BOARD OF DIRECTORS REGULAR MEETING STUDY SESSION AGENDA

Thursday, July 16, 2026 at 3:00 PM

66575 Second St, Desert Hot Springs, CA AND/OR Via Teleconference

NOTICE IS HEREBY GIVEN THAT THE BOARD OF DIRECTORS OF MISSION SPRINGS WATER DISTRICT WILL HOLD ITS REGULAR MEETING(S) ON THE DATE LISTED ABOVE. THE BOARD WILL MEET IN PERSON AT 66575 SECOND STREET, DESERT HOT SPRINGS.

THE PUBLIC IS PERMITTED TO ATTEND THIS MEETING IN PERSON OR VIRTUALLY USING THE ZOOM LINK BELOW.

JOIN ZOOM MEETING:

https://us02web.zoom.us/j/8220655340?from=addon

DIAL BY PHONE:

+1 (408) 638-0968

Meeting ID: 822 065 5340

ACTION MAY BE TAKEN ON ANY ITEM LISTED ON THIS AGENDA

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF BOARD MEMBER REMOTE ATTENDANCE**
4. **PLEDGE OF ALLEGIANCE**
5. **RULES OF PROCEDURE**
6. **PUBLIC INPUT**
   This is the opportunity for members of the public to address the Board on matters within the Board's jurisdiction. ***Please limit comments to three (3) minutes or less.*** *State law prohibits the Board from discussing or taking action on any item not listed on the agenda.*

PRESENTATION

7. **DESERT HOT SPRINGS HIGH SCHOOL REAL ACADEMY INTERNSHIP PROGRAM**

EMPLOYEE RECOGNITION

8. **HUMAN RESOURCES REPORT - PERSONNEL ACTIVITY FOR JUNE 2026**

ACTION ITEMS

9. ADOPT RESOLUTION 2026-15: AUTHORIZING THE ISSUANCE AND SALE OF NOT-TO-EXCEED $28,500,000 REVENUE CERTIFICATES OF PARTICIPATION AND APPROVING RELATED ACTIONS

It is recommended that the Board of Directors of the Mission Springs Water District adopt Resolution No. 2026-15 authorizing the issuance and sale of not-to-exceed $28,500,000 Revenue Certificates of Participation ("2026 COPs"); approve a budget adjustment of $350,000 for bond issuance expenses, $40,000 for municipal financial advisory services related to the debt issuance, and $603,450 for related interest expenses for the first year of debt service; and transfer $350,000 into the Water Rate Stabilization Fund and $150,000 into the Wastewater Rate Stabilization Fund.

10. AWARD OF CONSTRUCTION CONTRACT FOR THE MSWD MAIN CAMPUS TO ROBERT CLAPPER CONSTRUCTION SERVICES, INC.

It is recommended that the Board of Directors of the Mission Springs Water District authorize the General Manager to execute a contract for the construction of the MSWD Main Campus to Robert Clapper Construction Services, Inc. in the amount of $32,922,000 plus a 10% contingency of $3,292,200 for a total of $36,214,200; and augment the Capital Improvement Program by creating two project job numbers for the relocation of the Horton Percolation Ponds in the amount of $581,000 plus a 10% contingency of $58,100 for a total of $639,100 and for the construction of the Park Lane water main in the amount of $1,232,000 plus a 10% contingency of $123,200 for a total of $1,355,200, and do all things necessary to complete the project.

11. AWARD OF CONSTRUCTION INSPECTION AGREEMENTS TO Z&K CONSULTANTS AND LANDMARK CONSULTANTS FOR THE CONSTRUCTION OF THE MSWD MAIN CAMPUS

It is recommended to authorize the General Manager to execute a Professional Services Agreements with Z&K Consultants for construction management services in the amount not to exceed $641,520, and Landmark Consultants, Inc. for geotechnical inspections in an amount not to exceed $250,000.00 to oversee construction activities at the MSWD Main Campus.

12. APPROVE CONTRACT AMENDMENT NO. 6 TO RUHNAU CLARKE ARCHITECTS FOR THE MSWD MAIN CAMPUS PROJECT

It is recommended to authorize the General Manager to execute Contract Amendment No. 6 for the Professional Services Agreement with Ruhnau Clarke Architects for the MSWD Main Campus in the amount of $180,200 for a total of $2,405,164.

13. APPROVE CONTRACT AMENDMENT NO. 1 TO CANYON SPRINGS ENTERPRISES CONTRACT FOR WELL 22 PROJECT

It is recommended to authorize the General Manager to execute Contract Amendment No. 1 in the amount of $70,323.61 for a total contract amount of $1,529,239.61.

14. AWARD CONTRACT AGREEMENT WITH URBAN HABITAT FOR ANNUAL LANDSCAPE MAINTENANCE FOR DISTRICT FACILITIES FOR 2026-2027

It is recommended to authorize the General Manager to execute a one-year contract with Urban Habitat for Annual Landscape Maintenance for District Facilities for 2026-2027, with the option to extend for two additional one-year terms. The total not to exceed contract amounts,

including a 10% contingency, are $84,629.60 for FY 2026-2027, $87,230.00 for FY 2027-2028, and $89,883.20 for FY 2028-2029.

15. AWARD CONTRACT WITH GENTRY GENERAL ENGINEERING INC. FOR ON-CALL PAVEMENT AND CONCRETE REPAIRS FOR WATER AND SEWER PROJECTS FOR 2026-2027

It is recommended to authorize the General Manager to execute a one-year contract with Gentry General Engineering Inc. for On-call Pavement and Concrete Repairs for Water and Sewer Projects for 2026-2027, in an amount not to exceed $250,000.00, with the option to extend for two additional one-year terms, and to negotiate any associated price adjustments.

16. AFFILIATION LIST UPDATE

At the discretion of the Board of Directors, discuss, amend and approve if desired, the 2026 Affiliation List.

DISCUSSION ITEMS

17. MSWD MAIN CAMPUS UPDATE

18. GROUNDWATER PROTECTION PROGRAM UPDATE

CONSENT AGENDA

Consent agenda items are expected to be routine and non-controversial, to be acted upon by the Board at one time, without discussion. If a member would like an item to be handled separately, it will be removed from the Consent Agenda for separate action.

19. APPROVAL OF MINUTES

It is recommended to approve the minutes as follows:
June 3, 2026 ~ Special Meeting Workshop
June 11, 2026 ~ Study Session
June 15, 2026 ~ Board Meeting

20. REGISTER OF DEMANDS

The register of demands totaling $3,090,831.16

REPORTS

21. DIRECTOR'S REPORTS

22. GENERAL MANAGER'S REPORT

Included in this report are the following oral reports:
A. Finance Report
B. Public Affairs Report
C. CSDA Southern Region Election

COMMENTS

23. DIRECTOR COMMENTS AND REQUESTS

1. General Comments

2. Requests for Future Agenda Items
3. Requests for Future Meetings

CLOSED SESSION

24. CONFERENCE WITH LEGAL COUNSEL REGARDING POTENTIAL INITIATION OF LITIGATION
pursuant to Government Code Section 54956.9(d)(4) Five potential cases.

25. CONFERENCE WITH LEGAL COUNSEL REGARDING PENDING LITIGATION
Pursuant to Government Code Section 54956.9(d)(1). One case: Fournier v Mission Springs Water District (case number Adj19778853)

26. REPORT ON ACTION TAKEN DURING CLOSED SESSION

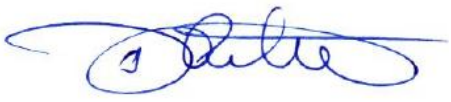
27. ADJOURN

If you need special assistance to participate in this meeting, please contact the Executive Assistant at (760) 660-4403 at least 48 working hours prior to the meeting.

ANY DISCLOSABLE PUBLIC RECORDS RELATED TO AN OPEN SESSION ITEM ON A REGULAR MEETING AGENDA AND DISTRIBUTED BY MISSION SPRINGS WATER DISTRICT TO ALL OR A MAJORITY OF THE BOARD OF DIRECTORS LESS THAN 72 HOURS PRIOR TO THAT MEETING ARE AVAILABLE FOR PUBLIC INSPECTION AT THE DISTRICT OFFICE, 66575 SECOND STREET, DESERT HOT SPRINGS, CALIFORNIA DURING NORMAL BUSINESS HOURS AND MAY ALSO BE AVAILABLE ON THE DISTRICT'S WEBSITE AT WWW.MSWD.ORG/MEETINGS. NOTE: THE PROCEEDINGS MAY BE AUDIO AND VIDEO RECORDED.

CERTIFICATION OF POSTING

I certify that on or before July 13, 2026 , a copy of the foregoing notice was posted near the regular meeting place of the Board of Directors of Mission Springs Water District at least 72 hours in advance of the meeting (Government Code Section 54954.2).



Dori Petee
Executive Assistant

AGENDA STAFF REPORT

MEETING NAME: REGULAR BOARD MEETING

MEETING DATE: JULY 16, 2026

FROM: ORIANA HOFFERT, HR MANAGER

FOR: INFORMATION

HUMAN RESOURCES REPORT — PERSONNEL ACTIVITY FOR JUNE 2026

NEW HIRES

EMPLOYEE NAME	POSITION
N/A	N/A

ANNIVERSARIES

EMPLOYEE NAME	POSITION	TIME WITH DISTRICT
Richard Andrade	Field Operations Technician II	2 Years
Adrian Gaona	Field Service Representative I	4 Years
Michael Moore	Field Operations Technician II	7 Years

PROMOTIONS

EMPLOYEE NAME	NEW POSITION	PRIOR POSITION
N/A	N/A	N/A

CERTIFICATIONS/EDUCATIONAL ACCOMPLISHMENTS

EMPLOYEE NAME	CERTIFICATION/DEGREE
Zachary Norman	Water Distribution Grade 2 and Water Treatment Grade 2 Certificates

AGENDA STAFF REPORT

MEETING NAME: REGULAR BOARD MEETING

MEETING DATE: JULY 16, 2026

FROM: SKYLER AUBREY, ACCOUNTING MANAGER

FOR: ACTION

RESOLUTION 2026-15: AUTHORIZING REVENUE CERTIFICATES OF PARTICIPATION NOT TO EXCEED $28,500,000 AND RELATED ACTIONS

STAFF RECOMMENDATION

It is recommended that the Board of Directors of the Mission Springs Water District adopt Resolution No. 2026-15, authorizing the issuance and sale of not-to-exceed $28,500,000 Revenue Certificates of Participation ("2026 COPs"). It is recommended that the Board approve a budget adjustment of $350,000 for bond issuance costs and $40,000 for municipal financial advisory services related to the debt issuance. It is recommended that the Board approve a budget adjustment of $603,450 related to interest expense for the first year of debt service. It is also recommended that the District transfer $350,000 and $150,000 into the Water and Wastewater Rate Stabilization Funds, respectively, which are being established under the Installment Purchase Agreement. The initial deposit amounts are equal to roughly 30% of annual debt service on the 2026 COPs.

SUMMARY

Based on market conditions as of July 6, 2026, the issuance of the 2026 COPs to fund $28 million in net proceeds would result in estimated average debt service payments of approximately $1.72 million per year over a 30-year period with an approximate true interest cost of 4.51%. The final true interest cost will be determined when the 2026 COPs are priced and sold, which is scheduled to occur in early August 2026. The estimated issuance costs will be paid from the proceeds of the 2026 COPs and have been included in the calculation of the debt service. The source of repayment for the debt service on the 2026 COPs is net revenues of the District's Water and Wastewater system.

ANALYSIS AND FISCAL IMPACT

See attached.

BUDGET INFORMATION & STRATEGIC PLAN IMPLEMENTATION

Action Cost:	Current FY Cost:	Future FY Cost:	Funding Source	Acct/Project No.
$24,745,950	$993,450	$23,752,500	Operations	Multiple
Covered in current FY budget?		**Adjustment Needed?**	**Current Balance:**	**Balance if Approved:**
No		Yes	Multiple	Multiple
Strategic Plan Goal Alignment:				
SMART Goal 3.2 - Control costs and manage debt responsibly.				

ATTACHMENTS

Attachment 1 - Analysis, Attachment 2 - Resoution 2026-15, Attachment 3 - Trust Agreement, Attachment 4 - Installment Purchase Agreement, Attachment 5 - Assignment Agreement, Attachment 6 - Purchase Contract, Attachment 7 - Preliminary Official Statement, Attachment 8 - Continuing Disclosure Certificate

ANALYSIS

The Mission Springs Water District ("District") and the Mission Springs Water District Improvement Corporation ("Corporation") intend to enter into an Installment Purchase Agreement in order to finance the costs of a new administration building for the District, as well as the acquisition and construction of two water booster stations for the Water system. The installment payments received by the Trustee as the assignee of the Corporation will be used to secure the issuance of the District's Revenue Certificates of Participation, Series 2026A ("2026 COPs"). The District's obligation to make installment payments are secured by a pledge and lien on Revenues of the District's water and wastewater systems.

It is expected that 70% of the debt will be paid from the water system and 30% from the wastewater system.

The proposed 2026 COPs are estimated to be issued in the principal amount of approximately $26.82 million with a final maturity of February 1, 2056 (30-year term). Based on market conditions as of July 6, 2026 and assuming an "A+" underlying rating from Standard & Poor's, the 2026 COPs are expected to have average annual debt service payments of $1.72 million and a true interest cost of 4.51%. The final interest cost and debt service payments will be determined when the 2026 COPs are priced, which is currently expected in early August 2026.

As required under Section 5852.1 of the California Government Code (Code), good faith estimates as provided by the District's Municipal Advisor and Underwriter are provided as an attachment to the authorizing Resolution.

As part of tonight's agenda item, staff is also recommending the transfer of $350,000 and $150,000 into the Water and Wastewater Rate Stabilization Funds from prior Fiscal Year water and wastewater revenues, respectively. The initial deposit amounts are equal to roughly 30% of annual debt service on the 2026 COPs. The District is establishing the Water and Wastewater Rate Stabilization Funds to provide flexibility to the Board when setting Water and Wastewater rates. Moneys withdrawn from the Rate Stabilization Funds are considered Revenues for purposes of the District's financial covenants and can be included in the calculation of Net Revenues for purposes of meeting debt service coverage requirements.

SUMMARY OF FINANCING DOCUMENTS TO BE APPROVED:

The subject Resolution approves all documents and actions needed to authorize the issuance and sale of the 2026 COPs, including the following substantially final form financing documents together with any changes or additions deemed advisable and approved by the District:

- **Installment Purchase Agreement** - Agreement by and between the District and the Corporation pursuant to which the District agrees to make installment

payments to the Corporation to secure the issuance of the 2026 COPs. The installment payments are secured by a pledge and lien on Revenues of the Water and Wastewater systems. This agreement contains all of the required financial covenants of the District.

- **Trust Agreement** - Agreement by and among the District, the Corporation, and the Trustee, pursuant to which the installment payments are pledged to the repayment of the 2026 COPs. The Agreement sets forth the relevant terms of the 2026 COPs and the rights and remedies of the 2026 COPs Owners.
- **Assignment Agreement** – Agreement pursuant to which the Corporation will assign the District's installment payments to the Trustee on behalf of the 2026 COPs Owners.
- **Certificate Purchase Agreement** - Agreement between the District and Wells Fargo Bank, N.A., as underwriter, pursuant to which the underwriter agrees to purchase the 2026 COPs and sell them to investors on behalf of the District.
- **Preliminary Official Statement** - Document pursuant to which the 2026 COPs will be offered for purchase by the public. This document must contain all facts material to the 2026 COPs, the District and the Corporation, the water system and the wastewater system (with certain permitted exceptions to be completed in the final Official Statement) and must not omit any such material facts.
- **Continuing Disclosure Certificate** - Agreement to provide certain annual reports to investors in order to allow the underwriter to comply with federal securities laws.

If the Board approves the Resolution, staff and the financing team (Urban Futures, Inc. as Municipal Advisor; Stradling Yocca Carlson & Rauth as Bond and Disclosure Counsel; and U.S. Bank National Association as Trustee) will continue with the next steps in the process to prepare to bring the financing to market. As previously mentioned, pricing of the 2026 COPs is anticipated to occur in early August 2026, with closing scheduled for two weeks after.

FISCAL IMPACT & STRATEGIC PLAN IMPLEMENTATION

Based on current interest rates, the 2026 COPs are expected to have average annual debt service payments of approximately $1.72 million and a true interest cost of 4.51%. The source of repayment for the debt service on the 2026 COPs is net revenues of the District's Water and Wastewater systems.

The debt issuance costs are expected to be $350,000, with an additional $40,000 for municipal advisement services.

The establishment and initial deposits into the Water and Wastewater Rate Stabilization Funds of $350,000 and $150,000, respectively, are equal to roughly 30% of annual debt service on the 2026 COPs.

RESOLUTION NO. 2026-15

A RESOLUTION OF THE BOARD OF DIRECTORS OF MISSION SPRINGS WATER DISTRICT APPROVING THE EXECUTION AND DELIVERY OF NOT TO EXCEED $28,500,000 REVENUE CERTIFICATES OF PARTICIPATION AND APPROVING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH AND CERTAIN OTHER MATTERS

WHEREAS, the Mission Springs Water District (the "District"), a county water district that is duly organized and existing under and pursuant to Division 12 of the California Water Code (Section 30000 *et seq*.) (the "Act"), proposes to undertake the acquisition of certain facilities, including but not limited to a new headquarters building, and certain improvements related to its water and sewer systems (the "Project); and

WHEREAS, the Board of Directors of the District (the "Board") has determined that it would be in the best interest of the District and the residents and ratepayers in the District to cause the Corporation to cause revenue certificates of participation (the "Certificates") to be executed and delivered to assist the District in financing the acquisition of the Project and to approve certain documents in connection therewith; and

NOW, THEREFORE, **THE BOARD OF DIRECTORS OF THE MISSION SPRINGS WATER DISTRICT DOES HEREBY RESOLVES AS FOLLOWS**:

Section 1. Recitals.

The foregoing recitals are true and correct.

Section 2. Approval of Installment Purchase Agreement.

The Installment Purchase Agreement, substantially in the form on file with the Secretary of the Board, is hereby approved. Each of the President of the Board, the Secretary of the Board, the General Manager of the District, or their respective designees (collectively, the "Authorized Officers"), is hereby individually authorized and directed to execute and deliver the Installment Purchase Agreement with such changes, insertions and omissions as may be recommended by General Counsel or by the District's special counsel, Stradling Yocca Carlson & Rauth LLP ("Special Counsel"), and approved by such Authorized Officer executing the same, said execution being conclusive evidence of such approval

Section 3. Approval of Trust Agreement.

The Trust Agreement, substantially in the form on file with the Secretary of the Board, is hereby approved. Each Authorized Officer is individually authorized and directed to execute and deliver the Trust Agreement with such changes, insertions and omissions as may be recommended by General Counsel or by Special Counsel, and approved by such Authorized Officer executing the same, said execution being conclusive evidence of such approval.

Section 4. Certificates of Participation Approved.

The preparation, sale and delivery by the Corporation of one or more series of Certificates in the aggregate principal amount not to exceed $28,500,000 in accordance with the terms and provisions of the Trust Agreement is hereby approved. The purposes for which the proceeds of the sale of the Certificates shall be expended are to acquire certain facilities for the District as described in the Installment Purchase Agreement, to fund a reserve fund for the Certificates, if required, and to pay the costs of delivery of the Certificates.

Section 5. Official Statement Approved.

The preparation and distribution of the Preliminary Official Statement relating to the Certificates, substantially in the form on file with the Secretary of the Board, is hereby approved. Each Authorized Officer is individually authorized to make such changes, insertions and omissions as may be recommended by General Counsel or Special Counsel and to sign a certificate pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 relating to the Preliminary Official Statement. Upon execution of such certificate, the underwriter referenced below is authorized to distribute the Preliminary Official Statement to potential purchasers of the Certificates. Each Authorized Officer is individually authorized and directed to execute, approve and deliver the final Official Statement in the form of the Preliminary Official Statement with such changes, insertions and omissions as may be recommended by General Counsel or Special Counsel, and approved by such Authorized Officer executing the same, said execution being conclusive evidence of such approval. Such underwriter is directed to deliver copies of the final Official Statement to all actual purchasers of the Certificates.

Section 6. Continuing Disclosure Certificate Approved.

The Continuing Disclosure Certificate relating to the Certificates, substantially in the form on file with the Secretary of the Board, is hereby approved. Each Authorized Officer is individually authorized and directed to execute and deliver the Continuing Disclosure Certificate with such changes, insertions and omissions as may be recommended by General Counsel or Special Counsel, and approved by such Authorized Officer executing the same, said execution being conclusive evidence of such approval.

Section 7. Purchase Contract Approved.

The Purchase Contract relating to the Certificates with Wells Fargo Bank, National Association, as underwriter, substantially in the form on file with the Secretary of the Board, is hereby approved. Each Authorized Officer is individually authorized and directed to execute and deliver the Purchase Contract with such changes, insertions and omissions as may be recommended by General Counsel or Special Counsel, and approved thereby, said execution being conclusive evidence of such approval; provided however, that the underwriting discount shall not exceed 0.45% of the principal amount of the Certificates, and the true interest cost of the Certificates shall not exceed 5.00% per annum.

Section 8. Trustee Appointed.

U.S. Bank Trust Company, National Association is hereby appointed to act as trustee under the Trust Agreement with respect to the Certificates.

Section 9. Bond Insurance and Reserve Policy Authorized.

The Board hereby authorizes the Authorized Officers, acting singly, to select a municipal bond insurer to insure payments of interest with respect to and principal of all or a portion of the Certificates so long as the Authorized Officer determines that obtaining the municipal bond insurance policy provided thereby will result in a lower interest rate or yield to maturity with respect to such Certificates. Special Counsel is hereby directed to make all changes to the Trust Agreement, the Installment Purchase Agreement, the Purchase Contract, the Continuing Disclosure Certificate, the Preliminary Official Statement, the final Official Statement and other related documents as are necessary to reflect the selection of such municipal bond insurer and the reasonable comments thereof.

The Board hereby authorizes the Authorized Officers, acting singly, to select a municipal bond insurer to provide a reserve fund surety bond to be deposited into the reserve fund for the Certificates, so long as the Authorized Officer determines that obtaining the reserve fund surety will be cost effective to the District. Each Authorized Officer is hereby authorized to execute and deliver any customary agreement with the municipal bond insurer providing the reserve fund surety bond. Special Counsel is hereby directed to make all changes to the Trust Agreement, the Installment Purchase Agreement, the Purchase Contract, the Continuing Disclosure Certificate, the Preliminary Official Statement, the final Official Statement and other related documents as are necessary to reflect the selection of such municipal bond insurer and the reasonable comments thereof.

Section 10. Other Matters Authorized.

The Authorized Officers, the Finance Director and Treasurer or the written designee of any of the foregoing and any other proper officer of the District, acting singly, is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the Trust Agreement, the Installment Purchase Agreement, the Purchase Contract, the Continuing Disclosure Certificate, the Preliminary Official Statement or the final Official Statement or needed to payoff or retire any of the District's outstanding agreements previously entered into to finance and refinance the acquisition of improvements to the District's water and/or sewer systems, and such actions previously taken by such officers are hereby ratified and confirmed.

Section 11. Good Faith Estimates.

The good faith estimates of costs related to the Certificates which are required by Section 5852.1 of the California Government Code are disclosed in Exhibit A hereto and are available to the public at the meeting at which this Resolution is approved.

Section 12. Effective Date.

This Resolution shall take effect immediately upon its adoption.

Section 13. Certification.

The Secretary of the Board shall certify as to the adoption of this Resolution and shall cause the same to be processed in the manner required by law.

PASSED, ADOPTED, AND APPROVED, this 20th day of July, 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Amber Duff
President of Mission Springs Water District
and its Board of Directors

ATTEST:

_____
Brian Macy
Secretary of Mission Springs Water District
and its Board of Directors

EXHIBIT A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Certificates in accordance with California Government Code Section 5852.1.

Principal Amount. Based on the District's financing plan and current market conditions, a good faith estimate of the principal amount of the Certificates is **$26,820,000** (the "**Estimated Principal Amount**").

True Interest Cost. Assuming that the Certificates are executed and delivered in the Estimated Principal Amount, and based on market interest rates prevailing at the time of preparation of such estimate, a good faith estimate of the true interest cost of the Certificates, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates of the Certificates, is **4.51%**.

Finance Charge. Assuming that the Certificates are executed and delivered in the Estimated Principal Amount, and based on market interest rates prevailing at the time of preparation of such estimate, a good faith estimate of the finance charge for the Certificates, which means the sum of all fees and charges paid to third parties (or costs associated with the Certificates), is **$350,000**.

Amount of Proceeds to be Received. Assuming that the Certificates are executed and delivered in the Estimated Principal Amount, and based on market interest rates prevailing at the time of preparation of such estimate, a good faith estimate of the amount of proceeds expected to be received by the District with respect to the Certificates, less the finance charge of the Certificates, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Certificates, is **$28,000,000**.

Total Payment Amount. Assuming that the Certificates are executed and delivered in the Estimated Principal Amount, and based on market interest rates prevailing at the time of preparation of such estimate, a good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service with respect to the Certificates, plus the finance charge for the Certificates, as described above, not paid with the proceeds of the Certificates, calculated to the final maturity of the Certificates, is **$51,175,950**.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Certificates, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to: (a) the actual date of the execution and delivery of the Certificates being different than the date assumed for purposes of such estimates; (b) the actual principal amount of the Certificates being different from the Estimated Principal Amount; (c) the actual amortization of the Certificates being different than the amortization assumed for purposes of such estimates; (d) the actual market interest rates at the time of execution and delivery of the Certificates being different than those estimated for purposes of such estimates; (e) other market conditions; or (f) alterations in the District's financing plan, delays in the financing, additional legal work or a combination of such factors and additional

finance charges, if any, attributable thereto. The actual delivery date of the Certificates and the actual principal amount of the Certificates will be determined by the District based on the timing of the need for proceeds of the Certificates and other factors.

TRUST AGREEMENT

by and among

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

as Trustee

and

MISSION SPRINGS WATER DISTRICT IMPROVEMENT CORPORATION

as Corporation

and

MISSION SPRINGS WATER DISTRICT

Dated as of _____ 1, 2026

Relating to

$_____
MISSION SPRINGS WATER DISTRICT
REVENUE CERTIFICATES OF PARTICIPATION, SERIES 2026A

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TRUST AGREEMENT

THIS TRUST AGREEMENT, made and entered into as of _____ 1, 2026 (the "Agreement"), by and among U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as trustee (the "Trustee"), a national banking association duly organized and existing under the laws of the United States of America, and MISSION SPRINGS WATER DISTRICT IMPROVEMENT CORPORATION, as seller, a nonprofit public benefit corporation duly organized and existing under the laws of the State of California (the "Corporation"), and MISSION SPRINGS WATER DISTRICT, as purchaser, a county water district duly organized and existing under the laws of the State of California (the "District");

W I T N E S S E T H:

In consideration of the mutual covenants herein contained and for other valuable consideration, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION; CONTENTS OF CERTIFICATES AND OPINIONS; RECITALS

Section 1.1 Definitions. Unless the context otherwise requires, the terms defined in this section shall for all purposes hereof and of any amendment hereof or supplement hereto and of any report or other document mentioned herein or therein have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein. All capitalized terms used herein and not defined herein shall have the meanings ascribed thereto in the Installment Purchase Agreement:

Agreement. The term "Agreement" means this Trust Agreement, as originally executed or as it may from time to time be amended or supplemented as provided for herein.

Certificate Payment Fund. The term "Certificate Payment Fund" means the fund by that name established in Section 5.2 hereof.

Certificate Proceeds Fund. The term "Certificate Proceeds Fund" means the fund by that name established pursuant to Section 3.2.

Certificates. The term "Certificates" means the certificates of participation executed and delivered by the Trustee pursuant to this Agreement.

Code. The term "Code" means the Internal Revenue Code of 1986, as amended.

Delivery Cost Fund. The term "Delivery Cost Fund" means the fund by that name established in Section 3.4 hereof.

Delivery Costs. The term "Delivery Costs" means all items of expense directly or indirectly payable by or reimbursable to the District and related to the authorization, execution, sale and delivery of the Certificates, including but not limited to costs of preparation and reproduction of documents, printing expenses, filing and recording fees, initial fees and charges of the Trustee and counsel to the

Trustee, legal fees and charges, fees and disbursements of consultants and professionals, rating agency fees, title insurance premiums, letter of credit fees, fees and charges for preparation, execution and safekeeping of the Certificates and any other cost, charge or fee in connection with the original execution and delivery of the Certificates.

Depository or DTC. The term "Depository" or "DTC" means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York in its capacity as Securities Depository for the Certificates.

Designated Corporate Trust Office of the Trustee. The term "Designated Corporate Trust Office of the Trustee" means the corporate trust office of the Trustee in Los Angeles, California, provided that for purposes of payment, redemption, exchange, transfer, surrender and cancellation of Certificates, such term means the corporate trust office of the Trustee in Los Angeles, California, or such other office as the Trustee may from time to time designate in writing to the District and the Owners.

Information Services. The term "Information Services" means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system; or, in accordance with then-current guidelines of the Securities and Exchange Commission, and such other services providing information with respect to called bonds as the District may specify in a certificate to the Trustee.

Installment Payments. The term "Installment Payments" means the installment payments payable by the District pursuant to the Installment Purchase Agreement and in the amounts and at the times set forth in the Installment Purchase Agreement.

Installment Payment Date. The term "Installment Payment Date" means each date on which Installment Payments are scheduled to be paid by the District pursuant to the Installment Purchase Agreement.

Installment Purchase Agreement. The term "Installment Purchase Agreement" means the Installment Purchase Agreement, dated as of _____ 1, 2026, by and between the District and the Corporation, as originally executed or as it may from time to time be amended or supplemented in accordance with its terms.

Interest Fund. The term "Interest Fund" means the fund by that name established in Section 5.2 hereof.

Investment Agreement. The term "Investment Agreement" means an investment agreement supported by appropriate opinions of counsel; provided the provider thereof or the guarantor thereof is rated, at the time of issuance, at least "A+" and "A1" by S&P and Moody's, respectively.

Letter of Representations. The term "Letter of Representations" means the letter of the District delivered to and accepted by the Depository on or prior to delivery of the Certificates as book-entry certificates setting forth the basis on which the Depository serves as depository for such book-entry certificates, as originally executed or as it may be supplemented or revised or replaced by a letter from the District delivered to and accepted by the Depository.

Moody's. The term "Moody's" means Moody's Investors Service, Inc., or any successor thereto.

Nominee. The term "Nominee" means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 2.10 hereof.

Outstanding. The term "Outstanding," when used as of any particular time with reference to Certificates, means (subject to the provisions of Section 11.4) all Certificates theretofore, or thereupon being, executed and delivered by the Trustee under the Agreement except: (1) Certificates theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (2) Certificates paid or deemed to have been paid within the meaning of Section 10.1; (3) Certificates in lieu of or in substitution for which other Certificates shall have been executed and delivered by the Trustee pursuant to Section 2.10; and (4) Certificates paid in accordance with the last sentence of Section 2.9.

Owner; Certificate Owner. The term "Owner" or "Certificate Owner," whenever used herein with respect to a Certificate, means the person in whose name the ownership of such Certificate is registered.

Participants. The term "Participants" means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as Securities Depository.

Payment Dates; Payment Date. The term "Payment Dates" means each February 1 and August 1, commencing _____ 1, 20__ and any date on which the unpaid Installment Payments are declared to be due and payable immediately and provided such declaration is not rescinded or annulled, all in accordance with Section 8.1 of the Installment Purchase Agreement.

Permitted Investments. The term "Permitted Investments" means any of the following obligations if and to the extent that they are permissible investments of funds of the District:

(a) Direct obligations of the United States (including obligations issued or held in book-entry form on the books of the Department of the Treasury, and CATS and TIGRS) or obligations the principal of and interest on which are unconditionally guaranteed by the United States.

(b) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States (stripped securities are only permitted if they have been stripped by the agency itself):

1. U.S. Export-Import Bank ("Eximbank")
   Direct obligations or fully guaranteed certificates of beneficial ownership

2. Farmers Home Administration ("FmHA")
   Certificates of beneficial ownership

3. Federal Financing Bank

4. Federal Housing Administration Debentures ("FHA")

5. General Services Administration
   Participation certificates

6. Government National Mortgage Association ("GNMA")
GNMA - guaranteed mortgage-backed bonds
GNMA - guaranteed pass-through obligations (not acceptable for certain cash-flow sensitive issues)

7. United States Maritime Administration
Guaranteed Title XI financing

8. United States Department of Housing and Urban Development ("HUD")
Project Notes
Local Authority Bonds
New Communities Debentures
United States government guaranteed debentures
United States Public Housing Notes and Bonds
United States government guaranteed public housing notes and bonds

(c) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit United States government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

1. Federal Home Loan Bank System
Senior debt obligations

2. Federal Home Loan Mortgage Corporation ("FHLMC")
Participation Certificates
Senior debt obligations

3. Federal National Mortgage Association ("FNMA")
Mortgage-backed securities and senior debt obligations

4. Student Loan Marketing Association ("SLMA")
Senior debt obligations

5. Resolution Funding Corporation obligations

6. Farm Credit System
Consolidated system-wide bonds and notes

(d) Money market mutual funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of "AAAm-G," "AAA-m" or "AA-m" and if rated by Moody's rated "Aaa," "Aa1" or "Aa2," including funds for which the Trustee or any of its affiliates (including any holding company, subsidiaries, or other affiliates) provides investment advisory or other management services, provided such funds satisfy the criteria contained in this Agreement, but excluding any such funds which have a floating net asset value.

(e) Certificates of deposit secured at all times by collateral described in clauses (a) and/or (b) above. Such certificates must be issued by commercial banks (including affiliates of the

Trustee), savings and loan associations or mutual savings banks. The collateral must be held by a third party and the bondholders must have a perfected first security interest in the collateral.

(f) Certificates of deposit, savings accounts, deposit accounts or money market deposits (including those of the Trustee and its affiliates) which are fully insured by the FDIC, or secured at all times by collateral described in clauses (a) and/or (b) above.

(g) Investment Agreements, including guaranteed investment contracts, forward purchase agreements and reserve fund put agreements.

(h) Commercial paper rated, at the time of purchase, "Prime-1" by Moody's and "A-1" or better by S&P.

(i) Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest Rating Categories assigned by such agencies.

(j) Federal funds or bankers' acceptances with a maximum term of one year of any bank (including those of the Trustee and its affiliates) which has an unsecured, uninsured and unguaranteed obligation rating of "Prime-1" or "A3" or better by Moody's and "A-1" or "A" or better by S&P.

(k) Repurchase agreements for thirty (30) days or less must follow the following criteria. Repurchase agreements which provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to a municipal entity (buyer/lender), and the transfer of cash from a municipal entity to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the municipal entity in exchange for the securities at a specified date; and:

1. Repurchase agreements must be between the municipal entity and a dealer bank or securities firm;

A. Primary dealers on the Federal Reserve reporting dealer list which are rated "A" or better by S&P and Moody's; or

B. Banks rated "A" or above by S&P and Moody's.

2. The written repurchase agreements contract must include the following:

A. Securities which are acceptable for transfer are:

(l) Direct United States governments, or

(2) Federal agencies backed by the full faith and credit of the United States government (and FNMA & FHLMC).

B. The term of a repurchase agreement may be up to thirty (30) days

C. The collateral must be delivered to the municipal entity, trustee (if trustee is not supplying the collateral) or third party acting as agent for the trustee (if the trustee is supplying the collateral) before/simultaneous with payment (perfection by possession of certificated securities).

D. Valuation of Collateral

(l) The securities must be valued weekly, marked to market at current market price plus accrued interest.

(2) The value of collateral must be equal to 104% of the amount of cash transferred by the municipal entity to the dealer bank or security firm under the repo plus accrued interest. If the value of securities held as collateral slips below 104% of the value of the cash transferred by municipality, then additional cash and/or acceptable securities must be transferred. If, however, the securities used as collateral are FNMA or FHLMC, then the value of collateral must equal 105%.

(3) A legal opinion must be delivered to the municipal entity to the effect that the repurchase agreement meets guidelines under state law for legal investment of public funds.

(l) Any state administered pool investment fund in which the District is statutorily permitted or required to invest will be deemed a permitted investment, including, but not limited to the Local Agency Investment Fund in the treasury of the State.

(m) Pre-refunded Municipal Obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice:

(1) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of Fitch, Moody's, or S&P or any successors thereto; or

(2) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraphs (a) or (b) above, which escrow may be applied only to the payment of such principal and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; and (ii) which escrow is sufficient, as verified by a nationally recognized firm of independent certified public accountants, to pay principal and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate.

Prepayment Fund. The term "Prepayment Fund" means the fund by that name established in Section 5.2 hereof.

Prepayment Price. The term "Prepayment Price" means the principal amount with respect to any Certificate (or portion thereof) plus the applicable premium, if any, payable upon prepayment thereof pursuant to the provisions of such Certificate and this Agreement.

Principal Fund. The term "Principal Fund" means the fund by that name established in Section 5.2 hereof.

Rebate Fund. The term "Rebate Fund" means the fund by that name established for the Certificates pursuant to Section 5.6.

Record Date. The term "Record Date" means, with respect to any Payment Date, the fifteenth (15th) day of the calendar month preceding such Payment Date, whether or not such day is a Business Day.

S&P. The term "S&P" means S&P Global Ratings, a Standard & Poor's Financial Services LLC business, or any successor thereto.

Securities Depositories. The term "Securities Depositories" means The Depository Trust Company; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the District may designate in a Written Request of the District delivered to the Trustee.

Special Counsel. The term "Special Counsel" means Stradling Yocca Carlson & Rauth LLP, or any attorney at law or firm of attorneys selected by the District, of nationally-recognized standing in matters pertaining to the federal tax exemption of interest on bonds issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

Statement of the Corporation or District. The term "Statement of the Corporation or District" means a statement signed by or on behalf of (i) the Corporation by its President or a Vice President or (ii) the District by the President and by the Secretary or by any two persons (whether or not members of the Board of Directors) who are specifically authorized by resolution of the District to sign or execute such a document on its behalf. If and to the extent required by the provisions of Section 1.3, each Statement of the Corporation or District shall include the statements provided for in Section 1.3.

Tax Certificate. The term "Tax Certificate" means the Tax Certificate dated the Closing Date, concerning certain matters pertaining to the use and investment of proceeds of the Certificates executed by and delivered to the District on the date of execution and delivery of the Certificates, including any and all exhibits attached thereto.

Trustee. The term "Trustee" means U.S. Bank Trust Company, National Association, a national banking association duly organized and existing under the laws of the United States of America, or its successor as Trustee hereunder, as provided in Section 8.3.

Section 1.2 Rules of Construction. Words of any gender shall be deemed and construed to include all genders, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons. Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa.

Section 1.3 Content of Statements and Opinions. Every statement or opinion with respect to compliance with a condition or covenant provided for in this Agreement, including each Statement of the Corporation, shall include (a) a statement that the person or persons making or giving such statement or opinion have read such covenant or condition and the definitions herein relating thereto;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such statement or opinion are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such covenant or condition has been complied with; and (d) a statement as to whether, in the opinion of the signers, such condition or covenant has been complied with.

Any such statement or opinion made or given by an officer of the Corporation may be based, insofar as it relates to legal or accounting matters, upon a statement or opinion of or representations by counsel, accountants or consultants, unless such officer knows, or in the exercise of reasonable care should have known, that the statement or opinion or representations with respect to the matters upon which his statement or opinion may be based, as aforesaid, are erroneous. Any such statement or opinion made or given by counsel, accountants or consultants may be based, insofar as it relates to factual matters, upon information with respect to which is in the possession of the Corporation, or upon the statement or opinion of or representations by an officer or officers of the Corporation, unless such counsel, accountant or consultant knows, or in the exercise of reasonable care should have known, that the statement or opinion or representations with respect to the matters upon which his opinion may be based as aforesaid are erroneous.

Section 1.4 Recitals.

(a) Installment Purchase Agreement. The Corporation has agreed to assist the District in financing the Project.

(b) Installment Payments. Under the Installment Purchase Agreement, the District is obligated to pay to the Corporation or its assigns Installment Payments for the purchase of the Project.

(c) Assignment Agreement. For the purpose of obtaining the moneys required to be deposited by the Corporation with the Trustee, and for the purpose of securing the obligations of the Corporation hereunder, the Corporation has assigned and transferred certain of its rights under the Installment Purchase Agreement to the Trustee, pursuant to the Assignment Agreement; and in consideration of such assignment and the execution of this Agreement, the Trustee has agreed to execute and deliver certificates of participation, each evidencing an interest in the Installment Payments in an aggregate amount equal to the aggregate principal amount of certificates of participation so executed and delivered.

(d) Conditions Precedent Satisfied. The District and the Corporation hereby certify that all acts, conditions and things required by law to exist, happen and be performed precedent to and in connection with the execution and entering into of this Agreement have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly empowered to execute and enter into this Agreement.

ARTICLE II

CERTIFICATES; TERMS AND PROVISIONS

Section 2.1 Preparation of Certificates. The Trustee is hereby authorized to execute certificates of participation, to be denominated "Revenue Certificates of Participation, Series 2026A"

in an aggregate principal amount of $_____ evidencing undivided interests in Installment Payments to be paid by the District under the Installment Purchase Agreement.

Section 2.2 Denominations; Medium and Place of Payment; Dating. The Certificates shall be delivered in the form of fully registered Certificates and in the denomination of $5,000 each or any integral multiple thereof; provided that no Certificate shall have principal represented thereby maturing in more than one year.

The principal and Prepayment Price with respect to the Certificates shall be payable in lawful money of the United States of America upon presentation and surrender thereof at the Designated Corporate Trust Office of the Trustee. Interest with respect to the Certificates shall be payable by check of the Trustee mailed by first class mail on each Payment Date of the Certificates to the respective Certificate Owners of record thereof as of the close of business on the Record Date at the addresses shown on the books required to be kept pursuant to Section 2.8 or, upon the written request received by the Trustee of an Owner of at least $1,000,000 in aggregate principal amount of the Certificates, by wire transfer of immediately available funds to an account in the United States designated by such Owner prior to the applicable Record Date.

The Certificates shall be dated as of the date of initial delivery thereof. Interest with respect to the Certificates shall be payable from the Payment Date preceding their date of execution, unless such date shall be after a Record Date and on or before the succeeding Payment Date, in which case interest shall be payable from such Payment Date or unless such date shall be on or before the first Record Date, in which case interest shall be payable as of the date of initial delivery thereof provided, however, that if, as shown by the records of the Trustee, interest represented by the Certificates shall be in default, Certificates executed in exchange for Certificates surrendered for transfer or exchange shall represent interest from the last date to which interest has been paid in full or duly provided for with respect to the Certificates, or, if no interest has been paid or duly provided for with respect to the Certificates, as of the date of initial delivery thereof.

Section 2.3 Payment of Principal and Interest with Respect to Certificates.

(a) The Certificates shall become payable on February 1 in the years and in the amounts and with an interest component as provided in subsection (b) below at the rates, as follows:

Maturity Date (February 1)	*Principal Amount*	*Interest Rate*

* Term Bonds

Principal or Prepayment Price with respect to the Certificates at maturity or prepayment thereof shall, to the extent of the aggregate principal amount stated upon the Certificates, represent the sum of those portions of the Installment Payments designated as principal coming due on the Installment Payment Dates immediately preceding February 1 in each year. Interest with respect to the Certificates shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

(b) Interest with respect to the Certificates shall be payable on each Interest Payment Date to and including the date of maturity or prior prepayment. Said interest shall represent the sum of those portions of the Installment Payments designated as interest coming due on the Installment Payment Dates, at the rates set forth in subsection (a) above.

Section 2.4 Form of Certificates. The Certificates and the form of assignment to appear thereon shall be in substantially the form set forth in Exhibit A hereto with necessary or appropriate variations, omissions and insertions as permitted or required by this Agreement.

Section 2.5 Execution. The Certificates shall be executed by and in the name of the Trustee, as trustee under this Agreement, by the manual signature of an authorized officer or signatory of the Trustee.

Section 2.6 Transfer of Certificates. Any Certificate may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 2.8, by the person in whose name it is registered, in person or by such person's duly authorized attorney, upon surrender of such Certificate for cancellation at the Designated Corporate Trust Office of the Trustee, accompanied by delivery of a duly executed written instrument of transfer in a form satisfactory to the Trustee.

Whenever any Certificate or Certificates shall be surrendered for transfer, the Trustee shall execute and deliver a new Certificate or Certificates of the same maturity, for a like aggregate principal amount and of authorized denomination or denominations. The Trustee may charge a sum for each new Certificate executed and delivered upon any transfer. The Trustee may require the payment by any Certificate Owner requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer. Following any transfer of Certificates the Trustee shall cancel and dispose of the Certificates it has received, in accordance with its then customary practices.

Section 2.7 Exchange of Certificates. Certificates may be exchanged at the Designated Corporate Trust Office of the Trustee, for a like aggregate principal amount of Certificates of other authorized denominations of the same maturity. The Trustee may charge a sum for each new Certificate executed and delivered upon any exchange except in the case of any exchange of temporary

Certificates for definitive Certificates. The Trustee may require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. Following any exchange of Certificates the Trustee shall cancel and dispose of the Certificates it has received in accordance with its then customary practices.

The Trustee shall not be required to register the exchange, or transfer pursuant to Section 2.6 hereof, of any Certificate (i) within fifteen (15) days preceding selection of Certificates for prepayment or (ii) selected for prepayment.

Section 2.8 Certificate Registration Books. The Trustee will keep or cause to be kept sufficient books for the registration and transfer of the Certificates, which shall upon reasonable prior written notice and at all reasonable times be open to inspection by the Corporation or the District; and, upon presentation for such purpose, the Trustee shall, under then customary and standard regulations, register or transfer or cause to be registered or transferred, on said books, Certificates as hereinbefore provided.

The person in whose name any Certificate shall be registered shall be deemed the Owner thereof for all purposes hereof, and payment of or on account of the interest with respect to and principal of, and Prepayment Price represented by such Certificate shall be made only to or upon the order in writing of such registered Owner, which payments shall be valid and effectual to satisfy and discharge liability upon such Certificate to the extent of the sum or sums so paid.

Section 2.9 Certificates Mutilated, Lost, Destroyed or Stolen. If any Certificate shall become mutilated, the Trustee shall execute and deliver a new Certificate of like tenor, maturity and principal amount in exchange and substitution for the Certificate so mutilated, but only upon surrender to the Trustee of the Certificate so mutilated.

Every mutilated Certificate so surrendered to the Trustee shall be canceled by it and disposed of, in accordance with its then customary practices. If any Certificate shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee, and, if such evidence is satisfactory to the Trustee and indemnity satisfactory to the Trustee shall be given indemnifying the Trustee, the Corporation and the District, the Trustee, at the expense of the Certificate Owner, shall execute and deliver a new Certificate of like tenor and maturity in lieu of and in substitution for the Certificate so lost, destroyed or stolen. The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Certificate executed under this Section and of the expenses which may be incurred by the Trustee under this Section. Any Certificate executed under the provisions of this Section in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of this Agreement with all other Certificates secured by this Agreement. The Trustee shall not be required to treat both the original Certificate and any replacement Certificate as being Outstanding for the purpose of determining the principal amount of Certificates which may be executed hereunder or for the purpose of determining any percentage of Certificates Outstanding hereunder, but both the original and replacement Certificate shall be treated as one and the same. Notwithstanding any other provision of this Section, in lieu of delivering a new Certificate for a Certificate which has been mutilated, lost, destroyed or stolen and which has matured or has been selected for prepayment, the Trustee may, at the written direction of the District, make payment of such Certificate upon receipt of indemnity satisfactory to the Trustee.

Section 2.10 Book-Entry System.

(a) Election of Book-Entry System. Prior to the execution and delivery of the Certificates, the District may provide that such Certificates shall be initially executed and delivered as book-entry Certificates. If the District shall elect to deliver any Certificates in book-entry form, then the District shall cause the delivery of a separate single fully registered certificate (which may be typewritten) for each maturity date of such Certificates in an authorized denomination corresponding to that total principal amount of the Certificates designated to mature on such date. Upon initial execution and delivery, the ownership of each such Certificate shall be registered in the Certificate registration books in the name of the Nominee, as nominee of the Depository and ownership of the Certificates, or any portion thereof may not thereafter be transferred except as provided in Section 2.10(e).

With respect to book-entry Certificates, the District and the Trustee shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such book-entry Certificates. Without limiting the immediately preceding sentence, the District and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in book-entry Certificates, (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Certificate registration books, of any notice with respect to book-entry Certificates, including any notice of prepayment, (iii) the selection by the Depository and its Participants of the beneficial interests in book-entry Certificates to be prepaid in the event the District prepays the Certificates in part, or (iv) the payment by the Depository or any Participant or any other person, of any amount with respect to principal, premium, if any, or interest with respect to book-entry Certificates. The District and the Trustee may treat and consider the person in whose name each book-entry Certificate is registered in the Certificate registration books as the absolute Owner of such book-entry Certificate for the purpose of payment of principal, premium, if any, and interest with respect to such Certificate, for the purpose of giving notices of prepayment and other matters with respect to such Certificate, for the purpose of registering transfers with respect to such Certificate, and for all other purposes whatsoever. The Trustee shall pay all principal, premium, if any, and interest with respect to the Certificates only to or upon the order of the respective Owner, as shown in the Certificate register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, premium, if any, and interest evidenced and represented by the Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Certificate registration books, shall receive a Certificate evidencing the obligation to make payments of principal, premium, if any, and interest evidenced and represented by the Certificates. Upon delivery by the Depository to the Owner and the Trustee, of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to Record Dates, the word Nominee in this Agreement shall refer to such nominee of the Depository.

(b) Delivery of Letter of Representations. In order to qualify the book-entry Certificates for the Depository's book-entry system, if no Letter of Representations has been filed previously, the District shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the District any obligation whatsoever with respect to persons having interests in such book-entry Certificates other than the Owners, as shown on the Certificate registration books. By executing a Letter of Representations, the District shall agree to take all action necessary at all times so that the District will be in compliance with all representations of the District in such Letter of Representations. In addition to the execution and delivery of a Letter of Representations, the District shall take such other actions,

not inconsistent with this Agreement, as are reasonably necessary to qualify Book-Entry Certificates for the Depository's book-entry program.

(c) Selection of Depository. In the event (i) the Depository determines not to continue to act as securities depository for book-entry Certificates, or (ii) the District determines that continuation of the book-entry system is not in the best interest of the beneficial owners of the Certificates or the District, then the District will discontinue the book-entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered Certificate for each of the maturity dates of such book-entry Certificates, registered in the name of such successor or substitute qualified securities depository or its Nominee as provided in subsection (e) hereof. If the District fails to identify another qualified securities depository to replace the Depository, then the Certificates shall no longer be restricted to being registered in such Certificate register in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging such Certificates shall designate, in accordance with the provisions of Sections 2.6 and 2.7 hereof.

(d) Payments To Depository. Notwithstanding any other provision of this Agreement to the contrary, so long as all Outstanding Certificates are held in book-entry form and registered in the name of the Nominee, all payments with respect to principal, prepayment premium, if any, and interest with respect to such Certificate and all notices with respect to such Certificate shall be made and given, respectively to the Nominee, as provided in the Letter of Representations or as otherwise instructed by the Depository and agreed to by the Trustee notwithstanding any inconsistent provisions herein.

(e) Transfer of Certificates to Substitute Depository.

(i) The Certificates shall be initially executed and delivered as provided in Section 2.1 hereof. Registered ownership of such Certificates, or any portions thereof, may not thereafter be transferred except:

(A) to any successor of DTC or its nominee, or of any substitute depository designated pursuant to clause (B) of subsection (i) of this Section 2.10(e) ("Substitute Depository"); provided that any successor of DTC or Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(B) to any Substitute Depository, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC (or its successor) is no longer able to carry out its functions as depository; provided that any such Substitute Depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(C) to any person as provided below, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC or its successor (or Substitute Depository or its successor) is no longer able to carry out its functions as depository.

(ii) In the case of any transfer pursuant to clause (A) or clause (B) of subsection (i) of this Section 2.10(e), upon receipt of all Outstanding Certificates by the Trustee,

together with a written request of the District to the Trustee designating the Substitute Depository, a single new Certificate, which the District shall prepare or cause to be prepared, shall be executed and delivered for each maturity of Certificates then Outstanding, registered in the name of such successor or such Substitute Depository or their Nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to clause (C) of subsection (i) of this Section 2.10(e), upon receipt of all Outstanding Certificates by the Trustee, together with a written request of the District to the Trustee, new Certificates, which the District shall prepare or cause to be prepared, shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such written request of the District, subject to the limitations of Section 2.10 hereof, provided that the Trustee shall not be required to deliver such new Certificates within a period of less than sixty (60) days from the date of receipt of such written request from the District.

(iii) In the case of a partial prepayment or an advance refunding of any Certificates evidencing a portion of the principal maturing in a particular year, DTC or its successor (or any Substitute Depository or its successor) shall make an appropriate notation on such Certificates indicating the date and amounts of such reduction in principal, in form acceptable to the Trustee, all in accordance with the Letter of Representations. The Trustee shall not be liable for such Depository's failure to make such notations or errors in making such notations.

(iv) The District and the Trustee shall be entitled to treat the person in whose name any Certificate is registered as the Owner thereof for all purposes of this Agreement and any applicable laws, notwithstanding any notice to the contrary received by the Trustee or the District; and the District and the Trustee shall not have responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Certificates. Neither the District nor the Trustee shall have any responsibility or obligation, legal or otherwise, to any such beneficial owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of any Certificates, and the Trustee may rely conclusively on its records as to the identity of the Owners of the Certificates.

ARTICLE III

DELIVERY OF CERTIFICATES; DELIVERY COST FUND

Section 3.1 Delivery of Certificates. The Trustee is hereby authorized to execute and deliver Certificates in an aggregate principal amount of $_____ upon the Written Order of the District.

Section 3.2 Application of Proceeds of Certificates and Certain Other Moneys. The proceeds received from the sale of the Certificates shall be deposited with the Trustee in the Certificate Proceeds Fund, which the Trustee shall establish, maintain and hold in trust as a separate fund and shall transfer $_____ into the Delivery Cost Fund and transfer $_____ to, or at the written direction of, the District for deposit in the Acquisition Fund to pay the cost of the acquisition of the Project and the prepayment of the Prior Agreements. The Trustee shall close the Certificate Proceeds Fund, after such allocations have been made. The Trustee may establish temporary funds or accounts in its records in order to record and facilitate such deposits and transfer.

Section 3.3 Validity of Certificates. The validity of the execution and delivery of the Certificates is not dependent on and shall not be affected in any way by any proceedings taken by the District, the Corporation or the Trustee with respect to or in connection with the Installment Purchase

Agreement. The recital contained in the Certificates that all acts, conditions and things required by the Constitution and statutes of the State of California and this Agreement to exist, to have happened and to have been performed precedent to and in the delivery thereof do exist, have happened and have been performed in due time, form and manner as required by law shall be conclusive evidence of their validity and of compliance with the provisions of law in their delivery.

