agenda. The next OPARC meeting will be Tuesday, March 5, 2024, at 1:00 PM.
8. **Adjournment** at 1:57 PM.



Oceano Community Services District

Summary Minutes

Special Meeting Wednesday, March 08, 2024 – 9:00 A.M.

Location: OCSD BOARD ROOM

1. **CALL TO ORDER:** Called to order at approximately 9:00 A.M.
2. **ROLL CALL:** Board members present: Director Austin, Director Gibson, Director Villa, Vice President Joyce-Suneson, and President Varni.
Staff present: Carey Casciola, Business & Accounting Manager, Paavo Ogren, Interim General Manager, and Robert Schultz, Legal Counsel.
3. **FLAG SALUTE:** Led by President Varni.
4. **AGENDA REVIEW:** approved as presented.
5. **PUBLIC COMMENT FOR ITEMS ON THE AGENDA:** None

President Varni adjourned the Board to closed session at 9:00 A.M.

6. CLOSED SESSION:

- a. Conference with Real Property Negotiator (Gov. Code §54956.8) It is the intention of the Board to meet in closed session to have a conference with its Real Property Negotiators concerning the following: Property Descriptions: APN 062-271-023:024; 062-051-021; 022, 062-271-006, 062-271-026, 062-271-001; 003; 027, and 062-261-022; 080. Agency Negotiators: Oceano Community Services District, Paavo Ogren, President Varni, and Director Austin. Parties with whom Negotiating: County of San Luis Obispo. Instructions to County Negotiator: Price, Terms, and Conditions.

No reportable action was taken on item 6A.

7. **ADJOURNMENT:** President Varni adjourned the meeting at 10:20 A.M.



Oceano Community Services District

Summary Minutes

Special Meeting Wednesday, March 13, 2024 – 5:00 P.M.

Location: OCSD BOARD ROOM

1. **CALL TO ORDER:** Called to order at approximately 5:00 P.M.
2. **ROLL CALL:** Board members present: Director Austin, Director Gibson, Director Villa, Vice President Joyce-Sunesson, and President Varni.
Staff present: Carey Casciola, Business & Accounting Manager, Paavo Ogren, Interim General Manager, and Robert Schultz, Legal Counsel.
3. **FLAG SALUTE:** Led by President Varni.
4. **AGENDA REVIEW:** Agenda approved as presented.
5. **PUBLIC COMMENT FOR ITEMS ON THE AGENDA:** None

President Varni adjourned the Board to closed session at 5:02 P.M.

5. **CLOSED SESSION:**

- A. Conference with Real Property Negotiator (Gov. Code §54956.8) It is the intention of the Board to meet in closed session to have a conference with its Real Property Negotiators concerning the following: Property Descriptions: APN 062-271-023:024; 062-051-021; 022, 062-271-006, 062-271-026, 062-271-001; 003; 027, and 062-261-022; 080. Agency Negotiators: Oceano Community Services District, Paavo Ogren, President Varni, and Director Austin. Parties with whom Negotiating: County of San Luis Obispo. Instructions to County Negotiator: Price, Terms, and Conditions.
- B. PUBLIC EMPLOYMENT pursuant to Gov. Code Sec. 54957(b)(1) -- Title: General Manager
- C. PUBLIC EMPLOYMENT pursuant to Gov. Code Sec. 54957(b)(1) -- Title: District Legal Counsel
- D. Pursuant to Government Code 54956.9(a): Conference with legal counsel regarding Santa Maria Valley Water Conservation District v. City of Santa Maria, et al.,

The report out of closed session was done in item 5 of the Regular Board Meeting on March 13, 2024.

6. **ADJOURNMENT:** President Varni adjourned the meeting at 5:50 P.M.



Oceano Community Services District
Summary Minutes
Regular Meeting Wednesday, March 13, 2024 – 6:00 P.M.
Location: OCSD BOARD ROOM

1. **CALL TO ORDER:** Called at approximately 6:00 p.m. by President Varni

2. **ROLL CALL:**

Board members present: President Varni, Vice President Joyce-Suneson, and Director Gibson.

Board members absent: Director Villa and Director Austin

Staff present: Paavo Ogren, Interim General Manager, Carey Casciola, Business & Accounting Manager; and Robert Schultz, Legal Counsel

3. **FLAG SALUTE:** Led by President Varni

5. **CLOSED SESSION REPORT FROM THE SPECIAL MEETING OF MARCH 13, 2024:**

Reported on the March 5th and 8th Special Meetings where the Board met on:

- A. Conference with Real Property Negotiator (Gov. Code §54956.8) It is the intention of the Board to meet in closed session to have a conference with its Real Property Negotiators concerning the following: Property Descriptions: APN 062-271-023:024; 062-051-021; 022, 062-271-006, 062-271-026, 062-271-001; 003; 027, and 062-261-022; 080. Agency Negotiators: Oceano Community Services District, Paavo Ogren, President Varni, and Director Austin. Parties with whom Negotiating: County of San Luis Obispo. Instructions to County Negotiator: Price, Terms, and Conditions.

No reportable action was taken on items 5A.

Reported on the March 13th Special Meeting where the Board met on:

- A. Conference with Real Property Negotiator (Gov. Code §54956.8) It is the intention of the Board to meet in closed session to have a conference with its Real Property Negotiators concerning the following: Property Descriptions: APN 062-271-023:024; 062-051-021; 022, 062-271-006, 062-271-026, 062-271-001; 003; 027, and 062-261-022; 080. Agency Negotiators: Oceano Community Services District, Paavo Ogren, President Varni, and Director Austin. Parties with whom Negotiating: County of San Luis Obispo. Instructions to County Negotiator: Price, Terms, and Conditions.
- B. PUBLIC EMPLOYMENT pursuant to Gov. Code Sec. 54957(b)(1) -- Title: General Manager
- C. PUBLIC EMPLOYMENT pursuant to Gov. Code Sec. 54957(b)(1) -- Title: District Legal Counsel
- D. Pursuant to Government Code 54956.9(a): Conference with legal counsel regarding Santa Maria Valley Water Conservation District v. City of Santa Maria, et al.,

No reportable action was taken on agenda items 6 A-D.

4. **AGENDA REVIEW:** Item 8D: updated the date on utility payments to 3/7/2024.

6. **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA:**

Pamela Storton	Asked a question regarding the OCSD logo on the CCB website and provided comments regarding SB1000.
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7A. SPECIAL PRESENTATIONS & REPORTS	ACTION:
PRESENTATION by SLOCOG on the Oceano Pedestrian and Bicycle Safety Action Plan and the Local Roads First Transportation Tax Initiative	<p>After SLOCOG's presentations by Stephen Hanamaikai and Annie Bowsky, an opportunity for public comment, and Board and staff discussion, the item was received and filed.</p> <p>Public Comment: Victor Early – Asked if stormwater was considered in the plan. Mark Macquire – Asked if Strand Ave would be included in the plan and how the tourist pay the tax. Debra Early – Asked how the South County allocation was determined. Pamela Storton – Asked that all speakers come to the podium. Wanda Monson – In support of SLOCOG.</p>

B. STAFF REPORTS:

- i. **Sheriff's South Station** – Commander Ian Doughty
February 2024 Stats:
313 Calls for service (338 prior year)
1 battery / 24 disturbances / 1 residential burglary / 1 vehicular burglary / 3 petty theft / 3 vandalism / 32 assist other agencies / 7 suspicious subjects / 3 suspicious vehicles / 1 Narcan use / 15 arrests. The Community Action Team Deputy is available out of the South Station to assist in the area.
- ii. **Five Cities Fire Authority** – FCFA Staff – Absent
- iii. **Operations** - Utility Systems Manager - Tony Marraccino
Lopez is 100.4% full (49,572 AF) / The District is currently taking State water / 0 Lopez water / 0 SSO's for Feb
Continued with weekly and monthly samples / Completed first-of-the-month equipment runs
12 work orders / 9 USAs / 7 customer service calls / 3 after- hours call outs
Paving completed at 2300 Cienaga – issues stemmed from weather and hot mix availability
Replaced the second valve on tank 1
Recycled scrap metal
Started on the service line material inventory project for lead and copper
Dukes Root Control foamed 2,500 feet of line on Tierra Nueva
New service line installed on the 2400 block of Ocean for a new ADU
- iv. **OCS D Interim General Manager** – Paavo Ogren
Focused on fire and emergency services divestiture, NCMA, and CIP.

A. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

- i. **President Varni** (Regional Water Mgt Group, State Water Subcontractors, Airport Land Use) – None
- ii. **Vice President Joyce-Suneson** (Parks & Recreation Advisory Committee, Budget & Finance Committee, CA Special District's Association) – Reported on the OPARC meeting on 3/5/2024.
- iii. **Director Austin** (South San Luis Obispo County Sanitation District, Zone 1/1A) – Absent

- iv. **Director Gibson** (Zone 3, Regional Water Quality Control Board) – Reported on the 3/12/2024 meeting with representatives from Zone 3 Water Committee and State Water Sub Contractors meeting.
- v. **Director Villa** (Water Resource Advisory Committee, Local Agency Formation Commission) – Absent

D. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:

Julie Tacker	Asked a question regarding groundwater pumping.
April Dury	Asked about the status of the Finance Committee.
Debra Early	Asked to agendize an NCMA update.

8. CONSENT AGENDA:	ACTION:
a) Review and Approve of the Minutes for the Special Meeting held on February 28, 2024	After an opportunity for public comment and Board and staff discussion, a motion was made by Director Gibson to approve the consent agenda with a second from Vice President Joyce-Suneson with a 3-0 roll call vote. Absent: Director Villa and Director Austin Public Comment: None
b) Review and Approve of the Minutes for the Regular Meeting held on February 28, 2024	
c) Review and Approve of the Minutes for the Special Meeting held on March 5, 2024	
d) Review of Cash Disbursements	

9A. BUSINESS ITEMS:	ACTION:
Consideration of recommendations for Capital Improvement Projects to approve two proposals for environmental support on water system improvements in the combined amount of \$16,400 and to approve proceeding with preparation and advertisement of a request for proposal on wastewater collection system improvements	Item 9A(3): After an opportunity for public comment and board and staff discussion, Director Gibson made a motion to approve proceeding with the preparation and advertisement of a request for proposal on wastewater collection system improvements, with a second from Vice President Joyce-Suneson with a 3-0 roll call vote. Absent: Director Villa and Director Austin Item 9A(1-2): After an opportunity for public comment and board and staff discussion, Director Gibson made a motion to approve staff recommendations for items 1 and 2 in Agenda Item 9A as presented, with a second from President Varni with a 3-0 roll call vote. Absent: Director Villa and Director Austin Public Comment: Victor Early – In opposition to the Cleath-Harris strategy. Mark McGuire – Provided comments on groundwater and change orders. Julie Tacker – In opposition of hiring Cleath-Harris, on consolidated permits and dewatering.

9B. BUSINESS ITEMS:	ACTION:
Discussion and direction on holding a town hall meeting regarding Central Coast Blue	After an opportunity for public comment, Board and staff discussion, President Varni approved the solicitation of questions for the townhall meeting and the formation of an Ad Hoc Committee.

	<p>Public Comment:</p> <p>Debra Early – In opposition to the CCB project; in support of an Ad Hoc committee</p> <p>Victor Early – In opposition to the CCB project</p> <p>Julie Tacker – In support of a joint meeting, in opposition to the CCB project, in support of an Ad Hoc committee</p> <p>April Dury – In opposition to the CCB project; in support of an Ad Hoc committee</p> <p>Pamela Storton – In opposition to the CCB project</p>
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- 10. **HEARING ITEMS:** None
- 11. **RECEIVED WRITTEN COMMUNICATION:** None
- 12. **LATE RECEIVED WRITTEN COMMUNICATIONS:** None
- 13. **FUTURE AGENDA ITEMS:** Lead and Copper Inventory and community outreach; Town hall meeting update
FUTURE HEARING ITEMS: None
- 14. **CLOSED SESSION:** None
- 16. **ADJOURNMENT:** President Varni adjourned the meeting at 8:20 pm.



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

PHONE(805) 481-6730 FAX (805) 481-6836

Date: March 27, 2024

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #8(D): Recommendation to Review Cash Disbursements**

Recommendation

It is recommended that your board review the attached cash disbursements:

Discussion

The following is a summary of the attached cash disbursements:

Description	Check Sequence	Amounts
Disbursements:	60777 - 60806	
Regular Payable Register - paid 03/21/2024	60783 - 60806	\$ 82,771.31
Subtotal:		\$ 82,771.31
Reoccurring Payments for Board Review (authorized by Resolution 2020-06):		
Payroll Disbursements - PPE 03/09/2024	N/A	\$ 30,667.84
Five Star Bank Mastercard Online Payment - paid 03/15/2024	N/A	\$ 214.76
Reoccurring Utility Disbursements - paid 03/11/2024	60777 - 60779	\$ 1,618.66
Reoccurring Utility Disbursements - paid 03/21/2024	60780 - 60781	\$ 5,362.00
Reoccurring Health Disbursements - paid 03/21/2024	60782	\$ 56.21
Subtotal:		\$ 37,919.47
Grand Total:		\$ 120,690.78

Other Agency Involvement

N/A

Other Financial Considerations

Amounts are within the authorized Fund level budgets.

Results

The Board's review of cash disbursements is an integral component of the District's system of internal controls and promotes a well governed community.

COMPANY: 99 - POOLED CASH FUND
ACCOUNT: 1-1001-000 POOLED CASH OPERATING
TYPE: All
STATUS: All
FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
CLEAR DATE: 0/00/0000 THRU 99/99/9999
STATEMENT: 0/00/0000 THRU 99/99/9999
VOIDED DATE: 0/00/0000 THRU 99/99/9999
AMOUNT: 0.00 THRU 999,999,999.99
CHECK NUMBER: 060783 THRU 060806

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:	-----							
1-1001-000	3/21/2024	CHECK	060783	ADVANTAGE TECHNICAL SERVICES,	6,125.00CR	OUTSTND	A	0/00/0000 02 5-4400-437 CIP - WATER TANK REHAB P
1-1001-000	3/21/2024	CHECK	060784	ARAMARK	208.88CR	OUTSTND	A	0/00/0000 01 5-4100-100 CLOTHING
1-1001-000	3/21/2024	CHECK	060785	ARROYO GRANDE CHEVROLET	852.77CR	OUTSTND	A	0/00/0000 12 5-4350-171 MAINTENANCE: VEHICLES
1-1001-000	3/21/2024	CHECK	060786	BURKE AND PACE OF ARROYO GRAND	27.48CR	OUTSTND	A	0/00/0000 02 5-4400-437 CIP - WATER TANK REHAB P
1-1001-000	3/21/2024	CHECK	060787	CALPORTLAND CONSTRUCTION	186.95CR	OUTSTND	A	0/00/0000 02 5-4400-164 Paving
1-1001-000	3/21/2024	CHECK	060788	CANNON	25,538.40CR	OUTSTND	A	0/00/0000 02 5-4400-361 CIP - PROP1: STORMWATER
1-1001-000	3/21/2024	CHECK	060789	CROSNO CONSTRUCTION, INC	17,100.00CR	OUTSTND	A	0/00/0000 02 5-4400-437 CIP - WATER TANK REHAB P
1-1001-000	3/21/2024	CHECK	060790	DUKES ROOT CONTROL INC.	4,568.76CR	OUTSTND	A	0/00/0000 03 5-4500-163 MAINT: SEWER STRUCTURES/
1-1001-000	3/21/2024	CHECK	060791	FAMCON PIPE & SUPPLY, INC.	398.03CR	OUTSTND	A	0/00/0000 02 5-4400-175 SYSTEM PARTS/OPERATING S
1-1001-000	3/21/2024	CHECK	060792	GOULD WELDING, INC.	825.00CR	OUTSTND	A	0/00/0000 03 5-4500-170 MAINTENANCE: EQUIPMENT
1-1001-000	3/21/2024	CHECK	060793	GROUNDWATER SOLUTIONS INC, DBA	5,265.26CR	OUTSTND	A	0/00/0000 02 5-4400-380 NCMA TEC
1-1001-000	3/21/2024	CHECK	060794	ICONIX WATERWORKS (US) INC.	9,115.44CR	OUTSTND	A	0/00/0000 02 5-4400-320 FIXED ASSETS: EQUIPMENT 8,667.20 02 5-4400-175 SYSTEM PARTS/OPERATING S 320.54 03 5-4500-175 SYSTEM PARTS/OPERATING S 127.70
1-1001-000	3/21/2024	CHECK	060795	J.B. DEWAR, INC.	331.40CR	OUTSTND	A	0/00/0000 12 5-4350-172 FUEL
1-1001-000	3/21/2024	CHECK	060796	LUCIA MAR UNIFIED SCHOOL DISTR	531.75CR	OUTSTND	A	0/00/0000 01 5-4850-302 GRANT EXPENSES
1-1001-000	3/21/2024	CHECK	060797	MINER'S ACE HARDWARE, INC.	120.60CR	OUTSTND	A	0/00/0000 *SEE DETAILS BELOW
1-1001-000	3/21/2024	CHECK	060798	OPTIMIZED INVESTMENT PARTNERS	460.83CR	OUTSTND	A	0/00/0000 01 5-4100-220 PROFESSIONAL SERVICES
1-1001-000	3/21/2024	CHECK	060799	PRO-TECH LANDSCAPE MANAGEMENT,	410.00CR	OUTSTND	A	0/00/0000 01 5-4100-173 MAINT:STRUCTURES/IMPROVE 205.00 10 5-4300-173 SO: MAINT. STRUCTURES/IM 205.00
1-1001-000	3/21/2024	CHECK	060800	RINCON CONSULTANTS, INC.	1,863.25CR	OUTSTND	A	0/00/0000 02 5-4400-220 PROFESSIONAL/SPECIAL SER
1-1001-000	3/21/2024	CHECK	060801	SAFETY NOW SOLUTIONS LLC	450.00CR	OUTSTND	A	0/00/0000 06 5-4900-110 COMMUNICATIONS
1-1001-000	3/21/2024	CHECK	060802	ROBERT SHAVER, DBA SHAVER SECU	6,250.00CR	OUTSTND	A	0/00/0000 10 5-4300-320 FIXED ASSETS
1-1001-000	3/21/2024	CHECK	060803	STATEWIDE TRAFFIC SAFETY & SIG	522.53CR	OUTSTND	A	0/00/0000 02 5-4400-177 SAFETY EXPENSE 261.27 03 5-4500-177 SAFETY EXPENSE 261.26
1-1001-000	3/21/2024	CHECK	060804	SWAN ANALYTICAL USA INC	437.53CR	OUTSTND	A	0/00/0000 02 5-4400-175 SYSTEM PARTS/OPERATING S

*MINER'S ACE HARDWARE, INC. \$120.60
02 5-4400-175 SYSTEM PARTS/OPERATING S 11.19
03 5-4500-175 SYSTEM PARTS/OPERATING S 11.18
02 5-4400-320 FIXED ASSETS: EQUIPMENT 82.75
06 5-4900-175 OPERATING SUPPLIES 15.48

COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 060783 THRU 060806

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:								
1-1001-000	3/21/2024	CHECK	060805	HD SUPPLY, INC. DBA USABLUEBOO	256.45CR	OUTSTND	A	0/00/0000 02 5-4400-320 FIXED ASSETS: EQUIPMENT
1-1001-000	3/21/2024	CHECK	060806	ASBURY ENVIRONMENTAL SERVICES	925.00CR	OUTSTND	A	0/00/0000 10 5-4300-320 FIXED ASSETS
TOTALS FOR ACCOUNT 1-1001-0				CHECK TOTAL:	82,771.31CR			
				DEPOSIT TOTAL:	0.00			
				INTEREST TOTAL:	0.00			
				MISCELLANEOUS TOTAL:	0.00			
				SERVICE CHARGE TOTAL:	0.00			
				EFT TOTAL:	0.00			
				BANK-DRAFT TOTAL:	0.00			
TOTALS FOR POOLED CASH FUND				CHECK TOTAL:	82,771.31CR			
				DEPOSIT TOTAL:	0.00			
				INTEREST TOTAL:	0.00			
				MISCELLANEOUS TOTAL:	0.00			
				SERVICE CHARGE TOTAL:	0.00			
				EFT TOTAL:	0.00			
				BANK-DRAFT TOTAL:	0.00			

Payroll Summary Report
Board of Directors - Agenda Date March 27, 2024

	(*)	
<u>Gross Wages</u>	2/24/2024	3/9/2024
Regular	\$26,214.58	\$26,956.78
Overtime Wages	\$772.19	\$637.30
Stand By	\$840.00	\$600.00
Total Wages	<u>\$27,826.77</u>	<u>\$28,194.08</u>

<u>Disbursements</u>		
Net Wages	\$21,184.26	\$21,111.22
State and Federal Agencies	\$5,670.04	\$5,968.94
CalPERS - Normal	\$3,430.95	\$3,430.95
SEIU - Union Fees	\$156.73	\$156.73
Total Disbursements processed with Payroll	<u>\$30,441.98</u>	<u>\$30,667.84</u>
Health (Disbursed with reoccurring bills)	\$0.00	\$5,908.71
Total District Payroll Related Costs	<u>\$30,441.98</u>	<u>\$36,576.55</u>

(*) Previously reported in prior Board Meeting packet - provided for comparison.

Oceano Community Services District
Five Star Bank Mastercard

A/P Mastercard Credit Card Disbursement

Date	Name	Amount	Description	GL Account #
02/17/2024	INTUIT *QBOOKS ONLINE CL.INTUIT.COMCA	\$60.00	PERMITS, FEES LICENSES	01-5-4100-248
02/16/2024	BLANKS/USA 18003287311 MN	\$47.17	OFFICE EXPENSE	01-5-4100-200
02/06/2024	MSFT * E0500QWEA7 MSBILL.INFO WA	\$60.00	PERMITS, FEES LICENSES	01-5-4100-248
02/02/2024	ZOOM.US 888-799-9666 SAN JOSE CA	\$47.59	OFFICE EXPENSE	01-5-4100-200

Total ACH - 03/15/2024 \$214.76

03/27/2024 Board Meeting - Five Star Bank Mastercard Online Payment - paid 03/15/2024	\$214.76
--	-----------------

COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 060777 THRU 060779

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:								
1-1001-000	3/11/2024	CHECK	060777	AGP VIDEO INC.	1,170.00CR	OUTSTND	A	0/00/0000 01 5-4100-220 PROFESSIONAL SERVICES
1-1001-000	3/11/2024	CHECK	060778	DIGITAL WEST NETWORKS, INC.	429.26CR	OUTSTND	A	0/00/0000 01 5-4100-110 COMMUNICATIONS
1-1001-000	3/11/2024	CHECK	060779	SO CAL GAS	19.40CR	OUTSTND	A	0/00/0000 01 5-4100-290 UTILITIES
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	1,618.66CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	1,618.66CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		

COMPANY: 99 - POOLED CASH FUND
ACCOUNT: 1-1001-000 POOLED CASH OPERATING
TYPE: All
STATUS: All
FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
CLEAR DATE: 0/00/0000 THRU 99/99/9999
STATEMENT: 0/00/0000 THRU 99/99/9999
VOIDED DATE: 0/00/0000 THRU 99/99/9999
AMOUNT: 0.00 THRU 999,999,999.99
CHECK NUMBER: 060780 THRU 060781

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:								
1-1001-000	3/21/2024	CHECK	060780	DE LAGE LANDEN FINANCIAL SERVI	224.11CR	OUTSTND	A	0/00/0000 01 5-4100-220 PROFESSIONAL SERVICES
1-1001-000	3/21/2024	CHECK	060781	PACIFIC GAS & ELECTRIC	5,137.89CR	OUTSTND	A	0/00/0000 PACIFIC GAS & ELECTRIC 5,137.89
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	5,362.00CR		01 5-4195-295 STREET LIGHTING 3,057.68
				DEPOSIT	TOTAL:	0.00		02 5-4400-290 UTILITIES 1,048.97
				INTEREST	TOTAL:	0.00		03 5-4500-290 UTILITIES 114.93
				MISCELLANEOUS	TOTAL:	0.00		01 5-4100-290 UTILITIES 92.47
				SERVICE CHARGE	TOTAL:	0.00		01 5-4200-290 UTILITIES 10.51
				EFT	TOTAL:	0.00		01 5-4200-290 UTILITIES 129.33
				BANK-DRAFT	TOTAL:	0.00		01 5-4100-290 UTILITIES 517.33
								01 5-4100-200 OFFICE EXPENSE 166.67
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	5,362.00CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		

COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 060782 THRU 060782

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK: -----								
1-1001-000	3/21/2024	CHECK	060782	TASC -CLIENT INVOICES	56.21CR	OUTSTND	A	0/00/0000 01 5-4100-090 INS: GROUP HEALTH/LIFE
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	56.21CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	56.21CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: March 27, 2024

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item 8(E): Annual review of the District's Investment Policy and Consideration of a Recommendation to approve a resolution adopting the District's Investment Policy**

Recommendation

It is recommended that the Board consider and approve the attached resolution adopting the District's Investment Policy.

Discussion

California Government Code Section 53646(A)(2) requires local government entities to adopt an annual investment policy. While it is not required by statute, it is in the best interest of the District to discuss the policy with the Board of Directors and have the policy approved and adopted. A public vote signifies that the Board of Directors has a fiduciary responsibility in establishing the investment policy which provides for transparency and disclosure. We believe that the annual review and adoption is a financially sound organizational practice that should be maintained even if there is no change to the policy. In January 2023, Resolution 2023-04 was adopted by the Board, establishing the new Investment Policy and an agreement with Optimized Investment Partners (OIP) for investment advisory services. During the first half of Fiscal Year 2023-24, OIP successfully recommended investments that were compliant with the District's investment policy and earned the District a total of \$51,506 in interest.

This year, OIP has provided one amendment to Section 17 of the investment policy regarding quarterly reports. A new statute changed the due date for quarterly reports from 30 days to 45 days. The amendment is provided in Attachment B.

Other Agency Involvement

The County of San Luis Obispo collects property tax revenues and is the depository of District funds.

Other Financial Considerations

By adopting an updated investment policy that meets industry best practices while maintaining a conservative list of authorized investments.



Oceano Community Services District

Board of Directors Meeting

Results

Reviewing the existing investment policy in accordance with the Government Code and considering the attached resolution promotes a well-governed community.

Attachments:

- Attachment A – Draft Resolution
- Attachment B - Investment Policy - Redlined

**OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2024-_____**

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OCEANO COMMUNITY SERVICES DISTRICT ADOPTING THE INVESTMENT POLICY

WHEREAS, the Board of Directors of the Oceano Community Services District ("District") has a fiduciary responsibility to assure that public funds are invested in financial instruments and institutions in accordance with State and Federal law and District guidelines; and,

WHEREAS, District funds will be available from time to time that would be beneficial to invest in financial instruments in accordance with the Investment Policy (Exhibit A) and deposited in interest bearing accounts, in banks or financial institutions; and,

WHEREAS, the Board of Directors finds that it is impractical to expect that the District will hire and provide continuous training to the District Finance Officer/Treasurer to meet the "Prudent Investor Standard" requirements established in Government Code Section 53600.3, and that the District Board of Directors shall authorize investments in accordance with the provisions of the District's current Investment Policy with and the California Government Code.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Oceano Community Services District that the District Finance Officer/Treasurer is hereby authorized to deposit for safe keeping all money belonging to, or in the custody of, the District pursuant to Exhibit A, the District's Investment Policy; and,

BE IT FURTHER RESOLVED that the District hereby adopts a Statement of Investment Policy attached here to as Exhibit A, Investment Policy, which supersedes any previously adopted or utilized policies and that this Policy be effective immediately.

On motion by _____,
seconded by _____, and carried on the
following roll call vote, to wit:

AYES:

NAYES:

ABSENT:

ABSTAIN:

The foregoing Resolution is hereby passed and adopted this _____ day of March 2024.

ATTEST:

President, Board of Directors
of the Oceano Community Services District

Board Secretary of the
Oceano Community Services District

OCEANO COMMUNITY SERVICES DISTRICT

INVESTMENT POLICY

(Last Revised 1/25/23)



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1. Policy

The Oceano Community Services District shall invest public funds in such a manner as to comply with state and local laws; ensure prudent money management; provide for daily cash flow requirements; and meet the objectives of the Policy, in priority order of Safety, Liquidity and Return on investment. In accordance with the Municipal Code of the Oceano Community Services District and under authority granted by the Board of Directors, the District General Manager is responsible for investing the unexpended cash in the District Treasury.

2. Scope

The investment policy applies to all investment activities and financial assets of the Oceano Community Services District as accounted for in the Annual Comprehensive Financial Report (ACFR). This policy is applicable, but not limited to, all funds listed below:

- General Fund
- Capital Funds
- Other Special Revenue Funds, Debt Service Funds, Internal Service Funds
- Any new fund created by the Board of Directors unless specifically exempted.

3. Prudence

The standard of prudence to be used by the designated representative shall be the “prudent investor” standard and shall be applied in the context of managing the overall portfolio. Persons authorized to make investment decisions on behalf of local agencies investing public funds are trustees and therefore fiduciaries subject to the prudent investor standard which states, “When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency”.

The District General Manager and other individuals assigned to manage the investment portfolio, acting within the intent and scope of the investment policy and other written procedures and exercising due diligence, shall be relieved of personal responsibility and liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

4. Objectives

The District’s primary investment objectives, in order of priority, shall be:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation



of capital in the overall portfolio. The District shall seek to preserve principal by mitigating the two types of risk: credit risk and market risk.

- a. Credit risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in issuers that carry the direct or implied backing of the U.S. Government (including, but not limited to, the U.S. Treasury, U.S. Government Agencies, and federally insured banks). The portfolio will be diversified so that the failure of any one issuer does not unduly harm the District's capital base and cash flow.
 - b. Market risk, (aka "interest rate risk") defined as market value fluctuations due to overall changes in the general level of interest rates shall be mitigated by limiting the maximum maturity of any one security to five years, structuring the portfolio based on historic and current cash flow analysis eliminating the need to sell securities prior to maturity and avoiding the purchase of long-term securities for the sole purpose of short-term speculation. Moreover, it is the District's full intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal dollars. Limited exceptions will be granted for security swaps that would improve the portfolio's yield and/or credit quality.
2. Liquidity: The District's investment portfolio will remain sufficiently liquid to enable the Oceano Community Services District to meet all operating requirements which might be reasonably anticipated.
 3. Return on Investments: The District's investment portfolio shall have the objective of attaining a comparative performance measurement or an acceptable rate of return throughout budgetary and economic cycles. These measurements should be commensurate with the District's investment risk constraints identified in this Investment Policy and the cash flow characteristics of the portfolio.

5. Delegation of Authority

The Municipal Code of the Oceano Community Services District and the authority granted by Board of Directors assign the responsibility of investing unexpended cash to the District's General Manager. Daily management responsibility of the investment program may be delegated to the Business and Accounting Manager, who shall establish procedures for the operation consistent with this investment policy.

6. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that conflicts with proper execution of the investment program or impairs their ability to make impartial investment decisions. Additionally, the General Manager and the Business and Accounting Manager are required to annually file applicable



financial disclosures as required by the Fair Political Practices Commission (FPPC). Furthermore, Investment officials must refrain from undertaking personal investment transactions with the same individual(s) employed by the financial institution with whom business is conducted on behalf of the District.

7. Authorized Dealers and Institutions

The General Manager will maintain a list of approved financial institutions authorized to provide investment services to the public agency in the State of California. These may include “primary” dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule). Best practices include the following: 1) A determination that all approved broker/dealer firms, and individuals covering the public agency, are reputable and trustworthy; 2) the broker/dealer firms should have the ability to meet all their financial obligations in dealing with the Public Agency; 3) the firms, and individuals covering the agency, should be knowledgeable and experienced in Public Agency investing and the investment products involved; 4) no public deposit shall be made except in a qualified public depository as established by the established state laws; 4) all financial institutions and broker/dealers who desire to conduct investment transactions with the public agency may supply the General Manager with audited financial statements, proof of FINRA certification, trading resolution, proof of State of California registration, a completed broker/dealer questionnaire, certification of having read the Public Agency’s investment policy and depository contracts.

The General Manager may conduct an annual review of the financial condition and registrations of qualified dealers & institutions.

8. Authorized and Suitable Investments

Investment of District funds is governed by the California Government Code Sections 53600 et seq. Within the context of the limitations, the following investments are authorized, as further limited herein:

1. United States Treasury Bills, Bonds, and Notes or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no percentage limitation of the portfolio that can be invested in this category, although a five-year maturity limitation is applicable.
2. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
3. Local Agency Investment Fund (LAIF), which is a State of California managed investment pool, and Los Angeles County Investment pool, may be used up to the maximum permitted by California State Law. A review of the pool/fund is required when part of the list of authorized investments, with the knowledge that the



pool/fund may include some investments allowed by statute but not explicitly identified in this investment policy.

Additionally, shares of beneficial interest issued by a joint powers authority organized pursuant to CA Code (Section 6509.7) that invests in the securities and obligations in compliance with CA Code 53601 (subsection 'a' to 'r', inclusive) are also authorized. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

- The adviser is registered or exempt from registration with the Securities and Exchange Commission.
 - The adviser has not less than five years of experience investing in the securities and obligations authorized in CA Code (subsection 'a' to 'r', inclusive).
 - The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).
4. Negotiable Certificates of Deposit issued by nationally or state-chartered banks (FDIC insured institutions) or state or federal savings institutions. Purchases of negotiable certificates of deposit may not exceed 30% of total portfolio. Principal and accrued interest on these investments must not exceed the \$250,000 FDIC insurance limit. A maturity limitation of five years is applicable.
 5. Time deposits or placement service deposits, non-negotiable and collateralized in accordance with the California Government Code, may be purchased through banks or savings and loan associations. Since time deposits are not liquid, no more than 50% of the investment portfolio may be invested in this investment type. A maturity limitation of five years is applicable. Effective January 1, 2020, no more than 50 percent of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(i)). On January 1, 2026, the maximum percentage of the portfolio reverts back to 30 percent. Investments made pursuant to 53635.8 remain subject to a maximum of 30 percent of the portfolio.
 6. Various daily money market funds administered for or by trustees, paying agents and custodian banks contracted by the Oceano Community Services District may be purchased as allowed under the State of California Government Code. Only funds holding U.S. Treasury or Government agency obligations can be used.



The following summary of maximum percentage limits, by instrument, are established for the District’s investment portfolio:

Authorized Investment Type	Government Code	Maximum Maturity	Minimum Credit Quality	Maximum in Portfolio	Maximum Investment in One Issuer
Treasury Obligations (bills, notes, & bonds)	53601(b)	5 Years	N/A	100%	N/A
US Government Agency and Federal Agency Securities	53601(f)	5 Years	N/A	100%	N/A
Local Agency Investment Fund (LAIF)	16429.1	Upon Demand	N/A	As permitted by LAIF (currently \$65 million per account)	N/A
San Luis Obispo County Investment Pool	53684	Upon Demand	N/A	As permitted by County Treasurer (currently no limit)	N/A
Joint Powers Authority Pool	53601(p)	N/A	See § 8.3 (above)	None	N/A
Negotiable Certificates of Deposit	53601(i)	5 Years	N/A	30%	N/A
Placement Service Deposits – Deposits or	53601.8 and 53635.8	5 Years	N/A	50%	N/A

9. Review of Investment Portfolio

The securities held by the Oceano Community Services District must be in compliance with Section 8.0 “Authorized and Suitable Investments” at the time of purchase. The General Manager should review the portfolio (at least annually) to identify those securities that do not comply.

The General Manager should establish procedures to report any major and critical incidences of noncompliance identified through the review of the portfolio.

10. Investment Pools / Money Market Funds

A thorough investigation of the investment pool/money market fund is required prior to investing, and on a continual basis. Best efforts will be made to acquire the following information:

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.



3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
5. A schedule for receiving statements and portfolio listings.
6. Are reserves, retained earnings, etc. utilized by the pool/fund?
7. A fee schedule, and when and how is it assessed.
8. Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

11. Collateralization

Collateralization will be required on two types of investments: non-negotiable certificates of deposit and repurchase (and reverse repurchase) agreements. To anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value for non-negotiable certificate of deposit and 102% for reverse repurchase agreements of principal and accrued interest.

Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained.

The District may waive the collateralization requirements for any portion of the deposit that is covered by Federal Deposit Insurance.

12. Safekeeping and Custody

All security transactions shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third-party custodian designated by the Treasurer and evidenced by safekeeping receipts.

13. Diversification

The District shall diversify the investments within the portfolio to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions, or maturities. To promote diversification, no more than 5% of the portfolio may be invested in the securities of any one issuer, regardless of security type, excluding U.S. Treasuries, federal agencies, and pooled investments such as LAIF, money market funds, or local government investment pools.

14. Maximum Maturities

To the extent possible, the Oceano Community Services District will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the District will not directly invest in securities maturing more than 5 years from the



date of purchase. Any investment longer than 5 years must be done with advance permission from Board of Directors.

15. Internal Controls

The General Manager is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Oceano Community Services District are protected from loss, theft, fraud or misuse.

Separation of functions between the District's General Manager or Business and Accounting Manager is designed to provide an ongoing internal review to prevent the potential for converting assets or concealing transactions.

Investment decisions are made by the General Manager, executed by the General Manager or Assistant General Manager, and confirmed by the Senior Business and Accounting Manager. All wire transfers initiated by the Business and Accounting Manager must be reconfirmed by the appropriate financial institution to the General Manager. Proper documentation obtained from confirmation and cash disbursement wire transfers is required for each investment transaction. Timely bank reconciliation is conducted to ensure proper handling of all transactions.

The investment portfolio and all related transactions are reviewed and balanced to appropriate general ledger accounts by the Senior Business and Accounting Manager on a monthly basis. An independent analysis by an external auditor shall be conducted annually to review and perform procedure testing on the District's cash and investments that have a material impact on the financial statements. The General Manager shall review and assure compliance with investment process and procedures.

16. Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The District intends to spread its investments relatively evenly between 0 and 5 years and hold those investments to maturity. The District is limiting its authorized investments to the safest end of the investment spectrum—debt issued by the U.S. Treasury, U.S. Government Agencies, and debt that is federally insured (see section 8.0 Authorized and Suitable Investments, above, for a complete list of authorized investments).

Therefore, an appropriate performance benchmark will be a Constant Treasury Maturity Rate consistent with the weighted average maturity of the portfolio. The District recognizes that benchmarks may change over time based on changes in market conditions or cash flow requirements.



17. Reporting

The District General Manager shall review and render quarterly reports to the Board of Directors that include the following information:

- Investment type (e.g. U.S. Treasury Note, U.S. Government Agency Bond)
- Name of the issuer (e.g. Federal Farm Credit Bank, Federal Home Loan Bank)
- Maturity date
- Yield to maturity
- Current market value and source of market value
- Par and dollar amount for each security the District has invested in
- Par and dollar amount on any money held by the District (e.g. LAIF balance, Cash Balance).

The report shall also include a description of any of the District's funds, investments, or programs that are under the management of contracted parties, including lending programs.

The quarterly report shall state compliance of the portfolio to the investment policy, or manner in which the portfolio is not in compliance.

The quarterly report shall include a statement denoting the ability of the District to meet its expenditure requirements for the next six months or provide an explanation as to why sufficient money shall (or may not) be available.

The quarterly reports shall be placed on the Board of Directors meeting agenda for its review and approval no later than ~~4530~~ days after the quarter ends. If there are no ~~Council Board~~ meetings within the ~~4530~~-day period, the quarterly report shall be presented to the ~~Council Board~~ at the soonest possible meeting thereafter.

18. Investment Policy Adoption

The Oceano Community Services District investment policy shall be adopted by resolution of the Board of Directors. The policy shall be reviewed annually by the Board of Directors and any modifications made thereto must be approved by the Board of Directors.

The General Manager shall establish written investment policy procedures for the operation of the investment program consistent with this policy. The procedures should include reference to: safekeeping, master repurchase agreements, wire transfer agreements, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Oceano Community Services District.



19. Glossary of Terms in this Policy

Accrued Interest: Interest earned but not yet received.

Annual Comprehensive Financial Report (ACFR): The official annual financial report for the District. It includes five combined statements and basic financial statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principles (GAAP).

Bond: A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

Bond Swap: Selling one bond issue and buying another at the same time in order to create an advantage for the investor. Some benefits of swapping may include tax-deductible losses, increased yields, and an improved quality portfolio.

Broker: In securities, the intermediary between a buyer and a seller of securities. The broker, who usually charges a commission, must be registered with the exchange in which he or she is trading, accounting for the name registered representative.

Certificate of Deposit: A deposit insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC) at a set rate for a specified period of time.

Collateral: Securities, evidence of deposit or pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposit of public moneys.

Constant Maturity Treasury (CMT): An average yield of a specific Treasury maturity sector for a specific time frame. This is a market index for reference of past direction of interest rates for the given Treasury maturity range.

Custody: A banking service that provides safekeeping for the individual securities in a customer's investment portfolio under a written agreement that also calls for the bank to collect and pay out income, to buy, sell, receive and deliver securities when ordered to do so by the principal.

Delivery vs. Payment (DVP): Delivery of securities with a simultaneous exchange of money for the securities.

Diversification: Dividing investment funds among a variety of securities offering independent returns and risk profiles.

Federal Deposit Insurance Corporation (FDIC): Insurance provided to customers of a subscribing bank that guarantees deposits to a set limit (currently \$250,000) per account.

Interest Rate: The annual yield earned on an investment, expressed as a percentage.

Liquidity: Refers to the ability to rapidly convert an investment into cash.



Market Value: The price at which a security is trading and could presumably be purchased or sold.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Portfolio: Collection of securities held by an investor.

Primary Dealer: A group of government securities dealers that submit daily reports of market activity and security positions held to the Federal Reserve Bank of New York and are subject to its informal oversight.

Purchase Date: The date in which a security is purchased for settlement on that or a later date.

Rate of Return: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Risk: Degree of uncertainty of return on an asset. Safekeeping: See Custody.

Settlement Date: The date on which a trade is cleared by delivery of securities against funds.

Time Deposit: A deposit in an interest-paying account that requires the money to remain on account for a specific length of time. While withdrawals can generally be made from a passbook account at any time, other time deposits, such as certificates of deposit, are penalized for early withdrawal.

Treasury Obligations: Debt obligations of the U.S. Government that are sold by the Treasury Department in the forms of bills, notes, and bonds. Bills are short-term obligations that mature in one year or less. Notes are obligations that mature between one year and ten years. Bonds are long-term obligations that generally mature in ten years or more.

U.S. Government Agencies: Instruments issued by various US Government Agencies most of which are secured only by the credit worthiness of the particular agency.

Yield: The rate of annual income return on an investment, expressed as a percentage. It is obtained by dividing the current dollar income by the current market price of the security.

Yield to Maturity: The rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.

20. Glossary of General Investment Terms



Active Deposits: Funds that are immediately required for disbursement.

Amortization: An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its depreciation (accretion) over a period of time.

Asked Price: The price a broker dealer offers to sell securities. **Basis Point:** One basis point is one hundredth of one percent (.01). **Bid Price:** The price a broker / dealer offers to purchase securities.

Book Entry Securities: Securities, such stocks held in "street name," that are recorded in a customer's account, but are not accompanied by a certificate. The trend is toward a certificate-free society to cut down on paperwork and to diminish investors' concerns about the certificates themselves. All the large New York District banks, including those that handle the bulk of the transactions of the major government securities dealers, now clear most of their transactions with each other and with the Federal Reserve through the use of automated telecommunications and the "book-entry" custody system maintained by the Federal Reserve Bank of New York. These banks have deposited with the Federal Reserve Bank a major portion of their government and agency securities holdings, including securities held for the accounts of their customers or in a fiduciary capacity for the District. Virtually all transfers for the account of the banks, as well as for the government securities dealers who are their clients, are now effected solely by bookkeeping entries. The system reduces the costs and risks of physical handling and speeds the completion of transactions.

Book Value: The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

Bullet Bond: See "*Non-callable Bond.*"

Callable Bond: A debt obligation where the bond issuer (i.e. borrower) has the option to *call the bond* or pay it off early (before the scheduled maturity date). For instance, a 5-year bond might be "callable quarterly"—meaning that, although the bond has a scheduled end date 5 years from now, it could end in 3 months (and every 3 months after that, until the scheduled maturity date).