Section 3.4 Delivery Cost Fund. There is hereby established with the Trustee the Delivery Cost Fund which the Trustee shall establish and maintain and hold in trust separate and apart from other funds held by it. The moneys in the Delivery Cost Fund shall be used and withdrawn by the Trustee to pay Delivery Costs upon submission of Written Requisitions of the District, in the form attached hereto as Exhibit B stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred, that such payment is a proper charge against said fund and that payment for such charge has not previously been made. On the six month anniversary of the date of this Agreement, or upon the earlier Written Request of the District, all amounts remaining in the Delivery Cost Fund shall be transferred by the Trustee for deposit in the Certificate Payment Fund.

ARTICLE IV

PREPAYMENT OF CERTIFICATES

Section 4.1 Terms of Prepayment.

(a) The Certificates with stated maturities on or after February 1, 20__ are subject to prepayment prior to such stated maturity, as a whole or in part on any date in the order of maturity as directed by the District in a Written Request provided to the Trustee not more than sixty (60) days nor less than twenty (20) days prior to such date and by lot within each maturity in integral multiples of $5,000, on or after February 1, 20__, from amounts prepaid by the District pursuant to the Installment Purchase Agreement at a Prepayment Price equal to the principal amount of such Certificates to be prepaid plus accrued interest evidenced and represented thereby to the date fixed for prepayment without premium.

(b) The Certificates with a stated maturity on February 1, 20__ are subject to mandatory sinking fund prepayment prior to such stated maturity, by lot, on February 1, 20__ in integral multiples of $5,000 solely from the scheduled Installment Payment paid by the District under the Installment Purchase Agreement, at a Prepayment Price equal to the principal amount thereof (together with accrued interest evidenced to the date fixed for prepayment), without premium, in accordance with the following schedule:

Redemption Date (February 1)	***Principal Amount***

(d) The Certificates with a stated maturity on February 1, 20_ are subject to mandatory sinking fund prepayment prior to such stated maturity, by lot, on each February 1 on and after February 1, 20__ in integral multiples of $5,000 solely from scheduled Installment Payments paid by the District under the Installment Purchase Agreement, at a Prepayment Price equal to the principal

amount thereof (together with accrued interest evidenced to the date fixed for prepayment), without premium, in accordance with the following schedule:

Redemption Date (February 1)	***Principal Amount***

Section 4.2 Selection of Certificates for Prepayment. Whenever less than all of the Certificates are called for prepayment, the Trustee shall select the Certificates or portions thereof to be prepaid from the Outstanding Certificates in accordance with Section 4.1 hereof. The Trustee shall promptly notify the District in writing of the numbers of the Certificates or portions thereof so selected for prepayment. In the event the term Certificates are designated for prepayment, the District may designate which sinking account payments are allocated to such prepayment.

Section 4.3 Notice of Prepayment. Notice of prepayment shall be mailed, first class postage prepaid, or provided through other electronically secure means to be determined by the District and communicated to the Trustee in writing, to the respective Owners of any Certificates designated for prepayment at their addresses appearing on the Certificate registration books and to the Information Services and Securities Depositories at least twenty (20) days but not more than sixty (60) days prior to the prepayment date.

Each notice of prepayment shall state the date of notice, the prepayment date, the place or places of prepayment and the Prepayment Price, shall designate the maturities, CUSIP numbers, if any, and, if less than all Certificates of any such maturity are to be prepaid, the serial numbers of the Certificates of such maturity to be prepaid by giving the individual number of each Certificate or by stating that all Certificates between two stated numbers, both inclusive, have been called for prepayment and, in the case of Certificates to be prepaid in part only, the respective portions of the principal amount thereof to be prepaid. Each such notice shall also state that on said date there will become due and payable with respect to each of said Certificates the Prepayment Price thereof or of said specified portion of the principal represented thereby in the case of a Certificate to be prepaid in part only, together with interest accrued with respect thereto to the prepayment date, and that (provided that moneys for prepayment have been deposited with the Trustee) from and after such prepayment date interest with respect thereto shall cease to accrue, and shall require that such Certificates be then surrendered to the Trustee. Any defect in the notice or the mailing thereof will not affect the validity of the prepayment of any Certificate.

Notice of prepayment of Certificates shall be given by the Trustee on behalf of and at the expense of the District.

With respect to any notice of optional prepayment of Certificates, such notice may state that such prepayment shall be conditional upon the receipt by the Trustee on or prior to the date fixed for such prepayment of moneys that are sufficient to pay the principal of, premium, if any, and interest with respect to such Certificates to be prepaid and that, if such moneys shall not have been so received, said notice shall be of no force and effect and the Trustee shall not be required to prepay such Certificates. In the event that such notice of prepayment contains such a condition and such moneys are not so received, the prepayment shall not be made, and the Trustee shall within a reasonable time

thereafter give notice, in the manner in which the notice of prepayment was given, that such moneys were not so received.

Section 4.4 Partial Prepayment of Certificate. Upon surrender of any Certificate prepaid in part only, the Trustee shall execute and deliver to the Owner thereof, at the expense of the District, a new Certificate or Certificates of authorized denominations equal in aggregate principal amount to the unprepaid portion of the Certificate surrendered and of the same maturity.

Section 4.5 Effect of Prepayment. When notice of prepayment has been duly given as aforesaid, and moneys for payment of the Prepayment Price of, together with interest accrued to the prepayment date with respect to, the Certificates (or portions thereof) so called for prepayment are held by the Trustee, the Certificates (or portions thereof) so called for prepayment shall, on the prepayment date designated in such notice, become due and payable at the Prepayment Price specified in such notice and interest accrued thereon to the prepayment date; and from and after the prepayment date interest represented by the Certificates so called for prepayment shall cease to accrue, said Certificates (or portions thereof) shall cease to be entitled to any benefit or security under this Agreement, and the Owners of said Certificates shall have no rights in respect thereof except to receive payment of said Prepayment Price and accrued interest.

All Certificates prepaid pursuant to the provisions of this Article shall be canceled upon surrender thereof and disposed of by the Trustee, in accordance with its then customary practices.

ARTICLE V

INSTALLMENT PAYMENTS

Section 5.1 Pledge and Deposit of Installment Payments. The Installment Payments are hereby irrevocably pledged to, and shall be used for, the punctual payment of the Certificates, and the Installment Payments shall not be used for any other purpose while any of the Certificates remain Outstanding. This pledge shall constitute a first and exclusive lien on the Installment Payments in accordance with the terms hereof.

All Installment Payments to which the Corporation may at any time be entitled (including income or profit from investments pursuant to Section 5.3) shall be paid directly to the Trustee pursuant to the terms of the Assignment Agreement, and if received by the Corporation at any time shall be deposited by the Corporation with the Trustee within one (1) Business Day after the receipt thereof, and the Trustee shall deposit all Installment Payments as and when received in the Certificate Payment Fund. All moneys at any time deposited in the Certificate Payment Fund shall be held by the Trustee in trust for the benefit of the Owners from time to time of the Certificates, but shall nevertheless be disbursed, allocated and applied solely for the uses and purposes herein set forth.

Section 5.2 Certificate Payment Fund. There is hereby established with the Trustee the Certificate Payment Fund which the Trustee covenants to maintain and hold in trust separate and apart from other funds held by it so long as any Installment Payments remain unpaid. All moneys on deposit in the Certificate Payment Fund (including income or profit from investments) shall be retained therein except as expressly provided herein.

The Trustee shall transfer from the Certificate Payment Fund the following amounts at the times and in the manner hereinafter provided, and shall deposit such amounts in one or more of the

following respective funds, each of which the Trustee shall establish and maintain and hold in trust separate and apart from other funds held by it, and each of which shall be disbursed and applied only as hereinafter authorized. Such amounts shall be so transferred to and deposited in the following respective funds in the following order of priority, the requirements of each such fund at the time of deposit to be satisfied before any transfer is made to any fund subsequent in priority:

(a) Interest Fund. The Trustee, on the last Business Day before each Interest Payment Date (commencing on the last Business Day of _____ 20__), shall deposit in the Interest Fund an amount representing the portion of the Installment Payments designated as interest coming due on the next succeeding February 1 or August 1, as the case may be. No deposit need be made into the Interest Fund so long as there shall be in such fund moneys sufficient to pay the interest portion of Certificates then Outstanding due, if any, on the next February 1 or August 1, as the case may be.

Except as hereinafter provided, moneys in the Interest Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the interest with respect to the Certificates when due and payable (including accrued interest with respect to any Certificates prepaid prior to maturity pursuant to this Agreement).

(b) Principal Fund. The Trustee, on the last Business Day before each February 1 (commencing on the last Business Day of February, 2040), shall deposit in the Principal Fund an amount equal to the principal coming due with respect to the Certificates on the next succeeding February 1. No deposit need be made into the Principal Fund so long as there shall be in such fund moneys sufficient to pay the portion of all Certificates then Outstanding designated as principal and coming due on the next succeeding February 1.

Except as hereinafter provided, moneys in the Principal Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the principal with respect to the Certificates when due and payable.

(c) Prepayment Fund. Moneys to be used for prepayment pursuant to Section 4.1 hereof and paid by the District pursuant to Section 7.1 of the Installment Purchase Agreement shall be transferred by the Trustee from the Certificate Payment Fund (such Prepayment Fund to be opened by the Trustee, as needed, and upon receipt of written request of the Trustee from the District) and deposited in the Prepayment Fund on the prepayment date specified in the Written Request of the District filed with the Trustee pursuant to Section 7.2 of the Installment Purchase Agreement. Said moneys shall be set aside in the Prepayment Fund solely for the purpose of prepaying the Certificates in advance of their respective stated maturities and shall be applied on or after the date specified for prepayment pursuant to Section 4.1 hereof to the payment of the Prepayment Price with respect to the Certificates to be prepaid upon presentation and surrender of such Certificates.

Section 5.3 Investment of Moneys in Special Funds. Any moneys in the Delivery Cost Fund, the Certificate Payment Fund, the Interest Fund, the Principal Fund and the Prepayment Fund shall be invested by the District or, upon the Written Request of the District, by the Trustee, in Permitted Investments which will mature on or before the dates when such moneys are scheduled to be needed for payment from such fund. Securities acquired as an investment of moneys in a fund shall be credited to such fund.

In the absence of written investment direction from the District, the Trustee shall invest moneys held by it solely in Permitted Investments specified in clause (d) of the definition thereof; provided,

however, that any such investment shall be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee shall have received a written direction from the District specifying a specific money market fund and, if no such written direction from the District is so received, the Trustee shall hold such moneys uninvested. Except as otherwise expressly provided herein, investments shall be valued by the Trustee, as directed in a written Request of the District at the market value thereof, exclusive of accrued interest. Deficiencies in the amount on deposit in any fund or account resulting from a decline in market value shall be restored no later than the succeeding annual valuation date. The Trustee shall also value investments hereunder in connection with the refunding or prepayment of the Certificates as directed in a Written Request of the District.

Subject to the further provisions of Section 5.3 hereof, the Trustee may sell or present for prepayment any obligations so purchased at the written direction of the District whenever it shall be necessary in order to provide moneys to meet any payment, and the Trustee shall not be liable or responsible for any losses, fees, taxes or other charges resulting from such investment, reinvestment or liquidations of investments made pursuant to this Section. The Trustee or an affiliate may act as principal or agent in the acquisition or disposition of any investment and shall be entitled to its customary fee therefor. The Trustee may commingle any of the funds or accounts established pursuant to this Agreement into a separate fund or funds for investment purposes only; provided, however, that all funds or accounts held by the Trustee hereunder shall be accounted for separately notwithstanding such commingling.

Section 5.4 Reserved.

Section 5.5 Pledge of Moneys in Funds. All amounts on deposit in the Delivery Cost Fund, the Certificate Payment Fund, the Interest Fund, the Principal Fund and the Prepayment Fund are hereby irrevocably pledged to the Owners of the Certificates as provided herein. This pledge shall constitute a first and exclusive lien on the Delivery Cost Fund, the Certificate Payment Fund, the Interest Fund, the Principal Fund and the Prepayment Fund for the benefit of the Owners of the Certificates in accordance with the terms hereof and of the Installment Purchase Agreement.

Section 5.6 Rebate Fund.

(a) Establishment. The Trustee shall establish a separate account, as necessary, for the Certificates designated the "Rebate Fund" (to be opened by the Trustee, as needed, and upon receipt of written request by the Trustee from the District). Absent an opinion of Special Counsel that the exclusion from gross income for federal income tax purposes of interest with respect to the Certificates will not be adversely affected, the District shall cause to be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to this Section and the Tax Certificate. All money at any time deposited in the Rebate Fund shall be held by the Trustee in trust for payment to the United States Treasury. All amounts on deposit in the Rebate Fund for the Certificates shall be governed by this Section and the Tax Certificate for the Certificates, unless and to the extent that the District delivers to the Trustee an opinion of Special Counsel that the exclusion from gross income for federal income tax purposes of interest with respect to the Certificates will not be adversely affected if such requirements are not satisfied. The Trustee shall be deemed conclusively to have complied with the provisions of this Section and the Tax Certificate if the Trustee follows the directions of the District and the Trustee shall have no independent responsibility to or liability resulting from failure of the Trustee to enforce compliance by the District with the Tax Certificate or the provisions of this Section.

(i) Annual Computation. Within fifty-five (55) days of the end of each Certificate Year (as such term is defined in the Tax Certificate), the District shall calculate or cause to be calculated the amount of rebatable arbitrage, in accordance with Section 148(f)(2) of the Code and Section 1.148-3 of the Treasury Regulations (taking into account any applicable exceptions with respect to the computation of the rebatable arbitrage, described, if applicable, in the Tax Certificate (e.g., the temporary investments exceptions of Section 148(f)(4)(B) and the construction expenditures exception of Section 148(f)(4)(C) of the Code), and taking into account whether the election pursuant to Section 148(f)(4)(C)(vii) of the Code (the "1½% Penalty") has been made), for this purpose treating the last day of the applicable Certificate Year as a computation date, within the meaning of Section 1.148-1(b) of the Treasury Regulations (the "Rebatable Arbitrage"). The District shall obtain expert advice as to the amount of the Rebatable Arbitrage to comply with this Section.

(ii) Annual Transfer. Within fifty-five (55) days of the end of each Certificate Year, upon the written Request of the District, an amount shall be deposited to the Rebate Fund by the Trustee from any Revenues legally available for such purpose (as specified by the District in the aforesaid written Request), if and to the extent required so that the balance in the Rebate Fund shall equal the amount of Rebatable Arbitrage so calculated in accordance with (i) of this subsection (a). In the event that immediately following the transfer required by the previous sentence, the amount then on deposit to the credit of the Rebate Fund exceeds the amount required to be on deposit therein, upon written Request of the District, the Trustee shall withdraw the excess from the Rebate Fund and then credit the excess to the Revenue Fund.

(iii) Payment to the Treasury. The Trustee shall pay, as directed by written Request of the District, to the United States Treasury, out of amounts in the Rebate Account,

(A) Not later than sixty (60) days after the end of (X) the fifth Certificate Year, and (Y) each applicable fifth Certificate Year thereafter, an amount equal to at least 90% of the Rebatable Arbitrage calculated as of the end of such Certificate Year; and

(B) Not later than sixty (60) days after the payment of all the Certificates, an amount equal to 100% of the Rebatable Arbitrage calculated as of the end of such applicable Certificate Year, and any income attributable to the Rebatable Arbitrage, computed in accordance with Section 148(f) of the Code and Section 1.148-3 of the Treasury Regulations.

In the event that, prior to the time of any payment required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the District shall calculate or cause to be calculated the amount of such deficiency and deposit an amount received from any legally available source equal to such deficiency prior to the time such payment is due. Each payment required to be made pursuant to this subsection (a) shall be made to the Internal Revenue Service Center, Ogden, Utah 84201 on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, or shall be made in such other manner as provided under the Code.

(b) Disposition of Unexpended Funds. Any funds remaining in the Rebate Fund after redemption and payment of the Certificates and the payments described in subsection (a) above being made may be withdrawn by the District and utilized in any manner by the District.

(c) Survival of Defeasance. Notwithstanding anything in this Section to the contrary, the obligation to comply with the requirements of this Section shall survive the defeasance or payment in full of the Certificates.

ARTICLE VI

COVENANTS

Section 6.1 Corporation and District to Perform Under Installment Purchase Agreement. The Corporation and District covenant and agree with the Owners of the Certificates to perform all obligations and duties imposed on them under the Installment Purchase Agreement and, together with the Trustee, to enforce such Installment Purchase Agreement against the other party thereto in accordance with its terms.

The Corporation and the District will in all respects promptly and faithfully keep, perform and comply with all the terms, provisions, covenants, conditions and agreements of the Installment Purchase Agreement to be kept, performed and complied with by it.

The Corporation and the District agree not to do or permit anything to be done, or omit or refrain from doing anything, in any case where any such act done or permitted to be done, or any such omission of or refraining from action, would or might be a ground for cancellation or termination of the Installment Purchase Agreement.

Section 6.2 Budgets. On or prior to the fifteenth day of each Fiscal Year, the District shall certify to the Trustee that the amounts budgeted for payment of Installment Payments are fully adequate for the payment of all Installment Payments due under the Installment Purchase Agreement for such Fiscal Year. If the amounts so budgeted are not adequate for the payment of Installment Payments due under the Installment Purchase Agreement, the District will take such action as may be necessary to cause such annual budget to be amended, corrected or augmented so as to include therein the amounts required to be raised by the District in the then ensuing Fiscal Year for the payment of Installment Payments due under the Installment Purchase Agreement and will notify the Trustee in writing of the proceedings then taken or proposed to be taken by the District.

Section 6.3 Tax Covenants. Notwithstanding any other provision of this Agreement, and except as may otherwise be approved by an opinion of Special Counsel that the exclusion from gross income of the portion of interest with respect to the Certificates will not be adversely affected for federal income tax purposes, the District covenants to comply with all applicable requirements of the Code necessary to preserve such exclusion from gross income with respect to the Certificates and specifically covenants, without limiting the generality of the foregoing, as follows:

(a) Private Activity. The District will take no action or refrain from taking any action or make any use of the proceeds of the Certificates or of any other moneys or property which would cause the Certificates to be "private activity bonds" within the meaning of Section 141 of the Code necessary to preserve the exclusion of interest with respect to the Certificates pursuant to Section 103(a) of the Code.

(b) Arbitrage. The District will make no use of the proceeds of the Certificates or of any other amounts or property, regardless of the source, or take any action or refrain from taking

any action which will cause the Certificates to be "arbitrage bonds" within the meaning of Section 148 of the Code.

(c) Federal Guarantee. The District will make no use of the proceeds of the Certificates or take or omit to take any action that would cause the Certificates to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(d) Information Reporting. The District will take or cause to be taken all necessary action to comply with the informational reporting requirement of Section 149(e) of the Code.

(e) Hedge Bonds. The District will make no use of the proceeds of the Certificates or any other amounts or property, regardless of the source, or take any action or refrain from taking any action that would cause the Certificates to be considered "hedge bonds" within the meaning of Section 149(g) of the Code unless the District takes all necessary action to assure compliance with the requirements of Section 149(g) of the Code to maintain the exclusion from gross income of interest with respect to the Certificates for federal income tax purposes.

(f) Miscellaneous. The District will take no action or refrain from taking any action inconsistent with its expectations stated in the Tax Certificate executed by the District in connection with the execution and delivery of the Certificates and will comply with the covenants and requirements stated therein and incorporated by reference herein.

This Section and the covenants set forth herein shall not be applicable to, and nothing contained herein shall be deemed to prevent the District from issuing other Bonds or Contracts the interest with respect to which has been determined by Special Counsel to be subject to federal income taxation.

Section 6.4 Accounting Records and Reports. The Trustee shall keep or cause to be kept proper books of record and account in which complete and correct entries shall be made of all transactions made by it relating to the receipts, disbursements, allocation and application of the Installment Payments, and such books shall be available upon reasonable prior written notice for inspection by the District and by any Owner of Certificates, or his or her agent or representative, at reasonable hours and under reasonable conditions. Each month, so long as the Certificates are Outstanding, the Trustee shall furnish to the District a statement covering receipts, disbursements, allocation and application of amounts on deposit in the funds and accounts created hereunder held by it, which include detail for all investment transactions effected by the Trustee and brokers selected by the District. Upon the District's election, such statements will be delivered via the Trustee's Online Trust and Custody service and paper statements will be provided only upon request. The District acknowledges that to the extent that regulations of the Comptroller of the Currency or other applicable regulatory entity grants the District the right to receive brokerage confirmations of security transactions as such transactions occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The District further understands that trade confirmations for securities transactions effected by the Trustee will be available upon written Request at no additional cost and other trade confirmations may be obtained from the applicable broker.

Section 6.5 Compliance with Trust Agreement. The Trustee will not execute, or permit to be executed, any Certificates in any manner other than in accordance with the provisions of this Agreement, and the District will not suffer or permit any default by it to occur under this Agreement, but will faithfully observe and perform all the covenants, conditions and requirements hereof.

Section 6.6 Observance of Laws and Regulations. To the extent necessary to assure their performance hereunder, the Corporation and the District will well and truly keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on them by contract, or prescribed by any law of the United States of America, or of the State, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired by the Corporation or the District, respectively, including its right to exist and carry on its business, to the end that such contracts, rights and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired.

Section 6.7 Compliance with Contracts. The District shall comply with the terms, covenants and provisions, express or implied, of all contracts for the use of the Project by the District, and all other contracts and agreements affecting or involving the Project to the extent that the District is a party thereto.

Section 6.8 Prosecution and Defense of Suits. The District shall promptly, upon request of the Trustee or any Certificate Owner, from time to time take such action as may be necessary or proper to remedy or cure any defect in or cloud upon the title to the Revenues or any part thereof, whether now existing or hereafter developing, shall prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and shall indemnify and save the Trustee (including all of its employees, officers and directors), the Corporation and every Certificate Owner harmless from all loss, cost, damage and expense, including attorneys' fees and expenses, which they or any of them may incur by reason of any such defect, cloud, suit, action or proceeding.

The District shall defend against every suit, action or proceeding at any time brought against the Trustee (including all of its employees, officers and directors) or the Corporation upon any claim arising out of the receipt, application or disbursement of any of the Installment Payments or involving the rights of the Trustee or the Corporation under this Agreement; provided that the Trustee or the Corporation at such party's election may appear in and defend any such suit, action or proceeding. The District shall indemnify and hold harmless the Trustee or the Corporation against any and all liability claimed or asserted by any person, arising out of such receipt, application or disbursement, and shall indemnify and hold harmless the Trustee against any attorneys' fees or other expenses which the Trustee may incur in connection with any litigation (including pre-litigation activities) to which it may become a party by reason of serving as Trustee under this Agreement. The District shall promptly reimburse the Corporation or Trustee in the full amount of any attorneys' fees or other expenses which the Corporation or the Trustee may incur in litigation or otherwise in order to enforce such party's rights under this Agreement or the Certificates.

Section 6.9 Recordation and Filing. The Trustee, upon written Request of the District, shall have authorization, but not the obligation, to record, register, file, renew, refile and re-record all such documents, including continuation statements and any amendments thereto, as may be required by law in order to maintain a security interest in this Agreement and the Assignment Agreement, all in such manner, at such times and in such places as may be required by, and to the extent permitted by, law in order fully to preserve, protect and perfect the security of the Certificate Owners and the rights and security interests of the Trustee. The Trustee, upon written direction of the District, shall (subject to Section 8.5) do whatever else may be necessary or be reasonably required in order to perfect and continue the lien of this Agreement and the Assignment Agreement; it being understood that the Trustee shall have no obligation to so preserve, protect and perfect except upon such written direction of the District.

Notwithstanding anything to the contrary above, the Trustee shall have no duty or liability whatsoever to monitor or notify any party with respect to the timeliness, sufficiency or validity of any such recording, re-recording, filing of continuation statements and the like with respect to this Agreement.

Section 6.10 Eminent Domain. If all or any part of the Project shall be taken by eminent domain proceedings (or sold to a government threatening to exercise the power of eminent domain), the Net Proceeds therefrom shall be applied in the manner specified in Section 6.15 of the Installment Purchase Agreement.

Section 6.11 Further Assurances. Whenever and so often as requested so to do by the Trustee or any Certificate Owner, the Corporation and the District will promptly execute and deliver or cause to be executed and delivered all such other and further instruments, documents or assurances, and promptly do or cause to be done all such other and further things, as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the Certificate Owners all rights, interest, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by this Agreement.

ARTICLE VII

DEFAULT AND LIMITATION OF LIABILITY

Section 7.1 Notice of Non-Payment. In the event of delinquency in the payment of any Installment Payments due by the District pursuant to the Installment Purchase Agreement, the Trustee shall, after one (1) Business Day following the date upon which such delinquent Installment Payment was due, as soon as practicable give written notice of the delinquency and the amount of the delinquency to the District and the Corporation.

Section 7.2 Action on Default or Termination. Upon the occurrence of an Event of Default (as that term is defined in the Installment Purchase Agreement), which event shall constitute a default hereunder, and in each and every such case during the continuance of such Event of Default, the Trustee or the Owners of not less than a majority in aggregate principal amount of Certificates at the time Outstanding shall be entitled, upon notice in writing to the District, to exercise the remedies provided to the Corporation in the Installment Purchase Agreement.

Upon declaration of the entire principal amount of the unpaid Installment Payments and the accrued interest thereon to be due and payable immediately and provided such declaration is not rescinded or annulled, all in accordance with Section 8.1 of the Installment Purchase Agreement, the Trustee shall apply all moneys received as Installment Payments and all moneys held in any fund or account hereunder to the payment of the entire principal amount of the Certificates and the accrued interest with respect thereto, with interest with respect to the overdue Certificates at the rate or rates of interest or yields-to-maturity applicable to the Certificates if paid in accordance with their terms.

Section 7.3 Other Remedies of the Trustee. The Trustee may:

(a) by mandamus or other action or proceeding or suit at law or in equity to enforce its rights against the District or any board member, officer or employee thereof, and to compel the District or any such board member, officer or employee to perform or carry out his or her duties under law and the agreements and covenants required to be performed by it or him contained herein;

(b) by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Trustee; or

(c) by suit in equity upon the happening of any default hereunder to require the District and its directors, officers and employees to account as the trustee of an express trust.

Section 7.4 Non-Waiver. A waiver of any default or breach of duty or contract by the Trustee shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Trustee to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Trustee by law or by this article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee.

If any action, proceeding or suit to enforce any right or to exercise any remedy is abandoned, the Trustee and the District shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

Section 7.5 Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by any law.

Section 7.6 No Obligation by the District to Owners. Except for the payment of Installment Payments when due in accordance with the Installment Purchase Agreement and the performance of the other covenants and agreements of the District contained in said Installment Purchase Agreement and herein, the District shall have no obligation or liability to the Owners of the Certificates with respect to this Agreement or the execution, delivery or transfer of the Certificates, or the disbursement of Installment Payments to the Owners by the Trustee; provided however that nothing contained in this Section shall affect the rights, duties or obligations of the Trustee expressly set forth herein.

Section 7.7 Trustee Appointed Agent for Certificate-Owners: Direction of Proceedings. The Trustee is hereby appointed the agent and attorney of the Owners of all Certificates outstanding hereunder for the purpose of filing any claims relating to the Certificates. The Owners of a majority in aggregate principal amount of the Certificates Outstanding hereunder shall, upon tender to the Trustee of indemnity satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such direction, have the right to direct the method and place of conducting all remedial proceedings by the Trustee, provided such direction shall be in accordance with law and the provisions of this Agreement and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Certificate-owners not parties to such a direction.

Section 7.8 Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own reasonable judgment or upon the request of the Owners of a majority in aggregate principal amount of the Certificates then outstanding pursuant to Section 7.7 hereof, it shall have full power, in the exercising of its rights hereunder for the best interests

of the Owners of the Certificates, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that the Trustee shall not, unless there no longer continues an Event of Default hereunder, discontinue, withdraw, compromise or settle, or otherwise dispose of, any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of at least a majority in principal amount of the Certificates Outstanding hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Section 7.9 Limitation on Certificate-Owners' Right to Sue. No Owner of any Certificate executed and delivered hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Agreement, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default hereunder; (b) the Owners of at least a majority in aggregate principal amount of all the Certificates then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender or indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Certificates of any remedy hereunder; it being understood and intended that no one or more Owners of Certificates shall have any right in any manner whatever by his or their action to enforce any right under this Agreement, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Agreement shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all owners of the Outstanding Certificates.

The right of any Owner of any Certificate to receive payment of the principal of (and premium, if any) and interest with respect to such Certificate, as herein provided, on and after the respective due dates expressed in such Certificate, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Owner, notwithstanding the foregoing provisions of this Section or Section 7.10 or any other provision of this Agreement.

Section 7.10 No Obligation with Respect to Performance by Trustee. Neither the District nor the Corporation shall have any obligation or liability to any of the other parties hereto or to the Owners of the Certificates with respect to the performance by the Trustee of any duty imposed upon it under this Agreement.

Section 7.11 No Liability to Owners for Payment. The Corporation shall not have any obligation or liability to the Owners of the Certificates with respect to the payment of the Installment Payments by the District when due, or with respect to the performance by the District of any other covenant made by it in the Installment Purchase Agreement or herein. Except as provided in this Agreement, the Trustee shall not have any obligation or liability to the Owners of the Certificates with respect to the payment of the Installment Payments by the District when due, or with respect to the performance by the District of any other covenant made by it in the Installment Purchase Agreement or herein.

Section 7.12 No Responsibility for Sufficiency. The Trustee shall not be responsible for the sufficiency of this Agreement, the Installment Purchase Agreement, or of the assignment made to it by the Assignment Agreement of rights to receive Installment Payments pursuant to the Installment Purchase Agreement, or the value of or title to the Project. The Trustee shall not be responsible or liable for selection or liquidation of investments or any losses, fees, taxes or other charges suffered in connection with any investment of funds, reinvestments or liquidations of investments made by it under the terms of and in accordance with this Agreement.

Section 7.13 Indemnification of Trustee. The District shall indemnify the Trustee (including all of its employees, officers and directors) and hold it harmless against any loss, claim, liability, expenses or advances, including but not limited to fees and expenses of counsel and other experts, incurred or made without negligence or willful misconduct on the part of the Trustee, (i) in the exercise and performance of any of the powers and duties hereunder or under the Installment Purchase Agreement by the Trustee, (ii) relating to or arising out of the Project, or the conditions, occupancy, use, possession, conduct or management of, or work done in or about, or from the planning, design, acquisition, installation or construction of the Project or any part thereof, or (iii) arising out of or relating to any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading in any official statement or other offering circular utilized in connection with the sale of the Certificates, including the costs and expenses of defending itself against any claim of liability arising under this Agreement. Such indemnity shall survive payment of the Certificates and discharge of this Agreement or resignation or removal of the Trustee.

ARTICLE VIII

THE TRUSTEE

Section 8.1 Employment of Trustee. In consideration of the recitals hereinabove set forth and for other valuable consideration, the District hereby agrees to employ the Trustee to receive, hold, invest and disburse the moneys received pursuant to the Installment Purchase Agreement for credit to the various funds and accounts established by this Agreement; to execute, deliver and transfer the Certificates; and to apply and disburse the Installment Payments received from the District to the Owners of Certificates; and to perform certain other functions; all as herein provided and subject to the terms and conditions of this Agreement.

Section 8.2 Acceptance of Employment. In consideration of the compensation herein provided for, the Trustee accepts the employment above referred to subject to the terms and conditions of this Agreement.

Section 8.3 Trustee: Duties, Removal and Resignation. By executing and delivering this Agreement, the Trustee accepts the duties and obligations of the Trustee provided in this Agreement, but only upon the terms and conditions set forth in this Agreement.

The District may, by written request to the Trustee, remove the Trustee and appoint a successor Trustee; provided, however, that if the District is in default under the Installment Purchase Agreement, the Owners of a majority in aggregate principal amount of all Certificates Outstanding may, by written request to the Trustee, remove the Trustee and appoint a successor Trustee. Any such successor shall be a bank or trust company doing business and having a corporate trust office in California, which has (or the parent holding company of which has) a combined capital (exclusive of borrowed capital) and

surplus of at least fifty million dollars ($50,000,000) and subject to supervision or examination by federal or state authorities. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Trustee may at any time resign by giving written notice to the District and by giving to the Certificate Owners notice of such resignation by mail at the addresses shown on the registration books maintained by the Trustee. Upon receiving such notice of removal, resignation or termination, the District shall promptly appoint a successor Trustee by an instrument in writing; provided, however, that in the event that the District does not appoint a successor Trustee within thirty (30) days following receipt of such notice of resignation, the resigning Trustee may at the expense of the District petition the appropriate court having jurisdiction to appoint a successor Trustee. Any resignation or removal of the Trustee and appointment of a successor Trustee shall become effective upon written acceptance of appointment by the successor Trustee.

Section 8.4 Compensation of the Trustee. The District shall from time to time, subject to any agreement in effect with the Trustee, pay to the Trustee compensation for its services and shall reimburse the Trustee (including all of its employees, officers and directors) for all its advances and expenditures, including but not limited to advances to and fees and expenses of independent appraisers, accountants, consultants, counsel, agents and attorneys-at-law or other experts employed by it in the exercise and performance of its powers and duties hereunder. Such compensation and reimbursement shall be paid by the District; provided, however, that the Trustee shall not otherwise have any claims, except in accordance with Section 7.13 hereof and Section 8.2 of the Installment Purchase Agreement, or lien for payment of compensation for its services against any other moneys held by it in the funds or accounts established hereunder but may take whatever legal actions are lawfully available to it directly against the District. The obligations of the District under this Section shall survive resignation or removal of the Trustee and payment of the Certificates and discharge of this Agreement.

Section 8.5 Protection of the Trustee. The Trustee shall be protected and shall incur no liability whatsoever in acting or refraining from acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine and to have been adopted, executed or delivered by the proper party or pursuant to any of the provisions of this Agreement, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Trustee shall not be bound to recognize any person as an Owner of any Certificate or to take any action at the request of any such person unless such Certificate shall be deposited with the Trustee or satisfactory evidence of the ownership of such Certificate shall be furnished to the Trustee. The Trustee may consult with counsel of its selection with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance therewith.

Whenever in the administration of its duties under this Agreement, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) shall be deemed to be conclusively proved and established by a certificate of the Corporation or the District

and such certificate shall be full warranty to the Trustee for any action taken or suffered under the provisions of this Agreement upon the faith thereof, but the Trustee may (but shall have no duty), in lieu thereof, accept other evidence of such matter or may require such additional evidence as shall be necessary.

The Trustee may buy, sell, own, hold and deal in any of the Certificates provided pursuant to this Agreement, and may join in any action which any Owner may be entitled to take with like effect as if the Trustee were not a party to this Agreement. The Trustee, either as principal or agent, may also engage in or be interested in any financial or other transaction with the District, and may act as depository, trustee, or agent for any committee or body of Owners of Certificates or of obligations of the Corporation or the District as freely as if it were not Trustee hereunder.

The Trustee may, to the extent reasonably necessary, execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel of its selection concerning all matters of trust and its duties hereunder, and the Trustee shall not be answerable for the default or misconduct of any such attorney, agent or receiver selected by it with reasonable care. The Trustee shall not be answerable for the exercise of any discretion or power under this Agreement or in the performance of its duties hereunder or for anything whatever in connection with the funds and accounts established hereunder, except only for its own willful misconduct or negligence.

The recitals, statements and representations by the District or the Corporation contained in this Agreement or in the Certificates shall be taken and construed as made by and on the part of the District or Corporation and not by the Trustee and the Trustee does not assume, and shall not have, any responsibility or obligations for the correctness of any thereof.

The Trustee undertakes to perform such duties, and only such duties as are specifically set forth in this Agreement and no implied duties or obligations shall be read into this Agreement against the Trustee.

No provision in this Agreement shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not assured to it.

In accepting the trust hereby created, the Trustee acts solely as Trustee for the Owners and not in its individual capacity and all persons, including without limitation the Owners and the District or the Corporation having any claim against the Trustee arising from this Agreement shall look only to the funds and accounts held by the Trustee hereunder for payment except as otherwise provided herein. Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Certificates.

The Trustee makes no representation or warranty, express or implied as to the title, value, design, compliance with specifications or legal requirements, quality, durability, operation, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the District or the Corporation of the Project. In no event shall the Trustee be liable for incidental, indirect, special, punitive or consequential damages in connection with or arising from the Installment Purchase Agreement or this Agreement for the existence, furnishing or use of the Project.

The Trustee shall not be deemed to have knowledge or notice (in each case either actual or constructive) of any Event of Default hereunder or under the Installment Purchase Agreement unless and until it shall have actual knowledge thereof or have received written notice thereof at its Designated Corporate Trust Office at the address set forth in Section 11.11 hereof. The Trustee shall, during the existence of any Event of Default (which has not been cured) use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his/her own affairs. The Trustee shall, prior to an Event of Default, and after the curing or waiving of all Events of Default which may have occurred, perform such duties and only such duties as are expressly and specifically set forth in this Agreement, and no implied covenants or duties shall be read into this Agreement against the Trustee.

The Trustee shall not be accountable for the use or application by the District, or the Corporation or any other party of any funds which the Trustee has released in accordance with the terms of this Agreement.

The Trustee shall be under no obligation to exercise any of the rights or powers vested in the Trustee by this Agreement at the request, order or direction of any of the Owners pursuant to the provisions of this Agreement unless such Owners shall have offered to the Trustee indemnity satisfactory to it against the costs, claims, expenses and liabilities which may be incurred therein or thereby.

Section 8.6 Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business (provided such company is eligible under Section 8.3 hereof), shall be the successor to the Trustee without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

ARTICLE IX

AMENDMENT OF TRUST AGREEMENT

Section 9.1 Amendments Permitted.

(a) This Agreement and the rights and obligations of the District and of the Owners of the Certificates and of the Trustee may be modified or amended at any time by an amendment hereto which shall become binding when the written consents of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, exclusive of Certificates disqualified as provided in Section 11.4 hereof, shall have been filed, provided, however, that no such modification or amendment shall (1) extend the stated maturities of the Certificates, or reduce the rate of interest or yields-to-maturity, as the case may be, represented thereby, or extend the time of payment of interest, or reduce the amount of principal represented thereby, or reduce any premium payable on the prepayment thereof, without the consent of the Owner of each Certificate so affected, or (2) reduce the aforesaid percentage of Owners of Certificates whose consent is required for the execution of any amendment or modification of this Agreement, or (3) modify any of the rights or obligations of the Trustee or the Corporation without its written consent thereto.

(b) This Agreement and the rights and obligations of the Corporation and the District and of the Owners of the Certificates may also be modified or amended at any time by an

amendment hereto which shall become binding upon adoption, without the consent of the Owners of any Certificates, but only to the extent permitted by law and only for any one or more of the following purposes —

(i) to add to the covenants and agreements of the Corporation or the District contained in this Agreement other covenants and agreements thereafter to be observed or to surrender any right or power herein reserved to or conferred upon the Corporation or the District, and which shall not adversely affect the interests of the Owners of the Certificates;

(ii) to cure, correct or supplement any ambiguous or defective provision contained in this Agreement or in regard to questions arising under this Agreement, as the Corporation or the District may deem necessary or desirable and which shall not adversely affect the interests of the Owners of the Certificates; and

(iii) to make such other amendments or modifications as may be in the best interests of the Owners of the Certificates.

Section 9.2 Endorsement or Replacement of Certificates After Amendment or Supplement. After the effective date of any action taken as hereinabove provided, the Trustee may determine that the Certificates may bear a notation by endorsement in form approved by the Trustee as to such action, and in that case upon demand of the Trustee to the Owner of any Outstanding Certificate and presentation of such Owner's Certificate for such purpose at the Designated Corporate Trust Office of the Trustee a suitable notation as to such action shall be made on such Certificate. If the Trustee shall so determine, new Certificates so modified as in the opinion of the Trustee shall be necessary to conform to such action shall be prepared, and in that case upon demand of the Trustee to the Owner of any Outstanding Certificates such new Certificates shall be exchanged at the Designated Corporate Trust Office of the Trustee without cost to each Owner for Certificates then Outstanding upon surrender of such Outstanding Certificates.

Section 9.3 Amendment of Particular Certificates. The provisions of this article shall not prevent any Owner from accepting any amendments to the particular Certificates held by him, provided that due notation thereof is made on such Certificates.

ARTICLE X

DEFEASANCE

Section 10.1 Discharge of Trust Agreement. When the obligations of the District under the Installment Purchase Agreement shall cease pursuant to Article IX of the Installment Purchase Agreement (except for the right of the Trustee and the obligation of the District to have the money and Permitted Investments mentioned therein applied to the payment of Installment Payments as therein set forth and the obligation to apply moneys on deposit in the Rebate Fund as provided in Section 5.6 herein), then and in that case the obligations created by this Agreement shall thereupon cease, terminate and become void except for the obligation of the District to direct the Trustee to apply money on deposit in the Rebate Fund as provided herein which shall continue until such moneys are so applied and the right of the Owners to have applied and the obligation of the Trustee to apply such moneys and Permitted Investments to the payment of the Certificates as herein set forth, and subject to application of moneys on deposit in the Rebate Fund as provided in Section 5.6, the Trustee shall turn over to the District, after provision for payment of amounts due the Trustee hereunder, as an overpayment of

Installment Payments, any surplus in the Certificate Payment Fund and all balances remaining in any other funds or accounts other than moneys and Permitted Investments held for the payment of the Certificates at maturity or on prepayment, which moneys and Permitted Investments shall continue to be held by the Trustee in trust for the benefit of the Owners and shall be applied by the Trustee to the payment, when due, of the principal or interest and premium, if any, represented by the Certificates, and after such payment, this Agreement shall become void.

If moneys or securities described in clauses (a) and (m) of the definition of Permitted Investments are deposited with and held by the Trustee as hereinabove provided, the Trustee shall within thirty (30) days after such moneys or Permitted Investments shall have been deposited with it, mail a notice, first class postage prepaid, to the Owners at the addresses listed on the registration books kept by the Trustee pursuant to Section 2.8, setting forth (a) the date fixed for prepayment of the Certificates, (b) a description of the moneys or securities described in clauses (a) and (m) of the definition of Permitted Investments so held by it, and (c) that this Agreement has been released in accordance with the provisions of this Section.

Section 10.2 Deposit of Money or Securities with Trustee. Whenever in this Agreement or the Installment Purchase Agreement it is provided or permitted that there be deposited with or held in trust by the Trustee money or securities in the necessary amount to pay or prepay any Certificates, the money or securities to be so deposited or held may include money or securities held by the Trustee in the funds and accounts established pursuant to this Agreement and shall be:

(a) lawful money of the United States of America in an amount equal to the principal amount represented by such Certificates and all unpaid interest represented thereby to maturity, except that, in the case of Certificates which are to be prepaid prior to maturity and in respect of which notice of such prepayment shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or Prepayment Price and all unpaid interest to such date of prepayment if any, represented by such Certificates; or

(b) non-callable securities described in clauses (a) and (m) of the definition of Permitted Investments which will provide money sufficient to pay the principal at maturity or upon prepayment plus all accrued interest to maturity or to the prepayment date, as the case may be, represented by the Certificates to be paid or prepaid, as such amounts become due, plus premium, if any, provided that, in the case of Certificates which are to be prepaid prior to the maturity thereof, notice of such prepayment shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice;

provided, in each case, that the Trustee shall have been irrevocably instructed (by the terms of this Agreement and the Installment Purchase Agreement or by Written Request of the District) to apply such money or securities to the payment of such principal or Prepayment Price and interest represented by such Certificates.

Section 10.3 Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any moneys held by the Trustee in trust for the payment and discharge of the interest, principal or Prepayment Price represented by any of the Certificates which remain unclaimed for one year after the date of deposit of such moneys if deposited with the Trustee after the date when the interest, principal or Prepayment Price represented by such Certificates have become payable, shall at the Written Request of the District be repaid by the Trustee to the District as its absolute property free

from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the District for the payment of the interest and principal or Prepayment Price represented by such Certificates; provided, however, that before being required to make any such payment to the District, the Trustee shall, at the Written Request of the District and at the expense of the District, first mail a notice to the owners of the Certificates so payable that such moneys remain unclaimed and that after a date named in such notice, which date shall not be less than thirty (30) days after the date of the mailing of such notice, the balance of such moneys then unclaimed will be returned to the District.

ARTICLE XI

MISCELLANEOUS

Section 11.1 Benefits of Trust Agreement Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the District, the Trustee, the Corporation and the Owners any claim, remedy or right under or pursuant hereto, and any agreement, condition, covenant or term required herein to be observed or performed by or on behalf of the District shall be for the sole and exclusive benefit of the Trustee, the Corporation and the Owners.

Section 11.2 Successor Deemed Included in all References to Predecessor. Whenever either the District, the Corporation or the Trustee or any officer thereof is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the District, the Corporation or the Trustee or such officer, and all agreements, conditions, covenants and terms required hereby to be observed or performed by or on behalf of the District, the Corporation or the Trustee or any officer thereof shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 11.3 Execution of Documents by Owners. Any declaration, request or other instrument which is permitted or required herein to be executed by Owners may be in one or more instruments of similar tenor and may be executed by Owners in person or by their attorneys appointed in writing. The fact and date of the execution by any Owner or such Owner's attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer.

The ownership of any Certificates and the amount, payment date, number and date of owning the same may be proved by the books required to be kept by the Trustee pursuant to the provisions of Section 2.8.

Any declaration, request or other instrument in writing of the Owner of any Certificate shall bind all future Owners of such Certificate with respect to anything done or suffered to be done by the District or the Trustee in good faith and in accordance therewith.

Section 11.4 Disqualified Certificates. Certificates owned or held by or for the account of the Corporation or the District (but excluding Certificates held in any pension or retirement fund) shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of

Outstanding Certificates provided for in this Agreement, and shall not be entitled to consent to or take any other action provided for in this Agreement.

The District may adopt appropriate regulations to require each Owner of Certificates, before his consent provided for in this Agreement shall be deemed effective, to reveal if the Certificates as to which such consent is given are disqualified as provided in this Section.

Section 11.5 Waiver of Personal Liability. No director, officer or employee of the District or the Corporation shall be individually or personally liable for the payment of the interest, principal or the prepayment premiums, if any, represented by the Certificates, but nothing contained herein shall relieve any director, officer or employee of the District or Corporation from the performance of any official duty provided by any applicable provisions of law or by the Installment Purchase Agreement or hereby.

Section 11.6 Disposal of Certificates. Whenever in this Agreement provision is made for the cancellation by the Trustee of any Certificates, the Trustee shall dispose of such Certificates, in accordance with its then customary practices, and deliver a certificate of such disposal to the District.

Section 11.7 Headings. Headings preceding the text of the several Articles and Sections hereof, and the table of contents, are solely for convenience of reference and shall not constitute a part of this Agreement or affect its meaning, construction or effect.

All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Agreement; and the words "herein," "hereof,'' "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof.

Section 11.8 Funds and Accounts. Any fund required by this Agreement to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds shall at all times be maintained in accordance with sound industry practices and with due regard for the protection of the security of the Certificates and the rights of every Owner thereof.

Section 11.9 Partial Invalidity. If any one or more of the agreements, conditions, covenants or terms required herein to be observed or performed by or on the part of the District, the Corporation or the Trustee shall be contrary to law, then such agreement or agreements, such condition or conditions, such covenant or covenants or such term or terms shall be null and void and shall be deemed separable from the remaining agreements, conditions, covenants and terms hereof and shall in no way affect the validity hereof or of the Certificates, and the Owners shall retain all the benefit, protection and security afforded to them under any applicable provisions of law. The District, the Corporation and the Trustee hereby declare that they would have executed this Agreement, and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the execution and delivery of the Certificates pursuant hereto irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstances may be held to be unconstitutional, unenforceable or invalid.

Section 11.10 California Law. THIS AGREEMENT SHALL BE CONSTRUED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

Section 11.11 Notices. All written notices to be given under this Agreement to the parties hereto shall be given by mail, facsimile or personal delivery to the party entitled thereto at its address and facsimile number set forth below, or at such address and facsimile number as the party may provide to the other parties in writing from time to time.

If to the District: Mission Springs Water District
66575 Second Street
Desert Hot Springs, CA 92240
Attention: General Manager

If to the Corporation: Mission Springs Water Improvement Corporation
66575 Second Street
Desert Hot Springs, CA 92240
Attention: President

If to the Trustee: U.S. Bank Trust Company, National Association
U.S. Bank Tower Los Angeles
633 W 5th Street, 24th Floor
Los Angeles, California 90071
Attention: U.S. Bank Global Corporate Trust

Section 11.12 Execution in Counterparts and Electronic Signing. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument. The exchange of copies of this Agreement and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Agreement as to the parties hereto and may be used in lieu of the original Agreement and signature pages for all purposes. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement or any document to be signed in connection with this Agreement shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, and the parties hereto consent to conduct the transactions contemplated hereunder by electronic means.

Section 11.13 Business Day

. When any action is provided for herein to be done on a day named or within a specified time period, and the day or the last day of the period falls on a day other than a Business Day, such action may be performed on the next ensuing Business Day with the same effect as though performed on the appointed day or within the specified period with no interest accruing for the period after such nominal date.

IN WITNESS WHEREOF, the parties have executed and attested this Agreement by their officers hereunto duly authorized as of the date and year first written above.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Signatory

MISSION SPRINGS WATER DISTRICT IMPROVEMENT CORPORATION

By: _____
President

By: _____
Secretary

MISSION SPRINGS WATER DISTRICT

By: _____
President of the Board of Directors

By: _____
Secretary of the Board of Directors

EXHIBIT A

[FORM OF CERTIFICATE OF PARTICIPATION]

MISSION SPRINGS WATER DISTRICT
REVENUE CERTIFICATE OF PARTICIPATION, SERIES 2026A

Evidencing an Interest of the Owner Hereof
in Installment Payments to be Made by the

MISSION SPRINGS WATER DISTRICT

INTEREST RATE:	CERTIFICATE PAYMENT DATE	DATED DATE	CUSIP
_____%	February 1, ____	_____, 2026	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

THIS IS TO CERTIFY that the Registered Owner (specified above) of this Certificate of Participation (herein called the "Certificate") is the owner of an undivided interest in the right to receive certain Installment Payments (as that term is defined in the Trust Agreement hereinafter mentioned) under that certain Installment Purchase Agreement (the "Installment Purchase Agreement"), dated as of _____ 1, 2026, by and between Mission Springs Water District Improvement Corporation (the "Corporation") and the Mission Springs Water District (the "District"). The Installment Payments to be made thereunder have been assigned to U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), having a Designated Corporate Trust Office in Los Angeles, California. The Trustee has executed and delivered $_____ aggregate principal amount of Certificates.

The Registered Owner of this Certificate is entitled to receive, subject to the terms of the Installment Purchase Agreement and the Trust Agreement, dated as of _____ 1, 2026, by and among the Trustee, the Corporation and the District (the "Trust Agreement"), on the Certificate Payment Date (specified above) the Principal Amount (specified above) representing a portion of the Installment Payments designated as principal coming due on the Certificate Payment Date, and to receive an interest component on such principal component at the interest rate per annum specified above, from the Interest Payment Date (as hereinafter defined) preceding the date of execution hereof by the Trustee, unless such date of execution is after a Record Date (as hereinafter defined) and on or before the succeeding Interest Payment Date, in which case interest shall be payable from such Interest Payment Date, or unless such date of execution is on or before the first Record Date, in which case interest shall be payable from the Dated Date; provided, however, that if, as shown by the records of the Trustee, interest represented by this Certificate is in default, Certificates executed in exchange for this Certificate surrendered for transfer or exchange shall represent interest from the last date to which interest has been paid in full or duly provided for with respect to this Certificate, or, if no interest has been paid or duly provided for with respect to this Certificate, from the Dated Date.

Interest with respect to this Certificate shall be paid on each February 1 and August 1, commencing _____ 1, 20__ (each, an "Interest Payment Date"), and continuing to and including the Certificate Payment Date or the date of prior prepayment hereof, whichever is earlier. Interest with respect to this Certificate shall be calculated on the basis of a 360-day year of twelve 30-day months. The principal with respect hereto and prepayment premiums, if any, are payable in lawful money of the United States of America upon presentation and surrender at the Designated Corporate Trust Office of the Trustee in Los Angeles, California or such other office as the Trustee may from time to time designate in writing to the District, the Corporation and the registered owners (the "Designated Corporate Trust Office of the Trustee"). Interest with respect hereto is payable by check of the Trustee mailed by first class mail on each Interest Payment Date to the Registered Owner hereof as of the close of business on the fifteenth day of the calendar month prior to such Interest Payment Date (the "Record Dates") at the address shown on the books maintained by the Trustee or, upon the written request received by the Trustee of an Owner of at least $1,000,000 in aggregate principal amount of Certificates, by wire transfer of immediately available funds to an account in the United States designated by such Owner prior to the applicable Record Date, except, in each case that, if and to the extent that there is a default in the payment of the interest due on such Interest Payment Date, such defaulted interest shall be paid to the owner in whose name this Certificate is registered at the close of business on a special record date as determined by the Trustee.

This Certificate has been executed by the Trustee pursuant to the terms of the Trust Agreement. Copies of the Trust Agreement and the Installment Purchase Agreement are on file at the Designated Corporate Trust Office of the Trustee in Los Angeles, California, and reference is made to the Trust Agreement and the Installment Purchase Agreement and any and all amendments thereto for a description of the pledges and covenants securing the Certificates, the nature, extent and manner of enforcement of such pledges, the rights and remedies of the registered owners of the Certificates with respect thereto and the other terms and conditions upon which the Certificates are delivered thereunder.

The Certificates are payable from Installment Payments payable by the District and other amounts on deposit in certain funds and accounts held under the Trust Agreement, all in accordance therewith. All Revenues and all amounts on deposit in the Revenue Fund (as such terms are defined in the Installment Purchase Agreement) are irrevocably pledged to the payment of the Installment Payments and the Revenues shall not be used for any other purpose while any of the Installment Payments remain unpaid; provided that out of Revenues there may be apportioned such sums for such purposes as are expressly permitted in the Installment Purchase Agreement. This pledge, together with all other Contracts and Bonds (as such terms are defined in the Installment Purchase Agreement) constitutes a lien on Revenues, subject to application of Revenues and all amounts on deposit in the Revenue Fund as permitted in the Installment Purchase Agreement, and the Revenue Fund for the payment of the Installment Payments and all other Contracts and Bonds in accordance with the terms of the Installment Purchase Agreement and of the Trust Agreement. The obligation of the District to make Installment Payments is a special obligation of the District payable solely from Net Revenues (as defined in the Installment Purchase Agreement) and other funds described in the Installment Purchase Agreement and does not constitute a debt of the District or of the State of California or of any political subdivision thereof in contravention of any constitutional or statutory debt limitation or restriction. The District may at any time execute any Contract, the installment payments under which, or issue any Bonds (as such terms are defined in the Installment Purchase Agreement), the payments of which are on a parity with the Installment Payments and which are secured by a pledge of and lien on the Revenues in accordance with the Installment Purchase Agreement.

The Certificates are authorized to be executed and delivered in the form of fully registered Certificates in the denomination of $5,000 each or any integral multiple thereof; provided that no Certificate shall have principal represented thereby maturing in more than one year. Subject to the limitations and conditions and upon payment of the taxes and governmental charges provided in the Trust Agreement, Certificates may be exchanged for a like aggregate principal amount of Certificates of the same Certificate Payment Date of other authorized denominations at the Designated Corporate Trust Office of the Trustee.

Capitalized terms used herein and not defined herein have the meaning assigned thereto in the Trust Agreement.

This Certificate is transferable by the Registered Owner hereof, in person or by such person's duly authorized attorney, but only in the manner, subject to the limitations and conditions and upon payment of the taxes and governmental charges provided in the Trust Agreement, and upon surrender of this Certificate for cancellation at the Designated Corporate Trust Office of the Trustee, accompanied by delivery of a duly executed written instrument of transfer, in a form approved by the Trustee. Upon such transfer a new Certificate or Certificates of the same Certificate Payment Date and of authorized denomination or denominations, for a like aggregate principal amount will be delivered to the transferee in exchange herefor.

The Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Trustee shall not be affected by any notice to the contrary.

The Trustee shall not be required to register the transfer or exchange of any Certificate (i) within 15 days preceding selection of Certificates for prepayment or (ii) selected for prepayment.

The Certificates with stated maturities on or after February 1, 20__ are subject to prepayment prior to such stated maturity, as a whole or in part on any date in the order of maturity as directed by the District in a Written Request provided to the Trustee not more than sixty (60) days nor less than twenty (20) days prior to such date and by lot within each maturity in integral multiples of $5,000, on or after February 1, 20__, from amounts prepaid by the District pursuant to the Installment Purchase Agreement at a Prepayment Price equal to the principal amount of such Certificates to be prepaid plus accrued interest evidenced and represented thereby to the date fixed for prepayment without premium.

The Certificates with a stated maturity on February 1, 20__ are subject to mandatory sinking fund prepayment prior to such stated maturity, by lot, on February 1, 20__ in integral multiples of $5,000 solely from the scheduled Installment Payment paid by the District under the Installment Purchase Agreement, at a Prepayment Price equal to the principal amount thereof (together with accrued interest evidenced to the date fixed for prepayment), without premium, in accordance with the following schedule:

Redemption Date (February 1)	***Principal Amount***

The Certificates with a stated maturity on February 1, 20__ are subject to mandatory sinking fund prepayment prior to such stated maturity, by lot, on each February 1 on and after February 1, 20__

in integral multiples of $5,000 solely from scheduled Installment Payments paid by the District under the Installment Purchase Agreement, at a Prepayment Price equal to the principal amount thereof (together with accrued interest evidenced to the date fixed for prepayment), without premium, in accordance with the following schedule:

Redemption Date (February 1)	***Principal Amount***

As provided in the Trust Agreement, notice of prepayment hereof shall be mailed, first class postage prepaid, not less than twenty (20) days nor more than sixty (60) days prior to the prepayment date, to the Registered Owner of this Certificate at the address thereof appearing on the Certificate registration books. If this Certificate is called for prepayment and payment is duly provided therefor as specified in the Trust Agreement, interest represented hereby shall cease to accrue from and after the date fixed for prepayment. Any defect in the notice or the mailing thereof will not affect the validity of the prepayment of this Certificate.

To the extent and in the manner permitted by the terms of the Trust Agreement and the Installment Purchase Agreement, as the case may be, the Trust Agreement and the rights and obligations of the District and of the registered owners of the Certificates and of the Trustee or the Installment Purchase Agreement and the rights and obligations of the Corporation and the District and the registered owners of the Certificates and the Trustee, respectively, may be modified or amended with the written consents of the registered owners of a majority in aggregate principal amount of the Certificates (as such term is defined in the Trust Agreement) then outstanding, provided, however, that no such modification or amendment shall (1) extend the stated maturities of the Certificates, or reduce the rate of interest or yield-to-maturity represented thereby, or extend the time of payment of interest, or reduce the amount of principal represented thereby, or reduce any premium payable on the prepayment thereof, without the consent of the registered owner of each Certificate so affected, or (2) reduce the percentage of registered owners of Certificates whose consent is required for the execution of any amendment or modification of the Trust Agreement or the Installment Purchase Agreement, or (3) modify any of the rights or obligations of the Trustee or the Corporation without its written consent thereto.

To the extent and in the manner permitted by the terms of the Trust Agreement and the Installment Purchase Agreement, as the case may be, the Trust Agreement and the rights and obligations of the Corporation and the District and of the registered owners of the Certificates or the Installment Purchase Agreement and the rights and obligations of the Corporation and the District may also be modified or amended, without the consent of the Owners of any Certificates, but only to the extent permitted by law and only for any one or more of the following purposes:

(1) to add to the covenants and agreements of the Corporation or the District contained in the Trust Agreement or the Installment Purchase Agreement other covenants and agreements thereafter to be observed or to surrender any right or power in the Trust Agreement or the Installment Purchase Agreement reserved to or conferred upon the

Corporation or the District, and which shall not adversely affect the interests of the registered owners of the Certificates;

(2) to cure, correct or supplement any ambiguous or defective provision contained in the Trust Agreement or the Installment Purchase Agreement or in regard to questions arising under the Trust Agreement or the Installment Purchase Agreement, as the Corporation or the District may deem necessary or desirable and which shall not adversely affect the interests of the registered owners of the Certificates; and

(3) to make such other amendments or modifications as may be in the best interests of the registered owners of the Certificates.

Upon acceleration, the Installment Payments and the Certificates shall become due and payable immediately from the sources described in the Installment Purchase Agreement and the Trust Agreement, respectively.

The Trustee has no obligation or liability to the registered owners of the Certificates for the payment of interest, principal or prepayment premium, if any, with respect to the Certificates out of the Trustee's own funds; the Trustee's sole obligations are those described in the Trust Agreement. The recitals of facts herein shall be taken as statements of the District and the Corporation and the Trustee does not have any responsibility for the accuracy thereof.

The District has certified that all acts, conditions and things required by the Constitution and statutes of the State of California and the Trust Agreement to exist, to have happened and to have been performed precedent to and in the delivery of this Certificate, do exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, this Certificate has been executed by the manual signature of an authorized signatory of the Trustee, all as of the date set forth below.

Execution date:

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By _____
Authorized Signatory

[FORM OF ASSIGNMENT]

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within mentioned Certificate and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the Certificate register of the Trustee with full power of substitution in the premises.

Dated: _____

_____

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within Certificate in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

_____

Note: Signature(s) must be guaranteed by an eligible guarantor institution.

EXHIBIT B

FORM OF DELIVERY COSTS FUND REQUISITION

The undersigned hereby states and certifies:

(i) that he is the duly appointed, qualified and _____ of the Mission Springs Water District, a county water district organized and existing under the laws of the State of California (the "District"), and as such, is familiar with the facts herein certified and is authorized to certify the same;

(ii) that, pursuant to Section 3.4 of that certain Trust Agreement, dated as of _____ 1, 2026 (the "Trust Agreement"), by and among the District, the Mission Springs Water District Improvement Corporation and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), the undersigned hereby requests the Trustee, upon receipt of invoices from the payees designated on the attached Exhibit A, to disburse from the Delivery Costs Fund established under the Trust Agreement, to the payees the amounts set forth in such invoices but no more than the amounts set forth on Exhibit A, and such payments shall be made by check or wire transfer in accordance with the payment instructions set forth in Exhibit A or in invoices submitted in accordance therewith and the Trustee may rely on such payment instructions though given by the District with no duty to investigate or inquire as to the authenticity of the invoice or the payment instructions contained therein;

(iii) that each obligation mentioned herein has been incurred by the District and is a proper charge against the Delivery Costs Fund; and

(iv) that there has not been filed with or served upon the District notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the payees named on the attached Exhibit A, which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.

Capitalized terms used herein and not defined shall have the meanings given to such terms in the Trust Agreement.

Dated: MISSION SPRINGS WATER DISTRICT

By: _____
Its:

EXHIBIT C

FORM OF REQUISITION TO TRANSFER FUNDS

The undersigned hereby states and certifies:

(i) that he/she is the duly appointed, qualified and _____ of the Mission Spring Water District, a county water district organized and existing under the laws of the State of California (the "District"), and as such, is familiar with the facts herein certified and is authorized to certify the same;

(ii) that, pursuant to Section 3.2 of that certain Trust Agreement, dated as of _____ 1, 2026 (the "Trust Agreement"), by and among the District, the Mission Springs Water District Improvement Corporation (the "Corporation") and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), the undersigned hereby requests the Trustee, transfer $_____ from the Certificate Proceeds Fund to the Acquisition Fund held by the District pursuant to the Installment Purchase Agreement, dated as of _____ 1, 2026, by and between the District and the Corporation. The transfer shall be made via wire transfer as follows:

[DISTRICT TO INSERT WIRING INFORMATION]

Capitalized terms used herein and not defined shall have the meanings given to such terms in the Trust Agreement.

Dated: MISSION SPRINGS WATER DISTRICT

By: _____
Its:

INSTALLMENT PURCHASE AGREEMENT

by and between

MISSION SPRINGS WATER DISTRICT

and

MISSION SPRINGS WATER DISTRICT IMPROVEMENT CORPORATION

Dated as of _____ 1, 2026

Relating to

$_____
MISSION SPRINGS WATER DISTRICT
REVENUE CERTIFICATES OF PARTICIPATION,
SERIES 2026A

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INSTALLMENT PURCHASE AGREEMENT

This INSTALLMENT PURCHASE AGREEMENT, made and entered into as of _____ 1, 2026 by and between MISSION SPRINGS WATER DISTRICT, a county water district duly organized and existing under and by virtue of the laws of the State of California (the "District"), and MISSION SPRINGS WATER DISTRICT IMPROVEMENT CORPORATION, a nonprofit public benefit corporation duly organized and existing under and by virtue of the laws of the State of California (the "Corporation").

W I T N E S S E T H:

WHEREAS, the District proposes to finance the acquisition of certain facilities within its Water System and Wastewater System described in Exhibit A (the "Project");

WHEREAS, the Corporation has agreed to assist the District in financing the acquisition of the Project for the District on the terms and conditions set forth in this Agreement;

WHEREAS, the District is authorized by Part 5 of Division 12 of the Water Code of the State of California, including but not limited to Article 3 of Chapter 1 thereof, to finance the acquisition and construction of property for its Water System and Wastewater System.

WHEREAS, the District and the Corporation have duly authorized the execution of this Agreement;

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this Installment Purchase Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Installment Purchase Agreement;

NOW, THEREFORE, IN CONSIDERATION OF THESE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. Unless the context otherwise requires, the terms defined in this section shall for all purposes hereof and of any amendment hereof or supplement hereto and of any report or other document mentioned herein or therein have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein. Unless the context otherwise requires, all capitalized terms used herein and not defined herein shall have the meanings ascribed thereto in the Trust Agreement.

Accountant's Report

The term "Accountant's Report" means a report signed by an Independent Certified Public Accountant.

Acquisition Fund

The term "Acquisition Fund" means the Acquisition Fund by that name created pursuant to Section 3.5 hereof.

Agreement

The term "Agreement" means this Installment Purchase Agreement, by and between the District and the Corporation, dated as of _____ 1, 2026, as originally executed and as it may from time to time be amended or supplemented in accordance herewith.

Assignment Agreement

The term "Assignment Agreement" means the Assignment Agreement, by and between the Corporation and the Trustee, dated as of _____ 1, 2026, as originally executed and as it may from time to time be amended or supplemented in accordance with its terms.

Bonds

The term "Bonds" means all revenue bonds or notes of the District authorized, executed, issued and delivered by the District, the payments of which are payable from Net Revenues on a parity with the Installment Payments and which are secured by a pledge of and lien on Revenues as described in Section 5.1 hereof.

Business Day

The term "Business Day" means: (i) a day which is not a Saturday, Sunday or legal holiday on which banking institutions in the State in which the Designated Corporate Trust Office of the Trustee is located, are closed; or (ii) a day on which the New York Stock Exchange is not closed.

Certificates

The term "Certificates" means the $_____ aggregate principal amount of Mission Springs Water District Revenue Certificates of Participation, Series 2026A, executed and delivered on behalf of the District and at any time Outstanding pursuant to the Trust Agreement.

Closing Date

The term "Closing Date" means the date on which the Certificates are executed and delivered to the original purchaser thereof.

Continuing Disclosure Certificate

The term "Continuing Disclosure Certificate" means the Continuing Disclosure Certificate (2026A Certificates), dated the Closing Date, of the District, as originally executed and as it may be from time to time amended or supplemented in accordance with its terms.

Contracts

The term "Contracts" means and is limited to all contracts of the District previously or hereafter authorized and executed by the District and the Parity Installment Payments which are on a parity with the Installment Payments and which are secured by a pledge and lien on the Revenues as described in Section 5.1 hereof, including the 2012 State Loan (but only with respect to the pledge of Wastewater System Revenues under the 2012 State Loan), but excluding contracts entered into for operation and maintenance of the Water System or Wastewater System.

Corporation

The term "Corporation" means the Mission Springs Water District Improvement Corporation, a nonprofit public benefit corporation duly organized and existing under and by virtue of the laws of the State of California.

Date of Operation

The term "Date of Operation" means, with respect to any uncompleted component Parity Project, the estimated date by which such uncompleted component Parity Project will have been completed and, in the opinion of an engineer, will be ready for operation by or on behalf of the District.

Debt Service

The term "Debt Service" means, for any period of calculation, the sum of:

(1) the interest accruing during such period on all outstanding Bonds, assuming that all outstanding serial Bonds are retired as scheduled and that all outstanding term Bonds are prepaid or paid from sinking fund payments as scheduled (except to the extent that such interest is capitalized);

(2) those portions of the principal amount of all outstanding serial Bonds maturing in such period, excluding Excluded Principal;

(3) those portions of the principal amount of all outstanding term Bonds required to be prepaid or paid in such period, excluding Excluded Principal; and

(4) those portions of the Contracts required to be made during such period, (except to the extent the interest evidenced and represented thereby is capitalized and excluding Excluded Principal);

but less the earnings to be derived from the investment of moneys on deposit in debt service reserve funds established for Bonds or Contracts;

provided that, as to any such Bonds or Contracts bearing or comprising interest at other than a fixed rate, the rate of interest used to calculate Debt Service shall, for all purposes, be assumed to bear interest at a fixed rate equal to the higher of:

(i) the then current variable interest rate borne by such Bonds or Contracts plus 1%, and

(ii) if such Bonds or Contracts have been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation, or if such Bonds or Contracts have not been outstanding for the twelve prior months, the average rate borne by reference to an index comparable to that to be utilized in determining the interest rate for the Bonds to be issued or the Contracts to be executed;

provided further that if any series or issue of such Bonds or Contracts have twenty-five percent (25%) or more of the aggregate principal amount of such series or issue due in any one year, Debt Service shall be determined for the period of determination as if the principal of and interest on such series or issue of such Bonds or Contracts were being paid from the date of incurrence thereof in substantially equal annual amounts over a period of twenty-five (25) years from the date of calculation; and

provided further that, as to any such Bonds or Contracts or portions thereof bearing no interest but which are sold at a discount and which discount accretes with respect to such Bonds or Contracts or portions thereof, such accreted discount shall be treated as interest in the calculation of Debt Service; and

provided further that if the Bonds or Contracts constitute paired obligations, the interest rate on such Bonds or Contracts shall be the resulting linked rate or the effective fixed interest rate to be paid by the District with respect to such paired obligations; and

provided further that the amount on deposit in a debt service reserve fund on any date of calculation of Debt Service shall be deducted from the amount of principal due at the final maturity of the Bonds and Contracts for which such debt service reserve fund was established and to the extent the amount in such debt service reserve fund is in excess of such amount of principal, such excess shall be applied to the full amount of principal due, in each preceding year, in descending order, until such amount is exhausted.

District

The term "District" means Mission Springs Water District, a county water district duly organized and existing under and by virtue of the laws of the State of California.

Event of Default

The term "Event of Default" means any of the events specified in Section 8.1.

Excluded Principal

The term "Excluded Principal" means each payment of principal of any Bond or Contract for which there is on file with the Trustee (i) a certificate of an Independent Municipal Advisor to the

effect that such Bond or Contract is commercial paper or otherwise of a short term or revolving nature and has a maturity of less than 42 months and (ii) a certificate of an Authorized Representative to the effect that the District intends to pay such principal from the proceeds of Bonds or Contracts or other bonds, notes or other obligations of the District. No such determination shall affect the security for such Bonds or Contracts or the obligation of the District to pay such Bonds or Contracts from Net Revenues.

Fiscal Year

The term "Fiscal Year" means the twelve month period beginning on July 1 of each year and ending on June 30 of the following year, both dates inclusive, or any other twelve month period hereafter selected and designated as the official fiscal year period of the District.

Independent Certified Public Accountant

The term "Independent Certified Public Accountant" means any firm of certified public accountants appointed by the District, each of whom is independent of the District and the Corporation pursuant to the Statement on Auditing Standards No. 1 of the American Institute of Certified Public Accountants.

Independent Municipal Advisor

The term "Independent Municipal Advisor" means a municipal advisor or firm of such consultants appointed by the District, and who, or each of whom: (1) is in fact independent and not under domination of the District; (2) does not have any substantial interest, direct or indirect, with the District; (3) is not connected with the District as an officer or employee thereof, but who may be regularly retained to make reports thereto and (4) is registered as a "municipal advisor" as defined in Section 15B of the Securities and Exchange Act of 1934, as amended.

Installment Payment Date; Parity Installment Payment Date

The term "Installment Payment Date" means the fifth day prior to each Interest Payment Date, or if said date is not a Business Day, then the preceding Business Day. The term "Parity Installment Payment Date" means each date on which Parity Installment Payments are scheduled to be paid by the District under and pursuant to any Contract.

Installment Payments; Parity Installment Payments

The term "Installment Payments" means the installment payments of interest and principal scheduled to be paid by the District under and pursuant hereto. The term "Parity Installment Payments" means the payments of interest and principal scheduled to be paid by the District under and pursuant to the Contracts.

Interest Payment Date

The term "Interest Payment Date" means each February 1 and August 1, commencing _____ 1, 20__.

Law

The term "Law" means the County Water District Law of the State of California (being Division 12 of the Water Code of the State of California, as amended) and all laws amendatory thereof or supplemental thereto.

Manager

The Term "Manager" means the General Manager of the District, or any other person designated by the General Manager to act on behalf of the General Manager.

Net Proceeds

The term "Net Proceeds" means, when used with respect to any casualty insurance or condemnation award, the proceeds from such insurance or condemnation award remaining after payment of all expenses (including attorneys' fees) incurred in the collection of such proceeds.

Net Revenues

The term "Net Revenues" means, for any Fiscal Year, the Revenues for such Fiscal Year less the Operation and Maintenance Costs for such Fiscal Year.

Net Wastewater System Revenues

The term "Net Wastewater System Revenues" means for any Fiscal Year, the Wastewater System Revenues for such Fiscal Year less the Operation and Maintenance Costs allocable to the Wastewater System.

Net Water System Revenues

The term "Net Water System Revenues" means for any Fiscal Year, the Water System Revenues for such Fiscal Year less the Operation and Maintenance Costs allocable to the Water System.

Operation and Maintenance Costs

The term "Operation and Maintenance Costs" means (i) costs spent or incurred for maintenance and operation of the Water System and Wastewater System calculated in accordance with generally accepted accounting principles, including (among other things) the reasonable expenses of management and repair and other expenses necessary to maintain and preserve the Water System and Wastewater System in good repair and working order, and including administrative costs of the District that are charged directly or apportioned to the Water System and Wastewater System, including but not limited to salaries and wages of employees, payments to the Public Employees Retirement System, overhead, insurance, taxes (if any), fees of auditors, accountants, attorneys, consultants or engineers and insurance premiums, and including all other reasonable and necessary costs of the District or charges (other than Debt Service) required to be paid by it to comply with the terms of this Agreement or any other Contract or of any resolution or indenture authorizing the issuance of any Bonds or of such Bonds and (ii) all costs of water purchased or otherwise acquired for delivery by the Water System (including any interim or renewed arrangement therefor), but excluding in all cases depreciation, replacement and obsolescence charges or reserves therefor and

amortization of intangibles or other bookkeeping entries of a similar nature, including but not limited to prior period adjustments or restatements made in subsequent periods which would not have affected the District's statements of revenues, expenses and changes in net position.

Parity Project

The term "Parity Project" means any additions, betterments, extensions or improvements to the District's Water System or Wastewater System designated by the Board of Directors of the District as a Parity Project, the acquisition and construction of which is to be paid for with the proceeds of any Contracts or Bonds.

Participating Underwriter

The term "Participating Underwriter" has the meaning ascribed thereto in the Continuing Disclosure Certificate.

Project

The term "Project" means certain facilities within the Water System and Wastewater System of the District described in Exhibit A herein.

Purchase Price

The term "Purchase Price" means the principal amount plus interest thereon owed by the District to the Corporation under the terms hereof as provided in Section 4.1.

Rate Stabilization Funds

The term "Rate Stabilization Funds" means, collectively, the Wastewater System Rate Stabilization Fund and the Water System Rate Stabilization Fund.

Revenue Fund

The term "Revenue Fund" means the Water Fund and the Sewer Fund of the District, together with other accounts that may be created in the future and designated by action of the Board of Directors of the District as a part of the fund called the "Revenue Fund" into which Revenues will be deposited pursuant to Section 5.2.

Revenues

The term "Revenues" means (i) Water System Revenues, (ii) Wastewater System Revenues, and (iii) other revenues received by the District, as determined by generally accepted accounting principles, including, without limiting the generality of the foregoing, (a) all amounts, if and to the extent received by the District as its share of the 1% *ad valorem* property tax not allocated by the Board of Directors of the District to the Water System Revenues or the Wastewater System Revenues, plus (b) the earnings on and income derived from the investment of the amounts described in clause (a) hereof and the general unrestricted funds of the District,

but excluding in all cases customer deposits or any other deposits or advances subject to refund until such deposits or advances have become the property of the District, and excluding any

proceeds of taxes restricted by law to be used by the District to pay obligations of the District other than Bonds or Contracts.

State

The term "State" means the State of California.

Trust Agreement

The term "Trust Agreement" means the Trust Agreement, dated as of _____ 1, 2026, by and among the District, the Corporation and the Trustee, relating to the Certificates, as originally executed and as it may from time to time be amended or supplemented in accordance with its terms.

2012 State Loan

The term "2012 State Loan" means that certain Project Finance Agreement entered into on or about August 21, 2012, by and between the District and the California State Water Resources Control Board with respect to State Revolving Fund Project NO. C-06-4250-310.

2026 Certificates

The term "2026 Certificates" means the Mission Springs Water District Revenue Certificates of Participation, Series 2026A.

Wastewater Service

The term "Wastewater Service" means the wastewater treatment service and reclaimed water sales made available or provided by the Wastewater System.

Wastewater System

The term "Wastewater System" means the whole and each and every part of the wastewater treatment of the District, including the portion thereof existing on the date hereof, and including all additions, betterments, extensions and improvements to such wastewater treatment system or any part thereof hereafter acquired or constructed.

Wastewater System Rate Stabilization Fund

The term "Wastewater System Rate Stabilization Fund" means the District account of that name established pursuant to Section 5.5.

Wastewater System Revenues

The term "Wastewater System Revenues" means all income, rents, rates, fees, charges and other moneys derived from the ownership or operation of the Wastewater System, determined in accordance with generally accepted accounting principles, including, without limiting the generality of the foregoing,

(1) all income, rents, rates, fees, charges, business interruption insurance proceeds or other moneys derived by the District from the furnishing of wastewater treatment

or other services, facilities, and commodities sold, furnished or supplied through the facilities of or in the conduct or operation of the business of the Wastewater System, plus

(2) the facility capacity charges or similar charges related to the Wastewater System, plus

(3) for any Fiscal Year, the amount of 1% *ad valorem* property tax allocated by the Board of Directors of the District to the Wastewater System Revenues, if and to the extent received and so allocated by the District, plus

(4) the earnings on and income derived from the investment of the amounts described in clauses (1), (2) and (3) hereof, plus

(5) notwithstanding the application of generally accepted accounting principles, all amounts transferred from the Wastewater System Rate Stabilization Fund to the Revenue Fund during any Fiscal Year in accordance with Section 5.5(a) hereof;

but excluding in all cases all amounts transferred from the Revenue Fund to the Wastewater System Rate Stabilization Fund in accordance with Section 5.5(a) hereof, customer deposits or any other deposits or advances subject to refund until such deposits or advances have become the property of the District, and excluding any proceeds of taxes restricted by law to be used by the District to pay obligations of the District other than Bonds or Contracts.

Water Service

The term "Water Service" means the water distribution service made available or provided by the Water System.

Water System

The term "Water System" means the whole and each and every part of the water system of the District, including District recycled water facilities, and including the portion thereof existing on the date hereof, and including all additions, betterments, extensions and improvements to such water system and recycled water facilities or any part thereof hereafter acquired or constructed.

Water System Rate Stabilization Fund

The term "Water System Rate Stabilization Fund" means the District account of that name established pursuant to Section 5.5.

Water System Revenues

The term "Water System Revenues" means all income, rents, rates, fees, charges and other moneys derived from the ownership or operation of the Water System, determined in accordance with generally accepted accounting principles, including, without limiting the generality of the foregoing,

(1) all income, rents, rates, fees, charges, business interruption insurance proceeds or other moneys derived by the District from the sale, furnishing and supplying of water, recycled water or other services, facilities, and commodities sold, furnished or

supplied through the facilities of or in the conduct or operation of the business of the Water System, plus

(2) the proceeds of any stand-by or water availability charges, plus

(3) the facility capacity charges or similar charges related to the Water System, plus

(4) for any Fiscal Year, the amount of 1% *ad valorem* property tax allocated by the Board of Directors of the District to the Water System Revenues, if and to the extent received and so allocated by the District, plus

(5) all income, rents, rates, fees, charges, business interruption insurance proceeds or other moneys derived by the District from the recreation facilities which are operational; plus

(6) the earnings on and income derived from the investment of the amounts described in clauses (1), (2), (3), (4) and (5) hereof, , plus

(5) notwithstanding the application of generally accepted accounting principles, all amounts transferred from the Water System Rate Stabilization Fund to the Revenue Fund during any Fiscal Year in accordance with Section 5.5(b) hereof;

but excluding in all cases all amounts transferred from the Revenue Fund to the Water System Rate Stabilization Fund in accordance with Section 5.5(b) hereof, customer deposits or any other deposits or advances subject to refund until such deposits or advances have become the property of the District, and excluding any proceeds of taxes or assessments restricted by law to be used by the District to pay obligations of the District other than Bonds or Contracts.

Written Consent of the Corporation or District, Written Order of the Corporation or District, Written Request of the Corporation or District, Written Requisition of the Corporation or District

The terms "Written Consent of the Corporation or District," "Written Order of the Corporation or District," "Written Request of the Corporation or District," and "Written Requisition of the Corporation or District" mean, respectively, a written consent, order, request or requisition signed by or on behalf of (i) the Corporation by its President or a Vice President or (ii) the District by the President of its Board of Directors or its Manager or by the Secretary of its Board of Directors or by any two persons (whether or not officers of the Board of Directors of the District) who are specifically authorized by resolution of the District to sign or execute such a document on its behalf.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations by the District. The District makes the following representations:

(a) The District is a county water district duly organized and existing under and pursuant to the laws of the State of California.

(b) The District has full legal right, power and authority to enter into this Agreement and carry out its obligations hereunder, to carry out and consummate all other transactions contemplated by this Agreement, and the District has complied with the provisions of the Law in all matters relating to such transactions.

(c) By proper action, the District has duly authorized the execution, delivery and due performance of this Agreement.

(d) The District will not take or, to the extent within its power, permit any action to be taken which results in the interest paid for the installment purchase of the Project under the terms of this Agreement being included in the gross income of the Certificate Owners or their assigns for purposes of federal or State of California income taxation.

(e) The District has determined that it is necessary and proper for District uses and purposes within the terms of the Law that the District sell the Project to the Corporation and acquire the Project, in the manner provided for in this Agreement.

Section 2.2 Representations and Warranties by the Corporation. The Corporation makes the following representations and warranties:

(a) The Corporation is a nonprofit public benefit corporation duly organized and in good standing under the laws of the State of California, has full legal right, power and authority to enter into this Agreement and to carry out and consummate all transactions contemplated by this Agreement and by proper action has duly authorized the execution and delivery and due performance of this Agreement.

(b) The execution and delivery of this Agreement and the consummation of the transactions herein contemplated will not violate any provision of law, any order of any court or other agency of government, or any indenture, material agreement or other instrument to which the Corporation is now a party or by which it or any of its properties or assets is bound, or be in conflict with, result in a breach of or constitute a default (with due notice or the passage of time or both) under any such indenture, agreement or other instrument, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Corporation.

(c) The Corporation will not take or permit any action to be taken which results in interest paid for the installment purchase of the Project under the terms of this Agreement being included in the gross income of the Certificate Owners or their assigns for purposes of federal or State of California income taxation.

ARTICLE III

ACQUISITION OF THE PROJECT

Section 3.1 Purchase and Sale of the Project. In consideration for the Installment Payments as set forth in Section 4.2, the Corporation agrees to sell, and hereby sells, to the District, and the District agrees to purchase, and hereby purchases, from the Corporation the Project at the Purchase Price specified in Section 4.1 hereof and otherwise in the manner and in accordance with the provisions of this Agreement.

Section 3.2 Title. All right, title and interest in the Project shall vest in the District immediately upon acquisition or construction thereof. Such vesting shall occur without further action by the Corporation or the District and the Corporation shall, if requested by the District or if necessary to assure such automatic vesting deliver any and all documents required to assure such vesting.

Section 3.3 Acquisition and Construction of the Project. The Corporation hereby agrees to cause the Project, and any additions or modifications thereto, to be constructed, acquired or installed by the District as its agent, and the District shall enter into contracts and provide for, as agent of the Corporation, the complete construction, acquisition and installation of the Project. The District hereby agrees that it will cause the construction, acquisition and installation of the Project to be diligently performed after the deposit of funds with the Trustee pursuant to the Trust Agreement, upon satisfactory completion of design work and compliance with all environmental and other laws including, but not limited to, the California Environmental Quality Act and approval by the Board of Directors of the District, unforeseeable delays beyond the reasonable control of the District only excepted. It is hereby expressly understood and agreed that the Corporation shall be under no liability of any kind or character whatsoever for the payment of any cost of the Project and that all such costs and expenses shall be paid by the District, regardless of whether the funds deposited in the Acquisition Fund are sufficient to cover all such costs and expenses.

Section 3.4 Changes to the Project. The District may substitute other improvements for those listed as components of the Project in Exhibit A hereto, but only if the District first files with the Corporation and the Trustee a statement of the District:

(a) identifying the improvements to be deleted from such Exhibit and the improvements to replace such deleted improvements; and

(b) stating that the estimated costs of construction, acquisition and installation of the substituted improvements are not less than such costs for the improvements previously planned.

Section 3.5 Acquisition Fund. There is hereby established with the District the Acquisition Fund. The District shall deposit moneys received from the proceeds of the Certificates into the Acquisition Fund.

The moneys in the Acquisition Fund shall be held by the District in trust and moneys therein shall be applied to the payment of the costs of acquisition and construction of the Project, and of expenses incidental thereto, including costs of delivering the Certificates. Before any payment is made from the Acquisition Fund by the Director of Finance of the District, the Manager of the District shall cause to be filed with the Director of Finance of the District a Written Requisition of the District in the form set forth in Exhibit C hereto.

Upon receipt of each such Written Requisition, the Director of Finance of the District will pay the amount set forth in such Written Requisition as directed by the terms thereof. The Director of Finance of the District need not make any such payment if it has received notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys to be so paid, which has not been released or will not be released simultaneously with such payment.

When the Project shall have been constructed and acquired in accordance with this Agreement, a statement of the District stating the fact and date of such acquisition, construction and

acceptance and stating that all of such costs of acquisition and incidental expenses have been determined and paid (or that all of such costs and expenses have been paid less specified claims which are subject to dispute and for which a retention in the Acquisition Fund is to be maintained in the full amount of such claims until such dispute is resolved), shall be delivered to the Director of Finance of the District and the Trustee by the District. Upon the receipt of such statement, the Director of Finance of the District shall transfer any remaining balance in the Acquisition Fund and not needed for Acquisition Fund purposes (but less the amount of any such retention which amount shall be certified to the Director of Finance of the District by the District) to the Trustee which shall transfer such amounts to the Certificate Payment Fund for deposit by the Trustee in the Certificate Payment Fund.

ARTICLE IV

INSTALLMENT PAYMENTS

Section 4.1 Purchase Price.

(a) The Purchase Price to be paid by the District hereunder to the Corporation is the sum of the principal amount of the District's obligations hereunder plus the interest to accrue on the unpaid balance of such principal amount from the effective date hereof over the term hereof, subject to prepayment as provided in Article VII.

(b) The principal amount of the payments to be made by the District hereunder is set forth in Exhibit B hereto.

(c) The interest to accrue on the unpaid balance of such principal amount is as specified in Section 4.2 and Exhibit B hereto, and shall be paid by the District as and constitute interest paid with respect to the principal amount of the District's obligations hereunder.

Section 4.2 Installment Payments. The District shall, subject to any rights of prepayment provided in Article VII, pay the Corporation the Purchase Price in installment payments of interest and principal in the amounts and on the Installment Payment Dates as set forth in Exhibit B hereto.

Each Installment Payment shall be paid to the Corporation in lawful money of the United States of America. In the event the District fails to make any of the payments required to be made by it under this section, such payment shall continue as an obligation of the District until such amount shall have been fully paid; and the District agrees to pay the same with interest accruing thereon at the rate or rates of interest then applicable to the remaining unpaid principal balance of the Installment Payments if paid in accordance with their terms.

Subject to Section 10.1 hereof, the obligation of the District to make the Installment Payments is absolute and unconditional, and until such time as the Purchase Price shall have been paid in full (or provision for the payment thereof shall have been made pursuant to Article IX), the District will not discontinue or suspend any Installment Payments required to be made by it under this section when due, whether or not the Water System, Wastewater System or any part thereof is operating or operable, or its use is suspended, interfered with, reduced or curtailed or terminated in whole or in part, and whether or not the Project has been completed, and such payments shall not be subject to reduction whether by offset or otherwise and shall not be conditional upon the performance or nonperformance by any party of any agreement for any cause whatsoever.

ARTICLE V

SECURITY

Section 5.1 Pledge of Revenues. All Revenues and all amounts on deposit in the Revenue Fund and the Rate Stabilization Funds are hereby irrevocably pledged to the payment of the Installment Payments as provided herein and the Revenues shall not be used for any other purpose while any of the Installment Payments remain unpaid; provided that out of the Revenues there may be apportioned such sums for such purposes as are expressly permitted herein. This pledge, together with the pledge created by all other Contracts and Bonds, shall constitute a lien on Revenues and, subject to application of Revenues and all amounts on deposit in the Revenue Fund and the Rate Stabilization Funds as permitted herein, the Revenue Fund, the Rate Stabilization Funds and other funds and accounts created hereunder for the payment of the Installment Payments and all other Contracts and Bonds in accordance with the terms hereof and the Trust Agreement.

Section 5.2 Allocation of Revenues. In order to carry out and effectuate the pledge and lien contained herein, the District agrees and covenants that all Revenues shall be received by the District in trust hereunder and shall be deposited when and as received in a special fund designated as the "Revenue Fund," which fund is hereby continued and which fund the District agrees and covenants to maintain and to hold separate and apart from other funds so long as any Contracts or Bonds remain unpaid. Moneys in the Revenue Fund shall be used and applied by the District as provided in this Agreement.

The District shall, from the moneys in the Revenue Fund, pay all Operation and Maintenance Costs (including amounts reasonably required to be set aside in contingency reserves for Operation and Maintenance Costs, the payment of which is not then immediately required) as such Operation and Maintenance Costs become due and payable. Thereafter all remaining moneys in the Revenue Fund shall be applied by the District at the following times for the transfer to the following respective special funds in the following order of priority; and all moneys in each of such funds shall be held in trust and shall be applied, used and withdrawn only for the purposes set forth in this Section.

(a) Installment Payments. Not later than each Installment Payment Date, the District shall, from the moneys in the Revenue Fund, transfer to the Trustee the Installment Payment due and payable on that Installment Payment Date. The District shall also, from the moneys in the Revenue Fund, transfer to the applicable trustee for deposit in the respective payment fund, without preference or priority, and in the event of any insufficiency of such moneys ratably without any discrimination or preference, any other Debt Service in accordance with the provisions of any Bond or Contract.

(b) Reserve Funds. On or before each Installment Payment Date the District shall, from the remaining moneys in the Revenue Fund, thereafter, without preference or priority and in the event of any insufficiency of such moneys ratably without any discrimination or preference, transfer to the applicable trustee for such other reserve funds and/or accounts, if any, as may have been established in connection with Bonds or Contracts other than this Agreement, that sum, if any, necessary to restore such other reserve funds and/or accounts to an amount equal to such other reserve requirements.

(c) Surplus. Moneys on deposit in the Revenue Fund on any date when the District reasonably expects such moneys will not be needed for the payment of Operation and

Maintenance Costs or for any of the purposes described in clauses (a) or (b) may be expended by the District at any time for any purpose permitted by law, including, but not limited to the deposit of amounts in the Rate Stabilization Funds in accordance with Section 5.5 hereof.

Section 5.3 Additional Contracts and Bonds. The District may at any time execute any Contract or issue any Bonds, as the case may be, in accordance herewith; provided:

(a) The Net Revenues for the most recent audited Fiscal Year preceding the date of adoption by the Board of Directors of the District of the resolution authorizing the issuance of such Bonds or the date of the execution of such Contract, as the case may be, as evidenced by both a calculation prepared by the District and a special report prepared by an Independent Certified Public Accountant or an Independent Municipal Advisor on such calculation on file with the District, shall have produced a sum equal to at least one hundred fifteen percent (115%) of the Debt Service for such Fiscal Year; and

(b) The Net Revenues for the most recent audited Fiscal Year preceding the date of the execution of such Contract or the date of adoption by the Board of Directors of the District of the resolution authorizing the issuance of such Bonds, as the case may be, including adjustments to give effect as of the first day of such Fiscal Year to increases or decreases in rates and charges for the Water Service and Wastewater Service approved and in effect as of the date of calculation, as evidenced by a calculation prepared by the District, shall have produced a sum equal to at least one hundred fifteen percent (115%) of the Debt Service for such Fiscal Year plus the Debt Service which would have accrued on any Contracts executed or Bonds issued since the end of such Fiscal Year assuming such Contracts had been executed or Bonds had been issued at the beginning of such Fiscal Year, plus the Debt Service which would have accrued had such Contract been executed or Bonds been issued at the beginning of such Fiscal Year; and

(c) The estimated Net Revenues for the then current Fiscal Year and for each Fiscal Year thereafter to and including the first complete Fiscal Year after the latest Date of Operation of any uncompleted Parity Project, as evidenced by a certificate of the Manager of the District on file with the District, including (after giving effect to the completion of all such uncompleted Parity Projects) an allowance for estimated Net Revenues for each of such Fiscal Years arising from any increase in the income, rents, fees, rates and charges estimated to be fixed, prescribed or received for the Water Service and Wastewater Service and which are economically feasible and reasonably considered necessary based on projected operations for such period, as evidenced by a certificate of the Manager on file with the District, shall produce a sum equal to at least one hundred fifteen percent (115%) of the estimated Debt Service for each of such Fiscal Years, after giving effect to the execution of all Contracts and the issuance of all Bonds estimated to be required to be executed or issued to pay the costs of completing all uncompleted Parity Projects within such Fiscal Years, assuming that all such Contracts and Bonds have maturities, interest rates and proportionate principal repayment provisions similar to the Contract last executed or then being executed or the Bonds last issued or then being issued for the purpose of acquiring and constructing any of such uncompleted Parity Projects.

Notwithstanding the foregoing, Bonds or Contracts may be issued or incurred to refund outstanding Bonds or Contracts if, after giving effect to the application of the proceeds thereof, total Debt Service will not be increased in any Fiscal Year in which Bonds or Contracts (outstanding on the date of issuance or incurrence of such refunding Bonds or Contracts, but excluding such refunding Bonds or Contracts) not being refunded are outstanding.

Section 5.4 Investments. All moneys held by the District in the Revenue Fund and Acquisition Fund shall be invested in Permitted Investments and the investment earnings thereon shall remain on deposit in such fund, except as otherwise provided herein.

Section 5.5 Rate Stabilization Funds.

(a) Wastewater System Rate Stabilization Fund. There is hereby established a special fund designated as the "Wastewater System Rate Stabilization Fund" to be held and maintained by the District in trust hereunder, which fund the District agrees and covenants to maintain and to hold separate and apart from other funds so long as any Installment Payments remain unpaid. Money transferred by the District from the Revenue Fund to the Wastewater System Rate Stabilization Fund in accordance with Section 5.2(c) shall be held in the Wastewater System Rate Stabilization Fund and applied in accordance with this Agreement.

The District may withdraw all or any portion of the amounts on deposit in the Wastewater System Rate Stabilization Fund and transfer such amounts to the Revenue Fund for application in accordance with Section 5.2 hereof or, in the event that all or a portion of the Installment Payments are discharged in accordance with Article IX hereof, transfer all or any portion of such amounts for application in accordance with said Article IX. Amounts transferred from the Wastewater System Rate Stabilization Fund to the Revenue Fund pursuant to this Section 5.5(a) during or within 270 days after a Fiscal Year, may be taken into account as Wastewater System Revenues for purposes of the calculations in Sections 5.3 and 6.13(b) in such Fiscal Year.

(b) Water System Rate Stabilization Fund. There is hereby established a special fund designated as the "Water System Rate Stabilization Fund" to be held and maintained by the District in trust hereunder, which fund the District agrees and covenants to maintain and to hold separate and apart from other funds so long as any Installment Payments remain unpaid. Money transferred by the District from the Revenue Fund to the Water System Rate Stabilization Fund in accordance with Section 5.2(c) shall be held in the Water System Rate Stabilization Fund and applied in accordance with this Agreement.

The District may withdraw all or any portion of the amounts on deposit in the Water System Rate Stabilization Fund and transfer such amounts to the Revenue Fund for application in accordance with Section 5.2 hereof or, in the event that all or a portion of the Installment Payments are discharged in accordance with Article IX hereof, transfer all or any portion of such amounts for application in accordance with said Article IX. Amounts transferred from the Water System Rate Stabilization Fund to the Revenue Fund pursuant to this Section 5.5(b) during or within 270 days after a Fiscal Year, may be taken into account as Wastewater System Revenues for purposes of the calculations in Sections 5.3 and 6.13(a) in such Fiscal Year.

ARTICLE VI

COVENANTS OF THE DISTRICT

Section 6.1 Compliance with Installment Purchase Agreement and Ancillary Agreements. The District will punctually pay the Installment Payments in strict conformity with the terms hereof, and will faithfully observe and perform all the agreements, conditions, covenants and terms contained herein required to be observed and performed by it, and will not terminate this Agreement for any cause including, without limiting the generality of the foregoing, any acts or circumstances

that may constitute failure of consideration, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State of California or any political subdivision of either or any failure of the Corporation to observe or perform any agreement, condition, covenant or term contained herein required to be observed and performed by it, whether express or implied, or any duty, liability or obligation arising out of or connected herewith or the insolvency, or deemed insolvency, or bankruptcy or liquidation of the Corporation or any force majeure, including acts of God, tempest, storm, earthquake, war, rebellion, riot, civil disorder, acts of public enemies, blockade or embargo, strikes, industrial disputes, lock outs, lack of transportation facilities, fire, explosion, or acts or regulations of governmental authorities.

It is expressly understood and agreed by and among the parties to this Agreement that, subject to Section 10.6 hereof, each of the agreements, conditions, covenants and terms contained in this Agreement is an essential and material term of the purchase of and payment for the Project by the District pursuant to, and in accordance with, and as authorized under the Law.

The District will faithfully observe and perform all the agreements, conditions, covenants and terms required to be observed and performed by it pursuant to all outstanding Contracts and Bonds as such may from time to time be executed or issued, as the case may be.

Section 6.2 Against Encumbrances. The District will not make any pledge of or place any lien on Revenues or the moneys in the Revenue Fund or the Rate Stabilization Funds except as provided herein. The District may at any time, or from time to time, execute Contracts or issue Bonds as permitted herein or incur evidences of indebtedness or incur other obligations for any lawful purpose which are payable from and secured by a pledge of lien on Revenues on any moneys in the Revenue Fund or the Rate Stabilization Funds as may from time to time be deposited therein, provided that such pledge and lien shall be subordinate in all respects to the pledge of and lien thereon provided herein.

Section 6.3 Against Sale or Other Disposition of Property. The District will not enter into any agreement or lease which impairs the operation of the Water System or Wastewater System or any part thereof necessary to secure adequate Revenues for the payment of the Installment Payments, or which would otherwise impair the rights of the Corporation hereunder or the operation of the Water System or Wastewater System. Any real or personal property which has become nonoperative or which is not needed for the efficient and proper operation of the Water System or Wastewater System, or any material or equipment which has become worn out, may be sold if such sale will not impair the ability of the District to pay the Installment Payments and if the proceeds of such sale are deposited in the Revenue Fund.

Nothing herein shall restrict the ability of the District to sell any portion of the Water System or Wastewater System if such portion is immediately repurchased by the District and if such arrangement cannot by its terms result in the purchaser of such portion of the Water System or Wastewater System exercising any remedy which would deprive the District of or otherwise interfere with its right to own and operate such portion of the Water System or Wastewater System.

Section 6.4 Against Competitive Facilities. To the extent permitted by law, the District covenants that it will not acquire, construct, maintain or operate and will not, to the extent permitted by law and within the scope of its powers, permit any other public or private agency, corporation, district or political subdivision or any person whomsoever to acquire, construct, maintain or operate

within the District any water or wastewater system competitive with the Water System or Wastewater System.

Section 6.5 Tax Covenants. Notwithstanding any other provision of this Agreement, absent an opinion of Special Counsel that the exclusion from gross income of interest with respect to the Certificates will not be adversely affected for federal income tax purposes, the District and the Corporation covenant to comply with all applicable requirements of the Code necessary to preserve such exclusion from gross income and specifically covenants, without limiting the generality of the foregoing, as follows:

(a) Private Activity. The District and the Corporation will not take or omit to take any action or make any use of the proceeds of the Certificates or of any other moneys or property which would cause the Certificates to be "private activity bonds" within the meaning of Section 141 of the Code.

(b) Arbitrage. The District and the Corporation will make no use of the proceeds of the Certificates or of any other amounts or property, regardless of the source, or take or omit to take any action which would cause the Certificates to be "arbitrage bonds" within the meaning of Section 148 of the Code.

(c) Federal Guarantee. The District and the Corporation will make no use of the proceeds of the Certificates or take or omit to take any action that would cause the Certificates to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(d) Information Reporting. The District and the Corporation will take or cause to be taken all necessary action to comply with the informational reporting requirements of Section 149(e) of the Code.

(e) Hedge Bonds. The District and the Corporation will make no use of the proceeds of the Certificates or any other amounts or property, regardless of the source, or take any action or refrain from taking any action that would cause the Certificates to be considered "hedge bonds" within the meaning of Section 149(g) of the Code unless the District takes all necessary action to assure compliance with the requirements of Section 149(g) of the Code to maintain the exclusion from gross income of interest on the Certificates for federal income tax purposes.

(f) Miscellaneous. The District and the Corporation will take no action, or omit to take any action, inconsistent with the expectations stated in any Tax Certificate executed with respect to the Certificates and will comply with the covenants and requirements stated therein and incorporated by reference herein.

This Section and the covenants set forth herein shall not be applicable to, and nothing contained herein shall be deemed to prevent the District and the Corporation from executing and delivering Certificates, the interest with respect to which has been determined by Special Counsel to be subject to federal income taxation.

Section 6.6 Maintenance and Operation of the Water System and Wastewater System. The District will maintain and preserve the Water System and Wastewater System in good repair and working order at all times and will operate the Water System and Wastewater System in an efficient

and economical manner and will pay all Operation and Maintenance Costs as they become due and payable.

Section 6.7 Payment of Claims. The District will pay and discharge any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien on the Revenues or the funds or accounts created hereunder or on any funds in the hands of the District pledged to pay the Installment Payments or to the Owners prior or superior to the lien of the Installment Payments or which might impair the security of the Installment Payments.

Section 6.8 Compliance with Contracts. The District will neither take nor omit to take any action under any contract if the effect of such act or failure to act would in any manner impair or adversely affect the ability of the District to pay Installment Payments when due; and the District will comply with, keep, observe and perform all agreements, conditions, covenants and terms, express or implied, required to be performed by it contained in all other contracts affecting or involving the Water System or Wastewater System, to the extent that the District is a party thereto.

Section 6.9 Insurance.

(a) The District will procure and maintain or cause to be procured and maintained insurance on the Water System and Wastewater System with responsible insurers in such amounts and against such risks (including damage to or destruction of the Water System and Wastewater System) as are usually covered in connection with water and wastewater systems similar to the Water System and Wastewater System so long as such insurance is available from reputable insurance companies.

In the event of any damage to or destruction of the Water System or Wastewater System caused by the perils covered by such insurance, the Net Proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the Water System or Wastewater System, respectively. The District shall begin such reconstruction, repair or replacement promptly after such damage or destruction shall occur, and shall continue and properly complete such reconstruction, repair or replacement as expeditiously as possible, and shall pay out of such Net Proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same shall be completed and the Water System and Wastewater System shall be free and clear of all claims and liens.

If such Net Proceeds exceed the costs of such reconstruction, repair or replacement portion of the Water System or Wastewater System, respectively, and/or the cost of the construction of additions, betterments, extensions or improvements to the Water System or Wastewater System, respectively, then the excess Net Proceeds shall be deposited in the Revenue Fund. If such Net Proceeds are sufficient to enable the District to retire the entire obligation evidenced hereby prior to the final due date of the Installment Payments as well as the entire obligations evidenced by Bonds and Contracts then remaining unpaid prior to their final respective due dates, the District may elect not to reconstruct, repair or replace the damaged or destroyed portion of the Water System or Wastewater System, and/or not to construct other additions, betterments, extensions or improvements to the Water System or Wastewater System; and thereupon such Net Proceeds shall be applied in part to the payment of the Installment Payments due hereunder in the same proportion which the aggregate unpaid principal balance of Installment Payments then bears to the aggregate unpaid principal amount of all Bonds and Contracts and in part to such other fund or account as may be appropriate and used for the retirement of Bonds and Contracts in the same proportion which the

aggregate unpaid principal balance of Installment Payments then bears to the aggregate unpaid principal amount of all Bonds and Contracts. If the Certificates are not subject to optional redemption at the time of the deposit, the District shall provide a Written Order to the Trustee describing how such funds are to be invested and applied. In the event that any Certificates are to be redeemed from such Net Proceeds, the District shall provide a Written Request to the Trustee pursuant to Section 4.1(a) of the Trust Agreement.

(b) The District will procure and maintain such other insurance as it shall deem advisable or necessary to protect its interests and the interests of the Corporation, which insurance shall afford protection in such amounts and against such risks as are usually covered in connection with water and wastewater systems similar to the Water System and Wastewater System.

(c) Any insurance required to be maintained by paragraph (a) above and, if the District determines to procure and maintain insurance pursuant to paragraph (b) above, such insurance, may be maintained under a self-insurance program so long as such self-insurance is maintained in the amounts and manner usually maintained in connection with water and wastewater systems similar to the Water System and Wastewater System and is, in the opinion of an accredited actuary, actuarially sound.

Section 6.10 Accounting Records; Financial Statements and Other Reports.

(a) The District will keep appropriate accounting records in which complete and correct entries shall be made of all transactions relating to the District, which records shall be available for inspection by the Corporation and the Trustee at reasonable hours and under reasonable conditions.

(b) The District will prepare and file with the Corporation and the Trustee annually within two hundred seventy (270) days after the close of each Fiscal Year (commencing with the Fiscal Year ending June 30, 2026) financial statements of the District for the preceding Fiscal Year prepared in accordance with generally accepted accounting principles, together with an Accountant's Report thereon.

Section 6.11 Protection of Security and Rights of the Corporation. The District will preserve and protect the security hereof and the rights of the Corporation to the Installment Payments hereunder and will warrant and defend such rights against all claims and demands of all persons.

Section 6.12 Payment of Taxes and Compliance with Governmental Regulations. The District will pay and discharge all taxes, assessments and other governmental charges which may hereafter be lawfully imposed upon the Water System, Wastewater System, or any part thereof or upon the Revenues when the same shall become due. The District will duly observe and conform with all valid regulations and requirements of any governmental authority relative to the operation of the Water System, Wastewater System, or any part thereof, but the District shall not be required to comply with any regulations or requirements so long as the validity or application thereof shall be contested in good faith.

Section 6.13 Amount of Rates and Charges.

(a) To the fullest extent permitted by law, the District shall fix and prescribe, at the commencement of each Fiscal Year, rates and charges for the Water Service provided by the

Water System which are reasonably expected to be at least sufficient to yield during each Fiscal Year Net Water System Revenues equal to one hundred fifteen percent (115%) of Debt Service for such Fiscal Year allocable to the Water System.

(b) To the fullest extent permitted by law, the District shall fix and prescribe, at the commencement of each Fiscal Year, rates and charges for the Wastewater Service provided by the Wastewater System which are reasonably expected to be at least sufficient to yield during each Fiscal Year Net Wastewater System Revenues equal to one hundred fifteen percent (115%) of Debt Service for such Fiscal Year allocable to the Wastewater System.

(c) The District may make adjustments from time to time in such rates and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates and charges then in effect unless the Net Water System Revenues or Net Wastewater System Revenues, as applicable, from such reduced rates and charges are reasonably expected to be sufficient to meet the requirements of this section.

(d) For avoidance of doubt, so long as the District has complied with its obligations set forth in subsection (a) and (b) above, the failure of Net Water System Revenues or Net Wastewater System Revenues to meet the thresholds set forth in Section 6.13(a) or (b) above at the end of a Fiscal Year shall not constitute a default or an Event of Default so long as the District has complied with Section 6.13(a) and (b) at the commencement of the succeeding Fiscal Year.

Section 6.14 Collection of Rates and Charges. The District will have in effect at all times by-laws, rules and regulations requiring each customer to pay the rates and charges applicable to the Water Service and Wastewater Service and providing for the billing thereof and for a due date and a delinquency date for each bill.