Coupon: The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.

Credit Analysis: A critical review and appraisal of the economic and financial conditions or of the ability to meet debt obligations.

Current Yield: The interest paid on an investment expressed as a percentage of the current price of the security.

Discount: The difference between the cost of a security and its value at maturity when quoted at lower than face value.



Duration: The weighted average maturity of a bond's cash flow stream, where the present value of the cash flows serve as the weights; the future point in time at which on average, an investor has received exactly half of the original investment, in present value terms; a bond's zero-coupon equivalent; the fulcrum of a bond's present value cash flow time line.

Fannie Mae: Trade name for the Federal National Mortgage Association (FNMA), a U.S. sponsored corporation.

Federal Reserve System: The central bank of the U.S. that consists of a seven member Board of Governors, 12 regional banks and approximately 8,000 commercial banks that are members.

Fed Wire: A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.

Freddie Mac: Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a U.S. sponsored corporation.

Investment Agreements: An agreement with a financial institution to borrow public funds subject to certain negotiated terms and conditions concerning collateral, liquidity and interest rates.

Nationally Recognized Statistical Rating Organizations (NRSRO): A U.S. Securities & Exchange Commission registered agency that assesses the creditworthiness of an entity or specific security. NRSRO typically refers to Standard and Poor's Ratings Services, Fitch Ratings, Inc. or Moody's Investors Services.

New Issue: Term used when a security is originally "brought" to market.

Non-callable Bond: Also known as, "*Bullet Bond.*" A non-callable bond is a debt obligation where the bond issuer does not have the option to "call the bond" i.e.-end the bond before the scheduled maturity date.

Perfect Delivery: Refers to an investment where the actual security or collateral is held by an independent third party representing the purchasing entity.

Repurchase Agreement (REPO): A transaction where the seller (bank) agrees to buy back from the buyer (District) the securities at an agreed upon price after a stated period of time.

Reverse Repurchase Agreement (REVERSE REPO): A transaction where the seller (District) agrees to buy back from the buyer (bank) the securities at an agreed upon price after a stated period of time.

Secondary Market: A market made for the purchase and sale of outstanding issues following the initial distribution.



Yield Curve: The yield on bonds, notes or bills of the same type and credit risk at a specific date for maturities up to thirty years.





Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: March 27, 2024

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #8(F):** Recommendation to Approve the Property, General, Auto, and other Liability Insurance Coverage for 2024 and authorize payment in the amount of \$44,752

Recommendation

It is recommended that your Board:

- A. Approve the attached insurance proposals for the renewal of the general, auto, and other liability coverage and approve the proposal from the Joint Powers Risk and Insurance Management Authority (JPRIMA) in the annual amount of \$44,752.
- B. Authorize a check disbursement of \$44,752 for insurance coverage.

Discussion

The District's liability insurance broker, Tolman & Wiker, Insurance Services, LLC, has completed its review of liability insurance options for the District and submitted the cost proposal included in the attachment. The renewal of the District's liability insurance for 2024 will total \$44,572, which is an increase of \$5,648 (14%) compared to the District's 2023 cost of \$39,235.

The following is a summary of liability insurance costs for the past fifteen years. In 2017, the District saved 8.6% by moving from the WaterPlus Program to the current provider, JPRIMA.

<u>Year</u>	<u>Cost</u>	<u>% Change</u>	<u>Insurance Company</u>
2023	\$39,235	14%	JPRIMA
2022	\$34,324	16%	JPRIMA
2021	\$29,567	15%	JPRIMA
2020	\$25,665	8%	JPRIMA
2019	\$23,727	7%	JPRIMA
2018	\$22,232	6%	JPRIMA
2017	\$20,967	-9%	JPRIMA



Oceano Community Services District

Board of Directors Meeting

<u>Year</u>	<u>Cost</u>	<u>% Change</u>	<u>Insurance Company</u>
2016	\$22,941	3%	Alteris
2015	\$22,307	-3%	Alteris
2014	\$22,914	-43%	Alteris
2013	\$40,201	7%	Philadelphia
2012	\$37,456	0%	Philadelphia
2011	\$37,427	0%	Philadelphia
2010	\$37,325	43%	Philadelphia
2009	\$26,079	Rural Special District (Alteris is the re-creation)	

Other Agency Involvement

N/A

Other Financial Considerations

N/A

Results

Approval of liability insurance is necessary for District operations, and to protect the community from financial risks associated with operations and administration of District facilities and equipment.

Attachment: Insurance Proposal by JPRIMA



**CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY (JPRIMA)
PACKAGE/AUTO/EXCESS**

**COVERAGE PROPOSAL FOR:
Oceano Community Services District**

**COVERAGE PERIOD:
4/1/2024 - 4/1/2025**

**PRESENTED BY:
Assured Partners of California Insurance Services LLC**

PROGRAM MANAGER

Allied Public Risk, LLC
CA DBA: Allied Community Insurance Services, LLC

CA License No. 0L01269

National Producer No. 17536322

www.alliedpublicrisk.com

(858) 866-8966
Attachment A - Proposal

PREMIUM SUMMARY

NOTE: This proposal is prepared from information supplied to us on the application submitted by you or your insurance broker. It may or may not contain all terms requested on the application. Please review carefully and let us know if any additional information is required. In addition, this proposal may contain unintentional errors or omissions. We encourage you to bring them to our attention for review. This proposal does not amend, or otherwise affect or alter, the provisions of coverage provided. This proposal does not guarantee coverage for specific claims or losses under the policy. The availability of coverage depends on the JPRIMA Memorandum of Coverage (MOC) and is subject to its terms and conditions, the facts surrounding any potential claims, and relevant legal requirements. A specimen MOC is available for your review, as is the JPRIMA Member Agreement. Enrollment in the JPRIMA requires execution of the JPRIMA Member Agreement as well as membership in the California Association of Mutual Water Companies (Cal Mutuals).

SECTION	COVERAGE		PREMIUM
1	PROPERTY (Including Equipment Breakdown, if granted)	\$	8,834.00
2	INLAND MARINE	\$	781.00
3	COMMERCIAL CRIME (Including Faithful Performance, if granted)	\$	762.00
4	COMMERCIAL GENERAL LIABILITY	\$	11,276.00
5	PUBLIC OFFICIALS & MANAGEMENT LIABILITY (Including Wrongful Acts, Employment Practices, or Employee Benefits, if granted)	\$	5,584.00
6	BUSINESS AUTO	\$	6,597.00
7	COMMERCIAL EXCESS LIABILITY (Including Commercial General Liability, Wrongful Acts, Employment Practices, Employee Benefits, Business Auto, and Employers Liability, if granted)	\$	6,758.00
	MEMBER CONTRIBUTION (excludes state-imposed taxes, surcharges, and fees)	\$	40,592.00
	JPRIMA ADMINISTRATION FEES	\$	4,160.00
	TOTAL AMOUNT DUE*	\$	44,752.00

*Payment is due within 30 days of the effective date.

NOTES:

The JPRIMA MOC has a common anniversary date of April 1.

The Member's FEIN number is required in order to bind coverage.

Terrorism Coverage is automatically included for Property, General Liability and Excess in most regions of CA.

Section 1. PROPERTY (Included in the proposal? Yes)

ISSUER:	<ul style="list-style-type: none"> California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (JPRIMA) No Joint and Several Liability for Members 100% Reinsured
REINSURER	<ul style="list-style-type: none"> A+ XV (Superior) A.M. Best Rating AA- Standard & Poor's Rating
FORM:	Proprietary & Integrated

LIMITS

Total Insured Values: (Real Property & Business Personal Property)	\$5,343,268	
Loss of Income (aka: Business Income)	\$250,000	
Extra Expense	\$250,000	
Equipment Breakdown	\$5,343,268	
*Flood Zone Low/Moderate [N/A] (Each Occurrence)	Excluded	

* Munich/APR cannot warrant or provide information as to what zone(s) a specific location/address is situated in. Flood zones can and do change. It is ultimately the responsibility of the member and their insurance advisor to determine if the flood zones and flood limits proposed are adequate for their needs.

DEDUCTIBLES

Property Deductible (per occurrence)	\$5,000	Flood Zone Low/Moderate (\$) Deductible (per occurrence)	N/A
Equipment Breakdown Deductible (per occurrence) – aboveground and less than 50 feet belowground	\$1,000	Flood Zone Low/Moderate (%) Deductible (per occurrence)	N/A
Equipment Breakdown Deductible (per occurrence) – greater than 50 feet belowground	\$2,500		

COVERED LOCATIONS:

Per Statement of Values: Blanket coverage applies unless otherwise noted.

SCHEDULE OF PROPERTY LIMITS – INDIVIDUAL LIMITS

LOC./BLDG NUM	BUILDING DESCRIPTION	BUILDING VALUE	CONTENTS VALUE	TOTAL INSURED VALUE	VALUATION	COINS. %
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This schedule does not apply.

COINSURANCE: N/A

POLICY HIGHLIGHTS:

- Broad Definition of Covered Property
- Option for Special Property Floater
- Form: Special Form (including Theft)
- Proprietary Coverage Extensions

MEMBER: Oceano Community Services District
EFFECTIVE DATE: 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the policies as issued.
Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

VALUATION:

- Replacement Cost: Real Property & Business Personal Property (All Buildings subject to Property Valuation²)
- Actual Loss Sustained: Loss of Income (aka: Business Income)
- Optional Extended Business Income & Extra Expense (12 months or \$1,000,000, whichever is less)

²Functional Replacement Cost and/or Actual Cash Value are available for older and lower valued buildings.

SELECTED OPTIONAL COVERAGES:

SCADA Upgrades
Unintentional Errors
Extension of Coverage Utility Services - Direct Damage

KEY EXCLUSIONS:

- Earthquake & Earth Movement
- Flood (unless coverage is designated above, such coverage would be limited to locations in Zone X (Unshaded)/C only)

SPECIAL COVERAGES

Newly Acquired or Under Construction Real Property and Related Personal Property: Pays up to \$1,000,000 for your newly acquired real property or under construction “real property” intended for use in your “operations” acquired or where construction began after policy inception. This applies to “real property” you buy, lease, rent, or construction, including temporary structures. An additional \$500,000 limit of insurance applies to “personal property” located at new premises.

Equipment Breakdown³: Pays up to the limit in the declarations for direct physical damage to covered real property or personal property and loss of income sustained and extra expense incurred that is the result of an accident or electronic circuitry impairment. The most paid under any one equipment breakdown is the limit for real property and personal property for the applicable premises. The most paid for loss of income or extra expense in any one equipment breakdown is the limit of insurance shown in the declarations under C. Loss of Income and D. Extra Expense, respectively. The limits in this extension are part of and not in addition to the limits applicable in Section I – Coverages.

Under this extension, the following coverages also apply to loss caused by or directly resulting from an accident or electronic circuitry impairment. However, with respect to coverage (9) Service Interruption below, coverage will apply only to the direct result of an accident and will not apply to the direct result of an electronic circuitry impairment. The coverages described in (1) through (10) below do not provide additional amounts of insurance, they are part of and not in addition to the applicable limits of insurance:

- (1) **Data Restoration** – Pays up to your reasonable and necessary cost to research, replace and restore lost electronic data. The most we will pay for loss, damage, or expense for electronic data restoration including actual loss of income you sustain and necessary extra expense you incur is **\$500,000**.
- (2) **Expediting Expenses** – With respect to your covered real property and personal property that is damaged, we will pay the reasonable cost to make temporary repairs; and expedite permanent repairs or permanent replacement. The most we will pay for loss or expense under this coverage is **\$100,000**.
- (3) **Extra Expense** – Extra expense is extended to apply to extra expense incurred as a result of an accident or electronic circuitry impairment covered under this extension, and subject to the policy limit.
- (4) **Green** – Subject to more extensive provisions outlined in the policy, we will pay additional costs for the repair, replacement, disposal, etc. and/or damages as they relate to items associated with a recognized environmental standards program. The most we will pay for any qualifying loss, damage, or expense under this coverage, including actual loss of Business Income you sustain and any necessary Extra Expense you incur is **\$100,000**.
- (5) **Hazardous Substances** – Pays for the additional cost to repair or replace covered real property or personal property because of contamination by a hazardous substance. This includes the additional expense to clean up or dispose of such property. This does not include contamination of perishable goods by refrigerant. The most we will pay for loss, damage, or expense under this coverage, including actual loss of income you sustain and necessary extra expense you incur is **\$250,000**.
- (6) **Loss of Income** – Loss of Income is extended to apply to loss of income sustained as a result of an accident or electronic circuitry impairment covered under this extension, and subject to the policy limit as show in the Equipment Breakdown Coverage Supplemental Declarations.
- (7) **Off-Premises Equipment Breakdown** – Subject to more extensive provisions outlined in the policy, this extends coverage to apply to an accident or electronic circuitry impairment for the following types of equipment used in the member’s firefighting, ambulance or rescue operations, whether mobile/portable or permanently mounted on a vehicle, anywhere in the policy territory: 1) mobile cascade units; 2) mobile electrical generators; 3) portable pumping units; and 4) portable extrication devices, such as jaws-of-life. For equipment other than that used in your firefighting, ambulance or rescue operations, we will pay for physical damage to transportable covered equipment that, at the time of the accident or impairment is not at a covered location, among other offerings. The most we will pay is **\$25,000**.

- (8) Public Relations** – Subject to you sustaining an actual loss of income covered under this extension, this pays for reasonable costs for professional services to create and disseminate communications, when the need for such communications arises direction for the interruption of your business. Communication must be directed to the media, public, or your customers/clients/members. Costs are subject to being incurred during the period of restoration + 30 days. The most we will pay for loss or expense under this coverage is **\$5,000**.
- (9) Service Interruption** – Subject to more extensive provisions outlined in the policy, any insurance provided for loss of income, extra expense, data restoration or spoilage is extended to apply to your loss, damage, or expense caused by a failure or disruption of service.
- (10) Spoilage** – We will pay for physical damage to perishable goods due to spoilage; for physical damage to perishable goods due to contamination from the release of refrigerant; and/or any necessary expenses you incur to reduce the amount of loss under this coverage. Valuation and replacement conditions apply. The most we will pay for loss, damage or expense under this coverage is **\$100,000**.

³Please consult the exact policy language for all provisions that apply to each of the above Equipment Breakdown coverage.

Pollution Remediation Expenses: Pays up to \$25,000 (covered cause of loss) or \$100,000 (specified cause of loss) for remediation expenses incurred as a result of an actual, alleged, or threatened presence of pollution conditions at a premises described in the Declarations from a Covered Causes of Loss or Specified Cause of Loss occurring during the policy period and reported within 180 days. Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by the Property Coverage Form. Limits may be increased for a charge.

Specified Cause of Loss means the following: fire, lightning, windstorm or hail, explosion, riot or civil commotion, vehicles or aircraft, smoke, sonic boom, vandalism and malicious mischief, sprinkler leakage, sinkhole collapse, volcanic action, falling objects, weight of ice, snow or sleet, or water damage. Water damage means only accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

Property In Transit or Off Premises: Pays up to \$100,000 for direct physical loss or damage to covered property (real and personal property) while in transit or while temporarily off premises caused by a covered cause of loss, including your covered computer hardware while off premises.

SCADA Upgrades: Pays up to \$100,000 to upgrade your scheduled SCADA system after direct physical loss from a Covered Cause of Loss. The upgrade is in addition to its replacement cost. SCADA means the Supervisory Control and Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, waterflow, water analysis, and other measurable items necessary to maintain operations.

Unintentional Errors: Pays up to \$250,000 for any unintentional error or omission you make in determining or reporting values or in describing the covered property or covered locations.

Personal Effects: Pays up to \$25,000 for direct physical loss or damage to personal effects owned by you, your officers, managers, elected or appointed officials, employees, or volunteer workers caused by a covered cause of loss at your premises. Will pay up to “replacement cost.”.

Lock Replacement: Pays up to \$25,000 for lock, lock cylinder, & key replacement after theft at covered premises or damage to a lock as a result of a covered cause of loss at a covered premises. No deductible applies.

Foundations: Your real property includes foundations located at a described premise.

KEY DEFINITIONS

Covered Equipment: Means covered real property and personal property that generates, transmits, or utilizes energy or which, during normal usage, operates under vacuum or pressure, other than the weight of its contents. Covered equipment may utilize conventional design and technology or new or newly commercialized design and technology.

None of the following is covered equipment: (a) structures, foundation, cabinet or compartment; (b) insulating or refractory material; (c) sewer piping, buried vessels or piping, piping forming or part of a sprinkler or fire suppression system; (d) water piping other than boiler feedwater piping, boiler condensate return piping or water piping form as part of a refrigerating or air conditioning system; (e) vehicle or any equipment mounted on a vehicle; (f) satellite, spacecraft or any equipment mounted on a satellite or spacecraft; (g) dragline, excavation, or construction equipment; (h) equipment manufactured by you for sale; or (h) electronic data.

Electronic Circuitry: Means microelectronic components, including but not limited to circuit boards, integrated circuits, computer chips, and disk drives.

Electronic Circuitry Impairment:

- (a) Means a fortuitous event involving electronic circuitry within covered equipment to suddenly lose its ability to function as it had been functioning immediately before such event. This definition is subject to the conditions specified in (b), (c), and (d) below.
- (b) We shall determine that the reasonable and appropriate remedy to restore such covered equipment's ability to function is the replacement of one or more electronic circuitry components of the covered equipment.
- (c) The covered equipment must be owned or leased by you or operated under your control.
- (d) None of the following is an electronic circuitry impairment:
 - (i) Any condition that can be reasonably remedied by:
 - 1) Normal maintenance, including but not limited to replacing expendable parts, recharging batteries or cleaning;
 - 2) Rebooting, reloading, or updating software or firmware; or
 - 3) Providing necessary power or supply.
 - (ii) Any condition caused by or related to:
 - 1) Incompatibility of the covered equipment with any software or equipment installed, introduced, or networked within the prior 30 days; or
 - 2) Insufficient size, capability, or capacity of the covered equipment;
 - 3) Exposure to adverse environmental conditions, including but not limited to change in temperature or humidity, unless such conditions result in an observable loss of functionality. Loss of warranty shall not be considered an observable loss of functionality.

Outdoor Property: Fixed or permanent structures including but not limited to:

- › Docks, wharves, piers, pilings, or bulkheads;
- › Dumpsters, concrete trash containers, or permanent recycling bins;
- › Electric utility power transmission and distribution lines, poles and related equipment owned by the member;
- › Exterior signs not located at a premises;
- › Fences and retaining walls;
- › Historical markers and flagpoles;
- › Hydrants, not associated with a sprinkler system;
- › Lighting towers;
- › Playground equipment, park shelters, pedestrian-only bridges, picnic tables, water fountains or coolers, benches, dugouts, bleachers, or scoreboards;
- › Storage sheds, garages, pavilions, or other similar buildings or structures not located at a premises; or
- › Traffic lights, streetlights, traffic signs, parking meters, or bus shelters.

Personal Property: Means all property used in your operations other than real property, including but, not limited to:

- › Furnishings and office equipment
- › Building contents;
- › Computer equipment;
- › Communication systems;

- Materials, supplies (including your inventory of vehicle parts and supplies) while held on your premises awaiting installation;
- Base stations and dispatching systems, provided the property is on your premises and also provided you own the property, or the property is in your custody or control, and you are responsible for it, even though it belongs to someone else;
- Value of your right to use improvements made as a tenant, if you have paid for alterations or additions to any building or structure that you do not own (improvements must be at a premises).

Pollution Conditions: The discharge, dispersal, release, seepage, migration, or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, hazardous materials, waste materials (including medical, infectious and pathological wastes) or electromagnetic fields into or upon land or any structures thereon, the atmosphere, or any watercourse or body of water including groundwater.

Real Property: The items at a premises described in the Declarations.

This includes:

- Aboveground piping;
- Aboveground and belowground “penstock”;
- Additions under construction;
- Air cascade units that are not designed to be used off “premises”;
- All appurtenant buildings or structures other than playground equipment, park shelters, pedestrian-only bridges, picnic tables, water fountains or coolers, benches, dugouts, bleachers, or scoreboards;
- Alterations and repairs to the buildings or structures;
- Completed additions;
- Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;
- Foundations;
- Materials, equipment, supplies and temporary structures you own or for which you are responsible, on the “premises” or in the open (including property inside “vehicles”) within 1,000 feet of the “premises”, used for making additions, alterations or repairs to buildings or structures at the “premises”;
- Outdoor fixtures;
- Paved surfaces such as sidewalks, bike paths, walkways, patios or parking lots;
- Permanently installed fixtures, machinery, and equipment;
- “Personal property” used for the maintenance and service of buildings or structures, including tools, lawn care equipment, and free-standing appliances for refrigerating, ventilating, cooking, dishwashing and laundering;
- Submersible pumps, pump motors and engines; or
- Underground piping located on or within 100 feet of a “premises” described in the Declarations.

Remediation Expenses: Expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, or neutralization of pollution conditions to the extent required by: (1) federal, state or local laws, regulations or any subsequent amendments thereof enacted to address pollution conditions; and (2) a legally executed state voluntary program governing the cleanup of pollution conditions.

Tools and Equipment: All tools and equipment, together with attached devices, accessories and trailers, that are used in your operations. Tools and equipment include, but are not limited to, hand tools, mechanics tools, power tools, meter readers, generators, air compressors, welders, trash pumps, trenchers, saws, jackhammers, maintenance or diagnostic equipment including specialized audio-visual equipment and its associated laptop, as well as recreational equipment, such as outdoor portable seating, temporary stands, food service trailers not licensed for road use, or portable restrooms.

Tools and equipment also include mobile equipment such as, but not limited to, bulldozers, mobile equipment that travels on crawler treads, tractors, loaders, backhoes, excavators, graders, or road surfacing equipment, and equipment whether self-propelled or not, maintained primarily to provide mobility to permanently mounted cranes, shovels, loaders, diggers, and drills. Tools and equipment also include snowplows, salt spreaders, and other similar equipment when not attached to a vehicle.

PROPERTY SUBLIMITS	
Coverage	Limit
Accounts Receivable	\$50,000
Arson, Theft, or Vandalism Information Reward	\$25,000
Building Glass – Tenant	Lesser of replacement cost or amount liable under contract
Claim Expense	\$20,000
Commandeered Property (RC + loss of use)	For the time you officially use the commandeered property + reasonable return time.
Damage to Building from Theft	\$100,000
Debris Removal Expenses	25% + \$100,000
Equipment Breakdown	Building + BPP Limit + Loss of Income & Extra Expense
Fine Arts	\$50,000 (appraised) \$25,000 (unappraised – subject to \$1,500/item max)
Fire Department Charges	\$25,000
Fire Extinguishing Equipment Recharge Costs	“Necessary and reasonable” (per policy)
Limited Coverage for Fungus, Wet Rot or Dry Rot	\$25,000
Lock Replacement	\$25,000
Newly Acquired or Under Construction Real Property (Coverage A) and Related Personal Property (Coverage B)	Coverage A: \$1,000,000 Coverage B: \$500,000
Non-owned Detached Trailers	\$50,000
Ordinance Coverage Coverage A: Undamaged Real Property Coverage B: Demolition Coverage C: Increased Cost	Coverage A: Limit of Insurance (applicable to that item) Coverage B and Coverage C: Greater of 100% of direct physical loss or \$1,000,000
Outdoor Property	\$150,000
Personal Effects	\$25,000
Pollution Remediation Expense (covered cause of loss)	\$25,000
Pollution Remediation Expense (specified cause of loss)	\$100,000
Preservation of Property	Included
Real Property or Personal Property in Transit or Off-Premises	\$100,000
Software	\$500,000
Spoilage Due to Off Premises Electric Service Interruption	\$50,000
Supplementary Provisions for Coverage C. “Loss of Income” and Coverage D “Extra Expense”	Included
Trees, Shrubs, Plants and Lawns (max \$1,000 any one item)	\$25,000
Utility Services – Direct Damage	\$100,000
Valuable Papers and Records	\$50,000
Water Contamination Notification Expense	\$25,000 (annual aggregate)

NOTES:

Contribution is calculated from application’s property schedule (please review property schedule for coverage and limit adequacy).

Section 2. INLAND MARINE (Included in the proposal? Yes)

ISSUER:	<ul style="list-style-type: none"> ▪ California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (JPRIMA) ▪ No Joint and Several Liability for Members ▪ 100% Reinsured
REINSURER	<ul style="list-style-type: none"> ▪ A+ XV (Superior) A.M. Best Rating ▪ AA- Standard & Poor's Rating
FORM:	Proprietary & Integrated

LIMITS

Coverage A: Blanket Tools and Equipment: (Unscheduled, Maximum \$10,000 any one item)	\$25,000
Coverage B: Scheduled Equipment:	\$188,131
Coverage C: Blanket Emergency Services Equipment:	N/A

COVERAGE EXTENSIONS – Adds or extends the coverage under Section I – Coverages. Unless stated otherwise in the policy, a) each extension is limited to direct physical loss or damage cause by or resulting from a covered cause of loss; b) the limits in each extension are in addition to the limits applicable in Section I – Coverages; and c) All other applicable terms and conditions of the coverage form apply to each extension. (**whichever comes first)

Debris Removal Expenses	Max \$15,000 (per occurrence)
Employee Tools (no deductible applies)	Max \$25,000 (per occurrence)
Emergency Services and Law Enforcement Personal Effects (Coverage C extension, no deductible applies)	Replacement Cost
Rented or Borrowed Equipment	
<ul style="list-style-type: none"> ▪ Coverage A: Blanket Tools and Equipment and Coverage C: Blanket Emergency Services Equipment (\$1,000 deductible applies) ▪ Coverage B: Scheduled Equipment (Extended to equipment not owned by you, \$1,000 deductible applies) 	**Replacement Cost or \$10,000 (per occurrence)
	**Actual Cash Value or \$100,000 (per occurrence)
Newly Acquired Scheduled Equipment (Coverage B extension, \$1,000 deductible applies)	30 days on Replacement Cost (not to exceed purchase price)
Personal Watercraft and Watercraft (Coverage A & C extension only)	**Replacement Cost or \$25,000 (per occurrence)
Rental Reimbursement for Scheduled Equipment (Coverage B extension, no deductible applies)	Max \$10,000 (per occurrence)
Unmanned Aircraft (\$500 deductible applies)	Max \$25,000 (per occurrence)
Fire Department Charges (no deductible applies)	Max \$1,000 (per occurrence)
Fire Extinguishing Recharge Costs (no deductible applies)	Necessary and Reasonable Costs (extinguishing equipment must be for the protection of your inland marine equipment)

MEMBER: Oceano Community Services District
EFFECTIVE DATE: 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the policies as issued.
Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

DEDUCTIBLES		
Coverage A: Blanket Tools and Equipment		\$5,000
Coverage B: Scheduled Equipment		\$5,000
Coverage C: Blanket Emergency Services Equipment		N/A

POLICY HIGHLIGHTS:

- Blanket Coverages: “Tools and Equipment” and “Emergency Services Equipment”
- Suite of Coverage Extensions available in the core form.
- Deductible Waiver in certain circumstances for Coverages A & B.
- Service Animal Floater Purchased: No – Valuation: Agreed Value (No deductible applies)

VALUATION:

- Coverage A: Blanket Tools and Equipment: Replacement Cost
- Coverage B: Scheduled Equipment: Replacement Cost or Actual Cash Value
- Coverage C: Blanket Emergency Services Equipment: N/A

NOTES:

Section 3. COMMERCIAL CRIME (Included in the proposal? Yes)

ISSUER:	<ul style="list-style-type: none"> ▪ California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (JPRIMA) ▪ No Joint and Several Liability for Members ▪ 100% Reinsured
REINSURER	<ul style="list-style-type: none"> ▪ A+ XV (Superior) A.M. Best Rating ▪ AA- Standard & Poor's Rating
FORM:	Proprietary & Integrated

LIMITS

Coverage Group	Employee Theft	Forgery or Alteration	Theft of Money & Securities (Inside the Premises)	Robbery or Safe Burglary (Inside the Premises)	Outside the Premises	Computer & Funds Transfer Fraud	Money Orders & Counterfeit Money
5	\$250,000	\$250,000	\$250,000	\$100,000	\$250,000	\$250,000	\$250,000

DEDUCTIBLE

\$1,000 (each claim)

POLICY HIGHLIGHTS:

Separate Limits Apply to Each Coverage
 Broad Definition of Employee
 Non-auditable
 Faithful Performance of Duty

NOTES:

Fraudulent Impersonation is excluded.

Section 4. COMMERCIAL GENERAL LIABILITY (Included in the proposal? Yes)

ISSUER:	<ul style="list-style-type: none"> ▪ California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (JPRIMA) ▪ No Joint and Several Liability for Members ▪ 100% Reinsured
REINSURER	<ul style="list-style-type: none"> ▪ A+ XV (Superior) A.M. Best Rating ▪ AA- Standard & Poor's Rating
FORM:	Proprietary & Integrated

LIMITS

General Aggregate	\$10,000,000
Products & Completed Operations Aggregate	\$10,000,000
Each Occurrence	\$1,000,000
Personal & Advertising Injury Limit	\$1,000,000
Damage to Premises Rented to You	\$1,000,000
Medical Payments	\$10,000

DEDUCTIBLE

\$0 (each occurrence)

SELECTED OPTIONAL COVERAGES

Failure to Supply Liability
Inverse Condemnation

POLICY HIGHLIGHTS:

- Duty to Defend w/ Defense Costs In Addition to Limits
- Broad Definition of Enrolled Named Member – including, but not limited to Employees, Volunteers, Elected or Appointed Officials
- Host Liquor Liability, Unless Otherwise Excluded
- Owned (Up to 100 HP – higher available by endorsement) & Nonowned Watercraft
- Blanket Additional Enrolled Named Member
- Water & Wastewater Testing Errors and Omissions
- Failure to Supply (No ISO limitation)
- Lead (potable water)
- Waterborne Asbestos (potable water)
- Product Recall
- Impaired Property
- Fungi & Bacteria
- Non-auditable

MEMBER: Oceano Community Services District
EFFECTIVE DATE: 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the policies as issued.
Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

SPECIAL COVERAGES

Asbestos: Exclusion exception wherein coverage is provided for bodily injury or property damage arising out of potable water which is supplied to others.

Contractual Liability - Railroads: Coverage is provided for any contract or agreement that indemnifies a railroad for bodily injury or property damage arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing. Available via endorsement only.

Damage to Impaired Property or Property Not Physically Injured: Exclusion exception wherein the Damage to Impaired Property or Property Not Physically Injured exclusion does not apply to potable water, non-potable water, or wastewater as well as any loss of use of other property arising out of a sudden and accidental physical injury to the member's product or work after it has been put to its intended use.

Failure to Supply: Coverage is provided for bodily injury or property damage arising out of the failure of any member to adequately supply water.

Fungi or Bacteria: Exclusion exception wherein the Fungi or Bacteria exclusion does not apply to a) any fungi or bacteria that are on or are contained in a good or product intended for consumption; or b) any injury or damage arising out of or caused by your water, irrigation, or wastewater intake, outtake, reclamation, treatment, or distribution process.

Lead: Exclusion exception to Lead, Electromagnetic Radiation, Nuclear exclusion that creates an exception for potable water you supply to others for claims involving the toxic properties of lead, or any material or substance containing lead.

Recall of Products, Work or Impaired Property: Exclusion exception where in the Recall of Products, Work or Impaired Property exclusion does not apply to potable water, non-potable water, or wastewater.

Pollution: The pollution exclusion contains the following exceptions:

- To bodily injury if sustained within a building owned or occupied by a member and caused by smoke, fumes, vapor, or soot if produced or originating from certain equipment.
- To bodily injury or property damage arising out of heat, smoke, fumes from a hostile fire occurring or originating from certain premises, sites, or locations as outlined in the policy.
- To bodily injury or property damage that occurs as a result of your operations (unless otherwise specifically excluded) including:
 - › Potable water supplied to others;
 - › Chemicals used in your water/wastewater treatment process;
 - › Chemicals you use, apply or store for your ownership, maintenance, or operation of swimming pools;
 - › The use, application or storage of road salt or similar substances designed and used for snow/ice removal;
 - › Natural gas or propane gas you use in your water or wastewater treatment process;
 - › Urgent response for the protection of property, human life, health or safety conducted away from premises you own, rent or occupy;
 - › Training operations;
 - › Water runoff from the cleaning of equipment use in emergency service activities;
 - › Storage or application of pesticides/herbicides if such storage or application meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government; or
 - › Fuels, lubricants or other operating fluids needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" subject to additional policy terms.
 - › To bodily injury or property damage if such bi/pd is caused by the escape of back-up of sewage or wastewater from any sewage treatment facility or fixed conduit that you own, operate, lease, control.
 - › This coverage applies only to a short-term pollution event reported within 14 days after ending and the discharge is accidental, unintended, and stopped asap.

Water & Wastewater Testing Errors and Omissions: Coverage is provided for damages arising out of an act, error, or omission which arises from your water or wastewater testing.

Who is Covered: Coverage is extended to Scheduled Named Members comprising individuals, spouses, partnerships, joint ventures, corporations, trusts, limited liability companies, public entities, operating authorities, boards, commissions, districts, governmental units, nonprofit entities, and other organizations. Members also include: elected or appointed officials; employees or volunteer workers; real estate managers; temporary custodians; legal representatives; medical directors;

MEMBER: Oceano Community Services District
EFFECTIVE DATE: 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the policies as issued.
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mutual aid agreements; Good Samaritans; owners of commandeered equipment; blanket additional enrolled named members; and newly acquired or formed entities.

KEY DEFINITIONS

Insured (Member) Contract:

- A contract for a lease or premises (see full terms and conditions).
- A sidetrack agreement;
- Any easement or license agreement, except in connection with construction or demolition operations on or within fifty (50) feet of a railroad;
- An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- An elevator maintenance agreement;
- That part of any other contract or agreement pertaining to your operations (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for bodily injury or property damage to a third person or organization (see full terms and conditions).

Suit: Means a civil proceeding in which damages because of bodily injury, property damage, personal and advertising injury, medical incident, law enforcement wrongful act, or a water or wastewater professional activity to which this insurance applies are alleged. Suit includes: a) An arbitration proceeding in which such damages are claimed and to which the member must submit or does submit with our consent; or 2) Any other civil alternative dispute resolution proceeding in which such damages are claimed and to which the member submits with our consent.

NOTES:

Confirm if the following Grant Agreement is ongoing. If yes, an Additional Insured & WOS endorsement will be included at policy issuance:

**Parks California
400 Capital Mall, 9th Floor
Sacramento, CA 95814**

Parks California and the State of California, its officers, agents, employees, and servants are included as additional Enrolled Named Members, but only insofar as the operations under this Agreement are concerned.

Re: Grant Agreement, Grant Number: 2023-036-AX, for project "Field Trips to State Parks and Beaches".

-There is no coverage afforded for Sheriff's Station operations other than insured's Media/Data/Software.

-There is no coverage afforded for Fire Station operations other than Insured's Office operations and Storage.

-Exclusion – Designated Operations, Form No. PE GL 205 01 10 will be applied to Sherriff's Station and Fire Station operations.

Section 5. PUBLIC OFFICIALS & MANAGEMENT LIABILITY (Included in the proposal? Yes)

ISSUER:	<ul style="list-style-type: none"> ▪ California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (JPRIMA) ▪ No Joint and Several Liability for Members ▪ 100% Reinsured
REINSURER	<ul style="list-style-type: none"> ▪ A+ XV (Superior) A.M. Best Rating ▪ AA- Standard & Poor's Rating
FORM:	Proprietary & Integrated

LIMITS			
Coverage A: Wrongful Acts - Employment Practices - Employee Benefits Liability	\$	1,000,000 Included Included	Each Wrongful Act or Offense
Coverage B: Injunctive Relief	\$	5,000	Each Action
Aggregate Limit	\$	10,000,000	Coverage A & B Combined

WRONGFUL ACTS DEDUCTIBLE	EMPLOYMENT PRACTICES DEDUCTIBLE
\$1,000 (each Wrongful Act or Offense Including Expenses)	\$25,000 (each Wrongful Act or Offense Including Expenses)
WRONGFUL ACTS RETROACTIVE DATE (CLAIMS-MADE)	EMPLOYMENT PRACTICES RETROACTIVE DATE (CLAIMS-MADE)
N/A	N/A

EMPLOYEE BENEFITS LIABILITY RETROACTIVE DATE (CLAIMS-MADE)
N/A

POLICY HIGHLIGHTS:

- Duty To Defend
- Broad Definition of Named Enrolled Named Member
- Third Party Offense Coverage
- Non-auditable

SELECTED OPTIONAL COVERAGES:

Inverse Condemnation

KEY DEFINITIONS
<p>Employment Practices: Injury, including consequential bodily injury, arising from any of your employment practices including, but not limited to:</p> <ul style="list-style-type: none"> › Discrimination; › Harassment; › Retaliation; › Any actual or alleged wrongful dismissal, discharge, or termination (either actual or constructive) of employment, including breach of an implied employment contract or an implied covenant of good faith and fair dealing in an employment contract; › Any actual or alleged wrongful hiring, demotion, discipline, evaluation, supervision and investigation of an employee or intentional interference with an employment contract; › Any actual or alleged wrongful deprivation of a career opportunity, to promote an employee or the wrongful failure to employ;

MEMBER: Oceano Community Services District
EFFECTIVE DATE: 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the policies as issued.
Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

- › Any actual or alleged false arrest, false imprisonment, false detention or malicious prosecution, liable, slander, defamation, disparagement or invasion of the right of privacy, as respects employment practices;
- › The violation of any federal, state, or local statutes, rules or regulations applicable to employers;
- › The development, implementation, and enforcement of any and all practices, policies and procedures governing any aspect of employment practices;

Injunctive or Declaratory Relief: (a) means equitable relief sought through the demand for the issuance of a permanent, preliminary, or temporary injunction, restraining order, or similar prohibitive write against, or order for specific performance by, a member; or (b) any request that a court make a finding of law or fact, provided such action is filed during the policy period.

Wrongful Act: means any actual or alleged error, act, omission, neglect, misfeasance, nonfeasance, or breach of duty, including violation of any civil rights law, by any member in discharge of their duties individually or collectively that results directly but unexpectedly and unintentionally in damages to others.

NOTES:

Section 6. BUSINESS AUTO (Included in the proposal? Yes)

ISSUER:	<ul style="list-style-type: none"> ▪ California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (JPRIMA) ▪ No Joint and Several Liability for Members ▪ 100% Reinsured
REINSURER	<ul style="list-style-type: none"> ▪ A+ XV (Superior) A.M. Best Rating ▪ AA- Standard & Poor's Rating
FORM:	Proprietary & Integrated

PORTFOLIO

Coverage	Symbol	Limit
Combined Single Limit for Bodily Injury & Property Damage (each accident)	1	\$1,000,000
Hired Auto Liability	8	\$1,000,000
Non-Owned Auto Liability	9	\$1,000,000
Medical Payments	2	\$5,000
Uninsured / Underinsured Motorists	2	\$1,000,000
Hired Physical Damage	8	\$100,000
Physical Damage – Comprehensive	2	ACV
Physical Damage – Collision	2	ACV

DEDUCTIBLE

Liability:	\$0 (per accident)
Comprehensive:	\$1,000 (each covered auto)
Collision:	\$1,000 (each covered auto)

FLEET COVERAGE ENHANCEMENTS & COVERAGE EXTENSIONS (As Applicable)

- › Fleet Automatic Coverage
- › Commercial Auto 360 Endorsement
- › Pollution Liability – Broadened Coverage for Covered Autos

NOTES:

The Business Auto Coverage requires 17-digit VIN Numbers. The member's policy cannot be released without this information.

Confirm if the following Grant Agreement is ongoing. If yes, an Additional Insured & WOS endorsement will be included at policy issuance:

**Parks California
400 Capital Mall, 9th Floor
Sacramento, CA 95814**

Parks California and the State of California, its officers, agents, employees, and servants are included as additional Enrolled Named Members, but only insofar as the operations under this Agreement are concerned.

Re: Grant Agreement, Grant Number: 2023-036-AX, for project "Field Trips to State Parks and Beaches".

MEMBER: Oceano Community Services District
EFFECTIVE DATE: 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the policies as issued.
Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

Section 7. COMMERCIAL EXCESS LIABILITY (Included in the proposal? Yes)

ISSUER:	<ul style="list-style-type: none"> ▪ California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (JPRIMA) ▪ No Joint and Several Liability for Members ▪ 100% Reinsured
REINSURER	<ul style="list-style-type: none"> ▪ A+ XV (Superior) A.M. Best Rating ▪ AA- Standard & Poor's Rating
FORM:	Proprietary & Integrated

LIMITS

\$5,000,000/\$5,000,000

SCHEDULED UNDERLYING COVERAGE FORMS

Commercial General Liability – Included

Auto Liability – Included

Public Officials & Management Liability (Wrongful Acts) – Included

Employers' Liability: (minimum underlying limit requirement of \$500,000 / \$500,000 / \$500,000) – Excluded

Other:

NOTABLE COVERAGES INCLUDED IN THE EXCESS (require minimum underlying limits of \$1,000,000)

Law Enforcement Liability (General Liability) – Excluded

Hired and Non-Owned Auto Liability (General Liability) – Excluded

Abuse and Molestation Coverage (General Liability) - Excluded

Employee Benefit Plans (General Liability) – Excluded

Inverse Condemnation (General Liability) – Included

Hired and Non-Owned Auto Liability (Owned Auto) – Included

Employment Practices (POML) – Included

Employee Benefit Plans (POML) – Included

Inverse Condemnation (POML) – Included

NOTABLE EXCLUSIONS:

- Workers' Compensation
- Uninsured Motorists / Underinsured Motorists
- Underlying Limits < \$1,000,000 except for Employer's Liability

NOTES:

Employers' Liability subject to MRSI security requirements.

Please provide a copy of the current W/C declarations for review and affirmation of coverage.

Section 8. UNDERWRITING SUBJECTIVITIES AND GENERAL NOTES

ISSUER:	<ul style="list-style-type: none"> ▪ California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (JPRIMA) ▪ No Joint and Several Liability for Members ▪ 100% Reinsured
REINSURER:	<ul style="list-style-type: none"> ▪ A+ XV (Superior) A.M. Best Rating ▪ AA- Standard & Poor's Rating
FORM:	Proprietary & Integrated
MEMBER:	Oceano Community Services District

GENERAL NOTES

QUOTE SUBJECTIVITIES:

Provide a signed and dated Statement of Values and Inland Marine Schedule.

THE FOLLOWING ITEMS ARE DUE AT THE TIME OF BINDING:

- ▶ Signed and Dated Public Entity Application and Member FEIN # (required to bind auto).
- ▶ Terrorism: This coverage is included in most jurisdictions (all but 8) without an associated charge for Package (Property/GL). In those instances, a signed selection/rejection is **not** required. In the 8 jurisdictions with an associated charge including the entire State of California for Excess, a signed selection/rejection form is required to be returned at the time of binding.
- ▶ Signed and Dated Uninsured/Underinsured Motorist Selection/Rejection Form.
- ▶ Copy of the latest Dam Inspection reports and member response to any inspection deficiencies, if applicable and not already provided.
- ▶ Signed Statement of Values (Property, Inland Marine and Auto, as applicable).
- ▶ Provide Name, Phone Number, and Email Address for both the Risk Manager and Boiler & Machinery Inspection contacts.
- ▶ Provide a complete driver schedule including name, date of birth, and license number.

MEMBER: Oceano Community Services District
EFFECTIVE DATE: 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the policies as issued.
 Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.