Section 6.15 Eminent Domain Proceeds. If all or any part of the Water System or Wastewater System shall be taken by eminent domain proceedings, the Net Proceeds thereof shall be applied as follows:

(a) If (1) the District files with the Corporation and the Trustee a certificate showing (i) the estimated loss of annual Net Revenues, if any, suffered or to be suffered by the District by reason of such eminent domain proceedings, (ii) a general description of the additions, betterments, extensions or improvements to the Water System or Wastewater System proposed to be acquired and constructed by the District from such Net Proceeds, and (iii) an estimate of the additional annual Net Revenues to be derived from such additions, betterments, extensions or improvements, and (2) the District, on the basis of such certificate filed with the Corporation and the Trustee, determines that the estimated additional annual Net Revenues will sufficiently offset the estimated loss of annual Net Revenues resulting from such eminent domain proceedings so that the ability of the District to meet its obligations hereunder will not be substantially impaired (which determination shall be final and conclusive), then the District shall promptly proceed with the acquisition and construction of such additions, betterments, extensions or improvements substantially in accordance with such certificate and such Net Proceeds shall be applied for the payment of the costs of such acquisition and construction, and any balance of such Net Proceeds not required by the District for such purpose shall be deposited in the Revenue Fund.

(b) If the foregoing conditions are not met, then such Net Proceeds shall be applied by the District, in part, to the payment of the Installment Payments due hereunder in the same

proportion which the aggregate unpaid principal balance of Installment Payments then bears to the aggregate unpaid principal amount of all Bonds and Contracts and in part to such other fund or account as may be appropriate and used for the retirement of Bonds and Contracts in the same proportion which the aggregate unpaid principal balance of Installment Payments then bears to the aggregate unpaid principal amount of all Bonds and Contracts. If the Certificates are not subject to optional redemption at the time of the deposit, the District shall provide a Written Order to the Trustee describing how such funds are to be invested and applied. In the event that any Certificates are to be redeemed from such Net Proceeds, the District shall provide a Written Request to the Trustee pursuant to Section 4.1(a) of the Trust Agreement.

Section 6.16 Further Assurances. The District will adopt, deliver, execute and make any and all further assurances, instruments and resolutions as may be reasonably necessary or proper to carry out the intention or to facilitate the performance hereof and for the better assuring and confirming unto the Corporation of the rights and benefits provided to it herein.

Section 6.17 Enforcement of Contracts. The District will not voluntarily consent to or permit any rescission of, nor will it consent to any amendment to or otherwise take any action under or in connection with any contracts previously or hereafter entered into if such rescission or amendment would in any manner impair or adversely affect the ability of the District to pay Installment Payments.

Section 6.18 Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Agreement, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, any Owner of Certificates or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Certificates (including persons holding Certificates through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Certificate for federal income tax purposes.

ARTICLE VII

PREPAYMENT OF INSTALLMENT PAYMENTS

Section 7.1 Prepayment.

(a) The District may prepay the Installment Payments maturing on and after February 1, 20__ either in inverse order of maturity or pro rata among maturities, as a whole or in part, or as otherwise selected by the District, on any date on or after February 1, 20__ from any available funds. The principal amount of the unpaid Installment Payments is payable at a prepayment price equal to the principal amount of the Installment Payments to be prepaid plus accrued interest thereon to the date of prepayment without premium.

(b) Notwithstanding any such prepayment, the District shall not be relieved of its obligations hereunder, including its obligations under Article IV, until the Purchase Price shall have

been fully paid (or provision for payment thereof shall have been provided to the written satisfaction of the Corporation).

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF THE CORPORATION

Section 8.1 Events of Default and Acceleration of Maturities. If one or more of the following Events of Default shall happen, that is to say --

(a) if default shall be made by the District in the due and punctual payment of the principal with respect to any Installment Payments when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for prepayment, by acceleration, or otherwise;

(b) if default shall be made by the District in the due and punctual payment of the interest with respect to any Installment Payments when and as the same shall become due and payable;

(c) if default shall be made by the District in the observance of any of the other covenants, agreements or conditions on its part in the Agreement if such default shall have continued for a period of thirty (30) days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the District by the Trustee or by the Owners of not less than a majority in aggregate principal amount of Certificates Outstanding; provided, however, that if in the reasonable opinion of the District the default stated in the notice can be corrected, but not within such thirty (30) day period and corrective action is instituted by the District within such thirty (30) day period and diligently pursued in good faith until the default is corrected, such default shall not be an Event of Default hereunder;

(d) if the District shall file a petition or answer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if a court of competent jurisdiction shall approve a petition filed with or without the consent of the District seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property; or

(e) if payment of the principal of any Contract or Bond is accelerated in accordance with its terms;

then and in each and every such case during the continuance of such Event of Default specified in clauses (d) and (e) above, the Corporation shall, and for any other such Event of Default the Corporation may, upon notice in writing to the District, declare the entire principal amount of the unpaid Installment Payments and the accrued interest thereon to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything contained herein to the contrary notwithstanding. This subsection however, is subject to the condition that if at any time after the entire principal amount of the unpaid Installment Payments and the accrued interest thereon shall have been so declared due and payable and before any judgment or

decree for the payment of the moneys due shall have been obtained or entered the District shall deposit with the Corporation a sum sufficient to pay the unpaid principal amount of the Installment Payments and/or the unpaid payment of any other Contract or Bond referred to in clause (a) above due prior to such declaration and the accrued interest thereon, with interest on such overdue installments, at the rate or rates applicable to the remaining unpaid principal balance of the Installment Payments or such Contract or Bond if paid in accordance with their terms, and the reasonable expenses of the Corporation, and any and all other defaults known to the Corporation (other than in the payment of the entire principal amount of the unpaid Installment Payments and the accrued interest thereon due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Corporation or provision deemed by the Corporation to be adequate shall have been made therefor, then and in every such case the Corporation by written notice to the District, may rescind and annul such declaration and its consequences; but no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Section 8.2 Application of Funds Upon Acceleration. Upon the date of the declaration of acceleration as provided in Section 8.1, all Revenues thereafter received shall be applied in the following order -

First, to the payment, without preference or priority, and in the event of any insufficiency of such Revenues ratably without any discrimination or preference, of the fees, costs and expenses of the Corporation and Trustee, including reasonable compensation to its accountants and counsel, pursuant to Section 8.4 of the Trust Agreement;

Second, to the payment of the Operation and Maintenance Costs; and

Third, to the payment of the entire principal amount of the unpaid Installment Payments and the unpaid principal amount of all Bonds and Contracts and the accrued interest thereon, with interest on the overdue installments at the rate or rates of interest applicable to the Installment Payments and such Bonds and Contracts if paid in accordance with their respective terms, in the following order of priority:

First: to the persons entitled thereto of all installments of interest then due with respect to the Installment Payments, with respect to such Contract or on such Bonds, as applicable, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference;

Second: to the persons entitled thereto of all installments of unpaid principal with respect to any Installment Payments, with respect to such Contract or on such Bonds, as applicable, which shall have become due, whether at maturity or by acceleration or redemption, with interest on the overdue principal at the rate of eight percent (8%) per annum, and, if the amount available shall not be sufficient to pay in full all the Installment Payments together with such interest, then to the payment thereof ratably, according to the amounts of principal due on such date to the persons entitled thereto, without any discrimination or preference; and

Third: if there shall exist any remainder after the foregoing payments, such remainder shall be paid to the District.

Section 8.3 Other Remedies of the Corporation. The Corporation shall have the right:

(a) by mandamus or other action or proceeding or suit at law or in equity to enforce its rights against the District or any director, officer or employee thereof, and to compel the District or any such director, officer or employee to perform and carry out its or his duties under the Law and the agreements and covenants required to be performed by it or him contained herein;

(b) by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Corporation; or

(c) by suit in equity upon the happening of an Event of Default to require the District and its directors, officers and employees to account as the trustee of an express trust.

Notwithstanding anything contained herein, the Corporation shall not have a security interest in or mortgage on the Project, the Water System or Wastewater System or other assets of the District, and no default hereunder shall result in the loss of the Project, the Water System or Wastewater System or other assets of the District.

Section 8.4 Non-Waiver. Nothing in this article or in any other provision hereof shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the Installment Payments to the Corporation at the respective due dates or upon prepayment from the Net Revenues, the Revenue Fund and the other funds herein pledged for such payment, or shall affect or impair the right of the Corporation, which is also absolute and unconditional, to institute suit to enforce such payment by virtue of the contract embodied herein.

A waiver of any default or breach of duty or contract by the Corporation shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Corporation to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Corporation by the Law or by this article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Corporation.

If any action, proceeding or suit to enforce any right or exercise any remedy is abandoned, the District and the Corporation shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

Section 8.5 Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Corporation is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by the Law or any other law.

If any remedial action is discontinued or abandoned, the Trustee and Certificate Owners shall be restored to their former positions.

ARTICLE IX

DISCHARGE OF OBLIGATIONS

Section 9.1 Discharge of Obligations.

(a) When all or any portion of the Installment Payments shall have become due and payable in accordance herewith or a written notice of the District to prepay all or any portion of the Installment Payments shall have been filed with the Trustee; and

(b) there shall have been deposited with the Trustee at or prior to the Installment Payment Dates or date (or dates) specified for prepayment, in trust for the benefit of the Corporation or its assigns and irrevocably appropriated and set aside to the payment of all or any portion of the Installment Payments, sufficient moneys and non-callable Permitted Investments, issued by the United States of America and described in clause (1) of the definition thereof, the principal of and interest on which when due will provide money sufficient to pay all principal, prepayment premium, if any, and interest of such Installment Payments to their respective Installment Payment Dates or prepayment date or dates as the case may be; and

(c) provision shall have been made for paying all fees and expenses of the Trustee,

then and in that event, the right, title and interest of the Corporation herein and the obligations of the District hereunder shall, with respect to all or such portion of the Installment Payments as have been so provided for, thereupon cease, terminate, become void and be completely discharged and satisfied (except for the right of the Trustee and the obligation of the District to have such moneys and such Permitted Investments applied to the payment of such Installment Payments);

in such event, upon request of the District the Trustee shall cause an accounting for such period or periods as may be requested by the District to be prepared and filed with the District and shall execute and deliver to the District all such instruments as may be necessary or desirable to evidence such total or partial discharge and satisfaction, as the case may be, and, in the event of a total discharge and satisfaction, the Trustee shall pay over to the District, after payment of all amounts due the Trustee pursuant to the Trust Agreement, as an overpayment of Installment Payments, all such moneys or such Permitted Investments held by it pursuant hereto other than such moneys and such Permitted Investments as are required for the payment or prepayment of the Installment Payments, which moneys and Permitted Investments shall continue to be held by the Trustee in trust for the payment of the Installment Payments and shall be applied by the Trustee to the payment of the Installment Payments of the District.

ARTICLE X

MISCELLANEOUS

Section 10.1 Liability of District Limited to Revenues. The obligation of the District to make the Installment Payments is a special obligation of the District payable solely from the Net Revenues, and does not constitute a debt of the District or of the State of California or of any political subdivision thereof in contravention of any constitutional or statutory debt limitation or restriction. Notwithstanding anything contained herein, the District shall not be required to advance

any moneys derived from any source of income other than the Revenues, the Revenue Fund and the Rate Stabilization Funds for the payment of amounts due hereunder or for the performance of any agreements or covenants required to be performed by it contained herein. The District may, however, advance moneys for any such purpose so long as such moneys are derived from a source legally available for such purpose and may be legally used by the District for such purpose.

Section 10.2 Benefits of Installment Purchase Agreement Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the District or the Corporation any right, remedy or claim under or pursuant hereto, and any agreement or covenant required herein to be performed by or on behalf of the District or the Corporation shall be for the sole and exclusive benefit of the other party.

Section 10.3 Successor Is Deemed Included in all References to Predecessor. Whenever either the District or the Corporation is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the District or the Corporation, and all agreements and covenants required hereby to be performed by or on behalf of the District or the Corporation shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 10.4 Waiver of Personal Liability. No director, officer or employee of the District shall be individually or personally liable for the payment of the Installment Payments, but nothing contained herein shall relieve any director, officer or employee of the District from the performance of any official duty provided by any applicable provisions of law or hereby.

Section 10.5 Article and Section Headings, Gender and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof, and words of any gender shall be deemed and construed to include all genders. All references herein to "Articles," "Sections" and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words "hereby", "herein," "hereof," "hereto," "herewith" and other words of similar import refer to this Agreement as a whole and not to any particular article, section, subdivision or clause hereof.

Section 10.6 Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the District or the Corporation shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof. The District and the Corporation hereby declare that they would have executed this Agreement, and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 10.7 Assignment. This Agreement and any rights hereunder may be assigned by the Corporation, as a whole or in part, without the necessity of obtaining the prior consent of the District.

Section 10.8 Net Contract. This Agreement shall be deemed and construed to be a net contract, and the District shall pay absolutely net during the term hereof the Installment Payments and all other payments required hereunder, free of any deductions and without abatement, diminution or set-off whatsoever.

Section 10.9 California Law. THE INSTALLMENT PURCHASE AGREEMENT SHALL BE CONSTRUED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

Section 10.10 Notices. All written notices to be given hereunder shall be given by mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

If to the District: Mission Springs Water District
66575 Second Street
Desert Hot Springs, CA 92240
Attention: General Manager

If to the Corporation: Mission Springs Water Improvement Corporation
66575 Second Street
Desert Hot Springs, CA 92240
Attention: President

If to the Trustee: U.S. Bank Trust Company, National Association
U.S. Bank Tower Los Angeles
633 W 5th Street, 24th Floor
Los Angeles, California 90071
Attention: U.S. Bank Global Corporate Trust

Section 10.11 Effective Date. This Agreement shall become effective upon its execution and delivery, and shall terminate when the Purchase Price shall have been fully paid (or provision for the payment thereof shall have been made to the written satisfaction of the Corporation).

Section 10.12 Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 10.13 Indemnification of Corporation. The District hereby agrees to indemnify and hold harmless the Corporation if and to the extent permitted by law, from and against all claims, advances, damages and losses, including legal fees and expenses, arising out of or in connection with the acceptance or the performance of its duties hereunder and under the Trust Agreement; provided that no indemnification will be made for willful misconduct, negligence or breach of an obligation hereunder or under the Trust Agreement by the Corporation.

Section 10.14 Amendments Permitted. This Agreement and the rights and obligations of the Corporation, the District, the Owners of the Certificates and of the Trustee may be modified or amended at any time by an amendment hereto which shall become binding when the written consents of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, exclusive of Certificates disqualified as provided in the Trust Agreement, shall have been filed with

the Trustee. No such modification or amendment shall (1) extend the stated maturities of the Certificates, or reduce the rate of interest represented thereby, or change the method of computing the rate of interest with respect thereto, or extend the time of payment of interest, or reduce the amount of principal represented thereby, or reduce any premium payable on the prepayment thereof, without the consent of the Owner of each Certificate so affected, or (2) reduce the aforesaid percentage of Owners of Certificates whose consent is required for the execution of any amendment or modification of this Agreement without the consent of the Owners of all Certificates then Outstanding, or (3) modify any of the rights or obligations of the Trustee or the Corporation without its respective written consent thereto.

This Agreement and the rights and obligations of the Corporation, the District and of the Owners of the Certificates may also be modified or amended at any time by an amendment hereto which shall become binding upon adoption, without the consent of the Owners of any Certificates, but only to the extent permitted by law and only for any one or more of the following purposes-

(a) to add to the covenants and agreements of the Corporation or the District contained in this Agreement other covenants and agreements thereafter to be observed or to surrender any right or power herein reserved to or conferred upon the Corporation or the District, and which shall not adversely affect the interests of the Owners of the Certificates;

(b) to cure, correct or supplement any ambiguous or defective provision contained in this Agreement or in regard to questions arising under this Agreement, as the Corporation or the District may deem necessary or desirable and which shall not adversely affect the interests of the Owners of the Certificates; and

(c) to make such other amendments or modifications as may be in the best interests of the Owners of the Certificates.

No amendment without consent of the Owners of the Certificates may modify any of the rights or obligations of the Trustee without its written consent thereto.

Section 10.15 Concerning the Trustee. U.S. Bank Trust Company, National Association, in acting hereunder, is acting solely in its capacity as Trustee under the Trust Agreement, and in so acting, shall be entitled to all of the rights, privileges, protections, immunities and indemnities afforded to the Trustee under the Trust Agreement, as if fully set forth herein.

IN WITNESS WHEREOF, the parties hereto have executed and attested this Agreement by their officers thereunto duly authorized as of the day and year first written above.

MISSION SPRINGS WATER DISTRICT

_____
President of the Board of Directors

ATTEST

_____
Secretary of the Board of Directors

MISSION SPRINGS WATER DISTRICT
IMPROVEMENT CORPORATION

_____
President

_____
Secretary

EXHIBIT A

THE PROJECT

The Project comprises the following described improvements to the Water System:

- New headquarters building
- Water booster station located at _____
- Water booster station located at _____

EXHIBIT B

PURCHASE PRICE

1. The principal amount of payments to be made by the District hereunder is $_____

2. The installment payments of principal and interest are payable in the amounts and on the Installment Payment Dates as follows:

Installment Payment Date*	***Amount Attributable to Principal***	***Amount Attributable to Interest***	***Total***

* Installment Payment Dates are the fifth day prior to each Interest Payment Date set forth in this table.

EXHIBIT C

FORM OF REQUISITION NO. ____ FOR DISBURSEMENT FROM ACQUISITION FUND

MISSION SPRINGS WATER DISTRICT
REVENUE CERTIFICATES OF PARTICIPATION
SERIES 2026A

The undersigned hereby states and certifies:

(i) that he is the duly appointed, qualified and acting General Manager of the Mission Springs Water District, a county water district organized and existing under the laws of the State of California (the "District"), and as such, is familiar with the facts herein certified and is authorized to certify the same;

(ii) that, pursuant to Section 3.5 of that certain Installment Purchase Agreement, dated as of _____ 1, 2026 (the "Installment Purchase Agreement"), by and between the District and the Mission Springs Water District Improvement Corporation, the undersigned hereby requests the Director of Finance of the District to disburse this date the following amounts from the Acquisition Fund established under the Installment Purchase Agreement, to the payees designated on the attached Exhibit A;

(iii) that each obligation mentioned herein has been incurred by the District and is a proper charge against the Acquisition Fund;

(iv) that any approval required under the California Environmental Quality Act, as amended (Division 13 of the California Public Resources Code), prior to the expenditure of such amount for the purpose set forth on the attached Exhibit A has been received and is final; and

(v) that there has not been filed with or served upon the District notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the payees named on the attached Exhibit A, which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.

MISSION SPRINGS WATER DISTRICT

_____
General Manager

EXHIBIT A

ACQUISITION FUND DISBURSEMENTS

Item Number	***Payee Name and Address***	***Purpose of Obligation***	***Amount***
_____			_____
_____			_____
_____			_____
_____			_____
_____			_____

ASSIGNMENT AGREEMENT

by and between

MISSION SPRINGS WATER DISTRICT IMPROVEMENT CORPORATION

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

Dated as of _____ 1, 2026

relating to

$_____
MISSION SPRINGS WATER DISTRICT
REVENUE CERTIFICATES OF PARTICIPATION, SERIES 2026A

ASSIGNMENT AGREEMENT

This Assignment Agreement is made and entered into as of _____ 1, 2026 by and between the Mission Springs Water District Improvement Corporation, a nonprofit public benefit corporation duly organized and existing under the laws of the State of California (the "Corporation") and U.S. Bank Trust Company, National Association, a national banking association duly organized and existing under the laws of the United States of America, as trustee (the "Trustee");

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

Section 1. Assignment. The Corporation, for good and valuable consideration in hand received, does hereby sell, assign and transfer to the Trustee without recourse, for the benefit of the owners of the Revenue Certificates of Participation, Series 2026A (the "Certificates"), to be executed and delivered by the Trustee pursuant to the Trust Agreement, dated as of _____ 1, 2026 (the "Trust Agreement"), by and among the Mission Springs Water District (the "District"), the Corporation and the Trustee, all of its rights, title, and interest in the Installment Purchase Agreement, dated as of _____ 1, 2026 (the "Installment Purchase Agreement"), by and between the District and the Corporation including the right to receive all installment payments from the District under the Installment Purchase Agreement (but not including the right to be indemnified and the right to receive notices pursuant to the Installment Purchase Agreement), together with any and all of the other rights of the Corporation under the Installment Purchase Agreement as may be necessary to enforce payment of such installment payments when due or otherwise to protect the interests of the owners of the Certificates. The assignment herein is absolute and presently effective.

Section 2. Acceptance. The Trustee hereby accepts the foregoing assignment for the purpose of securing the right assigned to it to receive all such installment payments from the District under the Installment Purchase Agreement and the other rights assigned to it, subject to the terms and provisions of the Trust Agreement, and all such installment payments shall be applied and the rights so assigned shall be exercised by the Trustee as provided in the Trust Agreement.

Section 3. Conditions. This Assignment Agreement shall confer no rights and shall impose no obligations upon the Trustee beyond those expressly provided in the Trust Agreement. This Assignment Agreement shall constitute a complete assignment by the Corporation of all of its rights under and pursuant to the Installment Purchase Agreement, except as otherwise provided herein.

Section 4. Concerning the Trustee. U.S. Bank Trust Company, National Association is executing this Assignment Agreement solely in its capacity as Trustee under the Trust Agreement, and in acting hereunder shall be entitled to all of the rights, privileges, protections, immunities and indemnities afforded to the Trustee under the Trust Agreement, as if fully set forth herein.

Section 5. California Law. THIS ASSIGNMENT AGREEMENT SHALL BE CONSTRUED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment Agreement by their officers thereunto duly authorized as of the day and year first written above.

MISSION SPRINGS WATER DISTRICT
IMPROVEMENT CORPORATION

By: _____
Its: President

By: _____
Its: Secretary

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By: _____
Its: Authorized Officer

$_____
MISSION SPRINGS WATER DISTRICT
REVENUE CERTIFICATES OF PARTICIPATION, SERIES 2026A

CERTIFICATE PURCHASE AGREEMENT

_____, 2026

Mission Springs Water District
66575 2nd St.
Desert Hot Springs, California 92240

Ladies and Gentlemen:

Wells Fargo Bank, N.A. (the "**Underwriter**"), acting not as fiduciary or agent for you, but on behalf of itself, offers to enter into this Certificate Purchase Agreement (this "**Purchase Agreement**") with the Mission Springs Water District (the "**District**"), which upon acceptance will be binding upon the District and upon the Underwriter. This offer is made subject to the District's acceptance by the execution of this Purchase Agreement and its delivery to the Underwriter at or before 11:59 p.m., Pacific Standard Time, on the date of this Purchase Agreement and, if not, so accepted will be subject to withdrawal by the Underwriter upon notice delivered to the District at any time prior to the acceptance hereof by the District.

The primary role of the Underwriter, acting through the Wells Fargo Bank, NA Municipal Finance Group, which conducts municipal securities sales, trading and underwriting operations on behalf of the Underwriter, is to purchase the Revenue Certificates of Participation, Series 2026A (the "**Certificates**"), for resale to investors, in an arm's-length commercial transaction between the District and the Underwriter. The Underwriter, as underwriter, has financial and other interests that differ from those of the District. The District acknowledges and agrees that: (i) the purchase and sale of the Certificates (as defined below) pursuant to this Purchase Agreement is an arm's length commercial transaction between the District and the Underwriter in which the Underwriter is acting solely as a principal and not as an agent of the District and the Underwriter is not acting as a municipal advisor, financial advisor or fiduciary to the District; (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the District with respect to the transaction contemplated by the Purchase Agreement and the discussions, undertakings or procedures leading thereto (irrespective of whether the Underwriter, or any affiliate of the Underwriter have provided other services or is currently providing other services to the District on other matters); (iii) the only obligations the Underwriter has to the District with respect to the transaction contemplated by this Purchase Agreement are expressly set forth in this Purchase Agreement; and (iv) the District has consulted the District's own financial and/or municipal legal, accounting, tax and other advisors, as applicable, to the extent the District has deemed appropriate. The District acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the Municipal Securities Rulemaking Board (the "**MSRB**").

Section 1. Obligation to Purchase.

Upon the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the District hereby agrees to cause to be executed and delivered by U.S. Bank Trust Company, National Association (the **"Trustee"**), $_____ aggregate principal amount of Certificates pursuant to a Trust Agreement, dated as of _____ 1, 2026 (the **"Trust Agreement"**), by and among the District, the Mission Springs Water District Improvement Corporation (the **"Corporation"**), and the Trustee, and the Underwriter hereby agrees to purchase all of the Certificates for offering to the public. The Certificates shall be delivered in the form of current interest certificates and shall represent the fractional undivided interests of the Owners thereof in installment payments (the **"Installment Payments"**) under an Installment Purchase Agreement, dated as of _____ 1, 2026 (the **"Installment Purchase Agreement"**), to be made by the District to the Corporation, representing principal installments and interest payments payable at the rates per annum set forth in Appendix A hereto. The Corporation has assigned to the Trustee the right of the Corporation to receive and collect the Installment Payments due from the District to the Corporation under the Installment Purchase Agreement and other amounts payable by the District to the Corporation, pursuant to the Assignment Agreement, dated as of _____ 1, 2026, by and between the Trustee and the Corporation (the "**Assignment Agreement**").

Interest with respect to the Certificates will be payable on each February 1 and August 1, commencing [February 1, 2027]. The Certificates shall also represent principal payments due on the dates and in the amounts set forth in Appendix A. The Certificates shall be as described in, shall be subject to prepayment and shall be executed and delivered under and pursuant to the Trust Agreement. Capitalized terms used in this Purchase Agreement and not otherwise defined herein shall have the respective meanings set forth for such terms in the Trust Agreement. The Underwriter agrees to make a bona fide initial public offering of all the Certificates at a price not in excess of the initial public offering prices or yields not less than the yields to be set forth in the Official Statement (defined below). Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices or yields as it deems necessary in connection with the marketing of the Certificates, provided that the Underwriter shall not change the interest rates set forth on Appendix A hereto.

The obligation of the District to make Installment Payments is a special obligation of the District payable solely from Net Revenues of the District's Water System (the "**Water System**") and the District's Wastewater System (the "**Wastewater System**"), consisting of District's Water System Revenues remaining after payment of District's Water System Operation and Maintenance Costs and District Wastewater System Revenues remaining after payment of District Wastewater System Operation and Maintenance Costs, respectively.

Neither the Certificates nor the obligation of the District to make the Installment Payments constitutes a debt or indebtedness of such District, the Corporation, the County of Riverside (the **"County"**), the State of California (the **"State"**) or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction, or constitutes a pledge of the full faith and credit of any of the District, the Corporation, the County, the State or any of its political subdivisions.

The District will, pursuant to a Continuing Disclosure Certificate (the **"Continuing Disclosure Undertaking"**), dated as of the Closing Date (defined herein), undertake to provide certain

annual financial information and notices of the occurrence of certain listed events, under federal securities laws. A description of this undertaking is set forth in the Preliminary Official Statement and the Final Official Statement (each as described herein).

The Certificates are being executed and delivered to: (i) finance the acquisition of certain facilities for the District, and (ii) pay costs of delivery of the Certificates.

Section 2. Purchase Price.

The purchase price of the Certificates shall be $_____ (which represents the total aggregate principal amount with respect to the Certificates originally sold and delivered, plus an original issue premium of $_____, less an Underwriter's discount of $_____).

Section 3. Official Statement.

(a) The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Certificates dated [POS Date] (the **"Preliminary Official Statement"**). The District represents that it has deemed the Preliminary Official Statement to be "final" for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1) promulgated under the Securities Exchange Act of 1934, as amended (the **"Rule"**), except for the omission of certain information permitted to be omitted by such Rule, which generally includes, the offering price(s), interest rate(s), selling compensation, aggregate principal or issue amount, principal amount per maturity, delivery date and rating(s) of and/or on the Certificates.

(b) The Underwriter agrees that prior to the time a final Official Statement relating to the Certificates is available, the Underwriter will send to any potential purchaser of the Certificates, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement relating to the Certificates. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) not later than the first business day following the date such request is received.

(c) The District hereby ratifies, confirms and approves the use and distribution by the Underwriter before the date hereof of the Preliminary Official Statement and hereby authorizes the Underwriter to use and distribute, in connection with the offer and sale of the Certificates: the Preliminary Official Statement, the Official Statement, the District Agreements (defined below), and other documents or contracts to which the District is a party in connection with the transactions contemplated by this Purchase Agreement, including this Purchase Agreement and all information contained herein, and all other documents, certificates and statements furnished by the District to the Underwriter in connection with the transactions contemplated by this Purchase Agreement.

(d) Within seven (7) business days from the date hereof, and in any event not later than two (2) business days before the Closing, the District shall deliver to the Underwriter a final Official Statement relating to the Certificates dated the date hereof (such Official Statement, including the cover page, and all appendices attached thereto, together with all information previously permitted to have been omitted by the Rule and any amendments or supplements and statements incorporated by reference therein or attached thereto, as have been approved by the District, Special Counsel (defined herein), and the Underwriter, is referred to herein as the *"***Official Statement***"*) and such additional conformed copies thereof as the Underwriter may reasonably request in sufficient quantities to comply with the Rule, rules of the MSRB, and to meet potential customer requests for copies of the Official

Statement. An authorized officer of the District shall execute the Official Statement. Such final Official Statement shall be substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter and the District who hereby authorizes the Underwriter to use and distribute the final Official Statement in connection with the offering and sale of the Certificates. The District shall prepare the Official Statement, including any amendments thereto, in word-searchable PDF format as described in the MSRB's Rule G-32 and shall provide the electronic copy of the word-searchable PDF format of the Official Statement to the Underwriter no later than one (1) business day prior to the Closing Date to enable the Underwriter to comply with MSRB Rule G-32.

(e) The Underwriter agrees to file the Official Statement with the MSRB through its Electronic Municipal Market Access (**"EMMA"**) system or as otherwise provided by the Securities Exchange Commission or MSRB within one business day after receipt thereof from the District, but in no event later than the Closing Date (as defined herein).

(f) References herein to the Preliminary Official Statement and the final Official Statement include the cover page, inside cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto.

Section 4. Closing.

(a) At or before 9:00 a.m., Pacific Standard time, on [Closing Date], or at such other time or on such earlier or later date as the parties hereto shall agree upon (the **"Closing Date"**), the District will deliver or cause to be delivered to the Underwriter through the facilities of The Depository Trust Company (**"DTC"**), or at such other place upon which the Underwriter and the District may mutually agree, the Certificates in the form of a single fully registered Certificate (which may be printed, copied photostatically or typewritten) for each of the maturities of the Certificates, duly executed, and, at the offices of Special Counsel (defined herein) in Newport Beach, California, or at such other place as may be mutually agreed upon, the other documents mentioned below. Upon satisfaction of all conditions to the closing set forth herein, the Underwriter will accept such delivery and pay the purchase price thereof in immediately available funds (by check, wire transfer or other manner of payment as to which the Underwriter may mutually agree) to the order of the Trustee.

(b) The Certificates shall be executed and delivered under and in accordance with the provisions of this Purchase Agreement and the Trust Agreement. The Certificates shall bear CUSIP Service Bureau numbers, but the failure to print any such number on any of the Certificates shall not constitute cause for a failure or refusal by the Underwriter to accept delivery of, or pay for, the Certificates in accordance with this Purchase Agreement. The Certificates duly executed shall be made available to the Underwriter, electronically, for inspection at least two (2) business days prior to the Closing Date.

Section 5. Representations and Warranties of the District.

The District represents and warrants to the Underwriter that:

(a) The District is a county water district duly organized and existing pursuant to the Constitution and laws of the State of California and has all necessary power and authority to adopt the Resolution and to enter into and perform its duties under the Installment Purchase Agreement, Trust Agreement, Continuing Disclosure Undertaking, and this Purchase Agreement (collectively, the

"**District Agreements**"), and, when validly authorized, executed and delivered by the other respective parties thereto, the District Agreements will constitute legal, valid and binding obligations of the District enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, moratorium or other similar laws or equitable principles relating to or limiting, creditors' rights generally.

(b) The execution and delivery by the District of the District Agreements and in compliance with the provisions hereof and thereof, have been duly authorized by all necessary official action on the part of the District and will not in any material respect conflict with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, charter, bylaw or any agreement to which the District is subject or by which it is bound or by which its properties may be affected, in each case which breach or default has or would have a material adverse effect upon the ability of the District to perform its obligations under the District Agreements.

(c) Except as described in or contemplated by the Preliminary Official Statement or the Official Statement or as may be required under Blue Sky or other securities laws of any state, there is no consent, approval, authorization or other order, filing with, or certification by, any regulatory authority having jurisdiction over the District required for the execution and delivery of the Certificates or the entering into by the District of the District Agreements or the consummation by the District of the transactions contemplated thereby and by this Purchase Agreement, except as have already been obtained or will be obtained on or prior to the Closing Date.

(d) To the best of the District's knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending with respect to which proper notice has been duly served upon and received by the District, or threatened against the District, (i) in any way questioning the corporate existence of the District or the titles of the officers of the District to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance of any of the Certificates, or in any way contesting or affecting the validity of the Certificates or the District Agreements or the consummation of the transactions contemplated thereby, or contesting the exclusion of the interest component of the Installment Payments from gross income for federal income tax purposes or contesting the powers of the District to enter into the District Agreements; (iii) which, except as described in the Preliminary Official Statement and the Official Statement, may result in any material adverse change to the financial condition of the District or to its ability to pay the Installment Payments when due; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and to the best of the District's knowledge, there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in this paragraph.

(e) Preparation and distribution of the Official Statement pertaining to the Certificates has been duly authorized by the District and the information contained therein as of the date hereof and as of the Closing Date, as to the District, the Wastewater System and the Water System, is and will be true and correct in all material respects and such information does not and will not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(f) The District agrees that if at any time prior to the End of the Underwriting Period, as defined under the Rule, any event occurs as a result of which the Official Statement as then in effect would include any untrue statement of a material fact or omit to state any fact necessary to make the statements made therein not misleading in any material respect, the District shall cooperate with the Corporation in promptly preparing an amendment or supplement that will correct such statement or omission. The District will advise the Underwriter promptly of any proposal to so amend or supplement the Official Statement and will effect such amendment or supplement in a form and manner approved by the Underwriter, which approval shall not be unreasonably withheld. The Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which made, not misleading.

(g) The District agrees to cooperate with the Underwriter in endeavoring to qualify the Certificates for offering and sale under the securities or Blue Sky laws of such jurisdictions of the United States as the Underwriter may reasonably request; provided, however, that the District shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

(h) The District will, pursuant to its Continuing Disclosure Undertaking, agree to provide or cause to be provided to the MSRB through its EMMA system and any public or private repository or entity designated by the Securities and Exchange Commission for purposes of the Rule certain annual financial information and operating data, and, in a timely manner, notice of certain listed events respecting the Certificates in order to assist the Underwriter in complying with the Rule. Except as disclosed in the Preliminary Official Statement and Official Statement, the District has not, within the past five years, failed to comply in all material respects with its previous undertakings to provide annual reports and notices of listed events.

(j) As of the date thereof, the Preliminary Official Statement did not contain any untrue statement of a material fact or omit (other than as permitted by the Rule) to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) Except as described in the Preliminary Official Statement and the Official Statement, the District does not have outstanding any other indebtedness which indebtedness is secured by a lien on the Net Revenues on a basis superior to or on a parity with the lien of the Installment Payments on the Net Revenues.

(l) Between the date of this Purchase Agreement and the date of Closing and except as otherwise disclosed in the Preliminary Official Statement and the Official Statement, the District will not, without the prior written consent of the Underwriter, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, directly or contingently payable from the Net Revenues.

(m) The financial statements of, and other financial information regarding the District, in the Official Statement fairly present the financial position and results of the District as of the dates and for the periods therein set forth. Prior to the Closing, there will be no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the District. The District is not a party to any litigation or other proceeding pending or, to its

knowledge, threatened which, if decided adversely to the District, would have a materially adverse effect on the financial condition of the District.

Section 6. Establishment of Issue Price.

(a) The Underwriter agrees to assist the District in establishing the issue price of the Certificates and shall execute and deliver to the District at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Appendix B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Special Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Certificates.

(b) Except as otherwise set forth in Appendix A, the District will treat the first price at which 10% of each maturity of the Certificates (the "**10% test**") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of Certificates. If at that time the 10% test has not been satisfied as to any maturity of the Certificates, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Certificates of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either: (i) the Underwriter has sold all Certificates of that maturity; or (ii) the 10% test has been satisfied as to the Certificates of that maturity, provided that the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the District or Special Counsel. For purposes of this Section, if Certificates mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Certificates.

(c) The Underwriter confirms that it has offered the Certificates to the public on or before the date of this Purchase Agreement at the offering price or prices (the "**initial offering price**"), or at the corresponding yield or yields, set forth in Appendix A attached hereto. Appendix A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Certificates for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "**hold-the-offering-price rule**"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Certificates, the Underwriter will neither offer nor sell unsold Certificates of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth business day after the sale date; or

(2) the date on which the Underwriter has sold at least 10% of the maturity of the Certificates to the public that is no higher than the initial offering price to the public.

The Underwriter will advise the District promptly after the close of the fifth business day after the sale date whether it has sold 10% of that maturity of the Certificates to the public at a price that is no higher than the initial offering price to the public.

The District acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on: (i) in the event that a selling group has been created in connection with the initial sale of the Certificates to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Certificates, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Certificates, as set forth in a selling group agreement and the related pricing wires; and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Certificates to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Certificates, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Certificates, as set forth in the third-party distribution agreement and the related pricing wires. The District further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Certificates, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Certificates.

(d) The Underwriter confirms that: (i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Certificates to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable: (A)(1) to report the prices at which it sells to the public the unsold Certificates of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Certificates of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Securities of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter; and (2) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter; (B) to promptly notify the Underwriter of any sales of Certificates that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below); and (C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public; and (ii) any selling group agreement relating to the initial sale of the Certificates to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Certificates to the public to require each broker-dealer that is a party to such third-party distribution agreement to: (A) report the prices at which it sells to the public the unsold Certificates of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Certificates of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Certificates of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer; and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The Underwriter acknowledges that sales of any Certificates to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

(1) "public" means any person other than an underwriter or a related party,

(2) "underwriter" means: (A) any person that agrees pursuant to a written contract that the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the public; and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Certificates to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Certificates),

(3) a purchaser of any Certificates is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to: (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another); (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another); or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(4) "sale date" means the date of execution of this Purchase Agreement by all parties.

Section 7. Conditions to the Obligations of the Underwriter.

The obligation of the Underwriter to accept delivery of and pay for the Certificates on the Closing Date shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the representations, warranties and agreements on the part of the District contained herein and in the Installment Purchase Agreement, as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Trustee, the Corporation and the District made in any certificates or other documents furnished pursuant to the provisions hereof or of the District Agreements, and to the performance by the Trustee, the Corporation and the District of their respective obligations to be performed hereunder and under the District Agreements on or prior to the Closing Date, and to the following additional conditions:

(a) As of the Closing Date, the District Agreements and the Official Statement shall have been duly authorized, executed and delivered by the respective parties thereto, in substantially the forms heretofore submitted to the Underwriter with only such changes as shall have been agreed to in writing by the Underwriter, and said agreements shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and there shall have been taken in connection therewith, with the execution and delivery of the Certificates and with the transactions contemplated thereby and by this Purchase Agreement, all such actions as Special Counsel shall deem to be necessary and appropriate in order to permit it to render the opinion set forth in Appendix C to the Official Statement.

(b) As of the Closing Date, the Official Statement shall not have been amended, modified or supplemented, except as may have been agreed to by the Underwriter, the District and the Corporation.

(c) Marketability Between the Date Hereof and the Closing. The market price or marketability or the ability of the Underwriter to enforce contracts of the sale of the Certificates, at the initial offering prices set forth in the official statement, in the reasonable opinion of the Underwriter, shall not have been materially adversely affected by reason of any of the following:

(1) Legislation enacted or introduced in the Congress or passed by either House of Congress, or favorably reported for passage to either House of Congress by any Committee of such House to which such legislation has been referred for consideration, or introduced in the Congress recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) or official statement or made:

(i) by or on behalf of the United States Treasury Department or by or on behalf of the Internal Revenue Service, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of federal income taxation of the Installment Payments as would be received by the Corporation or the Trustee under the Installment Purchase Agreement or upon such interest portion of the Installment Payments as would be received by the owners of the Certificates; or

(ii) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Certificates, or obligations of the general character of the Certificates, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Trust Agreement is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(2) the declaration of war or engagement in or escalation of major military hostilities by the United States or any other national emergency or international calamity relating to the effective operation of the government or the financial community in the United States;

(3) the declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;

(4) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Certificates, or obligations of the general character of the Certificates, or securities generally, or the material increase of any such restrictions now in force;

(5) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Certificates, or the issuance, offering or sale of the Certificates, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;

(6) after the date hereof, up to and including the time of the Closing, there has occurred any change in or particularly affecting the District, the District Agreements, or the Net Revenues as the foregoing matters are described in the Official Statement, which in the reasonable professional judgment of the Underwriter materially impairs the investment quality of the Certificates;

(7) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(8) the withdrawal, suspension, negative change or downgrading or placement on credit watch of any underlying rating of the District's outstanding indebtedness by a national rating agency;

(9) there shall have occurred any materially adverse change in the affairs or financial condition of the District;

(10) the occurrence of a major financial crisis, a material disruption in commercial banking or securities settlement or clearance services, or a material disruption or deterioration in the fixed income or municipal securities market which, in the Underwriter's reasonable judgment, materially adversely affects the marketability or market price of the Certificates;

(11) legislation enacted by the State legislature or a decision rendered by a State Court, or a ruling, order or regulation (final or temporary) made by a State authority, would have the effect of changing, directly or indirectly, the consequences of interest on obligations of the general character of the Certificates in the hands of the holders thereof; or

(12) any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to the Official Statement.

(d) On or prior to the Closing Date, the Underwriter shall receive satisfactory evidence that the Certificates have been assigned the ratings set forth on the cover of the Official Statement, and that such ratings have not been lowered, withdrawn or placed under review or "Credit Alert" prior to the Closing Date.

(e) On or prior to the Closing Date, the Underwriter shall have received the following documents, in each case satisfactory in form and substance to the Underwriter:

(1) the District Agreements, each duly executed and delivered by the respective parties thereto, with such amendments, qualifications or supplements as may have been agreed to in writing by the Underwriter;

(2) an approving opinion of Stradling Yocca Carlson & Rauth LLP ("**Special Counsel**") substantially in the form included as Appendix C to the Official

Statement, dated the Closing Date and addressed to the District, and a reliance letter addressed to the Underwriter and Trustee, of Special Counsel, together with an additional supplemental opinion in a form acceptable to the Underwriter, dated the Closing Date and addressed to the Underwriter, to the effect that:

(i) the District has full right and lawful authority to enter into and perform its duties under the Purchase Agreement, and the Purchase Agreement has been duly authorized, executed and delivered by the District and, assuming due authorization, execution and delivery by the Underwriter, constitutes legal, valid and binding obligation of the District, enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditor's rights or remedies and are subject to general principals of equity (regardless of whether such enforceability is considered in equity or at law);

(ii) the statements contained in the Official Statement in the sections entitled "INTRODUCTION," "THE 2026A CERTIFICATES," "SECURITY AND SOURCES OF PAYMENT FOR THE 2026A CERTIFICATES," "TAX MATTERS" and "CONTINUING DISCLOSURE UNDERTAKING," "APPENDIX B – "SUMMARY OF PRINCIPAL LEGAL DOCUMENTS," and "APPENDIX C – FORM OF OPINION OF SPECIAL COUNSEL" insofar as such statements purport to summarize certain provisions of the Certificates, the Installment Purchase Agreement, the Trust Agreement, the Continuing Disclosure Undertaking, and Special Counsel's approving opinion with respect to the exclusion from gross income for federal income tax purposes and exemption from present State of California personal income taxes of the interest component of Installment Payments, present a fair and accurate summary of such provisions therein; and

(iii) the Certificates are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Trust Agreement is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

(3) a letter of Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, as disclosure counsel ("**Disclosure Counsel**") addressed to the Underwriter and the District, to the effect that, based upon the information provided to such counsel in the course of their participation in the preparation of the Preliminary Official Statement and the Official Statement, and without having undertaken to determine independently the accuracy or completeness of the statements contained in the Preliminary Official Statement or the Official Statement, such counsel have no reason to believe that the Preliminary Official Statement, as of its date or the date of this Purchase Agreement, or the Official Statement, as of its date and as of the Closing Date (except for any financial statements and other financial, statistical or engineering data, numbers, charts, estimates, projections, assumptions or expressions of opinion, any information about valuation, appraisals, absorption, archeological or environmental matters included therein, the appendices thereto, and information relating to The Depository Trust Company and its book-entry only system, as to which no view need be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(4) an opinion of counsel to the Trustee, addressed to the Underwriter, together with a reliance letter addressed to the Corporation and the District, dated the Closing Date to the effect that:

(i) the Trustee has been duly organized and is validly existing and in good standing as a national banking association under the laws of the United States with full corporate power to undertake the trust of the Trust Agreement;

(ii) assuming the corporate power and legal authority of, and the due authorization, execution and delivery by the Corporation and the District of the Trust Agreement, the Trust Agreement and Assignment Agreement constitute the legal, valid and binding agreements of the Trustee, enforceable against the Trustee in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, moratorium, reorganization or other similar laws or equitable principles relating to or limiting creditors' rights generally;

(iii) the Certificates have been validly authorized, executed and delivered by the Trustee; and

(iv) exclusive of federal or state securities laws' requirements, no authorization, approval, action or other filing with any governmental agency or, to such counsel's knowledge, any other person or corporation is required for the valid authorization, execution and delivery of the Trust Agreement and Assignment Agreement;

(5) an opinion of general counsel to the District, addressed to the District, the Trustee and the Underwriter, dated the Closing Date, to the effect that:

(i) the District is duly organized and validly existing as a county water district under the laws of the State of California;

(ii) the resolution of the District approving and authorizing the execution and delivery of the District Documents, and approving the distribution of the Official Statement, was duly adopted at a meeting of the governing body of the District which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout;

(iii) except as disclosed in the Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body is pending with respect to which proper notice has been duly served upon and received by the District or, to the best of our knowledge, threatened against the District which would materially adversely affect the ability of the District to perform its obligations under the District Documents, the Certificates, or seeking to restrain or to enjoin the execution and delivery of the Certificates, or the application of the proceeds thereof in accordance with the Trust Agreement, or in any way contesting or affecting the validity or enforceability of the District Documents or the Certificates or the accuracy of the Official Statement, or any action of the District contemplated by any of said documents;

(iv) the District's charges and fees with respect to the Water System and the Wastewater System were duly approved and adopted by the District, and are valid and enforceable at the current levels levied by the District;

(v) nothing has come to our attention which would lead us to believe that the information relating to the District, the Wastewater System or the Water System contained in the Official Statement contains an untrue statement or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(vi) to the best of such counsel's knowledge after due inquiry, the execution and delivery of the District Documents by the District and compliance by the District with the provisions thereof, under the circumstances contemplated thereby, and the execution and delivery of the Certificates do not and will not in any material respect conflict with or constitute on the part of the District a breach of or default under any agreement or other instrument applicable to or binding upon the District, or any existing law, regulation, court order, or consent decree to which the District is subject, in each case which breach or default has or would have a material adverse effect upon the ability of the District to perform its obligations under the District Agreements;

(6) an opinion of counsel to the Corporation, addressed to the Corporation, the Trustee and the Underwriter, dated the Closing Date, to the effect that:

(i) the Corporation is duly organized and validly existing as a nonprofit public benefit corporation under the laws of the State of California and is possessed of full power to own and hold real and personal property and to lease and sell the same;

(ii) the resolution of the Corporation approving and authorizing the execution and delivery of the Trust Agreement, the Assignment Agreement and the Installment Purchase Agreement (collectively, the **"Corporation Documents"**), and approving the distribution of the Official Statement, was duly adopted at a meeting of the governing body of the Corporation which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout;

(iii) except as disclosed in the Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body is pending with respect to which proper notice has been duly served upon and received by the Corporation or, to the best of our knowledge, threatened against the Corporation which would materially adversely affect the ability of the Corporation to perform its obligations under the Corporation Documents, or in any way contesting or affecting the validity or enforceability of the Corporation Documents or the accuracy of the Official Statement, or any action of the Corporation contemplated by any of said documents; and

(iv) to the best of such counsel's knowledge after due inquiry, the execution and delivery of the Corporation Documents by the Corporation and compliance by the Corporation with the provisions thereof, under the circumstances

contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Corporation a breach of or default under any agreement or other instrument applicable to or binding upon the Corporation, or any existing law, regulation, court order, or consent decree to which the Corporation is subject, in each case which breach or default has or would have a material adverse effect upon the ability of the Corporation to perform its obligations under the Corporation Documents;

(7) a certificate of the District, dated the Closing Date, signed by an official of the District as may be acceptable to the Underwriter, and in form and substance satisfactory to the Underwriter, to the effect that:

(i) the District is a county water district, duly organized and validly existing pursuant to the laws of the State of California;

(ii) the District Agreements have been validly authorized and duly executed and delivered by an Authorized Officer of the District designated for such purpose in the applicable Resolution, and constitute the valid and binding limited obligations of the District enforceable in accordance with their respective terms; provided, however, that the representation as to enforceability may be limited by bankruptcy, moratorium, insolvency or other laws affecting creditor's rights and may be subject to general principles of equity;

(iii) the representations and agreements of the District contained in the District Agreements, as the case may be, are true and correct in all material respects as of the Closing Date;

(iv) the District has complied with all agreements, covenants and conditions to be complied with by the District on or prior to the Closing Date under the District Agreements;

(v) the information contained in the Official Statement, as to such District, is true and correct and does not contain any untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect;

(vi) insofar as it will have a material adverse effect on the ability of the District to enter into, carry out or perform its obligations under the District Documents or to consummate the transactions contemplated thereby, the District is not in material breach of or default under any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, and, to the best of such authorized representative's knowledge, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and

(vii) the District has obtained insurance as required by the Installment Purchase Agreement, such policies are in full force and effect and have not

been revoked or rescinded and, in compliance with the Installment Purchase Agreement;

(8) a certificate of the Corporation, dated the Closing Date, signed by an authorized representative of the Corporation as may be acceptable to the Underwriter, and in form and substance satisfactory to the Underwriter, to the effect that:

(i) the Corporation Documents have each been validly authorized and duly executed and delivered by the officers of the Corporation designated for such purpose in the Resolution of the Board of Directors of the Corporation and each constitutes the valid and binding limited obligations of the Corporation enforceable in accordance with their respective terms; provided, however, that the representation as to enforceability may be limited by bankruptcy, moratorium, insolvency or other laws affecting creditor's rights and may be subject to general principles of equity;

(ii) the representations and agreements of the Corporation contained in the Corporation Documents, as the case may be, are true and correct in all material respects as of the Closing Date;

(iii) the Corporation has complied with all agreements, covenants and conditions to be complied with by the Corporation on or prior to the Closing Date under the Corporation Documents; and

(iv) the information contained in the Official Statement as to the Corporation is true and correct and does not contain any untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect;

(9) a certificate of the Trustee, dated the Closing Date, signed by a duly authorized officer of the Trustee, and in form and substance satisfactory to the Underwriter, to the effect that:

(i) to the knowledge of the Trustee, the representations and agreements of the Trustee in the Trust Agreement and Assignment Agreement are true and correct in all material respects as of the Closing Date;

(ii) to the knowledge of the Trustee, no litigation is pending or threatened against the Trustee (either in state or federal courts) (A) seeking to restrain or enjoin the execution or delivery by the Trustee of any of the Certificates, or (B) in any way contesting or affecting any authority of the Trustee for the execution or delivery of the Certificates or the validity or enforceability of the Certificates, the Assignment Agreement or the Trust Agreement;

(iii) the Trustee has duly executed and delivered the Certificates to or upon the order of the Underwriter and

(iv) assuming the corporate power and legal authority of, and the due authorization, execution and delivery by the Corporation and the District of the

Trust Agreement and Assignment Agreement, respectively, the Trust Agreement and Assignment Agreement constitute the valid and binding agreements of the Trustee, enforceable against the Trustee in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, moratorium, reorganization or other similar laws or equitable principles relating to or limiting creditors' rights generally;

(10) certified copies of resolutions of the Trustee, the District and the Corporation, as the case may be, authorizing, as applicable, the execution, sale and delivery of the Certificates and the Installment Purchase Agreement, the Trust Agreement, the Continuing Disclosure Undertaking, the Assignment Agreement and this Purchase Agreement, the distribution of the Preliminary Official Statement, and the distribution of the Official Statement;

(11) a tax certificate or agreement of the District in form and substance satisfactory to Special Counsel;

(12) evidence that the federal tax information form 8038-G has been prepared by Special Counsel for filing in connection with the Certificates;

(13) a copy of the filings made for the Certificates and the Installment Purchase Agreement with the California Debt and Investment Advisory Commission in accordance with Sections 8855 and 53583, as applicable, of the California Government Code;

(14) evidence satisfactory to the Underwriter that the Certificates shall have received the rating(s) as set forth in the Official Statement and that any such rating(s) have not been revoked or downgraded;

(15) the opinion of Kutak Rock LLP, Irvine, California, counsel to the Underwriter ("**Underwriter's Counsel**"), dated the Closing Date, addressed to the Underwriter, in form and substance satisfactory to the Underwriter; and

(16) such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter or Special Counsel may reasonably request.

(f) Notwithstanding anything to the contrary herein contained, if for any reason whatsoever the Certificates shall not have been delivered by the District to the Underwriter prior to the close of business, California time, on the Closing Date, then the obligation to purchase Certificates hereunder shall terminate and be of no further force or effect.

If the District shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement may be cancelled by the Underwriter at, or at any time prior to, the time of Closing. Notice of such cancellation shall be given, to the District in writing, or by telephone or telegraph, confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter in writing at its sole discretion.

Section 8. Changes in Official Statement.

After the Closing Date: (a) neither the Corporation nor the District will adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Underwriter shall object in writing; and (b) if any event relating to or affecting the Trustee, either District or the Corporation shall occur as a result of which it is necessary, in the opinion of the Underwriter, to amend or supplement the Official Statement to make the Official Statement not misleading in light of the circumstances existing at the time such is delivered to a purchaser, the Corporation and the District shall cause to be forthwith prepared and furnished to the Underwriter (at the expense of the District for twenty-five (25) days from the Closing Date and otherwise at the expense of the Underwriter) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter) that will amend or supplement the Official Statement so that it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances existing at the time it is delivered to a purchaser, not misleading.

Section 9. Expenses.