A D J U S T E R S , I N C

• CLAIMS ADMINISTRATORS • ADJUSTERS • INVESTIGATORS

Stanford Place I - 8055 East Tufts Avenue, Suite 600, Denver, CO 80237 – Ph: 877-533-1211

CLAIM CALL CENTER

**8055 E. Tufts Ave
Suite 600
Denver, CO 80237**

877-533-1211

**Adam Beltz– Ext 765
Reyleen Wood Ext 699
J. Mayer – Ext 664**

**Karen Zapata – Ext. 326
Subrogation Supervisor**

TO REPORT A NEW CLAIM OR LOSS

- **PHONE** **877-533-1211 Option 3
24 Hour Call Center**

- **E-MAIL** **networknewloss@networkadjusters.com**

ALLIED PUBLIC RISK - STATEMENT OF VALUES
 INSURED: Oceano Community Services District
 POLICY YEAR EFFECTIVE: 4/1/2024 - 4/1/2025

LOC./BLDG NUM	ADDRESS	BUILDING DESCRIPTION	INCL IN BLANKET	BUILDING VALUE	CONTENTS VALUE	TOTAL INSURED VALUE	VALUATION	FLOOD (Y or N)	EARTH-QUAKE (Y or N)
1-1	Pier & Airpark, Oceano, CA 93445	Lift Station	Yes	\$63,768	\$0	\$63,768	Replacement Cost	N	N
2-1	1681 Front Street, Oceano, CA 93445	Sheriff's Station/MEDIA/D	Yes	\$1,735,968	\$0	\$1,735,968	Replacement Cost	N	N
3-1	1687 Front Street, Oceano, CA 93445	Storage (Old Fire Station)	Yes	\$448,343	\$6,944	\$455,287	Replacement Cost	N	N
4-1	1935 Wilmar Street, Oceano, CA 93445	Water Yard Buildings	Yes	\$644,507	\$0	\$644,507	Replacement Cost	N	N
4-2	1935 Wilmar Street, Oceano, CA 93445	Water Tank (300,000 Gallons)	Yes	\$267,500	\$0	\$267,500	Replacement Cost	N	N
4-3	1935 Wilmar Street, Oceano, CA 93445	Water Tank (1,000,000)	Yes	\$535,000	\$0	\$535,000	Replacement Cost	N	N
5-1	1685 Front Street, Oceano, CA 93445	Water Yard	Yes	\$9,953	\$0	\$9,953	Replacement Cost	N	N
5-2	1685 Front Street, Oceano, CA 93445	Chlorinator Shed	Yes	\$4,345	\$0	\$4,345	Replacement Cost	N	N
5-3	1685 Front Street, Oceano, CA 93445	Well #8	Yes	\$144,664	\$0	\$144,664	Replacement Cost	N	N
5-4	1685 Front Street, Oceano, CA 93445	Well #7 and Generator	Yes	\$104,158	\$0	\$104,158	Replacement Cost	N	N
6-1	1655 Front Street, Oceano, CA 93445	Insured's Office & Fire Station	Yes	\$829,250	\$94,630	\$923,880	Replacement Cost	N	N
6-2	1655 Front Street, Oceano, CA 93445	Modular Leased to Others	Yes	\$101,650	\$13,540	\$115,190	Replacement Cost	N	N

ALLIED PUBLIC RISK - STATEMENT OF VALUES
 INSURED: Oceano Community Services District
 POLICY YEAR EFFECTIVE: 4/1/2024 - 4/1/2025

LOC./BLDG NUM	ADDRESS	BUILDING DESCRIPTION	INCL IN BLANKET	BUILDING VALUE	CONTENTS VALUE	TOTAL INSURED VALUE	VALUATION	FLOOD (Y or N)	EARTH-QUAKE (Y or N)
6-3	1655 Front Street, Oceano, CA 93445	EDP/Computer Hardware &	Yes	\$0	\$209,632	\$209,632	Replacement Cost	N	N

Total Values Subject to the Blanket: \$5,343,268

All Other Values: \$0

ALLIED PUBLIC RISK - INLAND MARINE SCHEDULE
 INSURED: Oceano Community Services District
 POLICY YEAR EFFECTIVE: 4/1/2024 - 4/1/2025

ITEM NUM	IM CATEGORY	DESCRIPTION	SERIAL #/ID#	MODEL YEAR	TOTAL INSURED VALUE	VALUATION
1	Scheduled Equipment	John Deere Tractor	T0310BA715195	1984	\$32,200	ACV
2	Scheduled Equipment	MQ Power Generator	7201765		\$30,000	ACV
3	Scheduled Equipment	John Deere Backhoe	1T0310ELPHG316818		\$79,696	ACV
4	Scheduled Equipment	Diesel Genset with Transfer Switch Control			\$34,235	ACV
5	Scheduled Equipment	TASKalfa 5054ci Copier			\$12,000	ACV

Joint Powers Risk and Insurance Management Authority Proposal

Insured	03/07/2024
Oceano Community Services District	Policy:
PO Box 599	FEIN: 95-3639481
Oceano, CA 93475	e-mail:

Description	Renewal	Business Auto	\$6,597.00
Lock Rates Date	04/01/2024		
Effective Date	04/01/2024		
Expiration Date	04/01/2025	Total	\$6,597.00
Type of Business	Renewal		
Program Name	WaterPlusMunich		
		Policy Surcharges and Taxes	
		POLICY TOTAL	\$6,597.00

Policy Totals Breakdown

Business Auto	
Liability	\$3,848.00
Medical	\$185.00
UM/UIM	\$355.00
Other Than Coll	\$425.00
Collision	\$1,284.00
Hired Auto	\$250.00
Non-Owned	\$250.00
Total	\$6,597.00

Policy Information - Business Auto

Legal Entity	Other	Type of Fleet	Non-Fleet
Liability	1,000,000	CSL Deductible	Full
NAICS Class	221310 Water supply systems		

Location 1 Joint Powers Risk and Insurance Management Authori

1655 Front Street	Business Auto	\$6,597.00
Oceano, CA 93475		
San Luis Obispo County	Total	\$6,597.00

Business Auto

Territory 128	Total Non-Fleet Premium Information...	
	Liability	\$3,958
	UM/UIM	\$355
	Med Pay	\$185
	OTC	\$425
	Collision	\$1,284
	Non-Owned	\$140
	Hired	\$250
	Non-Fleet Grand Total	\$6,597

Hired Auto: Liability class 6619, Physical Damage class 6619

	Limit/Ded	Premium
Liability	1,000,000	\$250 †
†Liab Minimum Applies: 250		

Non-Owned Auto class 6601 (9 Employees)

	Limit	Premium
Liability	1,000,000	\$140

Vehicles

Vehicle # 1 - Truck 1994 Ford F150 1FTEF15Y4RLB22025			
Cost New 14,400	Code 01199	Age Group 28	Vehicle Total \$662

	Limit	
Liability	1,000,000	\$503
	Limit	Premium
Med Payments	5,000	\$37
Un Motorist	1,000,000	\$71
	Deduct	Premium
Comprehensive	1,000	\$11
	Deduct	Premium
Collision	1,000	\$40

Vehicle # 2 - Truck 2006 Chevrolet C2500 HD Silverado 1GBHC24U76E169094			
Cost New 23,000	Code 21199	Age Group 19	Vehicle Total \$787

	Limit	
Liability	1,000,000	\$611
	Limit	Premium
Med Payments	5,000	\$37
Un Motorist	1,000,000	\$71
	Deduct	Premium
Comprehensive	1,000	\$30
	Deduct	Premium
Collision	1,000	\$38

Vehicle # 3 - Truck 2007 Chevrolet C2500 HD Silverado 1GBHC24U57E163957			Vehicle Total	\$852
Cost New	28,500	Code 21199	Age Group 18	

	Limit	
Liability	1,000,000	\$646
	Limit	Premium
Med Payments	5,000	\$37
Un Motorist	1,000,000	\$71
	Deduct	Premium
Comprehensive	1,000	\$38
	Deduct	Premium
Collision	1,000	\$60

Vehicle # 4 - Semi-Trailer 2013 Piper Hunter Jetter & amp; amp; amp; Trailer 1T9P42124DP391840			Vehicle Total	\$695
Cost New	125,300	Code 67199	Age Group 12	

	Limit	
Liability	1,000,000	\$231
	Deduct	Premium
Comprehensive	1,000	\$61
	Deduct	Premium
Collision	1,000	\$403

Vehicle # 5 - Truck 2015 Ford F-550 1FDUF5HT5FEC03758			Vehicle Total	\$1,207
Cost New	51,735	Code 21199	Age Group 10	

	Limit	
Liability	1,000,000	\$823
	Limit	Premium
Med Payments	5,000	\$37
Un Motorist	1,000,000	\$71
	Deduct	Premium
Comprehensive	1,000	\$86
	Deduct	Premium
Collision	1,000	\$190

Vehicle # 6 - Truck 2023 Ford F-450 1FDUF4GT5PED01153			Vehicle Total	\$1,894
Cost New	121,342	Code 21199	Age Group 2	

	Limit	
Liability	1,000,000	\$1,034
	Limit	Premium
Med Payments	5,000	\$37
Un Motorist	1,000,000	\$71
	Deduct	Premium
Comprehensive	1,000	\$199
	Deduct	Premium
Collision	1,000	\$553

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Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: March 27, 2024

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #8(G): Recommendation to Approve a Purchase Order for the replacement of four valves on 21st Street in the amount of \$41,000.**

Recommendation

It is recommended that your Board approve the purchase order for the replacement of four valves on 21st Street in the amount of \$41,000.

Discussion

The Fiscal Year 2023-24 Budget approved by the Board on June 28, 2023, included \$15,000 for the replacement of four valves on 21st Street. Staff received three proposals with the lowest bid from R. Baker of \$41,000, resulting in a budget overage of \$26,000 since the valves weren't properly sized.

Other Agency Involvement:

The County of San Luis Obispo issues the District an annual blanket encroachment permit.

Other Financial Considerations:

Agenda item 9A provides the second-quarter budget review and the cost overage for this project, which will be covered by the budget line-item CIP Upgrades All Projects in the Water Fund and will remain within the authorized fund-level budgets:

FY 2023-24 Budget CIP Upgrades All Project	Rincon & Cleath – Harris Geologist contracts approved on 3/13/2024	R. Baker Overage	MNS Proposal (Agenda Item 9B)	Remaining Balance
<u>\$135,000</u>	<u>\$ 16,400</u>	<u>\$ 26,000</u>	<u>\$ 22,555</u>	<u>\$70,045</u>



Oceano Community Services District

Board of Directors Meeting

Results

The Board's review of purchase orders is an integral component of the District's system of internal controls and promotes a well-governed community.

Attachments:

- R. Baker proposal



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

PURCHASE ORDER # 2023-24-29

VENDOR: R. Baker, Inc. PO Box 419 Arroyo Grande, CA 93421-0419 PH: 805-489-4910 FX: 805-489-1653	PURCHASE ORDER: 21 Street Cross and Valve Replacement Code to: 02-5-4400-320
---	---

SHIPPING ADDRESS: OCEANO COMMUNITY SERVICES DISTRICT 1655 Front Street OCEANO, CA 93445 (805) 481-6730	BILLING ADDRESS: OCEANO COMMUNITY SERVICES DISTRICT P O BOX 599 OCEANO, CA 93475-0599 (805) 481-6730
---	---

DATE OF ISSUANCE:

March 27, 2024

SCOPE OF WORK: See attached bid dated 01/08/2024

COMPLETION REQUIREMENTS: None

AMOUNT NTE: \$41,000.00

This purchase order is subject to Terms and Conditions incorporated herein by reference on the attached documents.

Signature

Date

R. BAKER, INC.
PIPE LINE AND UTILITY CONSTRUCTION
 Post Office Box 419
 Arroyo Grande, California 93421
 Contractors License No. 372751 DIR#1000004631
 Phone 805-489-8711 Fax 805-489-1653
 email:pat@rbakerinc.com

Date: 1/8/2024
 Co: Tony Marraccino: OCSD
 Re: 1950 21st Street Cross and Valve Replacement

In response to your invitation to bid on the installation of underground utilities, we are pleased to make the following proposal to furnish all labor, equipment, material, and insurance for the unit prices listed below:

WATER			
1.	1	LS Remove and Replace Cross and Valves	41,000.00
			TOTAL
			41,000.00

This price includes installing a 12" cross with 1/12" valve, 2/8" valves, and 1/6" valve. This also includes repaving any disturbed road section and replacing the concrete driveway approach in the excavated area.

These costs are based on working regular 7 AM to 3:30 PM 5 day work weeks.

The above prices are subject to the following conditions:

1. These prices do not include any costs for compaction testing.
2. This price does not include any encroachment permit.
3. It is understood that you will furnish sufficient inspection to satisfy yourself that all lines and appurtenances are in the correct location and at proper grade, so that when we complete our work we will have located all items to your satisfaction. It will be assumed that this inspection has been made and those items have been installed per engineering stakes.
4. All work to be performed in accordance with the plans and specifications provided to us for bidding purposes.
5. Should any additional work develop after signing a contract, our normal mark ups would apply. This includes 15% for equipment and material, and 20% for labor.

6. Force Majeure: If performance of this Subcontract or any obligation under this Subcontract is prevented, restricted, or interfered with by causes beyond Subcontractor's control ("Force Majeure"), Subcontractor shall not be liable or deemed to be in default for any delay, failure, or interruption in performance under this Agreement resulting, directly or indirectly from such event. The term Force Majeure shall include, but not limited to labor shortages, material shortages and/or material price increases, project delays and/or any other issues arising out of or related to Acts of God, Covid-19, epidemics, pandemics, government lock-downs, shelter in place orders, fire, explosion, vandalism, storm, casualty, illness, injury, general unavailability of materials or other similar occurrence, orders or acts of military or civil authority, or by national and/or state emergencies, insurrections, riots, or wars, or strikes, lock-outs, work stoppages. Subcontractor shall proceed to perform with reasonable dispatch whenever such causes are removed or ceased. Substantial Completion date shall be extended for a period reasonably equivalent to the time lost by reason of such Force Majeure event. Subcontract Price shall be adjusted if there are material price increases due to such Force Majeure event beyond Subcontractors control.

7 This proposal is void if not accepted within 30 days.

Thank you for the opportunity of submitting this bid. In the event our proposal is acceptable to you, please contact us and we will procure the necessary material. Additionally, if a contract is written, this proposal shall be included as an exhibit to the contract.

Sincerely,
R. Baker, Inc.
Estimator

Accepted

Date

Conditions of Purchase

1. The only terms that will be honored are those issued by the Oceano Community Services District (District).
2. No acknowledgment of this order is required. If this purchase order is the result of a written bid or quotation, the purchase order shall serve as acceptance thereof. If this purchase order is the result of an informal oral or written quote, acceptance will be assumed unless otherwise advised within (10) days of the date of the order. Unless otherwise specified, the U.S. Mail shall be the accepted means of communication.
3. Purchase order numbers shall appear on all invoices, packages, crates, boxes, etc.
4. Invoices must include only items shown on this order. In the event any item included on this order is not delivered, please notify the District at once as to the reason for the delay and the date we can expect delivery. Do not include any item which is back ordered on your invoice. Any invoice or claim on this contract must be presented within 1 year from delivery of goods or services.
5. Changes of any kind are not authorized without permission from the District.
6. The District reserves the right to cancel any or all items not shipped within the time specified on the order.
7. No charges for transportation, containers, packing, etc. will be allowed unless specified on the order.
8. All material furnished must be as specified and will be subject to inspection and approval of the District after delivery. The right is reserved to reject and return at the risk and expense of the supplier such portion of any shipment which may be defective or fail to comply with specifications without invalidating the remainder of the order. Rejected material will be held for disposition at the expense and risk of the seller.
9. This order is subject to sales tax, exempt from federal tax. Certificate of exemption will be provided upon request.
10. All goods and/or services shall be in compliance with all federal, state and local law including but not limited to OSHA and CAL OSHA.
11. The seller shall provide the District with a Material Safety Data Sheet for each product containing substances on the List of Hazardous Substances published by the California Administrative Code, Title S, Section 5194. These sheets must be sent to Oceano Community Services District at P O Box 599, Oceano, CA 93475-0599. Please reference the above purchase order number.

INSURANCE REQUIREMENTS

INDEMNIFICATION

To the fullest extent permitted by law, CONTRACTOR shall indemnify, defend and hold harmless the District and its officers, agents, employees, and volunteers from and against all claims, demands, damages, liabilities, loss, costs, and expense (including attorney's fees and costs of litigation) of every nature arising out of or in connection with Contractor's performance or attempted performance of work hereunder or its failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by sole negligence or willful misconduct of the District.

INSURANCE COVERAGE

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL); Insurance Services Office (ISO) Form CG 0001 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed, operations, personal injury and advertising injury, with limits no less than \$1,000,000 per occurrence. 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 twice the required occurrence limit.
2. Automobile Liability: ISO Form Number CA 0001 covering, Code 1 (any auto), or if Contractor has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damages.
3. Worker Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease. If Contractor will provide leased employees, or is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage shall also include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 O1 A) naming the District as the Alternate Employer, and the endorsement form shall be modified to provide that District will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.
(Not required if Contractor provides written verification it has no employees)

If the contractor maintains higher limits than the minimums shown above, the District requires and shall be entitled to coverage for the higher limits maintained by the contractor.

OTHER INSURANCE PROVISIONS

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status:

The District, its officers, officials, employees, and volunteers are to be covered as insureds on the auto policy with respect to liability arising out of automobiles owned, leased, hired or borrowed by, or on behalf of the Contractor; and on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 23 37 forms if later revisions used).

Primary Coverage

For any claims related to this contract, the Contractor's insurance coverage shall be primary insurance as respects the District, its officers, officials, employees, and volunteers. Any insurance of self-insurance maintained by the District, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Notice of Cancellation

Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days prior written notice (10 days for non-payment) has been given to the District.

Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the required insurance shall constitute a material breach of the Contract upon which the District immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. The District, at its sole discretion, may obtain damages from Contractor resulting from said breach.

Waiver of Subrogation

Contractor hereby grants to District a waiver of any right to subrogation which any insurer of said Contractor may acquire against the District by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the District has received a waiver of subrogation endorsement from the insurer.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the District. The District may require the Contractor to provide proof of ability to pay losses and related investigation, claim administration, and defense expenses within the retention.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.A. Best's rating of no less than A:VII, unless otherwise acceptable to the District.

Claims Made Policies

If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work;
2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work;
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive date prior to the contract effective date, the Contractor must purchase “extended reporting” coverage for a minimum of five (5) years.

Separation of Insured's

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separate of insured's provision with no insured versus insured exclusions or limitation.

Verification of Coverage

Contractor shall furnish the District with original certificates and mandatory 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 District before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The District reserves the right to required complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Certificates and copies of any required endorsements shall be sent to:

Oceano Community Services District
P.O. Box 599
Oceano, CA 93475-0599

Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein.

Special Risks or Circumstances

District reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: March 27, 2024

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #9(A): Review of the District's Budget Status as of December 31, 2023**

Recommendation

It is recommended that the Board review and discuss the District's budget status as of December 31, 2023.

Discussion

The attached worksheets have been prepared for your review of the status of this year's budget, and they have been designed to include the following:

- ✓ Current fiscal year adopted budget
- ✓ Current fiscal year actual revenues and expenditures as of December 31, 2023
- ✓ Current percentage of the adopted budget
- ✓ Estimated total on June 30, 2024

When reviewing the worksheets (Attachment A), items of significance can be identified and listed by fund. The column containing the percentage of the 2023-24 budget utilized in the second quarter of the fiscal year assists with illustrating the estimated revenues and costs at the end of the fiscal year.

Expenditures:

Several expenses are front-loaded and paid at the beginning of each fiscal year. The budget worksheets indicate that the District has spent more than 50% of the overall budget on these items. The worksheets also show that the year-end cost estimate is within budget.

The front-loaded expenses are as follows:

1. Water Supply from Lopez and State Water
2. CalPERS Unfunded Accrued Liability (UAL) for the Public Employees' Pension Reform Act (PEPRA) Miscellaneous Plan members
3. Permit, Fees & Licenses (SLO County Public Works Annual Encroachment Permit and Municode License)
4. Local Agency Formation Commission Expense (LAFCO)
5. Liability Insurance
6. Membership Expense (Cal Rural Water Association)



Oceano Community Services District

Board of Directors Meeting

- 7. Boot Allowance Expense
- 8. Annual Software Maintenance

Other expenses appear to be running high in the General, Water and Garbage funds but are expected to level out during the fiscal year, including the following:

General Fund

- 1. Legal Services –the District’s legal costs are estimated to run over this fiscal year. The District will be issuing a request for proposals for legal services in the upcoming months.

Budget: \$75,000	Expensed @ 12/31: \$69,279 (92%)	Estimate - Year End: \$ 138,558	(Over)/Under: \$ (63,558)
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- 2. Classes/Seminars/ Training – during the first half of the year staff and Board members attended the California Special District Association (CSDA) Annual Conference. The year-end estimate includes the costs for the CSDA Leadership Conference in San Luis Obispo that staff and Board members attended, less the two scholarships that were earned.

Budget: \$6,350	Expensed @ 12/31: \$7,774 (122%)	Estimate - Year End: \$ 19,173	(Over)/Under: \$ (12,823)
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Water Fund

- 1. Contract Engineering - during the first of the year staff updated the water atlas for all the hydrants in the system.

Budget: \$2,000	Expensed @ 12/31: \$3,609(180%)	Estimate - Year End: \$ 7,219	(Over)/Under: \$ (5,219)
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- 2. CIP 21st St Valve Replacement - staff received three bids for the valves on 21st St and the lowest bid came in \$26,000 over from R. Baker, Inc. The remaining balance will be covered by the CIP Upgrades All Projects line item of \$135,000.

Budget: \$15,000	Expensed @ 12/31: \$0 (0%)	Estimate - Year End: \$ 41,000	(Over)/Under: \$(26,000)
CIP Upgrades \$135,000	\$0(0%)	\$109,00	\$26,000



Garbage Fund

- 3. Professional Services - during the first half of the year the roll-off was filled six times with items illegally dumped throughout the community. This is in response to illegal dumping and the Ready 311 application.

Budget: \$7,000	Expensed @12/31: \$4,516 (65%)	Estimate - Year End: \$9,032	(Over)/Under: \$ (2,032)
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Revenues:

Certain revenues appear to be lower in the General Fund and higher in the Enterprise Funds than the budgeted for the second quarter. These revenues arise from the timing of the December 31st review:

- 1. Property Taxes - 60% of property taxes were paid in December 2023, with the remaining expected to come in April 2024. The year-end totals are based on the County estimates provided in October and are consistent with previous years based on the County’s collection system.
- 2. Landfill Saving Payment – each year South County Sanitary Services Inc. (SCSS) issues the District a landfill savings payment to recognize the capital improvement saving at the landfill by entering into the Franchise Agreement.

Other Agency Involvement

N/A

Other Financial Considerations

The wind-down period of the Joint Powers Agreement (JPA) with the Five Cities Fire Authority (FCFA) was triggered when the June 2022 special tax failed. The District initiated proceedings through LAFCO to divest fire and emergency services and turn the responsibility over to the County. The District is currently in the process of negotiating with the County for the District’s fire and emergency service for FY 2024-25.

Results

Establishing good budget monitoring procedures will help ensure that the District’s costs are managed in a financially prudent manner and promote a prosperous and well-governed community.

Attachments: Attachment A - Budget Worksheets
Attachment B - FY 2023-24 Budget Adjustments

FY 2023-2024 OCSD q2 BUDGET review



BUDGET SUMMARY





GENERAL FUND





OCEANO COMMUNITY SERVICES DISTRICT
GENERAL FUND
SUMMARY

ACCOUNT NO.	GENERAL FUND (GF)	2023/24		2023/24 APPROVED BUDGET	ACTUAL AT 12/30/2023	ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE
		ADOPTED BUDGET	APPROVED ADJUSTMENTS				
SOURCES OF FUNDS							
	Fire	\$0	\$0	\$0	\$0	0%	\$0
	Lighting	\$0	\$0	\$0	\$0	0%	\$0
	Parks & Recreation	\$0	\$0	\$0	\$0	0%	\$0
	Facilities	\$291,966	\$0	\$291,966	\$81,994	54%	\$171,882
	Admin	\$2,444,137	\$0	\$2,444,137	\$1,435,005	117%	\$2,515,107
	Total Sources of Funds	\$2,736,103	\$0	\$2,736,103	\$1,516,998	56%	\$2,686,989
USES OF FUNDS							
	Fire	\$1,195,322	\$0	\$1,195,322	\$593,064	50%	\$1,182,937
	Lighting	49,868	\$0	\$49,868	\$22,850	46%	\$44,835
	Parks & Recreation	\$0	\$19,500	\$19,500	\$3,619	19%	\$5,835
	Facilities	\$359,230	\$0	\$359,230	\$19,901	6%	\$142,825
	Admin	\$1,151,804	\$0	\$1,151,804	\$626,400	54%	\$1,165,718
	Total Expenditures	\$2,756,223	\$19,500	\$2,775,723	\$1,265,834	46%	\$2,542,150
OPERATING SURPLUS/(DEFICIT)							
	Fire	(\$1,195,322)	\$0	(\$1,195,322)	(\$593,064)		(\$1,182,937)
	Lighting	(\$49,868)	\$0	(\$49,868)	(\$22,850)		(\$44,835)
	Parks & Recreation	\$0	(\$19,500)	(\$19,500)	(\$3,619)		(\$5,835)
	Facilities	(\$67,263)	\$0	(\$67,263)	\$62,092		\$29,058
	Admin	\$1,292,333	\$0	\$1,292,333	\$808,605		\$1,349,389
	OPERATING SURPLUS/(DEFICIT)	(\$20,120)	(\$19,500)	(\$39,620)	\$251,164		\$144,839
TRANSFERS & ENCUMBRANCES							
	Transfers In - From Water & Garbage Funds	55,373		55,373			0
	(Transfers Out) - To Water & Wastewater Funds	(132,334)		(132,334)			0
	Encumbrances - Sources of Funding	0		0			0
	Encumbrances - (Designated Funds)	0		0	(7,944)		9,707
	NET TRANSFERS & ENCUMBRANCES	(\$76,961)	\$0	(\$76,961)	(\$7,944)		(\$86,668)



ADMINISTRATIVE BUDGET





OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 ADMINISTRATIVE DEPARTMENT - GENERAL FUND - 01

ACCOUNT NO.	GENERAL FUND (GF) ADMINISTRATIVE DEPARTMENT - 01	2023/24		2023/24 CURRENT BUDGET	ACTUAL AT 12/30/2023		ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE
		ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS								
	Revenues	\$1,292,333	\$0	\$1,292,333	\$808,605	63%	\$1,349,389	\$49,152
	Other Sources of Funds	\$1,151,804	\$0	\$1,151,804	\$626,400	54%	\$1,165,718	\$13,914
	Total Sources of Funds	\$2,444,137	\$0	\$2,444,137	\$1,435,005	117%	\$2,515,107	\$63,067
USES OF FUNDS								
	Salaries & Wages	\$466,000	\$0	\$466,000	\$227,148	49%	\$454,297	\$11,703
	Benefits	\$150,325	\$0	\$150,325	\$76,723	51%	\$153,447	(\$3,122)
	Personnel Services	\$616,325	\$0	\$616,325	\$303,872	49%	\$607,744	\$8,581
	Services & Supplies	\$306,389	\$0	\$306,389	\$225,334	74%	\$364,786	(\$58,397)
	Operating Crew Benefits Allocation	\$229,090	\$0	\$229,090	\$97,194	42%	\$193,189	\$35,901
	Total Expenditures	\$1,151,804	\$0	\$1,151,804	\$626,400	54%	\$1,165,718	(\$13,914)
	OPERATING SURPLUS/(DEFICIT)	\$1,292,333	\$0	\$1,292,333	\$808,605		\$1,349,389	\$49,152
	TRANSFERS & ENCUMBRANCES							
	Transfers In - From Facilities Fund	0	0	0	0		0	0
	(Transfers Out) - Fire, Lighting & Parks and Rec (Property Taxes)	(1,383,728)	0	(1,383,728)	(619,533)		(1,352,645)	(31,083)
	Encumbrances - Sources of Funding	0	0	0	0		0	0
	Encumbrances - (Designated Funds)	0	0	0	0		0	0
	NET TRANSFERS & ENCUMBRANCES	(\$1,383,728)	\$0	(\$1,383,728)	(\$619,533)		(\$1,352,645)	(\$31,083)



OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 ADMINISTRATIVE DEPARTMENT - GENERAL FUND - 01

ACCOUNT NO.	GENERAL FUND (GF) ADMINISTRATIVE DEPARTMENT - 01	2023/24		APPROVED BUDGET	ACTUAL AT 12/30/2023	50%	ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE
		ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS								
REVENUES								
01-4-3100-000	Property Taxes: Current Year - Secured	1,243,348		1,243,348	731,175	59%	1,273,983	30,635
01-4-3101-000	Property Taxes: Current Year - Unsecured	39,809		39,809	42,419	107%	43,209	3,400
01-4-3102-000	Property Taxes: Prior Year - Secured	0		0	269		538	538
01-4-3103-000	Property Taxes: Prior Year - Unsecured	0		0	650		1,299	1,299
01-4-3105-000	Penalties & Interest	0		0	11		22	22
01-4-3120-000	Homeowners' Prop Tax Relief	6,314		6,314	3,177	50%	6,227	(87)
01-4-3121-000	SB 1090	13,866		13,866	21,769	157%	21,769	
01-4-3213-100	Will Serve Letter Fee	0		0	300		600	600
01-4-3230-100/200/600	Misc Income	0		0	5,356		10,711	10,711
01-4-3238-200	Fireworks Permit	1,748		1,748	0	0%	1,748	0
01-4-3300-000	Interest Income	4,922		4,922	3,475	71%	6,950	2,028
01-4-3557-000	CO Charge: SB 2557	(17,674)		(17,674)	0	0%	(17,674)	0
01-4-3900-011	Board Member receivable PMT	0		0	5		5	5
Total Revenues		\$1,292,333	\$0	\$1,292,333	\$808,605	63%	\$1,349,389	\$49,152
OTHER SOURCES OF FUNDS								
01-5-4100-376	Allocated Administrative Overhead	922,714		922,714	529,205	57%	972,530	49,816
01-5-4100-377	Allocated Operating Crew Overhead	229,090		229,090	97,194	42%	193,189	(35,901)
Total Other Sources of Funds		\$1,151,804	\$0	\$1,151,804	\$626,400	54%	\$1,165,718	\$13,914
Total Sources of Funds		\$2,444,137	\$0	\$2,444,137	\$1,435,005	59%	\$2,515,107	\$63,067
USES OF FUNDS								
SALARIES & WAGES								
01-5-4100-010	Salary & Wages	461,000		461,000	226,980	49%	453,961	7,039
01-5-4100-020	Overtime	5,000		5,000	168	3%	336	4,664
Total Salaries & Wages		\$466,000	\$0	\$466,000	\$227,148	49%	\$454,297	\$11,703
BENEFITS								
01-5-4100-061	PERS Contribution	56,000		56,000	29,026	52%	58,052	(2,052)
01-5-4100-070	SUI	2,200		2,200	0	0%	0	2,200
01-5-4100-071	Medicare	6,825		6,825	3,442	50%	6,884	(59)
01-5-4100-072	FICA	2,400		2,400	1,007	42%	2,013	387
01-5-4100-075	Compensation Insurance	5,000		5,000	2,884	58%	5,767	(767)
01-5-4100-090	Insurance	77,000		77,000	39,915	52%	79,830	(2,830)
01-5-4100-097	Cell Phone Allowance	900		900	450	50%	900	0
Total Benefits		\$150,325	\$0	\$150,325	\$76,723	51%	\$153,447	(\$3,122)
Total Personnel Services		\$616,325	\$0	\$616,325	\$303,872	49%	\$607,744	\$8,581
SERVICES & SUPPLIES								
01-5-4100-110	Communications & Dispatch	9,795		9,795	4,905	50%	9,809	(14)
01-5-4100-150	Insurance	37,000		37,000	37,977	103%	37,977	(977)
01-5-4100-170	Maintenance: Equipment	3,810		3,810	0	0%	0	3,810
01-5-4100-173	Maint: Structures/ Improvements	13,000		13,000	4,988	38%	9,976	3,024
01-5-4100-180	Memberships	9,000		9,000	8,600	96%	9,000	0
01-5-4100-193	Bank Fees	6,200		6,200	3,108	50%	6,216	(16)
01-5-4100-200	Office Expense	5,875		5,875	3,337	57%	6,675	(800)
01-5-4100-210	Postage	2,575		2,575	244	9%	489	2,086
01-5-4100-218	Audit	25,000		25,000	8,290	33%	25,000	0
01-5-4100-220	Professional Services	35,000		35,000	15,784	45%	31,568	3,432
01-5-4100-221	Information Technology	5,000		5,000	329	7%	658	4,342
01-5-4100-223	Legal Services	75,000		75,000	69,279	92%	138,558	(63,558)
01-5-4100-225	Board Stipends	12,000		12,000	3,400	28%	6,800	5,200
01-5-4100-226	Annual Software Maintenance	22,800		22,800	25,675	113%	25,675	(2,875)
01-5-4100-230	Required Legal Notice	1,200		1,200	157	13%	314	886
01-5-4100-235	Books/ Journals/ Subscriptions/ Software	1,700		1,700	3,154	186%	3,154	(1,454)
01-5-4100-247	LAFCO Annual Charge	12,804		12,804	12,967	101%	12,967	(163)
01-5-4100-248	Permits, Fees, Licenses	2,500		2,500	4,447	178%	4,447	(1,947)
01-5-4100-280	Private Vehicle/ Milage Expense	530		530	0	0%	0	530
01-5-4100-285	Classes/ Seminars/ Training Fee	6,350		6,350	7,774	122%	19,173	(12,823)
01-5-4100-286	Board Member Travel	2,200		2,200	750	34%	1,500	700
01-5-4100-290	Utilities	11,500		11,500	4,662	41%	9,323	2,177
01-5-4100-320	Fixed Assets - Hearing Impaired Stationary System	5,550		5,550	5,507	99%	5,507	43
Total Services & Supplies		\$306,389	\$0	\$306,389	\$225,334	74%	\$364,786	(\$58,397)
Operating Crew Benefits & Direct Labor Cost Allocations								
01-5-4100-600	Leave time	54,000		54,000	26,779	50%	53,559	441
01-5-4100-010	Salaries & Wages (Admin)	6,400		6,400	3,060	48%	6,120	280
01-5-4100-601	PERS Contribution	40,000		40,000	17,811	45%	35,622	4,378
01-5-4100-602	Medicare	5,500		5,500	2,307	42%	4,614	886
01-5-4100-192	P/R Fed & State Taxes	4,500		4,500	0	0%	0	4,500
01-5-4100-070	SUI	1,750		1,750	0	0%	0	1,750
01-5-4100-603	Insurance	92,000		92,000	33,534	36%	67,068	24,932
01-5-4100-080	Boot Allowance	1,500		1,500	1,200	80%	1,200	300
01-5-4100-100	Clothing	7,000		7,000	3,263	47%	6,526	474
01-5-4100-604	Standby	16,440		16,440	9,240	56%	18,480	(2,040)
Total Operating Crew Benefits		\$229,090	\$0	\$229,090	\$97,194	42%	\$193,189	\$35,901
Total Expenditures		\$1,151,804	\$0	\$1,151,804	\$626,400	54%	\$1,165,718	(\$13,914)



OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 ADMINISTRATIVE DEPARTMENT - GENERAL FUND - 01

ACCOUNT NO.	GENERAL FUND (GF) ADMINISTRATIVE DEPARTMENT - 01	2023/24			ACTUAL AT 12/30/2023	50%	ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE
		ADOPTED BUDGET	APPROVED ADJUSTMENTS	APPROVED BUDGET				
OPERATING SURPLUS/(DEFICIT)		\$1,292,333	\$0	\$1,292,333	\$808,605		\$1,349,389	\$49,152
TRANSFERS & ENCUMBRANCES								
	Transfers In	0		0	0		0	0
	(Transfers Out) - Fire, Lighting & Parks and Rec (Property Taxes)	(1,383,728)		(1,383,728)	(619,533)		(1,352,645)	(31,083)
	Encumbrances - Sources of Funding	0		0	0		0	0
	Encumbrances - (Designated Funds)	0		0	0		0	0
NET TRANSFERS & ENCUMBRANCES		(1,383,728)	\$0	(1,383,728)	(619,533)		(1,352,645)	(31,083)



FIRE BUDGET





OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 FIRE DEPARTMENT - GENERAL FUND - 01

ACCOUNT NO.	GENERAL FUND (GF) FIRE DEPARTMENT - 01	2023/24		APPROVED BUDGET	ACTUAL AT 12/30/2023	ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE
		ADOPTED BUDGET	APPROVED ADJUSTMENTS				
SOURCES OF FUNDS							
	Revenues	\$0	\$0	\$0	\$0	0%	\$0
	Other Sources of Funds	\$0	\$0	\$0	\$0	0%	\$0
	Total Sources of Funds	\$0	\$0	\$0	\$0	0%	\$0
USES OF FUNDS							
	Salaries & Wages	\$1,995	\$0	\$1,995	\$0	0%	\$0
	Benefits	\$1,145	\$0	\$1,145	\$486	42%	\$966
	Personnel Services	\$3,140	\$0	\$3,140	\$486	15%	\$966
	Services & Supplies	\$1,164,500	\$0	\$1,164,500	\$576,702	50%	\$1,152,795
	Capital Overlay	\$0	\$0	\$0	\$0		\$0
	Administrative Cost Allocation	\$27,681	\$0	\$27,681	\$15,876	57%	\$29,176
	Total Expenditures	\$1,195,322	\$0	\$1,195,322	\$593,064	50%	\$1,182,937
	OPERATING SURPLUS/(DEFICIT)	(\$1,195,322)	\$0	(\$1,195,322)	(\$593,064)		(\$1,182,937)
							\$12,385



OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 FIRE DEPARTMENT - GENERAL FUND - 01

ACCOUNT NO.	GENERAL FUND (GF) FIRE DEPARTMENT - 01	2023/24		2023/24	ACTUAL AT 12/30/2023	50%	ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE
		ADOPTED BUDGET	APPROVED ADJUSTMENTS	APPROVED BUDGET				

SOURCES OF FUNDS								
REVENUES								
Total Revenues		\$0	\$0	\$0	\$0		\$0	\$0
OTHER SOURCES OF FUNDS								
Total Other Sources of Funds		\$0	\$0	\$0	\$0		\$0	\$0
Total Sources of Funds		\$0	\$0	\$0	\$0		\$0	\$0

USES OF FUNDS								
PERSONNEL SERVICES								
SALARIES & WAGES								
01-5-4200-010	Salary & Wages	1,995		1,995	0	0%	0	1,995
Total Salaries & Wages		\$1,995	\$0	\$1,995	\$0	0%	\$0	\$1,995
BENEFITS								
01-5-4200-377	Operating Crew Benefits Allocation	1,145		1,145	486	42%	966	180
Total Benefits		\$1,145	\$0	\$1,145	\$486	42%	\$966	\$180
Total Personnel Services		\$3,140	\$0	\$3,140	\$486	15%	\$966	\$2,175
SERVICES & SUPPLIES								
01-5-4200-220	Contract Fire and Emergency Services	1,150,000		1,150,000	575,000	50%	1,150,000	0
01-5-4200-110	Communication	1,000		1,000	111	11%	222	778
01-5-4200-220	Professional Services	7,500		7,500	0	0%	0	7,500
01-5-4200-290	Utilities	5,000		5,000	787	16%	1,573	3,427
01-5-4200-291	Sandbags	1,000		1,000	804	80%	1,000	0
Total Services & Supplies		\$1,164,500	\$0	\$1,164,500	\$576,702	50%	\$1,152,795	\$11,705
Total Capital Overlay		\$0	\$0	\$0	\$0		\$0	\$0
ADMINISTRATIVE COST ALLOCATION								
01-5-4200-376	Allocated Overhead - Admin	27,681		27,681	15,876	57%	29,176	(1,494)
Total Administrative Cost Allocation		\$27,681	\$0	\$27,681	\$15,876	57%	\$29,176	(\$1,494)
Total Expenditures		\$1,195,322	\$0	\$1,195,322	\$593,064	50%	\$1,182,937	\$12,385

OPERATING SURPLUS/(DEFICIT)		(\$1,195,322)	\$0	(\$1,195,322)	(\$593,064)		(\$1,182,937)	\$12,385
TRANSFERS & ENCUMBRANCES								
Transfers In - Property Taxes		1,307,712		1,307,712	593,064		1,295,327	(12,385)
(Transfers Out) - Water & Wastewater Funds		(112,390)		(112,390)			(112,390)	0
Encumbrances - Sources of Funding		0		0			0	0
Encumbrances - (Designated Funds)		0		0			0	0
NET TRANSFERS & ENCUMBRANCES		\$1,195,322	\$0	\$1,195,322	\$593,064		\$1,182,937	(\$12,385)



LIGHTING BUDGET





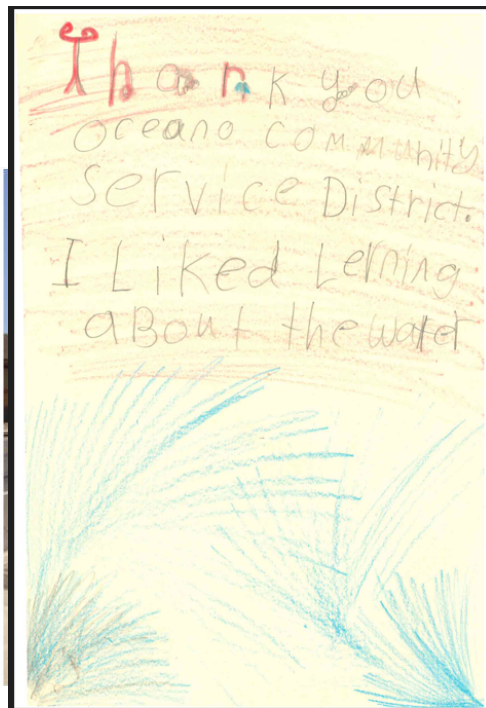
OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 LIGHTING - GENERAL FUND - 01

ACCOUNT NO.	GENERAL FUND (GF) LIGHTING - 01	2023/24		2023/24	ACTUAL AT 12/30/2023	ESTIMATED ACTUAL	2023/24	
		ADOPTED BUDGET	APPROVED ADJUSTMENTS	CURRENT BUDGET			EST. BUDGET VARIANCE	
SOURCES OF FUNDS								
	Revenues	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Other Sources of Funds	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Total Sources of Funds	\$0	\$0	\$0	\$0	0%	\$0	\$0
USES OF FUNDS								
	Salaries & Wages	\$1,995	\$0	\$1,995	\$0	0%	\$0	\$1,995
	Benefits	\$1,145	\$0	\$1,145	\$486	42%	\$966	\$180
	Personnel Services	\$3,140	\$0	\$3,140	\$486	15%	\$966	\$2,175
	Services & Supplies	\$37,500	\$0	\$37,500	\$17,072	46%	\$34,143	\$3,357
	Administrative Cost	\$9,227	\$0	\$9,227	\$5,292	57%	\$9,725	(\$498)
	Total Expenditures	\$49,868	\$0	\$49,868	\$22,850	46%	\$44,835	\$5,033
	OPERATING SURPLUS/(DEFICIT)	(\$49,868)	\$0	(\$49,868)	(\$22,850)		(\$44,835)	\$5,033



OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 LIGHTING - GENERAL FUND - FUND 01