(a) All expenses and costs of the Corporation or the District incident to the performance of their obligations in connection with the authorization, execution, sale and delivery of the Certificates to the Underwriter, including (i) the cost of preparation, printing, execution and delivery of the Certificates; (ii) the acceptance fees of the Trustee and any fees and expenses of Trustee's counsel; (iii) any fees charged by any rating agency in connection with obtaining a rating for the Certificates, including interstate travel, expenses and fees; (iv) the cost of preparation, distribution and delivery of the Preliminary Official Statement and the final Official Statement; (v) the fees and expenses of Special Counsel and Disclosure Counsel; (vi) the fees and expenses of Municipal Advisor to the District; (vii) any premium or fees charged by a credit provider for the credit enhancement of the Certificates; and (viii) expenses for travel, lodging, and subsistence related to rating agency visits and other meetings connected to the authorization, sale, issuance and distribution of the Certificates, shall be paid by the District, as set forth in the Trust Agreement.

(b) The District has agreed to pay the Underwriter's discount set forth in Section 2 of this Purchase Agreement, and inclusive in the expense component of the Underwriter's discount are expenses incurred or paid for by the Underwriter on behalf of the District in connection with the marketing, execution, and delivery of the Certificates, including, but not limited to, advertising expenses, fees and expenses of Underwriter's Counsel, the costs of any Blue Sky Memoranda, CUSIP fees, the California Debt and Investment Advisory Commission fee, and transportation, lodging, and meals for the District's employees and representatives.

The District and Underwriter acknowledge that expenses included in the expense component of the Underwriter's discount are based upon estimates. The District and Underwriter agree that in the event the aggregate estimated expenses exceed the aggregate actual expenses incurred by the Underwriter in an amount equal to or greater than $1,000 (the "**Reimbursement Threshold**"), the Underwriter shall reimburse to the District the amount that the aggregate estimated expenses exceed the aggregate actual expenses. For the avoidance of doubt, the District acknowledges and agrees that in the event the aggregate estimated expenses exceed the aggregate actual expenses incurred by the Underwriter in an amount less than the Reimbursement Threshold, no reimbursement will be made by the Underwriter to the District. The District acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Certificates.

If this Purchase Agreement shall be terminated by the Underwriter because of any failure or refusal on the part of the District to comply with the terms or to fulfill any of the conditions of this Purchase Agreement, or if for any reason the District shall be unable to perform its obligations under this Purchase Agreement, the District will reimburse the Underwriter for all out-of-pocket expenses (including the fees and disbursements of counsel to the Underwriter) reasonably incurred by the Underwriter in connection with this Purchase Agreement or the offering contemplated hereunder.

Section 10. Notices.

Any notices to be given to the Trustee under this Purchase Agreement shall be given in writing to U.S. Bank Trust Company, National Association, 633 W. 5th Street, 24th Floor, Los Angeles, California 90071, Attention: Lorraine Goodson, Assistant Vice President. Any notices to be given the Underwriter shall be given in writing to Wells Fargo Bank, N.A., 333 S. Grand Avenue, 9th Floor, Los Angeles, CA 90071, Attention: Public Finance Department. Any notices to be given to the District or the Corporation shall be given in writing to Mission Springs Water District, 66575 2nd St., Desert Hot Springs, California 92240, Attention: General Manager.

Section 11. No Assignment.

This Purchase Agreement has been executed by the District and the Underwriter, and shall inure to the benefit of the District and the Underwriter and their respective successors or assigns and no persons other than the foregoing shall acquire or have any right under or by virtue of this Purchase Agreement. All of the representations, warranties and agreements contained in this Purchase Agreement shall survive the delivery of and payment for the Certificates and any termination hereof.

Section 12. Applicable Law.

This Purchase Agreement shall be interpreted, governed and executed in accordance with the laws of the State of California applicable to contracts made and performed in such state.

Section 13. Effectiveness.

This Purchase Agreement shall become effective upon the execution hereof by the Underwriter and the District and shall be valid and enforceable from and after the time of such execution.

Section 14. Severability.

In the event any provision of this Purchase Agreement shall be declared invalid or unenforceable by any court of competent jurisdiction, such shall not invalidate or render unenforceable any other provision hereof.

Section 15. Execution in Counterparts; Electronic Signatures and Electronic Records.

This Purchase Agreement may be executed and entered into in several counterparts, including counterparts that are manually executed and counterparts that are executed with an electronic signature, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument. The person associated with any such signature shall be deemed to have had the intent to sign this Purchase Agreement with an electronic signature and agrees that execution of this Purchase Agreement by electronic signature is attributable to such person. All parties executing this Purchase Agreement expressly agree under the California Uniform Electronic Transactions Act (**"UETA"**) (California Civil Code §1633.1 et seq.), that this Purchase Agreement and all other agreements, certificates, opinions and similar records ("documents") relating to the Certificates constitute a "transaction" under the UETA and expressly agree to allow all aspects of the transaction to which the UETA can apply to be conducted by electronic means. For these purposes, a signature by fax, e-mail, or other electronic technology on a document relating to the Certificates shall constitute an "electronic signature" to an "electronic record" under the UETA with respect to this specific transaction.

An electronic signature means a signature that is executed by symbol attached to or logically associated with a record and includes facsimile signatures or signatures transmitted by electronic mail in so-called PDF format. All parties to this Purchase Agreement (a) agree that an electronic signature, whether digital or encrypted, of a party to this Purchase Agreement or any other electronic record associated with the Certificates is intended to authenticate this writing and to have the same force and effect as a manual signature; (b) intended to be bound by the signatures (whether original, faxed, or electronic) on any document relating to the Certificates sent or delivered by facsimile or electronic mail or other electronic means; (c) are aware that the other party(ies) will rely on such signatures; and, (d) hereby waive any defenses to the enforcement of the terms of this Purchase Agreement or any other document related to the Certificates based on the foregoing forms of signature.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, each of the undersigned has executed this Purchase Agreement by its duly authorized officer, effective as of the day and year first above written.

WELLS FARGO BANK, N.A., as Underwriter

By_____
Authorized Officer

Accepted as of the date hereof:

MISSION SPRINGS WATER DISTRICT

By_____
Authorized Officer

Time of Execution: _____ California time

APPENDIX A

MATURITY SCHEDULE

$_____
MISSION SPRINGS WATER DISTRICT
REVENUE CERTIFICATES OF PARTICIPATION, SERIES 2026A

Maturity (February 1)	Principal Amount	Interest Rate	Yield	Price	10% Test Satisfied*	10% Test Not Satisfied	Subject to Hold-The-Offering-Price Rule
2027							
2028							
2029							
2030							
2031							
2032							
2033							
2034							
2035							
2036							
2037							
2038							
2039							
2040							
2041							
2042							
2043							
2044							
2045							
2046							
20__ (T)							
20__ (T)							

(T) Term Certificate.
(C) Priced to optional call at [par] on February 1, 20__.
* At the time of execution of this Purchase Agreement and assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Agreement.

APPENDIX B

FORM OF ISSUE PRICE CERTIFICATE

$_____
MISSION SPRINGS WATER DISTRICT
REVENUE CERTIFICATES OF PARTICIPATION, SERIES 2026A

The undersigned, Wells Fargo Bank, N.A. ("Wells Fargo"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Certificates").

1. ***Sale of the General Rule Maturities***. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities***.

(a) Wells Fargo offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Certificates is attached to this certificate as Schedule B.

(b) As set forth in the Certificate Purchase Agreement, dated [BPA Date], by and between Wells Fargo and the Issuer, Wells Fargo has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Certificates of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Certificates during the Holding Period.

3. ***Defined Terms***.

(a) *Issuer* means the Mission Springs Water District.

(b) *General Rule Maturities* means those Maturities of the Certificates listed in Schedule A hereto as the "General Rule Maturities."

(c) *Hold-the-Offering-Price Maturities* means those Maturities of the Certificates listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(d) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which Wells Fargo has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(e) *Maturity* means Certificates with the same credit and payment terms. Certificates with different maturity dates, or Certificates with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Certificates. The Sale Date of the Certificates is [BPA Date].

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Certificates to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Certificates to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Wells Fargo's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Certificates, and by Stradling Yocca Carlson & Rauth LLP in connection with rendering its opinion that the interest on the Certificates is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Certificates.

Dated: [Closing Date]

WELLS FARGO BANK, N.A., as underwriter

By: _____
Authorized Signatory

SCHEDULE A

SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

[TO BE ATTACHED]

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy them be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2026

NEW ISSUE – BOOK-ENTRY ONLY

RATING: S&P "_____"
See the caption "RATING

In the opinion of Stradling Yocca Carlson & Rauth LLP, Special Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described in this Official Statement, the portion of each Installment Payment constituting interest (and original issue discount) with respect to the 2026A Certificates is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. In the further opinion of Special Counsel, each Installment Payment constituting interest (and original issue discount) with respect to the 2026A Certificates is exempt from State of California personal income tax. See "TAX MATTERS" with respect to certain tax consequences relating to the Bonds, including with respect to the alternative minimum tax imposed on certain large corporations.

$_____*

MISSION SPRINGS WATER DISTRICT
REVENUE CERTIFICATES OF PARTICIPATION, SERIES 2026A

Dated: Date of Issuance **Due: February 1, as set forth on the inside cover**

The 2026A Certificates are being executed and delivered to provide funds to (i) finance the acquisition of certain facilities for the District , and (ii) pay costs of delivery of the 2026A Certificates, all as more fully described herein. The 2026A Certificates are being delivered pursuant to the Trust Agreement, dated as of _____ 1, 2026, by and among the District, the Mission Springs Water District Improvement Corporation and U.S. Bank Trust Company, National Association, as trustee. The 2026A Certificates are payable solely from Installment Payments to be made by the District to the Corporation pursuant to the Installment Purchase Agreement, dated as of _____ 1, 2026, by and between the District and the Corporation, and amounts on deposit in certain funds and accounts created under the Trust Agreement. Interest with respect to the 2026A Certificates is payable on each February 1 and August 1 commencing February 1, 2027, until the maturity thereof.

The 2026A Certificates are subject to optional and mandatory prepayment, as more fully described herein.

The 2026A Certificates are being executed and delivered in fully registered form and when the 2026A Certificates are delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York. DTC will act as securities depository for the 2026A Certificates. Purchasers of beneficial interests will not receive certificates representing their interest in the 2026A Certificates. So long as Cede & Co. is the registered owner of the 2026A Certificates, as nominee of DTC, references herein to the registered owners shall mean Cede & Co., as aforesaid, and shall not mean the beneficial owners of the 2026A Certificates. Individual purchases of the 2026A Certificates will be made in book-entry form only in authorized denominations of $5,000 or any integral multiple thereof. The principal of and interest evidenced by the 2026A Certificates is payable directly to DTC by U.S. Bank Trust Company, National Association, as Trustee. Upon receipt of payments of principal and interest, DTC is obligated to remit such principal and interest to the DTC Participants for subsequent disbursement to the beneficial owners of the 2026A Certificates.

The obligations of the District to make Installment Payments are special obligations of the District payable solely from Net Revenues. Net Revenues consist of Net Water System Revenues and Net Wastewater System Revenues, which are Water System Revenues and Wastewater System Revenues remaining after payment of Water System Operation and Maintenance Costs and Wastewater System Operation and Maintenance Costs, respectively. **The obligations of the District to make Installment Payments are irrevocable obligations of the District payable solely from District Net Revenues but do not constitute obligations of the District for which the District is obligated to levy or pledge any form of taxation or for which the District has levied or pledged any form of taxation. The obligations of the District to make Installment Payments do not constitute debt of the District, the State of California or any political subdivision thereof in contravention of any constitutional or statutory debt limitation or restriction.**

The obligations of the District to make Installment Payments are payable from District Net Revenues are on a parity with Parity Payments outstanding in the aggregate principal amount of $_____, as further described herein. The District may incur additional obligations payable from District Net Revenues on a parity with, or subordinate to, the obligation to make Installment Payments, subject to the terms and conditions of the Installment Purchase Agreement, as more fully described herein.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS ARE ADVISED TO READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION. Capitalized terms used and not defined on the cover of this Official Statement have the meanings ascribed thereto in this Official Statement.

MATURITY SCHEDULE – See Inside Cover Page

The 2026A Certificates are offered when, as and if executed or issued and received by the Underwriter, subject to the approval as to the legality of the Installment Purchase Agreement and the Trust Agreement by Stradling Yocca Carlson & Rauth LLP, Special Counsel, and certain other conditions. The Underwriter is being represented by its counsel, Kutak Rock LLP. Certain legal matters will be passed upon for the District and the Corporation by Slovak Baron Empey Murphy & Pinkney LLP, Palm Springs, California, General Counsel and for the Trustee by its counsel. It is anticipated that the 2026A Certificates will be available for delivery through the facilities of The Depository Trust Company on or about _____, 2026.

* *Preliminary, subject to change.*

Wells Fargo Securities

Dated: _____, 2026

MATURITY SCHEDULE

**$_____*
MISSION SPRINGS WATER DISTRICT
REVENUE CERTIFICATES OF PARTICIPATION, SERIES 2026A**

Maturity Date (February 1)	*Principal Amount*	*Interest Rate*	*Yield*	*Price*	*CUSIP†*

$_____ _____% Term 2026A Certificates Due February 1, 20__, Yield _____, Price _____, CUSIP† _____

$_____ _____% Term 2026A Certificates Due February 1, 20__, Yield _____, Price _____, CUSIP† _____

* *Preliminary, subject to change.*

† *CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the* American *Bankers Association by FactSet Research Systems Inc. Copyright© 2026 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the Corporation, the District or the Underwriter takes any responsibility for the accuracy of such numbers.*

No dealer, broker, salesperson or other person has been authorized by the District or the Underwriter to give any information or to make any representations other than those contained in this Official Statement in connection with the offering made hereby and, if given or made, such other information or representations must not be relied upon as having been authorized by the District or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the 2026A Certificates by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the 2026A Certificates. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of facts.

The Underwriter has provided the following sentence for inclusion in this Official Statement:

> The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The information set forth herein has been obtained from official sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Underwriter. The information and expression of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof.

THE UNDERWRITER MAY OFFER AND SELL THE 2026A CERTIFICATES TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENT AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

CERTAIN STATEMENTS CONTAINED IN THIS OFFICIAL STATEMENT REFLECT NOT HISTORICAL FACTS BUT FORECASTS AND "FORWARD-LOOKING STATEMENTS." NO ASSURANCE CAN BE GIVEN THAT THE FUTURE RESULTS DISCUSSED HEREIN WILL BE ACHIEVED, AND ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THE FORECASTS DESCRIBED HEREIN. IN THIS RESPECT, THE WORDS "ESTIMATE," "PROJECT," "ANTICIPATE," "EXPECT," "INTEND," "BELIEVE" AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. ALL PROJECTIONS, FORECASTS, ASSUMPTIONS, EXPRESSIONS OF OPINIONS, ESTIMATES AND OTHER FORWARD-LOOKING STATEMENTS ARE EXPRESSLY QUALIFIED IN THEIR ENTIRETY BY THE CAUTIONARY STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

THE 2026A CERTIFICATES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT. THE 2026A CERTIFICATES HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

The District maintains a website. The information presented on the District's website is not part of this Official Statement and should not be relied upon in making an investment decision with respect to the 2026A Certificates. References to website addresses other than the District's website presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, Rule 15c2-12 of the United States Securities and Exchange Commission.

MISSION SPRINGS WATER DISTRICT

BOARD OF DIRECTORS

Amber Duff, President
Robert Griffith, Vice President
Ivan Sewell, Director
Russ Martin, Director
Ted Mayrhofen, Director

DISTRICT STAFF

Brian Macy, General Manager
Skyler Aubrey, Accounting Manager

SPECIAL SERVICES

General Counsel

Slovak Baron Empey Murphy & Pinkney LLP
Palm Springs, California

Special Counsel and Disclosure Counsel

Stradling Yocca Carlson & Rauth LLP
Newport Beach, California

Trustee

U.S. Bank Trust Company, National Association
Los Angeles, California

Municipal Advisor

Urban Futures, Inc.
Walnut Creek, California

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**$_____*
MISSION SPRINGS WATER DISTRICT
REVENUE CERTIFICATES OF PARTICIPATION, SERIES 2026A**

INTRODUCTION

General

This Official Statement, including the cover page, the inside cover page and all appendices hereto, provides certain information concerning the sale and delivery of the Mission Springs Water District Revenue Certificates of Participation, Series 2026A (the "2026A Certificates").

Descriptions and summaries of various documents hereinafter set forth do not purport to be comprehensive or definitive, and reference is made to each document for complete details of all terms and conditions. All statements herein are qualified in their entirety by reference to each document. Capitalized terms used and not otherwise defined herein with respect to the 2026A Certificates have the meanings ascribed to them in Appendix B.

The District

The Mission Springs Water District (the "District") is a county water district originally formed in 1953 as the Desert County Water District under the provisions of the County Water District Law, comprising Division 12, Section 30000 *et seq*. of the State Water Code. The District was renamed the Mission Springs Water District in 1987 and has the power under the County Water District Law to, among other things, provide water and wastewater services within its service area. In connection therewith, the District has the powers of eminent domain, to contract, to construct works, to fix rates and charges for commodities or services furnished and to incur indebtedness.

The District's service area consists of approximately 135 square miles located on the upper side of the Coachella Valley in Riverside County and includes the City of Desert Hot Springs, a portion of the City of Palm Springs, and ten smaller communities in unincorporated Riverside County, including North Palm Springs, West Palm Springs Village and Palm Springs Crest. As of June 30, 2025, the District provided water service to approximately 13,882 residential, commercial, industrial, landscape and other accounts within the District's boundaries and wastewater collection and treatment service to approximately 9,713 residential, commercial and industrial accounts within the District's boundaries.

As of June 30, 2025, the District's water system operated approximately 279 miles of water pipelines, 24 water storage tanks with a total storage capacity of approximately 22.9 million gallons ("MG") and 15 groundwater wells with a total capacity of approximately 23.3 million gallons per day ("MGD").

The District's sole source of water is groundwater pumped from District-owned and operated wells in the Coachella Valley Groundwater Basin, primarily from the Mission Creek Subbasin, and to a lesser extent from the Indio Subbasin (Garnet Hill Subarea) and the San Gorgonio Pass Subbasin. Replenishment of the Coachella Valley Groundwater Basin is managed by the Coachella Valley Water District ("CVWD") and Desert Water Agency ("DWA") and the District pays certain amounts for its share of the costs to replenish the Mission Creek Subbasin, the Garnet Hill Subarea of the Indio Subbasin and the San Gorgonio Pass Subbasin, including the costs for CVWD and DWA to import water for such purposes. See the caption "THE WATER SYSTEM—Water Supply."

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* *Preliminary, subject to change.*

As of June 30, 2025, the District's wastewater system operated approximately 120 miles of sewer mains and three wastewater treatment plants. Wastewater is treated at the Alan L. Horton Wastewater Treatment Plant, the Desert Crest Wastewater Treatment Plant and the Nancy Wright Regional Water Reclamation Facility.

The 2026A Certificates

General. The 2026A Certificates represent the interests of the registered owners thereof (the "Certificate Owners") in installment payments (the "Installment Payments") payable by the District under the Installment Purchase Agreement, dated as of _____ 1, 2026 (the "Installment Purchase Agreement"), by and between the District and the Mission Springs Water District Improvement Corporation, a nonprofit public benefit corporation (the "Corporation"). The 2026A Certificates are being executed and delivered pursuant to a Trust Agreement, dated as of _____ 1, 2026 (the "Trust Agreement"), by and among the District, the Corporation and U.S. Bank Trust Company, National Association, Los Angeles, California, as trustee (the "Trustee"). Pursuant to an Assignment Agreement, dated as of _____ 1, 2026 (the "Assignment Agreement"), by and between the Corporation and the Trustee, the Corporation has assigned to the Trustee for the benefit of the Owners of the 2026A Certificates substantially all its rights under the Installment Purchase Agreement, including the right of the Corporation to receive Installment Payments payable under the Installment Purchase Agreement and the right of the Corporation to enforce payment by the District of such Installment Payments when due.

Purpose. The 2026A Certificates are being executed and delivered to provide funds to (i) finance the acquisition of certain facilities for the District, and (ii) pay costs of delivery of the 2026A Certificates. See the captions "PLAN OF FINANCE—The Project" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

Security. The obligation of the District to make Installment Payments is a special obligation of the District payable solely from Net Revenues of the District's Water System and the District's Wastewater System, consisting of District's Water System Revenues remaining after payment of District's Water System Operation and Maintenance Costs and District Wastewater System Revenues remaining after payment of District Wastewater System Operation and Maintenance Costs, respectively.

The obligation of the District to make Installment Payments is an irrevocable obligation of the District payable solely from District Net Revenues but does not constitute an obligation of the District for which the District is obligated to levy or pledge any form of taxation or for which the District has levied or pledged any form of taxation. The obligation of the District to make Installment Payments does not constitute a debt of the District, the State of California or any political subdivision thereof in contravention of any constitutional or statutory debt limitation or restriction.

Rate Covenants. The Installment Purchase Agreement requires the District: (a) to the fullest extent permitted by law, to fix and prescribe, at the commencement of each Fiscal Year, rates and charges for the Water Service provided by the Water System which are reasonably expected to be at least sufficient to yield during each Fiscal Year Net Water System Revenues equal to one hundred fifteen percent (115%) of Debt Service for such Fiscal Year allocable to the Water System; and (b) to the fullest extent permitted by law, to fix and prescribe, at the commencement of each Fiscal Year, rates and charges for the Wastewater Service provided by the Wastewater System which are reasonably expected to be at least sufficient to yield during each Fiscal Year Net Wastewater System Revenues equal to one hundred fifteen percent (115%) of Debt Service for such Fiscal Year allocable to the Wastewater System.

For avoidance of doubt, so long as the District has complied with its obligations set forth in subsection (a) and (b) above, the failure of Net Water System Revenues or Net Wastewater System Revenues to meet the thresholds set forth in (a) or (b) above at the end of a Fiscal Year shall not constitute a default or an Event of Default so long as the District has complied with (a) and (b) above at the commencement of the succeeding Fiscal Year.

Additional Contracts and Bonds Tests. The Installment Purchase Agreement permits the District to execute any Contracts or issue any Bonds payable from Net Revenues on a parity with the obligation to make

Installment Payments, provided that certain conditions are satisfied as herein described. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026A CERTIFICATES—Additional Indebtedness."

The Installment Purchase Agreement also permits the District to incur evidences of indebtedness or incur other obligations for any lawful purpose which are payable from and secured by a pledge of lien on Net Revenues subordinate in all respects to the pledge of and lien thereon under the Installment Purchase Agreement.

No Reserve Fund. No Reserve Fund has been established or will be funded with respect to the 2026A Certificates.

Prepayment. The 2026A Certificates are subject to optional and mandatory prepayment as described herein.

Continuing Disclosure

The District has covenanted in a Continuing Disclosure Certificate for the benefit of the holders and beneficial owners of the 2026A Certificates to provide certain financial information and operating data relating to the District by not later than March 31 following the end of its Fiscal Year (commencing March 31, 2027), and to provide notices of the occurrence of certain enumerated events. The Annual Reports and the notices of enumerated events will be filed by the District with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system. The specific nature of the information to be contained in the Annual Reports and the notice of enumerated events is set forth hereto in Appendix E —"FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934.

Forward-Looking Statements

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "budget" or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information under the caption "THE WATER SYSTEM OF THE DISTRICT—Future Water System Improvements," "—Projected Operating Results and Debt Service Coverage," "THE WASTEWATER SYSTEM OF THE DISTRICT—Future Wastewater System Improvements," "—Future Recycled Water System Improvements," "—Projected Operating Results and Debt Service Coverage" and "FINANCIAL INFORMATION OF THE DISTRICT" herein.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVES KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

Miscellaneous

The summaries and references to the Trust Agreement, the Installment Purchase Agreement and all documents, statutes, reports and other instruments referred to herein do not purport to be complete, comprehensive or definitive, and each such summary or reference is qualified in its entirety by reference to the full Trust Agreement, Installment Purchase Agreement and each such document, statute, report or instrument,

copies of which are available for inspection at the offices of the District in Placerville, California and will be available from the Trustee upon request and payment of duplication cost. The District regularly prepares a variety of reports, including audits, budgets and related documents. Any 2026A Certificate Owner may obtain a copy of such report, as available, from the Trustee or the District.

Unless otherwise indicated, all financial and statistical information herein has been provided by the District.

PLAN OF FINANCE

The Project

The proceeds of the 2026A Certificates are expected to be used by the District to pay for a portion of the costs of a new administrative building for the District, as well as the acquisition and construction of two water booster stations for the Water System (collectively, the "Project"). The District currently expects to receive all necessary environmental and other approvals in connection with the Project in a timely manner and consistent with its expenditure of the 2026A Certificates proceeds described above.

Pursuant to the terms of the Installment Purchase Agreement, the District has the right to substitute projects for the Project. See Appendix B—"DEFINITIONS AND SUMMARY OF PRINCIPAL LEGAL DOCUMENTS—DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INSTALLMENT PURCHASE AGREEMENT— ACQUISITION OF THE PROJECT—Changes to the Project." The District currently expects to commence construction of the new administrative building in September 2026, with a construction period of approximately 15 months, and currently expects to complete construction of all components of the Project described above by the spring of 2028.

Estimated Sources and Uses of Funds

The following table sets forth the estimated sources and uses of the proceeds of the 2026A Certificates:

Sources:	
Principal Amount	
Plus Net Original Issue Premium	
Total Sources	
Uses:	
Deposit to Acquisition Fund	
Underwriter's Discount	
Deposit to Costs of Issuance Fund[(1)]	
Total Uses	

(1) Includes certain legal, financing and printing costs.

THE 2026A CERTIFICATES

General Provisions

The 2026A Certificates will be executed and delivered in the aggregate principal amount of $_____*. The 2026A Certificates will be dated as of the date of initial delivery thereof (the "Delivery Date"), will represent interest from such date at the rates per annum set forth on the inside front cover page hereof, payable semiannually on each February 1 and August 1, commencing February 1, 2027 (each, a "Payment

* *Preliminary, subject to change.*

Date"), and will mature on the dates set forth on the inside front cover page hereof. Interest with respect to the 2026A Certificates will be computed on the basis of a 360-day year of twelve thirty-day months.

The 2026A Certificates will be delivered only in fully registered form and, when executed and delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the 2026A Certificates. Ownership interests in the 2026A Certificates may be purchased in book-entry form, in denominations of $5,000 or any integral multiple thereof. See the caption "—Book-Entry Only System" below and Appendix D attached hereto.

In the event the book-entry only system described below is discontinued, the principal and prepayment premium (if any) evidenced by any 2026A Certificates are payable by check of the Trustee upon presentation and surrender thereof at maturity or upon prior prepayment at the Designated Corporate Trust Office of the Trustee in San Francisco, California (the "Designated Corporate Trust Office of the Trustee"). Interest with respect to the 2026A Certificates shall be payable by check of the Trustee mailed by first class mail on each Payment Date of the 2026A Certificates to the respective 2026A Certificate Owners of record thereof as of the close of business on the fifteenth day of the calendar month preceding such Payment Date (the "Record Date"), whether or not such day is a Business Day at the addresses shown on the books required to be kept pursuant to the Trust Agreement or, upon the written request received by the Trustee of an Owner of at least $1,000,000 in aggregate principal amount of the 2026A Certificates, by wire transfer of immediately available funds to an account in the United States designated by such Owner prior to the applicable Record Date.

Interest with respect to the 2026A Certificates shall be payable from the Payment Date preceding their date of execution, unless such date shall be after a Record Date and on or before the succeeding Payment Date, in which case interest shall be payable from such Payment Date or unless such date shall be on or before January 15, 2027, in which case interest shall be payable as of the date of initial delivery thereof provided, however, that if, as shown by the records of the Trustee, interest represented by the 2026A Certificates shall be in default, 2026A Certificates executed in exchange for 2026A Certificates surrendered for transfer or exchange shall represent interest from the last date to which interest has been paid in full or duly provided for with respect to the 2026A Certificates, or, if no interest has been paid or duly provided for with respect to the 2026A Certificates, as of the date of initial delivery thereof.

Book-Entry Only System

Prior to the execution and delivery of the 2026A Certificates, the District may provide that such 2026A Certificates shall be initially executed and delivered as book-entry 2026A Certificates. If the District shall elect to deliver any 2026A Certificates in book-entry form, then the District shall cause the delivery of a separate single fully registered certificate (which may be typewritten) for each maturity date of such 2026A Certificates in an authorized denomination corresponding to that total principal amount of the 2026A Certificates designated to mature on such date. Upon initial execution and delivery, the ownership of each such 2026A Certificate shall be registered in the 2026A Certificate registration books in the name of the Nominee, as nominee of the Depository and ownership of the 2026A Certificates, or any portion thereof may not thereafter be transferred except as provided in the Trust Agreement.

With respect to book-entry 2026A Certificates, the District and the Trustee shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such book-entry 2026A Certificates. Without limiting the immediately preceding sentence, the District and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in book-entry 2026A Certificates, (ii) the delivery to any Participant or any other person, other than an Owner as shown in the 2026A Certificate registration books, of any notice with respect to book-entry 2026A Certificates, including any notice of prepayment, (iii) the selection by the Depository and its Participants of the beneficial interests in book-entry 2026A Certificates to be prepaid in the event the District prepays the 2026A Certificates in part, or (iv) the payment by the Depository or any Participant or any other person, of any amount with respect to principal, premium, if any, or interest with respect to book-entry 2026A Certificates. The District and the Trustee may

treat and consider the person in whose name each book-entry 2026A Certificate is registered in the 2026A Certificate registration books as the absolute Owner of such book-entry 2026A Certificate for the purpose of payment of principal, premium, if any, and interest with respect to such 2026A Certificate, for the purpose of giving notices of prepayment and other matters with respect to such 2026A Certificate, for the purpose of registering transfers with respect to such 2026A Certificate, and for all other purposes whatsoever. The Trustee shall pay all principal, premium, if any, and interest with respect to the 2026A Certificates only to or upon the order of the respective Owner, as shown in the 2026A Certificate register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, premium, if any, and interest evidenced and represented by the 2026A Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the 2026A Certificate registration books, shall receive a 2026A Certificate evidencing the obligation to make payments of principal, premium, if any, and interest evidenced and represented by the 2026A Certificates. Upon delivery by the Depository to the Owner and the Trustee, of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions in the Trust Agreement with respect to Record Dates, the word Nominee in this Agreement shall refer to such nominee of the Depository.

Transfers and Exchanges Upon Termination of Book-Entry Only System

Any 2026A Certificate may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of the Trust Agreement, by the person in whose name it is registered, in person or by such person's duly authorized attorney, upon surrender of such 2026A Certificate for cancellation at the Designated Corporate Trust Office of the Trustee, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Trustee.

Whenever any 2026A Certificate or 2026A Certificates shall be surrendered for transfer, the Trustee shall execute and deliver a new 2026A Certificate or 2026A Certificates of the same maturity, for a like aggregate principal amount and of authorized denomination or denominations. The Trustee may charge a sum for each new 2026A Certificate executed and delivered upon any transfer. The Trustee may require the payment by any 2026A Certificate Owner requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer. Following any transfer of 2026A Certificates the Trustee shall cancel and dispose of the 2026A Certificates it has received, in accordance with its then customary practices.

2026A Certificates may be exchanged at the Designated Corporate Trust Office of the Trustee, for a like aggregate principal amount of 2026A Certificates of other authorized denominations of the same maturity. The Trustee may charge a sum for each new 2026A Certificate executed and delivered upon any exchange except in the case of any exchange of temporary 2026A Certificates for definitive 2026A Certificates. The Trustee may require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. Following any exchange of 2026A Certificates the Trustee shall cancel and dispose of the 2026A Certificates it has received, in accordance with its then customary practices.

The Trustee shall not be required to register the exchange, or transfer pursuant to the Trust Agreement, of any 2026A Certificate (i) within 15 days preceding selection of 2026A Certificates for prepayment or (ii) selected for prepayment.

Prepayment of the 2026A Certificates

Optional Prepayment. The 2026A Certificates with stated maturities on or after February 1, 20__ are subject to prepayment prior to such stated maturity, as a whole or in part on any date in the order of maturity as directed by the District in a Written Request provided to the Trustee not more than 60 days nor less than 20 days prior to such date and by lot within each maturity in integral multiples of $5,000, on or after February 1, 20__, from amounts prepaid by the District pursuant to the Installment Purchase Agreement at a Prepayment Price equal to the principal amount of such 2026A Certificates to be prepaid plus accrued interest evidenced and represented thereby to the date fixed for prepayment without premium.

Mandatory Sinking Fund Prepayment. The 2026A Certificates with a stated maturity on February 1, 20__ are subject to mandatory sinking fund prepayment prior to such stated maturity, by lot, on February 1, 20__ in integral multiples of $5,000 solely from the scheduled Installment Payment paid by the District under the Installment Purchase Agreement, at a Prepayment Price equal to the principal amount thereof (together with accrued interest evidenced to the date fixed for prepayment), without premium, in accordance with the following schedule:

Prepayment Date (February 1)	***Principal Amount***
(maturity)	

The 2026A Certificates with a stated maturity on February 1, 20__ are subject to mandatory sinking fund prepayment prior to such stated maturity, by lot, on February 1, 20__ in integral multiples of $5,000 solely from the scheduled Installment Payment paid by the District under the Installment Purchase Agreement, at a Prepayment Price equal to the principal amount thereof (together with accrued interest evidenced to the date fixed for prepayment), without premium, in accordance with the following schedule:

Prepayment Date (February 1)	***Principal Amount***
(maturity)	

Notice of Prepayment

Notice of prepayment shall be mailed, first class postage prepaid or provided through other electronically secure means to be determined by the District and communicated to the Trustee in writing, to the respective Owners of any 2026A Certificates designated for prepayment at their addresses appearing on the 2026A Certificate registration books and to the Information Services and by registered or certified or overnight mail to the Securities Depositories at least 20 days but not more than 60 days prior to the prepayment date.

Each notice of prepayment shall state the date of notice, the prepayment date, the place or places of prepayment and the Prepayment Price, shall designate the maturities, CUSIP numbers, if any, and, if less than all 2026A Certificates of any such maturity are to be prepaid, the serial numbers of the 2026A Certificates of such maturity to be prepaid by giving the individual number of each 2026A Certificate or by stating that all 2026A Certificates between two stated numbers, both inclusive, have been called for prepayment and, in the case of 2026A Certificates to be prepaid in part only, the respective portions of the principal amount thereof to be prepaid. Each such notice shall also state that on said date there will become due and payable with respect to each of said 2026A Certificates the Prepayment Price thereof or of said specified portion of the principal represented thereby in the case of a 2026A Certificate to be prepaid in part only, together with interest accrued with respect thereto to the prepayment date, and that (provided that moneys for prepayment have been deposited with the Trustee) from and after such prepayment date interest with respect thereto shall cease to accrue, and shall require that such 2026A Certificates be then surrendered to the Trustee. Any defect in the notice or the mailing thereof will not affect the validity of the prepayment of any 2026A Certificate.

Notice of prepayment of 2026A Certificates shall be given by the Trustee on behalf of and at the expense of the District.

With respect to any notice of optional prepayment of Certificates, such notice may state that such prepayment is conditional upon the receipt by the Trustee on or prior to the date fixed for such prepayment of moneys that are sufficient to pay the principal of, premium, if any, and interest with respect to such Certificates to be prepaid and that, if such moneys are not so received, said notice will be of no force and effect and the Trustee will not be required to prepay such Certificates. In the event that such notice of prepayment contains such a condition and such moneys are not so received, the prepayment will not be made, and the Trustee will

within a reasonable time thereafter give notice, in the manner in which the notice of prepayment was given, that such moneys were not so received.

MISSION SPRINGS WATER DISTRICT PAYMENT SCHEDULE

Set forth below is a schedule of District Installment Payments and payments with respect to other District Contracts and Bonds due during the period ending June 30 in each of the years indicated:

Year Ending June 30	*Installment Payments*			*District Contracts and Bonds*[(1)]	*Total Parity Payments*
	Principal	*Interest*	*Total*		
Total					

(1) Contracts and Bonds include approximately $_____ aggregate principal amount in Parity Payments. See the captions "INTRODUCTION" and "THE MISSION SPRINGS WATER DISTRICT—Other Outstanding Revenue Obligations."

Source: District.

SECURITY AND SOURCES OF PAYMENT FOR THE 2026A CERTIFICATES

Special Obligations Payable From Net Revenues

Under the Trust Agreement, all Installment Payments are irrevocably pledged to, and shall be used for, the punctual payment of the 2026A Certificates, and the Installment Payments shall not be used for any other purpose while any of the 2026A Certificates remain Outstanding. Under the Installment Purchase Agreement, all Revenues and all amounts on deposit in the Revenue Fund and the Rate Stabilization Funds are irrevocably pledged to the payment of the Installment Payments as provided therein and the Revenues shall not be used for any other purpose while any of the Installment Payments remain unpaid.

The Installment Purchase Agreement provides, that out of the Revenues there may be apportioned such sums for such purposes as are expressly permitted in the Installment Purchase Agreement. Said pledge, together with the pledge created for the benefit of other Bonds and Contracts, constitutes a lien on and security interest on Revenues and, subject to application of Revenues and all amounts on deposit in the Revenue fund and the Rate Stabilization Funds as permitted in the Installment Purchase Agreement, the Revenue Fund, the Rate Stabilization Funds and other funds and accounts created for the payment of the principal of and interest, and the premium, if any, on the Installment Payments in accordance with the terms of the Installment Purchase Agreement, and shall attach, be perfected and be valid and binding from and after the Closing Date, without any physical delivery thereof or further act and shall be valid and binding against all parties having claims of any

kind in tort, contract or otherwise against the District, irrespective of whether such parties have notice of the Installment Purchase Agreement.

In order to carry out and effectuate the pledge and lien contained in the Installment Purchase Agreement, the District has agreed and covenanted to receive all Revenues in trust and such Revenues shall be deposited when and as received in a special fund designated as the "Revenue Fund," which fund is continued thereunder and which fund the District agrees and covenants to maintain and to hold separate and apart from other funds so long as the Installment Payments remain unpaid. Moneys in the Revenue Fund shall be used and applied by the District as provided in the Installment Purchase Agreement. All moneys in the Revenue Fund shall be held in trust and shall be applied, used and withdrawn for the purposes set forth in the Installment Purchase Agreement.

The District shall, from the moneys in the Revenue Fund, pay all Operation and Maintenance Costs (including amounts reasonably required to be set aside in contingency reserves for Operation and Maintenance Costs, the payment of which is not then immediately required) as such Operation and Maintenance Costs become due and payable. All remaining moneys in the Revenue Fund shall applied by the District at the times for the transfer to the special funds in the order of priority set forth in the Installment Purchase Agreement; and all moneys in each of such funds shall be held in trust and shall be applied, used and withdrawn only for the purposes set forth in the Installment Purchase Agreement.

THE OBLIGATIONS OF THE DISTRICT TO MAKE INSTALLMENT PAYMENTS ARE IRREVOCABLE OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM DISTRICT NET REVENUES BUT DO NOT CONSTITUTE OBLIGATIONS OF THE DISTRICT FOR WHICH THE DISTRICT IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE DISTRICT HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. THE OBLIGATIONS OF THE DISTRICT TO MAKE INSTALLMENT PAYMENTS DO NOT CONSTITUTE DEBT OF THE DISTRICT, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF IN CONTRAVENTION OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

Rate Covenants

The Installment Purchase Agreement requires the District: (a) to the fullest extent permitted by law, to fix and prescribe, at the commencement of each Fiscal Year, rates and charges for the Water Service provided by the Water System which are reasonably expected to be at least sufficient to yield during each Fiscal Year Net Water System Revenues equal to one hundred fifteen percent (115%) of Debt Service for such Fiscal Year allocable to the Water System; and (b) to the fullest extent permitted by law, to fix and prescribe, at the commencement of each Fiscal Year, rates and charges for the Wastewater Service provided by the Wastewater System which are reasonably expected to be at least sufficient to yield during each Fiscal Year Net Wastewater System Revenues equal to one hundred fifteen percent (115%) of Debt Service for such Fiscal Year allocable to the Wastewater System.

For avoidance of doubt, so long as the District has complied with its obligations set forth in (a) and (b) above, the failure of Net Water System Revenues or Net Wastewater System Revenues to meet the thresholds set forth in (a) or (b) above at the end of a Fiscal Year shall not constitute a default or an Event of Default so long as the District has complied with (a) and (b) above at the commencement of the succeeding Fiscal Year.

The District may make adjustments from time to time in such rates and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates and charges then in effect unless the Net Water System Revenues or Net Wastewater System Revenues, as applicable, from such reduced rates and charges are reasonably expected to be sufficient to meet the requirements of the Installment Purchase Agreement.

Additional Indebtedness

The Installment Purchase Agreement do not authorize the issuance of bonds or other obligations secured by Revenues on a senior basis to Bonds and Contracts (including the Installment Purchase Agreement). The

District may at any time execute any Contract or issue any Bonds, as the case may be, in accordance with the Installment Purchase Agreement; provided:

(i) The Net Revenues for the most recent audited Fiscal Year preceding the date of adoption by the Board of Directors of the District of the resolution authorizing the issuance of such Bonds or the date of the execution of such Contract, as the case may be, as evidenced by both a calculation prepared by the District and a special report prepared by an Independent Certified Public Accountant or an Independent Municipal Advisor on such calculation on file with the District, shall have produced a sum equal to at least one hundred fifteen percent (115%) of the Debt Service for such Fiscal Year; and

(ii) The Net Revenues for the most recent audited Fiscal Year preceding the date of the execution of such Contract or the date of adoption by the Board of Directors of the District of the resolution authorizing the issuance of such Bonds, as the case may be, including adjustments to give effect as of the first day of such Fiscal Year to increases or decreases in rates and charges for the Water Service and Wastewater Service approved and in effect as of the date of calculation, as evidenced by a calculation prepared by the District, shall have produced a sum equal to at least one hundred fifteen percent (115%) of the Debt Service for such Fiscal Year plus the Debt Service which would have accrued on any Contracts executed or Bonds issued since the end of such Fiscal Year assuming such Contracts had been executed or Bonds had been issued at the beginning of such Fiscal Year, plus the Debt Service which would have accrued had such Contract been executed or Bonds been issued at the beginning of such Fiscal Year; and

(iii) The estimated Net Revenues for the then current Fiscal Year and for each Fiscal Year thereafter to and including the first complete Fiscal Year after the latest Date of Operation of any uncompleted Parity Project, as evidenced by a certificate of the General Manager of the District on file with the District, including (after giving effect to the completion of all such uncompleted Parity Projects) an allowance for estimated Net Revenues for each of such Fiscal Years arising from any increase in the income, rents, fees, rates and charges estimated to be fixed, prescribed or received for the Water Service and Wastewater Service and which are economically feasible and reasonably considered necessary based on projected operations for such period, as evidenced by a certificate of the General Manager on file with the District, shall produce a sum equal to at least one hundred fifteen percent (115%) of the estimated Debt Service for each of such Fiscal Years, after giving effect to the execution of all Contracts and the issuance of all Bonds estimated to be required to be executed or issued to pay the costs of completing all uncompleted Parity Projects within such Fiscal Years, assuming that all such Contracts and Bonds have maturities, interest rates and proportionate principal repayment provisions similar to the Contract last executed or then being executed or the Bonds last issued or then being issued for the purpose of acquiring and constructing any of such uncompleted Parity Projects.

Notwithstanding the foregoing, Bonds or Contracts may be issued or incurred to refund outstanding Bonds or Contracts if, after giving effect to the application of the proceeds thereof, total Debt Service will not be increased in any Fiscal Year in which Bonds or Contracts (outstanding on the date of issuance or incurrence of such refunding Bonds or Contracts, but excluding such refunding Bonds or Contracts) not being refunded are outstanding.

Notwithstanding satisfaction of the other conditions to the execution of any Contract or the issuance of Bonds set forth in the Installment Purchase Agreement, no such execution or issuance may occur if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such Event of Default shall be cured upon such execution or issuance.

No Reserve Fund for the 2026A Certificates

No Reserve Fund has been established or will be funded with respect to the 2026A Certificates.

Rate Stabilization Funds

There is established under the Installment Purchase Agreement a special fund designated as the "Wastewater System Rate Stabilization Fund" to be held and maintained by the District in trust thereunder, which fund the District has pledged to the payment of the Installment Payments and has agreed and covenanted to maintain and to hold separate and apart from other funds so long as any Installment Payments remain unpaid. On the date of the execution and delivery of the 2026A Certificates, the District expects approximately $150,000 to be on deposit in the Wastewater System Rate Stabilization Fund from Wastewater System Revenues received by the District prior to Fiscal Year 2026-27. Money transferred by the District from the Revenue Fund to the Wastewater System Rate Stabilization Fund in accordance with the Installment Purchase Agreement will be held in the Wastewater System Rate Stabilization Fund and applied in accordance with the Installment Purchase Agreement.

There is also established under the Installment Purchase Agreement a special fund designated as the "Water System Rate Stabilization Fund" to be held and maintained by the District in trust thereunder, which fund the District has pledged to the payment of the Installment Payments and has agreed and covenanted to maintain and to hold separate and apart from other funds so long as any Installment Payments remain unpaid. On the date of the execution and delivery of the 2026A Certificates, the District expects approximately $350,000 to be on deposit in the Water System Rate Stabilization Fund from Water System Revenues received by the District prior to Fiscal Year 2026-27. Money transferred by the District from the Revenue Fund to the Water System Rate Stabilization Fund in accordance with the Installment Purchase Agreement will be held in the Water System Rate Stabilization Fund and applied in accordance with the Installment Purchase Agreement.

The District may withdraw all or any portion of the amounts on deposit in the Wastewater System Rate Stabilization Fund or the Water System Rate Stabilization Fund and transfer such amounts to the Revenue Fund for application in accordance with the Installment Purchase Agreement or, in the event that all or a portion of Installment Payments are discharged in accordance with the Installment Purchase Agreement, transfer all or any portion of such amounts for application in accordance with the Installment Purchase Agreement. Amounts transferred from the Wastewater System Rate Stabilization Fund or the Water System Rate Stabilization Fund to the Revenue Fund pursuant to the Installment Purchase Agreement during or within 270 days after a Fiscal Year, may be taken into account as Wastewater System Revenues or Water System Revenues, as applicable for purposes of the calculations described under the captions "—Rate Covenant" and "—Additional Indebtedness" in such Fiscal Year.

Under certain circumstances, moneys received in one Fiscal Year may be required or permitted by GAAP to be recorded as revenue in a subsequent Fiscal Year, regardless of whether such moneys have been deposited in the Rate Stabilization Fund. See APPENDIX A—"ANNUAL COMPREHENSIVE FINANCIAL REPORT."

THE MISSION SPRINGS WATER DISTRICT

The District is a county water district originally formed in 1953 as the Desert County Water District under the provisions of the County Water District Law, comprising Division 12, Section 30000 *et seq*. of the State Water Code. The District was renamed the Mission Springs Water District in 1987 and has the power under the County Water District Law to, among other things, provide water and wastewater services within its service area. In connection therewith, the District has the powers of eminent domain, to contract, to construct works, to fix rates and charges for commodities or services furnished and to incur indebtedness.

The District's service area consists of approximately 135 square miles located on the upper side of the Coachella Valley in Riverside County and includes the City of Desert Hot Springs, a portion of the City of Palm Springs, and ten smaller communities in unincorporated Riverside County, including North Palm Springs, West Palm Springs Village and Palm Springs Crest. As of June 30, 2025, the District provided water service to approximately 13,882 residential, commercial, industrial, landscape and other accounts within the District's

boundaries and wastewater collection and treatment service to approximately 9,713 residential, commercial and industrial accounts within the District's boundaries.

As of June 30, 2025, the District's water system operated approximately 279 miles of water pipelines, 24 water storage tanks with a total storage capacity of approximately 22.9 million gallons ("MG") and 15 groundwater wells with a total capacity of approximately 23.3 million gallons per day ("MGD").

The District's sole source of water is groundwater pumped from District-owned and operated wells in the Coachella Valley Groundwater Basin, primarily from the Mission Creek Subbasin, and to a lesser extent from the Indio Subbasin (Garnet Hill Subarea) and the San Gorgonio Pass Subbasin. Replenishment of the Coachella Valley Groundwater Basin is managed by the Coachella Valley Water District ("CVWD") and Desert Water Agency ("DWA") and the District pays certain amounts for its share of the costs to replenish the Mission Creek Subbasin, the Garnet Hill Subarea of the Indio Subbasin and the San Gorgonio Pass Subbasin, including the costs for CVWD and DWA to import water for such purposes. See the caption "THE WATER SYSTEM—Water Supply."

As of June 30, 2025, the District's wastewater system operated approximately 120 miles of sewer mains and three wastewater treatment plants. Wastewater is treated at the Alan L. Horton Wastewater Treatment Plant, the Desert Crest Wastewater Treatment Plant and the Nancy Wright Regional Water Reclamation Facility.

Service Area

The District's service area consists of approximately 135 square miles located on the upper side of the Coachella Valley in Riverside County and includes the City of Desert Hot Springs, a portion of the City of Palm Springs, and ten smaller communities in unincorporated Riverside County, including North Palm Springs, West Palm Springs Village and Palm Springs Crest. The District's service area includes a population of approximately 49,100.

The water distribution system includes three separate and distinct community systems including West Palm Springs Village, Village Crest, and Desert Hot Springs, with the largest being the Desert Hot Springs service area. The City of Desert Hot Springs makes up approximately 17 percent of the District's water service area (approximately 23 square miles) and a majority of the District's water service area population resides inside the City of Desert Hot Springs. Existing land uses within the District's water service area are a mixture of residential, commercial, industrial, institutional, and open space, however residential customers make up approximately 95% of the Water System's customer base.

The Wastewater System provides wastewater collection and treatment service to a population of approximately 26,000 in the City of Desert Hot Springs, Desert Crest Country Club, and Dillon Estates Mobile Home Park. Residential customers make up approximately 97% of the Wastewater System's customer base. The Wastewater System currently has approximately 120 miles of sewer mains, most of which have been constructed in the past two decades. There are currently a significant number of septic systems within the sewer service area, which the District is in the process of converting to sewer as funding becomes available.

Governance and Management

The District is governed by a five-member board of directors (the "Board of Directors"), the members of which are elected from separate divisions of the District for staggered 4-year terms. The current Board of Directors members, the expiration dates of their terms, and their occupations are set forth below:

Board of Directors Member	*Expiration of Term*
Amber Duff, President	December 2026
Robert Griffith, Vice President	December 2028
Ivan Sewell	December 2028
Russ Martin	December 2028
Ted Mayrhofen	December 2026

Day-to-day management of the District is delegated to the General Manager. The current General Manager is Brian Macy. Having joined the District in 2019 as the Assistant General Manager, he was appointed General Manager in January 2024. Mr. Macy has more than 30 years of engineering and management experience overseeing operations and the strategic planning of water districts and previously served as the General Manager of the Indio Water Authority (from 2013-2018) and the Assistant General Manager at Elsinore Valley Municipal Water District (from 2018-2019). Mr. Macy holds a Master's Degree in Public Administration from San Diego State University and a Bachelor of Science degree in Civil Engineering from Ohio Northern University. He is also a licensed civil engineer in California and Ohio.

Employees and Employee Benefits

Employees. As of June 30, 2025, the District had 54 full-time equivalent employees. No employees of the District are presently represented by a union. The District has never experienced a work stoppage or other employee action.

Plan Description. All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the "Plan" or "PERF C") administered by the California Public Employees' Retirement System ("CalPERS"). The Plan consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The District sponsors two miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at www.calpers.ca.gov.

Benefits Provided. CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law ("PERL"), the California Public Employees' Pension Reform Act of 2013 ("PEPRA"), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

The District participates in one CalPERS plan for employees who were hired before January 1, 2013 and one CalPERS plan for employees who were hired on or after January 1, 2013 and who were not previously CalPERS members. The Plan's provisions and benefits in effect as of June 30, 2025 are summarized as follows:

Hire Date	Prior to January 1, 2013	On or after January 1, 2013
Benefit Formula	2.7% @ 55	2% @ 62
Benefit Vesting Schedule	5 years service	5 years service
Benefit Payments	monthly for life	monthly for life
Retirement Age	50-55	52-67
Monthly Benefits, as a % of Eligible Compensation	2.0% to 2.7%	1.0% - 2.5%
Required Employer Contribution Rates	15.24%	7.87%

Contributions. Section 20814(c) of the PERL requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer contributions to the Plan for the fiscal year ended June 30, 2025 were $1,241,197.

Net Pension Liability. The District's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varied by Entry Age and Service
Mortality Rate Table[(1)]	Derived using CalPERs' membership data for all funds
Post-Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

(1) The mortality table used w as developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

Pension plan fiduciary net position. Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at www.calpers.ca.gov. The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources

measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

The following table shows the District's proportionate share of the net pension liability over the measurement period.

	Plan Total Pension Liability (a)	*Plan Fiduciary Net Position (b)*	*Plan Net Pension (c)=(a)-(b)*
Balance at June 30, 2023 (Valuation Date)	$ 31,144,302	$ 22,477,054	$ 8,667,248
Balance at June 30, 2024 (Measurement Date)	34,243,567	25,656,320	8,587,247
Net Changes during 2023-24	$ 3,099,265	$ 3,179,266	$ (80,001)

The District's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at www.calpers.ca.gov.

The District's proportionate share of the net pension liability for the Miscellaneous Plan as of the June 30, 2023 and 2024 measurement dates was as follows:

	Deferred Outflows of Resources
Proportionate share June 30, 2023	0.17333%
Proportionate share June 30, 2024	0.17755
Change – Increase (Decrease)	0.00422

Sensitivity of the proportionate share of the Net Pension Liability to changes in the discount rate. The following presents the District's proportionate share of the net pension liability of the Miscellaneous Plan as of the measurement date, calculated using the discount rate of 6.90 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate:

	Discount Rate – 1% (5.90 %)	*Current Discount Rate (6.90%)*	*Discount Rate + 1% (7.90%)*
Net Pension Liability	$13,208,087	$8,587,247	$4,783,615

Pension expense and deferred outflows and deferred inflows of resources related to pensions. As of the start of the measurement period (July 1, 2023), the District's net pension liability was $8,667,248. For the measurement period ending June 30, 2024 (the measurement date), the District incurred a pension expense of $1,769,170.

As of June 30, 2025, the District has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	*Deferred Inflows of Resources*
Differences Between Expected and Actual Experience	$ 742,446	$ 28,970
Changes of Assumptions	220,710	--
Difference Between Projected and Actual Earnings on	494,357	--

	Deferred Outflows of Resources	*Deferred Inflows of Resources*
Pension Plan Investments		
Change in Employer's Proportion	57,133	61,014
Difference in Actual vs Projected Contributions Pension	182,490	21,077
Contributions Subsequent to Measurement Date	1,241,197	--
Total	$ 2,938,333	$ 111,061

Deferred Compensation Agreement. The District offers its employees a deferred compensation plan (DC Plan) created in accordance with Internal Revenue Code Section 457. The DC Plan, available to all of the District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency. All amounts of compensation deferred under the DC Plan are held in trust and are not subject to the creditors of the District. Accordingly, the assets and liabilities of the DC Plan are not reflected on the District's financial statements.

For additional information relating to the District CalPERS plan, see Note 7 to the District's audited financial statements for Fiscal Year 2025 attached hereto as Appendix A.

CalPERS Actuarial Calculations; Plans Funding Status; Projected Employer Contributions. Each year, CalPERS provides the District a report (each, a "CalPERS Report") providing the actuarial valuation (as of June 30 of the calendar year preceding the year of the CalPERS Report) for each of the District's Plans. *The following information is based on information available from CalPERS and the CalPERS Reports. The District has not independently verified the information provided by CalPERS and expresses no opinion regarding the accuracy of such information. CalPERS' actuarial assessments are based on various assumptions (including demographic assumptions and economic assumptions) made by PERS, its actuaries, accountants and other consultants. One or more assumptions may not materialize or be changed in the future. The District expresses no opinion regarding the quality of such assumptions and cannot provide any guarantee as to the eventual results.*

The tables below show the recent history of actuarial accrued liability, market value of assets, unfunded accrued liability, funded ratio and annual covered payroll for each of the District's CalPERs plans:

Miscellaneous Plan

Valuation Date	*Accrued Liability (AL)*	*Share of Pool's Market Value of Assets (MVA)*	*Unfunded Accrued Liability (UAL)*	*Funded Ratio*	*Annual Covered Payroll*
06/30/2015	$19,423,310	$13,571,511	$5,851,799	69.9%	$2,630,952
06/30/2016	20,372,821	13,498,330	6,874,491	66.3	2,536,739
06/30/2017	21,811,406	15,219,266	6,592,140	69.8	3,029,654
06/30/2018	23,741,366	16,585,951	7,155,415	69.9	3,128,743
06/30/2019	25,485,032	18,322,460	7,162,572	71.9	3,292,984
06/30/2020	26,765,675	19,344,361	7,421,314	72.3	3,900,487
06/30/2021	27,947,099	22,797,127	5,149,972	81.6	3,886,162
06/30/2022	30,222,376	21,415,993	8,806,383	70.9	4,251,027
06/30/2023	33,207,735	23,698,609	9,509,126	71.4	4,943,422
06/30/2024	35,332,066	25,985,952	9,346,114	73.5	4,780,260

Source: CalPERS Annual Valuation Report as of June 30, 2024.

Beginning in Fiscal Year 2018, CalPERS began collecting employer contributions toward a pension plan's unfunded liability as dollar amounts instead of the prior method of a percentage of payroll. According to CalPERS, this change was intended to address potential funding issues that could arise from a declining payroll or a reduction in the number of active members in the plan. Funding the unfunded liability as a percentage of payroll could lead to underfunding of pension plans. Due to stakeholder feedback regarding internal needs for

total contributions expressed as an estimated percentage of payroll, the CalPERS Reports include such results in the contribution projection for informational purposes only. Contributions toward a pension plan's unfunded liability will continue to be collected as set dollar amounts.

The District's required contributions to CalPERS fluctuate each year and include a normal cost component and a component that is equal to an amortized amount of the unfunded liability. Many assumptions are used to estimate the ultimate liability of pensions and the contributions that will be required to meet those obligations. The CalPERS Board of Administration has adjusted and may in the future further adjust certain assumptions used in the CalPERS actuarial valuations, which adjustments may increase the District's required contributions to CalPERS in future years. Accordingly, the District cannot provide any assurances that the District's required contributions to CalPERS in future years will not significantly increase (or otherwise vary) from any past or current projected levels of contributions. CalPERS earnings reports for Fiscal Years 2013 through 2024 report investment gains (and losses) of approximately 13.2%, 18.4%, 2.4%, 0.6%, 11.2%, 8.6%, 6.7%, 4.7%, 21.3%, (6.1%), 5.8% and 9.3%, respectively. CalPERS preliminary earnings report for Fiscal Year 2024-25 reported investment gains of approximately 11.6%. Future earnings performance may increase or decrease future contribution rates for plan participants, including the District.

On December 21, 2016, the CalPERS Board of Administration voted to lower its discount rate from 7.50% to 7.00% over a three period. For public agencies such as the District, the new discount rate took effect July 1, 2017. Lowering the discount rate means that employers which contract with CalPERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. Active members hired after January 1, 2013 will also see their contribution rates rise under PEPRA. The reduction of the discount rate will result in average employer rate increases of approximately 1% to 3% of normal cost as a percentage of payroll for most retirement plans such as the District's plans. Additionally, many employers will see a 30% to 40% increase in their current unfunded accrued liability payments (relative to the unfunded accrued liability payments projected in the June 30, 2015 valuation report) for pension plans. These payments are made to amortize unfunded liabilities over 20 years to bring pension funds to a fully funded status over the long-term.

The announcement on July 12, 2021 that CalPERS achieved investment returns of 21.3% in Fiscal Year 2021 caused the CalPERS Board of Administration to lower CalPERS' discount rate from 7.00% to 6.80% in fall 2021 in accordance with a risk mitigation policy that was adopted in 2015, which calls for the discount rate to be lowered if returns exceed the then-current discount rate by two or more percentage points. Lowering the discount rate means that employers that contract with CalPERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. Active members hired after January 1, 2013 who were not previously CalPERS members will also see their contribution rates rise under PEPRA.

The tables below are derived from CalPERS' annual valuation report as of June 30, 2024 for the District's CalPERs plans, which were completed in July 2025, and show the required and projected employer contributions (before cost sharing) for the next six fiscal years. Projected results reflect the adopted changes to the discount rate described in the CalPERS annual valuation reports. Such projections also assume that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period. The projected normal cost percentages in the projections below does not reflect that the normal cost will decline over the time as new employees are hired into lower cost benefit tiers after the passage of PEPRA.

The following projections assumed the investment return for Fiscal Year 2024-25 would be 6.8%. However, CalPERS announced preliminary investment returns of 11.6% for Fiscal Year 2024-25. As a result, the actual contribution requirements for the Fiscal Years 2026-27 and the following years shown below can be expected to differ from such projections.

Plan	Covered Payroll June 30, 2024	Required Contribution 2026-27	Projected Future Employer Contributions (Assumes 6.80% Return for Fiscal Year 2024-25 and Beyond) 2027-28	2028-29	2029-30	2030-31	2031-32
			Normal Cost Rates(Percentage of Payroll				
Classic Plan	$2,095,629	15.28%	15.3%	15.3%	15.3%	15.3%	15.3%
PEPRA Plan	21,684,631	7.93%	7.9%	7.9%	7.9%	7.9%	7.9%
	UAL Payment	$907,236	$942,000	$1,031,000	$1,039,000	$1,043,000	$1,063,000

Source: CalPERS Annual Valuation Report as of June 30, 2024.

Information regarding CalPERS' administration of the plans, actuarial methods assumptions and asset valuation can be obtained from CalPERS at Lincoln Plaza North, 400 Q Street Sacramento, California 95811 or (888) 225-7377. The annual comprehensive financial reports of CalPERS are available on CalPERS' website at www.calpers.ca.gov. *The website reference is for informational purposes only. None of the content of the website is any way incorporated into this Official Statement. The District makes no representation concerning, and does not take any responsibility for, the accuracy or timeliness of information posted on such website or the continued maintenance of such website*.

Budget Process

The District operates under the authority of the California Water Code. It maintains and prepares its financial statements and budgets using the accrual basis of accounting as prescribed by Generally Accepted Accounting Principles ("GAAP") and reporting standards applicable to California governmental agencies. The District makes an allocation of all general and administrative costs to the water district, sewer district, and to capital improvements based on a percentage of labor hours. The allocations are made monthly. The Board of Directors approves an annual budget on or before June 30 for the ensuing fiscal year. From the effective date of the budget, the amounts stated therein as proposed expenditures become appropriations to the various departments. Budgets are prepared annually using the zero-base method. The Board of Directors may approve supplemental budget requests. The General Manager may transfer funds between general ledger accounts within the operating budgets if the total budget is not affected. The District's budget for Fiscal Year 2025-26 was adopted on June 16, 2025 and the District's budget for Fiscal Year 2026-27 is expected to be presented to the Board of Directors on June 15, 2026.

An independent auditor annually audits all District funds by June 30 of the following fiscal year. The District annually submits an Annual Comprehensive Financial Report ("ACFR") to the Government Finance Officers Association of the United States and Canada for review.

District Insurance

The District is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; and natural disasters. It is a member of the Association of California Water Agencies Joint Powers Insurance Authority (the "Insurance Authority"). The Insurance Authority is a risk-pooling, self-insurance authority, created under the provisions of California Government Code Sections 6500 *et seq*. The purpose of the Insurance Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage.

On June 30, 2025, the District participated in the self-insurance program of the Insurance Authority as follows:

Property Loss – The Insurance Authority has pooled self-insurance up to $150,000,000 per occurrence, except for Earthquake at $2,500,000 program aggregate and flood at $25,000,000 per occurrence and has purchased excess insurance coverage up to $150,000,000 (total insurable value of $9,462,972), with deductibles ranging from $2,500 to $100,000.

General, Auto and Public Officials Errors and Omissions Liability – The Insurance Authority has pooled self-insurance up to $5,000,000 and has purchased excess insurance coverage up to $55,000,000, except for Terrorism at $5,000,000 per occurrence, Communicable Disease at $10,000,000 per occurrence and Subsidence, Lead and Mold at $45,000,000 per occurrence.

Cyber Liability – The Insurance Authority has pooled self-insurance up to $3,000,000 per occurrence subject to a $5,000,000 aggregate limit.

Crime Insurance – The Insurance Authority has pooled self-insurance up to $100,000 per occurrence and a deductible of $1,000.

Excess Crime Insurance – The Insurance Authority has pooled self-insurance up to $1,000,000 per occurrence and a deductible of $100,000.

Workers' Compensation – The Insurance Authority has pooled self-insurance up to $2,000,000 and purchases excess coverage for California Statutory Limits with a $4,000,000 program aggregate limit for employers' liability coverage.

There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

For additional information relating to the District's insurance coverage, see Note 11 to the District's audited financial statements for Fiscal Year 2024-25 attached hereto as Appendix A.

Other Outstanding Revenue Obligations

No Senior Obligations. The District has no obligations that are payable from Net Revenues on a senior basis to the District's obligations to make the Installment Payments under the Installment Purchase Agreement.

Parity Obligations. Following the execution and delivery of the Installment Purchase Agreement and the Certificates, the District will have no obligations that are payable from Net Revenues on a parity with the District's obligations to make the Installment Payments under the Installment Purchase Agreement. See, however, "—State Water Resources Control Board Loan" for a description of an obligation of the District payable only from Wastewater System Revenues on a parity with the Installment Payments.

State Water Resources Control Board Loan. In August 2012 (and later amended in January 2013), the District entered into a financing agreement with the California State Water Resources Control Board (the "SWRCB") for a total amount of $9,957,921 for the purpose of financing Assessment District #12, Phase 3 costs. This program is a loan from the State Revolving Fund of which 50% of the principal amount was forgiven. The interest rate on the loan is 2.2% with principal and interest payments due annually on January 31 beginning in 2015, final payment is due January 31, 2034. As of June 30, 2025, the loan was outstanding in the amount of $2,689,105. The loan is payable only from Wastewater System Revenues on a parity with the Installment Payments.

1% Property Tax Revenues

General. The County levies a 1% *ad valorem* property tax on behalf of all taxing agencies in the County, including the District. The taxes collected are allocated to taxing agencies within the County, including the District, on the basis of a formula established by State law enacted in 1979. Under this formula, the County and all other taxing entities receive a base year allocation plus an allocation on the basis of "situs" growth in assessed value (new construction, change of ownership and inflation) prorated among the jurisdictions, which serve the tax rate areas within which the growth occurs. Tax rate areas are specifically defined geographic areas, which were developed to permit the levying of taxes for less than countywide or less than citywide special districts.

For Fiscal Year 2024-25, the allocation of the 1% *ad valorem* property tax received by the District (the "1% Property Tax Revenues") was $4,467,738 compared to $2,535,108 in Fiscal Year 2023-24. 1% Property Tax Revenues as a percentage of the total revenues of the District averaged approximately 10% over the last five Fiscal Years.

From time to time legislation has been considered as part of the State budget to shift 1% Property Tax Revenues from special districts to school districts or other governmental entities. As a result of the State fiscal year 2009-10 budget, which included a shift of approximately 8% of the 1% Property Tax Revenues (other than unitary taxes) from certain local agencies, including the District, to school districts and other governmental agencies, the District was subject to a shift of 1% Property Tax Revenues away from the District of approximately $145,991. Such amount was received in 2013, plus interest at the rate of 2% per annum.

On November 2, 2010, California voters approved Proposition 22, which: (i) prohibits the State of California from shifting or delaying the distribution of funds from special districts to schools and community colleges; (ii) eliminates the authority to shift property taxes temporarily during a severe financial hardship of the State; and (iii) restricts the State's authority to use fuel tax revenues to pay debt service on transportation bonds, to borrow or change the distribution of fuel tax revenues or to use Vehicle License Fee revenues to reimburse local governments for state-mandated costs.

Despite the passage of Proposition 22, there can be no assurance that 1% Property Tax Revenues which the District currently expects to receive will not be temporarily shifted from the District or reduced pursuant to State legislation enacted in the future. If the property tax formula is permanently changed in the future, it could have a material adverse effect on the receipt of its share of 1% Property Tax Revenues by the District.

Notwithstanding Proposition 22, there can be no assurance that the 1% Property Tax Revenues the District currently expects to receive will not be reduced pursuant to State legislation enacted in the future. If the property tax formula is permanently changed in the future, it could have a material adverse effect on the receipt of 1% Property Tax Revenues by the District. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026A CERTIFICATES—Special Obligations Payable from Net Revenues" for a discussion of the extent to which 1% Property Tax Revenues are available to make the Installment Payments.

A portion of the 1% Property Tax Revenues received by the District are restricted to the Water System and a portion are restricted to the Wastewater System, with the remainder allocated by the District on an annual basis between the Water System and the Wastewater System based on proportional expenses. The discretionary portion of the 1% Property Tax Revenues received by the District is generally allocated annually between the Water and Wastewater Systems approximately 65% to the Water System and approximately 35% to the Wastewater System. The District allocated 1% Property Tax Revenues for the Fiscal Year ending 2024-25 as shown in the table below.

Mission Springs District
1% Property Tax Revenue Allocations By System
Fiscal Year Ended June 30, 2025

Fund	***Allocation of Total Property Tax Revenues***	***Percentage of Allocation By Funding Purpose***
Water System	$2,446,734	54.76%
Wastewater System	$2,021,004	45.24%

Assessed Valuations and Tax Collections. The following tables show secured assessed valuations within the District, 1% Property Tax Revenues received by the District during the five most recent Fiscal Years and amounts allocated to the Water and Wastewater Systems. The District allocates 1% Property Tax Revenues among the Water and Wastewater Systems on a year-to-year basis in proportion to the percentage of properties within the District's boundaries that receive water service or wastewater service, respectively.

As a result of the implementation of the tax distribution system that is commonly referred to as the "Teeter Plan" by the County (Section 4701 *et seq.* of the State Revenue and Taxation Code) and participation by the District, the District receives 100% of its share of the County 1% Property Tax Revenues without regard to delinquencies, and the District receives no late payment penalty revenues. There can be no assurance that the Teeter Plan or the District's participation therein will be continued indefinitely.

Mission Springs Water District
Property Tax Revenues(1)

Fiscal Year	*Secured Assessed Valuation within District*	*General 1% Property Tax Allocated to District*	*Amount Allocated to Water System*	*Amount Allocated to Wastewater System*
2021	$2,882,796,468	$2,129,487	$ 746,562	$1,382,925
2022	3,075,737,972	2,330,086	870,063	1,460,023
2023	3,470,380,541	2,734,186	1,018,872	1,715,314
2024	3,865,196,498	2,535,108	648,745	1,886,363
2025	4,198,472,810	4,467,738	2,021,004	2,446,734

Source: The District.

THE WATER SYSTEM OF THE DISTRICT

General

The District's service area consists of approximately 135 square miles located on the upper side of the Coachella Valley in Riverside County and includes the City of Desert Hot Springs, a portion of the City of Palm Springs, and ten smaller communities in unincorporated Riverside County, including North Palm Springs, West Palm Springs Village and Palm Springs Crest. As of June 30, 2025, the District provided water service to approximately 13,882 residential, commercial, industrial, landscape and other accounts within the District's boundaries.

The water distribution system includes three separate and distinct community systems including West Palm Springs Village, Village Crest, and Desert Hot Springs, with the largest being the Desert Hot Springs service area. The City of Desert Hot Springs makes up approximately 17 percent of the District's water service area (approximately 23 square miles) and a majority of the District's water service area population resides inside the City of Desert Hot Springs. Existing land uses within the District's water service area are a mixture of residential, commercial, industrial, institutional, and open space, however residential customers make up approximately 95% of the Water System's customer base.

As of June 30, 2025, the District's water system operated approximately 279 miles of water pipelines, 24 water storage tanks with a total storage capacity of approximately 22.9 MG and 15 groundwater wells with a total capacity of approximately 23.3 MGD.

The District's sole source of water is groundwater pumped from District-owned and operated wells in the Coachella Valley Groundwater Basin, primarily from the Mission Creek Subbasin, and to a lesser extent from the Indio Subbasin (Garnet Hill Subarea) and the San Gorgonio Pass Subbasin. Replenishment of the Coachella Valley Groundwater Basin is managed by CVWD and DWA and the District pays certain amounts for its share of the costs to replenish the Mission Creek Subbasin, the Garnet Hill Subarea of the Indio Subbasin and the San Gorgonio Pass Subbasin, including the costs for CVWD and DWA to import water for such purposes. See the caption "—Water Supply."

Water Supply

General. The Water System's sole source of water is groundwater pumped from District-owned and operated wells in the Coachella Valley Groundwater Basin, primarily from the Mission Creek Subbasin, and to a lesser extent from the Indio Subbasin (Garnet Hill Subarea) and the San Gorgonio Pass Subbasin. From 2021 through 2025, approximately 98% of the groundwater pumped for the Water System was from the Mission Creek Subbasin.

The Coachella Valley Groundwater Basin, as described in DWR Bulletin 118, is bounded on the east by the non-water-bearing crystalline rocks of the San Bernardino and Little San Bernardino Mountains, and on the west by the crystalline rocks of the San Jacinto and Santa Rosa Mountains. The trace of the Banning fault on the north side of San Gorgonio Pass forms the upper boundary. At the west end of the San Gorgonio Pass, between Beaumont and Banning, the basin boundary is defined by a surface drainage divide separating the Coachella Valley Groundwater Basin from the Beaumont Groundwater Basin of the Upper Santa Ana drainage area. The southern boundary is formed primarily by the watershed of the Mecca Hills and by the northwest shoreline of the Salton Sea running between the Santa Rosa Mountains and Mortmar. Between the Salton Sea and Travertine Rock, at the base of the Santa Rosa Mountains, the lower boundary coincides with the Riverside-Imperial County Line. South of the southern boundary, at Mortmar and at Travertine Rock, the subsurface materials are predominantly fine grained and low in permeability; although groundwater is present, it is not readily extractable. A zone of transition exists at these boundaries; to the north, the subsurface materials are coarser and provide groundwater more readily.

In 1964, DWR estimated that the Coachella Valley Groundwater Basin contained a total of approximately 39.2 million acre-feet ("AF") of water in the first 1,000 feet below the ground surface, much of which originated as runoff from the surrounding mountains. Of this total, approximately 29.8 million AF was stored in the Indio Subbasin and approximately 2.6 million AF was in the Mission Creek Subbasin. However, the amount of water in the Coachella Valley Groundwater Basin decreased over the years because groundwater pumping to serve urban, rural, and agricultural development in the Coachella Valley withdrew water at a rate exceeding the Coachella Valley Groundwater Basin's recharge. Since the late 2000's, the Coachella Valley Groundwater Basin has seen significant groundwater level increases relative to historic lows.

Although there is interflow of groundwater throughout the Coachella Valley Groundwater Basin, fault barriers, constrictions in the Basin profile, and areas of low permeability limit and control movement of groundwater. Based on these factors, the Basin has been divided into subbasins and subareas as described by DWR in 1964 and the USGS in 1971. The boundaries between subbasins are generally based upon faults that are effective barriers to the lateral movement of groundwater. Minor subareas have also been delineated, based on one or more of the following geologic or hydrologic characteristics: type of water bearing formations, water quality, areas of confined groundwater, forebay areas, groundwater flow divides, and surface drainage divides.

Four primary subbasins include Indio, Mission Creek, Desert Hot Springs, and San Gorgonio Pass. The subbasins, with their groundwater storage reservoirs, are defined without regard to water quantity or quality. They delineate areas underlain by formations which readily yield the stored water through water wells and offer natural reservoirs for the regulating water supply.

The Mission Creek Subbasin. Water-bearing materials underlying the Mission Creek upland comprise the 76-square mile Mission Creek Subbasin. The Subbasin is bounded on the south by the Banning fault and on the north and east by the Mission Creek fault. The Subbasin is bordered on the west by non-water bearing rocks of the San Bernardino Mountains. To the southeast are the Indio Hills, which consist of the semi water-bearing Palm Springs Formation. Both the Mission Creek fault and the Banning fault are effective barriers to groundwater movement, as evidenced by offset water levels, fault springs, and changes in vegetation. The wells drilled in this Subbasin pass through unconsolidated recent alluvium (sands and gravels forming the uppermost geologic formation in the subbasin) and semi-consolidated and interbedded sands, gravels and silts. Although these Pleistocene deposits are the main source of water, water also occurs in recent alluvium where the water table is sufficiently shallow. The Mission Creek Subbasin is considered an unconfined aquifer with a saturated

thickness of 1,200 feet or more and an estimated total storage capacity on the order of 2.6 million AF. The Mission Creek Subbasin is naturally recharged by surface and subsurface flow from the Mission Creek, Dry, and Big Morongo Washes, the Painted Hills, and surrounding mountain drainages. Irrigation return flows and discharges from municipal and individual subsurface wastewater disposal systems also contribute to recharge.

Due to overdraft conditions in the Mission Creek Subbasin, CVWD and DWA began construction of facilities to replenish groundwater with imported State Water Project exchange water, delivered by with the Metropolitan Water District of Southern California ("MWD") via the Colorado River Aqueduct. Under the authority of their enabling legislation, the CVWD and DWA have each designated an "Area of Benefit" for the purpose of assessing groundwater replenishment charges on groundwater production from their respective management areas of the Mission Creek Subbasin. The funds derived from these charges recover costs of recharging State Water Project water that is exchanged with the MWD for Colorado River water from MWD's Colorado River Aqueduct ("State Water Project Exchange Water") at the Mission Creek Groundwater Replenishment Facility (the "Mission Creek GRF").

The Mission Creek GRF was completed and began operations in 2002 and is operated by CVWD and DWA through a cost sharing agreement, with a resolution of support from the District. The Mission Creek GRF receives State Water Project Exchange Water and consists of twelve percolation ponds located adjacent to Mission Creek. As of calendar year 2025, approximately 187,995 AF have been recharged in total and the Mission Creek GRF typically recharges approximately 7,000 AF per year. The District's service area overlying the Mission Creek Subbasin is within DWA's area of benefit, and the current DSWA assessment is $235 per acre-foot with a water loss adjustment (currently 4.54%, or $10.66) for a total DWA assessment of $245.66 per acre-foot, which is passed through to District Water System customers. See the caption "—Water System Rates and Charges."

CVWD, DWA, and the District jointly developed the 2013 Mission Creek/Garnet Hill Subbasins Water Management Plan (the "2013 MC/GH WMP") pursuant to a 2004 settlement agreement. The settlement agreement and the 2003 Mission Creek Groundwater Replenishment Agreement between CVWD and DWA specify that the available State Water Project supply will be allocated between the Mission Creek Subbasin and West Valley of the Indio Subbasin in proportion to the amount of groundwater produced or surface water diverted from the respective management areas during the preceding year.

According to the most recent Mission Creek Subbasin Annual Report prepared for the District, CVWD and DWA for Water Year 2024-25(the "2024-25 Annual Report"), during Water Year 2024-25, 12,898 AF of groundwater were extracted from 23 metered wells and minimal pumpers in the Mission Creek Subbasin. Because CVWD and DWA are authorized to collect replenishment assessment charges from groundwater producers, their respective legislations mandate the installation of water volume measuring devices on the wells of well owners that produce more than 25 acre-feet per year ("AFY") in CVWD's service area and more than 10 AFY in DWA's service area.

Local surface water is not used in the Mission Creek Subbasin and State Water Project Exchange Water is only used to replenish the aquifer. Wastewater is not currently recycled for direct use, but a portion of the treated wastewater percolates as return flow. Groundwater production within the Mission Creek Subbasin amounted to 12,898 AF in Water Year 2024-25. Additional groundwater production of 379 AF in the Garnet Hill Subarea of the Indio Subbasin was imported to partially meet the District's water demands in the Mission Creek subbasin. Exports included 6,379 AF of groundwater to the Desert Hot Springs Subbasin by CVWD and the District to meet municipal demands. Accounting for these imports and exports, the total direct use for Water Year 2024-25 within the Mission Creek Subbasin was 6,889 AF.

The groundwater balance for the Mission Creek Subbasin is a budget comparing the inflow components of groundwater into the Mission Creek Subbasin against the outflow components of groundwater out of the Mission Creek Subbasin during a specified period (typically one year). The difference between inflows and outflows for a given period is defined as the change in storage for that period.

According to the 2024-25 Annual Report, Mission Creek Subbasin inflows included 6,850 AF of natural inflows (e.g., mountain-front recharge, infiltration of surface water, and subsurface inflow from other basins), 4,324 AF of return flow from use (e.g., return from urban/ agriculture applications, percolation from septic tanks and wastewater treatment facilities), and 10,204 AF from artificial recharge of State Water Project Exchange Water at the Mission Creek GRF. The total inflow to the Mission Creek Subbasin in Water Year 2024-2025 was 21,378 AF. The Mission Creek Subbasin outflows included 12,898 AF of groundwater pumping and 3,571 AF of natural outflows (i.e., subsurface outflow to adjacent subbasins, evapotranspiration, and evaporative losses). The total outflow from the Mission Creek Subbasin in Water Year 2024-2025 was 16,469 AF. A comparison of the Mission Creek Subbasin inflows and outflows for Water 2024-25 indicates an annual increase in groundwater storage of 4,909 AF, which leads to a total estimated groundwater storage in the Mission Creek Subbasin as of Water Year 2024-25 of 2,600,000 AF.

The Mission Creek Subbasin inflows vary significantly from year to year due to the variability in mountain-front recharge and imported water replenishment deliveries. Replenishment activities vary annually in response to imported water availability. In the last five water years, replenishment ranged from zero AF in Water 2021-22 to 10,204 AF in Water 2024-25 and averaging approximately 3,450 AF per year. Years of high inflows correspond to wet years and high mountain-front recharge and/or when increased State Water Project deliveries occurred. Both the 10- and 20-year running average changes in groundwater storage have been relatively stable. The longer-term 20-year running average shows that the Mission Creek Subbasin has been in balance (i.e., no appreciable net change in storage) since 2013. A slight downward inflection in the 20-year running average for Water Year 2024-25 is caused by removal of more than 24,700 AF of recharge that occurred in 2005 from the 20-year average.

Total maximum daily production from the District's wells within the Mission Creek Subbasin is approximately 12,665 gallons per minute, which is sufficient to supply approximately 100% of the average daily demand within the Water System service area. In previous years, groundwater was not replenished after rainfalls because of a highly efficient stormwater management system that prevented stormwater runoff from seeping into the ground. As an unadjudicated basin, the District does not currently hold specific pumping rights or entitlements to the water held in the Mission Creek Subbasin but rather pumps supplies as needed to meet Water System demands.

Sustainable Groundwater Management Act. As an unadjudicated groundwater basin, the Mission Creek Subbasin is subject to the provisions of Assembly Bill No. 1739 and Senate Bill Nos. 1168 and 1319 (collectively, the Sustainable Groundwater Management Act, or "SGMA"), which was enacted on September 16, 2014. SGMA constitutes a Statewide legislative structure for local agencies to manage groundwater with the potential for State intervention if local efforts fail to meet prescribed requirements. DWR has designated the Indio, Mission Creek and San Gorgonio Pass Subbasins medium-priority subbasins under the SGMA and the Desert Hot Springs Subbasin has been designated a very-low-priority subbasin.

On December 29, 2016, the District, CVWD and DWA collaboratively submitted the 2013 Mission Creek-Garnet Hill Water Management Plan (the "2013 MC-GH WMP") and a bridge document to DWR. Together, those documents described how the 2013 MC-GH WMP and supporting documents met the requirements of the SGMA and thus could be considered an Alternative to a Groundwater Sustainability Plan under SGMA. The 2013 MC-GH WMP, the 2016 Bridge Document and supporting documents were provided to DWR for review and evaluation as the Mission Creek Subbasin Alternative Plan (the "Alternative Plan"). On July 17, 2019, DWR approved the Alternative Plan, finding it functionally equivalent to a Groundwater Sustainability Plan. A five-year update to the Alternative Plan (the "2022 Alternative Plan Update") was completed in November 2021 and submitted to the DWR in December 2021. In June 2024, CDWR approved the 2022 Alternative Plan Update.

The 2022 Alternative Plan Update identified four sustainability indicators relevant to the Mission Creek Subbasin based on historical or current conditions, including chronic lowering of groundwater levels, reduction of groundwater storage, land subsidence and degraded water quality. With respect to chronic lowering of groundwater levels, the 2024-25 Annual Report describes that while, historically, groundwater levels declined

by up to approximately 60 feet in the Mission Creek Subbasin between 1970 and 2009, such levels have since rebounded as a result of management actions. With respect to reduction of groundwater storage, the 2024-25 Annual Report describes that declining groundwater levels between 1970 and 2009 resulted in a reduction in groundwater storage in the Mission Creek Subbasin, however groundwater storage has since increased due to the recharge of imported water and reduced groundwater pumping. With respect to land subsidence, the 2024-25 Annual Report describes that no evidence of land subsidence in the Mission Creek Subbasin has been documented. Finally, with respect to degraded water quality, the 2024-25 Annual Report describes that no water quality issues have been identified in active groundwater supply wells in the Mission Creek Subbasin; however, sustainability criteria for degraded water quality have been identified based on the potential for future degraded water quality. See the caption "—Water Quality."

Garnet Hill Subarea. The area between the Garnet Hill fault and the Banning fault, named the Garnet Hill Subarea of the Indio Subbasin, was considered a distinct subbasin by the USGS because of the effectiveness of the Banning and Garnet Hill faults as barriers to groundwater movement. The area is bounded on the north by the Banning fault, on the south by the Garnet Hill fault, and on the east and west by non-water to semi-water bearing rocks. DWR considers the area to be part of the Indio Subbasin.

The District constructed Well 33 in the Garnet Hill Subarea with production since 2007. The District, CVWD, and DWA jointly developed the 2013 MC/GH WMP that included this subarea. For SGMA compliance, the area is considered to be part of the Indio Subbasin. However, the 2022 and 2027 Mission Creek and Indio Subbasin Alternative Plan Updates both address the Garnet Hill Subarea, sharing data and management actions. Currently, CVWD includes a portion of the Garnet Hill Subarea in its West Whitewater Area of Benefit replenishment assessment program. Separately, DWA has a replenishment assessment program in its portion of the Garnet Hill Subarea.

San Gorgonio Pass Subbasin. A portion of the District's western service area and DWA jurisdictional area is underlain by the San Gorgonio Pass Subbasin, which is the westernmost subbasin in the Coachella Valley Groundwater Basin. This Subbasin is bounded on the north by the San Bernardino Mountains and by semi-permeable rocks, and on the south by the San Jacinto Mountains. A surface drainage divide between the Colorado River and South Coastal Hydrologic Study Areas bounds the subbasin on the west. The eastern boundary is formed by a bedrock constriction that creates a groundwater cascade into the Indio Subbasin.

The San Gorgonio Pass Subbasin is subdivided into a series of storage units that include the Banning Bench, Banning, Beaumont, and Cabazon storage units. The Cabazon storage unit is located near the western District boundary. The Cabazon storage unit, which encompasses approximately 11 square miles, is recharged naturally with runoff from the adjacent San Jacinto and San Bernardino Mountains. The District operates four wells in the Cabazon storage unit. Other groundwater users in the Cabazon storage unit include Desert Hills Premium Outlets, Morongo Band of Mission Indians, and Cabazon Water District.

Desert Water Agency. DWA faces various challenges in the continued management of the Coachella Valley Groundwater Basin, including reductions in water deliveries from the Colorado River or through the State Water Project. In April 2025, DWR, which operates the State Water Project, announced that allocations for water year 2025 would be equal to 50% of requested supplies. Allocations represent the amount of State Water Project water that DWR will deliver for the year. Allocations are reviewed monthly based on several factors, including water in storage, environmental requirements and rain and snow runoff projections. Such allocation increases or decreases by DWR have historically varied dramatically from a 5% allocation as recently as 2022 to a 100% allocation in 2023. There can be no assurance that MWD or DWA will not announce supply cutbacks in future years, or that the District will not consider imposing restrictions on water use by Water System customers, based on hydrological conditions.

A description of the supply challenges faced by DWR, MWD and DWA, as well as a variety of other operating information with respect to DWR, MWD and DWA, is included in certain disclosure documents prepared by DWR, MWD and DWA, respectively. DWR, MWD and DWA periodically prepare official statements and other disclosure documents in connection with their respective bonds and other obligations.

DWR, MWD and DWA have also entered into certain continuing disclosure agreements pursuant to which they are contractually obligated for the benefit of owners of certain of their outstanding obligations to file certain annual reports, including audited financial statements and notice of certain events, pursuant to Rule 15c2-12. Such official statements, other disclosure documents, annual reports and notices are filed with EMMA. Such information is not incorporated herein by reference thereto, and the Authority makes no representation as to the accuracy or completeness of such information. NONE OF DWR, MWD OR DWA HAVE ENTERED INTO ANY CONTRACTUAL COMMITMENT WITH THE DISTRICT, THE TRUSTEE OR THE OWNERS OF THE CERTIFICATES TO PROVIDE INFORMATION TO THE DISTRICT, THE AUTHORITY OR THE OWNERS OF THE CERTIFICATES.

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

Coachella Valley Water District. CVWD faces various challenges in the continued management of the Coachella Valley Groundwater Basin, including reductions in water deliveries from the Colorado River or through the State Water Project. In April 2025, DWR, which operates the State Water Project, announced that allocations for water year 2025 would be equal to 50% of requested supplies. Allocations represent the amount of State Water Project water that DWR will deliver for the year. Allocations are reviewed monthly based on several factors, including water in storage, environmental requirements and rain and snow runoff projections. Such allocation increases or decreases by DWR have historically varied dramatically from a 5% allocation as recently as 2022 to a 100% allocation in 2023. There can be no assurance that MWD or CVWD will not announce supply cutbacks in future years, or that the District will not consider imposing restrictions on water use by Water System customers, based on hydrological conditions.

A description of the supply challenges faced by DWR, MWD and CVWD, as well as a variety of other operating information with respect to DWR, MWD and CVWD, is included in certain disclosure documents prepared by DWR, MWD and CVWD, respectively. DWR, MWD and CVWD periodically prepare official statements and other disclosure documents in connection with their respective bonds and other obligations. DWR, MWD and CVWD have also entered into certain continuing disclosure agreements pursuant to which they are contractually obligated for the benefit of owners of certain of their outstanding obligations to file certain annual reports, including audited financial statements and notice of certain events, pursuant to Rule 15c2-12. Such official statements, other disclosure documents, annual reports and notices are filed with EMMA. Such information is not incorporated herein by reference thereto, and the Authority makes no representation as to the accuracy or completeness of such information. NONE OF DWR, MWD OR CVWD HAVE ENTERED INTO ANY CONTRACTUAL COMMITMENT WITH THE DISTRICT, THE AUTHORITY, THE TRUSTEE OR THE OWNERS OF THE CERTIFICATES TO PROVIDE INFORMATION TO THE DISTRICT OR THE OWNERS OF THE CERTIFICATES.

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Future Water Supplies

The District completed a Recycled Water Program Feasibility Study (the "Feasibility Study") in 2018 that evaluated opportunities to expand local water supply reliability by developing a recycled water program within the District's service area. The Feasibility Study assesses potential uses of recycled water such as landscape irrigation and groundwater recharge, along with the treatment requirements, infrastructure needs, and hydrogeologic considerations necessary to support those uses. Through this evaluation, groundwater recharge via surface spreading emerged as the most beneficial and sustainable application, aligning with the District's long-term goal of strengthening groundwater supplies within its service area.

The selected alternative focuses on implementing tertiary treatment to produce high-quality recycled water, combined with surface spreading to enhance groundwater recharge. In particular, the preferred approach includes off-site spreading at a District-owned parcel within the Mission Creek Subbasin, where a significant portion of the District's production wells are located. This location provides a strategic advantage by directly replenishing the groundwater basin that supports the District's potable water supply, thereby maximizing the long-term benefit of the recycled water program.

While comparable in feasibility to on-site recharge options, the selected alternative offers greater value due to its targeted impact on groundwater sustainability and supply resilience. Although it may involve additional infrastructure and cost, it better supports the District's operational independence and resource management objectives. The study concluded that advancing this alternative, potentially in phases, would enhance local water reliability, improve aquifer conditions, and position the District to pursue external funding for implementation. The District currently expects to apply for grant funding for the recycled water projects described in the Feasibility Study within the next approximately five years.

Water Quality

General. The District's water supplies are treated to applicable regulatory standards prior to delivery to potable water customers. The City uses state certified laboratories for bacteriological, physical, chemical, and radiological water analysis. Samples from throughout the system are collected weekly and submitted for testing to ensure the safety of the water and California Department of Health Services standards. Sodium hypochlorite is used and a minimum chlorine residual of 0.2 parts per million is maintained through the distribution system.

Chromium-6. Hexavalent chromium ("Chromium-6") is a naturally occurring metallic element found in the groundwater aquifers beneath the Coachella Valley Groundwater Basin. Chromium 6 can form through the erosion of certain rocks and minerals through stormwater runoff, or as a byproduct of some industrial activities. While Chromium-6 levels in the Mission Creek Subbasin remain below the Maximum Contaminant Levels ("MCL") set for total chromium (which includes chromium-3 as well and has been regulated since 1977) of 50 parts per billion, the State Water Resources Control Board (the "SWRCB") adopted a stricter standard in October 2024 for Chromium-6 of 10 parts per billion. The SWRCB's 2024 MCL for Chromium-6 requires all water systems to install treatment solutions or secure alternative water sources before the compliance deadline of October 1, 2026. Although the District already meets all state and federal water quality standards, the District has been proactively studying chromium-6 for more than a decade. While the majority of the District's wells fall below the newly adopted limit, the District has temporarily taken four wells offline (without affecting Water System capacity) as it prepares for future treatment upgrades.

According to the Health and Safety Code section 116341 a public water system shall not be determined, held, considered, or otherwise deemed in violation of the primary drinking water standard for hexavalent chromium while implementing a state board approved compliance plan. A public water system that has submitted a compliance plan for approval shall not be determined, held, considered, or otherwise deemed in violation of the primary drinking water standard for hexavalent chromium while state board action on the proposed and submitted compliance plan is pending. Accordingly, the District believes that it will not be required to abide by the higher MCL standard while it is pursuing its compliance plan. Even if required to comply with the higher MCL standard, the District has identified which wells within the Water System are compliant with the

Chromium-6 MCL and which are not compliant, and does not believe that the inability to use the non-compliant wells while additional treatment solutions are implemented will impact the ability of the District to provide sufficient water to Water System customers.

MSWD completed a Chromium-6 compliance plan as required by the SWRCB, which outlines the District's strategy to comply with the State's Chromium-6 MCL, which applies to systems serving 10,000 or more connections with a compliance date of October 1, 2026. The plan identifies all relevant groundwater sources and facilities, including multiple existing, inactive, and pending wells, and emphasizes that while compliance plans can be amended, approved milestones and timelines are enforceable.

To achieve compliance, the District proposes a combination of expanding water supply capacity and installing treatment infrastructure, which includes rehabilitating and returning wells to service, constructing new wells to provide additional production capacity, and installing a Cr(VI) treatment system—likely at Well 24—with a planned completion around mid-2027. The plan also details construction and implementation timelines for these efforts, along with future operational requirements such as submitting an operations plan for treatment facilities prior to use, ensuring both regulatory compliance and long-term system reliability. [The District currently estimates that compliance with the State's Chromium-6 MCL will result in approximately $6.3 million in capital projects over the next five years.]

Drought Declarations

State and Federal Orders. In 2018, the California Governor signed Senate Bill 606 and Assembly Bill 1668 into law. These bills relate to water conservation and drought planning and empower DWR and the SWRCB to adopt long-term standards for the following: (i) indoor residential water use; (ii) outdoor residential water use; (iii) commercial, industrial and institutional water use for landscape irrigation; and (iv) water loss. The indoor water use standard has been defined as 47 gallons per person per day ("GPCD") beginning January 2025; the standard will decrease over time to 42 GPCD in January 2030. Standards for outdoor residential water use and commercial, industrial and institutional water use for landscape irrigation are still being developed. Urban water suppliers will be required to stay within annual water budgets, based on these standards, for their service areas.

The District is unable to predict the effect on the Water System of the implementation of Senate Bill 606 and Assembly Bill 1668 or any future legislation with respect to water conservation. The District, however, is meeting and believes that it will continue to be able to meet the 47 GPCD standard for indoor water use, along with annual State-mandated water use efficiency standards, based on the District's current water demands and ongoing efforts to encourage conservation, as described below under the subcaption "—District Response to Drought." The District also has a tiered rate structure for residential customers that further promotes water use efficiency by charging a higher rate for water use in excess of maximum amounts within each tier.

Hydrological conditions in California can vary widely, both in location and from year to year. The water years 2020 through 2022 combined ranked as the three driest years in California's statewide precipitation record. Beginning in April 2021, the Governor issued a series of drought emergency proclamations affecting various counties throughout the State, culminating in an October 19, 2021 proclamation declaring a drought state of emergency to be in effect statewide and directing local water suppliers to implement water shortage contingency plans at a level appropriate to local conditions. On March 28, 2022, the Governor issued an executive order directing the SWRCB to consider adopting regulations by May 25, 2022 that require urban water suppliers with water shortage contingency plans to implement, at a minimum, shortage response actions for a shortage level of up to 20 percent (a "**Level 2**" shortage). On May 24, 2022, in response to the executive order, the SWRCB adopted a new emergency water conservation regulation. The new regulation bans irrigating turf at commercial, industrial, and institutional properties, such as grass in front of or next to large industrial or commercial buildings. The ban does not include watering turf that is used for recreation or other community purposes, water used on residential lawns, or water used to maintain trees. The regulation also requires all urban water suppliers to implement conservation actions under Level 2 of their water shortage contingency.

The dry hydrology turned wet in winter 2022-23 as precipitation fell throughout the State replenishing reservoirs and causing flooding and requiring state of emergency declarations. Snowfall also covered many mountain ranges at unexpected levels, adding water supply for later in the year. On May 24, 2023, the Governor issued an executive order easing water restrictions that were no longer necessary following a series of storms that ended the drought. The final State Water Project allocation for 2023 was 100%, which had not been seen in 17 years.

In alignment with the SWRCB's 2022 adoption of long-term water use efficiency standards pursuant to AB 1668 and SB 606, the District is currently implementing Shortage Level 1 of its Water Shortage Contingency Plan to proactively reduce demand, enhance drought resilience, and support compliance with California's urban water use objectives. The District believes that it has significant water supplies and storage and is well positioned to respond to both drought and regulatory requirements. At this time, the District does not foresee a water supply shortage. See the subcaption "—Water Shortage Contingency Plan."

Water Shortage Contingency Plan Levels. The District's water shortage contingency plan, which meets State guidelines for such plans, uses six standard shortage levels which correspond to progressively increasing estimated shortage conditions (up to 10-, 20-, 30-, 40-, 50-percent, and greater than 50-percent shortage compared to the normal reliability condition). The six shortage levels and corresponding actions are described in the table below:

Each shortage level represents an anticipated reduction in the supplies that would normally be available to the District. These supply reductions could be the result of a variety of potential causes including natural forces, Water System component failure or interruption, regulatory actions, contamination, or any combination of factors.

The levels involve voluntary and mandatory conservation measures and restrictions, depending on the causes, severity, and anticipated duration of the water supply shortage. The locally appropriate shortage response actions that would be taken at each level to address the resulting gap between supplies and demands are described in the following section.

Mission Springs Water District
Water Shortage Contingency Plan Levels

Shortage Level	Percent Shortage Range	Description	Shortage Response Actions
1	Up to 10%	Normal water supplies	Mandatory prohibitions defined by the state, ongoing rebate programs
2	Up to 20%	Slightly limited water supplies	Outdoor water use restrictions on time of day, increased water waste patrols
3	Up to 30%	Moderately limited water supplies	Outdoor water use restrictions on days per week, restrictions on filling swimming pools
4	Up to 40%	Limited water supplies	Limits on new landscaping, expanded public information campaign
5	Up to 50%	Significantly limited water supplies	Limits on watering of parks or school grounds
6	Greater than 50%	Severe shortage or catastrophic incident	No potable water use for outdoor purposes

Source: Mission Springs Water District.

The District will monitor financial conditions during a water shortage and take appropriate actions as needed. The District maintains financial reserves that can be used to continue operations during a period of

reduced water sales. The District has the ability to increase water rates or implement surcharges or penalties to increase revenues from water sales. See the caption "—Water System Rates and Charges."

The projected Water System operating results that are set forth under the caption "—Projected Operating Results and Debt Service Coverage" and "FINANCIAL INFORMATION OF THE DISTRICT—Projected Operating Results and Debt Service Coverage" reflect the continued implementation of Shortage Level 1 of the District's water shortage contingency plan. The District does not currently expect that the implementation of the water shortage contingency plan in the future will have a material adverse effect on its ability to pay the Installment Payments from Net Revenues. As discussed under the caption "—Water System Rates and Charges," the District's rate structure consists of variable and fixed rate components. Decreased water consumption is partially offset by a decrease in related variable costs, while fixed water charges largely cover the Water System's fixed operating and maintenance costs. In addition, the District has covenanted to set Water System rates and charges in amounts that it expects to be sufficient to pay the Installment Payments from Net Revenues. See the caption "SECURITY FOR THE CERTIFICATES—Rate Covenants."

If a water shortage should arise again in the future, legal issues exist as to whether different California Water Code provisions or State regulations will be invoked to manage the allocation of water. Any curtailment pursuant to State orders could necessitate an increase in the District's water rates to Water System customers. See the caption "CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES—Proposition 218" for a discussion of certain restrictions on the District's ability to raise water rates.

Historical Water System Deliveries

The following table shows potable water deliveries to Water System customers for Fiscal Years 2020-21 through 2024-25.

Mission Springs Water District
Historical Water System Deliveries in Acre Feet

Fiscal Year Ended June 30	*Single-Family Residential*	*Multi-Family Residential*	*Commercial*	*Other* [1]	*Total*	*Percentage Increase/ (Decrease)*
2021	7,486.98	442.03	272.41	154.59	8,356	N/A
2022[2]	7,252.22	428.17	263.86	149.74	8,094	(3.14)%
2023[2]	6,850.82	404.47	249.26	141.45	7,646	(5.53)
2024	6,892.93	406.96	250.79	142.32	7,693	0.61
2025	7,300.61	431.03	265.62	150.74	8,148	5.91

(1) Reflects water deliveries to industrial, landscape and other customers.
(2) Decreases in Fiscal Years 2021-22 and 2022-23 due to wet hydrological conditions.
Source: Mission Springs Water District.

Historical water deliveries reflect connections to the Water System as well as water demand, which can be affected by weather conditions, State mandates and other factors.

Historical Water System Connections

The following table shows the number of water meters served by the Water System for Fiscal Years 2020-21 through 2024-25.

Mission Springs Water
Historical Water System Connections

Fiscal Year Ended June 30	*Residential*	*Commercial*	*Other*[1]	*Total*	*Percentage Increase/ (Decrease)*
2021	10,686	2,014	441	13,141	N/A
2022	10,845	2,044	448	13,337	1.49%
2023	11,012	2,075	455	13,542	1.54
2024	11,088	2,090	457	13,635	0.69
2025	11,319	2,133	468	13,920	2.09

(1) Reflects water deliveries to industrial, landscape and other customers.
Source: Mission Springs Water District.

Historical Water System Sales Revenues

The following table shows the sales revenues of the Water System for Fiscal Years 2020-21 through 2024-25.

Mission Springs Water District
Historical Water System Sales Revenues

Fiscal Year Ended June 30	*Residential*	*Commercial*	*Other*[1]	*Total*	*Percentage Increase/ (Decrease)*
2021	$8,997,621	$1,141,227	$ 94,157	$10,233,005	N/A
2022	8,800,541	1,180,445	1,851,910	11,832,896	15.63%
2023	8,535,412	1,143,788	1,647,076	11,326,276	(4.28%)
2024	8,579,776	1,224,081	1,734,472	11,538,329	1.87%
2025	8,808,851	1,339,188	1,919,249	12,067,288	4.58%

(1) Reflects water deliveries to industrial, landscape and other customers. Increase in Other revenues beginning in Fiscal Year 2021-22 due to _____.
Source: Mission Springs Water District.

Water System sales revenues reflect water deliveries as well as adopted rates and charges. See the captions "—Historical Water System Deliveries" and "—Water System Rates and Charges."

Largest Water System Customers

The following table shows the largest Water System customers for Fiscal Year 2024-25, as determined by annual payments.

Mission Springs Water District
Ten Largest Water System Customers

Customer	*Customer Type*	*Fiscal Year 2024-25 Revenues*	*Percentage of Total Revenues*
Palm Springs Unified School District		$ 816,956	8.88%
City of Desert Hot Springs		291,157	3.17
Henry Baghdady		103,929	1.13
JMI General Engineering Contractor		97,643	1.06
Blackstar Industrial Properties, LLC		85,354	0.93
Breit Hidden Springs MHC, LLC		78,627	0.85
Michael Bickford		71,411	0.78
Two Bunch Palms, Bliss, LLC		68,969	0.75
Sky Haven Homeowners Inc.		63,646	0.69
Morongo Industrial Owners Inc		63,036	0.69
Top Ten Total		$ 1,740,728	18.92%
District Total		$ 9,198,092	

Source: Mission Springs Water District.

Water System Rates and Charges

General. The water rates of the District vary for different classes of customers. The current water rate structure includes four customer classes: single-family residential, multi-family residential, non-residential and irrigation. Each customer's bill includes two components: a fixed monthly service charge and a variable charge based on the amount of water used. The fixed monthly charges are based on the size of the water meter serving a property. For multi-family properties, charges are determined by the number of dwelling units.

Water usage charges for residential customers consist of two tiers, which impose higher rates per unit of water as the level of consumption increases. Tier 1 covers the first 13 hundred cubic feet ("CCF") of water, which includes the Water System's ability to meet base water demand. Tier 2 rates cover increased costs to supply increased volumes of water at peak times and the costs of increased conservation efforts to ensure the District meets state-mandated reductions in water use. The Water usage charges for non-residential and irrigation customers consist of a single uniform rate. Each unit of water is equal to one CCF, or 748 gallons, of water. The District also charges a fixed monthly meter charge for customers with private fire lines.

On October 20, 2025, after a notice, public hearing and protest process described under the caption "CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES—Proposition 218," the Board of Directors approved rate increases of approximately 9.00% annually for Water System rates and charges (the "Adopted Rate Plan") effective February 17, 2026 and each January 1 thereafter through January 1, 2030, subject to an annual review of the need to implement the rate increases and adjust the percentage of rate increase downward, if warranted. The Board of Directors has the authority to reduce such rates in the future, subject to the rate covenant with respect to the Water System described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026A CERTIFICATES—Rate Covenants." The Water System projected operating results under the caption "—Projected Operating Results and Debt Service Coverage" are based on the Adopted Rate Plan and assume implementation of the approved rate increases by the Board of Directors in Fiscal Years through 2029-30. In the event the Board of Directors reduces or eliminates any of such approved rate increases, the District's projected operating results set forth under the captions "—Projected Operating Results and Debt

Service Coverage" and "FINANCIAL INFORMATION OF THE DISTRICT—Projected Operating Results and Debt Service Coverage" may be materially adversely affected.

The retail water rates of the District approved in the Adopted Rate Plan are shown in the tables below:

Mission Springs Water District
Fixed Monthly Meter Charges

			Effective,		
Meter Size	***February 17, 2026***	***January 1, 2027***	***January 1, 2028***	***January 1, 2029***	***January 1, 2030***
3/4"	$ 14.73	$ 16.06	$ 17.50	$ 19.08	$ 20.79
1"	25.61	27.91	30.43	33.17	36.15
1 1/2"	47.37	51.63	56.28	61.35	66.87
2"	73.49	80.10	87.31	95.17	103.74
3"	156.18	170.24	185.56	202.26	220.46
4"	278.06	303.09	330.36	360.10	392.50
6"	613.21	668.39	728.54	794.11	865.58
8"	1,048.46	1,142.82	1,245.68	1,357.79	1,479.99
Multi-Family Residential	9.57	10.43	11.37	12.39	13.51

Source: Mission Springs Water District.

Mission Springs Water District
Fixed Monthly Meter Charges
(Fire Protection Service Charge)

			Effective,		
Meter Size	***February 17, 2026***	***January 1, 2027***	***January 1, 2028***	***January 1, 2029***	***January 1, 2030***
3/4"	$ 4.40	$ 4.80	$ 5.23	$ 5.70	$ 6.21
1"	5.02	5.47	5.96	6.50	7.09
1 1/2"	7.27	7.92	8.64	9.41	10.26
2"	11.14	12.14	13.24	14.43	15.73
3"	25.02	27.27	29.73	32.40	35.32
4"	48.98	53.39	58.19	63.43	69.14
6"	134.95	147.10	160.33	174.76	190.49
8"	283.23	308.72	336.51	366.79	399.80
10"	506.27	551.83	601.50	655.63	714.64
12"	815.40	888.79	968.78	1,055.97	1,151.00

Source: Mission Springs Water District.

Mission Springs Water District
Water Usage Charges
(per one hundred cubic feet (CCF))

Meter Size	*February 17, 2026*	*January 1, 2027*	*Effective, January 1, 2028*	*January 1, 2029*	*January 1, 2030*
Single Family Residential					
Tier 1 (first 13 CCF)	$2.47	2.69	$2.93	$3.20	$3.49
Tier 2 (above 13 CCF)	3.38	3.68	4.02	4.38	4.77
Multi-Family Residential					
Tier 1 (first 6.33 CCF)	2.38	2.59	2.83	3.08	3.36
Tier 2 (above 6.33 CCF)	3.12	3.40	3.71	4.04	4.40
Non-Residential	2.95	3.22	3.50	3.82	4.16
Irrigation	4.42	4.82	5.25	5.72	6.24

Source: Mission Springs Water District.