ACCOUNT NO.	GENERAL FUND (GF) LIGHTING - 01	2023/24		2023/24	ACTUAL AT 12/30/2022	50%	ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE
		ADOPTED BUDGET	APPROVED ADJUSTMENTS	CURRENT BUDGET				
SOURCES OF FUNDS								
REVENUES								
Total Revenues		\$0	\$0	\$0	\$0		\$0	\$0
OTHER SOURCES OF FUNDS								
Total Other Sources of Funds		\$0	\$0	\$0	\$0		\$0	\$0
Total Sources of Funds		\$0	\$0	\$0	\$0		\$0	\$0
USES OF FUNDS								
PERSONNEL SERVICES								
SALARIES & WAGES								
01-5-4195-010	Salaries & Wages	1,995		1,995	0	0%	0	1,995
Total Salaries & Wages		\$1,995	\$0	\$1,995	\$0	0%	\$0	\$1,995
BENEFITS								
01-5-4195-377	Operating Crew Benefits Allocation	1,145	0	1,145	486	42%	966	180
Total Benefits		\$1,145	\$0	\$1,145	\$486	42%	\$966	\$180
Total Personnel Services		\$3,140	\$0	\$3,140	\$486	15%	\$966	\$2,175
SERVICES & SUPPLIES								
01-5-4195-175	Operating Supplies	2,500		2,500	292	12%	584	1,916
01-5-4195-295	Street Lighting	35,000		35,000	16,780	48%	33,559	1,441
Total Services & Supplies		\$37,500	\$0	\$37,500	\$17,072	46%	\$34,143	\$3,357
CAPITAL OUTLAY								
Total Capital Outlay		\$0	\$0	\$0	\$0		\$0	\$0
ADMINISTRATIVE COST ALLOCATION								
01-5-4195-376	Administrative Cost Allocation	9,227		9,227	5,292	57%	9,725	(498)
Total Administrative Cost Allocation		\$9,227	\$0	\$9,227	\$5,292	57%	\$9,725	(\$498)
Total Expenditures		\$49,868	\$0	\$49,868	\$22,850	46%	\$44,835	\$5,033
OPERATING SURPLUS/(DEFICIT)		(\$49,868)	\$0	(\$49,868)	(\$22,850)		(\$44,835)	\$5,033
TRANSFERS & ENCUMBRANCES								
Transfers In - Property Taxes		56,516		56,516	22,850		51,483	(5,033)
(Transfers Out) - Water & Wastewater Fund		(6,648)		(6,648)	0		(6,648)	0
Encumbrances - Sources of Funding		0		0	0		0	0
Encumbrances - (Designated)		0		0	0		0	0
NET TRANSFERS & ENCUMBRANCES		\$49,868	\$0	\$49,868	\$22,850		\$44,835	(\$5,033)



PARKS & RECREATION BUDGET





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
PARKS & RECREATION - GENERAL FUND - 07**

ACCOUNT NO.	GENERAL FUND (GF) PARKS & RECREATION - 07	2023/24		CURRENT BUDGET	ACTUAL AT 12/30/2023		ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE	
		ADOPTED BUDGET	APPROVED ADJUSTMENTS						
SOURCES OF FUNDS									
	Revenues	\$0	\$0	\$0	\$0	0%	\$0	\$0	\$0
	Other Sources of Funds	\$0	\$0	\$0	\$0	0%	\$0	\$0	\$0
	Total Sources of Funds	\$0	\$0	\$0	\$0	0%	\$0	\$0	\$0
USES OF FUNDS									
	Salaries & Wages	\$0	\$0	\$0	\$0	0%	\$0	\$0	\$0
	Benefits	\$0	\$0	\$0	\$0	0%	\$0	\$0	\$0
	Personnel Services	\$0	\$0	\$0	\$0	0%	\$0	\$0	\$0
	Services & Supplies	\$0	\$14,886	\$14,886	\$973	7%	\$973	\$13,913	\$13,913
	Capital Outlay	\$0	\$0	\$0	\$0	0%	\$0	\$0	\$0
	Administrative Cost	\$0	\$4,614	\$4,614	\$2,646	57%	\$4,863	(\$249)	(\$249)
	Total Expenditures	\$0	\$19,500	\$19,500	\$3,619	19%	\$5,835	\$13,665	\$13,665
	OPERATING SURPLUS/(DEFICIT)	\$0	(\$19,500)	(\$19,500)	(\$3,619)		(\$5,835)	\$13,665	\$13,665



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
PARKS & RECREATION - GENERAL FUND - FUND 07**

ACCOUNT NO.	GENERAL FUND (GF) PARKS & RECREATION- 07	2023/24		2023/24 CURRENT BUDGET	ACTUAL AT 12/30/2023	50%	ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE
		ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS								
REVENUES								
	Total Revenues	\$0	\$0	\$0	\$0		\$0	\$0
OTHER SOURCES OF FUNDS								
	Total Other Sources of Funds	\$0	\$0	\$0	\$0		\$0	\$0
	Total Sources of Funds	\$0	\$0	\$0	\$0		\$0	\$0
USES OF FUNDS								
PERSONNEL SERVICES								
SALARIES & WAGES								
	Total Salaries & Wages	\$0	\$0	\$0	\$0		\$0	\$0
BENEFITS								
	Total Benefits	\$0	\$0	\$0	\$0		\$0	\$0
	Total Personnel Services	\$0	\$0	\$0	\$0		\$0	\$0
SERVICES & SUPPLIES								
	July 26, 2023 Budget Adjustment - Parks & Recreation	0	13,711	13,711	0	0%	0	13,711
01-5-4850-301	October 11, 2023 Budget Request - Dia de Los Muertos Event	0	1,175	1,175	973	83%	973	202
	Total Services & Supplies	\$0	\$14,886	\$14,886	\$973	7%	\$973	\$13,913
CAPITAL OUTLAY								
	Total Capital Outlay	\$0	\$0	\$0	\$0		\$0	\$0
ADMINISTRATIVE COST ALLOCATION								
01-5-4850-376	July 26, 2023 Budget Adjustment - Administrative Cost Allocation	0	4,614	4,614	2,646	57%	4,863	(249)
	Total Administrative Cost Allocation	\$0	\$4,614	\$4,614	\$2,646	57%	\$4,863	(\$249)
	Total Expenditures	\$0	\$19,500	\$19,500	\$3,619	19%	\$5,835	\$13,665
OPERATING SURPLUS/(DEFICIT)		\$0	(\$19,500)	(\$19,500)	(\$3,619)		(\$5,835)	\$13,665
TRANSFERS & ENCUMBRANCES								
	Transfers In - Property Taxes	0	19,500	19,500	3,619		5,835	(13,665)
	(Transfers Out)	0	0	0	0		0	0
	Encumbrances - Sources of Funding	0	0	0	0		0	0
	Encumbrances - (Designated)	0	0	0	0		0	0
	NET TRANSFERS & ENCUMBRANCES	\$0	\$19,500	\$19,500	\$3,619		\$5,835	(\$13,665)



FACILITIES FUND





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
FACILITIES - FUND 10**

ACCOUNT NO.	GENERAL FUND (GF) FACILITIES - 10	2023/24		CURRENT BUDGET	ACTUAL AT 12/30/2023	ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE	
		ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS								
	Revenues	\$152,022	\$0	\$152,022	\$81,994	54%	\$163,987	\$11,965
	Other Sources of Funds	\$139,944	\$0	\$139,944	\$0	0%	\$7,895	(\$132,049)
	Total Sources of Funds	\$291,966	\$0	\$291,966	\$81,994	54%	\$171,882	(\$120,084)
USES OF FUNDS								
	Salaries & Wages	\$4,000	\$0	\$4,000	\$835	21%	\$1,669	\$2,331
	Benefits	\$2,291	\$0	\$2,291	\$972	42%	\$1,932	\$359
	Personnel Services	\$6,291	\$0	\$6,291	\$1,807	29%	\$3,601	\$2,690
	Services & Supplies	\$26,774	\$0	\$26,774	\$3,801	14%	\$17,309	\$9,465
	Capital Outlay	\$12,324	\$0	\$12,324	\$6,356	0%	\$107,327	\$204,997
	Administrative Cost	\$13,841	\$0	\$13,841	\$7,938	57%	\$14,588	(\$747)
	Total Expenditures	\$359,230	\$0	\$359,230	\$19,901	6%	\$142,825	\$216,405
	OPERATING SURPLUS/(DEFICIT)	(\$67,263)	\$0	(\$67,263)	\$62,092		\$29,058	\$96,321
TRANSFERS & ENCUMBRANCES								
	Transfers In - From Water Fund	55,373	0	55,373	0		55,373	0
	(Transfers Out) - To Water & Wastewater Funds	(13,296)	0	(13,296)	0		(13,296)	0
	Encumbrances - Sources of Funding	0	0	0	0		0	0
	Encumbrances - (Designated Funds)	(9,707)	0	(9,707)	(7,944)		(9,707)	0
	NET TRANSFERS & ENCUMBRANCES	\$32,370	\$0	\$32,370	(\$7,944)		\$32,370	\$0



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
FACILITIES - FUND 10**

ACCOUNT NO.	GENERAL FUND (GF) FACILITIES - 10	FINAL BUDGET FY 2023/24	2023/24		CURRENT BUDGET	ACTUAL AT 12/30/2023		ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE
			ADOPTED BUDGET	APPROVED ADJUSTMENTS		50%			
SOURCES OF FUNDS									
REVENUES									
10-4-3257-000	Utility Reimbursement	1,200	1,200		1,200	1,734	145%	3,469	2,269
10-4-3258-000	Old Fire Station Rent	12,000	12,000		12,000	6,000	50%	12,000	0
10-4-3260-000	Lease - Sheriff Facility	123,822	123,822		123,822	63,099	51%	126,198	2,376
	Public Facilities Fees	15,000	15,000		15,000	11,160	74%	22,320	7,320
	Total Revenues	\$152,022	\$152,022	\$0	\$152,022	\$81,994	54%	\$163,987	\$11,965
OTHER SOURCES OF FUNDS									
	Electric Vehicle Charging Stations Grant/ Rebate	139,944	139,944		139,944	0	0%	7,895	(132,049)
	Total Other Sources of Funds	\$139,944	\$139,944	\$0	\$139,944	\$0		\$7,895	(\$132,049)
	Total Sources of Funds	\$291,966	\$291,966	\$0	\$291,966	\$81,994	28%	\$171,882	(\$120,084)
USES OF FUNDS									
SALARIES & WAGES									
10-5-4300-010	Salary & Wages	4,000	4,000		4,000	835	21%	1,669	2,331
	Total Salaries & Wages	\$4,000	\$4,000	\$0	\$4,000	\$835	21%	\$1,669	\$2,331
BENEFITS									
10-5-4300-377	Operating Crew Overhead	2,291	2,291		2,291	972	42%	1,932	359
	Total Benefits	\$2,291	\$2,291	\$0	\$2,291	\$972	42%	\$1,932	\$359
	Total Personnel Services	\$6,291	\$6,291	\$0	\$6,291	\$1,807	29%	\$3,601	\$2,690
SERVICES & SUPPLIES									
10-5-4300-110	Communication	0	0		0	15		30	(30)
10-5-4300-163	Maint: Structure/ Improvements	10,500	10,500		10,500	2,094	20%	4,188	6,312
10-5-4300-173	So: Maint. Structures/ Improvements	3,700	3,700		3,700	1,412	38%	2,823	877
10-5-4300-220	Professional Services	12,574	12,574		12,574	280	2%	10,268	2,306
	Total Services & Supplies	\$26,774	\$26,774	\$0	\$26,774	\$3,801	14%	\$17,309	\$9,465
CAPITAL OUTLAY									
10-5-4300-320	Sheriff's Building - Flooring	90,000	90,000		90,000	0	0%	90,000	0
10-5-4300-320	HWY 1 Beautification Project	71,619	71,619		71,619	0	0%	0	71,619
10-5-4300-320	Diesel Tank Removal	8,000	8,000		8,000	6,356	79%	6,356	1,644
10-5-4300-320	Electric Vehicle Charging Stations	142,705	142,705		142,705	0	0%	10,971	131,734
	Total Capital Outlay	\$312,324	\$312,324	\$0	\$312,324	\$6,356		\$107,327	\$204,997
ADMINISTRATIVE COST ALLOCATION									
10-5-4300-376	Admin Allocation	13,841	13,841		13,841	7,938	57%	14,588	(747)
	Total Administrative Cost Allocation	\$13,841	\$13,841	\$0	\$13,841	\$7,938	57%	\$14,588	(\$747)
	Total Expenditures	\$359,230	\$359,230	\$0	\$359,230	\$19,901	6%	\$142,825	\$216,405
	OPERATING SURPLUS/(DEFICIT)	(\$67,263)	(\$67,263)	\$0	(\$67,263)	\$62,092		\$29,058	\$96,321
TRANSFERS & ENCUMBRANCES									
	Transfers In - From Water & Garbage Funds	55,373	55,373		55,373	0		55,373	0
	(Transfers Out) - To Water & Wastewater Funds	(13,296)	(13,296)		(13,296)	0		(13,296)	0
	Encumbrances - Sources of Funding	0	0		0	0		0	0
	Encumbrances - (Designated Funds)	(9,707)	(9,707)		(9,707)	(7,944)		(9,707)	0
	NET TRANSFERS & ENCUMBRANCES	\$32,370	\$32,370	\$0	\$32,370	(\$7,944)		\$32,370	\$0



OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 ENTERPRISE FUNDS

ACCOUNT NO.	ENTERPRISE FUNDS	2023/24		CURRENT BUDGET	ACTUAL AT 12/30/2023	ESTIMATED ACTUAL	2023/24	
		ADOPTED BUDGET	APPROVED ADJUSTMENTS				EST. BUDGET	VARIANCE
SOURCES OF FUNDS								
	Water	\$3,123,787	\$0	\$3,123,787	\$1,781,750	57%	\$3,177,124	\$53,338
	Wastewater	\$439,871	\$0	\$439,871	\$227,129	52%	\$456,358	\$16,488
	Garbage	\$68,255	\$11,650	\$79,905	\$59,996	171%	\$96,925	\$17,020
	Equipment	\$72,025	\$0	\$72,025	\$9,730	14%	\$60,436	(\$11,589)
	Total Sources of Funds	\$3,703,938	\$11,650	\$3,715,588	\$2,078,606	56%	\$3,790,844	\$75,256
USES OF FUNDS								
	Water	\$3,089,959	\$5,130	\$3,095,089	\$2,595,291	84%	\$3,031,031	\$64,057
	Wastewater	\$530,734	\$3,600	\$534,334	\$228,406	43%	\$460,080	\$74,254
	Garbage	\$127,833	\$11,920	\$139,753	\$75,676	230%	\$127,054	\$12,699
	Equipment	\$68,000	\$0	\$68,000	\$5,705	0%	\$26,411	\$11,589
	Total Expenditures	\$3,816,525	\$20,650	\$3,837,175	\$2,905,078	76%	\$3,644,576	\$162,600
OPERATING SURPLUS/(DEFICIT)								
	Water	\$33,828	(\$5,130)	\$28,698	(\$813,540)		\$146,093	\$117,395
	Wastewater	(\$90,863)	(\$3,600)	(\$94,463)	(\$1,277)		(\$3,722)	\$90,742
	Garbage	(\$59,577)	(\$270)	(\$59,847)	(\$15,679)		(\$30,128)	\$29,719
	Equipment	\$4,025	\$0	\$4,025	\$4,025		\$34,025	\$0
	OPERATING SURPLUS/(DEFICIT)	(\$112,588)	(\$9,000)	(\$121,588)	(\$826,472)		\$146,268	\$237,856
TRANSFERS & ENCUMBRANCES								
	Transfers In	166,276	0	166,276	0		105,857	0
	(Transfers Out)	(161,340)	0	(161,340)	1,095		(79,965)	0
	Encumbrances - Sources of Funding	2,601,777	0	2,601,777	268,000		2,601,777	0
	Encumbrances - (Designated Funds)	(2,748,796)	0	(2,699,996)	(143,888)		(2,696,336)	0
	NET TRANSFERS & ENCUMBRANCES	(\$142,083)	\$0	(\$93,283)	\$125,207		(\$68,667)	\$0



WATER FUND





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WATER FUND - 02**

ACCOUNT NO.	WATER FUND WATER DEPARTMENT - 02	2023/24		CURRENT BUDGET	ACTUAL AT 12/30/2023	50%	ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE
		ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS								
REVENUES								
02-4-3200-000	Water Sales	2,916,408		2,916,408	1,696,759	58%	2,916,408	0
02-4-3206-000	Front Footage Fees	24,480		24,480	0	0%	24,480	0
02-4-3207-000	Sales: U/B Courtesy Notice	4,500		4,500	1,846	41%	3,692	(808)
02-4-3208-000	Delinquent U/B Acct Fees	40,000		40,000	42,152	105%	84,304	44,304
02-4-3209-000	Capacity Charges	40,704		40,704	0	0%	40,704	0
02-4-3210-000	Meter Fees	8,100		8,100	0	0%	8,100	0
02-4-3211-000	Lopez Connection Fees	6,000		6,000	0	0%	6,000	0
02-4-3212-000	New Account Setup Fee	6,000		6,000	2,370	40%	4,740	(1,260)
02-4-3217-297	Wheeling/Fire Protection	25,000		25,000	12,899	52%	25,798	798
02-4-3230-350	Reimbursement - New Development	11,150		11,150	0	0%	11,150	0
02-4-3255-000	Inspection Fees	300		300	0	0%	300	0
02-4-3300-002	Interest	36,145		36,145	23,271	64%	46,542	10,397
02-4-3224-000	Backflow Fees	5,000		5,000	2,453	49%	4,906	(94)
Total Revenues		\$3,123,787	\$0	\$3,123,787	\$1,781,750	57%	\$3,177,124	\$53,338
OTHER SOURCES OF FUNDS								
Total Other Sources of Funds		\$0	\$0	\$0	\$0		\$0	\$0
Total Sources of Funds		\$3,123,787	\$0	\$3,123,787	\$1,781,750	57%	\$3,177,124	\$53,338
USES OF FUNDS								
PERSONNEL SERVICES								
SALARIES & WAGES								
02-5-4400-010	Salaries and Wages	208,000		208,000	91,236	44%	182,471	25,529
02-5-4400-020	Overtime	10,000		10,000	4,524	45%	9,048	952
Total Salaries & Wages		\$218,000	\$0	\$218,000	\$95,760	44%	\$191,520	\$26,480
BENEFITS								
02-5-4400-075	Workers Compensation Insurance	7,600		7,600	4,383	58%	8,766	(1,166)
02-5-4400-377	Operating Crew Benefits Allocation	146,618		146,618	62,204	42%	123,641	22,977
Total Benefits		\$154,218	\$0	\$154,218	\$66,588	43%	\$132,407	\$21,810
Total Personnel Services		\$372,218	\$0	\$372,218	\$162,347	44%	\$323,927	\$48,291
SERVICES & SUPPLIES								
02-5-4400-110	Communications	3,000		3,000	1,295	43%	2,591	409
02-5-4400-163	Maint: Structures/ Improvements	5,000		5,000	981	20%	1,961	3,039
02-5-4400-164	Paving	7,000		7,000	1,797	26%	3,594	3,406
02-5-4400-170	Maintenance - Equipment	5,000		5,000	155	3%	310	4,690
02-5-4400-173	Maint: Shared Structures/ Improvements	5,000		5,000	0	0%	0	5,000
02-5-4400-175	System Parts/ Operating Supplies	13,000		13,000	4,685	36%	9,370	3,630
02-5-4400-176	Water Meters	24,000		24,000	5,428	23%	24,000	0
02-5-4400-177	Safety Expense	1,000		1,000	0	0%	0	1,000
02-5-4400-178	Chemicals	5,000		5,000	6,828	137%	6,828	(1,828)
02-5-4400-180	Membership	3,600		3,600	2,508	70%	3,600	0
02-5-4400-200	Office Expense	1,000		1,000	225	23%	451	549
02-5-4400-205	Outside UB Mail Service	10,000		10,000	5,752	58%	11,504	(1,504)
02-5-4400-220	Professional Services	25,000		25,000	13,601	54%	27,202	(2,202)
02-5-4400-221	Information Technology	575		575	0	0%	0	575
02-5-4400-222	Contracted Engineering	2,000		2,000	3,609	180%	7,219	(5,219)
02-5-4400-226	Engineering & Other Reimbursements	10,815		10,815	3,301	31%	6,603	4,212
02-5-4400-230	Legal Notices	1,000		1,000	728	73%	1,456	(456)
02-5-4400-241	Rents/ Leases - Equipment	1,000		1,000	1,017	102%	2,035	(1,035)
02-5-4400-248	Permits, Fees, Licenses	10,500		10,500	5,618	54%	10,500	0
02-5-4400-250	Small Tools and Instruments	1,000		1,000	697	70%	1,394	(394)
02-5-4400-285	Classes/ Seminars	1,000		1,000	0	0%	1,000	0
02-5-4400-261	Water Supply - Lopez	543,858		543,858	527,159	97%	543,858	0
02-5-4400-262	Water Supply - State Water	1,151,000		1,151,000	1,120,527	97%	1,151,000	0
02-5-4400-290	Utilities	35,000		35,000	5,592	16%	11,184	23,816
02-5-4400-297	Pass-Thru: Crest/Christie/AG	26,265		26,265	12,899	49%	25,798	467
02-5-4400-320	Fixed Assets - Equipment	10,995		10,995	0	0%	10,995	0
02-5-4400-380	NCMA Tec	50,000		50,000	16,932	34%	50,000	0
02-5-4400-499	Claim & Settlements	7,500		7,500	0	0%	0	7,500
Total Services & Supplies		\$1,960,108	\$0	\$1,960,108	\$1,741,336	89%	\$1,914,452	\$45,656



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WATER FUND - 02**

ACCOUNT NO.	WATER FUND WATER DEPARTMENT - 02	2023/24		CURRENT BUDGET	ACTUAL AT 12/30/2023	50%	ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE
		ADOPTED BUDGET	APPROVED ADJUSTMENTS					
CAPITAL OUTLAY								
02-5-4400-320	CIP - 21st St Valve Replacement	15,000		15,000	0	0%	41,000	(26,000)
02-5-4400-320	CIP Upgrade All Projects	135,000		135,000	0	0%	109,000	26,000
	12/13/2023 Budget Adjustment - New Truck Bed	0	5,130	5,130	0	0%	5,130	0
Total Capital Outlay		\$150,000	\$5,130	\$155,130	\$364,804	235%	\$155,130	\$0
DEBT SERVICE								
02-5-4400-310	CalPERS UAL Funding	54,005		54,005	9,280	17%	54,005	0
Total Debt Service		\$54,005	\$0	\$54,005	\$9,280	17%	\$54,005	\$0
ADMINISTRATIVE COST ALLOCATION								
02-5-4400-376	Administrative Cost Allocation	553,628		553,628	317,523	57%	583,518	(29,890)
Total Administrative Cost Allocation		\$553,628	\$0	\$553,628	\$317,523	57%	\$583,518	(29,890)
Total Expenditures		\$3,089,959	\$5,130	\$3,095,089	\$2,595,291	84%	\$3,031,031	\$64,057
OPERATING SURPLUS/(DEFICIT)		\$33,828	(\$5,130)	\$28,698	(\$813,540)		\$146,093	\$117,395
TRANSFERS & ENCUMBRANCES								
	Transfers In- From General & Garbage Funds	105,857		105,857	0		105,857	0
	(Transfers Out) - To General , Garbage, Equipment	(79,965)		(79,965)	4,527		(79,965)	0
	Encumbrances - Sources of Funding	2,601,777		2,601,777	268,000		2,601,777	0
	Encumbrances - (Designated Funds)	(2,696,336)		(2,696,336)	(102,462)		(2,696,336)	0
NET TRANSFERS & ENCUMBRANCES		(\$68,667)	\$0	(\$68,667)	\$170,065		(\$68,667)	\$0




Waste water FUND





OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 WASTEWATER DEPARTMENT - FUND - 03

ACCOUNT NO.	WASTEWATER FUND WASTEWATER DEPARTMENT - 03	2023/24		CURRENT BUDGET	ACTUAL AT 12/30/2023	ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE	
		ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS								
	Revenues	\$439,871	\$0	\$439,871	\$227,129	52%	\$456,358	\$16,488
	Other Sources of Funds	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Total Sources of Funds	\$439,871	\$0	\$439,871	\$227,129	52%	\$456,358	\$16,488
USES OF FUNDS								
	Salaries & Wages	\$91,500	\$0	\$91,500	\$24,375	27%	\$48,749	\$42,751
	Benefits	\$59,182	\$0	\$59,182	\$25,749	44%	\$51,210	\$7,972
	Personnel Services	\$150,682	\$0	\$150,682	\$50,124	33%	\$99,959	\$50,723
	Services & Supplies	\$68,240	\$0	\$68,240	\$14,882	22%	\$29,763	\$38,477
	Capital Outlay	8,000	\$3,600	\$11,600	\$0	0%	\$11,600	\$0
	Debt Service	\$26,998	\$0	\$26,998	\$4,639	17%	\$26,998	\$0
	Administrative Cost	\$276,814	\$0	\$276,814	\$158,762	57%	\$291,759	(\$14,945)
	Total Expenditures	\$530,734	\$3,600	\$534,334	\$228,406	43%	\$460,080	\$74,254
OPERATING SURPLUS/(DEFICIT)		(\$90,863)	(\$3,600)	(\$94,463)	(\$1,277)		(\$3,722)	\$90,742
TRANSFERS & ENCUMBRANCES								
	Transfers In - From General & Garbage Funds	52,919	0	52,919	0		52,919	0
	(Transfers Out) - To Equipment Fund	(28,585)	0	(28,585)	(3,159)		(28,585)	0
	Encumbrances - Sources of Funding	0	0	0	0		0	0
	Encumbrances - (Designated Funds)	(48,800)	0	0	(38,535)		0	0
	NET TRANSFERS & ENCUMBRANCES	(\$24,466)	\$0	\$24,334	(\$41,694)		\$24,334	\$0

 OCEANO COMMUNITY SERVICES DISTRICT FUND LEVEL ANALYSIS WASTEWATER DEPARTMENT - FUND 03								
ACCOUNT NO.	WASTEWATER FUND WASTEWATER DEPARTMENT - 03	2023/24		CURRENT BUDGET	ACTUAL AT 12/30/2023		ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE
		ADOPTED BUDGET	APPROVED ADJUSTMENTS			50%		
SOURCES OF FUNDS								
REVENUES								
03-4-3210-000	Sales - Sewer	400,000		400,000	202,098	51%	404,196	4,196
03-4-3211-000	Sewer Connections	2,000		2,000	0	0%	2,000	0
03-4-3255-000	Inspection Fees	100		100	0	0%	100	0
03-4-3256-000	FOG Program	4,100		4,100	2,880	70%	5,760	1,660
03-4-3257-000	Interest Income	33,671		33,671	22,151	66%	44,302	10,631
Total Revenues		\$439,871	\$0	\$439,871	\$227,129	52%	\$456,358	\$16,488
OTHER SOURCES OF FUNDS								
Total Other Sources of Funds		\$0	\$0	\$0	\$0		\$0	\$0
Total Sources of Funds		\$439,871	\$0	\$439,871	\$227,129	52%	\$456,358	\$16,488
USES OF FUNDS								
PERSONNEL SERVICES								
SALARIES & WAGES								
03-5-4500-010	Salaries and Wages	79,000		79,000	22,547	29%	45,095	33,905
03-5-4500-020	Overtime	12,500		12,500	1,827	15%	3,654	8,846
Total Salaries & Wages		\$91,500	\$0	\$91,500	\$24,375	27%	\$48,749	\$42,751
BENEFITS								
03-5-4500-075	Workers Compensation Insurance	4,200		4,200	2,422	58%	4,845	(645)
03-5-4500-377	Operating Crew Benefits Allocation	54,982		54,982	23,327	42%	46,365	8,616
Total Benefits		\$59,182	\$0	\$59,182	\$25,749	44%	\$51,210	\$7,972
Total Personnel Services		\$150,682	\$0	\$150,682	\$50,124	33%	\$99,959	\$50,723



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WASTEWATER DEPARTMENT - FUND 03**

ACCOUNT NO.	WASTEWATER FUND WASTEWATER DEPARTMENT - 03	2023/24		CURRENT BUDGET	ACTUAL AT 12/30/2023		ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE
		ADOPTED BUDGET	APPROVED ADJUSTMENTS		50%			
SERVICES & SUPPLIES								
03-5-4500-110	Communication	515		515	192	37%	384	131
03-5-4500-163	Maint: Sewer Structures/ Improvements	10,000		10,000	386	4%	773	9,227
03-5-4500-170	Maintenance: Equipment	3,400		3,400	1,933	57%	3,867	(467)
03-5-4500-171	Maintenance: Vehicles	3,600		3,600	155	4%	311	3,289
03-5-4500-172	Gas and Oil	3,500		3,500	0	0%	0	3,500
03-5-4500-173	Maint: Structures/ Improvements	5,135		5,135	0	0%	0	5,135
03-5-4500-175	System Parts/ Operating Supplies	8,240		8,240	1,050	13%	2,101	6,139
03-5-4500-177	Safety Expense	2,850		2,850	0	0%	0	2,850
03-5-4500-180	Memberships	1,050		1,050	722	69%	1,445	(395)
03-5-4500-200	Office Expense	515		515	77	15%	155	360
03-5-4500-205	Outside UB Mailing Expense	9,300		9,300	5,752	62%	11,504	(2,204)
03-5-4500-220	Professional Services	2,575		2,575	0	0%	0	2,575
03-5-4500-222	Contracted Engineering	2,835		2,835	168	6%	337	2,498
03-5-4500-241	Rents & Leases/ Equipment	2,575		2,575	0	0%	0	2,575
03-5-4500-248	Regulatory Permits & Fees	4,500		4,500	3,746	83%	7,492	(2,992)
03-5-4500-285	Classes/ Seminars/ Training Fees	2,800		2,800	0	0%	0	2,800
03-5-4500-290	Utilities	2,600		2,600	698	27%	1,396	1,204
03-5-4500-390	Bad Debt Expense	350		350	0	0%	0	350
03-5-4500-499	Claims & Settlements	1,900		1,900	0		0	1,900
Total Services & Supplies		\$68,240	\$0	\$68,240	\$14,882	22%	\$29,763	\$38,477
CAPITAL OUTLAY								
03-5-4500-320	CIP - Beach St. Sewer Lateral Replacement	8,000		8,000	0	0%	8,000	0
	12/13/2023 Budget Adjustment - New Truck Bed	0	3,600	3,600	0	0%	3,600	0
Total Capital Outlay		8,000	\$3,600	\$11,600	\$0	0%	\$11,600	\$0
DEBT SERVICE								
03-5-4500-310	CalPERs UAL Funding	26,998		26,998	4,639	17%	26,998	0
Total Debt Service		\$26,998	\$0	\$26,998	\$4,639	17%	\$26,998	\$0
ADMINISTRATIVE COST ALLOCATION								
03-5-4500-376	Administrative Cost Allocation	276,814		276,814	158,762	57%	291,759	(14,945)
Total Administrative Cost Allocation		\$276,814	\$0	\$276,814	\$158,762	57%	\$291,759	(14,945)
Total Expenditures		\$530,734	\$3,600	\$534,334	\$228,406	43%	\$460,080	\$74,254




GARBAGE FUND






OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 GARBAGE FUND - 06

ACCOUNT NO.	GARBAGE FUND GARBAGE DEPARTMENT - 06	2023/24		CURRENT BUDGET	ACTUAL AT 12/30/2023	ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE	
		ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS								
	Revenues	\$68,255	\$0	\$68,255	\$48,346	71%	\$85,275	\$17,020
	Other Sources of Funds	\$0	\$11,650	\$11,650	\$11,650	100%	\$11,650	\$0
	Total Sources of Funds	\$68,255	\$11,650	\$79,905	\$59,996	171%	\$96,925	\$17,020
USES OF FUNDS								
	Salaries & Wages	\$32,000	\$0	\$32,000	\$11,714	37%	\$23,429	\$8,571
	Benefits	\$23,909	\$0	\$23,909	\$10,296	43%	\$20,472	\$3,437
	Personnel Services	\$55,909	\$0	\$55,909	\$22,011	39%	\$43,901	\$12,008
	Services & Supplies	\$20,015	\$0	\$20,015	\$9,633	48%	\$19,266	\$749
	Capital Outlay	\$15,000	\$11,920	\$26,920	\$22,864	85%	\$24,985	\$1,935
	Administrative Cost	\$36,909	\$0	\$36,909	\$21,168	57%	\$38,901	(\$1,993)
	Total Expenditures	\$127,833	\$11,920	\$139,753	\$75,676	\$2	\$127,054	\$12,699
	OPERATING SURPLUS/(DEFICIT)	(\$59,577)	(\$270)	(\$59,847)	(\$15,679)		(\$30,128)	\$29,719
	TRANSFERS & ENCUMBRANCES							
	Transfers In - From Water Fund	7,500	0	7,500	0		7,500	0
	(Transfers Out) - Water, Wastewater, Equipment Fund	(52,790)	0	(52,790)	(274)		(52,790)	0
	Encumbrances - Sources of Funding	0	0	0	0		0	0
	Encumbrances - (Designated Funds)	(3,660)	0	(3,660)	(2,890)		(3,660)	0
	NET TRANSFERS & ENCUMBRANCES	(\$48,950)	\$0	(\$48,950)	(\$3,164)		(\$48,950)	\$0


 OCEANO COMMUNITY SERVICES DISTRICT FUND LEVEL ANALYSIS GARBAGE FUND - 06								
ACCOUNT NO.	GARBAGE FUND GARBAGE DEPARTMENT - 06	2023/24		CURRENT BUDGET	ACTUAL AT 12/30/2023	50%	ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE
		ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS								
REVENUES								
06-4-3230-000	Garbage: Misc Income	0		0	266		266	266
06-4-3300-003	Interest Income	5,263		5,263	3,388	64%	6,777	1,514
06-4-3501-000	Franchise Fees	52,465		52,465	33,541	64%	67,081	14,616
06-4-3501-741	Landfill Savings Payment	10,528		10,528	11,151	106%	11,151	623
Total Revenues		\$68,255	\$0	\$68,255	\$48,346	71%	\$85,275	\$17,020
OTHER SOURCES OF FUNDS								
06-43500-001	12/13/2023 Budget Adjustment - SLO County Off-Highway Motor Vehicle Grant	0	11,650	11,650	11,650	100%	11,650	0
Total Other Sources of Funds		\$0	\$11,650	\$11,650	\$11,650	100%	\$11,650	\$0
Total Sources of Funds		\$68,255	\$11,650	\$79,905	\$59,996	75%	\$96,925	\$17,020
USES OF FUNDS								
PERSONNEL SERVICES								
SALARIES & WAGES								
06-5-4900-010	Salaries & Wages	32,000		32,000	11,714	37%	23,429	8,571
Total Salaries & Wages		\$32,000	\$0	\$32,000	\$11,714	37%	\$23,429	\$8,571
BENEFITS								
06-5-4900-075	Compensation Insurance	1,000		1,000	577	58%	1,153	(153)
06-5-4900-377	Operating Crew Benefits Allocation	22,909		22,909	9,719	42%	19,319	3,590
Total Benefits		\$23,909	\$0	\$23,909	\$10,296	43%	\$20,472	\$3,437
Total Personnel Services		\$55,909	\$0	\$55,909	\$22,011	39%	\$43,901	\$12,008
SERVICES & SUPPLIES								
06-5-4900-110	Communication	1,000		1,000	89	9%	177	823
06-5-4900-173	Maint - Shared Structures/ Improvements	550		550	20		40	510
06-5-4900-175	Operating Supplies	300		300	9	3%	17	283
06-5-4900-200	Office Expense	300		300	0	0%	0	300
06-5-4900-210	Postage	300		300	0	0%	0	300
06-5-4900-220	Professional Services	7,000		7,000	4,516	65%	9,032	(2,032)
06-5-4900-290	Utilities	565		565	0	0%	0	565
06-5-4900-291	School Outreach Programs	10,000		10,000	5,000	50%	10,000	0
Total Services & Supplies		\$20,015	\$0	\$20,015	\$9,633	48%	\$19,266	\$749

 OCEANO COMMUNITY SERVICES DISTRICT FUND LEVEL ANALYSIS GARBAGE FUND - 06								
ACCOUNT NO.	GARBAGE FUND GARBAGE DEPARTMENT - 06	2023/24		CURRENT BUDGET	ACTUAL AT 12/30/2023	50%	ESTIMATED ACTUAL	2023/24 EST. BUDGET VARIANCE
		ADOPTED BUDGET	APPROVED ADJUSTMENTS					
CAPITAL OUTLAY								
06-5-4900-320	Trash Cans	15,000		15,000	13,065	87%	13,065	1,935
06-5-4900-321	12/13/2023 Budget Adjustment - SLO County Off-Highway Motor Vehicle Grant	0	11,650	11,650	9,799	84%	11,650	0
06-5-4900-320	12/13/2023 Budget Adjustment - New Truck Bed	0	270	270	0	0%	270	0
Total Capital Outlay		\$15,000	\$11,920	\$26,920	\$22,864	85%	\$24,985	\$1,935
ADMINISTRATIVE COST ALLOCATION								
06-5-4900-376	Administrative Cost Allocation	36,909		36,909	21,168	57%	38,901	(1,993)
Total Administrative Cost Allocation		\$36,909	\$0	\$36,909	\$21,168	57%	\$38,901	(\$1,993)
Total Expenditures		\$127,833	\$11,920	\$139,753	\$75,676	54%	\$127,054	\$12,699
OPERATING SURPLUS/(DEFICIT)		(\$59,577)	(\$270)	(\$59,847)	(\$15,679)		(\$30,128)	\$29,719
TRANSFERS & ENCUMBRANCES								
	Transfers In - From Water Fund	7,500		7,500	0		7,500	0
	(Transfers Out) - Water, Wastewater, Equipment Fund	(52,790)		(52,790)	(274)		(52,790)	0
	Encumbrances - Sources of Funding	0		0	0		0	0
	Encumbrances - (Designated Funds)	(3,660)		(3,660)	(2,890)		(3,660)	0
NET TRANSFERS & ENCUMBRANCES		(\$48,950)	\$0	(\$48,950)	(\$3,164)		(\$48,950)	\$0



EQUIPMENT FUND



 OCEANO COMMUNITY SERVICES DISTRICT FUND LEVEL ANALYSIS EQUIPMENT FUND - 12								
ACCOUNT NO.	EQUIPMENT FUND - 12	2023/24			ACTUAL AT 12/30/2023	ESTIMATED ACTUAL	2023/24	
		ADOPTED BUDGET	APPROVED ADJUSTMENTS	CURRENT BUDGET			EST. BUDGET	VARIANCE
SOURCES OF FUNDS								
	Revenues	\$72,025	\$0	\$72,025	\$9,730	14%	\$60,436	(\$11,589)
	Other Sources of Funds	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Total Sources of Funds	\$72,025	\$0	\$72,025	\$9,730	14%	\$60,436	(\$11,589)
USES OF FUNDS								
	Salaries & Wages	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Benefits	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Personnel Services	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Services & Supplies	\$23,000	\$0	\$23,000	\$5,705	25%	\$11,411	\$11,589
	Capital Outlay	\$30,000	\$0	\$30,000	\$0	0%	\$0	\$0
	Debt Service	\$15,000	\$0	\$15,000	\$0	0%	\$15,000	\$0
	Total Expenditures	\$68,000	\$0	\$68,000	\$5,705	0%	\$26,411	\$11,589
OPERATING SURPLUS/(DEFICIT)		\$4,025	\$0	\$4,025	\$4,025		\$34,025	(\$23,178)
TRANSFERS & ENCUMBRANCES								
	Transfers In	0	0	0	0		0	0
	(Transfers Out)	0	0	0	0		0	0
	Encumbrances - Sources of Funding	0	0	0	0		0	0
	Encumbrances - (Designated Funds)	0	0	0	0		0	0
	NET TRANSFERS & ENCUMBRANCES	\$0	\$0	\$0	\$0		\$0	\$0



OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 EQUIPMENT FUND - 12

ACCOUNT NO.	EQUIPMENT FUND - 12	2023/24		CURRENT BUDGET	ACTUAL AT 12/30/2023		ESTIMATED ACTUAL	2023/24	
		ADOPTED BUDGET	APPROVED ADJUSTMENTS		50%	EST. BUDGET		VARIANCE	
SOURCES OF FUNDS									
REVENUES									
12-4-3800-001	Lease Revenue from Water	40,965		40,965	4,527	11%	33,367		(7,598)
12-4-3800-002	Lease Revenue from Sewer	28,585		28,585	3,159	11%	23,283		(5,302)
12-4-3800-005	Lease Revenue from Garbage	2,475		2,475	274	11%	2,016		(459)
12-4-3800-004	Surplus Sales	0		0	1,770		1,770		1,770
Total Revenues		\$72,025	\$0	\$72,025	\$9,730	14%	\$60,436		(\$11,589)
OTHER SOURCES OF FUNDS									
Total Other Sources of Funds		\$0	\$0	\$0	\$0		\$0		\$0
Total Sources of Funds		\$72,025	\$0	\$72,025	\$9,730	14%	\$60,436		(\$11,589)
USES OF FUNDS									
SALARIES & WAGES									
12-5-4350-010	Salaries & Wages	0		0	0		0		0
Total Salaries & Wages		\$0	\$0	\$0	\$0		\$0		\$0
BENEFITS									
Total Benefits		\$0	\$0	\$0	\$0		\$0		\$0
Total Personnel Services		\$0	\$0	\$0	\$0		\$0		\$0
SERVICES & SUPPLIES									
12-5-4350-171	Maintenance - Vehicles	8,000		8,000	1,166	15%	2,332		5,668
12-5-4350-172	Fuel	15,000		15,000	4,539	30%	9,079		5,921
Total Services & Supplies		\$23,000	\$0	\$23,000	\$5,705	25%	\$11,411		\$11,589
CAPITAL OUTLAY									
12-5-4350-320	Fixed Assets - Service Truck	30,000		30,000	0		30,000		0
Total Capital Outlay		\$30,000	\$0	\$30,000	\$0		\$30,000		\$0
DEBT SERVICE									
12-5-4350-320	Equipment Lease	15,000		15,000	0	0%	15,000		0
12-5-4350-386	Interest Expense	0		0	0		0		0
Total Debt Service		\$15,000	\$0	\$15,000	\$0	0%	\$15,000		\$0
Total Expenditures		\$68,000	\$0	\$68,000	\$5,705	8%	\$56,411		\$11,589
OPERATING SURPLUS/(DEFICIT)		\$4,025	\$0	\$4,025	\$4,025		\$4,025		\$0
TRANSFERS & ENCUMBRANCES									
Transfers In		0		0			0		0
(Transfers Out)		0		0			0		0
Encumbrances - Sources of Funding		0		0			0		0
Encumbrances - (Designated Funds)		0		0			0		0
NET TRANSFERS & ENCUMBRANCES		\$0	\$0	\$0	\$0		\$0		\$0

Oceano Community Services District
 Chronology of Budget Actions
 Fiscal Years 2023-24

Date	Action
FISCAL YEAR 2023-24 BUDGET ADJUSTMENTS	
June 28, 2023	Approved the Preliminary Budget for Fiscal Year 2023-24
July 26, 2023	Approved a \$19,500 budget adjustment from General Fund reserves for Parks and Recreation.
August 23, 2023	Approved the Final Budget for Fiscal Year 2023-24
December 13, 2023	Approved a budget adjustment of \$5,130 in the Water Fund, \$3,000 in the Wastewater Fund and \$270 in the Garbage Fund reserves will cover truck bed additions to the new service vehicle.
December 13, 2023	Approved a budget adjustment of \$11,650 from the San Luis Obispo Off-Highway Motor Vehicle Fund Grant Program for three new dual receptacle cans on Pier Avenue.



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: March 27, 2024

To: Board of Directors

From: Paavo Ogren, Interim General Manager

Subject: **Agenda Item #9(B):** Approval of a proposal for \$22,555 for Grant Writing Consultant Services for a WaterSMART Planning and Project Design grant to the Bureau of Reclamation and Water Resources Planning Department.

Recommendation

It is recommended that the Board approve the attached proposal with MNS Engineers, Inc. for Consultant Services in the amount of \$22,555 and authorize the President to execute.

Discussion

The Bureau of Reclamation and Water Resources Planning Department has issued a call for projects for their Water Sustain and Manage America’s Resources for Tomorrow (WaterSMART) Grant Program. The attached guidelines indicate that the program is to increase water supply sustainability through investments in existing infrastructure. The MNS Engineers have provided the attached proposal to secure funding to prepare final design plans for the District’s high-priority capital improvement projects in the water system.

Other Agency Involvement

The Bureau of Reclamation is the granting agency.

Financial Considerations

The work will be covered by the line-item CIP Upgrades All Projects in the Water Fund and will remain within the authorized fund-level budgets:

FY 2023-24 Budget CIP Upgrades All Project	Rincon & Cleath – Harris Geologist contracts approved on 3/13/2024	R. Baker Overage (Agenda Item 8G)	MNS Proposal	Remaining Balance
<u>\$135,000</u>	<u>\$ 16,400</u>	<u>\$ 26,000</u>	<u>\$ 22,555</u>	<u>\$70,045</u>



Oceano Community Services District

Board of Directors Meeting

Results

Pursuing grant revenues and project implementation supports a well-governed and livable community.

Attachments:

- Contract with MNS Engineers, Inc.



SENT VIA EMAIL

March 21, 2024

Oceano Community Services District
Attention: Paavo Ogren, Interim General Manager
1655 Front Street
Oceano, CA 93445

SUBJECT: Fee Proposal. Bureau of Reclamation WaterSMART: Planning and Project Design Grants —Grant Writing Services

Dear Mr. Ogren,

MNS Engineers had previously provided a proposal to prepare a grant application to the Bureau of Reclamation WaterSMART: Planning and Project Design Grants Program on August 28, 2023, anticipating the application would be submitted by the first deadline of October 17, 2023. Since the proposal was not brought before your Board of Directors for approval, another opportunity to submit an application by May 21, 2024, is available. Therefore, I am providing you with the enclosed updated proposal. MNS Engineers seeks to assist the Oceano Community Services District (OCSD) with preparation of a grant application to secure funding to prepare final design plans for the priority water system Capital Improvement Program projects.

Thank you for the opportunity to provide grant writing services in conjunction with this program. Enclosed is our proposal to provide these services for a total fee of \$22,555. We look forward to working with OCSD and helping deliver a successful grant application.

Sincerely,
MNS Engineers, Inc.

Greg Jaquez, PE
Principal Project Manager/Grant Writing Manager
Government Services Division
323.484.5737 *DIRECT*
gjaquez@mnsengineers.com

Enclosed: Grant Writing Fee Proposal
GAJ

GRANT WRITING SERVICES PROPOSAL

Bureau of Reclamation WaterSMART: Planning and Design Project Grants

A. Purpose and Understanding

MNS understands OCSD is pursuing the reconstruction of various water distribution lines in the OCSD water system. In order to fund the design of the priority water system lines, OCSD is seeking funding from the Bureau of Reclamation (Reclamation) WaterSMART Planning and Design Project Grants. The enclosed Notice of Funding Opportunity (NOFO) for this grant was issued by Reclamation on August 7, 2022.

B. Scope of Work

Tasks to be carried out by MNS for completion and submittal of the grant application are as follows:

Task 1.0 – Project Management

1.1 Kickoff and Coordination Meetings with OCSD – MNS will hold a kick-off meeting with OCSD staff to review the scope and schedule for completing the grant writing project. MNS will collaborate with OCSD staff to further project understanding, objectives, and scoping. Communication with OCSD staff will be ongoing as needed to exchange information and provide OCSD opportunities to review draft work products. MNS will act as the coordinating point for the development of the grant application products under the direction of OCSD staff. MNS understands additional meetings and/or conference calls with OCSD may be needed.

1.2 Internal (MNS) Coordination Meetings – The MNS grant writing team will meet internally and periodically for coordination, collaboration, and project management purposes. The MNS Project Manager will maintain a project file in which all project documents, including draft and final product materials and attachments, will be kept in a cloud-based storage platform. The MNS Project Manager will be responsible for budget control and overall guidance and supervision of project delivery.

1.3 Information Request and Collection – MNS will collect and review information requested at the kickoff meeting as well as information independently researched. Some information will be collected after the kickoff meeting through an email request to OCSD. Information collected and reviewed will be tabulated for use in the grant application.

Task 2.0 – Application Preparation

The application will be prepared according to the format provided in NOFO No. R23AS00109 (copy enclosed) including the mandatory Federal forms. MNS will follow the precise content structure and format that pertain to each part of the application. Information will be drawn from collected documents, project scoping and cost estimation, and through collaboration with OCSD staff. MNS will prepare each of the following subcomponents of the application:

- 2.1 – Mandatory Federal Forms
 - 2.101 - SF-424: Application for Federal Assistance
 - 2.102 - SF-424A: Budget Information – Non-Construction Programs
 - 2.013 - SF-424B: Assurances – Non-Construction Programs
 - 2.104 - SF-LLL: Disclosure of Lobbying Activities
- 2.2 – Technical Proposal and Evaluation Criteria
 - 2.21 - Technical Proposal
 - 2.2101 - Title Page
 - 2.2102 - Table of Contents
 - 2.2103 - Executive Summary
 - 2.2104 - Project Location (with map)
 - 2.2105 - Project Description
 - 2.22 – Responses to Evaluation Criteria
 - 2.2201 - Evaluation Criterion A – Project Benefits
 - 2.2202 - Evaluation Criterion B – Inclusion of stakeholders, stakeholder support, and previous planning efforts
 - 2.2203 - Evaluation Criterion C – Ability to meet program requirements
 - 2.2204 - Evaluation Criterion D – Presidential and DOI Priorities
 - 2.2205 - Evaluation Criterion F – Nexus to Reclamation
- 2.3 – Project Budget
 - 2.301 – Summary of Funding Sources
 - 2.302 - Budget Detail and Narrative
- 2.4 – Additional Recommended Content
 - 2.401 - Environmental and cultural resources compliance
 - 2.402 - Required permits or approvals
 - 2.403 - Overlap or duplication of effort statement
 - 2.404 - Conflict of interest disclosure statement
 - 2.405 - Uniform audit reporting statement
 - 2.406 - Letters of support

Task 3.0 – Quality Assurance/Quality Control and Submittal

The MNS Project Manager will conduct a thorough Quality Assurance/Quality Control (QA/QC) review of the draft final application for thoroughness, completeness, accuracy, grammar, and spelling. Upon completion of the QA/QC review and finalization of the application document, MNS will be prepared to submit the application on behalf of OCSD through grants.gov.

Task 4.0 – Post Submittal Communications with Bureau of Reclamation

In some instances after submittal of a grant application, grantor agencies may contact applicants to request clarifications, answers to specific questions, or additional information. MNS has accounted for this possibility and will be prepared to support OCSD under this circumstance.

C. Fees

MNS proposes to provide the aforementioned grant writing services for total fee of \$22,555 as shown in the enclosed fee table.



**Grant Writing Services Fee Proposal for
Oceano Community Services District
WaterSMART: Planning and Project Design Grants**

		MNS						
		Project Manager (GJ)	Principal Engineer (NP)	Grant Writer (BR)	Grant Writer (TG)	Assistant Grant Writer (EW)	Total MNS Hours	Total MNS Costs
		Hourly Rate	\$275	\$305	\$180	\$180	\$145	
Task 1.0 – Project Management								
1.1 - Kickoff and Coordination Meetings with OCSD		1.0			1.0		2.0	\$455
1.2 - Internal (MNS) Coordination Meetings		2.0		2.0	2.0	2.0	8.0	\$1,560
1.3 - Information Request and Collection		0.5		2.0	2.0	4.0	8.5	\$1,438
							8.5	\$3,453
Task 2.0 – Application Preparation								
2.1 – Mandatory Federal Forms								
2.101 - SF-424: Application for Federal Assistance						1.0	1.0	\$145
2.102 - SF-424A: Budget Information - Non-Construction Programs		0.5				1.5	2.0	\$355
2.103 - SF-424B: Assurances - Non-Construction Programs						0.5	0.5	\$73
2.104 - SF-LLL Disclosure of Lobbying Activities						0.5	0.5	\$73
2.105 - Unique Entity Identifier (UEI) and System for Award Management (SAM) registration						1.0	1.0	\$145
2.2 – Technical Proposal and Evaluation Criteria								
2.21 - Technical Proposal								
2.2101 - Title Page					2.0		2.0	\$360
2.2102 - Table of Contents						2.0	2.0	\$290
2.2103 - Executive Summary		0.5			4.0		4.5	\$858
2.2104 - Project Location (with map)						4.0	4.0	\$580
2.2105 - Project Description		1.0			3.0		4.0	\$815
2.22 – Responses to Evaluation Criteria								
2.2201 - Evaluation Criterion A – Project Benefits		2.0		8.0	8.0	8.0	26.0	\$4,590
2.2202 - Evaluation Criterion B – Inclusion of stakeholders, stakeholder support, and previous planning efforts		1.0		4.0	4.0	4.0	13.0	\$2,295
2.2203 - Evaluation Criterion C – Ability to meet program requirements		4.0	2.0				6.0	\$1,710
2.2204 - Evaluation Criterion D – Presidential and DOI Priorities						4.0	4.0	\$580
2.2205 - Evaluation Criterion F – Nexus to Reclamation						3.0	3.0	\$435
2.3 – Project Budget								
2.301 - Summary of Funding Sources (Table 1)		1.0					1.0	\$275
2.302 - Budget Detail and Narrative		4.0	3.0				7.0	\$2,015
2.4 – Additional Recommended Content								
2.401 - Environmental and cultural resources compliance				3.0			3.0	\$540
2.402 - Required permits or approvals					2.0		2.0	\$360
2.403 - Overlap or duplication of effort statement					1.5		1.5	\$270
2.404 - Conflict of interest disclosure statement					1.5		1.5	\$270
2.405 - Uniform audit reporting statement					1.5		1.5	\$270
2.406 - Letters of support		0.5				3.0	3.5	\$573
							53.0	\$17,875
Task 3.0 – QA/QC Review and Submittal								
3.101 - QA/QC Review and Submittal		1.5			1.0		2.5	\$593
							2.5	\$593
Task 4.0 – Post Submittal Communications with Bureau of Reclamation								
4.101 - Post Submittal Communications with Bureau of Reclamation		1.0		2.0			3.0	\$635
							3.0	\$635
		Hours	20.5	5.0	21.0	33.5	38.5	
		Cost	\$5,638	\$1,525	\$3,780	\$6,030	\$5,583	
TOTAL PROPOSED FEE							67.0	\$22,555



— BUREAU OF —
RECLAMATION

Notice of Funding Opportunity No. R23AS00109

WaterSMART Planning and Project Design Grants for Fiscal Year 2023 and Fiscal Year 2024



Mission Statements

The U.S. Department of the Interior protects and manages the Nation's natural resources and cultural heritage; provides scientific and other information about those resources; and honors its trust responsibilities or special commitments to Tribal Nations, Alaska Natives, and affiliated Island Communities.

The mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

Cover photo – Rio Grande, New Mexico (Reclamation/Alex Stephens).

Synopsis

Federal Agency Name:	Department of the Interior, Bureau of Reclamation, Water Resources and Planning Office
Funding Opportunity Title:	WaterSMART Planning and Project Design for Fiscal Year (FY) 2023 and FY 2024
Announcement Type:	Notice of Funding Opportunity (NOFO)
Funding Opportunity Number:	R23AS00109
Catalog of Federal Domestic Assistance (CFDA) Number:	15.507 and 15.514
Dates: (See NOFO Sec. D.4)	<p>This NOFO covers two application submittal periods.</p> <p>Proposals received prior before Tuesday, October 17, 2023, at 4:00 p.m. Mountain Daylight Savings Time will be considered for FY 2023 funding.</p> <p>Proposals received after October 17, 2023 and before April 2, 2024, at 4:00 p.m. Mountain Daylight Savings Time will be considered for FY 2024 funding, contingent on appropriations.</p>
Eligible Applicants: (See NOFO Sec. C.1)	<p>Applicants eligible to receive financial assistance to fund activities under this NOFO include:</p> <p><u>Water Strategy Grants and Project Design Grants</u></p> <p>Category A applicants: States, Tribes, irrigation districts, and water districts; State, regional, or local authorities, the members of which include one or more organizations with water or power delivery authority; and other organizations with water or power delivery authority.</p> <p>All applicants must be located in one of the following States or territories: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, American Samoa, Guam, the Northern Mariana Islands, the Virgin Islands, and Puerto Rico.</p> <p>Category B applicants: Nonprofit conservation organizations that are acting in partnership with, and with the agreement of, an entity described in Category A. All Category B applicants must be located in the United States or the specific territories identified above. Category B applicants must include with their application a letter from the Category A partner stating that the Category A partner: (1) is acting in partnership with the applicant; (2) agrees to the submittal and content of the application; and (3) intends to participate in the project in some way, for example, by providing</p>

	<p>input, feedback, or other support for the project.</p> <p><u>Drought Contingency Planning</u></p> <p>A State, Tribe, irrigation district, water district, or other organization with water or power delivery in one of the following states or territories: Arizona, California, Colorado, Hawaii, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, American Samoa, Guam, the Northern Mariana Islands, or the Virgin Islands.</p>
Recipient Cost-Share: (See NOFO Sec. C.2)	0 percent, 25 percent or 50 percent, depending on the project type
Federal Funding Amount: (See NOFO Sec. B.1)	Up to \$400,000 per application for projects that can be completed within 3 years
Estimated Number of Agreements to be Awarded: (See NOFO Sec. B.1)	Approximately \$35,000,000 is available under this program. Approximately 60-70 projects, contingent on appropriations.
Intergovernmental Review: (See NOFO Sec. D.5)	An intergovernmental review may be required for application submissions from a U.S. state or local government prior to submission. Applicants must contact their State's Single Point of Contact (SPOC) to comply with the state's process under Executive Order 12372. www.whitehouse.gov/wp-content/uploads/2020/04/SPOC-4-13-20.pdf

Application Checklist

The following table contains a summary of the information that you are required to submit with your application.

✓	Mandatory Application Components:	Page
	Mandatory Federal forms: <ul style="list-style-type: none"> • SF-424: Application for Federal Assistance (Office of Management and Budget (OMB)) • SF-424A: Budget Information - Non-Construction Programs (OMB) OR SF-424C: Budget Information - Construction Programs (OMB) • SF-424B: Assurances - Non-Construction Programs (OMB) OR SF-424D: Assurances - Construction Programs (OMB) 	20
	Unique Entity Identifier (UEI) and System for Award Management (SAM) registration	27
	Technical Proposal (Use Project Narrative Attachment Form to upload in Grants.gov)	20
	Budget Narrative (Use Budget Narrative Attachment Form to upload in Grants.gov)	23
✓	Recommended Application Components:	Page
	Environmental and cultural resources compliance	23
	Required Permits and Approvals	23
	Overlap or duplication of effort statement	24
	Conflict of interest disclosure statement	24
	Uniform audit reporting statement	25
	SF-LLL: Disclosure of Lobbying Activities (required, if applicable)	25
	Letters of Support	25

Acronyms and Abbreviations

ASAP	Automated Standard Application for Payments
ARC	Application Review Committee
CE	Categorical Exclusion
CEC	Categorical Exclusion Checklist
CFDA	Catalog of Federal Domestic Assistance
CFR	Code of Federal Regulations
CWA	Clean Water Act
CWMP	Cooperative Watershed Management Program
Department	U.S. Department of the Interior (also DOI)
DUNS	Data Universal Numbering System
EA	Environmental Assessment
EIN	Employer Identification Number
EIS	Environmental Impact Statement
E.O.	Executive Order
ESA	Endangered Species Act
FAIN	Federal Award Identification Number
FAPIIS	Federal Award Performance Integrity Information System
FGDC	Federal Geospatial Data Committee
FOIA	Freedom of Information Act
FONSI	Finding of No Significant Impact
FY	fiscal year
GIS	Geographic information system
IBC	Interior Business Center
IRA	Inflation Reduction Act
MDT	Mountain Daylight Time
NAICS	North American Industry Classification System
NEPA	National Environmental Policy Act
NHPA	National Historic Preservation Act
NOAA	National Oceanic and Atmospheric Administration
NOFO	Notice of Funding Opportunity

NRCS	Natural Resources Conservation Service
OMB	Office of Management and Budget
P.L.	Public Law
PSC	Product Service Code
Reclamation	Bureau of Reclamation
SAM	System for Award Management
SECURE	Science and Engineering to Comprehensively Understand and Responsibly Enhance
SF	Standard Form
SPOC	Single Point of Contact
UEI	Unique Entity Identifier
U.S.C.	United States Code
USACE	United States Army Corp of Engineers
USDA	United States Department of Agriculture
USFWS	United States Fish and Wildlife Service
West	Western United States

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Section A: Funding Opportunity Description

A.1 Authority

This Notice of Funding Opportunity (NOFO) is issued under the authority of Section 9504(a) of the Science and Engineering to Comprehensively Understand and Responsibly Enhance (SECURE) Water Act, Subtitle F of Title IX of the Omnibus Public Land Management Act of 2009, Public Law (P.L.) 111-11 (42 United States Code [U.S.C.] §10364), as amended, Title I of the Reclamation States Emergency Drought Relief Act of 1991 (Public Law [P.L.] 102-250, 43 United States Code [U.S.C.] Section 2201, et seq.), as amended, Consolidated Appropriations Act, 2021; P.L. 116-260, Section 40907 (“Multi-Benefit Projects to Improve Watershed Health”) of the Bipartisan Infrastructure Law (BIL) (also known as the Infrastructure Investment and Jobs Act), P.L. 117-58, and P.L. 117-169, Section 50231 (“Bureau of Reclamation Domestic Water Supply Projects”).

A.2 Background and Program Requirements

The U.S. Department of the Interior’s (Department) WaterSMART (Sustain and Manage America’s Resources for Tomorrow) Program provides a framework for Federal leadership and assistance to stretch and secure water supplies for future generations in support of the Department’s priorities. Through WaterSMART, the Bureau of Reclamation (Reclamation) leverages Federal and non-Federal funding to work cooperatively with States, Tribes, and local entities as they plan for and implement actions to increase water supply sustainability through investments in existing infrastructure and attention to local water conflicts. WaterSMART provides support for priorities identified in Presidential Executive Order 14008: Tackling the Climate Crisis at Home and Abroad (E.O. 14008) and aligned with other priorities, such as those identified in Presidential Executive Order 13985: Advancing Racial Equity and Support for Underserved Communities Through the Federal Government (E.O. 13985). The WaterSMART Planning and Project Design Grants (Planning and Project Design Grants) also support the goals of the Interagency Drought Relief Working Group established in March 2021 and the National Drought Resiliency Partnership. These grants will advance the Biden-Harris Administration’s Justice40 Initiative. Established by E.O. 14008, the Justice40 Initiative has it made it a goal that 40 percent of the overall benefits of certain federal investments flow to disadvantaged communities. Federal agencies are using the Climate and Economic Justice Screening Tool to help identify disadvantaged communities.¹

¹ For more information, see E.O. 14008, Tackling the Climate Crisis at Home and Abroad (Jan. 27, 2023), <https://www.federalregister.gov/documents/2021/02/01/2021-02177/tackling-the-climate-crisis-at-home-and-abroad>; Justice40 Initiative, <https://www.whitehouse.gov/environmentaljustice/justice40/>; Addendum to the Interim Implementation Guidance for the Justice40 Initiative, M-21-28, on using the Climate and Economic Justice Screening

Drought conditions across the West impact a wide range of communities and sectors, including agriculture, cities, Tribes, the environment, recreation, hydropower producers, and others. The Western United States (West) is experiencing its worst drought this century—historic in both duration and severity—threatening to kill crops, spark wildfires, and harm public health. As of January 2023, the U.S. Drought Monitor indicates that more than 63% of the land in the 17 Western states is in moderate to exceptional drought conditions, and nearly 34% of the area is experiencing severe to exceptional drought. Through WaterSMART, Reclamation provides financial assistance to water managers for projects that seek to conserve and use water more efficiently and accomplish other benefits that contribute to sustainability in the West.

Through Planning and Project Design Grants, Reclamation provides funding for collaborative planning and design projects to support water management improvements. This includes funding for: (1) Water Strategy Grants to conduct planning activities to improve water supplies (e.g., water supplies to disadvantaged communities that do not have reliable access to water, water marketing, water conservation, drought resilience, and ecological resilience); (2) Project Design Grants to conduct project-specific design for projects to improve water management; and (3) comprehensive Drought Contingency Plans. Note that funding to develop a water marketing strategy – formerly funded through Water Marketing Strategy Grants, a stand-alone funding opportunity under WaterSMART - is now available through (1) Water Strategy Grants.

With the passage of the Inflation Reduction Act, Reclamation is able to offer an opportunity that provides up to 100 percent of the cost for the planning or design of domestic water supply projects that benefit disadvantaged communities or households that do not have reliable access to domestic water supplies. Tribes, insular areas (American Samoa, Guam, the Northern Mariana Islands, and the Virgin Islands), and other disadvantaged communities are encouraged to reach out to the Program Coordinator contact in Section G – Federal Awarding Agency Contacts, to learn more about this opportunity. If your project is selected, technical assistance from Reclamation staff may be available for your project (see Section B.6 – Technical Assistance).

A.3 Notice of Funding Opportunity Purpose and Objectives

The objective of this Notice of Funding Opportunity (NOFO) is to invite eligible applicants (*Section C.1. Eligible Applicants*) to leverage their money and resources by cost sharing with Reclamation on the projects described below.

Tool (CEJST), M-23-09, (Jan. 27, 2023), https://www.whitehouse.gov/wp-content/uploads/2023/01/M-23-09_Signed_CEQ_CPO.pdf.

Funding Opportunity Summary Table	
<p><i>This table provides a brief summary of the projects funded under this NOFO. For more detailed information regarding applicant eligibility see Section C.1.1 – Eligible Applicants and Section C.2 Cost Sharing Requirements for a more detailed description of cost-share requirements, including exemptions and waivers where applicable.</i></p>	
Water Strategy Grants (see Section C.4.1 - Water Strategy Grants)	
Eligible Projects:	Projects to conduct planning to support water supply and management solutions (e.g., domestic water supply projects for disadvantaged communities, water marketing, water conservation, drought resilience, and ecological resilience) (see Section C.4.1 - Water Strategy Grants)
Non-Federal Cost Share:	0, 25 or 50%
Project Design Grants (see Section C.4.2 – Project Design Grants)	
Eligible Projects:	Projects to conduct project-specific design for projects to improve water management or water supplies.
Non-Federal Cost Share:	0, 25 or 50%
Drought Contingency Planning (see Section C.4.3 – Drought Contingency Planning)	
Eligible Projects:	Proposals to develop a new or update an existing Drought Contingency Plan
Non-Federal Cost Share:	50%

A.4 Other Related Funding Opportunities

WaterSMART Drought Resiliency Project Grants. Reclamation provides funding on a 50/50 cost share basis for projects that will increase the reliability of water supplies or improve water management to build long term resilience to drought and are supported by an existing drought contingency plan. Typical projects include:

- Projects that will increase the flexibility of water conveyance and deliveries, facilitating access to water supplies in times of drought.
- Projects that enable the capture or storage of additional water supplies that can be made available during drought.
- Projects that develop alternative water supplies to build resiliency to the impacts of drought.

- Domestic water supply projects of which the primary purpose is to provide domestic water supplies to Tribal or disadvantaged communities that do not have reliable access to water supplies
- Aquifer storage and/or recovery projects that are to be used for supplemental supplies during times of drought, to serve communities that are or are potentially facing a public health crisis due to a lack of potable water, or to recover previously recharged/stored water.

For information on the Drought Resiliency Projects, visit the WaterSMART Program website at <https://www.usbr.gov/drought/projects.html>.

WaterSMART Grants: Water and Energy Efficiency Grants. Financial assistance is provided on a 50/50 cost share basis for the construction of projects that conserve and use water more efficiently; increase the production of hydropower; mitigate conflict risk in areas at a high risk of future water conflict; and accomplish other benefits that contribute to water supply reliability in the West. Typical projects include:

- Projects that line or pipe canals, resulting in conserved water
- Projects that install meters, resulting in measurable water savings.
- Projects that improve measurement accuracy and result in reduced spills and over-deliveries to irrigators including Supervisory Control and Data Acquisition and Automation (SCADA).

For information on the Water and Energy Efficiency Grants, visit the WaterSMART Program website at www.usbr.gov/watersmart/weeg/index.html.

WaterSMART Small-Scale Water Efficiency Projects. Financial assistance is provided on a 50/50 cost share basis for small-scale water management projects (up to \$100,000 in Federal funding for each project) that have been identified through previous planning efforts. Typical project types are the same as those funded through the WaterSMART Grants, listed immediately above. Reclamation has developed a streamlined selection and review process to reflect the small-scale nature of these projects.

For information on the Small-Scale Water Efficiency Projects, visit the WaterSMART Program website at www.usbr.gov/watersmart/swep/index.html.

WaterSMART Environmental Water Resources Projects. Financial assistance is provided on a cost share basis (either 50% or 75% Federal cost share) for water conservation, water management, and restoration projects that provide significant benefits to ecological values or watershed health. Typical projects include:

- Watershed management or restoration projects influencing water temperature or improving the timing or volume of available flows at particular locations to improve aquatic conditions.

Section A. Funding Opportunity Description

- Riparian restoration, including bank and instream restoration through revegetation, or low-tech, process-based restoration, to create habitat for fish and wildlife, reduce erosion, improve groundwater recharge and benefit other ecological values.
- Upgrades to water conveyance or diversion technology that reduce water loss, ensuring more water for instream flows, or upgrades that allow for improved fish passage.
- Restoring natural wetlands, constructing new, or improving existing wetlands for treatment of irrigation water or stormwater flows, or improving other natural features to reduce water supply and demand imbalances or the risk of drought or flood.
- Water management or restoration projects to restore a natural feature or a nature-based feature to reduce water supply and demand imbalances or the risk of drought or flooding.

For information on the Environmental Water Resources Projects, visit the WaterSMART Program website at www.usbr.gov/watersmart/ewrp/index.html.

WaterSMART Cooperative Watershed Management Program. Reclamation provides funding to watershed groups to encourage diverse stakeholders to form local solutions to address their watershed management needs. Reclamation provides funding through Phase I of the Cooperative Watershed Management Programs for watershed group development, restoration planning, and watershed management project design.

For information on the Cooperative Watershed Management Program, visit the WaterSMART Program website at www.usbr.gov/watersmart/cwmp/index.html.

WaterSMART Aquatic Ecosystem Restoration Projects. Reclamation provides funding on a 65/35 cost share basis for the study, design, and construction of projects that restore or protect aquatic ecosystems. Projects benefit aquatic ecosystems across multiple basins, build habitat and systems resiliency, support threatened and endangered species, and provide broad environmental benefits.

For information on the Aquatic Ecosystem Restoration Program, visit the WaterSMART Program website at www.usbr.gov/watersmart/aquatic/index.html.

Native American Affairs Technical Assistance Program. Reclamation's Native American Affairs Technical Assistance Program provides technical assistance to assist Indian Tribes to develop, manage, and protect their water and related resources. Cost sharing is not required and technical assistance requests must satisfy "Program Criteria." Proposals are solicited via notices of funding opportunity, and successful proposals approved for funding can be found on Reclamation's website at the address below.

For information on the Native American Affairs Program Technical Assistance Program, visit www.usbr.gov/native/programs/TAPprogram.html.

Inflation Reduction Act Section 50231. A request for proposals from the Native American and International Affairs Office will be circulated in 2023 to solicit project proposals for planning, design, or construction of water projects to provide domestic water supplies to disadvantaged

For information on the funding opportunities listed above, visit the WaterSMART Program website at www.usbr.gov/waterSMART or the Native American Affairs Program Technical Assistance Program website at www.usbr.gov/native/programs/TAPprogram.html communities or households that do not have reliable access to domestic water supplies.

Section B: Award Information

B.1 Total Funding

This NOFO will allocate available program funds including fiscal year (FY) 2023 and FY 2024 enacted appropriations for WaterSMART Grants and the Drought Response Program, and funding available under the Bipartisan Infrastructure Law (BIL), P.L. 117-58 in FY 2023 or FY 2024, or future years. This NOFO will also be used to allocate BIL funding for projects that will improve the condition of a natural feature or nature-based feature, for multi-benefit projects to improve watershed health under Section 40907 of the BIL, and to allocate funding for domestic water supply projects for disadvantaged communities under the Inflation Reduction Act of 2022, P.L. 117-169, Section 50231.

The amount of funding available for awards under this NOFO will depend on the demand for funding under this and other WaterSMART programs. Any awards are subject to a determination by Reclamation that appropriations, IRA, and/or BIL funds are available. Applications submitted under this NOFO may also be considered if other funding becomes available in FY 2023, FY 2024, or subsequently.

B.2 Expected Award Amount

Water Strategy and Project Design Grants:

Maximum Award: \$400,000.00

Minimum Award: \$100,000.00

Drought Contingency Planning:

Maximum Award: \$400,000.00

Minimum Award: \$25,000.00

Information regarding multiple applications and restrictions on total award amounts under this funding opportunity can be found in C.3.1 Application and Award Limitations.

B.3 Anticipated Award Funding and Dates

This NOFO covers two application periods.

For applications submitted by the **October 17, 2023** deadline:

Anticipated Award Date: July 1, 2024

Anticipated Project Completion Date: June 30, 2027

For applications submitted by the **April 2, 2024** deadline:

Anticipated Award Date: January 2, 2025

Anticipated Project Completion Date: December 31, 2028

B.4 Number of Awards

Approximately 60 to 70 awards will be awarded under this NOFO, depending on the amount requested by each applicant and the amount of Federal funding available.

B.5 Type of Award

B.5.1 Water Strategy Grants and Project Design Grants

Project awards for Water Strategy Grants and Project Design Grants will be made through grants or cooperative agreements as applicable to each project. If a cooperative agreement is awarded, the recipient should expect Reclamation to have substantial involvement in the project:

- Collaboration and participation with the successful applicant in the management of the project and close oversight of the successful applicant's activities to ensure that the program objectives are being achieved.
- Oversight may include review, input, and approval at key interim stages of the project.

B.5.2 Drought Contingency Planning

Project awards for Drought Contingency Planning will be made through cooperative agreements. Recipients should expect Reclamation to have substantial involvement in the project. Substantial involvement by Reclamation will include:

- Collaboration and participation with the recipient in the management of the project and close oversight of the recipient's activities to ensure that the program objectives are being achieved.
- Oversight will include review, input, and approval at key interim stages of the plan, including input regarding the composition of the Drought Planning Task Force (Task Force), review and acceptance of detailed work plans, and review of the Drought Contingency Plan for conformance to program goals and objectives.

While the application is for the entire drought contingency planning process, if selected for award, the cooperative agreement for the project will consist of two phases:

- Phase I for the establishment of a Task Force and development of a Detailed Work Plan (includes Communication and Outreach Plan) and
- Phase II for the plan development.

Initially, the cooperative agreement will be limited to Phase I activities and will only obligate the Federal share of the estimated costs for the completion of these activities. In addition, the initial period of performance for the cooperative agreement will be limited to the time necessary to complete Phase I activities (generally six months). Reclamation will work closely with the recipient to develop a detailed work plan that will meet program requirements. After the detailed work plan is reviewed and accepted by Reclamation, the agreement will be modified to incorporate the costs of Phase II activities, obligate the remaining Federal funds, and extend the period of performance.

B.6 Technical Assistance

By request, Reclamation can provide technical assistance **after** award of the project. If you plan to receive Reclamation's assistance, you must account for these costs in your budget. Technical assistance should be discussed with Reclamation staff prior to applying. To discuss available assistance and these costs, contact the Program Coordinator identified in *Section G. Agency Contacts*.

Section C: Eligibility Information

C.1 Eligible Applicants

Applicants eligible to receive an award under this Funding Opportunity are described below.

Note: Applicant eligibility varies by project category; therefore, please carefully review applicant eligibility for the project category in which you are applying.

C.1.1 Water Strategy Grants and Project Design Grants

C.1.1.1 Category A Applicants

- States, Tribes, irrigation districts, and water districts;
- State, regional, or local authorities, the members of which include one or more organizations with water or power delivery authority; and
- Other organizations with water or power delivery authority.

All applicants must also be located in the West or Territories as identified in the Reclamation Act of June 17, 1902, as amended and supplemented; specifically: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, American Samoa, Guam, the Northern Mariana Islands, the Virgin Islands, or Puerto Rico.

C.1.1.2 Category B Applicants

Nonprofit conservation organizations that are acting in partnership with, and with the agreement of, an entity described in Category A. All Category B applicants must be located in the United States or the specific Territories identified in Section C.1.1.1 above.

Category B applicants should include with their application a letter from the Category A partner stating that the Category A partner:

- 1) Is acting in partnership with the applicant;
- 2) Agrees to the submittal and content of the application; and
- 3) Intends to participate in the project in some way, for example, by providing input, feedback, or other support for the project.

Note: Partners do not necessarily need to contribute cost share funding.

C.1.2 Drought Contingency Planning Applicants

A State, Tribe, irrigation district, water district, or other organization with water or power delivery in one of the following states or territories: Arizona, California, Colorado, Hawaii, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, American Samoa, Guam, the Northern Mariana Islands, or the Virgin Islands.

To be eligible under this NOFO for a Drought Contingency Plan, applicants must participate in a technical consultation with Reclamation Drought Coordinator before developing a proposal. During this technical consultation, the Reclamation Drought Coordinator will discuss Drought Response Program objectives, the six required elements of a drought plan or plan update (as outlined in Attachment 3), planning steps, and eligible tasks. The technical consultation will provide interested applicants an opportunity to ask questions about the Drought Response Program and ensure that applicants are applying under the proper NOFO project task. Reclamation reserves the right to remove an application from consideration if a technical consultation was not completed. To schedule a technical consultation, contact the program coordinator identified in *Section G. Agency Contacts*.

C.1.3 Ineligible Applicants

Those **not eligible** include, but are not limited to, the following entities:

- Federal Governmental entities
- Individuals
- Institutes of higher education

C.2 Cost Sharing Requirements

Applicant cost-share requirements for projects funded under this NOFO will be 0 percent, 25 percent or 50 percent of the total project costs, depending on the project type. The total project cost is defined as the total allowable costs incurred under a Federal award and all required cost share and voluntary committed cost share contributions, including third-party contributions.

- Water Strategy Grants and Project Design Grants with Ecological Benefits-Projects that meet the requirements described in Section C.2.1 Water Strategy Grants and Project Design Grants, applicants must be capable of cost sharing 25 percent or more of the total project costs.
- Proposals for the planning or design of projects the purpose of which is to provide domestic water supplies to disadvantaged communities may be eligible for 0% non-Federal cost share (see P.L. 117-169, Section 50231).
- For all other projects, applicants must be capable of cost sharing 50 percent or more of the total project costs.

- Drought Contingency Plans: In exceptional circumstances and upon request of the applicant, Reclamation may reduce or waive the non-Federal cost share requirement, if an overwhelming Federal interest and a significant financial need are identified. The criteria used by Reclamation to evaluate requests to reduce or waive the non-Federal cost share requirement are set forth in Attachment 3.

Note: Cost-sharing requirements are not applicable to American Samoa, Guam, the Northern Mariana Islands, or the Virgin Islands.

Cost share may be made through cash, costs contributed by the applicant, or third-party in-kind contributions. Third-party in-kind contributions include the value of non-cash contributions of property or services that benefit the federally assisted project and are contributed by non-Federal third parties, without charge. Cost-share funding from sources outside the applicant's organization (e.g., loans or state grants) should be secured and available to the applicant prior to award. Please see *Section D.2.2.12 Official Resolution* and *Section D.2.2.13 Letters of Commitment* for more information regarding the documentation required to verify commitments to meet cost sharing requirements.

Other sources of Federal funding may not be counted towards the required cost share. The exception to this requirement is where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs, such as awards to tribal organizations under P.L. 93-638, as amended. *If it is determined that the Federal funding cannot be applied towards the non-Federal cost share, the work associated with the funding may be removed from the proposed project.*

C.2.1 Water Strategy Grants and Project Design Grants for Domestic Water Supply Projects

A non-Federal cost share or match is not required for Water Strategy Grants and Project Design Grants projects for the primary purpose of providing domestic water supplies to Tribes or disadvantaged communities or households that do not have reliable access to domestic water supplies **AND** are located in Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, American Samoa, Guam, the Northern Mariana Islands, or the Virgin Islands.

C.2.2 Water Strategy Grants and Project Design Grants with Ecological Benefits

Water Strategy Grants and Project Design Grants projects with primarily ecological benefits that also meet the requirements listed in this section are eligible for up to 75 percent Federal cost-share contribution. To qualify for this cost-share, the application must demonstrate that the project a) increases water supply reliability for ecological values (e.g. improves the timing or quantity of water available or improve water quality or temperature); b) is being developed as part of a collaborative planning process that included consideration of ecological values (note: if this project represents the applicants' initial planning effort, the applicant may refer to an

existing local, state or regional plan with a nexus to the project to satisfy this requirement). This does not exclude projects expected to result in benefits to multiple sectors, such as projects or project components that benefit ecological values AND agricultural, municipal, tribal, or recreational water uses.

Applications who meet these requirements must be capable of cost sharing **25 percent (25%) or more** of the total project costs. The total project cost is defined as the total allowable costs incurred under a Federal award and all required cost share and voluntary committed cost share contributions, including third-party contributions. ***For projects that do not meet the requirements necessary to qualify for 75 percent Federal cost-share contribution, applicants must be capable of cost sharing 50 percent or more of the total project costs.*** Applicants will be notified prior to selection if their project is being considered for award but does not qualify for the 75 percent Federal cost-share contribution. Such applicants will be given an opportunity to commit to a 50 percent non-Federal cost-share contribution or withdraw their application. The application review committee (see *Section E.2.2. Application Review Committee*) will determine whether each application qualifies for 75 percent Federal cost-share contribution based on responses to the evaluation criteria (see *Section E.1. Evaluation Criteria*).

C.2.3 Cost Share Regulations

All cost-share contributions must meet the applicable administrative and cost principles criteria established in 2 Code of Federal Regulations (CFR) Part 200, available at www.ecfr.gov.

C.2.4 Third-Party In-Kind Contributions

Third-party in-kind contributions may be in the form of equipment, supplies, and other expendable property, as well as the value of services directly benefiting and specifically identifiable to the proposed project. Applicants may not include as part of their cost-share for projects funded under this NOFO the cost or value of third-party in-kind contributions that have been or will be relied on to satisfy a cost-sharing or matching requirement for another Federal financial assistance agreement, a Federal procurement contract, or any other award of Federal funds. Applicants should refer to 2 CFR §200.434 *Contributions and donations* for regulations regarding the valuation of third-party in-kind contributions.

C.3 Other

C.3.1 Application and Total Funding Limitations

Multiple applications for funding may be submitted for consideration; however, an applicant may not submit more than one proposal for each eligible project category identified below. For example, an applicant may submit proposals for a Water Strategy Grant, Project Design Grant, and Drought Contingency Planning; however, an applicant cannot submit two proposals under the Water Strategy Grants category. In general, no more than \$1,200,000 will be awarded per FY to any one applicant under this NOFO. However, a Category B applicant may receive funding up to \$2,000,000 total if each project includes a different Category A partner.

C.3.2 Excluded Parties

Reclamation conducts a review of the [SAM.gov Exclusions database](#) for all applicant entities and their key project personnel prior to award and ineligibility condition apply to this Federal program. If entities or key project personnel are identified in the [SAM.gov Exclusions database](#) as ineligible, prohibited/restricted or otherwise excluded from receiving Federal contracts, certain subcontracts, and certain Federal assistance and benefits, Reclamation cannot award funds to them.

C.4 Eligible Projects

Although projects will be scored using the same evaluation criteria (see Section E.1. Evaluation Criteria), projects within each of the Task areas identified below will be ranked separately to ensure fairness.

C.4.1 Task A: Water Strategy Grants

The objective of the Water Strategy Grants is to leverage money and resources by cost sharing with Reclamation for initial, or early-stage planning activities, including outreach and collaboration, technical analyses and assessments, project scoping activities to identify and prioritize potential implementation projects, and to develop a strategy document for water supply projects, water marketing activities, water management projects, and/or activities and river restoration activities, including planning projects to restore a natural feature or to use a nature-based feature to reduce water supply and demand imbalances or the risk of drought or flooding; and projects that otherwise mitigate against the impacts of climate change to fish and wildlife habitats. This includes planning projects that will provide benefits to multiple sectors, including projects that will benefit ecological values or watershed health AND agricultural, municipal, Tribal, or recreation water uses. This also includes planning for the construction of domestic water supply projects for the primary purpose of providing domestic water supplies to communities or households that do not have reliable access to domestic water supplies. This can include the development of new supplies and/or associated infrastructure for treatment and delivery.

Proposals for Water Strategy Grants must address the required project components identified in Attachment 1, including the preparation of the strategy document. Projects may be scaled to meet the needs of the applicant and may build on work completed to date.

While not a pre-requisite, Water Strategy Grants provide an opportunity to conduct planning and project scoping activities to prepare for future applications for funding for on-the-ground projects through WaterSMART (see *Section A.4. Other Related Funding Opportunities*).

Water Strategy Grants can also be used as a preliminary step in preparation for more advanced planning activities (e.g., a Drought Contingency Plan; a WaterSMART Basin Study(see [Basin Studies | WaterSMART \(usbr.gov\)](#)); or an Aquatic Ecosystems Restoration Program Task A – Study and Design project). Note: for applicants interested in submitting an application in the future to complete an on-the-ground drought project under the Drought Resiliency Projects

funding opportunity, preparation of a Drought Contingency Plan (see *Section C.4.2 Drought Contingency Planning*) will provide more direct support for your application and more points will be awarded in the criteria for Drought Resiliency Projects supported by a Drought Contingency Plan.

Proposals to develop a new or update an existing water strategy (e.g., a water marketing, management, or river restoration strategy) are eligible for funding under this NOFO.

Additional information regarding project types eligible for funding under the Water Strategy Grants project category and eligible activities can be found in Attachment 1.

C.4.2 Task B: Project Design Grants

The objective of the Project Design Grants is to leverage money and resources by cost sharing with Reclamation the final design of medium and large-scale on-the ground water supply construction (including domestic water supply projects for Tribes, insular areas, and disadvantaged communities), water management construction and restoration projects. For the purposes of this funding opportunity, medium and large-scale water management construction and restoration projects are those with construction/restoration costs of at least \$250,000 and above (total construction costs, including Federal and non-Federal funding) excluding design and permitting costs (see *Section A.4. Other Related Funding Opportunities*).

The Build America Buy America Act is a requirement specific to infrastructure projects, and applicants should consider Reclamation's focus on advancing the objectives of using American-made products and materials and building domestic manufacturing when initiating the planning and design of projects.

Prior to applying for a Project Design Grant, it is expected that applicants will have already performed some general planning work and preliminary studies that led to the identification of a specific location for project design. Project Design Grants should result in a final design package at a 60% design level (approximately), so that the design package can be used subsequently to apply for construction funding. In general, if you are seeking funding for multiple projects in one application the projects must be interrelated or closely related in scope and/or geography.

Additional information regarding eligible activities for funding under the Project Design Grants project category can be found in Attachment 2.

C.4.3 Task C: Drought Contingency Planning

The WaterSMART Drought Response Program supports a proactive approach to drought by providing financial assistance to develop and update comprehensive drought plans (Drought Contingency Planning). Through this NOFO, Reclamation provides funding for planning that, when implemented, will increase water reliability and improve water management through the use of expanded technologies and improved modeling capabilities.

Proposals to develop a new Drought Contingency Plan, or to update to an existing plan are eligible for funding under this NOFO. Proposed projects submitted in response to this NOFO must be divided into two phases (Phase I and Phase II). The program requirements described

here are intended to increase the transparency of the planning process, encourage collaboration and participation by interested stakeholders, and ensure that the Drought Contingency Plan will meet program requirements upon completion.

Phase I: This phase must include the Establishment of a Drought Planning Task Force, Development of a Detailed Work Plan, and Development of a Communication and Outreach Plan. Additional information regarding Phase I is described in Attachment 3.

Phase II: After the detailed work plan is reviewed and accepted by Reclamation, the planning lead designated by the applicant will then develop the plan or plan update including the required Drought Contingency Plan elements and must include each of the project components described on Attachment 3.

C.5 Ineligible Projects

Proposals to develop planning studies other than those described in Section C.3.1 Water Strategy Grants and in Section C.3.2. – Drought Contingency Planning, are not eligible for funding under this NOFO. This includes proposals to develop appraisal investigations, system optimization reviews, feasibility studies, special studies, Basin Studies, water management and conservation. Projects for planning and project design that are eligible for funding under Reclamation’s Water Conservation and Field Studies Program, authorized under the Title XVI Water Recycling and Reuse Program, through P.L.102-575, as amended (43 U.S.C. 390h et seq.), or under the Rural Water Program, pursuant to the Rural Water Supply Act of 2006, P.L.109-451.