Connections Fees. The table below sets forth connection fees for a 0.75" meter for Fiscal Years2025-26 for the Water System.

Mission Springs District
Water System Connections Fees
2026 Rates

Meter Size	*Connection Fee*
¾ Inch	$4,353
1 Inch	$7,270
1½ Inch	$14,495
2 Inch	$23,201
3 Inch	$43,530
4 Inch	$72,565
6 Inch	$145,085

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Source: The District.

Water Service Charges. The table below sets forth a comparison of the water rates of the District and charges for a single-family residential user for 13 ccf of consumption and a 0.75" meter size to those of nearby water purveyors as of June 1, 2026:

Community	*Total Bi-Monthly Bill*
Coachella Valley Water District	$30.23
Coachella Water Authority	33.30
Myoma Dunes Water Company	33.59
City of Indio	39.28
Mission Springs Water District	***43.40***
Desert Water Agency	74.39

Source: The District.

Pass-through Charges. In addition to District water rates, customer bills include certain pass-through fees and taxes that are required by outside agencies which are collected by the District on behalf of those agencies and are not retained by the District. The DWA assessment is a charge applied to water pumped by the District to serve customers within its service area. This assessment has been in place since 2004 and is charged to District customers based on the volume of water pumped. The current assessment is $235 per acre-foot with a water loss adjustment (currently 4.54%, or $10.66) for a total DWA assessment of $245.66 per acre-foot. See the caption "—Water Supply" for more information regarding DWA and the assessment charged by DWA.

Collection Procedures

The District utilizes a monthly billing cycle for water and non-residential wastewater services and sends a consolidated bill every month to District customers. Payment is due by the 21st day after the billing date and is considered delinquent if not paid within 5 business days of the due date. When a customer's account becomes delinquent, the District will send a Past Due Notice by mail and assess a late fee, giving the customer an additional 21 days to make payment in full or if authorized, establish a payment plan. If the District does not receive payment or the customer does not establish a payment arrangement within the 21 days, the District will send a Second Past Due Notice to the customer by mail and assess an additional late fee. Accounts that remain delinquent may receive additional notifications via phone in an attempt to collect payment or establish a payment plan. Account balances that remain unpaid for 120 days are subject to a lien being recorded against the property and may be collected through the property taxes on an annual basis. Residential wastewater services are collected on the customer's property tax roll.

Future Water System Improvements

Including the projects described under the caption "THE 2026A PROJECTS—The Water System Projects," the District estimates total capital improvements to the Water System for existing users of approximately $65 million over the next five years, approximately $15 million of which is expected to accommodate future growth. The District does not expect to need additional debt financing in the next five years to fund water projects and plans to fund the projects by facility capacity charges, grants and Water System Revenues. The District expects to obtain all environmental and other permits and approvals necessary for such capital improvements in a timely manner to permit expenditures on the referenced capital improvements.

Projected Water System Deliveries

The following table shows Water System deliveries projected by the District for Fiscal Years 2025-26 through 2029-30.

Mission Springs Water District
Projected Water System Deliveries in Acre Feet

Fiscal Year Ended June 30	*Single-Family Residential*	*Multi-Family Residential*	*Commercial*	*Other* [1]	*Total*	*Percentage Increase/ (Decrease)*
2026	7,446.62	439.65	270.94	153.75	8,310.96	N/A
2027	7,595.55	448.44	276.36	156.83	8,477.18	2.00%
2028	7,747.46	457.41	281.88	159.96	8,646.72	2.00
2029	7,902.41	466.56	287.52	163.16	8,819.66	2.00
2030	8,060.46	475.89	293.27	166.43	8,996.05	2.00

(1) Reflects water deliveries to industrial, landscape and other customers.
Source: Mission Springs Water District.

Water System deliveries can be affected by a number of factors, including connections to the Water System, State mandates and weather conditions. See the caption "—Projected Water System Connections" below.

Projected Water System Connections

The following table shows the number of retail connections to the Water System projected by the District for Fiscal Years 2025-26 through 2029-30.

Mission Springs Water District
Projected Water System Connections

Fiscal Year Ended June 30	*Residential*	*Commercial*	*Other*[(1)]	*Total*	*Percentage Increase/ (Decrease)*
2026	11,557	2,178	477	14,212	N/A
2027	11,799	2,224	487	14,510	2.01%
2028	12,047	2,270	498	14,815	2.01
2029	12,300	2,318	508	15,126	2.01
2030	12,559	2,367	518	15,444	2.01

(1) Reflects water deliveries to industrial, landscape and other customers.
Source: Mission Springs Water District.

Projected increases in connections reflect expectations of development within the Water System service area.

Projected Water System Sales Revenues

The following table shows the sales revenues of the Water System projected by the District for Fiscal Years 2025-26 through 2029-30. The projections assume Water System rate increases in accordance with the Adopted Rate Plan "CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES—Proposition 218."

Mission Springs Water District
Projected Water System Sales Revenues

Fiscal Year Ended June 30	*Residential*	*Commercial*	*Other*[(1)]	*Total*	*Percentage Increase/ (Decrease)*
2026	$ 9,334,357	$1,389,408	$1,991,221	$12,714,985	N/A
2027	10,174,449	1,514,454	2,170,431	13,859,334	9.00%
2028	11,090,150	1,650,755	2,365,769	15,106,674	9.00
2029	12,088,263	1,799,323	2,578,689	16,466,275	9.00
2030	13,176,207	1,961,262	2,810,771	17,948,240	9.00

(1) Reflects water deliveries to industrial, landscape and other customers.
Source: Mission Springs Water District.

Historical Operating Results and Debt Service Coverage

The following tables are summaries of operating results of the Water System of the District, for the last five audited Fiscal Years. These results have been derived from the Financial Statements of the District but exclude certain receipts which are not included as Revenues under the Installment Purchase Agreement and certain non-cash items and include certain other adjustments as required or permitted by the Installment Purchase Agreement.

Mission Springs Irrigation District
Water System
Historical Operating Results
Fiscal Years Ended June 30

	2021	*2022*	*2023*	*2024*	*2025*
Revenues					
Sales[1]	$ 9,356,599	$ 9,179,862	$ 8,567,815	$ 8,718,019	$ 9,230,233
Services[2]	2,871,616	2,802,674	2,927,992	2,919,952	3,025,174
Standby and Availability	218,066	214,181	216,582	209,834	218,156
Backup Facilities and Front Footage Fees	560,063	673,349	680,774	363,141	1,083,346
Meter Installations	103,647	151,640	167,762	84,862	178,452
Property Taxes[3]	1,382,925	1,460,023	1,715,314	1,886,363	2,446,734
Investment Income[4]	63,376	(491,158)	622,586	1,654,509	1,889,870
Grants	553,508	48,028	66,100	0	56,276
Other[5]	1,022,427	2,165,924	1,878,796	1,705,934	1,035,470
Total Revenues	$16,132,227	$ 16,204,523	$ 16,843,721	$ 17,542,614	$ 19,163,711
Operation and Maintenance Costs					
Pumping[6]	$ 2,208,877	$ 2,622,863	$ 3,349,241	$ 3,638,037	$ 3,114,613
Transmission and Distribution	1,566,907	1,507,366	2,138,374	2,344,025	2,609,426
Customer Accounts	1,031,299	1,009,721	1,047,917	932,676	967,878
Standby Wages	92,639	88,828	92,758	105,975	110,819
Groundwater Management[7]	(9,284)	0	762	3,716	5,412
Public Affairs	232,332	351,278	758,581	752,268	794,733
General and Administrative	4,279,942	4,252,872	3,204,175	3,791,201	4,906,677
Other	30,588	176	156,297	50,950	48,804
Total Operation and Maintenance Costs	$ 9,433,300	$ 9,833,104	$ 10,748,105	$ 11,618,848	$ 12,558,362
Net Revenues	$ 6,698,927	$ 6,371,419	$ 6,095,616	$ 5,923,766	$ 6,605,349
Debt Service					
Prior Loans	$ 43,285	$ 43,347	$ 43,292	$ 43,323	$ 43,236
Total Debt Service	$ 43,285	$ 43,347	$ 43,292	$ 43,323	$ 43,236
Debt Service Coverage	154.76x	146.99x	140.80x	136.73x	152.77x
Net Revenues Available for Capital Projects or Other Purposes	$ 6,655,642	$ 6,328,072	$ 6,052,324	$ 5,880,443	$ 6,562,113

(1) Represents consumption charges for Water System residential, commercial, and other customers. See the caption "—Historical Water System Sales Revenues." Decrease in Fiscal Year 2022- 23 due to wet weather during the year.
(2) Represents water service charges for residential, commercial, and other customers. See the caption "—Historical Water System Sales Revenues."
(3) See the caption "THE MISSION SPRINGS WATER DISTRICT—1% Property Tax Revenues."
(4) Includes changes in fair market value of investments.
(5) Includes items such as fire flow charges, backflow device maintenance fees, delinquent charges, and site rentals.
(6) Includes the replenishment assessment charged by the Desert Water Agency and passed on to District customers. See the captions "—Water System Rates and Charges" and "—Water Supply."
(7) Negative amounts in Fiscal Year 2020-21 due to corrected cash receipts related to the Groundwater Guardian.

Source: Mission Springs Water District.

Projected Operating Results and Debt Service Coverage

The District's projected operating results for the Water System of the District for Fiscal Year 2025-26 through Fiscal Year 2029-30 are set forth below, reflecting certain significant assumptions concerning future events. The financial forecast represents the District's projection of financial results based on a variety of assumptions, including the assumptions set forth in the footnotes to the chart set forth below. All of such assumptions are material in the development of the District's financial projections, and variations in the assumptions may produce substantially different financial results. Actual operating results achieved during the projection period may vary from those presented in the forecast and such variations may be material.

No assurances can be made that any of the foregoing prepayments will be made and if such prepayments are made, that such debt service coverage levels will be achieved. The table below does not take in account the effect of such projected prepayments.

Mission Springs Water District
Water System
Projected Operating Results
Fiscal Year Ended June 30

	2026[1]	*2027*	*2028*	*2029*	*2030*
Revenues					
Sales[3]	$ 9,576,367	$ 10,438,240	$ 11,377,682	$ 12,401,673	$ 13,517,824
Services[4]	3,138,618	3,421,094	3,728,992	4,064,601	4,430,415
Standby and Availability	192,000	192,000	192,000	192,000	192,000
Backup Facilities and Front Footage Fees	1,083,346	1,083,346	1,083,346	1,083,346	1,083,346
Meter Installations	120,000	120,000	120,000	120,000	120,000
Property Taxes[5]	2,495,669	2,545,582	2,596,494	2,648,424	2,701,392
Investment Income	140,852	238,889	266,559	248,650	277,299
Grants[6]	2,615,098	5,877,181	5,079,727	--	--
Other	1,035,470	1,035,470	1,035,470	1,035,470	1,035,470
Transfer to/(from) Rate Stabilization Fund[7]	--	--	--	--	--
Total Revenues	$ 20,397,420	$ 24,951,802	$ 25,480,270	$ 21,794,164	$ 23,357,746
Operation and Maintenance Costs[8]					
Pumping[9]	$ 3,208,051	$ 3,304,293	$ 3,403,422	$ 3,505,525	$ 3,610,691
Transmission and Distribution	2,687,709	2,768,340	2,851,390	2,936,932	3,025,040
Customer Accounts	996,914	1,026,821	1,057,626	1,089,355	1,122,036
Standby Wages	114,144	117,568	121,095	124,728	128,470
Groundwater Management	5,574	5,741	5,913	6,090	6,273
Public Affairs	818,575	843,132	868,426	894,479	921,313
General and Administrative	5,053,877	5,205,493	5,361,658	5,522,508	5,688,183
Other	50,268	51,776	53,329	54,929	56,577
Total Operation and Maintenance Costs	$ 12,935,112	$ 13,323,164	$ 13,722,859	$ 14,134,546	$ 14,558,583
Net Revenues	**$ 7,462,308**	**$ 11,628,638**	**$ 11,757,411**	**$ 7,659,618**	**$ 8,799,163**
Debt Service					
Prior Loans[10)]	$ 43,335	--	--	--	--
2026 Installment Payments[11]	--	1,034,915	1,198,575	1,198,050	1,200,325
Total Debt Service	$ 43,335	$ 1,034,915	$ 1,198,575	$ 1,198,050	$ 1,200,325
Debt Service Coverage	172.20x	11.24x	9.81x	6.39x	7.33x
Net Revenues Available for Capital Projects or Other Purposes	**$ 7,418,973**	**$ 10,593,723**	**$ 10,558,836**	**$ 6,461,568**	**$ 7,598,838**

(1) Represents unaudited forecasted amounts for Fiscal Year 2025-26 with certain adjustments.
(2) Based on the District's Adopted Rate Plan, which was adopted in October 2025, with certain adjustments.
(3) Represents consumption charges for Water System residential, commercial, and other customers. Projected to increase by 9.0% annually based on the Adopted Rate Plan. See the captions "—Water System Rates and Charges" and "—Projected Water System Sales Revenues."
(4) Represents water service charges for residential, commercial, and other customers. Projected to increase by 9.0% annually based on the Adopted Rate Plan. See the captions "—Water System Rates and Charges" and "—Projected Water System Sales Revenues."(
(5) Projected to increase by 2.0% annually and assumes that approximately 55% of 1% Property Tax Revenues will be allocated to the Water System each year. See the caption "THE MISSION SPRINGS WATER DISTRICT—1% Property Tax Revenues."
(6) Includes grants projected to be received in Fiscal Year 2026-27 in the amount of approximately $5.9 million and in Fiscal Year 2027-28 in the amount of approximately $5.1 million for the District's future water infrastructure needs, such as wells and booster stations.
(7) See the caption "SECURITY AND SOURCES OF PAYMENTS FOR THE 2026A CERTIFICATES—Rate Stabilization Funds."
(8) Operations and Maintenance Costs projected to increase by 3.0% annually.
(9) Includes the replenishment assessment charged by the Desert Water Agency and passed on to District customers. See the captions "—Water System Rates and Charges" and "—Water Supply."
(10) Represents various loans the District prepaid during Fiscal Year 2025-26 in the aggregate principal amount of approximately $376,000.
(11) *Preliminary, subject to change.*

Source: Mission Springs Water District.

THE WASTEWATER SYSTEM OF THE DISTRICT

The Wastewater System

General. The District provides wastewater collection and treatment service to approximately 68% of its total Water System customer base, located in the City of Desert Hot Springs, Desert Crest Country Club, and Dillon Estates Mobile Home Park. There are currently a significant number of septic systems within the sewer service area, which the District is in the proceeds of converting to sewer as funding becomes available. Collection is primarily via approximately 120 miles of sewer mains with one lift station. Wastewater is treated at the Alan L. Horton Wastewater Treatment Plant (the "Horton WWTP"), the Desert Crest Wastewater Treatment Plant (the "Desert Crest WWTP") and the Nancy Wright Regional Water Reclamation Facility (the "Regional WRF").

Nancy Wright Regional Water Reclamation Facility. The Regional WRF began operations in early 2025 and represents a major investment in regional wastewater infrastructure. The facility is a 1.5 MGD sequence batch reactor treatment plant constructed on approximately 60 acres of District-owned property between 19th and 20th Avenues in Desert Hot Springs. The project included construction of a regional conveyance pipeline to direct flows to the new facility. The Regional RWRF provides modern secondary treatment and was designed to allow for future expansion and the potential addition of tertiary treatment to support recycled water production. The opening of the Regional WRF significantly enhances system reliability, operational flexibility, and long-term capacity planning. The facility receives a portion of the District's wastewater flows and sends the water through percolation ponds for groundwater recharge after treatment, which reduces the hydraulic loading on the older treatment plants and positions the District for potential future recycled water and groundwater recharge initiatives. For calendar year 2025, the Regional WRF averaged approximately 0.18 MGD as flows were gradually transitioned to the new facility following startup.

The Dos Palmas Lift Station was originally constructed to convey wastewater to the Horton WWTF from a growing residential area south and down gradient of the Horton WWTF. The Dos Palmas Lift Station is planned to be redirected from the Horton WWTF and deliver flows to the Regional WRF.

Horton Wastewater Treatment Plant. The Horton WWTP, located on Verbena Drive approximately one-half mile south of Two Bunch Palms Trail, was originally constructed in 1972 has a permitted capacity of 2.4 MGD and utilizes an extended aeration treatment process. Secondary effluent, which is not disinfected, is discharged to on-site percolation/evaporation ponds. Sludge generated during treatment is dewatered using a filter press and transported offsite for disposal. With the opening of the Regional WRF, flows to Horton WWTP have decreased compared to prior years. For calendar year 2025, the Horton WWTP averaged approximately 1.9 MGD, reflecting redistribution of flows to the new regional facility.

Desert Crest Wastewater Treatment Plant. The Desert Crest WWTP, located approximately one-half mile southeast of the intersection of Dillon Road and Long Canyon Road, has a capacity of 0.18 MGD and serves the Desert Crest Country Club development and associated mobile home park. The facility utilizes an extended aeration process and disposes of secondary effluent in on-site percolation/evaporation ponds. Sludge is dried in on-site beds and transported offsite for disposal. For calendar year 2025, the Desert Crest WWTP averaged approximately 0.04 MGD, consistent with historical service levels.

The Colorado River Basin Regional Water Quality Control Board (the "Regional Board") administers and enforces all federal and State discharge requirements by issuing a discharge permit under the National Pollutant Discharge Elimination System ("NPDES"). The Regional WRF's present discharge permit is covered under Order R7-2020-0011. The Horton WWTP's present discharge permit is covered under Order R7-2022-0008. The Desert Crest WWTP's present discharge permit is covered under R7-2014-0048.

Historical Wastewater Connections

The following table shows the growth in the number of wastewater connections to the Wastewater System for the last five audited Fiscal Years:

Mission Springs Water District
Historical Wastewater System Connections

Fiscal Year Ended June 30	*Single-Family Residential*	*Multi-Family Residential*	*Commercial*	*Other*[1]	*Total*	*Percentage Increase/ (Decrease)*
2021	7,631	573	262	1	8,467	N/A
2022	7,808	587	269	1	8,665	2.34%
2023	7,963	598	274	1	8,836	1.97
2024	8,038	604	276	1	8,919	0.94
2025	8,249	620	284	1	9,154	2.63

(1) Reflects industrial and other customers.
Source: Mission Springs Water District.

Historical Wastewater System Usage

The following table summarizes the volume of wastewater treated for the last five audited Fiscal Years:

Mission Springs Water District
Historic Wastewater System Usage

Fiscal Year Ended June 30	*Wastewater Treatment (AF)*	*Increase/(Decrease)*	*Daily Average Flow (mgd)*	*Increase/(Decrease)*
2021	2,269	N/A	2.02	N/A
2022	2,282	0.57%	2.04	0.99%
2023[1]	2,238	(1.93)	2.00	(1.96)
2024	2,274	1.61	2.03	1.50
2025	2,355	3.56	2.1	3.45

(1) Decrease in Fiscal Year 2022-23 due to less water usage, which results in less wastewater being generated and sent to the sewer system.
Source: Mission Springs Water District.

Wastewater System usage is affected by a number of factors, including but not limited to the number of connections to the Wastewater System and water usage of customers connected to the Wastewater System.

Historical Wastewater Service Charge Revenues

The following table shows annual wastewater service charge revenues of the Wastewater System for the last five audited Fiscal Years:

Mission Springs Water District
Historical Wastewater System Revenues

Fiscal Year Ended June 30	*Residential*	*Commercial*	*Total*	*Percentage Increase/ (Decrease)*
2021	$6,724,221	$ 869,473	$7,593,694	N/A
2022[(1)]	6,157,053	1,023,644	7,180,697	(5.44)
2023	6,761,280	869,784	7,631,064	6.27
2024[(2)]	6,612,462	884,110	7,496,572	(1.76)
2025	6,686,834	914,991	7,601,825	1.40

(1) Decrease in Fiscal Year 2021-22 due to an accounting accrual error which caused 2022 to be understated by approximately $361,000 and 2023 overstated by approximately $361,000.
(2) Decrease in Fiscal Year 2023-24 due to the error described above.
Source: Mission Springs Water District.

A number of factors affect Wastewater service revenues, including water consumption by Wastewater System customers, the number of connections to the Wastewater System and Wastewater System rates and charges. See the captions "—Historic Wastewater Connections" and "—Wastewater System Rates and Charges."

Largest Customers

The following table sets forth the ten largest customers of the Wastewater System as of the Fiscal Year ending June 30, 2025 (the most recently completed audited Fiscal Year), as determined by annual payments:

Mission Springs
Ten Largest Wastewater System Customers

Customer	*Customer Type*	*Fiscal Year 2024-25 Revenues*	*Percentage of Total Revenues*
Morongo Equity Partners III, LLC		$ 87,664	1.15%
Sky Haven Homeowners Inc		74,582	0.98
Mission Lakes CC Condos HOA		64,078	0.84
Jennifer Chen		47,760	0.63
Michael Bickford		41,799	0.55
Palm Springs Unified School District		39,935	0.53
Vons Co #2177 V #8539		33,271	0.44
CV Housing Coalition		23,588	0.31
Desert Inn Hotel/Spa		23,049	0.30
Stater Bros. Mkt #84		22,521	0.30
Top Ten Total		$ 458,247	6.03%
District Total		$ 7,601,825	

Source: Mission Springs Water District.

Wastewater System Rates and Charges

General. The wastewater service charges of the District vary for different classes of customers. Single-family, multi-family and mobile home residential Wastewater System customers are charged a fixed monthly charge designed to recover the cost of providing wastewater service. Residential Wastewater System customers are billed annually on their property tax bills. Non-residential sewer rates follow a uniform rate structure, with rates based on customer class and monthly water usage measured in one CCF and are billed monthly.

On October 20, 2025, after a notice, public hearing and protest process described under the caption "CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES—Proposition 218," the Board of Directors approved the Adopted Rate Plan, which included Wastewater System annual rate increases of approximately 7.0% effective February 17, 2026 and each January 1 thereafter through January 1, 2030, subject to an annual review of the need to implement the rate increases and adjust the percentage of rate increase downward, if warranted. The Board of Directors has the authority to reduce such rates in the future, subject to the rate covenant with respect to the Wastewater System described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026A CERTIFICATES—Rate Covenants." The Wastewater System projected operating results under the caption "—Projected Operating Results and Debt Service Coverage" are based on the Adopted Rate Plan and assume implementation of the approved rate increases by the Board of Directors in Fiscal Years through 2029-30. In the event the Board of Directors reduces or eliminates any of such approved rate increases, the District's projected operating results set forth under the captions "—Projected Operating Results and Debt Service Coverage" and "FINANCIAL INFORMATION OF THE DISTRICT—Projected Operating Results and Debt Service Coverage" may be materially adversely affected.

A summary of the monthly wastewater charges for residential customers of the District shown in the Adopted Rate Plan are shown in the following table:

Mission Springs Water District
Monthly Wastewater Charges for Residential Customers

		Effective,			
Customer Class	***February 17, 2026***	***January 1, 2027***	***January 1, 2028***	***January 1, 2029***	***January 1, 2030***
Single-Family Residential	$53.75	$57.51	$61.54	$65.85	$70.46
Multi-Faily Residential (per dwelling unit)	$34.29	$36.69	$39.26	$42.01	$44.95
Mobile Home Park (per parking space)	$34.27	$36.67	$39.24	$41.99	$44.93

Source: Mission Springs Water District.

Rates for non-residential customers range from $3.59 to $10.07 per CCF per month effective February 17, 2026, and the Adopted Rate Plan allows for increases each January 1 from January 1, 2027 through January 1, 2030 of approximately 7% annually.

Connections Fees. For residential customers, single family dwellings are charged $2,520 per unit. Duplexes, triplexes, and multi-family dwellings are charged $2,020 per unit. The table below shows connection fees for non-residential customers.

Mission Springs District
Wastewater System Connections Fees
2026 Rates Non-Residential

Meter Size	***Connection Fee***
¾ Inch	$2,520
1 Inch	$4,210
1½ Inch	$8,420
2 Inch	$13,470
3 Inch	$25,250
4 Inch	$42,090
6 Inch	$84,180

Source: The District.

Wastewater Service Charges. The table below sets forth a comparison of the average monthly wastewater billings of the District for a single-family residential user to those of similar wastewater purveyors as of October 20, 2025.

Community	***Annual Bill***
Coachella Valley Water District	$406.44
City of Palm Springs	475.44
Coachella Sanitation Division	596.88
Mission Springs Water District	***601.92***
Valley Sanitation District	720.82

Source: Mission Springs Water District.

Collection Procedures

Monthly residential Wastewater System charges are not included on District water bills but rather are billed annually on the customer's property tax bill.

Non-residential Wastewater System customers are billed monthly on the customer's water bill. Bills for sewer service are rendered at the end of each billing period and are due and payable upon presentation. If full payment is not received at the business office of the District on or before the final payment date, the bill becomes past due and delinquent. A delinquency notice is mailed to customers whose accounts are delinquent by more than 21 days warning that service will be disconnected. A charge is added to each delinquent account at the time any amount becomes delinquent.

Future Wastewater System Improvements

Including the projects described under the caption "THE 2026A PROJECTS—The Wastewater System Projects," the District estimates total capital improvements to the Wastewater System for existing users of approximately $40.7 million over the next five years. The District does not expect capital improvements to the Wastewater System to accommodate future growth for the next five years, due to the recent completion of the Regional Wastewater Treatment Plant. The District does not expect to need additional debt financing in the next five years to fund wastewater projects and plans to fund the projects by facility capacity charges, grants and Wastewater System Revenues. The District expects to obtain all environmental and other permits and approvals necessary for such capital improvements in a timely manner to permit expenditures on the referenced capital improvements.

Projected Wastewater Connections

The following table shows the increase in the number of wastewater connections to the Wastewater System projected by the District for Fiscal Year 2025-26 through Fiscal Year 2029-30:

Mission Springs Water District
Projected Wastewater System Connections

Fiscal Year Ended June 30	*Single-Family Residential*	*Multi-Family Residential*	*Commercial*	*Other*[(1)]	*Total*	*Percentage Increase/ (Decrease)*
2026	8,415	632	289	1	9,337	N/A
2027	8,583	645	295	1	9,524	2.0%
2028	8,754	658	301	1	9,714	2.0
2029	8,929	671	307	1	9,908	2.0
2030	9,108	684	313	1	10,106	2.0

(1) Reflects industrial and other customers.
Source: Mission Springs Water District.

The number of connections to the Wastewater System will be affected by the pace of development activity within the portions of the District served by the Wastewater System.

Projected Wastewater System Usage

The District currently estimates that Wastewater System usage for Fiscal Year 2025-26 through Fiscal Year 2029-30 will be as follows:

Mission Springs Water District
Projected Wastewater System Usage

Fiscal Year Ended June 30	*Wastewater Treatment (AF)*	*Increase/(Decrease)*	*Daily Average Flow (mgd)*	*Increase/(Decrease)*
2026	2,402	N/A	2.14	N/A
2027	2,450	2.00%	2.19	2.30%
2028	2,499	2.00	2.23	1.80
2029	2,549	2.00	2.27	1.80
2030	2,600	2.00	2.32	2.20

Source: Mission Springs Water District.

Wastewater System usage will be affected by a number of factors, including connections to the Wastewater System and water usage by Wastewater System customers and rates and charges. See the caption "—Projected Wastewater Connections" above.

Projected Wastewater Service Charge Revenues

The following table shows the sales revenues of the Wastewater System projected by the District for Fiscal Years 2025-26 through 2029-30. The projections assume Wastewater System rate increases in accordance with the Adopted Rate Plan "CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES—Proposition 218."

Mission Springs Water District
Projected Wastewater Service Charge Revenues

Fiscal Year Ending December 31	*Service Charge Revenues*	*Increase/(Decrease)*
2024	$7,496,572	N/A
2025	7,601,825	1.4%
2026	7,514,839	(1.1)
2027	8,254,500	9.8
2028	9,015,864	9.2

Source: The District.

Historical Operating Results and Debt Service Coverage

The following table is a summary of operating results of the Wastewater System of the District for the last five audited Fiscal Years. These results have been derived from the Financial Statements of the District but exclude certain receipts which are not included as Revenues under the Installment Purchase Agreement and certain non-cash items and include certain other adjustments as required or permitted by the Installment Purchase Agreement.

Mission Springs Water District
Wastewater System
Historical Operating Results
Fiscal Years Ended June

	2021	*2022*	*2023*	*2024*	*2025*
Revenues					
Services[1]	$ 7,593,694	$ 7,180,697	$ 7,631,064	$ 7,496,572	$ 7,601,825
Standby and Availability	12,302	12,182	11,997	11,960	10,678
Backup Facilities and Front Footage Fees	174,740	278,440	590,266	46,820	279,860
Property Taxes	746,562	870,063	1,018,872	648,745	2,021,004
Special Assessments[2]	398,623	329,617	561,676	0	0
Investment Income[3]	32,346	(277,035)	(53,081)	695,915	1,478,994
Grants	102,376	50,101	32,378,800	13,865,273	13,230,809
Other	4,878	419,333	115,860	189,916	81,975
Total Revenues	$ 9,065,521	$ 8,863,398	$ 42,255,454	$ 22,955,201	$ 24,705,145
Operation and Maintenance Costs					
Customer Accounts	$ 196,092	$ 241,248	$ 227,375	$ 240,413	$ 244,507
Sewage Collection	310,414	437,653	337,078	712,786	296,793
Sewage Treatment	1,759,633	1,994,382	2,418,715	2,531,785	2,351,831
Standby Wages	79,552	87,137	95,760	107,434	125,018
Groundwater Management[4]	(3,447)	0	338	1,790	2,583
Public Affairs	81,494	154,617	284,312	344,889	374,508
General and Administrative	1,563,310	1,944,614	1,444,621	1,801,136	2,367,214
Other	4,878	105	31,206	37,403	3,937
Total Operation and Maintenance Costs	$ 3,991,926	$ 4,859,756	$ 4,839,405	$ 5,777,636	$ 5,766,391
Net Revenues	$ 5,073,595	$ 4,003,642	$ 37,416,049	$ 17,177,565	$ 18,938,754
Debt Service					
Prior Loans	$ 398,845	$ 398,938	$ 606,772	$ 997,408	$ 1,042,881
SWRCB Loan	302,150	302,150	302,150	302,150	302,150
Total Debt Service	$ 700,995	$ 701,088	$ 908,922	$ 1,299,558	$ 1,345,031
Debt Service Coverage	7.24x	5.71x	41.17x	13.22x	14.08x
Net Revenues Available for Capital Projects or Other Purposes	$ 4,372,600	$ 3,302,554	$ 36,507,127	$ 15,878,007	$ 17,593,723

[1] Represents Wastewater System rate revenues. See the captions "—Historical Wastewater Service Charge Revenues" and "—Wastewater System Rates and Charges."

[2] The District previously collected a special assessment for establishing sewer service in various assessment districts and ceased levying the special assessments after Fiscal Year 2022-23. The amounts were paid and the funds closed.

[3] Includes changes in fair market value of investments.

[4] Negative amounts in Fiscal Year 2020-21 due to corrected cash receipts related to the Groundwater Guardian.

Source: Mission Springs Water District.

Projected Operating Results and Debt Service Coverage

The District's projected operating results for Fiscal Year 2025-26 through Fiscal Year 2029-30 are set forth below, reflecting certain significant assumptions concerning future events and circumstances. The financial forecast represents the District's estimate of projected financial results based on a variety of assumptions, including the assumptions set forth in the footnotes to the chart below. All of such assumptions are material in the development of the District's financial projections, and variations in the assumptions may produce substantially different financial results. Actual operating results achieved during the projection period may vary from those presented in the forecast and such variations may be material.

Mission Springs Water District
Wastewater System
Projected Operating Results
Fiscal Year Ended December 31

	2026[1]	*2027*[2]	*2028*	*2029*	*2030*
Revenues					
Services[3]	$ 7,514,839	$ 8,254,500	$ 9,015,864	$ 9,847,454	$ 10,755,748
Standby and Availability	10,678	10,678	10,678	10,678	10,678
Backup Facilities and Front Footage Fees	279,860	279,860	279,860	279,860	279,860
Property Taxes[4]	2,061,424	2,102,653	2,144,706	2,187,600	2,231,352
Investment Income[5]	559,019	457,185	339,402	237,730	232,914
Grants[6]	2,800,000	8,000,000	--	--	--
Other	81,974	81,974	81,974	81,974	81,974
Transfers to/(from) Rate Stabilization Fund[7]	--	--	--	--	--
Total Revenues	$ 13,307,794	$ 19,186,850	$ 11,872,484	$ 12,645,296	$ 13,592,526
Operation and Maintenance Costs[8]					
Customer Accounts	$ 251,842	$ 259,397	$ 267,179	$ 275,195	$ 283,451
Sewage Collection	305,697	314,868	324,313	334,043	344,064
Sewage Treatment	2,422,386	2,495,058	2,569,309	2,647,007	2,726,417
Standby Wages	128,769	132,632	136,611	140,709	144,930
Groundwater Management	2,660	2,740	2,822	2,907	2,994
Public Affairs	385,743	397,316	409,235	421,512	434,157
General and Administrative	2,438,230	2,511,377	2,586,719	2,664,320	2,744,250
Total Operation and Maintenance Costs	$ 5,935,327	$ 6,113,388	$ 6,296,188	$ 6,485,693	$ 6,680,263
Net Revenues	**$ 7,372,467**	**$ 13,073,462**	**$ 5,576,296**	**$ 6,159,603**	**$ 6,912,263**
Debt Service					
Prior Loans[9]	$ 727,830	--	--	--	--
SWRCB Loan[10]	302,150	$ 302,510	$ 302,510	$ 302,510	$ 302,510
2026 Installment Payments[11]	--	443,535	513,675	513,450	514,425
Total Debt Service	$ 1,029,980	$ 746,045	$ 816,185	$ 815,960	$ 816,935
Debt Service Coverage	7.16x	17.52x	6.83x	7.55x	8.46x
Net Revenues Available for Capital Projects or Other Purposes	**$ 6,342,487**	**$ 12,327,417**	**$ 4,760,111**	**$ 5,343,643**	**$ 6,095,328**

(1) Represents unaudited forecasted amounts for Fiscal Year 2025-26 with certain adjustments.
(2) Based on the District's Adopted Rate Plan, which was adopted in October 2025, with certain adjustments.
(3) Represents Wastewater System rate revenues. Projected to increase by 7.0% annually based on the Adopted Rate Plan. See the captions "—Wastewater System Rates and Charges" and "—Projected Water System Service Charge Revenues."
(4) Projected to increase by 2.0% annually and assumes that approximately 45% of 1% Property Tax Revenues will be allocated to the Water System each year. See the caption "THE MISSION SPRINGS WATER DISTRICT—1% Property Tax Revenues."
(6) Includes grants projected to be received in Fiscal Year 2026-27 in the amount of approximately $2.8 million and in Fiscal Year 2027-28 in the amount of approximately $8.0 million for the District's M-2 Septic to Sewer project pursuant to which an area of residential homes will be converted from septic to sewer and the project is 100% grant funded by the SWRCB.
(7) See the caption "SECURITY AND SOURCES OF PAYMENTS FOR THE 2026A CERTIFICATES—Rate Stabilization Funds."
(8) Operations and Maintenance Costs projected to increase by 3.0% annually.
(9) Represents various loans the District prepaid during Fiscal Year 2025-26 in the aggregate principal amount of approximately $1.0 million.
(10) As described under the caption "MISSION SPRINGS WATER DISTRICT—Other Outstanding Revenue Obligations," the SWRCB loan is payable only from Wastewater System Revenues on a parity with the Installment Payments.
(11) *Preliminary, subject to change.*

Source: Mission Springs Water District.

FINANCIAL INFORMATION OF THE DISTRICT

Financial Statements

A copy of the most recent audited basic financial statements and memorandum of internal control of the District for the Fiscal Year ending June 30, 2025, prepared by Rogers, Anderson, Malody & Scott, LLP (the "Auditor") and the Auditor's memorandum of internal control are included as Appendix A hereto (the "Financial Statements"). The Auditor's letter concludes that the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of each major fund of the District, as of June 30, 2025 and the respective changes in financial position, and, where applicable, cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

The Auditor has not reviewed the information contained in this Official Statement, nor has the Auditor been asked to consent to the inclusion of the Financial Statements herein.

The summary operating results contained under the caption "—Historical Operating Results and Debt Service Coverage" are derived from these financial statements (excluding certain non-cash items and after certain other adjustments required or permitted by the Installment Purchase Agreement) and are qualified in their entirety by reference to such statements, including the notes thereto.

Historical Operating Results and Debt Service Coverage

The following tables are summaries of operating results of the District, for the last five audited Fiscal Years. These results have been derived from the Financial Statements of the District but exclude certain receipts which are not included as Revenues under the Installment Purchase Agreement and certain non-cash items and include certain other adjustments required or permitted by the Installment Purchase Agreement.

Mission Springs Water District
Historical Operating Results
Fiscal Year Ended June 30

	2021	*2022*	*2023*	*2024*	*2025*
Revenues					
Sales[1]	$ 9,356,599	$ 9,179,862	$ 8,567,815	$ 8,718,019	$ 9,230,233
Services[2]	10,465,310	9,983,371	10,559,056	10,416,524	10,626,999
Standby and Availability	230,368	226,363	228,579	221,794	228,834
Backup Facilities and Front Footage Fees	734,803	951,789	1,271,040	409,961	1,363,206
Meter Installations	103,647	151,640	167,762	84,862	178,452
Property Taxes[3]	2,129,487	2,330,086	2,734,186	2,535,108	4,467,738
Special Assessments	398,623	32,617	561,676	0	0
Investment Income[4]	95,722	(768,193)	569,505	2,350,424	3,368,864
Grants	655,884	98,129	32,444,900	13,865,273	13,287,085
Other	1,027,305	2,585,257	1,994,656	1,895,850	1,117,444
Total Revenues	$ 25,197,748	$ 15,591,059	$ 50,531,360	$ 31,779,796	$ 34,638,622
Operation and Maintenance Costs					
Pumping	$ 2,208,877	$ 2,622,863	$ 3,349,241	$ 3,638,037	$ 3,114,613
Transmission and Distribution	1,566,907	1,507,366	2,138,374	2,344,025	2,609,426
Customer Accounts	1,227,391	1,250,969	1,275,292	1,173,089	1,212,385
Sewage Collection	310,414	437,653	337,078	712,786	296,793
Sewage Treatment	1,759,633	1,994,382	2,418,715	2,531,785	2,351,831
Standby Wages	172,191	175,965	188,518	213,409	235,837
Groundwater Management[5]	(12,731)	0	1,100	5,506	7,995
Public Affairs	313,826	505,895	1,042,893	1,070,157	1,169,241
General and Administrative	5,843,252	6,197,486	4,648,796	5,592,337	7,273,891
Other	35,349	281	303,280	53,093	101,304
Total Operation and Maintenance Costs	$ 13,425,109	$ 10,562,631	$ 10,215,672	$ 11,352,162	$ 12,649,277
Net Revenues	$ 11,772,639	$ 5,028,428	$ 40,315,688	$ 20,427,634	$ 21,989,345
Debt Service					
Prior Loans	$ 771,115	$ 43,347	$ 43,292	$ 43,323	$ 43,236
SWRCB Loan	302,150	302,510	302,510	302,510	302,510
Total Debt Service	$ 1,073,265	$ 345,857	$ 345,802	$ 345,833	$ 345,746
Debt Service Coverage	10.97x	14.54x	116.59x	59.07x	63.60x
Net Revenues Available for Capital Projects or Other Purposes	$ 10,699,374	$ 4,682,571	$ 39,969,886	$ 20,081,801	$ 21,643,599

(1) Represents consumption charges for Water System residential, commercial, and other customers. See the caption "THE WATER SYSTEM—Historical Operating Results and Debt Service Coverage." Decrease in Fiscal Year 2022- 23 due to wet weather during the year.

(2) Represents service charges charged to Water System and Wastewater System customers. See the captions "THE WATER SYSTEM—Historical Operating Results and Debt Service Coverage" and "THE WASTEWATER SYSTEM—Historical Operating Results and Debt Service Coverage."

(3) Represents the 1% Property Tax Revenues received by the District. See the caption "THE MISSION SPRINGS WATER DISTRCT—1% Property Tax Revenues."

(4) Includes changes in fair market value of investments.

(5) Negative amounts in Fiscal Year 2020-21 due to corrected cash receipts related to the Groundwater Guardian.

Source: Mission Springs Water District.

Projected Operating Results and Debt Service Coverage

The District's projected operating results for Fiscal Year 2024 through Fiscal Year 2028 are set forth below, reflecting certain significant assumptions concerning future events and circumstances. The financial forecast represents the District's estimate of projected financial results based on a variety of assumptions, including the assumptions set forth in the footnotes to the chart below. All of such assumptions are material in the development of the District's financial projections, and variations in the assumptions may produce substantially different financial results. Actual operating results achieved during the projection period may vary from those presented in the forecast and such variations may be material.

Mission Springs Water District
Projected Operating Results
Fiscal Year Ended December 31

	2026[1]	*2027*[2]	*2028*	*2029*	*2030*
Revenues					
Sales[3]	$ 9,576,367	$ 10,438,240	$ 11,377,682	$ 12,401,673	$ 13,517,824
Services[4]	10,653,457	11,675,594	12,744,856	13,912,055	15,186,163
Standby and Availability	202,678	202,678	202,678	202,678	202,678
Backup Facilities and Front Footage Fees	1,363,206	1,363,206	1,363,206	1,363,206	1,363,206
Meter Installations	120,000	120,000	120,000	120,000	120,000
Property Taxes[5]	4,557,093	4,648,235	4,741,200	4,836,024	4,932,744
Investment Income	699,871	696,074	605,961	486,380	510,213
Grants[6]	5,415,098	13,877,181	5,079,727	--	--
Other	1,117,444	1,117,444	1,117,444	1,117,444	1,117,444
Transfers to/(from) Rate Stabilization Funds[7]	--	--	--	--	--
Total Revenues	$ 33,705,214	$ 44,138,652	$ 37,352,754	$ 34,439,460	$ 36,950,272
Operation and Maintenance Costs[8]					
Pumping	$ 3,208,051	$ 3,304,293	$ 3,403,422	$ 3,505,525	$ 3,610,691
Transmission and Distribution	2,687,709	2,768,340	2,851,390	2,936,932	3,025,040
Customer Accounts	$1,248,756	$1,286,218	$1,324,805	$1,364,550	$1,405,487
Sewage Collection	305,697	314,868	324,313	334,043	344,064
Sewage Treatment	2,422,386	2,495,058	2,569,309	2,647,007	2,726,417
Standby Wages	242,913	250,200	257,706	265,437	273,400
Groundwater Management	8,234	8,481	8,735	8,997	9,267
Public Affairs	1,204,318	1,240,448	1,277,661	1,315,991	1,355,470
General and Administrative	7,492,107	7,716,870	7,948,377	8,186,828	8,432,433
Other	50,268	51,776	53,329	54,929	56,577
Total Operation and Maintenance Costs	$ 18,870,439	$ 19,436,552	$ 20,019,047	$ 20,620,239	$ 21,238,846
Net Revenues	$ 14,834,775	$ 24,702,100	$ 17,333,707	$ 13,819,221	$ 15,711,426
Debt Service					
Prior Loans[9]	$ 43,335	--	--	--	--
SWRCB Loan[10]	302,150	302,510	302,510	302,510	302,510
2026 Certificates[11]	--	1,478,450	1,712,250	1,711,500	1,714,750
Total Debt Service	$ 345,485	$ 1,780,960	$ 2,014,760	$ 2,014,010	$ 2,017,260
Debt Service Coverage	42.94x	13.87x	8.60x	6.86x	7.79x
Net Revenues Available for Capital Projects or Other Purposes	$ 14,489,290	$ 22,921,140	$ 15,318,947	$ 11,805,211	$ 13,694,166

(1) Represents unaudited forecasted amounts for Fiscal Year 2025-26 with certain adjustments.

(2) Based on the District's Adopted Rate Plan, which was adopted in October 2025, with certain adjustments.

(3) Represents consumption charges for Water System residential, commercial, and other customers. Projected to increase by 9.0% annually based on the Adopted Rate Plan. See the captions "THE WATER SYSTEM—Water System Rates and Charges," "—Projected Water System Sales Revenues" and "—Projected Operating Results and Debt Service Coverage."

(4) Represents service charges charged to Water System and Wastewater System customers. Projected to increase by 7.0% annually based on the Adopted Rate Plan. See the captions "THE WATER SYSTEM—Projected Operating Results and Debt Service Coverage" and "THE WASTEWATER SYSTEM—Projected Operating Results and Debt Service Coverage."

(5) Projected to increase by 2.0% annually and assumes that approximately 55% of 1% Property Tax Revenues will be allocated to the Water System and 45% will be allocated to the Wastewater System each year based on Fiscal Year 2024-25 allocation. See the caption "THE MISSION SPRINGS WATER DISTRICT—1% Property Tax Revenues."

(6) Includes grants projected to be received by the Water System in Fiscal Year 2026-27 in the amount of approximately $5.9 million and in Fiscal Year 2027-28 in the amount of approximately $5.1 million for the District's future water infrastructure needs, such as wells and booster stations. Also includes grants projected to be received by the Wastewater System in Fiscal Year 2026-27 in the amount of approximately $2.8 million and in Fiscal Year 2027-28 in the amount of approximately $8.0 million for the District's M-2 Septic to Sewer project pursuant to which an area of residential homes will be converted from septic to sewer and the project is 100% grant funded by the SWRCB.

(7) See the caption "SECURITY AND SOURCES OF PAYMENTS FOR THE 2026A CERTIFICATES—Rate Stabilization Funds."

(8) Operations and Maintenance Costs projected to increase by 3.0% annually.

(9) Represents various loans the District prepaid during Fiscal Year 2025-26 in the aggregate principal amount of approximately $1.3 million.

(10) As described under the caption "MISSION SPRINGS WATER DISTRICT—Other Outstanding Revenue Obligations," the SWRCB loan is payable only from Wastewater System Revenues on a parity with the Installment Payments.

(11) *Preliminary, subject to change.*

Source: Mission Springs Water District.

INVESTMENT CONSIDERATIONS

The following information, in addition to the other matters that are described in this Official Statement, should be considered by prospective investors in evaluating the 2026A Certificates. However, the following does not purport to be comprehensive, definitive or an exhaustive listing of risks and other considerations that may be relevant to making an investment decision with respect to the 2026A Certificates. In addition, the order in which the following information is presented is not intended to reflect the relative importance of any such risks. If any risk factor materializes to a sufficient degree, it alone or in combination with other risk factors could delay or preclude payment of principal or interest with respect to the 2026A Certificates.

Accuracy of Assumptions

To estimate the Net Revenues which will be available to pay the Installment Payments, the District has made certain assumptions with regard to various matters, including but not limited to future development within the District, increases in property tax receipts and increases in revenues resulting therefrom, the rates and charges to be imposed in future years, the expenses associated with operating the Water System and the Wastewater System and the interest rate at which funds will be invested. The District believes these assumptions to be reasonable, but to the extent that any of such assumptions fail to materialize, the Net Revenues available to pay the Installment Payments will, in all likelihood, be less than those projected herein. See the captions "WATER SYSTEM FINANCIAL INFORMATION—Projected Operating Results and Debt Service Coverage." See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026A CERTIFICATES—Rate Covenants."

Rates Covenants Not a Guarantee

The Installment Payments are payable from Net Revenues. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2026A CERTIFICATES." The District's ability to pay the Installment Payments depends on its ability to generate Net Water System Revenues and Net Wastewater System Revenues at the levels required by the Installment Purchase Agreement. Although the District has covenanted in the Installment Purchase Agreement to impose rates and charges as more particularly described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026A CERTIFICATES — Rate Covenants" and expects that sufficient Net Water System Revenues and Net Wastewater System Revenues will be generated through the imposition and collection of such rates and charges, there is no assurance that the imposition and collection of such rates and charges will result in the generation of Net Water System Revenues and Net Wastewater System Revenues in the amounts required by the Installment Purchase Agreement. No assurance can be made that Net Water System Revenues and Net Wastewater System Revenues, estimated or otherwise, will be realized by the District in amounts sufficient to pay the Installment Payments. Among other matters, the availability of and demand for water and wastewater services, and changes in law and government regulations could adversely affect the amount of revenues realized by the District. If District is unable to increase rates and charges for any reason, it may be necessary for the District to implement other actions to comply with the rate covenants, including reducing expenses.

Limitations on Increases of Water and Wastewater Rates

Under State law, the District is generally not permitted to apply revenues of the Water System to pay costs related to the Wastewater System, and vice versa. In the event that Water System Revenues decrease as a result of reduced water consumption or for reasons under or beyond the District's control, the District is not authorized under State law to increase rate and charges of its Wastewater System in order to pay any costs of the Water System. In the event that Wastewater System Revenues decrease as a result of reduced demand for Wastewater Service or for reasons under or beyond the District's control, the District is not authorized under State law to increase rate and charges of its Water System in order to pay any costs of the Wastewater System. See the caption "CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES — Proposition 218." As a result, a material decrease in the amount of either Wastewater Revenues or Water Revenues on its own could result in insufficient amounts of Net Revenues to pay Installment Payments. The District Board of Directors has adopted rate increases for water, wastewater and recycled water services through

2028 as described under the captions "THE WATER SYSTEM OF THE DISTRICT—Water System Rates and Charges," "THE WASTEWATER SYSTEM OF THE DISTRICT—Wastewater System Rates and Charges" and "—Recycled Water System Rates and Charges." There can be no assurance, however, that such rate increases will be implemented by the Board of Directors as currently adopted.

System Demand

There can be no assurance that the demand for Water Service and Wastewater Service will occur as described in this Official Statement. Reduction in levels of demand could require an increase in rates or charges in order to comply with the rate covenants. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026A CERTIFICATES—Rate Covenants." Demand for Water Service and Wastewater Service could be reduced or may not occur as projected by the District as a result of reduced levels of development in the District's service area, hydrological conditions, conservation efforts, an economic downturn, mandatory State conservation orders and other factors.

System Expenses

There can be no assurance that the District's expenses will be consistent with the descriptions in this Official Statement. Operation and Maintenance Costs may vary with hydrological conditions, the quality and amount of water supplies, the quality and treatment requirements of wastewater, as well as treatment costs, regulatory compliance costs, labor costs (including costs related to pension and other post-employment benefits) and other factors. See the caption "THE WATER SYSTEM OF THE DISTRICT—Water Supply." Increases in Operation and Maintenance Costs could require an increase in rates or charges in order to comply with the rate covenants. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026A CERTIFICATES—Rate Covenants."

Limited Recourse on Default

If the District defaults on its obligation to pay the Installment Payments, the Trustee has the right to declare the total unpaid principal amount of the Installment Payments, together with the accrued interest thereon, to be immediately due and payable. However, in the event of a default and such acceleration, there can be no assurance that the District will have sufficient funds to pay such accelerated amounts from Net Revenues.

Natural Disasters

General. The occurrence of any natural disaster in the District's service area, including, without limitation, earthquake, wildfire, drought, high winds, landslide or flood, could have an adverse material impact on the economy within the District and the revenues available for the payment of the Installment Payments and result in substantial damage to and interference with the operations of the Water System and the Wastewater System. The District adopted a Local Hazard Mitigation Plan in 2022 to identify potential hazards to the District and formulate mitigation measures for the future protection of the District's critical infrastructure and the community's safety with respect to the District's facilities and services

Seismic Activity. Portions of the District's service area may be subject to unpredictable seismic activity. According to the District's Local Hazard Mitigation Plan, the District is in a tectonically active region near the boundary of the Pacific and American crustal plates. This boundary is generally marked by the San Andreas Fault Zone, which extends throughout the District. The San Andreas system of faults exhibits predominantly right strike-slip movement (i.e., horizontal displacement to the right when viewed across the faults), whereby the Pacific Plate moves relatively northwest with respect to the continent. This active tectonic environment has strongly influenced the geologic and physiographic history of the District.

The Installment Purchase Agreement does not require the District to maintain earthquake insurance. The District maintains liability insurance for the Water System and the Wastewater System and property casualty insurance (for losses other than from seismic events) for certain portions of the Water System and the Wastewater

System. See the caption "THE MISSION SPRINGS WATER DISTRICT—District Insurance." However, there can be no assurance that specific losses will be covered by insurance or, if covered, that claims will be paid in full by the applicable insurers. Furthermore, significant portions of the Water System and the Wastewater System, including underground pipelines and manhole covers, are not covered by property casualty insurance. Damage to such portions of the Water System and the Wastewater System as a result of natural disasters would result in uninsured losses to the District.

Wildfires. In recent years, wildfires have caused extensive damage throughout the State, including within the County. Certain of these fires have burned thousands of acres and destroyed hundreds and in some cases thousands of homes. In some instances entire neighborhoods have been destroyed. Several fires in recent years damaged or destroyed property in areas that were not previously considered to be at risk from such events. In 2023, as in several prior years, for example, devastating wildfires burned in various communities in the State, causing wide-spread damage. In 2025, communities in Los Angeles County, including Pacific Palisades, Malibu and Altadena, experienced widespread devastation from wildfires causing losses of life, thousands of burned homes, and billions of dollars in property damage. The County is also periodically subject to large-scale wildfires and is expected to be subject to wildfires in the future. In recent years, wildfires have burned hundreds of acres at a time and destroyed dozens of homes and structures in the County. .

In March 2025, the California Department of Forestry and Fire Protection ("Cal Fire") released an updated Fire Hazard Severity Zone map for the Southern California region. The Cal Fire Hazard Severity Zone maps evaluate fire hazard, which is defined as the likelihood and expected fire behavior over a 30 to 50-year period without considering mitigation measures such as home hardening, recent wildfire or fuel reduction efforts, as opposed to risk, which is the potential damage a fire can do to the area under existing conditions, accounting for any modifications such as fuel reduction projects, defensible space, and ignition resistant building construction. Pursuant to State law, the State Fire Marshal is mandated to classify the state responsibility areas where the state has financial responsibility for wildfire protection and prevention into Fire Hazard Severity Zones classified as "Moderate," "High" or "Very High." In areas designated as local responsibility areas, where local agencies have financial responsibility for wildfire protection and prevention, Cal Fire's Fire Hazard Severity Zone maps make recommendations for the classification of Moderate, High or Very High Fire Hazard Severity Zones and the local agencies must adopt maps which either adopt Cal Fire's recommendations or place the relevant areas in a higher classification. For more information on Cal Fire's Fire Hazard Severity Zone maps, see the Cal Fire website.