C.5.1 Operations, Maintenance, and Replacement

Proposals for the design of projects considered normal operations, maintenance, and replacement (OM&R) are ineligible for funding under this NOFO. OM&R is described as system improvements that replace or repair existing infrastructure or function without providing increased efficiency or effectiveness of water distribution over the expected life of the improvement. Examples of ineligible OM&R projects include:

- Replacing malfunctioning components of an existing facility with the same components
- Improving an existing facility to operate as originally designed
- Performing an activity on a recurring basis, even if that period is extended (e.g., 10-year interval)
- Sealing expansion joints of concrete lining because the original sealer or the water stops have failed
- Sealing cracks in canals and/or pipes, including those sealant projects intended to improve facilities with inherent design and construction flaws
- Replacing broken meters with new meters of the same type; and
- Replacing leaky pipes with new pipes of the same type.

Applicants that have questions regarding OM&R are encouraged to contact the Program Coordinator (see Section G. Agency Contacts) prior to the application deadline for further information.

C.5.2 Pilot Projects

With the exception of pilot projects that are a component of a Water Strategy Grant, applications to conduct a pilot study to evaluate technical capability, economic feasibility, or viability for full-scale implementation or to test an unproven material or technology are not eligible for Federal funding under this NOFO.

C.5.3 On-Farm Improvements

Proposals to design on-farm improvements are not eligible under this NOFO. Applicants interested in on-farm improvements should contact the U.S. Department of Agriculture (USDA) and Natural Resources Conservation Service (NRCS) to investigate opportunities for Federal assistance. For more information on NRCS programs, including application deadlines and a description of available funding, please contact your local NRCS office or see www.nrcs.usda.gov for further contact information in your area.

C.5.4 Construction

Proposals to complete on the ground construction are not eligible for funding under this NOFO.

C.5.5 Projects Receiving Other Federal Financial Assistance

Proposals for projects or activities that are funded under another Federal Financial Assistance agreement are not eligible for funding under this NOFO.

Section D: Application and Submission Information

D.1 Address to Request Application Package

This document contains all information, forms, and electronic addresses required to obtain the information required to submit an application. If you are unable to access this information electronically, you can request paper copies of any of the documents referenced in this NOFO by contacting the Reclamation Financial Assistance Contact identified in Section G.1 of this announcement.

D.2 Content and Form of Application Submission

All applications must conform to the requirements described in this section.

D.2.1 Application Format and Length

The technical proposal and criteria section (defined below) shall be limited to a maximum of **20** consecutively numbered pages. If this section of the application exceeds **20** pages, only the first **20** pages will be evaluated. **The full application, including attachments, cannot exceed 125 pages. If the application exceeds 125 pages, only the first 125 pages will be considered in the evaluation.** The font shall be at least 12 points in size and easily readable. Page size shall be 8½ by 11 inches, including charts, maps, and drawings. Margins should be standard 1-inch margins. Oversized pages will not be accepted.

Applications will be prescreened for compliance to the above page number limitation. Excess pages will be removed and not considered in the evaluation of the proposed project.

D.2.2 Application Content

The application should include the items identified as Mandatory Application Components in the Application Checklist to be considered complete. To facilitate fair and timely reviews by the ARC, it is highly recommended that application packages be structured in the order identified in the Application Checklist.

Applications will be screened for completeness and compliance with the provisions of this funding opportunity. A complete application must include all the items identified as Mandatory Application Components in the Application Checklist. Any application which fails to include these items will be deemed ineligible and will not be considered for funding.

Following awards of funding, Reclamation may post successful applications on the Reclamation website, www.usbr.gov/watersmart after conducting any redactions determined necessary by Reclamation, in consultation with the successful applicant. See Section F.2.6. Freedom of Information Act.

D.2.2.1 Mandatory Federal Forms

The application must include the following standard Federal forms. Questions regarding forms should be referred to the Financial Assistance Point of Contact under Section G.1 “Reclamation Financial Assistance Contact.”

SF-424: Application for Federal Assistance

A fully completed SF-424: Application for Federal Assistance form signed by a person legally authorized to commit the applicant to performance of the project must be submitted with the application. The SF-424 must contain a valid Unique Entity Identifier (UEI). See D.3 for additional information. Applications that fail to include a SF-424 will be considered ineligible and will not pass initial screening.

If you request more than \$100,000 in Federal funding, you must certify that all statements in 43 CFR Part 18, Appendix A-Certification Regarding Lobbying are true. The Authorized Official’s signature on the appropriate SF-424, Application for Federal Assistance form represents the entity’s certification of the statements in 43 CFR Part 18, Appendix A.

Failure to submit a signed SF-424 with a valid UEI number will result in the elimination of the application from further consideration.

SF-424A: Budget Information - Non-Construction Programs

A fully completed SF-424A: Budget Information form must be submitted with the application.

SF-424B: Assurances for Non-Construction Activities

A SF-424B: Assurances for Non-Construction Programs form signed by a person legally authorized to commit the applicant to performance of the project must be submitted with the application.

D.2.2.2 Technical Proposal Content

Submission of a technical proposal (limited to 20 pages) is mandatory and must be received by the application deadline.

While an application will not be removed from consideration if the technical proposal does not address each of the following, it is highly recommended that applicants address each component listed below to ensure that your proposal is competitive.

Title Page

Provide a brief, informative, and descriptive title for the proposed work that indicates the nature of the project. Include the name and address of the applicant, and the name and address, e-mail address, and telephone of the Project Manager.

Table of Contents

List all major sections of the proposal in the table of contents.

Executive Summary

The executive summary should include:

- The date, applicant name, city, county, and state.
- Indicate which task area you are applying under (Task A: Water Strategy Grant; Task B: Project Design Grant; or Task C: Drought Contingency Planning). Proposals for a Water Strategy Grant or Drought Contingency Planning Grant should clearly indicate if the proposal is the development of a new strategy or drought contingency plan or an update to an existing strategy or drought contingency plan.
- Indicate whether you are a Category A applicant, Category B applicant, or a Drought Contingency Planning applicant. If you are a Category B applicant, please briefly explain how you are acting in partnership with a Category A partner. Note: If you are a Category B applicant, you must include a letter from the Category A partner confirming that they are partnering with you and agree to the submittal and content of the application (see Section C.1. Eligible Applicants. See Section D.2.2.8. Letters of Support and Letters of Partnership for additional information regarding documentation requirements.
- A one-paragraph project summary that provides the location of the project, a brief description of the work that will be carried out, any partners involved, concerns in your project area, and how this project is expected to help alleviate impacts of those conditions, and identification of any planning documents that support the project. This information will be used to create a summary of your project for our website if the project is selected for funding.

Example: Western Municipal Water District provides water and wastewater services to retail customers and wholesale agencies in western Riverside County, California, serving a population of over 880,000 people. The District will convene a local task force and develop a comprehensive Drought Contingency Plan that considers impacts to local water supplies and infrastructure that will help Western customers during the next drought. The planning area experienced a multi-year drought from 2014-2017. The District will leverage existing planning efforts such as its 1992 Drought Contingency Plan and 2015 Water Supply Shortage Contingency Plan. This drought plan will complement the WaterSMART Santa Ana Watershed Basin Study.

- State the length of time and estimated completion date for the proposed project (month/year).

- Whether or not the proposed planning or design effort is focused on a Federal facility or will involve Federal land.

Project Location

Provide specific information on the geographic location of the proposed planning area (e.g., watershed, basin, county) or location of the project being designed, including a map showing the geographic location. For example, [project name] is located in [county and state] approximately [distance] miles [direction, e.g., northeast] of [nearest town]. The project latitude is {##°##'N} and longitude is {###°##'W}.

Project Description

Provide a more comprehensive description of the technical aspects of your project, including the specific activities to be accomplished and the approach to complete the work.

Proposals should address all project-specific requirements (e.g., planning steps, project components, design products to be developed). This section provides an opportunity for the applicant to provide a clear description of the technical nature of the project and to address any aspect of the project that reviewers may need additional information to understand.

Please do not include your project schedule and milestones here; that information is requested in response to the Ability to Meet Program Requirements criterion described in Section E.1.3. In addition, please avoid discussion of the benefits of the project, which are also requested in response to evaluation criteria described in Section E.1. This section is solely intended to provide an understanding of the technical aspects of the project.

Please note, if the work for which you are requesting funding is a phase of a larger project, please only describe the work that is reflected in the budget and exclude description of other activities or components of the overall project. Please do not duplicate information.

Evaluation Criteria

Section E.1. Evaluation Criteria provides a detailed description of each criterion and sub-criterion and points associated with each. The evaluation criteria portion of your application should thoroughly address each criterion and sub-criterion in the order presented to assist in the complete and accurate evaluation of your proposal.

Copying and pasting the evaluation criteria and sub-criteria in Section E.1. Technical Proposal: Evaluation Criteria into your applications is suggested to ensure that all necessary information is adequately addressed.

D.2.2.3 Project Budget

The total project cost is the sum of all allowable items of costs, including all required cost sharing and voluntary committed cost sharing, including third-party contributions, that are necessary to complete the project. Please include the following chart (Table 1) to summarize all funding sources. Denote in-kind contributions with an asterisk (*).

Table 1. —Summary of Non-Federal and Federal Funding Sources

FUNDING SOURCES	AMOUNT
Non-Federal Entities	
1.	\$
2.	\$
3.	\$
Non-Federal Subtotal	\$
REQUESTED RECLAMATION FUNDING	\$

Submission of a budget narrative is mandatory. The budget narrative provides detailed information on the items included in the budget Object Class Categories on the SF-424A. The budget narrative should clearly identify *all* items of cost (**total estimated project cost**), *including those that will be contributed as non-Federal cost share by the applicant (required and voluntary), third-party in-kind contributions, and those that will be covered using the funding requested from Reclamation*, and any requested pre-award costs. The types of information to describe in the narrative may include, but are not limited to, those identified in the Budget Narrative Guidance attached to this NOFO (Attachment A). Applicants may elect to use the Budget Detail and Narrative spreadsheet (Attachment B to this NOFO) for their budget narrative. Costs, including the valuation of third-party in-kind contributions, must comply with the applicable cost principles contained in 2 CFR Part 200, available at the electronic CFR (www.ecfr.gov).

Please note: The Budget Narrative Attachment Form in Grants.gov is to be used to upload the budget proposal.

Failure to submit a budget narrative will result in the elimination of the application from further consideration.

D.2.2.4 Environmental and Cultural Resources Compliance

If the project includes monitoring, measurement, or other field work, environmental and cultural resources compliance may be required. Proposals that include on the ground activities should answer the questions from *Section H.1. Environmental and Cultural Resource Considerations* in this section.

D.2.2.5 Required Permits or Approvals

You must state in the application whether any permits or approvals are required and explain the plan for obtaining such permits or approvals.

If a Project Design Grant proposal includes improvements to Federal facilities, Reclamation may also require additional reviews and approvals prior to implementation to ensure that any

necessary easements, land use authorizations, or special permits can be approved consistent with the requirements of 43 CFR Section 429 and that the development will not impact or impair project operations or efficiency.

D.2.2.6 *Overlap or Duplication of Effort Statement*

Applicants should provide a statement that addresses if there is any overlap between the proposed project and any other active or anticipated proposals or projects in terms of activities, costs, or commitment of key personnel. If any overlap exists, applicants must provide a description of the overlap in their application for review.

Applicants should also state if the proposal submitted for consideration under this program does or does not in any way duplicate any proposal or project that has been or will be submitted for funding consideration to any other potential funding source—whether it be Federal or non-Federal. If such a circumstance exists, applicants must detail when the other duplicative proposal(s) were submitted, to whom (Agency name and Financial Assistance program), and when funding decisions are expected to be announced. If at any time a proposal is awarded funds that would be duplicative of the funding requested from Reclamation, applicants must notify the NOFO point of contact or the Program Coordinator immediately.

D.2.2.7 *Conflict of Interest Disclosure Statement*

Per 2 CFR §1402.112, “Financial Assistance Interior Regulation” applicants should state in the application if any actual or potential conflict of interest exists at the time of submission. Submission of a conflict-of-interest disclosure or certification statement is mandatory prior to issue of an award.

Applicability

This section intends to ensure that non-Federal entities and their employees take appropriate steps to avoid conflicts of interest in their responsibilities under or with respect to Federal financial assistance agreements.

In the procurement of supplies, equipment, construction, and services by recipients and by sub recipients, the conflict-of-interest provisions in 2 CFR§200.318 apply.

Notification

Non-Federal entities, including applicants for financial assistance awards, must disclose in writing any conflict of interest to the DOI awarding agency or pass- through entity in accordance with 2 CFR §200.112.

Section D. Application and Submission Information

Recipients must establish internal controls that include, at a minimum, procedures to identify, disclose, and mitigate or eliminate identified conflicts of interest. The successful applicant is responsible for notifying the Financial Assistance Officer in writing of any conflicts of interest that may arise during the life of the award, including those that have been reported by sub recipients.

Restrictions on Lobbying

Non-Federal entities are strictly prohibited from using funds under a grant or cooperative agreement for lobbying activities and must provide the required certifications and disclosures pursuant to 43 CFR §18 and 31 USC §1352.

Review Procedures

The Financial Assistance Officer will examine each conflict-of-interest disclosure on the basis of its particular facts and the nature of the proposed grant or cooperative agreement and will determine whether a significant potential conflict exists and, if it does, develop an appropriate means for resolving it. Enforcement. Failure to resolve conflicts of interest in a manner that satisfies the government may be cause for termination of the award. Failure to make required disclosures may result in any of the remedies described in 2 CFR §200.339, Remedies for noncompliance, including suspension or debarment (see also 2 CFR §180).

D.2.2.8 Uniform Audit Reporting Statement

All U.S. states, local governments, federally recognized Indian Tribal governments, and non-profit organizations expending \$750,000 USD or more in Federal award funds in the applicant's fiscal year must submit a Single Audit report for that year through the [Federal Audit Clearinghouse's Internet Data Entry System](#). U.S. state, local government, federally recognized Indian Tribal governments, and non-profit applicants must state if your organization was or was not required to submit a Single Audit report for the most recently closed fiscal year. If your organization was required to submit a Single Audit report for the most recently closed fiscal year, provide the Employer Identification Number (EIN) associated with that report and state if it is available through the [Federal Audit Clearinghouse](#) website.

D.2.2.9 SF-LLL: Disclosure of Lobbying Activities (if Applicable)

If applicable, a fully completed and signed SF-LLL: Disclosure of Lobbying Activities form is required if the applicant has made or agreed to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. *This form cannot be submitted by a contractor or other entity on behalf of an applicant.*

D.2.2.10 Letters of Support

You should include any letters from interested supporting the proposed project. To ensure your proposal is accurately reviewed, please attach all letters of support as an appendix. Letters of support received after the application deadline for this NOFO will not be considered in evaluating your proposed project.

D.2.2.11 Letter of Partnership (Category B Applicants)

Category B applicants should submit a Letter of Partnership from the Category A partner, stating that they are acting in partnership with the applicant and agree to the submittal and content of the application (see *Section C.1. Eligible Applicants*). However, if the project is selected, a Letter of Partnership must be received prior to award.

D.2.2.12 Official Resolution

If selected, the applicant must provide prior to award an official resolution adopted by your organization’s board of directors or governing body, or, for state government entities, an official authorized to commit the applicant to the financial and legal obligations associated with receipt of a financial assistance award under this NOFO, verifying:

- The identity of the official with legal authority to enter into an agreement
- The board of directors, governing body, or appropriate official who has reviewed and supports the application submitted
- That your organization will work with Reclamation to meet established deadlines for entering into a grant or cooperative agreement

An official resolution meeting the requirements set forth above is mandatory before an award of funding will be made.

D.2.2.13 Letters of Commitment

If a project is selected for award under this funding opportunity and cost share funding is anticipated to be provided by a source other than the applicant, the third-party cost share must be supported with letters of commitment from these additional sources prior to award. Letters of commitment should identify the following elements:

- The amount of funding commitment
- The date the funds will be available to the applicant
- Any time constraints on the availability of funds
- Any other contingencies associated with the funding commitment

Cost-share funding from sources outside the applicant’s organization (e.g., loans or State grants) should be secured and available to the applicant prior to award.

Reclamation will not execute a financial assistance agreement until non-Federal funding has been secured or Reclamation determines that there is enough evidence and likelihood that non-Federal funds will be available to the applicant after executing the agreement.

D.3 Unique Entity Identifier (UEI) and System for Award Management (SAM)

Each applicant (unless the applicant is an individual or Federal awarding agency that is excepted from those requirements under 2 CFR 25.110 (b) or (c), or has an exception approved by the Federal awarding agency under 2 CFR 25.110 (d) is required to:

- Be registered in SAM before submitting an application. Instructions for registering are available at <https://sam.gov/content/home>
- Provide a valid UEI in its application
- Maintain an active SAM registration with current information at all times during which it has an active Federal award or plan under consideration by a Federal award agency

Meeting the requirements set forth above is mandatory.

D.3.1 Register with the System for Award Management

Each applicant must be registered in SAM before submitting its application. Register on the [SAM.gov](https://sam.gov) website. The “Help” tab on the website contains User Guides and other information to assist you with registration. The [Grants.gov “Register with SAM” page](https://sam.gov) also provides detailed instructions. You can also contact the supporting Federal Service Desk for help registering in SAM. Once registered in SAM.gov, entities must renew and revalidate their SAM.gov registration at least once every 12 months from the date previously registered. Entities are strongly encouraged to revalidate their registration as often as needed to ensure their information is up to date and reflects changes that may have been made to the entity’s Internal Revenue Service information. See the “Submission Requirements” section of this document below for more information on SAM.gov registration.

There is no cost to register with SAM.gov. There are third-party vendors who will charge a fee in exchange for registering entities with SAM.gov; **please be aware you can register and request help for free.**

NOTE: An organization’s SAM.gov registration process may take several weeks to complete, so please allow sufficient time to ensure applications are submitted before the closing date. *Applicants that do not have an active SAM registration will not be able to submit an electronic application in Grants.gov.*

D.3.2 Obtain a Unique Entity Identifier

You are required to register in SAM.gov and obtain a [Unique Entity Identifier](https://sam.gov) (UEI) prior to submitting a Federal award application. A UEI will be assigned to entities upon registering in SAM.gov.

D.4 Submission Date and Time

This funding opportunity includes two submittal periods. The deadlines for submitting an application are:

- *October 17, 2023, at 4:00 p.m. Mountain Daylight Savings Time for FY 2023 funding;*
and
- *April 2, 2024, at 4:00 p.m. Mountain Daylight Savings Time for FY 2024 funding.*

Applications must be submitted no later than these due dates and times.

Proposals received after the application deadline will not be considered unless it can be determined that the delay was caused by Reclamation or there were technical issues with the [Grants.gov](https://www.grants.gov) application system. *Note that difficulties related to an applicant's Grants.gov profile (e.g., incorrect organizational representative), uploading documents to Grants.gov, or an applicant's SAM.gov registration are not considered technical issues with the Grants.gov system.*

If for any reason applicants are unable to submit their application through Grants.gov, they may provide a paper copy of their full application by mail or courier.

D.4.1 Application Delivery Instructions

Applications may be submitted electronically through Grants.gov (www.grants.gov) or a hard copy may be submitted by mail, express delivery or courier services to the following address. **We strongly encourage you to use grants.gov to submit your proposal if possible.** Under no circumstances will applications received through any other method (such as e-mail or fax) be considered eligible for award.

Bureau of Reclamation
Upper Colorado Regional Office
Attn: Karen Shubert
125 South State, Room 8100
Salt Lake City, UT 84138-1147

If you are submitting a paper application, please notify Karen Shubert at kshubert@usbr.gov for approval no later than 2:00 p.m. Mountain Standard Time on October 17, 2023 for the first application period and no later than 2:00 p.m. Mountain Standard Time on April 2, 2023, for the second application period.

D.4.2 Instructions for Submitting the Project Application

Each applicant must submit an application in accordance with the instructions contained in this section.

D.4.2.1 Applications Submitted Electronically

Electronic applications must be submitted through Grants.gov. Applicant resource documents and a full set of instructions for registering with Grants.gov and completing and submitting applications online are available at: www.grants.gov/applicants/apply-for-grants.html.

Application submission requires prior registration through Grants.gov, which may take 7 to 21 days. See the registration instructions available at <https://www.grants.gov/web/grants/applicants/registration.html> . **In addition, please note that the Grants.gov system only accepts applications submitted by individuals that are registered and active in SAM as both a user and an Authorized Organizational Representative.**

Applicants have experienced significant delays when attempting to submit applications through Grants.gov. Applicants are encouraged to submit applications several days prior to the application deadline. If you are a properly registered Grants.gov applicant and encounter problems with the Grants.gov application submission process, you must contact the Grants.gov Help Desk to obtain a case number. This case number will provide evidence of your attempt to submit an application prior to the submission deadline. If you are unable to submit your application through Grants.gov, you may provide a paper copy of the full application by mail or courier, as described in Section D.4.2.2 below.

Late applications will not be considered unless it is determined that the delay was caused by Reclamation mishandling or technical issues with the Grants.gov application system. Please note that difficulties related to an applicant's Grants.gov profile (e.g., incorrect organizational representative), uploading documents to Grants.gov, or an applicant's SAM registration are not considered technical issues with the Grants.gov system. To document a delay due to a technical issue in Grants.gov, you must furnish a Grants.gov helpdesk ticket number to the Reclamation Financial Assistance Contact identified in Section G.1 of this announcement.

D.4.2.2 Applications Submitted by Mail, Express Delivery or Courier Services

Please follow these instructions to submit your application by mail, express delivery, or courier services.

- We request that applicants submitting their application by mail or courier include a brief explanation in their application regarding why they had to submit by mail rather than electronically using grants.gov.
- Applicants should submit one copy of all application documents for hardcopy submissions. Only use a binder clip for documents submitted. Do not staple or otherwise bind application documents.
- Hard copy applications may be submitted by mail, express delivery, or courier services to the addresses identified in this NOFO.
- Materials arriving separately will not be included in the application package and may result in the application being rejected or not funded. This does not apply to letters of support, funding commitment letters, or official resolutions. Faxed and e-mailed copies of application documents will not be accepted.

D.4.2.3 Acknowledgement of Application Receipt

Applicants will receive an e-mail acknowledging receipt of the application from Grants.gov. In addition, you will receive an email acknowledgement when your application is successfully downloaded from Grants.gov. Applicants can confirm receipt of hardcopy through the tracking tools for their packages.

D.5 Intergovernmental Review

Prior to application submission, U.S. state and local government applicants should visit the OMB Office of Federal Financial Management website and view the “State Point of Contact (SPOC) List” to determine whether their application is subject to the state intergovernmental review process under Executive Order (E.O.) 12372 “Intergovernmental Review of Federal Programs.” States not on the list do not participate in the intergovernmental review process, and therefore do not have a SPOC. If you are located within a State that does not have a SPOC, you may send application materials directly to a Federal awarding agency. If your state is on the list, contact the designated entity for more information on the state’s prior review requirements for Federal assistance applications. <https://www.whitehouse.gov/wp-content/uploads/2020/04/SPOC-4-13-20.pdf>.

D.6 Funding Restrictions

D.6.1 Pre-award Costs

Pre-award costs are those incurred prior to the effective date of a Federal award where such costs are necessary for efficient and timely performance of the scope of work. Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the Federal award.

Eligible pre-award costs associated with the proposed project must be incurred after the posting date of this funding opportunity. If the proposed project is selected, the pre-award costs will be reviewed to determine if they are consistent with program objectives and are allowable in accordance with the authorizing legislation. Proposed pre-award costs must also be compliant with all applicable administrative and cost principles criteria established in 2 CFR Part 200 and all other requirements of this funding opportunity.

Note: Any incurrence of costs in the performance of the project prior to the issuance of a financial assistance award is at the applicant’s own risk. No legal liability on the part of Reclamation for any payment may arise until funds are made available, in writing, by a Reclamation Grants Officer.

D.6.2 Project Cost Restrictions

Proposal costs. The costs for preparing and submitting an application in response to this funding opportunity, including developing data necessary to support the proposal, are not eligible project costs and must not be included in the project budget.

Decision support tools. Water Strategy Grant activities that would be considered development or modification of decision support tools to support the overall strategy development may be eligible for funding so long as it is integral to the strategy and funding for this work does not exceed 30 percent of the total project cost (see Attachment 1 - Water Strategy Grants).

Legal analysis. The costs of legal analysis activities such as analyzing water rights issues, including legal mechanisms for transferring water within the relevant area, and legal constraints on existing water rights (type and place of use requirements, title issues, or other constraints) cannot exceed 30 percent of the total project cost and may not be used for the preparation of a specific water court case (see Attachment 1 – Water Strategy Grants).

D.6.3 Environmental and Regulatory Compliance Costs

Depending on the potential impacts of the project, Reclamation may be able to complete its compliance activities without additional cost to the successful applicant. Where environmental or cultural resources compliance requires significant participation by Reclamation, Reclamation will add a line item for costs incurred by Reclamation to the budget during development of the financial assistance agreement and cost shared accordingly (i.e., withheld from the Federal award amount). Any costs to the successful applicant associated with compliance will be identified during the process of developing a final project budget for inclusion in the financial assistance agreement.

D.6.4 Indirect Costs

You may include indirect costs that will be incurred during the development or construction of a Project, which will not otherwise be recovered, as part of your Project budget. Show the proposed rate, cost base, and proposed amount for allowable indirect costs based on the applicable cost principles for your organization. It is not acceptable to simply incorporate indirect rates within other direct cost line items.

If you have never received a Federal negotiated indirect cost rate, your budget may include a *de minimis* rate of up to 10 percent of modified total direct costs. For further information on modified total direct costs, refer to 2 CFR§200.68.

If you do not have a federally approved indirect cost rate agreement and are proposing a rate greater than the *de minimis* 10 percent rate, include the computational basis for the indirect expense pool and corresponding allocation base for each rate. Information on “Preparing and Submitting Indirect Cost Proposals” is available from the Department’s Interior Business Center, Office of Indirect Cost Services, at ibc.doi.gov/ICS/icrna.

If the proposed project is selected for award, the successful applicant will be required to submit an indirect cost rate proposal with their cognizant agency within 3 months of award. The Federal awarding agency that provides the largest amount of direct funding to your organization is your cognizant agency for indirect costs, unless otherwise assigned by the White House Office of Management and Budget (OMB). If the Department of the Interior (DOI) is your organization’s cognizant agency, the Interior Business Center (IBC) will negotiate your indirect cost rate.

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Contact the IBC by phone 916-930-3803 or email at ICS@ibc.doi.gov. Visit their website ibc.doi.gov/ICS/icrna, for information regarding email submission forms.

Organizations must have an active Federal award before they can submit an indirect cost rate proposal to their cognizant agency. Failure to establish an approved rate during the award period renders all costs otherwise allocable as indirect costs unallowable under the award. Recipients may not shift unallowable indirect costs to another Federal award unless specifically authorized to do so by legislation.

Section E: Application Review Information

E.1 Evaluation Criteria

Applications will be evaluated against the evaluation criteria listed below. The evaluation criteria should be addressed in the technical proposal section of the application. Applications should thoroughly address each criterion and any sub-criterion in the order presented. **It is suggested that applicants copy and paste the below criteria and sub-criteria into their applications to ensure that all necessary information is adequately addressed**

If the work described in your application is a phase of a larger project, only discuss the benefits that will result directly from the work discussed in the technical project description and that is reflected in the budget—not the larger project.

Evaluation criteria scoring summary	Points:
A. Project benefits	35
B. Inclusion of stakeholders, stakeholder support, and previous planning efforts	25
C. Ability to meet program requirements	20
D. Presidential and Department of the Interior priorities	15
E. Nexus to Reclamation	5
Total	100

Note: Projects may be prioritized to ensure balance among the program task areas and to ensure that the projects address this NOFO's goals and objectives.

E.1.1 Evaluation Criterion A. Project Benefits (35 Points)

Up to **35 points** may be awarded based on the extent to which the proposed planning or design project will result in significant benefits to water supply reliability. Reclamation will use the following criteria to prioritize proposals that address significant threats to water supply reliability for agricultural, municipal, tribal, or environmental water uses, or for fishing or river-based recreation, and that demonstrate that project benefits will address the identified risks.

Note: if the project will update an existing plan or design, please respond to the following based on how the newly proposed scope of work will benefit water supply reliability, i.e., what is the value added by this proposed planning or design effort?

In responding to the following criteria, please identify the water supply reliability issues in the area of your proposed planning or design project, and how your project will help address those issues.

- Identify the threats to water supply, water quality, and river-based ecosystem or watershed health within the geographic area of the planning or design project. This could include threats from drought conditions, climate change vulnerabilities, changes to stream conditions or water quality, significant water shortages, or other threats to the environment or watershed health. Your response should include:
 - Information regarding past, current, and projected threats to water supplies, water quality (including surface or ground water), or river-based ecosystem or watershed health.
 - Documentation supporting your response (e.g., the [Drought Monitor](#), referenced statistical data, excerpts from or citations to relevant studies or analyses, local climate change data, etc.).
- How do the threats identified in your response to the preceding bullet impact specific water uses or sectors in the geographic area of the planning or design project? Specific water uses or sectors could include agriculture, municipal water supplies (i.e., drinking water, public health and safety, etc.), hydropower or energy production, the environment, or watershed health (i.e., aquatic and riparian ecosystems, species, and habitat reliant on water supplies), Tribal ceremonial, commercial, recreational, or subsistence or fishing, tourism, river-based recreation, forestry, energy or threats to infrastructure or other sectors or water uses. Your response should include:
 - Information about the specific impacts to water uses or sectors resulting from supply reliability issues within the project area. **Only address impacts to those specific water uses or sectors that are relevant to your project area.**
 - Provide supporting documentation for your response. For example, you could include support for economic impacts to specific sectors, support quantifying water shortfalls to specific sectors, data and statistics regarding fish populations, ecosystem or watershed health, fishing or recreation, records of water quality issues, excerpts or citations to studies or analyses, etc. If your project will address a specific water supply shortfall, please provide support and documentation of the specific shortfall to be addressed by your project.
- How will the planning or design project help address the threats to water supplies and water uses identified in your response to the preceding bullets? Your response should include:
 - Information about the benefits that you expect to result from your planning or design effort and the projects you are planning or designing, to the extent known. Only address the benefits that are applicable to your project.

Section E. Application Review Information

- Which sectors or water uses will benefit from your planning or design effort – and the projects you are planning or designing - and how? For example, how will your project help attain any of the following: reduce the likelihood of conflicts over water; increase resiliency to drought and climate change; sustain agricultural communities; support instream flows for species, recreation, or water quality objectives; improve the condition of rivers, streams and other water bodies for environmental values; improve reliability of drinking water; result in an action plan to improve water management; or lead to modernized water delivery infrastructure?
- Provide supporting documentation for your response, including referenced statistical data, excerpts or citations from studies or analyses regarding the results of similar projects, or other references.
- Is the planning or design effort for the purpose of providing domestic water supplies to a Tribe, insular area, or disadvantaged community(ies) that do not have reliable access to water supplies?
 - Provide a detailed description of the community that the project will serve.
 - Describe the need for the new domestic water supply project including any prominent public health and safety concerns, interruptions in supply, or other reasons that the community does not currently have reliable access to domestic water supplies.
 - Explain how the proposed project will increase reliable access to domestic water supplies. Provide a qualitative description of the degree/significance of the benefits associated with the new water supply. Quantify in acre-feet per year the average annual benefit that the new domestic water supply project will provide. How many people is it estimated to serve? How were these estimates calculated (average benefit and population)?
- Does the planning or design effort involve the improvement of nature-based features? If so, please describe.
- Is the project for the purpose of meeting *existing environmental mitigation or compliance obligations* under Federal or State law?

E.1.2 Evaluation Criteria B- Inclusion of Stakeholders, Stakeholder Support, and Previous Planning Efforts (25 Points)

Up to **25 points** may be awarded based on the extent to which the proposal demonstrates support for the project from a diverse set of stakeholders. Note, stakeholders should include a mix of entities internal and external to the applicant's organization (e.g., municipal, agricultural, environmental non-profits, landowners, Tribes, and state and local water management entities, among others.) For projects proposed by Tribes, if the intent is to engage with stakeholders

internal to the Tribe, please describe the engagement of those tribal stakeholders and explain why that is an appropriate level of engagement for the proposed project.

For purposes of this criterion, applicants submitting a planning proposal under Task A: Water Strategy Grants and Task C: Drought Contingency Planning project categories should only respond to Sub-Criterion B1, and applicants submitting a design proposal under the Project Design Grants project category should respond to Sub-Criterion B2.

E.1.2.1 Sub-Criterion B1: Task A - Water Strategy Grants and Task C - Drought Contingency Planning

More points will be awarded for projects that are collaborative and inclusive of stakeholder input. In responding to the following bullets, please explain why the level of collaboration and input is reasonable and appropriate given the type of strategy or planning project and its effect on local stakeholders.

- Will the project help meet the water supply needs of a large geographic area, region, or watershed? If the project will not address the water supply needs of a large geographic area, why is the area significant and appropriate for the proposed planning activity?
- If the project is supported by an existing water planning effort, please describe that effort. Planning efforts may include, but are not limited to, water management plans, water conservation plans, system optimization reviews, drought plans, watershed restoration plans, integrated regional water management plans, or other types of plans. (Note: if this project represents an initial planning effort, you may refer to an existing local, state, or regional plan with a nexus to the project to satisfy this requirement).
 - Does the referenced plan identify the project as a potential water management action?
 - If identified in a plan, how is the project prioritized in the plan?
 - If not identified in the plan, does the proposed project implement a goal or need identified in the plan?
 - Was the referenced plan developed or updated using a collaborative process with input from multiple and diverse stakeholders?
 - If the referenced plan was not developed collaboratively, please explain why, for e.g., the planning effort was focused on a very small area or concerns internal to the applicant.
- Identify stakeholders in the planning area who have *committed to be involved* in the planning process.
 - Describe what sector(s) the participating stakeholders represent and how they will engage in this effort, e.g., will they be part of the planning committee, contribute funding or in-kind services, or otherwise engage in the planning process?

Section E. Application Review Information

- Provide documentation of the commitment by stakeholders to participate in the planning process. This could include letters from stakeholders committing to be involved in the planning process; such letters should explain what their specific interest is and how they plan to participate.
- Describe stakeholders in the planning area who have *expressed their support* for the planning process, whether or not they have committed to participate. Supporting documentation for this sub-criterion could include letters of support from stakeholders or a description of feedback from interested stakeholders.
- For tribal strategies or plans that will be developed collaboratively with multiple tribal interests, but do not include collaboration with external entities, please provide explanation as to why collaboration with entities external to the Tribe will not occur in the development of the strategy or plan.
- Describe what efforts the applicant will undertake to ensure participation by a diverse array of stakeholders in the development of a plan (or plan update). If specific stakeholders have not yet been identified, or if some sectors are not yet represented, explain how this will be accomplished. Supporting documentation for this sub-criterion could include a description of key stakeholder interests in the planning area and what efforts you will undertake to engage them in the planning process (e.g., workshops, public meetings, or outreach tools such as using local media, outreach to known stakeholder groups, web-based outreach, social media, or other kinds of announcements, etc.), including outreach to stakeholders or collaborating with other groups or partners.
- Is there opposition to the proposed planning effort? If so, describe the opposition and explain how it will be addressed. Opposition will not necessarily result in fewer points.

E.1.2.2 Sub-Criterion B2: Task B - Project Design

More points will be awarded for design projects that are collaborative and inclusive of stakeholder input. In responding to the following bullets, please explain why the level of collaboration and input is reasonable and appropriate given the type of project being designed and its effect on local stakeholders.

- If the project(s) being designed is/are supported by an existing water planning effort, please describe that effort. Planning efforts may include, but are not limited to, water management plans, water conservation plans, system optimization reviews, drought plans, watershed restoration plans, integrated regional water management plans, or other types of plans.
 - Does the referenced plan identify the project being designed as a potential water management action?
 - If identified in a plan, how is the project prioritized in the plan?
 - If not identified in the plan, does the proposed project implement a goal or need identified in the plan?

- Was the referenced plan developed or updated using a collaborative process with input from multiple and diverse stakeholders?
- If the referenced plan was not developed collaboratively, please explain why, for e.g., the planning effort was focused on a very small area or concerns internal to the applicant.
- Describe any planned efforts for public outreach and stakeholder engagement during the design process. This can include, but is not limited to workshops, public meetings, or outreach tools such as using local media, outreach to known stakeholder groups, web-based outreach, social media, or other kinds of announcements, etc.
- For Tribal strategies or plans that were developed collaboratively with multiple Tribal interests, but did not include collaboration with external entities, please provide explanation as to why collaboration with entities external to the Tribe were not involved in the development of the strategy or plan.
- Describe stakeholder support for the proposed project (i.e., the design project and/or the project you are designing). Supporting documentation for this sub-criterion could include letters of support from stakeholders or a description of feedback from interested stakeholders.
- Is there opposition to the proposed project? If so, describe the opposition and explain how it will be addressed. Opposition will not necessarily result in fewer points.

E.1.3 Evaluation Criterion C—Ability to Meet Program Requirements (20 Points)

Up to 20 points may be awarded based on the extent to which the proposal supports the applicant’s ability to proceed with developing the plan or design upon entering into a financial assistance agreement and to complete the plan or design within the required timeframe. Please see the applicable appendix for required program elements (i.e., Appendix 1: Water Marketing, Supply, and Strategy Grants; Appendix 2: Drought Contingency Planning; or Appendix 3: Water Management, Conservation, and Restoration Project Design Grants). Responses to this criterion should demonstrate a clear understanding of the tasks required to meet program components.

- Describe how the project will address the program specific requirements described in the appropriate program-specific appendix.
- Describe the approach that will be undertaken to meet the applicable program components and requirements.
 - Include a preliminary project schedule that shows the stages and duration of the proposed work including major tasks, milestones, and dates. For each task and milestone, indicate who will have the primary responsibility for completion. Proposals that provide a detailed project schedule broken down by tasks and subtasks with identified milestones will be prioritized.

- Proposals with a budget and budget narrative that provide a reasonable explanation of project costs will be prioritized.
- If prior planning work will be relied on to meet any of the required program components, please explain and describe the work that will be relied on. For example, if you are applying for a Drought Contingency Plan and already have a water shortage allocation based on drought stages, please describe this and how it will be incorporated into the Drought Contingency Plan.
- Describe the availability and quality of existing data and models¹ applicable to the proposed plan or design.
- Identify staff with appropriate technical expertise and describe their qualifications. Describe any plans to request additional technical assistance from Reclamation or by contract.
- Describe any new policies or administrative actions required to implement the plan or project being designed.

E.1.4 Evaluation Criterion D—Presidential and Department of the Interior Priorities (15 points)

Up to **15 points** may be awarded based on the extent that the project demonstrates support for the Biden-Harris Administration’s priorities, including E.O. 14008: *Tackling the Climate Crisis at Home and Abroad*, E.O. 13985: *Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*, and the President’s memorandum, *Tribal Consultation and Strengthening Nation-to Nation Relationships*. Points will be allocated based on the degree to which the project supports the priorities listed, and whether the connection to the priority(ies) is well supported in the application. Only address the sub-criterion that are relevant to your project.

E.1.4.1 Sub-criterion No. D1. Climate Change

Points will be awarded based on the extent the project will reduce climate pollution; increase resilience to the impacts of climate change; protect public health; and conserve our lands, waters, oceans, and biodiversity. Address the following as relevant to your project.

Combating the Climate Crisis: E.O. 14008: *Tackling the Climate Crisis at Home and Abroad*, focuses on increasing resilience to climate change and supporting climate- resilient development. For additional information on the impacts of climate change throughout the western United States, see: www.usbr.gov/climate/secure/docs/2021secure/2021SECUREREport.pdf. Please describe how the project will address climate change, including the following:

¹ Data and models include, but are not limited to, hydrologic models, operational models, climate data, water demand data or projections, water quality data, recreational water needs, environmental water needs, demographics, and economic data and models.

- Please provide specific details and examples on how the project will address the impacts of climate change and help combat the climate crisis.
- Does this proposed project strengthen water supply sustainability to increase resilience to climate change? Does the proposed project contribute to climate change resiliency in other ways not described above?

E.1.4.2 Sub-criterion No. D2. Disadvantaged or Underserved Communities

E.O. 14008 and E.O. 13985 affirm the advancement of environmental justice and equity for all through the development and funding of programs to invest in disadvantaged or underserved communities. For the purpose of this criterion, Tribes and insular areas (Guam, American Samoa, the Northern Mariana Islands, and the Virgin Islands) are considered disadvantaged.

- Please use the White House Council on Environmental Quality’s interactive Climate and Economic Justice Screening Tool, available online at Explore the map – Climate & Economic Justice Screening Tool (<https://screeningtool.geoplatform.gov>) to identify any disadvantaged communities that will benefit from your project.
- If applicable, describe how the project benefits those disadvantaged or underserved communities identified using the tool. For example, does the project increase reliability of water supplies, improve water quality, provide economic growth opportunities, improve or expand public access to natural areas or recreation, or provide other benefits in a disadvantaged or underserved community?

E.1.4.3 Sub-criterion No. D3. Tribal Benefits

Points will be awarded based on the extent to which the Project will honor the Federal government’s commitments to Tribal Nations. The Department of the Interior is committed to strengthening Tribal sovereignty and the fulfillment of Federal Tribal trust responsibilities. The President’s memorandum, “Tribal Consultation and Strengthening Nation-to-Nation Relationships,” asserts the importance of honoring the Federal government’s commitments to Tribal Nations.

- Does the proposed project directly serve and/or benefit a Tribe? Will the project improve water management for a Tribe?
- Does the proposed project support Tribal resilience to climate change and drought impacts or provide other Tribal benefits such as improved public health and safety by addressing water quality, new water supplies, or economic growth opportunities?
- Does the proposed project support Reclamation’s Tribal trust responsibilities or a Reclamation activity with a Tribe?

E.1.5 Evaluation Criterion E— Nexus to Reclamation (5 points)

Up to **5 points** may be awarded based on the extent that the proposal demonstrates a nexus between the proposed project and a Reclamation project, activity, and priority. Describe this nexus:

- Is there a Reclamation project, facility, or activity within the planning area?
- Is the planning area in the same basin as a Reclamation project, facility, or activity?
- In what way will the proposed project benefit a basin where a Reclamation project, facility, or activity is located? For example, will the project *improve watershed health* in a river basin that is adversely impacted by a Reclamation water project?
- Does the applicant have a water service, repayment, or O&M contract with Reclamation?
- If the applicant does not hold a type of contract named above, does the applicant receive Reclamation water through a Reclamation contractor or by any other contractual means?

E.2 Review and Selection Process

Reclamation reserves the right to reject an application that does not meet the requirements or objectives of this NOFO. Awards will be made for projects most advantageous to the Federal Government. Award selection may be made to maintain balance among the eligible projects listed in this NOFO. The evaluation process will be comprised of the steps described in the following subsections.

E.2.1 Initial Screening

Reclamation will conduct an initial review and threshold screening of each application submitted in response to this NOFO to determine whether the Applicant is eligible, and the application is complete and submitted on time. If Reclamation determines the Applicant is ineligible or non-responsive, Reclamation will notify the Applicant.

All application packages will be screened to ensure that:

- The applicant meets the completeness, eligibility, and timeliness requirements stated in this NOFO.
- The applicant meets the unique entity identifier and SAM registration requirements stated in this NOFO
- The application meets the content requirements of the NOFO package, including submission of a technical proposal and budget narrative.
- The application contains executed mandatory forms SF-424, Application for Financial Assistance and SF-424B/D, Assurances Form, and a completed SF-424A/C, Budget Information Form.

A complete application must include all requirements described in the above bullets. Any application which fails to include these requirements will be deemed ineligible and will not be considered for funding. Reclamation reserves the right to remove an application from funding consideration during the initial screening if it is not submitted on time; does not include an SF-424, does not include a technical proposal, or does not include a budget narrative. In that event, Reclamation will send notification of elimination to the applicant.

If an application is missing other information, Reclamation may reach back to request that information within a specified timeframe.

E.2.2 Application Review Committee

The technical merit of the application will be reviewed by an Application Review Committee (ARC), made up of experts in relevant disciplines selected from across Reclamation. Evaluation criteria will comprise the total evaluation weight as stated in the *Section E.1. Technical Proposal: Evaluation Criteria*.

Applications will be scored against the evaluation criteria and the ARC will also review the application to ensure that the project is eligible and meets the objective of this NOFO. The ARC may also change the Applicant Category for an application where they deem appropriate (See *Section C.1.3. Applicant Category Guidance*).

During ARC review, Reclamation may contact applicants to request clarifications to the information provided, if necessary.

E.2.3 Red-Flag Review

Following the results of the ARC review, Reclamation offices will review the top-ranking applications and will identify any reasons why a proposed project would not be feasible or otherwise advisable, including environmental or cultural resources compliance issues, permitting issues, legal issues, or financial position. Positive or negative past performance by the applicant and any partners in previous working relationships with Reclamation may be considered, including whether the applicant is making significant progress toward the completion of outstanding financial assistance agreements and whether the applicant is in compliance with all reporting requirements associated with previously funded projects.

In addition, during this review, Reclamation will address any specific concerns or questions raised by members of the ARC, conduct a preliminary budget review, and evaluate the applicant's ability to meet cost share as required.

E.2.4 Managerial Review

Reclamation management will prioritize projects to ensure the total amount of all awards does not exceed available funding levels. Management will also ensure that all projects meet the scope, priorities, requirements, and objectives of this NOFO. Management may also prioritize projects to ensure that multiple project types are represented. After completion of the Managerial

Review, Reclamation will notify applicants whose proposals have been selected for award consideration.

E.2.5 Pre-Award Clearances and Approvals

The following pre-award clearances and approvals must be obtained before an award of funding is made. If the results of all pre-award reviews and clearances are satisfactory, an award of funding will be made once the agreement is finalized (approximately one to three months from the date of initial selection). If the results of pre-award reviews and clearances are unsatisfactory, consideration of funding for the project may be withdrawn.

E.2.5.1 Environmental Review

Reclamation will forward the proposal to the appropriate Reclamation Regional or Area Office for completion of environmental compliance, if applicable. To the extent possible, environmental compliance will be completed before a financial assistance agreement is signed by the parties. However, in most cases, the award can be completed with the release of funds contingent on completion of environmental compliance and receipt of a written Notice to Proceed from the Reclamation Grants Officer. The financial assistance agreement will describe how compliance will be carried out. Ground-disturbing activities (e.g., installation of a stream gage, biological or water quality monitoring) may not occur until environmental compliance is complete and a notice to proceed is issued by the awarding Reclamation Grants Officer.

E.2.5.2 Budget Analysis and Business Evaluation

A Reclamation Grants Officer will also conduct a detailed budget analysis and complete a business evaluation and responsibility determination. During this evaluation, the Reclamation Grants Officer will consider several factors that are important, but not quantified, such as:

- Allowability, allocability, and reasonableness of proposed costs
- Financial strength and stability of the applicant
- Past performance, including satisfactory compliance with all terms and conditions of previous awards, such as environmental compliance issues, reporting requirements, proper procurement of supplies and services, and audit compliance
- Adequacy of personnel practices, procurement procedures, and accounting policies and procedures, as established by applicable OMB circulars

Prior to making an award with a Federal total estimated amount greater than \$150,000, Reclamation is required to review and consider any information about the applicant that is in the designated integrity and performance system accessible through SAM (currently Federal Award Performance Integrity Information System [FAPIIS]) (see 41 U.S.C. §2313).

Applicants, at their option, may review information in the designated integrity and performance systems accessible through SAM and comment on any information about themselves that a Federal awarding agency previously entered and that is currently in the designated integrity and

performance system accessible through SAM. Reclamation will consider any comments by the applicant, in addition to the other information in FAPIIS, in making a judgment about the applicant's integrity, business ethics, and record of performance under Federal awards when completing the review of risk posed by applicants as described in 2 CFR §200.205 Federal awarding agency review of risk posed by applicants.

E.3 Anticipated Announcement and Federal Award Dates

For applications received by the October 3, 2023, submission deadline, Reclamation expects to contact potential award recipients and unsuccessful applicants in March 2024, subject to the timing and amount of final appropriations. For applications received by the April 2, 2024, submission deadline, Reclamation expects to contact potential award recipients and unsuccessful applicants in late Summer 2024. Financial assistance agreements will be awarded to applicants that successfully pass all pre-award reviews and clearances. Award recipients will be contacted individually to discuss the time frame for the completion of their agreement.

Section F: Federal Award Administration Information

F.1 Federal Award Notices

Successful applicants will receive by electronic mail, a notice of selection signed by a Reclamation Grants Officer. This notice is not an authorization to begin performance.

F.2 Administrative and National Policy Requirements

See the “[DOI Standard Terms and Conditions](#)” for the administrative and national policy requirements applicable to Department awards.

F.2.1 Automated Standard Application for Payments Registration

All applicants must also be registered with and willing to process all payments through the Department of Treasury Automated Standard Application for Payments (ASAP) system. All recipients with active financial assistance agreements with Reclamation must be enrolled in ASAP under the appropriate Agency Location Code(s) and Uniform Entity Identifier (UEI) Number prior to the award of funds. If a recipient has multiple UEI numbers, they must separately enroll within ASAP for each unique UEI Number and/or Agency. All of the information on the enrollment process for recipients, including the enrollment initiation form, will be sent to you by ASAP staff if selected for award.

Note that if your entity is currently enrolled in the ASAP system with an agency other than Reclamation, you must enroll specifically with Reclamation in order to process payments.

F.2.2 Environmental and Cultural Resources Compliance

All projects being considered for award funding will require compliance with the National Environmental Policy Act (NEPA) before any ground-disturbing activity may begin. Compliance with all applicable state, Federal and local environmental, cultural, and paleontological resource protection laws and regulations is also required. These may include, but are not limited to, Clean Water Act (CWA), Endangered Species Act (ESA), National Historic Preservation Act (NHPA), consultation with potentially affected Tribes, and consultation with the State Historic Preservation Office.

Reclamation will be the lead Federal agency for NEPA compliance and will be responsible for evaluating technical information and ensuring that natural resources, cultural, and socioeconomic concerns are appropriately addressed. As the lead agency, Reclamation is solely responsible for determining the appropriate level of NEPA compliance. Further, Reclamation is responsible to ensure that findings under NEPA, and consultations, as appropriate, will support Reclamation's decision on whether to fund a project. Environmental and cultural resources compliance costs are considered project costs. These costs will be considered in the ranking of applications.

Depending on the potential impacts of the project, Reclamation may be able to complete its compliance activities without additional cost to the successful applicant. Where environmental or cultural resources compliance requires significant participation by Reclamation, Reclamation will add costs anticipated to be incurred by Reclamation as a line item to the budget during development of the financial assistance agreement and cost shared accordingly. Any costs to the successful applicant associated with compliance will be identified during the process of developing a final project budget for inclusion in the financial assistance agreement.

Note: If mitigation is required to lessen environmental impacts, the applicant may, at Reclamation's discretion, be required to report on progress and completion of these commitments. Reclamation will coordinate with the applicant to establish reporting requirements and intervals accordingly.

Under no circumstances may an applicant begin any monitoring, measurement, or other ground-disturbing activities before environmental and cultural resources compliance is complete and Reclamation provides written notification that all such clearances have been obtained. This pertains to all components of the proposed project, including those that are part of the applicant's non-Federal cost-share. An applicant that proceeds before environmental and cultural resources compliance is complete may risk forfeiting Reclamation funding under this NOFO.

F.2.3 Approvals and Permits

Recipients shall adhere to Federal, State, territorial, Tribal, and local laws, regulations, and codes, as applicable, and shall obtain all required approvals and permits. Recipients shall also coordinate and obtain approvals from site owners and operators.

F.2.4 Geospatial Data and Data Tools

All geospatial data collected for or produced through the use of the Department of the Interior financial assistance funds are required to meet all relevant standards established by the Federal Geospatial Data Committee (FGDC) as authorized by Geospatial Data Act of 2018, P.L. 115-254, Subtitle F – Geospatial Data, §751-759C, codified at 43 U.S.C. §2801–2811. the Department requires fully compliant metadata on all Geographic Information Systems files developed for financial assistance projects. If a funded financial assistance project involves acquiring or collecting geospatial data, the successful applicant is required to search

GeoPlatform.gov to determine that no existing Federal, State, local or private data meet the Government's needs and are available at no cost before acquiring or collecting additional geospatial data.

Any spatially explicit data or tools developed in the performance of an award made under this NOFO must be developed in industry standard formats that are compatible with geographic information system (GIS) platforms.

F.2.5 Intangible Property (2 CFR §200.315)

Title to intangible property (see definition for Intangible property in § 200.1) acquired under a Federal award vests upon acquisition in the non-Federal entity. The non-Federal entity must use that property for the originally authorized purpose and must not encumber the property without approval of the Federal awarding agency. When no longer needed for the originally authorized purpose, disposition of the intangible property must occur in accordance with the provisions in §200.313(e) Equipment.

The non-Federal entity may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal award. The Federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.

The non-Federal entity is subject to applicable regulations governing patents and inventions, including government wide regulations issued by the Department of Commerce at 37 CFR §401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Awards, Contracts and Cooperative Agreements."

F.2.6 Real Property, 2 CFR §200.311

Real property, equipment, and intangible property, that are acquired or improved with a Federal award must be held in trust by the non-Federal entity as trustee for the beneficiaries of the project or program under which the property was acquired or improved (2 CFR §200.316 *Property trust relationship*). Title to real property acquired or improved under a Federal award will vest upon acquisition in the non-Federal entity. Except as otherwise provided by Federal statutes or by Reclamation, real property will be used for the originally authorized purpose as long as needed for that purpose, during which time the non-Federal entity must not dispose of or encumber its title or other interests. When real property is no longer needed for the originally authorized purpose, the non-Federal entity must obtain disposition instructions from Reclamation. As required by 2 CFR §200.329 *Reporting on real property*, recipients will be required to submit reports on the status of real property acquired or improved under a financial assistance agreement issued under this NOFO.

F.3 Reporting Requirements and Distribution

If the applicant is awarded an agreement as a result of this NOFO, the applicant will be required to submit the following reports during the term of the agreement.

F.3.1 Financial Reports

Recipients will be required to submit a fully completed form SF-425 Federal Financial Report on at least a semiannual basis and with the final performance report. The SF-425 must be signed by a person legally authorized to obligate the successful applicant.

F.3.2 Interim Performance Reports

The specific terms and conditions pertaining to the reporting requirements will be included in the financial assistance agreement. Interim performance reports will be submitted at least twice a year, which include:

- A comparison of actual accomplishments to the milestones established by the financial assistance agreement for the period
- The reasons why established milestones were not met, if applicable
- The status of milestones from the previous reporting period that were not met, if applicable
- Whether the project is on schedule and within the original cost estimate
- Any additional pertinent information or issues related to the status of the project

F.3.3 Final Performance Report

Recipients will be required to submit a final performance report encompassing the entire period of performance. The final performance report must include, but is not limited to, the following information:

- Whether the project objectives and goals were met.
- If applicable, a copy of the completed strategy document or plan.
- If applicable, identify the design products that were developed.
- Photographs documenting the project are also appreciated.

F.4 Disclosures

F.4.1 Conflict of Interest Disclosures

Recipients must notify the program immediately in writing of any conflict of interest that arise during the life of their Federal award, including those reported to them by any subrecipient under the award. Recipients must notify the program in writing if any employees, including subrecipient and contractor personnel, are related to, married to, or have a close personal relationship with any Federal employee in the Federal funding program or who otherwise may have been involved in the review and selection of the award. The term employee means any individual engaged in the performance of work pursuant to the Federal award.

F.4.2 Other Mandatory Disclosures

The Non-Federal entity or applicant for a Federal award must disclose, in a timely manner, in writing to the Federal awarding agency or pass-through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Non-Federal entities that receive a Federal award including the terms and conditions outlined in 2 CFR 200, *Appendix XII—Award Term and Condition for Recipient Integrity and Performance*

Matters are required to report certain civil, criminal, or administrative proceedings to SAM.gov. Failure to make required disclosures can result in any of the remedies described in 2 CFR §200.338 *Remedies for noncompliance*, including suspension or debarment.

F.5 Data Availability (2 CFR §1402.315)

All data, methodology, factual inputs, models, analyses, technical information, reports, conclusions, valuation products or other scientific assessments in any medium or form, including textual, numerical, graphic, cartographic, narrative, or audiovisual, resulting from a financial assistance agreement is available for use by the Department of the Interior, including being available in a manner that is sufficient for independent verification.

The Federal Government has the right to:

1. Obtain, reproduce, publish, or otherwise use the data, methodology, factual inputs, models, analyses, technical information, reports, conclusions, or other scientific assessments, produced under a Federal award; and
2. Authorize others to receive, reproduce, publish, or otherwise use such data, methodology, factual inputs, models, analyses, technical information, reports, conclusions, or other scientific assessments, for Federal purposes, including to allow for meaningful third-party evaluation.

F.6 Freedom of Information Act

Please note that any application submitted for funding under this NOFO may be subjected to a Freedom of Information Act (FOIA) request (5 U.S.C. §552, as amended by P.L. No. 110-175), and as a result, may be made publicly available.

In response to a Freedom of Information Act (FOIA) request for research data relating to published research findings produced under a Federal award that were used by the Federal government in developing an agency action that has the force and effect of law, the Federal awarding agency must request, and the non-Federal entity must provide, within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA. If the Federal awarding agency obtains the research data solely in response to a FOIA request, the Federal awarding agency may charge the requester a reasonable fee equaling the full incremental cost of obtaining the research data. This fee should reflect costs incurred by the Federal agency and the non-Federal entity. This fee is in addition to any fees the Federal awarding agency may assess under the FOIA (5 U.S.C. 552(a)(4)(A)).

Published research findings mean when:

- Research findings are published in a peer-reviewed scientific or technical journal; or
- A Federal agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law. “Used by the Federal government in developing an agency action that has the force and effect of law” is defined as when an agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law.

Research data means the recorded factual material commonly accepted in the scientific community as necessary to validate research findings, but not any of the following: preliminary analyses, drafts of scientific papers, plans for future research, peer reviews, or communications with colleagues. This “recorded” material excludes physical objects (e.g., laboratory samples). Research data also does not include:

- Trade secrets, commercial information, materials necessary to be held confidential by a researcher until they are published, or similar information which is protected under law; and
- Personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in a research study.

Section G: Federal Awarding Agency Contact(s)

There will be no pre-application conference. Organizations or individuals interested in submitting applications in response to this NOFO may direct questions to the Reclamation personnel identified below.

G.1 Reclamation Financial Assistance Contact

Questions regarding application and submission information and award administration may be submitted to:

Name: Karen Shubert
Email: kshubert@usbr.gov
Phone: 801-524-3663

G.2 Reclamation Program Coordinator Contact

Questions regarding applicant and project eligibility and application review may be submitted to the appropriate point of contact below

G.2.1 Water Strategy Grants

By mail: Bureau of Reclamation
Water Resources and Planning Office
Attn: Ms. Irene Hoiby
Mail Code: 86-63000
P.O. Box 25007
Denver, CO 80225-0007

By e-mail: ihoiby@usbr.gov

By phone: 303-445-3575

G.2.2 Project Design Grants

By mail: Bureau of Reclamation
Water Resources and Planning Office
Attn: Ms. Nickie McCann
Mail Code: 86-63000
P.O. Box 25007
Denver, CO 80225-0007

By e-mail: nmcann@usbr.gov

By phone: 720-610-3480

G.2.3 Drought Contingency Planning

By mail: Bureau of Reclamation
Water Resources and Planning Office
Attn: Ms. Sheri Looper
Mail Code: MP-400
2800 Cottage Way
Sacramento, CA 95825

By e-mail: slooper@usbr.gov

By phone: 916-978-5556

Section H: Other Information

The following is a brief overview of NEPA, NHPA, and ESA. This information is only relevant to proposals that include measurement, monitoring and field work. While these statutes are not the only environmental laws that may apply, they are the Federal laws that most frequently do apply. Compliance with all applicable environmental laws will be initiated by Reclamation concurrently, immediately following the initial recommendation to award a financial assistance agreement under this NOFO. The descriptions below are intended to provide you with information about the environmental compliance issues that may apply to your projects.

H.1 Environmental and Cultural Resource Considerations

To allow Reclamation to assess the probable environmental and cultural resources impacts and costs associated with each application, all applicants should consider the following list of questions focusing on the NEPA, ESA, and NHPA requirements. Please answer the following questions to the best of your knowledge. If any question is not applicable to the project, please explain why. The application should include the answers to:

- Will the proposed project impact the surrounding environment (e.g., soil [dust], air, water [quality and quantity], animal habitat)? Please briefly describe all earth-disturbing work and any work that will affect the air, water, or animal habitat in the project area. Please also explain the impacts of such work on the surrounding environment and any steps that could be taken to minimize the impacts.
- Are you aware of any species listed or proposed to be listed as a Federal threatened or endangered species, or designated critical habitat in the project area? If so, would they be affected by any activities associated with the proposed project?
- Are there wetlands or other surface waters inside the project boundaries that potentially fall under CWA jurisdiction as “Waters of the United States”? If so, please describe and estimate any impacts the proposed project may have.
- When was the water delivery system constructed?
- Will the proposed project result in any modification of or effects to, individual features of an irrigation system (e.g., headgates, canals, or flumes)? If so, state when those features were constructed and describe the nature and timing of any extensive alterations or modifications to those features completed previously.

- Are any buildings, structures, or features in the irrigation district listed or eligible for listing on the National Register of Historic Places? A cultural resources specialist at your local Reclamation office or the State Historic Preservation Office can assist in answering this question.
- Are there any known archeological sites in the proposed project area?
- Will the proposed project have a disproportionately high and adverse effect on low income or minority populations?
- Will the proposed project limit access to, and ceremonial use of, sacred sites or result in other impacts on Tribal lands?
- Will the proposed project contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area?

H.1.1 National Environmental Policy Act

NEPA requires Federal agencies such as Reclamation to evaluate, during the decision-making process, the potential environmental effects of a proposed action and any reasonable mitigation measures. Before Reclamation can make a decision to fund an award under this NOFO, Reclamation must comply with NEPA. Compliance with NEPA can be accomplished in several ways, depending upon the degree and significance of environmental impacts associated with the proposal.

Some projects may fit within a recognized **Categorical Exclusion (CE)** to NEPA (i.e., one of the established categories of activities that generally do not have significant impacts on the environment). If a project fits within a CE, no further NEPA compliance measures are necessary. Use of a CE can involve simple identification of an applicable **Department CE** or documentation of a **Reclamation CE** using a **Categorical Exclusion Checklist (CEC)**. If a CE is being considered, Reclamation will determine the applicability of the CE and whether extraordinary circumstances (i.e., reasons that the CE cannot be applied) exist. That process can take anywhere from 1 day to about 30 days, depending upon the specific situation.

If the project does not fit within a CE, compliance with NEPA might require preparation of an **Environmental Assessment/Finding of No Significant Impact (EA/FONSI)**. Generally, where no CE applies but there are not believed to be any significant impacts associated with the proposed action, an EA will be required. The EA is used to determine whether any potentially significant effects exist (which would trigger the further step of an **Environmental Impact Statement (EIS)**, below). If no potentially significant effects are identified, the EA process ends with the preparation of a FONSI. The EA/FONSI process is more detailed than the CE/CEC process and can take weeks or even months to complete. Consultation with other agencies and public notification are part of the EA process.

The most detailed form of NEPA compliance, where a proposed project has potentially significant environmental effects, is completion of an **EIS** and **Record of Decision**. An EIS requires months or years to complete, and the process includes considerable public involvement, including mandatory public reviews of draft documents. It is not anticipated that projects proposed under this program will require completion of an EIS.

During the NEPA process, potential impacts of a project are evaluated in context and in terms of intensity (e.g., will the proposed action affect the only native prairie in the county? Will the proposed action reduce water supplied to a wetland by 1 percent? Or 95 percent?). The best source of information concerning the potentially significant issues in a project area is the local Reclamation staff that has experience in evaluating effects in context and by intensity.

Reclamation has the sole discretion to determine what level of environmental NEPA compliance is required. If another Federal agency is involved, Reclamation will coordinate to determine the appropriate level of compliance. You are encouraged to contact your regional or area Reclamation office. See www.usbr.gov/main/offices.html with questions regarding NEPA compliance issues. You may also contact the Program Coordinator for further information (see *Section G. Agency Contacts*).

H.1.2 National Historic Preservation Act

To comply with Section 106 of the NHPA, Reclamation must consider whether a proposed project has the **potential to cause effects to historic properties**, before it can complete an award under this NOFO. Historic properties are cultural resources (historic or prehistoric districts, sites, buildings, structures, or objects) that qualify for inclusion in the National Register of Historic Places. In some cases, water delivery infrastructure that is over 50 years old can be considered a historic property that is subject to review.

If a proposal is selected for initial award, the successful applicant will work with Reclamation to complete the Section 106 process. Compliance can be accomplished in several ways, depending on how complex the issues are, including:

- If Reclamation determines that the proposed project does not have the potential to cause effects to historic properties, then Reclamation will document its findings and the Section 106 process will be concluded. This can take anywhere from a couple of days to one month.
- If Reclamation determines that the proposed project could have effects on historic properties, a multi-step process, involving consultation with the State Historic Preservation Officer and other entities, will follow. Depending on the nature of the project and impacts to cultural resources, consultation can be complex and time consuming. The process includes:
 - A determination as to whether additional information is necessary.
 - Evaluation of the significance of identified cultural resources.
 - Assessment of the effect of the project on historic properties

- A determination as to whether the project would have an adverse effect and evaluation of alternatives or modifications to avoid, minimize, or mitigate the effects.
- A Memorandum of Agreement is then used to record and implement any necessary measures. At a minimum, completion of the multi-step Section 106 process takes about two months.
- Among the types of historic properties that might be affected by projects proposed under this NOFO are **historic irrigation systems** and **archaeological sites**. An irrigation system or a component of an irrigation system (e.g., a canal or headgate) is more likely to qualify as historic if it is more than 50 years old, if it is the oldest (or an early) system/component in the surrounding area, and if the system/component has not been significantly altered or modernized. In general, proposed projects that involve ground disturbance, or the alteration of existing older structures, are more likely to have the potential to affect cultural resources. However, the level of cultural resources compliance required, and the associated cost, depends on a case-by-case review of the circumstances presented by each proposal.

You should contact your State Historic Preservation Office and your local Reclamation office's cultural resources specialist to determine what, if any, cultural resources surveys have been conducted in the project area. See www.usbr.gov/cultural/crmstaff.html for a list of Reclamation cultural resource specialists. If an applicant has previously received Federal financial assistance, it is possible that a cultural resources survey has already been completed.

H.2 Endangered Species Act

Pursuant to Section 7 of the ESA, each Federal agency is required to consult with the United States Fish and Wildlife Service (USFWS) or the National Oceanic and Atmospheric Administration (NOAA) Fisheries Service to ensure any action it authorizes, funds, or carries out is not likely to **jeopardize the continued existence of any endangered or threatened species or destroy or adversely modify any designated critical habitat**.

Before Reclamation can approve funding for the implementation of a proposed project, it is required to comply with Section 7 of the ESA. The steps necessary for ESA compliance vary, depending on the presence of endangered or threatened species and the effects of the proposed project. A rough overview of the possible course of ESA compliance is:

- If Reclamation can determine that there are no endangered or threatened species or designated critical habitat in the project area, then the ESA review is complete and no further compliance measures are required. This process can take anywhere from one day to one month.
- If Reclamation determines that endangered or threatened species may be affected by the project, then a **Biological Assessment** must be prepared by Reclamation. The Biological Assessment is used to help determine whether a proposed action may affect a listed species or its designated critical habitat. The Biological Assessment may result in a

determination that a proposed action **is not likely to adversely affect** any endangered or threatened species. If the USFWS/NOAA Fisheries Service concurs in writing, then no further consultation is required and the ESA compliance is complete. Depending on the scope and complexity of the proposed action, preparation of a Biological Assessment can range from days to weeks or even months. The USFWS/NOAA Fisheries Service generally respond to requests for concurrence within 30 days.

- If it is determined that the project **is likely to adversely affect listed species**, further consultation (**formal consultation**) with USFWS or NOAA Fisheries Service is required to comply with the ESA. The process includes the creation of a **Biological Opinion** by the USFWS/NOAA Fisheries Service, including a determination of whether the project would **jeopardize** listed species and, if so, whether any **reasonable and prudent** alternatives to the proposed project are necessary to avoid jeopardy. Nondiscretionary **reasonable and prudent measures** and **terms and conditions** to minimize the impact of incidental take may also be included. Under the timeframes established in the ESA regulations, the Biological Opinion is issued within 135 days from the date that formal consultation was initiated, unless an extension of time is agreed upon.

The time, cost, and extent of the work necessary to comply with the ESA depends upon whether endangered or threatened species are present in the project area and, if so, whether the project might have effects on those species significant enough to require formal consultation.

ESA compliance is often conducted parallel to the NEPA compliance process and, as in the case of a CEC, documented simultaneously. The best source of information concerning the compliance with the ESA in a particular project area is the local Reclamation environmental staff that can be helpful in determining the presence of listed species and possible effects that would require consultation with the USFWS or NOAA Fisheries Service. Contact your regional or area Reclamation office, www.usbr.gov/main/offices.html with questions regarding ESA compliance issues.

Attachment 1 - Water Strategy Grants

A. Project Requirements

Water Strategy Grants funded under this NOFO must meet the requirements listed below. These requirements are intended to guide the planning process but still allow recipients flexibility to use an approach that meets their budget and planning needs.

The three following project components are required to be completed upon selection of a Water Strategy Grant:

1. Required Project Component 1: Outreach and Partnership Building—Informing and obtaining input from potential participants or stakeholders within the relevant geographic area, including:

- Develop a public engagement plan that describes how the public will be involved and when public comment will occur throughout the course of the study and design project.
- Conducting outreach to potential partners, participants, and interested or affected stakeholders in the area. For example, hosting workshops to gather input and feedback on the development of the water marketing, water supply, or restoration strategy.
- Making the draft strategy document available for review and comment to stakeholders and others as appropriate.

Note: Outreach and partnership building costs, including advertising and public relations costs, must be directly related to the development of the strategy project, as opposed to providing general information or advertisements. Please see the applicable cost principles contained in 2 CFR Part §200.421 Advertising and Public Relations, available at the Electronic Code of Federal Regulations (www.ecfr.gov).

2. Required Project Component 2: Analyses, Scoping and Planning Activities—Water Strategy Grant projects must include planning activities to support the development of a future water supply project (e.g., domestic water supply projects), water management project or water market/marketing activities, and at a minimum must include the following planning activities described in more detail below:

- a. Analysis of problems and needs
- b. Identification of potential opportunities and comparison of alternatives, and prioritization of project concepts
- c. Development of strategy for moving forward with project concepts

The types of eligible activities that may be included as sub-tasks within a-c of this required component are described in more detail below in Section B of this Attachment.

3. Required Project Component 3: Development of a Water Strategy Document— A written water strategy document must be completed and included with the final performance report. Reclamation will review the strategy document to determine if it meets program requirements, but will not provide input or feedback on the substance of the strategy. **A strategy is a written document and must address each of the following topics:**

- **Outreach Summary:** The outreach conducted under required project component 1, including a description of how input was solicited, the input received, and how the input was addressed in the course of the planning activities and in developing the strategy
- **Statement of Problems and Needs:** Summarize the work performed under required project component 2 and identify the problems and needs in the planning area, including, for example, the issues related to water supply reliability and needs for different water uses, the need for new infrastructure or infrastructure improvements, issues related to operation of a water market, or issues related to the environment or restoration needs within the planning area.
- **Project Opportunities and Comparison of Alternatives:** Summarize the work performed under required project component 2 to identify, compare and prioritize potential solutions/projects to address the problems and needs in the planning area, and:
 - Describe the solutions or potential on-the-ground projects identified, and their relative priority.
 - Explain the findings and conclusions resulting from your comparison of project costs and benefits (for example, are the expected benefits of the projects or water market/activity identified still realistic after comparing alternatives?).
- **Implementation Strategy:** Describe your strategy for moving forward with project concepts or solutions identified through your planning effort, including:
 - How the potential projects or water marketing activities identified will be implemented following completion of the strategy, and any barriers to implementation.
 - For water marketing strategies, please also describe: The potential administrative and legal framework for the water market or marketing activities including, the institutional components (i.e., how will marketing activities be overseen and tracked?), the participants, water rights, infrastructure involved, and the types of legal agreements used or needed, and description of potential rules and requirements for operation of the water market or marketing activity.

- Next steps for project development, including future outreach plans (how stakeholders will be engaged in future project phases), need for project design or engineering, and any information gaps and need for additional analysis.
- Any next steps to address permitting, environmental compliance, or legal requirements; financing needs or plans; water rights or infrastructure issues.
- How project performance will be monitored.
- **Discussion of lessons learned.**
 - Describe how development of the strategy benefitted you
 - Identify lessons learned through the course of developing the strategy
 - Identify any feedback for Reclamation on the process or program
- If the recipient already completed significant work on a particular strategy component prior to receiving a Water Strategy Grant, a summary of prior work must be included when addressing that component in the strategy document.

B. Activities Eligible under Required Project Component 2: Analyses, Scoping and Planning Activities

As described above, Water Strategy Grant projects must address required project component 2 Analysis, Scoping and Planning Activities, including sub-components a-c. Following is a description of potential tasks to meet project component 2. The applicant can substitute appropriate tasks or may provide explanations for certain tasks that have already been completed or are not necessary but, collectively, the tasks identified by the applicant to meet project component 2 should contribute to a holistic, overarching, water strategy.

- **Technical Analyses to Identify Problems, Needs and Opportunities:** Conducting hydrologic, engineering, or environmental analyses to better understand the water supply, water quality, and restoration problems and needs that exist in the study area and to identify options to address those needs for municipal, agricultural, Tribal, and environmental water uses, mitigation of climate change impacts, enhancement of commercial, recreational, subsistence, or Tribal ceremonial fishing, or enhancement of river-based recreation. These types of analyses could include but are not limited to:
 - Water availability analyses or establishment of a water balance including assessment of the availability of surface or groundwater, the availability of future water supplies using climate change projections, and assessment of current and future water demands for relevant water uses. Note: if you have questions about how to consider climate change within your study, or are looking for resources to support this type of analysis, please contact your local Reclamation office or the WaterSMART Program office.
 - Modeling reservoir or system operations to develop scenarios for optimizing use of existing infrastructure

- Completion of hydrologic analyses, hydraulic modeling, wetland evaluations, watershed assessments, geotechnical investigations, or floodplain assessments.
- Assessment of drought preparedness and existing infrastructure and to identify needs and options for new drought strategies or infrastructure (e.g., additional storage, new conveyance to access additional water supplies, interties to support water transfers, or infrastructure to support river restoration for ecological purposes), including nature-based solutions.
- Assessment of the need and options for potential infrastructure improvements to increase water conservation and efficiency, such as lining or piping canals to decrease water losses, installation of automated gates, water measurement devices, or other infrastructure to support water marketing or environmental benefits.
- Assessment of river-based ecosystem or watershed restoration needs and opportunities, including needs for aquatic plant and animal habitat, ecosystem or watershed health, and restoration of other ecological values. This could include but is not limited to development of:
 - Baseline information about habitat or species, aquatic conditions, and other needs for watershed or ecosystem health;
 - Metrics for improving habitat, and identification of best management practices; and,
 - Identifying potential restoration projects benefiting ecological value or watershed health, fish and wildlife habitat, mitigation of climate change impacts, enhancement of commercial, recreational, subsistence, or Tribal ceremonial fishing, or enhancement of river-based recreation.
- If some measurements, monitoring, or field work is required to complete the analyses described above in this section, such work may be eligible for funding so long as funding for this work does not exceed 30 percent of the total project cost and the applicant includes funding in their budget for related environmental and cultural resources compliance costs.
- **Water Marketing and Water Rights Analyses:** Conducting analyses to explore water marketing options or to investigate the use different sources of water supply for water management or restoration purposes, including:
 - Financial or economic analyses to identify potential buyers and sellers, assess demands for the water market, and research the cost of implementing the water market.
 - Researching different water marketing approaches to support development of administrative or institutional requirements for implementation of a water market/water marketing activities.

- Analyzing water rights issues, including legal mechanisms for transferring water within the relevant area, and legal constraints on existing water rights (type and place of use requirements, title issues, or other constraints). Note: Funding for legal analysis cannot exceed 30 percent of the total project cost and may not be used for the preparation of a specific water court case.
 - Quantifying water rights, consumptive use, diversions, and return flows to determine how much water is available for marketing or for other use in meeting water supply needs and to avoid impacts to downstream water users.
 - Analyzing economic, social, community, and environmental impacts of potential market/transaction(s).
 - Projects to develop a water marketing strategy may include pilot activities to test moving water if a pilot would support the development of a water marketing strategy, in compliance with applicable laws. Pilot projects may include a short-term lease of water to perform pilot activities; however, projects may not include a water rights purchase or long-term lease of water rights. If a pilot is included, the applicant must include funding in their budget for related environmental compliance work.
- **Research of Legal and Institutional Requirements**
 - Conduct research on legal and institutional requirements; permitting and environmental compliance; land ownership and necessary easements; and state and/or local requirements with the potential to affect implementation of the project.
 - Research the impacts of any proposed projects on contractual water and power supply obligations, water rights, Tribes, and other area stakeholders.
 - **Decision Support Tools:** Analysis of the need for decision support tools, including software databases, registries, dashboards or models that would help facilitate water management improvements, water marketing or river restoration. *Note:* Some work that would be considered development or modification of decision support tools to support the overall strategy development may be eligible for funding so long as it is integral to the strategy and funding for this work does not exceed 30 percent of the total project cost.
 - **Development and Comparison of Project Alternatives:** Work to prioritize, compare or otherwise scope potential project alternatives, could include, but is not limited to:
 - Formulate alternatives and create decision matrix
 - Compare project alternatives, qualitative or quantitative comparison of costs and benefits
 - Solicit stakeholder input on potential project options
 - Create a prioritized list of potential future projects.

C. Submittal of a Draft Strategy for Review

As will be specified in your financial assistance agreement if your project is selected for award, 120 days prior to the completion of the period of performance for the award, recipients must submit their draft strategy to Reclamation for review and feedback.

Reclamation review of the strategy document is only to ensure compliance with program requirements, not to approve the recommended approach or decisions documented in the strategy.

Attachment 2 - Project Design Grants

A. Project Requirements

Project Design Grant funded under this NOFO must meet the requirements listed below and submit a final design package to Reclamation along with their final financial assistance report. Reclamation encourages applicants to reach at least 60% final design at the completion of their project. Project activities leading to construction plans and specifications must be reviewed and approved by a professional registered in the appropriate engineering/architectural discipline. The recipient of a Project Design Grant is responsible for the technical adequacy of the design. Reclamation's review of the final report and design package are only for the purpose of ensuring that program requirements were met – not to ensure technical adequacy.

Products for submission generally include, but are not limited to:

- A document, commonly referred to as a “Basis of Design,” that identifies the project goals and requirements, technical design criteria, safety design considerations, design codes, operating descriptions, details of stream conditions and diversions, habitat information, and assumptions to be used to develop final designs, as applicable.
- Site specific design drawings including plan, elevation, and section drawings. Site preparation information such as erosion and sediment control plans, site grading, drainage, utilities, and demolition, and removal including hazardous materials.
- Details and specifications for fabrication, supply of material, construction, as applicable.
- Construction cost estimate and schedule.

B. Eligible Activities

In general, development of a design package should include, but is not limited to, the following:

- **Development of project requirements and evaluation of design alternatives.** Tasks may include, but are not limited to:
 - Developing design criteria and standards
 - Designing alternatives analysis and decision matrix
 - Stakeholder outreach activities directly linked to project design such as public meetings, etc.
 - Conducting Value Engineering/Value Planning/Value Analysis workshops
 - Analyzing site alternatives and identifying specific project sites

- **Evaluation of site alternatives and selection of project site.** Tasks may include, but are not limited to:
 - Conducting monitoring, measurement, or other fieldwork needed to inform project design
 - System loss field investigations and estimates
 - Site surveying and field exploration
 - Geologic field exploration
 - Drilling of pilot wells

Note: Ground disturbing activities will require environmental and cultural compliance.

- **Preparation of final design drawings and specifications for the construction of the project.** Tasks may include, but are not limited to:
 - Modeling activities such as hydrologic, groundwater, (there is modeling associated with restoration design activities)
 - Develop basis of design documentation
 - Site-specific design and engineering associated with the project
 - Revegetation plan, including a schedule and selected species to be planted
 - Develop manufacturing and construction plans and specifications
 - Analyze means and methods for construction at the project site and identify constraints
- **Evaluation of economic conditions, preparation of project cost estimates, and development of project implementation plan.** Tasks may include, but are not limited to:
 - Analyzing markets and materials (including domestic sources),
 - Developing an estimate of probable construction cost
 - Developing project implementation plan, budget, and milestones for completing the project
- **Legal and Institutional Requirements Research.** Task may include, but are not limited to:
 - Researching legal and institutional requirements; permitting and environmental compliance; land ownership and necessary easements; and state and/or local requirements with the potential to affect implementation of the project.
 - Researching the impacts of any proposed projects on contractual water and power supply obligations, water rights, Tribes, and other area stakeholders.
 - Consulting with Reclamation regarding potential environmental compliance

While the Build America Buy America Act is a requirement specific to infrastructure projects, applicants are encouraged to consider Reclamation's focus on advancing the objectives of using American-made products and materials and building domestic manufacturing when initiating the planning and design of projects.

Attachment 3 - Drought Contingency Planning Projects

A. Project Requirements

Drought contingency plans (new plan development and plan update) funded under this NOFO must be required to address the six elements of a drought contingency plan outlined below in Section B, *Required Elements for New Plans or Plan Updates*. In developing these required elements, successful applicants will be required to follow procedural steps outlined below in Section A.1 and A.2. In developing these requirements, Reclamation relied on proven approaches and common practices used in drought planning.

Once the applicant has been informed that a proposal submitted under this NOFO has been selected for funding, Reclamation will enter into a cooperative agreement with the applicant, documenting the requirements and conditions related to the provision of financial assistance. The cooperative agreement will be divided into two phases: Phase I for the establishment of a drought planning task force and development of a detailed work plan and Phase II for development or update of a drought contingency plan. The cooperative agreement will require the following drought contingency planning:

A.1 Phase I Requirements

Phase I must include the establishment of a drought planning task force and the development of a detailed work plan that includes a communication and outreach plan.

- **Establishment of a Drought Planning Task Force.** — At the outset of the planning process, the planning lead will develop a Drought Planning Task Force (Task Force) made up of interested stakeholders within the planning area that want to actively participate in developing the Drought Contingency Plan. The Task Force must have diverse membership representing multiple interests in the planning area.
- **Development of a Detailed Work Plan.** — The detailed work plan will be developed by the planning lead in consultation with Reclamation and will describe in detail how the various tasks included in developing or updating the plan will be accomplished, along with a detailed work schedule, and the responsibilities of Reclamation (Reclamation will provide input on this element), the planning lead, the Task Force, and other interested stakeholders. The work plan also includes a communication and outreach plan describing how stakeholders and the public will be involved in the planning process. The work plan must be submitted to Reclamation for review and acceptance before substantive work on the plan development or update may begin.

A.2 Phase II Requirements

After the detailed work plan is reviewed and accepted by Reclamation, the planning lead will then develop the plan or plan update including the required elements described below.

B. Required Elements for New Plans or Plan Updates

All new drought contingency plans must address each of the six elements described immediately below. Updates to an existing drought plan may focus on only those elements that have not yet been developed in the plan or that require further development or updating; however, completed plan updates must address each of these six elements.

The six required elements for drought contingency plans developed or updated under this NOFO are:

- 1. Drought Monitoring**—The drought contingency plan must establish a process for monitoring near and long-term water availability, and a framework for predicting the probability of future droughts or confirming an existing drought.
- 2. Vulnerability Assessment**—The drought contingency plan must include a vulnerability assessment evaluating the risks and impacts of drought. The assessment will drive the development of potential mitigation and response actions and must be based on a range of future conditions, including uncertainties related to changing hydrologic conditions.
- 3. Mitigation Actions**—The drought contingency plan must identify, evaluate, and prioritize mitigation actions and activities that will build long-term resiliency to drought and that will mitigate the risks posed by drought.
- 4. Response Actions**—The drought contingency plan must identify, evaluate, and prioritize response actions and activities that can be implemented during a drought to mitigate the impacts.
- 5. Operational and Administrative Framework**—The drought contingency plan must identify who is responsible for undertaking the actions necessary to implement each element of the drought contingency plan, including communicating with the public about those actions.
- 6. Plan Development and Update Process**—The drought contingency plan must describe the process that was undertaken to develop the plan, including how stakeholders were engaged and how input was considered. In addition, the drought contingency plan must also include a process and schedule for monitoring, evaluating, and updating the drought contingency plan.

For further guidance on approaches for meeting the program requirements, please see the Drought Response Program Framework, available at www.usbr.gov/drought.

Note: Proposals to develop one or more elements of a drought contingency plan that would not result in a completed plan within the three-year period of performance are not eligible for

funding consideration. Applicants interested in a narrower scope of planning should see Attachment 1: Water Strategy Grants.

C. Request for a Cost Share Reduction or Waiver

Reclamation may reduce or waive the non-Federal cost share requirement upon request by the applicant if an overwhelming Federal interest and a significant financial need are identified. If the funding plan identifies less than 50 percent non-Federal cost share match, please include the request for a cost-share reduction or waiver in the proposal. The request must include information and documentation addressing the factors set forth immediately below.

Reclamation will use the following factors when considering whether to reduce or waive the non-Federal cost share requirement. Please address each of the following criteria and provide an explanation for the applicability of each criterion with supporting documentation:

- **Overwhelming Federal Interest.** Reclamation will make a determination of whether an overwhelming Federal interest exists based on factors such as the programs and policies of the President and the Secretary of the Department of the Interior.
- **Financial Hardship.** In determining whether a significant financial need exists the following factors will be considered:
 - The population-weighted median household income within the study area and the state based on the latest available data from the U.S. Census Bureau’s American Community Survey (www.census.gov/acs/www/data/data-tables-and-tools/).
 - Family poverty level for the state as estimated by guidelines published annually by the U.S. Department of Health and Human Services (aspe.hhs.gov/poverty-guidelines)
 - The population-weighted average unemployment rate within the study area based on the latest available data from the U.S. Census Bureau’s American Community Survey (www.census.gov/acs/www/data/data-tables-and-tools/)
 - A current financial statement of the applicant and a statement that the applicant does not possess sufficient funds or assets to pay for all or part of the required cost share

For more information regarding cost share waivers, please contact the program coordinator identified in *Section G. Agency Contacts*.



Oceano Community Services District

1655 Front Street | P.O. Box 599 | Oceano, CA 93475

PHONE (805) 481-6730 | FAX (805) 481-6836

Date: March 27, 2024

To: Board of Directors

From: Paavo Ogren, Interim General Manager

Subject: **Agenda Item #9(C): Discussion of a press release on Central Coast Blue and development of comments in preparation for the upcoming town hall meeting**

Recommendation

It is recommended that your Board discuss a press release on Central Coast Blue and develop comments in preparation for the upcoming town hall meeting.

Discussion

Central Coast Blue (CCB) is a groundwater recharge project being developed by the City of Pismo Beach in collaboration with the cities of Arroyo Grande and Grover Beach. The three agencies have also entered into a joint powers of authority agreement for the operations of (CCB-JPA).

At the Regular Board Meeting on March 13th, your Board considered holding a town hall meeting regarding CCB and formed an Ad Hoc committee to prepare questions and comments. The District has posted on social media to solicit questions from the community. Subsequent to your Board's last meeting, CCB issued the attached press release. As a result, the timing of a town hall meeting has not been scheduled.

Other Agency Involvement

CCB, the project, is led by the City of Pismo Beach in collaboration with the cities of Arroyo Grande and Grover Beach. CCB-JPA is a joint powers of authority created by the three cities for operating the project. The three cities and OCSD are the four municipalities within the Northern Cities Management Area (NCMA) of the Santa Maria Groundwater Basin – an adjudicated basin with stipulations that provide the framework for groundwater pumping and management.

Other Financial Considerations

N/A



Oceano Community Services District

Board of Directors Meeting

Results

Town hall meetings promote public outreach and participation in well-governed communities.

Attachment: CCB News Release from March 19, 2024

3 days ago 2 min read

Central Coast Blue Project Update

News Release: March 19, 2024

On Monday, March 18, 2024, the Central Coast Blue Regional Recycled Water Authority (CCBRRWA) Board of Directors received an update on project costs, funding, and financing for the proposed Central Coast Blue Project (Project), a regional water reuse project designed to protect the local groundwater basin from seawater intrusion and create additional water supply for the cities of Pismo Beach, Grover Beach, and Arroyo Grande.

Increases in Project costs, an unexpected loss of state grant funding, and improvements in local water supply conditions have prompted leaders to pause Project design and permitting until the impacts of these recent developments can be evaluated. This decision was made after the Project team announced that the \$15 million Water Recycling Funding Program Grant awarded by the State Water Resources Control Board in September 2023 was reduced to \$5 million due to the state's budget deficit. This reduction in grant funding impacted projects throughout California and has created a substantial gap in funding for the Project.

Additionally, estimated Project costs have increased since the last cost estimate was prepared. The range of estimated Project costs increased from \$85-\$112 million in 2022 to \$134-\$159 million in 2024, with most of the escalation attributed to inflation. In recent years, the construction industry has experienced extreme material cost volatility due to inflation and post-pandemic supply chain issues. These market conditions have increased costs for the Project and many other water resources projects throughout the state and country, especially those employing advanced treatment technologies.

In response to these funding challenges, the partner agencies will re-evaluate their current water supply needs and consider Project alternatives. Additionally, the program management team is exploring options that would reduce Project costs and leaders are advocating to secure additional grants. Partner agencies are committed to understanding the full impact of these updates before moving forward with the Project. As a result, Project construction – initially planned to break ground in summer 2024 – is expected to be delayed by at least one year.

The partner agencies remain committed to providing much needed water resiliency to the community, and in the coming months, the cities will work closely with their councils and communities to determine next steps. The CCBRRWA will also consider options to enhance community engagement and outreach efforts. The Central Coast Blue team will focus on connecting with the affected communities, addressing questions and concerns, and collecting input on a reliable and resilient water supply solution.

About Central Coast Blue

Central Coast Blue is a collaboration between the cities of Grover Beach, Arroyo Grande and Pismo Beach. The Project includes construction of an Advanced Water Purification Facility,

where water from Pismo Beach's Wastewater Treatment Plant will be purified using state-of the art technologies before being injected into the groundwater basin. In 2022, the city councils approved a Joint Exercise of Powers Agreement to form the Central Coast Blue Regional Recycled Water Authority (CCBRRWA) to manage and operate the Project. The CCBRRWA is governed by a three-member Board of Directors, consisting of one representative from each city.

###

Contact:

Geoff English, General Manager
Central Coast Blue Regional Recycled Water Authority
805-418-6560
genglish@centralcoastblue.com
www.centralcoastblue.com



Nicole Miller

Subject: FW: SLOCOG Investment Plan Update and Presentation Request
Attachments: Investment-Plan-Overview_DRAFT_030524.pdf, 2023CY Q3 Quarterly Visitation Trends (1).pdf

From: Annie Bowsky
Sent: Thursday, March 14, 2024 12:50 PM
To: Paavo Ogren <paavo@oceanocsd.org>; President Varni <presidentvarni@oceanocsd.org>
Cc: Carey Casciola <carey@oceanocsd.org>; Stephen Hanamaikai <SHanamaikai@slocog.org>
Subject: RE: SLOCOG Investment Plan Update and Presentation Request

Good Afternoon Charles, Paavo, and Carey,

Thank you for giving SLOCOG the opportunity to present yesterday – It was a pleasure meeting you and hearing from the Oceano CSD.

I wanted to follow up on the questions that were posed, share SLOCOG’s next steps regarding the potential transportation tax measure, and encourage advocacy from the Oceano community. I have attached the most recent version of the draft investment plan and linked the [Local Roads First website](#).

As mentioned, we are happy to update the investment plan to reflect project requests that may not have been mentioned in the current draft investment plan. To instill any project updates to the draft investment plan, we are asking the unincorporated jurisdictions to put a request in via their Supervisor’s office.

We’ll be meeting with the BOS to review the draft Investment Plan at the April 9th meeting. Verbalizing or writing of your changes/support/expectations at that meeting is critical to assure these changes are made. I am happy to provide a template for the letter if the Oceano CSD so desires.

We are also working with local groups to coordinate advocacy efforts as we present the draft plan to city and county elected officials in March and April. If yourself, Oceano CSD, or any Oceano residents have an interest in supporting the continuation of the effort, we’d greatly appreciate their participation at any of the following public meetings. For reference, we have already hit the South County Cities.

- 3 - 19: Pismo Beach & Paso Robles
- 3 - 26: Morro Bay
- 4 - 9: Atascadero & County Supervisors
- May 1: SLOCOG Approve/Deny Final

Here is some additional follow up info:

- Regarding Pismo Beach receiving a \$16M proposed allocation versus Oceano’s \$11M
 - o This does get a little complex, but I encourage everyone to have a look at page 5 of the draft investment plan, there is \$12M allocated in the South County unincorporated regions for road repairs throughout the region and \$11M for “Community Road Safety & Congestion Improvements”
 - The projects for this funding will be chosen based on the project need as well as community advocacy stating the project(s) that are important to their community. Which Oceano does an amazing job at!
 - o Additionally, since Pismo is an incorporated city and smaller than other SLO County cities, they have been allocated to received \$3M in additional funding, there is also funding allotted for 101 improvements which will benefit all county residents.

- Regarding the amount of tax tourists pay, I've included some general numbers below from Visit SLO CAL and attached the Visit SLO CAL Resident Sentiment Study from 2023 if you would like to dive a little deeper (info on taxes and economic vitality start at page 70 or so)
 - o Travel spending in SLO CAL created \$1.78B in direct economic impact*
 - o Tourism puts 19,760 people to work every day*
 - o Tourism comprises 8.82% of SLO CAL's countywide GDP**
 - o SLO CAL's tourism industry earned \$760M*
 - o Without the state and local revenue generated by travel and tourism, each SLO CAL household would need to pay an additional \$1,751 in taxes***
 - o Without tourism, each SLO CAL household would need to spend an additional \$16,753 annually to create the same economic benefit for the community***
 - o [Full read here](#)

I know this is a lot of words, so please let me know if there is anything else I can provide or follow up on.

Thank you again for your time and consideration, we look forward to continuing to work with the community!

Best,
Annie

From: Paavo Ogren <paavo@oceanocsd.org>
Sent: Friday, February 9, 2024 9:19 AM
To: President Varni <presidentvarni@oceanocsd.org>; Annie Bowsky <ABowsky@slocog.org>
Cc: Carey Casciola <carey@oceanocsd.org>
Subject: RE: SLOCOG Investment Plan Update and Presentation Request

Good Morning Annie,

Carey Casciola will coordinate the date for the presentation.

Thank you and best regards,

Paavo Ogren

Interim General Manager
paavo@oceanocsd.org

Oceano Community Services District
1655 Front St., PO Box 599
Oceano, CA. 93475
Office (805) 481-6730
Fax (805) 481-6836

<http://oceanocsd.org/main/>



From: President Varni
Sent: Friday, February 09, 2024 5:29 AM
To: Paavo Ogren <paavo@oceanocsd.org>
Subject: Fw: SLOCOG Investment Plan Update and Presentation Request

Good morning,

I would like to schedule this presentation for an upcoming meeting. It is very relevant to Oceano.

What about March 13?

Thank you.

From: Annie Bowsky <ABowsky@slocog.org>
Sent: Thursday, February 8, 2024 2:44 PM
To: President Varni <presidentvarni@oceanocsd.org>
Subject: SLOCOG Investment Plan Update and Presentation Request

Good Afternoon Charles,

I am following up from our conversation at the Healthy Communities meeting, I would like to make a request to present at the March or April Oceano Advisory Council meeting and share SLOCOG's [Local Roads First](#) transportation tax ballot measure draft investment plan. SLOCOG has been working toward a transportation tax ballot measure since summer of 2023 and we just received approval on the draft plan from the SLOCOG Board of Directors at the February 7th meeting. We also plan to present the plan and listen to feedback from city councils and CACs county wide. We'll then bring it back to the BOD for final approval May 1st.

I have included below and attached, a draft excerpt of the Investment Plan SLOCOG has compiled. Based on public feedback, and designed to ensure fair distribution of funds, this plan shows how funds would be allocated to South County and Oceano if the Local Roads First Transportation Tax measure is approved.

Funds Allocated to Oceano:

- **Oceano \$11 M**
 - Safe Routes to School, Beach Access
 - Road Repairs, Sidewalks, and Safety Improvements to 4th, 13th, 17th, 22nd, Elm, Pier
- **Funds Allocated to South County: See Attached**

[Review full Draft Investment Plan Here](#)

Please let me know a meeting date between February and April that will work for your group. We want to ensure all CACs are informed of the Draft Investment Plan, if there is not meeting time available we'll plan to make a public comment at an upcoming meeting.

Thank you for the consideration - Please let me know if there is any additional information I can share with you and I look forward to speaking soon.

Best,
Annie

Annie Bowsky

Communications Coordinator

SLOCOG

San Luis Obispo, CA

805.781.1385

slocog.org // rideshare.org

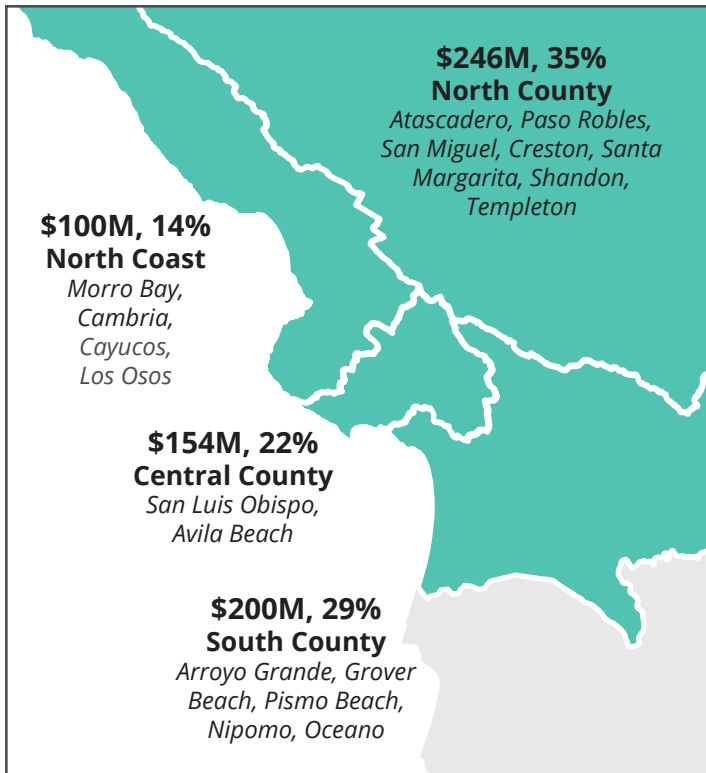


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LOCAL ROAD REPAIR & TRANSPORTATION SAFETY

INVESTMENT PLAN SUMMARY



\$700 M¹

Funded by a proposed half-cent sales tax, requiring two-thirds voter-approval. Twenty-five counties throughout California have passed similar measures, choosing to fund transportation projects and infrastructure improvements within their local communities. These measures ensure that all funds raised stay local and cannot be stolen by Sacramento. Enacting such a measure would also return a fair-share of State and Federal funds to San Luis Obispo County by qualifying the region for an additional \$900 million in competitive grants.

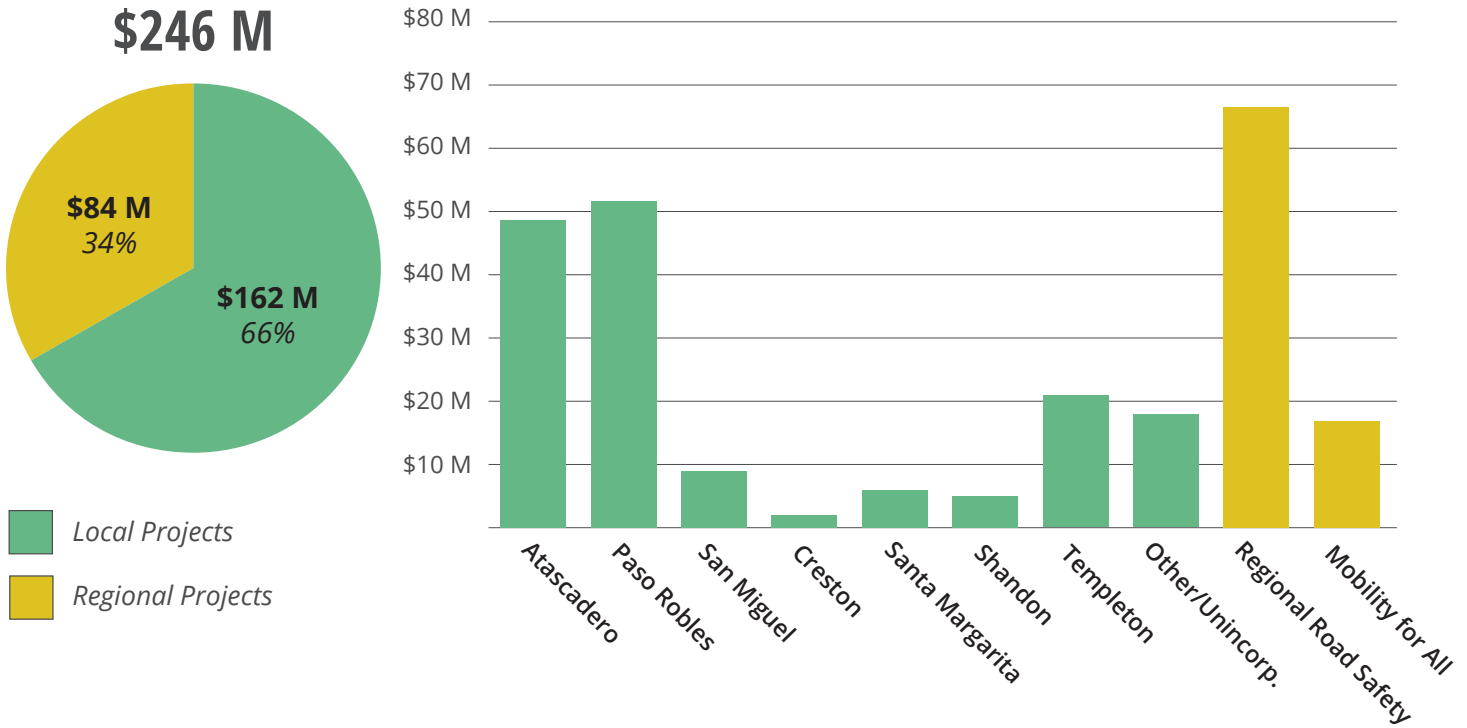
20 YEARS

If placed on the ballot and approved by voters, the proposed measure would ensure a dedicated, reliable source of funding to address road repair and critical safety needs for the next 20 years.

¹includes 1% maximum administration fee, unescalated for inflation

Total funding distributed by subregion based on population, over 20 years

NORTH COUNTY PROJECTS



Local Projects - 66% **\$162 M**

Atascadero	\$49 M
• Road Repairs to El Camino Real, Traffic Way, Santa Lucia Road, & San Gabriel Road	\$30 M
• Community Road Safety & Congestion Improvements	\$19 M
◦ US 101 corridor congestion/safety improvements to overcrossings, intersections, interchanges, signalization, ramps, parallel routes (San Anselmo Avenue and Santa Rosa Road)	
◦ Local Road Safety Improvements, bridges, guardrails, road widening, pavement edge improvements	
◦ Safe Routes to School and trail & walkway connectivity	
◦ Public Transit for Seniors, Persons with Disabilities, and Veterans	

Paso Robles	\$52 M
• Road Repairs to Union Road, Paso Robles St., Creston Rd, Niblick Rd, Spring St, Commerce	\$30 M
• Community Road Safety & Congestion Improvements	\$22 M
◦ US 101 corridor congestion/safety improvements to overcrossings, intersections, interchanges, signalization, ramps, parallel routes	
- Highway 46E (US 101 to Jardine Rd.) safety improvements / Union Overcrossing	
- Salinas River Trail & Eastside "Grand Loop" bikeway	
- US 101 / Highway 46W interchange improvements	
◦ Safe Routes to School	
◦ Public Transit for Seniors, Persons with Disabilities, and Veterans	

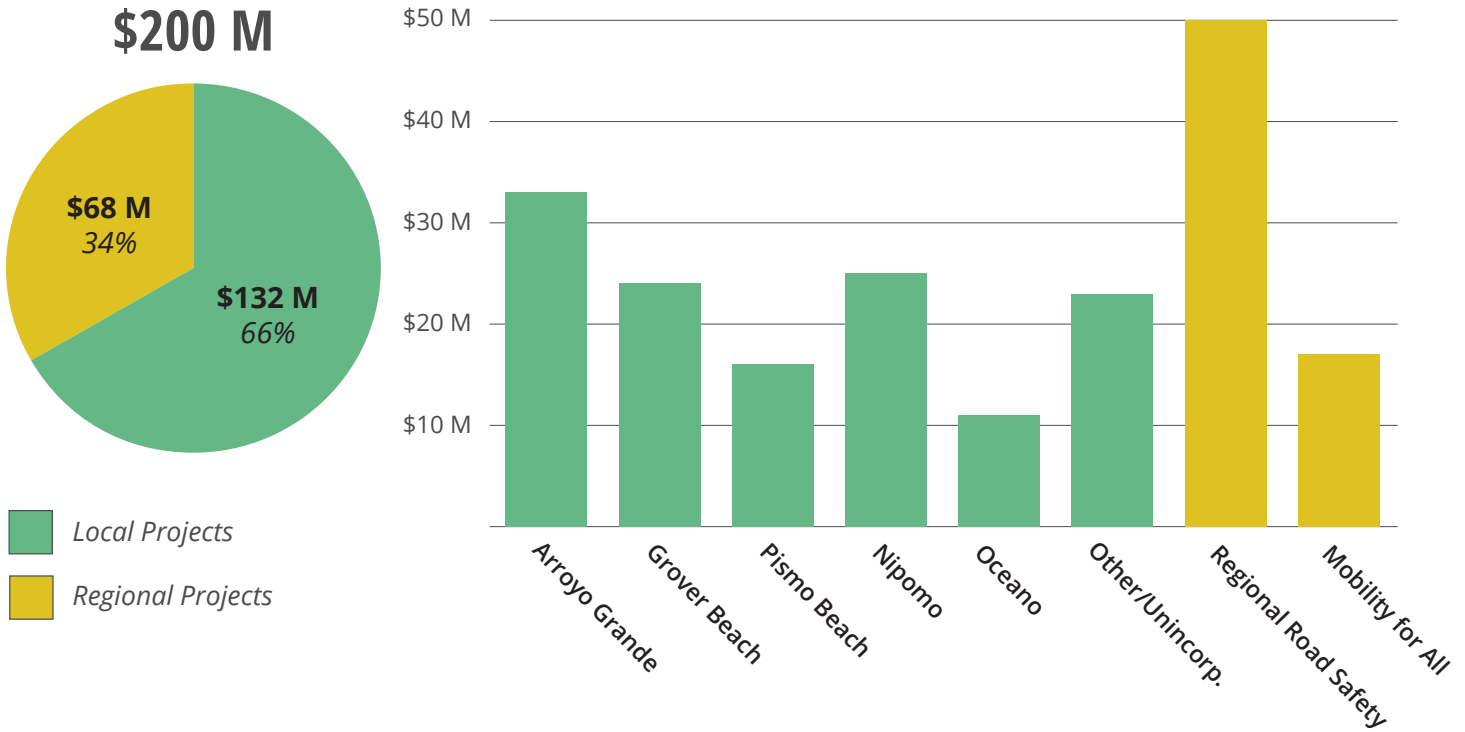
NORTH COUNTY PROJECTS

San Miguel	\$9 M
• Road Repairs and Safety Improvements to Mission St. Sidewalks	
Creston	\$2 M
• Safety improvements to Highway 41/Creston/La Panza intersection	
Santa Margarita/Garden Farms	\$6 M
• Downtown Safety Improvements to Highway 58	
• Road Repairs and Safety Improvements	
Shandon	\$5 M
• Centre Street safety and revitalization	
• Road Repairs, Paving, and Safety Improvements	
Templeton	\$21 M
• Road Repairs and Safety Improvements (Vineyard Dr. and others)	
• Local Interchange improvements	
Other/Unincorporated	\$18 M
• Road Repairs and Safety Improvements for all North County Unincorporated areas	
• Community Road Safety & Congestion Improvements	
◦ US 101 corridor congestion/safety improvements to overcrossings, intersections, interchanges, signalization, ramps, parallel routes	
◦ Safe Routes to School	
◦ Public Transit for Seniors, Persons with Disabilities, and Veterans	
Regional Projects - 34%	\$84 M
Regional Road Safety Improvements	
• Highway 46E (US 101 to Jardine Rd.) safety improvements, including Union Road intersection	
• North County US 101 Regional Safety Corridor Improvements	
◦ At US 101 Northbound off-ramp to Highway 46E	
◦ Between Cuesta Grade and San Miguel, to address safety, mobility, and congestion issues (i.e. lanes, interchanges, crossings, ramps, bus, vanpool, parallel routes)	
Mobility for All	\$17 M
• Public Transit for Seniors, Persons with Disabilities, and Veterans	
• Active Transportation (Bicycle & Pedestrian)	
◦ Templeton, Vineyard Drive improvements	
◦ Salinas River/N. Anza Trail corridor	
◦ Paso Robles River Trail/Grand Loop trail	
◦ Atascadero Westside corridor	

*Dollar amounts shown in millions (M) reflect estimates from a half-cent sales tax generating \$35M/year for 20 years, unescalated for inflation. Actual dollar amounts may fluctuate based on local retail sales and inflation, but distributions are guaranteed as a relative percentage of total funds collected.

TOTAL \$246 M

SOUTH COUNTY PROJECTS



Local Projects - 66% **\$132 M**

Arroyo Grande	\$33 M
• Road Repairs to Grand, N. Oak Park, E. Branch, W. Branch, James Way, El Camino Real, Traffic Way	\$29 M
• Community Road Safety & Congestion Improvements	\$4 M
◦ US 101 corridor congestion/safety improvements to over/undercrossings, intersections, interchanges, signalization, ramps, parallel routes in the Five Cities area	
◦ Safe Routes to School	
◦ Public Transit for Seniors, Persons with Disabilities, and Veterans	

Grover Beach	\$24 M
• Road Repairs on Grand, Oak Park, 4th, El Camino Real, Farroll, The Pike, and other local streets	\$22 M
• Community Road Safety & Congestion Improvements	\$2 M
◦ Intersection improvements	
◦ Safe Routes to School	
◦ Public Transit for Seniors, Persons with Disabilities, and Veterans	

Pismo Beach	\$16 M
• Road Repairs to Bello, Cypress, 4th, Five Cities, Price Canyon Rd., Hines	\$8 M

SOUTH COUNTY PROJECTS

- Community Road Safety & Congestion Improvements \$8 M
 - US 101 corridor congestion/safety improvements to over/undercrossings, intersections, interchanges, signalization, ramps, parallel routes in the Five Cities area
 - Intersection improvements, Promenade maintenance/extensions
 - Safe Routes to School
 - Public Transit for Seniors, Persons with Disabilities, and Veterans

Nipomo \$24 M

- Road Repairs and Safety Improvements to roads in Nipomo, Black Lake, Woodlands, Callender; Tefft, Orchard, Thompson, and Pomeroy
- Local Interchange improvements

Oceano \$11 M

- Safe Routes to School, Beach Access
- Road Repairs, Sidewalks, and Safety Improvements to 4th, 13th, 17th, 22nd, Elm, Pier

Other/Unincorporated \$23 M

- Road Repairs to Halcyon, Price Canyon, Orcutt, Lopez; and Safety Improvements for all South County Unincorporated areas \$12 M
- Community Road Safety & Congestion Improvements \$11 M
 - US 101 corridor congestion/safety improvements to overcrossings, intersections, interchanges, signalization, ramps, parallel routes
 - Safe Routes to School
 - Public Transit for Seniors, Persons with Disabilities, and Veterans

Regional Projects - 34% \$68 M

Regional Road Safety Improvements \$50 M

- South County US 101 Regional Safety Corridor Improvements, between Shell Beach and the Santa Maria River, to address safety, mobility, and congestion issues based on latest adopted plan (i.e. lanes, interchanges, crossings, ramps, bus, vanpool, parallel routes, etc.)

Mobility for All \$17 M

- Public Transit for Seniors, Persons with Disabilities, and Veterans \$8 M
- Active Transportation (Bicycle & Pedestrian) \$9M
 - Bob Jones, Coastal, and South Anza Trails
 - Promenades & Boardwalks

TOTAL \$200 M

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NORTH COAST PROJECTS



Local Projects - 66% **\$66 M**

Morro Bay **\$21 M**

- Road repairs, safety, and congestion improvements
 - Pavement management program programs (i.e. Road Repair)
 - Local Roadway Safety Plan implementation projects
 - Embarcadero congestion improvements
 - South Bay Blvd. climate adaptation roadway improvements
 - Pedestrian Safety
 - Bridges
 - Public docks
 - Tidelands park boat ramp
 - Roadway striping
 - Safe Routes to School
 - Public Transit for Seniors, Persons with Disabilities, and Veterans

Cambria **\$10 M**

- Road Repairs, Safety and Congestion Improvements to Burton, Ardath, Main, Windsor, Highway 1

Cayucos **\$4 M**

- Road Repairs, Safety Improvements, and Downtown Improvements

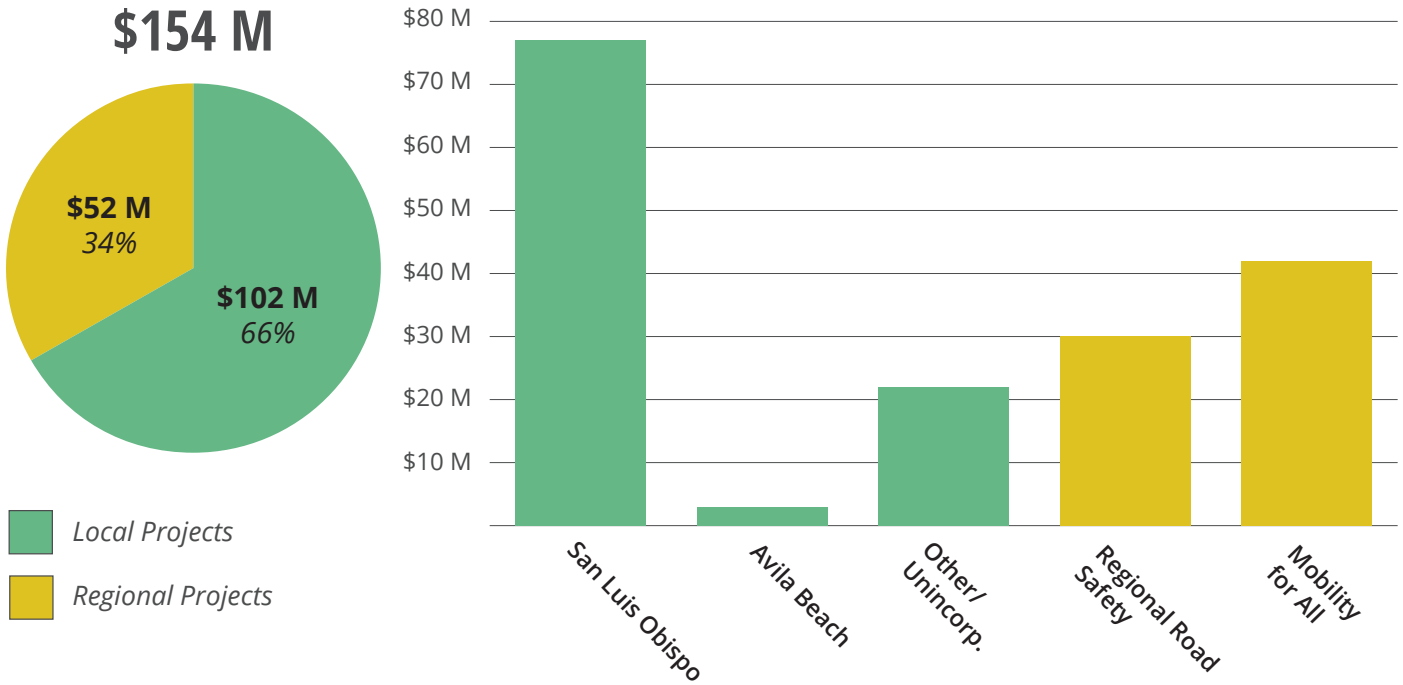
NORTH COAST PROJECTS

Los Osos	\$20 M
<ul style="list-style-type: none"> Road Repairs, Safety Improvements, and Downtown Improvements identified in the Community Plan, including 2nd Street revitalization and LOVR corridor multiuse path 	
Other/Unincorporated	\$11 M
<ul style="list-style-type: none"> Road Repairs and Safety Improvements for all North Coast Unincorporated areas \$6 M Community Road Safety & Congestion Improvements \$5 M <ul style="list-style-type: none"> Safe Routes to School Public Transit for Seniors, Persons with Disabilities, and Veterans 	
Regional Projects - 34%	\$34 M
Regional Road Safety Improvements	\$17 M
<ul style="list-style-type: none"> Highway 1 Safety improvements (i.e., lanes, interchanges, crossings, ramps, bus, vanpool, parallel routes, etc.) S. Bay Blvd. multimodal, capacity, and climate resiliency improvements 	
Mobility for All	\$17 M
<ul style="list-style-type: none"> Public Transit for Seniors, Persons with Disabilities, and Veterans \$8 M Active Transportation (Bicycle & Pedestrian) \$9 M <ul style="list-style-type: none"> Coastal Trail Chorro Valley Trail Boardwalks Pedestrian/bicycle safety and operational improvements on Los Osos Valley Road between 9th and Montana de Oro State Park 	

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TOTAL \$100 M

CENTRAL COUNTY PROJECTS



Local Projects - 66% **\$102 M**

San Luis Obispo **\$77 M**

- Road Repairs to Los Osos Valley Road, Broad Street, Tank Farm \$37 M
- Community Road Safety & Congestion Improvements \$40 M
 - East/West major roadway safety and mobility improvements (Tank Farm and South Street)
 - Broad St. Safety Improvements (South St. to Buckley)
 - Foothill Safety Improvements (Patricia to California)
 - Intersection Safety Improvements (Foothill & Santa Rosa, California & Taft)
 - Prado Road Improvements
 - Local safety and intersection improvements
 - Safe Routes to School (Laguna, CL Smith, Sinsheimer, and SLO High crossings)
 - Public Transit for Seniors, Persons with Disabilities, and Veterans

Avila Beach **\$3 M**

- Road Repairs and Safety Improvements

CENTRAL COUNTY PROJECTS

Other/Unincorporated	\$22 M
• Road Repairs and Safety Improvements for all Central County Unincorporated area (Orcutt, Foothill, Buckley)	\$10 M
• Community Road Safety & Congestion Improvements	\$12 M
◦ Los Osos Valley Road (Laguna Middle School to Foothill)	
◦ Highway 227	
◦ Intersection improvements at Los Osos Valley Road & Foothill	
◦ Safe Routes to School (San Luis Bay Drive and Los Ranchos)	
◦ Public Transit for Seniors, Persons with Disabilities, and Veterans	

Regional Projects - 34%	\$52 M
--------------------------------	---------------

Regional Road Safety Improvements	\$30 M
• US 101 Regional Safety Corridor improvements, between Cuesta Grade and Avila Beach Dr. to address safety, mobility, and congestion issues, based on the latest adopted plan (i.e. lanes, interchanges, crossings, ramps, bus, vanpool, parallel routes, etc.)	
• Highway 227 corridor safety and congestion improvements (between Tank Farm and Price Cyn)	

Mobility for All	\$22 M
• Public Transportation, Senior Transportation, and Disabled Services	\$11 M
• Active Transportation (Bicycle & Pedestrian)	\$11 M
◦ Coastal Trail	
◦ Chorro Valley Trail	
◦ Bob Jones Trail	
◦ Edna/Anza Trail	

**Dollar amounts shown in millions (M) reflect estimates from a half-cent sales tax generating \$35M/year for 20 years, unescalated for inflation. Actual dollar amounts may fluctuate based on local retail sales and inflation, but distributions are guaranteed as a relative percentage of total funds collected.*

TOTAL	\$154 M
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SAFEGUARDS IN THE PLAN



SAFEGUARDS

The Local Road Repair & Transportation Safety Investment Plan includes strong taxpayer safeguards to ensure that the projects and programs approved by the voters are funded and delivered as promised.

Included in the plan:

- 20-year sunset date
- 1% administrative expense cap
- Independent Taxpayer Oversight Committee
- Annual independent audit and annual reporting
- Strategic implementation plan required to be developed with local input groups
- No revenue generated shall be used to replace fair share contribution from new development
- Requirements that funding be used to augment, and not replace, local funds

All funding stays local and cannot be stolen by Sacramento.

BENEFITS OF THE PLAN



SAFETY & RELIABILITY

Safety and reliability is critical to our transportation system's function. The Plan aims to reduce fatalities and serious injuries on our highways, streets, and roads, while improving system reliability by focusing on operational efficiency and resiliency to environmental changes and natural disasters.



TRAFFIC CONGESTION RELIEF

Traffic congestion increases travel times and has a harmful effect on air quality. The Plan will improve travel times and preserve our air quality by investing in transportation solutions that reduce traffic congestion across our region.



IMPROVED MOBILITY

Quality of life depends on our ability to access jobs, goods, and services. The Plan will improve mobility by ensuring transportation to and from places such as work, school, shopping centers and medical appointments remains accessible & affordable for everyone living and working in the San Luis Obispo County region.



ECONOMIC VITALITY

Our region depends on goods movement, travel and tourism to support our local economies. The Plan ensures our communities will continue to prosper by securing funds for the transportation infrastructure that is needed to balance economic growth and development.

GRANT LEVERAGE

Our region competes for grant funding with other California regions. Many grants require applicants to provide local match money to win back State and Federal funds through these grant programs. The Plan leverages funding collected from this half-cent sales tax to return our fair-share of State and Federal funds to the region. By securing funds locally through The Plan, San Luis Obispo County and its cities qualify for an extra \$900 million in competitive grants.



ABOUT THE PLAN

The San Luis Obispo County region will need \$5.4 billion in transportation infrastructure over the next 23 years, but only expects \$3.1 billion in available funds. With a \$2.3 billion projected deficit, basic transportation projects such as fixing potholes, improving road safety, and reducing traffic congestion cannot be implemented.

The Local Road Repair & Transportation Safety Investment Plan would add a half-percent sales tax to every dollar spent within the region, generating \$700 million over 20 years (unescalated for inflation). Funding would be allocated to each subregion based on its population and be required to stay local, with a minimum of 99% going to improve transportation infrastructure and safety. In addition, jobs would be created, public transit would be improved, and tourists would pay for the roads they use.

Ensures local funding collected stays in local communities

Guarantees funding cannot be re-allocated to other projects and must be spent on improving transportation

Creates jobs that will support the maintenance and improvement of transportation infrastructure in San Luis Obispo County, its cities and communities

Brings more Federal and State tax dollars back to San Luis Obispo County through competitive grant programs

LEARN MORE AT LOCALROADSFIRST.COM



Quarterly Visitor Tracking for
San Luis Obispo County, CA

Q3 2023 Report

Produced by: Tourism Ecomics, and Oxford Economics Company
Analysis by: Michael Mariano & Erik Evjen

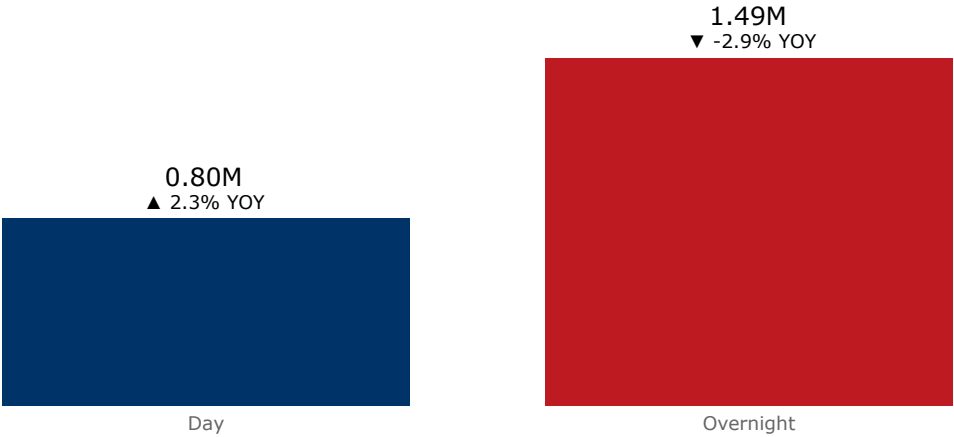
Summary

Year
2023

Quarter
Q3

Origin Market
■ International
■ Domestic

Day vs. Overnight Visitors Q3 2023



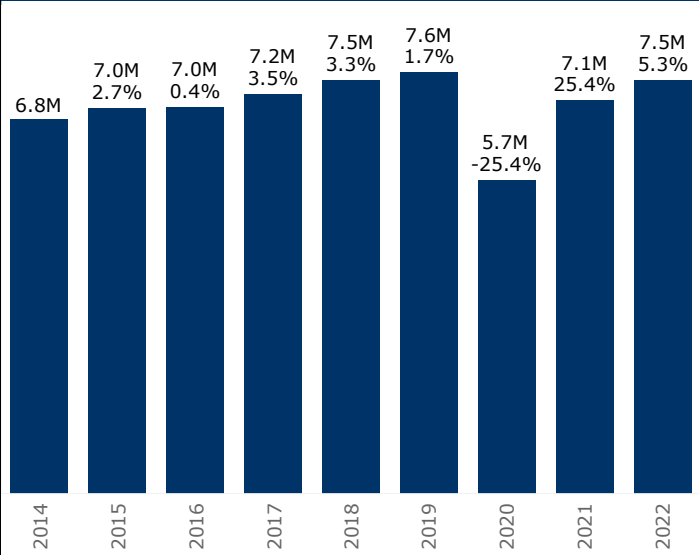
Domestic vs. International Q3 2023



Grand Total All visitation by Quarter

	Visitors				YOY % Change			
	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3
Total	1.8M	1.8M	1.6M	2.3M	▼ -0.1%	▼ -0.1%	▲ 1.6%	▼ -1.1%
Day	0.63M	0.63M	0.41M	0.80M	▲ 4.4%	▲ 7.8%	▲ 2.5%	▲ 2.3%
Overnight	1.15M	1.15M	1.19M	1.49M	▼ -2.4%	▼ -3.9%	▲ 1.3%	▼ -2.9%
Domestic	1.76M	1.70M	1.58M	2.27M	▼ -0.7%	▼ -4.1%	▲ 1.1%	▼ -1.2%
International	0.02M	0.02M	0.02M	0.02M	▲ 84.0%	▲ 48.6%	▲ 54.6%	▲ 5.8%

Annual Performance Total visitors and % change by year



Source: Tourism Economics

Report Generator

Visitors to San Luis Obispo County

Year Multiple values Quarter All

Day v. Overnight Visitors

% share of total visitors, Q1, Q2, Q3 and 1 more

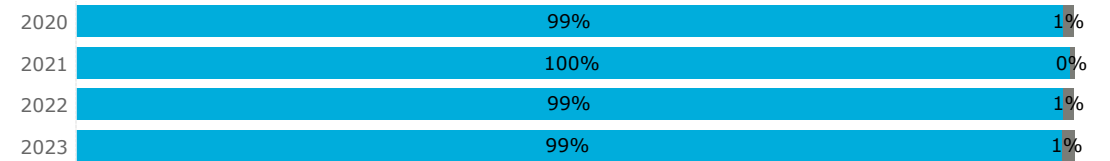
Day
Overnight



Domestic vs. International

% share of total visitors, Q1, Q2, Q3 and 1 more

International
Domestic



Day v. Overnight

		Day	Overnight	Total		
Visitors	2021	Q1	521,918	1,040,691	1,562,609	
		Q2	386,657	1,136,841	1,523,498	
		Q3	758,073	1,468,312	2,226,384	
		Q4	603,639	1,182,282	1,785,922	
		Total	2,270,287	4,828,126	7,098,413	
	2022	Q1	584,670	1,200,543	1,785,213	
		Q2	399,809	1,180,063	1,579,872	
		Q3	786,191	1,538,881	2,325,072	
		Q4	630,321	1,153,835	1,784,156	
		Total	2,400,991	5,073,322	7,474,313	
	2023	Q1	630,321	1,153,835	1,784,156	
		Q2	409,913	1,194,908	1,604,820	
		Q3	804,393	1,494,159	2,298,552	
		Total	1,844,627	3,842,901	5,687,528	
		YOY % Chg.	2021	Q1	4.9%	16.2%
	Q2			22.3%	114.6%	80.1%
Q3	14.2%			16.2%	15.5%	
Q4	15.2%			21.6%	19.3%	
Total	13.4%			31.9%	25.4%	
2022	Q1		12.0%	15.4%	14.2%	
	Q2		3.4%	3.8%	3.7%	
	Q3		3.7%	4.8%	4.4%	
	Q4		4.4%	-2.4%	-0.1%	
	Total		5.8%	5.1%	5.3%	
2023	Q1		7.8%	-3.9%	-0.1%	
	Q2		2.5%	1.3%	1.6%	
	Q3		2.3%	-2.9%	-1.1%	
Total	-23.2%	-24.3%	-23.9%			

Domestic vs. International

		Day	Domestic	International	Overnight	Total		
Visitors	2021	Q1	521,918	1,558,799	3,810	1,040,691	1,562,609	
		Q2	386,657	1,517,292	6,205	1,136,841	1,523,498	
		Q3	758,073	2,220,164	6,220	1,468,312	2,226,384	
		Q4	603,639	1,772,923	12,999	1,182,282	1,785,922	
		Total	2,270,287	7,069,178	29,235	4,828,126	7,098,413	
	2022	Q1	584,670	1,770,265	14,948	1,200,543	1,785,213	
		Q2	399,809	1,564,419	15,453	1,180,063	1,579,872	
		Q3	786,191	2,301,554	23,518	1,538,881	2,325,072	
		Q4	630,321	1,760,236	23,920	1,153,835	1,784,156	
		Total	2,400,991	7,396,474	77,838	5,073,322	7,474,313	
	2023	Q1	630,321	1,698,122	22,213	1,153,835	1,784,156	
		Q2	409,913	1,580,926	23,894	1,194,908	1,604,820	
		Q3	804,393	2,273,669	24,883	1,494,159	2,298,552	
		Total	1,844,627	5,552,718	70,989	3,842,901	5,687,528	
		YOY % Chg.	2021	Q1	4.9%	16.5%	-93.0%	16.2%
	Q2			22.3%	79.9%	149.0%	114.6%	80.1%
Q3	14.2%			15.3%	202.3%	16.2%	15.5%	
Q4	15.2%			18.8%	242.0%	21.6%	19.3%	
Total	13.4%			26.2%	-53.5%	31.9%	25.4%	
2022	Q1		12.0%	13.6%	292.3%	15.4%	14.2%	
	Q2		3.4%	3.1%	149.0%	3.8%	3.7%	
	Q3		3.7%	3.7%	278.1%	4.8%	4.4%	
	Q4		4.4%	-0.7%	84.0%	-2.4%	-0.1%	
	Total		5.8%	4.6%	166.3%	5.1%	5.3%	
2023	Q1		7.8%	-4.1%	48.6%	-3.9%	-0.1%	
	Q2		2.5%	1.1%	54.6%	1.3%	1.6%	
	Q3		2.3%	-1.2%	5.8%	-2.9%	-1.1%	
Total	-23.2%	-24.9%	-8.8%	-24.3%	-23.9%			

Source: Tourism Economics