Portions of the District's service area are located within areas designated as Moderate and high Fire Hazard Severity Zones and there is a risk that property within the District's service area may be damaged or destroyed by wildfires, which may reduce the Net Revenues available to pay the Installment Payments and no assurance can be given as to the severity or frequency of wildfires within the vicinity of the District or the impact on the operations of the Water System and the Wastewater System.

Climate Change

One of the factors that may pose a risk to the operations of the Water System and the Wastewater System is climate change. Climate change caused by human activities may have adverse effects on the District and the property within the District's service area. Climate change can also result in more variable weather patterns, which can lead to longer and more severe droughts as well as increased risk of flooding. Projections of the impacts of global climate change on the District and the property within the District's service area are complex and depend on many factors that are outside the District's control. The various scientific studies that forecast the amount and timing of adverse impacts of climate change are based on assumptions contained in such studies, but actual events may vary materially. Also, the scientific understanding of climate change and its effects continues to evolve. Accordingly, the District is unable to forecast with certainty when adverse impacts of climate change will occur or the extent of such impacts. The District expects to continue to consider the effects of climate change in its own planning and to participate in regional planning initiatives. While the impacts of climate change may be mitigated by the District's past and future investment in adaptation strategies, the District can give no assurance about the net effects of those strategies and whether the District will be required to take

additional adaptive mitigation measures. Particular potential impacts of climate change on the District include worsening air quality, increased flooding, and heatwaves.

Limitations on Remedies Available; Bankruptcy

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

The opinion to be delivered by Special Counsel concurrently with the execution and delivery of the 2026A Certificates will be subject to such limitations and the various other legal opinions to be delivered concurrently with the execution and delivery of the 2026A Certificates will be similarly qualified. See Appendix C. In the event that the District fails to comply with its covenants under the Installment Purchase Agreement or fails to pay the Installment Payments, which secure the payments of principal and interest with respect to the 2026A Certificates, there can be no assurance of the availability of remedies adequate to protect the interest of the Owners of the 2026A Certificates.

Limited Obligations

The Installment Purchase Agreement is a limited obligation of the District payable solely from Net Revenues and secured solely by the Revenues pledged in the Installment Purchase Agreement. If for any reason, the District does not collect sufficient Revenues to pay the Installment Payments, the District will not be obligated to utilize any other of its funds, other than certain amounts on deposit in the funds and accounts established under the Trust Agreement to pay the 2026A Certificates.

Statutory and Regulatory Compliance

Laws and regulations governing treatment and delivery of water and the treatment and disposal of wastewater are enacted and promulgated by federal, State and local government agencies. Compliance with these laws and regulations is and will continue to be costly, and, as more stringent standards are developed, such costs will likely increase.

Claims against the Water System or the Wastewater System for failure to comply with applicable laws and regulations could be significant. Such claims may be payable from assets of the Water System or the Wastewater System and constitute Operation and Maintenance Costs or from other legally available sources. In addition to claims by private parties, changes in the scope and standards for municipal water and wastewater systems such as that operated by the District may also lead to administrative orders issued by federal or State regulators. Future compliance with such orders can also impose substantial additional costs on the District. In addition to the other limitations described herein, the State electorate or Legislature could adopt a Constitutional amendment, legislation or an initiative with the effect of reducing revenues payable to or collected by the District. No assurance can be given that the cost of compliance with such laws, regulations and orders would not adversely affect the ability of the District to generate Net Revenues in amounts that are sufficient to pay the Installment Payments.

Parity Obligations

The Installment Purchase Agreement permits the District to issue Bonds and enter into Contracts payable from Net Revenues on a parity with the Installment Payments, which secure the 2026A Certificates,, subject to the terms and conditions set forth therein. The issuance of additional Bonds or the execution of additional Contracts could result in reduced Net Revenues available to pay the Installment Payments. The District has covenanted to use its best efforts to set rates and charges for Water Service and Wastewater Service, respectively, to maintain coverage of at least 115% of Debt Service allocable to the Water System and Wastewater System, respectively, as further described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026A CERTIFICATES—Additional Contracts and Bonds."

Loss of Tax Exemption

Interest with respect to the 2026A Certificates could become includable in gross income for purposes of federal income taxation retroactive to the date that the 2026A Certificates were executed and delivered as a result of future acts or omissions of the District in violation of its covenants in the Installment Purchase Agreement and the Trust Agreement. In addition, current and future legislative proposals, if enacted into law, may cause interest with respect to the 2026A Certificates to be subject, directly or indirectly, to federal income taxation by, for example, changing the current exclusion or deduction rules to limit the aggregate amount of interest on state and local government bonds that may be treated as tax exempt by individuals. See the caption "TAX MATTERS." Should such an event of taxability occur, the 2026A Certificates are not subject to a special prepayment and will remain outstanding until maturity.

Secondary Market

There can be no guarantee that there will be a secondary market for the 2026A Certificates or, if a secondary market exists, that any 2026A Certificates can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

Cybersecurity

Municipal agencies, like other business entities, face significant risks relating to the use and application of computer software and hardware. There have been significant cyber security incidents affecting municipal agencies, including a freeze affecting computer systems of the City of Atlanta, an attack on the City of Baltimore's 911 system, an attack on the Colorado Department of Transportation's computers and an attack that resulted in the temporary closure of the Port of Los Angeles' largest terminal.

The District and its vendors employ a multi-level cyber protection scheme that includes firewalls, anti-virus software, anti-spam/malware software, intrusion protection and domain name system filtering software. The District regularly analyzes the network construct for potential weaknesses in cyber security and thereafter promptly implements solutions for identified shortfalls. In addition, the District contracts with third party vendors to monitor and augment internal monitoring of the District's computer systems. To date, the District has not experienced an external attack on its computer operating systems resulting in a data breach. Staff is regularly trained to spot potential scams or inconsistencies in network performance which may indicate system vulnerability. However, there can be no assurance that a future attack or attempted attack would not result in disruption of District operations. The District expects that any such disruptions would be temporary in nature.

CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES

Article XIIIB

The State Constitution limits the annual appropriations of the State and of any city, county, school district, authority or other political subdivision of the State to the level of appropriations of the particular governmental entity for the prior fiscal year, as adjusted for changes in the cost of living and population. The "base year" for establishing such appropriation limit is the 1978-79 fiscal year and the limit is to be adjusted annually to reflect changes in population and consumer prices. Adjustments in the appropriations limit of an entity may also be made if: (i) the financial responsibility for a service is transferred to another public entity or to a private entity; (ii) the financial source for the provision of services is transferred from taxes to other revenues; or (iii) the voters of the entity approve a change in the limit for a period of time not to exceed four years.

Appropriations subject to Article XIIIB generally include the proceeds of taxes levied by the State or other entity of local government, exclusive of certain State subventions and refunds of taxes. "Proceeds of taxes" include, but are not limited to, all tax revenues and the proceeds to an entity of government from: (a) regulatory licenses, user charges, and user fees (but only to the extent such proceeds exceed the cost of providing the service or regulation); and (b) the investment of tax revenues. Article XIIIB includes a requirement that if an entity's revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years.

Certain expenditures are excluded from the appropriations limit, including payments of indebtedness existing or legally authorized as of January 1, 1979, or of bonded indebtedness thereafter approved by the voters and payments required to comply with court or federal mandates which without discretion require an expenditure for additional services or which unavoidably make the providing of existing services more costly.

The District is of the opinion that the rates imposed by the District do not exceed the costs that the District reasonably bears in providing water or wastewater service. The District will covenant in the Installment Purchase Agreement that, to the fullest extent permitted by law, it will prescribe rates and charges sufficient to provide Net Revenues for payment of the Installment Payments in each Fiscal Year, as described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026A CERTIFICATES—Rate Covenants."

Proposition 218

General. An initiative measure entitled the "Right to Vote on Taxes Act" (the "Initiative") was approved by the voters of the State of California at the November 5, 1996 general election. The Initiative added Article XIIIC and Article XIIID to the California Constitution. According to the "Title and Summary" of the Initiative prepared by the California Attorney General, the Initiative limits "the authority of local governments to impose taxes and property-related assessments, fees and charges."

Article XIIID. Article XIIID defines the terms "fee" and "charge" to mean "any levy other than an *ad valorem* tax, a special tax or an assessment, imposed by an agency upon a parcel or upon a person as an incident of property ownership, including user fees or charges for a property-related service." A "property-related service" is defined as "a public service having a direct relationship to property ownership." Article XIIID further provides that reliance by an agency on any parcel map (including an assessor's parcel map) may be considered a significant factor in determining whether a fee or charge is imposed as an incident of property ownership.

Article XIIID requires that any agency imposing or increasing any property-related fee or charge must provide written notice thereof to the record owner of each identified parcel upon which such fee or charge is to be imposed and must conduct a public hearing with respect thereto. The proposed fee or charge may not be imposed or increased if a majority of owners of the identified parcels file written protests against it. As a result, if and to the extent that a fee or charge imposed by a local government for water service is ultimately determined

to be a "fee" or "charge" as defined in Article XIIID, the local government's ability to increase such fee or charge may be limited by a majority protest.

In addition, Article XIIID includes a number of limitations applicable to existing fees and charges including provisions to the effect that: (i) revenues derived from the fee or charge shall not exceed the funds required to provide the property-related service; (ii) such revenues shall not be used for any purpose other than that for which the fee or charge was imposed; (iii) the amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel; and (iv) no such fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question. Property-related fees or charges based on potential or future use of a service are not permitted.

Based upon the California Court of Appeal decision in *Howard Jarvis Taxpayers Association v. City of Los Angeles*, 85 Cal. App. 4th 79 (2000), which was denied review by the State Supreme Court, it was generally believed that Article XIIID did not apply to charges for water services that are "primarily based on the amount consumed" (i.e., metered water rates), which had been held to be commodity charges related to consumption of the service, not property ownership. The Supreme Court ruled in *Bighorn-Desert View Water Agency v. Verjil*, 39 Cal.4th 205 (2006) (the "*Bighorn* Case"), however, that fees for ongoing water service through an existing connection were properly-related fees and charges. The Supreme Court specifically disapproved the holding in *Howard Jarvis Taxpayers Association v. City of Los Angeles* that metered water rates are not subject to Proposition 218.

The District has complied with the notice, hearing and protest procedures in Article XIIID with respect to water and wastewater increases, as further explained by the State Supreme Court decision in the *Bighorn* Case, since 2004.

On April 20, 2015, the California Court of Appeal, Fourth District, issued an opinion in *Capistrano Taxpayers Association, Inc. v. City of San Juan Capistrano*, 235 Cal. App. 4th 1493 (2015) (the "*SJC* Case"). In this case, the court upheld tiered water rates under Proposition 218 provided that the tiers correspond to the actual cost of furnishing service at a given level of usage. The opinion was specific to the facts of the case, including a finding that the City of San Juan Capistrano did not attempt to calculate the actual costs of providing water at various tier levels. The District does not currently expect the decision in the *SJC* Case to affect its water rate structure. The District believes that its current water rates comply with the requirements of Proposition 218 and expects that any future water rate increases will comply with the Initiative.

Article XIIIC. Article XIIIC provides that the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge and that the power of initiative to affect local taxes, assessments, fees and charges shall be applicable to all local governments. Article XIIIC does not define the terms "local tax," "assessment," "fee" or "charge," so it was unclear whether the definitions set forth in Article XIIID referred to above are applicable to Article XIIIC. Moreover, the provisions of Article XIIIC are not expressly limited to local taxes, assessments, fees and charges imposed after November 6, 1996. On July 24, 2006, the State Supreme Court held in the *Bighorn* Case that the provisions of Article XIIIC included rates and fees charged for domestic water use. In the decision, the Court noted that the decision did not address whether an initiative to reduce fees and charges could override statutory rate setting obligations. The District does not believe that Article XIIIC grants to the voters within the District the power to repeal or reduce the water charges in a manner which would be inconsistent with the contractual obligations of the District. However, there can be no assurance of the availability of particular remedies adequate to protect the beneficial owners of the 2026A Certificates. Remedies available to beneficial owners of the 2026A Certificates in the event of a default by the District are dependent upon judicial actions which are often subject to discretion and delay and could prove both expensive and time-consuming to obtain.

In addition to the specific limitations on remedies contained in the applicable documents themselves, the rights and obligations with respect to the 2026A Certificates, the Installment Purchase Agreement and the Trust Agreement are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and

other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, and to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State. The various opinions of counsel to be delivered with respect to such documents, including the opinion of Special Counsel (the form of which is attached as Appendix C), will be similarly qualified.

The District believes that its current water and wastewater rates and other property-related charges comply with the requirements of Proposition 218 and expects that any future water and wastewater rates and other property-related charges will comply with Proposition 218's procedural and substantive requirements to the extent applicable thereto.

Proposition 26

On November 2, 2010, voters in the State approved Proposition 26. Proposition 26 amends Article XIIIC of the State Constitution to expand the definition of "tax" to include "any levy, charge, or exaction of any kind imposed by a local government" except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIIID. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity. The District does not believe that the enactment of Proposition 26 will affect its ability to levy rates and charges for Water Service or Wastewater Service.

Future Initiatives

Articles XIIIB, XIIIC and XIIID were adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiatives could be proposed and adopted affecting the District's revenues or ability to increase revenues.

CERTAIN LEGAL MATTERS

Special Counsel will render an opinion with respect to the validity of the Installment Purchase Agreement and the Trust Agreement substantially in the form set forth in Appendix C hereto. A copy of such opinion will be furnished to the Underwriter at the time of initial delivery of the 2026A Certificates. The payment of the fees of Special Counsel is contingent upon the execution and delivery of the 2026A Certificates.

Certain legal matters will be passed upon for the District by Stradling Yocca Carlson & Rauth, LLP, Newport Beach, California, as Disclosure Counsel, for the District and the Corporation by Slovak Baron Empey Murphy & Pinkney LLP, Palm Springs, California, General Counsel to the District and the Corporation, for the Underwriter by its counsel, Kutak Rock LLP and for the Trustee by its counsel.

Stradling Yocca Carlson & Rauth LLP, represents the District in connection with the execution and delivery of the 2026A Certificates. Stradling Yocca Carlson & Rauth LLP represents the Underwriter from

time-to-time on other financings and matters unrelated to the District and the 2026A Certificates. Stradling Yocca Carlson & Rauth LLP does not represent the Underwriter or any other party with respect to the execution and delivery of the 2026A Certificates other than the District.

LITIGATION

There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, pending or, to the knowledge of the District, threatened against the District affecting the existence of the District or the titles of its directors or officers to their respective offices or seeking to restrain or to enjoin the execution and delivery of the 2026A Certificates, the application of the proceeds thereof in accordance with the Trust Agreement, or in any way contesting or affecting the validity or enforceability of the Trust Agreement, the Installment Purchase Agreement, the 2026A Certificates or any action of the District contemplated by any of said documents, or in any way contesting the completeness or accuracy of this Official Statement or any amendment or supplement thereto, or contesting the powers of the District or its authority with respect to the 2026A Certificates or any action of the District contemplated by any of said documents, nor to the knowledge of the District, is there any basis therefor.

There are no pending suits contesting or affecting the collection of the District Revenues or which would have a material adverse effect on the District's Water System or the District's Wastewater System, the financial condition of the District, including the ability of the District to make Installment Payments.

TAX MATTERS

In the opinion of Stradling Yocca Carlson & Rauth LLP, Newport Beach, California ("Special Counsel"), under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, the portion of each Installment Payment with respect to the 2026A Certificates constituting interest (and original issue discount) is excluded from gross income for federal income tax purposes, and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. However, it should be noted that, with respect to applicable corporations as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code"), generally certain corporations with more than $1,000,000,000 of average annual adjusted financial statement income, the portion of each Installment Payment with respect to the 2026A Certificates constituting interest (and original issue discount) might be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed by Section 55 of the Code on such corporations.

In the further opinion of Special Counsel, the portion of each Installment Payment with respect to the 2026A Certificates constituting interest (and original issue discount) is exempt from State personal income tax.

Special Counsel's opinion as to the exclusion from gross income of the portion of each Installment Payment with respect to the 2026A Certificates constituting interest (and original issue discount) is based upon certain representations of fact and certifications made by the District and others and is subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the execution and delivery of the 2026A Certificates to assure that the portion of each Installment Payment with respect to the 2026A Certificates constituting interest (and original issue discount) will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause the portion of each Installment Payment with respect to the 2026A Certificates constituting interest (and original issue discount) to be included in gross income for federal income tax purposes retroactive to the date of execution and delivery of the 2026A Certificates. The District has covenanted to comply with all such requirements.

The difference between the issue price of a 2026A Certificate (the first price at which a substantial amount of the 2026A Certificate of a maturity is to be sold to the public) and the stated payment price at maturity with respect to the 2026A Certificate (to the extent the payment price at maturity is greater than the issue price)

constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a 2026A Certificate Owner's before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a 2026A Certificate Owner will increase the 2026A Certificate Owner's basis in the applicable 2026A Certificate.

The amount by which a 2026A Certificate Owner's original basis for determining gain or loss on sale or exchange of the applicable 2026A Certificate (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which must be amortized under Section 171 of the Code; such amortizable bond premium reduces the 2026A Certificate Owner's basis in the applicable 2026A Certificate (and the amount of tax-exempt interest received with respect to the 2026A Certificates), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of bond premium may result in a 2026A Certificate Owner realizing a taxable gain when a 2026A Certificate is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the 2026A Certificate to the Owner. Purchasers of the 2026A Certificates should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable 2026A Certificate premium.

The Internal Revenue Service (the "IRS") has initiated an expanded program for the auditing of tax exempt bond issues, including both random and targeted audits. It is possible that the 2026A Certificates will be selected for audit by the IRS. It is also possible that the market value of the 2026A Certificates might be affected as a result of such an audit of 2026A Certificates (or by an audit of similar municipal obligations). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, Congress or the IRS might not change the Code (or interpretation thereof) subsequent to the execution and delivery of the 2026A Certificates and to the extent that it adversely affects the exclusion from gross income of interest on the portion of each Installment Payment with respect to the 2026A Certificates constituting interest or the market values of the 2026A Certificates.

It is possible that subsequent to the execution and delivery of the 2026A Certificates there might be federal, state, or local statutory changes (or judicial or regulatory interpretations of federal, state, or local law) that affect the federal, state, or local tax treatment of the 2026A Certificates or the market value of the 2026A Certificates. Recently, proposed legislative changes have been introduced in Congress, which, if enacted, could result in additional federal income or state tax being imposed on owners of tax-exempt state or local obligations, such as the 2026A Certificates. The introduction or enactment of any of such changes could adversely affect the market value or liquidity of the 2026A Certificates. No assurance can be given that subsequent to the execution and delivery of the 2026A Certificates and the such changes (or other changes) will not be introduced or enacted or interpretations will not occur. Before purchasing any of the 2026A Certificates, all potential purchasers should consult their tax advisors regarding possible statutory changes or judicial or regulatory changes or interpretations, and their collateral tax consequences relating to the 2026A Certificates.

Special Counsel's opinion with respect to the 2026A Certificates may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date of delivery of its opinion. Special Counsel has not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Installment Purchase Agreement, the Trust Agreement and the Tax Certificate relating to the 2026A Certificates permit certain actions to be taken or to be omitted if a favorable opinion of Special Counsel is provided with respect thereto. Special Counsel expresses no opinion as to the effect on the exclusion from gross income of interest for federal income tax purposes with respect to the portion of each Installment Payment with respect to the 2026A Certificates constituting interest or if any such action is taken or omitted based upon the advice of counsel other than Stradling Yocca Carlson & Rauth LLP.

Although Special Counsel will render an opinion that the portion of each Installment Payment with respect to the 2026A Certificates constituting interest (and original issue discount) is excluded from gross income for federal income tax purposes provided that the District continues to comply with certain requirements of the Code, the ownership of the 2026A Certificates and the accrual or receipt of interest on the 2026A Certificates may otherwise affect the tax liability of certain persons. Special Counsel expresses no opinion regarding any

such tax consequences. Accordingly, before purchasing any of the 2026A Certificates, all potential purchasers should consult their tax advisors with respect to collateral tax consequences relating to the 2026A Certificates.

RATING

The District expects that S&P Global Ratings ("S&P") will assign the 2026A Certificates the rating of "_____" (stable outlook). There is no assurance that the credit rating given to the 2026A Certificates will be maintained for any period of time or that the rating may not be lowered or withdrawn entirely by S&P, if, in the judgment of S&P, circumstances so warrant. Any downward revision or withdrawal of such rating may have an adverse effect on the market price of the 2026A Certificates. Such rating reflects only the views of S&P and an explanation of the significance of such rating may be obtained from S&P. Generally, rating agencies base their ratings on information and materials furnished to them (which may include information and material from the District which is not included in this Official Statement) and on investigations, studies and assumptions by the rating agencies.

In providing a rating on the 2026A Certificates, S&P may have performed independent calculations of coverage ratios using its own internal formulas and methodology which may not reflect the provisions of the Installment Purchase Agreement. The District makes no representations as to any such calculations, and such calculations should not be construed as a representation by the District as to past or future compliance with any financial covenants in the Installment Purchase Agreement, the availability of particular revenues for the payment of Debt Service or for any other purpose.

The District has covenanted in a Continuing Disclosure Certificate for the 2026A Certificates to file on EMMA, notices of any rating changes on the 2026A Certificates. See the caption "CONTINUING DISCLOSURE UNDERTAKING" below and Appendix E. Notwithstanding such covenant, information relating to ratings changes on the 2026A Certificates may be publicly available from S&P prior to such information being provided to the District and prior to the date the District is obligated to file a notice of rating change on EMMA. Purchasers of the 2026A Certificates are directed to S&P and its website and official media outlets for the most current rating changes with respect to the 2026A Certificates after the initial execution and delivery of the 2026A Certificates.

UNDERWRITING

The 2026A Certificates will be purchased by Wells Fargo Bank, National Association (the "Underwriter") pursuant to a purchase contract, dated _____, 2026 (the "Purchase Contract"), by and between the District and the Underwriter.

Under the Purchase Contract, the Underwriter has agreed to purchase all, but not less than all, of the 2026A Certificates for an aggregate purchase price of $_____ (representing the principal amount of the 2026A Certificates, less an Underwriter's discount of $_____, [plus/less] a [net] original issue [premium/discount] of $_____). The Purchase Contract with respect to the 2026A Certificates provides that the Underwriter will purchase all of the 2026A Certificates, if any are purchased, the obligation to make such a purchase being subject to certain terms and conditions set forth in such Purchase Contract, the approval of certain legal matters by counsel and certain other conditions.

The initial public offering prices stated on the inside front cover of this Official Statement may be changed from time to time by the Underwriter. The Underwriter may offer and sell the 2026A Certificates to certain dealers (including dealers depositing 2026A Certificates into investment trusts), dealer banks, banks acting as agents and others at prices lower than said public offering prices.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank,

National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Finance Group ("WFBNA"), one of the underwriters of the Certificates, has entered into an agreement (the "WFA Distribution Agreement") with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name "Wells Fargo Advisors") (""WFA"), for the distribution of certain municipal securities offerings, including the Certificates. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the 2026A Certificates with WFA. WFBNA has also entered into an agreement (the "WFSLLC Distribution Agreement") with its affiliate Wells Fargo Securities, LLC ("WFSLLC"), for the distribution of municipal securities offerings, including the 2026A Certificates. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. W FBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

CONTINUING DISCLOSURE UNDERTAKING

The District has covenanted in a Continuing Disclosure Certificate for the benefit of the holders and beneficial owners of the 2026A Certificates to provide certain financial information and operating data relating to the District by not later than March 31 days following the end of its Fiscal Year (commencing March 31, 2027) (the "Annual Reports"), and to provide notices of the occurrence of certain other enumerated events. The Annual Reports and the notices of enumerated events will be filed by the District with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system. The specific nature of the information to be contained in the Annual Report and the notice of enumerated events with respect to the 2026A Certificates are set forth in Appendix E—"FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made in order to assist the Underwriter in complying with Section (b)(5) of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. The District has not been subject to a continuing disclosure undertaking pursuant to Rule 15c2-12 within the past five years.

MISCELLANEOUS

Insofar as any statements made in this Official Statement involve matters of opinion or of estimates, whether or not expressly stated, they are set forth as such and not as representations of fact. No representation is made that any of such statements made will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the Owners of the 2026A Certificates.

The execution and delivery of this Official Statement have been duly authorized by the District.

MISSION SPRINGS WATER DISTRICT

By:_____
General Manager

APPENDIX A

ANNUAL COMPREHENSIVE FINANCIAL REPORT

APPENDIX B

SUMMARY OF PRINCIPAL LEGAL DOCUMENTS

APPENDIX C

FORM OF OPINION OF SPECIAL COUNSEL

APPENDIX D

INFORMATION CONCERNING DTC

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the District and the Underwriter believe to be reliable, but neither the District nor the Underwriter take any responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the 2026A Certificates, payment of principal, premium, if any, accreted value, if any, and interest with respect to the 2026A Certificates to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the 2026A Certificates and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the 2026A Certificates. The 2026A Certificates will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each annual maturity of the 2026A Certificates, each in the aggregate principal amount of such annual maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3,500,000 issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of 2026A Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2026A Certificates on DTC's records. The ownership interest of each actual purchaser of each 2026A Certificate ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2026A Certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive 2026A Certificates representing their ownership interests in 2026A Certificates, except in the event that use of the book-entry system for the 2026A Certificates is discontinued.

To facilitate subsequent transfers, all 2026A Certificates deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by

an authorized representative of DTC. The deposit of 2026A Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2026A Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2026A Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2026A Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2026A Certificates, such as redemptions or prepayments, tenders, defaults, and proposed amendments to the 2026A Certificates documents. For example, Beneficial Owners of 2026A Certificates may wish to ascertain that the nominee holding the 2026A Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption or prepayment notices shall be sent to DTC. If less than all of the 2026A Certificates within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2026A Certificates unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2026A Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption or prepayment proceeds, distributions, and dividend payments on the 2026A Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption or prepayment proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

An Owner of 2026A Certificates shall give notice to elect to have its 2026A Certificates purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such 2026A Certificates by causing the Direct Participant to transfer the Participant's interest in the 2026A Certificates, on DTC's records, to the Trustee. The requirement for physical delivery of 2026A Certificates in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the 2026A Certificates are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered 2026A Certificates to the Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the 2026A Certificates at any time by giving reasonable notice to the District or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, 2026A Certificates will be printed and delivered to DTC.

THE TRUSTEE, AS LONG AS A BOOK-ENTRY ONLY SYSTEM IS USED FOR THE 2026A CERTIFICATES, WILL SEND ANY NOTICE OF REDEMPTION OR PREPAYMENT OR OTHER NOTICES TO OWNERS ONLY TO DTC. ANY FAILURE OF DTC TO ADVISE ANY DTC PARTICIPANT, OR OF ANY DTC PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OF SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OR PREPAYMENT OF THE 2026A CERTIFICATES CALLED FOR REDEMPTION OR PREPAYMENT OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Mission Springs District (the "District") in connection with the execution and delivery of its $_____ Revenue Certificates of Participation, Series 2026A (the "Certificates"). The Certificates are being executed and delivered pursuant to a Trust Agreement, dated as of _____ 1, 2026 (the "Trust Agreement"), by and among the District, the Mission Springs Water District Improvement Corporation and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). The District covenants and agrees as follows:

1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Certificates and in order to assist the Participating Underwriter in complying with the Rule.

2. Definitions. In addition to the definitions set forth in the Trust Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

Annual Report. The term "Annual Report" means any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

Beneficial Owner. The term "Beneficial Owner" means any person which: (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Certificates (including persons holding Certificates through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Certificates for federal income tax purposes.

EMMA. The term "EMMA" means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the Internet at http://emma.msrb.org/.

Financial Obligation. The term "Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Fiscal Year. The term "Fiscal Year" means the one-year period ending on June 30 of each year.

Holder. The term "Holder" means a registered owner of the Certificates.

Installment Purchase Agreement. The term "Installment Purchase Agreement" means the Installment Purchase Agreement, dated as of _____ 1, 2026, by and between the District and the Corporation.

Listed Events. The term "Listed Events" means any of the events listed in Sections 5(a) and (b) of this Disclosure Certificate.

Official Statement. The term "Official Statement" means the Official Statement dated

_____, 2026 relating to the Certificates.

Participating Underwriter. The term "Participating Underwriter" means any of the original underwriters of the Certificates required to comply with the Rule in connection with the offering of the Certificates.

Rule. The term "Rule" means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

3. Provision of Annual Reports.

(a) The District shall provide not later March 31 following the end of its Fiscal Year (commencing March 31, 2027) to EMMA an Annual Report relating to the immediately preceding Fiscal Year which is consistent with the requirements of Section 4 of this Disclosure Certificate, which Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the District is unable to provide to EMMA an Annual Report by the date required in subsection (a), the District shall send to EMMA a notice in the manner prescribed by the Municipal Securities Rulemaking Board.

4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) The audited financial statements for the prior Fiscal Year, which may be included in the Comprehensive Annual Financial Report of the District, prepared in accordance with accounting principles generally accepted in the United States of America as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they come available.

(b) Principal amount of the Certificates outstanding.

(c) An update of the information in the following tables under the caption entitled "THE WATER SYSTEM OF THE DISTRICT" in the Official Statement:

(i) "Mission Springs Water District Historical Water Deliveries In Acre Feet;"

(ii) "Mission Springs Water District Historical Water Connections;" and

(iii) "Mission Springs Water District Historical Water System Sales Revenues."

(d) An update of the information in the following tables under the caption entitled "THE WASTEWATER SYSTEM OF THE DISTRICT" in the Official Statement:

(i) "Mission Springs Water District Historical Wastewater System Connections;"

(ii) "Mission Springs Water District Historical Wastewater System Usage;" and

(iii) "Mission Springs Water District Historical Wastewater System Revenues."

(e) A table showing Net Revenues of the District and debt service coverage on the Certificates and any parity obligations for the last fiscal year only presented in a similar format as the table entitled "Mission Springs Water District Water System Historical Operating Results."

(f) A table showing Net Revenues of the District and debt service coverage on the Certificates and any parity obligations for the last fiscal year only presented in a similar format as the table entitled "Mission Springs Water District Wastewater System Historical Operating Results."

(g) A table showing Net Revenues of the District and debt service coverage on the Certificates and any parity obligations for the last fiscal year only presented in a similar format as the table entitled "Mission Springs Water District Historical Operating Results."

If the information in sections 4(c) – 4(g) above can be derived from the audited financial statements required to be filed in 4(a) above, failure to file separate tables under sections 4(c) – 4(g) above shall not constitute a default hereunder. Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission; provided, that if any document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board; and provided further, that the District shall clearly identify each such document so included by reference.

5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Certificates in a timely manner not more than ten (10) Business Days after the event:

1. principal and interest payment delinquencies;

2. unscheduled draws on debt service reserves reflecting financial difficulties;

3. unscheduled draws on credit enhancements reflecting financial difficulties;

4. substitution of credit or liquidity providers, or their failure to perform;

5. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability or Notices of Proposed Issue (IRS Form 5701 TEB);

6. tender offers;

7. defeasances;

8. ratings changes;

9. bankruptcy, insolvency, receivership or similar proceedings; and

10. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties.

Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Pursuant to the provisions of this Section 5, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Certificates, if material:

1. unless described in Section 5(a)(5), other notices or determinations by the Internal Revenue Service with respect to the tax status of the Certificates or other events affecting the tax status of the Certificates;

2. modifications to the rights of Certificate holders;

3. optional, unscheduled or contingent Certificate prepayments;

4. release, substitution or sale of property securing repayment of the Certificates;

5. non-payment related defaults;

6. the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

7. appointment of a successor or additional trustee or the change of the name of a trustee; and

8. incurrence of a Financial Obligation, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect Certificate holders.

(c) If the District determines that knowledge of the occurrence of a Listed Event

under Section 5(b) would be material under applicable federal securities laws, the District shall file a notice of such occurrence with EMMA in a timely manner not more than ten (10) Business Days after the event.

6. Customarily Prepared and Public Information. Upon request, the District shall provide to any person financial information and operating data regarding the District which is customarily prepared by the District and is publicly available.

7. Termination of Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior prepayment or payment in full of all of the Certificates. If such termination occurs prior to the final maturity of the Certificates, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that, in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule. The District will provide notice of such amendment to the Municipal Securities Rulemaking Board.

9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall not thereby have any obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Holders or Beneficial Owners of the Certificates may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Installment Purchase Agreement or the Trust Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

No Holder or Beneficial Owner of the Certificates may institute such action, suit or proceeding to compel performance unless they shall have first delivered to the District satisfactory written evidence of their status as such, and a written notice of and request to cure such failure, and the District shall have refused to comply therewith within a reasonable time.

11. Dissemination Agent. The District may from time to time appoint or engage a dissemination agent to assist the District in carrying out its obligations under this Disclosure Certificate and may discharge any such dissemination agent with or without appointing a successor dissemination agent.

12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Participating Underwriter and Holders and Beneficial Owners from time to time of the

Certificates, and shall create no rights in any other person or entity.

Dated: _____, 2026

MISSION SPRINGS WATER DISTRICT

By: _____
Its: General Manager

AGENDA STAFF REPORT

MEETING NAME: REGULAR BOARD MEETING

MEETING DATE: JULY 16, 2026

FROM: ERIC WECK, ENGINEERING MANAGER

FOR: ACTION

AWARD OF CONSTRUCTION CONTRACT FOR THE MSWD MAIN CAMPUS TO ROBERT CLAPPER CONSTRUCTION SERVICES, INC.

STAFF RECOMMENDATION

It is recommended to authorize the General Manager to execute a contract for the construction of the MSWD Main Campus to Robert Clapper Construction Services, Inc., the lowest responsible bidder, in the amount of $31,109,000 plus a 10% contingency of $3,110,900 for a total of $34,219,900; and augment the Capital Budget by creating two Project Job Numbers, for the relocation of the Horton Percolation Ponds in the amount of $581,000 plus a 10% contingency of $58,100 for a total of $639,100; and creating a Project Job Number, for the construction of a water line in Park Lane in the amount of $1,232,000 plus a 10% contingency of $123,200 for a total of $1,355,200, and do all things necessary to complete the project.

SUMMARY

Staff solicited construction bids for the construction of a new MSWD Main Campus which will serve as the District's new administrative building and incorporate operational and corporate yard services.Two bids were received; one is from Barnhard-Reese Construction in the amount of $35,037,764, and the second is from Robert Clapper Construction Services, Inc. in the amount of $32,922,000.

ANALYSIS AND FISCAL IMPACT

Analysis (See Attachment 1 - Analysis)

BUDGET INFORMATION & STRATEGIC PLAN IMPLEMENTATION

Action Cost:	Current FY Cost:	Future FY Cost:	Funding Source	Acct/Project No.
$34,219	$15,000,000	$19,219,000	201-Water, 301-Sewer	11621
Covered in current FY budget?		**Adjustment Needed?**	**Current Balance:**	**Balance if Approved:**
Yes		No	$38,485,043	$4,265,143
Strategic Plan Goal Alignment:				
SMART Goal 4.1: By September 2026, complete the construction of the MSWD Main Campus (formally Critical Services Center) which will foster increased collaboration, communication, and teamwork among employees working at one central location.				

ATTACHMENTS

Attachment 1 - Analysis, Attachment 2 - Bid Summary, Attachment 3 - Funding Analysis Construction, Attachment 4 - Contract - Robert Clapper, Inc.

ANALYSIS

MSWD has outgrown the current administrative offices and have significant needs at the Corporate Yard. MSWD executed a contract with Ruhnau Clarke Architects in 2021 to develop project plans and specifications for the construction of a new MSWD Main Campus (formerly Critical Services Center) that includes a new maintenance facility with vehicle service bays, parking areas for staff, and a demonstration garden to highlight water conservation. After the project plans and specifications were prepared, a pre-bid meeting was held with potential bidders. On May 7, 2026 two bids were submitted, with the lowest bid from Robert Clapper Construction in the amount of $32,922,000.

As part of the construction of the Corporate Yard Improvements, a new waterline along Park Lane and relocation of two percolation ponds are necessary to accommodate parking areas of the new Corporate Yard facility. Attachment_3_ Funding Analysis details the project costs, contingencies and also lists the Outside Services, that are detailed separate Staff Reports.

Construction of the MSWD Main Campus				Robert Clapper Construction Services, Inc.		Barnhart-Reese Construction, Inc.	
Line Item	**Description**	**Quantity**	**Unit of Measure**	**Unit Cost**	**Total**	**Unit Cost**	**Total**
101	Mobilization/Demobilization	1	Lump Sum	$25,000.00	$25,000.00	$400,000.00	$400,000.00
102	Clearing, Grubbing, and Grading	1	Lump Sum	$386,000.00	$386,000.00	$1,100,000.00	$1,100,000.00
103	Off-Site Improvements	1	Lump Sum	$1,232,000.00	$1,232,000.00	$2,200,000.00	$2,200,000.00
104	On-Site Improvements	1	Lump Sum	$5,268,000.00	$5,268,000.00	$5,500,000.00	$5,500,000.00
105	Landscape / Exhibition Garden	1	Lump Sum	$509,000.00	$509,000.00	$1,000,000.00	$1,000,000.00
106	Building)	1	Lump Sum	$17,729,000.00	$17,729,000.00	$22,317,764.00	$22,317,764.00
107	Operations Building	1	Lump Sum	$7,192,000.00	$7,192,000.00	$2,500,000.00	$2,500,000.00
	Total				***$32,341,000.00***		***$35,017,764.00***
Construction of the Horton Wastewater Treatment Plant Percolation Ponds Modification Project				**Robert Clapper Construction Services, Inc.**		**Barnhart-Reese Construction, Inc.**	
Line Item	**Description**	**Quantity**	**Unit of Measure**	**Unit Cost**	**Total**	**Unit Cost**	**Total**
201	Destruction	1	Lump Sum	$581,000.00	$581,000.00	$20,000.00	$20,000.00
	Total				***$581,000.00***		***$20,000.00***
TOTAL FOR ALL BID COSTS - BID SCHEDULE I AND BID SCHEDULE II							
				Total	**$32,922,000.00**	**Total**	**$35,037,764.00**

Project Items	Construction	Contingency	Staff Time	Outside Services	Total	Budget
Main Campus (Job No: 11621)	$31,109,000.00	$3,110,900.00	$325,000.00		$34,544,900.00	
Z&K Consultants - Inspection				$606,257.13	$606,257.13	
Landmark Consultants - Geotech, Welding, etc.				$236,258.08	$236,258.08	
Ruhnau Clarke Architects - Design (Spent)				$1,742,258.65	$1,742,258.65	
Ruhnau Clarke Architects - C&M (Budget)				$530,699.03	$530,699.03	
Development Impact Fees*				$800,000.00		
Total	$31,109,000.00	$3,110,900.00	$325,000.00	$3,915,472.89	**$38,460,372.89**	**$40,000,000.00**
Water Fund (Job No: TBD)						
Park Lane Road and Water Improvements	$1,232,000.00	$123,200.00	$22,128.75		$1,377,328.75	
Z&K Consultants - Inspection				$23,871.28	$23,871.28	
Landmark Consultants - Geotech, etc.				$9,302.62	$9,302.62	
Ruhnau Clarke Architects - Design (Spent)				$68,601.16	$68,601.16	
Ruhnau Clarke Architects - C&M (Budget)				$20,896.19	$20,896.19	
Total	$1,232,000.00	$123,200.00	$22,128.75	$122,671.25	**$1,500,000.00**	**$1,500,000.00**
Sewer Fund (Job No: TBD)						
Percolation Ponds Relocation	$581,000.00	$58,100.00	$10,000.00		$649,100.00	
Z&K Consultants - Inspection				$11,391.59	$11,391.59	
Landmark Consultants - Geotech, etc.				$4,439.30	$4,439.30	
Ruhnau Clarke Architects - Design (Spent)				$32,737.11	$32,737.11	
Ruhnau Clarke Architects - C&M (Budget)				$9,971.86	$9,971.86	
Security Construction (Block Wall and Fencing)**	$746,000.00	$74,600.00	$21,760.14		$842,360.14	
Total	$1,327,000.00	$132,700.00	$31,760.14	$58,539.86	**$1,550,000.00**	**$1,550,000.00**

* - Pending City Negotiations

** - Pending Construction Addition

Outside Services	Budget	Spent	
Z&K Consultants - Inspection	$641,520.00		
Landmark Consultants - Geotech, Welding, etc.	$250,000.00		
Ruhnau Clarke Architects - Design (Spent)		$1,843,596.92	
Ruhnau Clarke Architects - C&M (Budget)	$561,567.08	**$2,405,164.00**	**Contract Total**
Total	**$1,453,087.08**		

AGREEMENT

PROJECT DIR #: _____

THIS AGREEMENT, made this _____ day of July 2026, by and between the MISSION SPRINGS WATER DISTRICT hereinafter called "Owner", and **Robert Clapper Inc.** doing business as _____*, hereinafter called "Contractor".

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned, it is agreed that:

1. The Contractor will commence and complete the construction of **"Construction of the Critical Services Center"**

2. The Contractor will furnish all of the material, supplies, tools, equipment, labor and other services necessary for the construction and completion of the Project described herein.

3. The Contractor will commence the Work required by the Contract Documents on or before the date specified to commence Work in the Notice to Proceed and will complete the same within **Five Hundred Forty-Eight (548) consecutive calendar days** unless the period for completion is extended otherwise by the Contract Documents.

4. Owner and Contractor have discussed the provisions of Civil Code 1671 and the damages that may be incurred by Owner if the Work is not completed within the time specified in this Agreement. Owner and Contractor hereby represent that at the time of signing this Agreement, it is impracticable and extremely difficult to fix the actual damage that will be incurred by Owner if the Work is not completed within the number of calendar days allowed. Accordingly, Owner and Contractor agree that the sum of $500 per day is a reasonable sum to assess as damages to Owner by reason of the failure of Contractor to complete the Work within the time specified.

5. The Contractor agrees to perform all of the Work described in the Contract Documents and comply with the terms therein for the sum of **$32,922,000.00** or as shown in the Bid Schedule; subject to additions and deductions, if any, in accordance with said documents.

* Insert “a corporation”, “a partnership”, or “an individual”, as applicable.

Payment shall not be made more often than once each thirty (30) days. Final payment shall be made thirty-five (35) days subsequent to filing of Notice of Completion. Contractor may upon written request, and at his sole expense after approval by the Board of Directors, deposit substitute securities referenced in Government Code Section 16430, or bank or savings and loan certificates of deposit, as authorized by Public Contract Code Section 22300 in lieu of retention monies withheld to ensure performance.

6. The term "Contract Documents" means and includes the following:
   a. Advertisement for Bids
   b. Information for Bidders
   c. Bid
   d. Bid Bond
   e. Federal Provisions
   f. Agreement
   g. Payment Bond
   h. Contract Performance Bond
   i. Notice of Award
   j. Notice to Proceed
   k. Change Orders
   l. General Conditions
   m. Supplemental General Conditions
   n. Special Conditions and Detailed Technical Provisions
   o. Standard Drawings and Details
   p. Drawings prepared for Mission Springs Water District
   q. Addenda:

      No. 1, dated March 10, 2026

      No. 2, dated March 12, 2026

      No. 3, dated March 26, 2026

      No. 4, dated April 13, 2026

      No. 5, dated April 14, 2026

      No. 6, dated April 27, 2026

      No. 7, dated May 4, 2026

7. The Owner will pay to the Contractor in the manner and at such times as set forth in the General Conditions such amounts as required by the Contract Documents.

8. This Agreement shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.

CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND REGULATED BY THE CONTRACTORS' STATE LICENSE BOARD. ANY QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR,

CONTRACTORS' STATE LICENSE BOARD, 3132 BRADSHAW ROAD, POST OFFICE BOX 2600, SACRAMENTO, CALIFORNIA 95826.

9. Should any litigation or arbitration be commenced between the parties hereto concerning said project, any provision of this Contract, or the rights and obligations of either in relation thereto, the party, Owner or Contractor, prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for his attorney's fees in such litigation, and costs.

10. Pursuant to Section 1770, and following, of the California Labor Code, the successful bidder shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations. Copies of such prevailing rate of per diem wages are on file at the office of the Owner, which copies shall be made available to any interested party on request. The successful bidder shall post a copy of such determination at each job site.

11. This project is subject to the State of California "Prevailing Wage Rates". This project is subject to the requirements of California Labor Code Section 1720 et seq. requiring the payment of prevailing wages, the training of apprentices and compliance with other applicable requirements. In accordance with provisions of Section 1773 of the Labor Code, the Director of the Department of Industrial Relations has ascertained the general prevailing rate of wages and employer payments for health and welfare, pension, vacation, and similar purposes applicable to the particular craft, classification, or type of workers employed on the work. The wage determinations shall be included in the bid specifications. All pertinent wage determinations shall be posted on the jobsite.

    If federal funding is included in the project, the higher of the State and Federal wage rates shall be used.

    Pursuant to SB854, no contractor or subcontractor may work on a public works project unless registered with DIR for contracts awarded on/after April 1, 2015. General Contractors shall ensure all subcontractors executing work under the contract are DIR registered. All public works contractors and subcontractors to furnish Certified Payrolls and related records to the Agency’s representative and shall also furnish electronic certified payroll records directly to the Labor Commissioner using the DLSE’s online portal.

12. Any sub-tier Contracts resulting from this contract must contain the same contractual language as the original contract.

13. Contractor agrees to and shall indemnify and hold the Owner, its officers, employees and agents free and harmless from all claims, actions, damages and liabilities of whatsoever kind, nature or sort, arising from death, personal injury, property damage or other cause asserted or based upon any negligent act or omission of Contractor, its employees, agents, invitees, or any subcontractor of Contractor relating to or in any way connected with the accomplishment of the work or performance of services under this Agreement. As part hereto of the foregoing indemnity, Contractor agrees to protect and to defend at its own

expense, including attorney's fees, Owner and City of Desert Hot Springs, their officers, agents and employees from any and all legal action based upon any negligent acts or omissions of the Contractor.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement which shall be deemed an original on the date first above written.

OWNER:

MISSION SPRINGS WATER DISTRICT

By _____

Name Brian E. Macy, P.E.
(Please Type)

(SEAL)

ATTEST:

Title General Manager

_____

Name _____
(Please Type)

Title _____

CONTRACTOR:

_____

By _____

Name _____
(Please Type)

Address _____

_____

Contractor's License No. _____

CORPORATE CERTIFICATE

I, _____, certify that I am the _____ Secretary of the Corporation named as CONTRACTOR in the foregoing contract; that _____, who signed said contract on behalf of the CONTRACTOR was then _____ of said corporation; and that said contract was duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

_____

(SEAL)

ATTEST:

_____

Name _____
(Please Type)

Title _____

AGENDA STAFF REPORT

MEETING NAME: REGULAR BOARD MEETING

MEETING DATE: JULY 16, 2026

FROM: ERIC WECK, ENGINEERING MANAGER

FOR: ACTION

AWARD OF CONSTRUCTION INSPECTION CONTRACT WITH Z&K CONSULTANTS AND LANDMARK GEOTECHNICAL FOR THE CONSTRUCTION OF THE MSWD MAIN CAMPUS

STAFF RECOMMENDATION

It is recommended to authorize the General Manager to execute a Professional Services Agreement with Z&K Consultants for Construction Management services in an amount not to exceed $641,520; and authorize the General Manager to execute a Professional Services Agreement with Landmark Consultants, Inc. for Geotechnical Inspections in an amount not to exceed $250,000.00, with funding included in the FY 2026-27 Capital Improvement Program.

SUMMARY

Staff solicited scopes of work and fees for both the Construction Inspection and Geotechnical Inspection services for the construction of the MSWD Main Campus. Staff received a scope and fee (see Attachment 1 - Cost Proposal_ZK) from Z&K Consultants and determined that Z&K Consultants are best suited to provide specialty building inspection services. Staff also received a scope and fee (see Attachment 2 - Cost Proposal Landmark) from Landmark Consultants that currently is on the District's on-call consultant list. Landmark will perform the necessary compaction testing, concrete inspections, etc.

ANALYSIS AND FISCAL IMPACT

The new MSWD Main Campus will be located at the current corporate yard, and construction is expected to last a year and a half. The building construction, plumbing, structural and electrical inspections are necessary to ensure that the building is constructed to code. Staff have worked with both Z&K Consultants and Landmark Consultants, Inc. in the past and have had positive experiences with them.

BUDGET INFORMATION & STRATEGIC PLAN IMPLEMENTATION

Action Cost:	Current FY Cost:	Future FY Cost:	Funding Source	Acct/Project No.
$891,520	$400,000	$491,520	201-Water, 301-Sewer	11621
Covered in current FY budget?		**Adjustment Needed?**	**Current Balance:**	**Balance if Approved:**
Yes		No	$4,265,143	$3,373,623
Strategic Plan Goal Alignment:				
SMART Goal 4.1 -By September 2026, complete the construction of the MSWD Main Campus (formally Critical Services Center) which will foster increased collaboration, communication, and teamwork among employees working at one central location.				

ATTACHMENTS

Attachment 1 - Cost Proposal_ZK, Attachment 2 -Cost Proposal Landmark, Attachment 3 - Funding Analysis Consultants

AGREEMENT FOR PROFESSIONAL SERVICES BY INDEPENDENT CONTRACTOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE CRITICAL SERVICES CENTER PROJECT
PROJECT DIR # _____

THIS AGREEMENT FOR PROFESSIONAL SERVICES BY INDEPENDENT CONTRACTOR is made and effective as of **August 1, 2026,** by and between the MISSION SPRINGS WATER DISTRICT, a County Water DISTRICT ("DISTRICT") whose address is 66575 Second Street, Desert Hot Springs, CA 92240, California, and **Z&K Consultants**, *a California Corporation* whose address is **17130 Van Buren Blvd. #122, Riverside, CA 92504** ("CONTRACTOR").

RECITALS

This Agreement is entered into on the basis of the following facts, understandings and intentions of the parties to this Agreement:

A. DISTRICT desires to engage CONTRACTOR to provide the following services: **Construction Management and Inspection Services for the Critical Services Center Project**; and

B. CONTRACTOR has made a proposal ("Proposal") to the DISTRICT to provide such professional services, which Proposal is attached hereto as **Exhibit "A"** and incorporated herein by this reference; and

C. CONTRACTOR agrees to provide such services pursuant to, and in accordance with, the terms and conditions of this Agreement, and represents and warrants to DISTRICT that CONTRACTOR possesses the necessary skills, licenses, certifications, qualifications, personnel and equipment to provide such services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals and mutual covenants contained herein, DISTRICT and CONTRACTOR agree as follows:

1. Term of Agreement. This Agreement is effective as of the date first above written and shall continue until terminated as provided for herein. Notwithstanding anything in this Agreement to the contrary, this Agreement shall automatically terminate on **June 30, 2028,** unless extended by the parties with the approval of the General Manager or Board of Directors of the DISTRICT.

2. Services to be Performed. CONTRACTOR agrees to provide the services ("Services") contained in the Proposal. All Services shall be performed in the manner and according to the timeframe set forth in the Proposal. CONTRACTOR designates **Crystal Fraire** as CONTRACTOR'S professional(s) responsible for overseeing the Services provided by CONTRACTOR. DISTRICT designates the District General Manager, or his or her designee, to

act as the project manager ("Project Manager") in connection with the delivery of Services under this Agreement.

3. Associates and Subcontractors. CONTRACTOR may, at CONTRACTOR'S sole cost and expense, employ such competent and qualified independent associates, subcontractors and consultants as CONTRACTOR deems necessary to perform the Services; provided, however, that CONTRACTOR shall not subcontract any of the Services without the prior written consent of DISTRICT.

4. Compensation.

4.01 CONTRACTOR shall be paid at the rates set forth in the Proposal and shall not increase any rate without the prior written consent of the DISTRICT. Notwithstanding anything in this Agreement to the contrary, total fees and charges paid by DISTRICT to CONTRACTOR under this Agreement shall not exceed the amount of **$641,520.00**.

4.02 CONTRACTOR shall not be compensated for any Services rendered nor reimbursed for any expenses incurred in excess of those authorized unless approved in advance by the DISTRICT, in writing.

4.03 CONTRACTOR shall submit to DISTRICT, on or before the fifteenth (15^{th}) of each month, itemized invoices for the Services rendered in the previous month. The DISTRICT shall not be obligated to pay any invoice for services that are submitted more than sixty (60) days after the date such services were provided. DISTRICT shall have the right to review and audit all invoices prior to or after payment to CONTRACTOR. This review and audit may include, but not be limited to DISTRICT's:

a. Determination that any hourly fee charged is consistent with this Agreement's approved hourly rate schedule;

b. Determination that the multiplication of the hours billed times the approved rate schedule dollars is correct;

c. Determination that each item charged is the usual, customary, and reasonable charge for the particular item. If the DISTRICT determines an item charged is greater than usual, customary, or reasonable, or is duplicative, ambiguous, excessive, or inappropriate, DISTRICT shall either return the bill to CONTRACTOR with a request for explanation or adjust the payment accordingly and give notice to CONTRACTOR of the adjustment.

4.04 If the work is satisfactorily completed, DISTRICT shall pay such invoice within thirty (30) days of its receipt, or as reasonably soon after required certified payroll information is submitted to the DISTRICT, if applicable. Should DISTRICT dispute any portion of any invoice, DISTRICT shall pay the undisputed portion within the time stated above, and at the same time advise CONTRACTOR in writing of the disputed portion.

5. Obligations of CONTRACTOR.

5.01 CONTRACTOR agrees to perform all Services in accordance with the terms and conditions of this Agreement and the Proposal. In the event that the terms of the Proposal shall conflict with the terms of this Agreement or contain additional terms that purport to bind the DISTRICT other than the Services to be rendered and the hourly rate for the Services, the terms of this Agreement shall govern and said additional or conflicting terms shall be of no force or effect.

5.02 Except as otherwise agreed by the parties, CONTRACTOR will supply all personnel, materials and equipment required to perform the Services. CONTRACTOR shall provide its own offices, telephones, vehicles and computers and set its own work hours. CONTRACTOR will determine the method, details, and means of performing the Services under this Agreement.

5.03 CONTRACTOR shall keep DISTRICT informed as to the progress of the Services by means of regular and frequent consultations. Additionally, when requested by the DISTRICT, the CONTRACTOR shall prepare written status reports.

5.04 CONTRACTOR is responsible for paying, when due, all income and other taxes, fees and withholding, including withholding state and federal taxes, social security, unemployment and worker's compensation, incurred as a result of the compensation paid under this Agreement. CONTRACTOR agrees to indemnify, defend, and hold harmless DISTRICT for any claims, costs, losses, fees, penalties, interest, or damages suffered by DISTRICT resulting from CONTRACTOR's failure to comply with this provision.

5.05 In the event CONTRACTOR is required to prepare plans, drawings, specifications and/or estimates, the same shall be furnished in conformance with local, state and federal laws, rules and regulations.

5.06 CONTRACTOR represents that it possesses all required licenses necessary or applicable to the performance of Services under this Agreement and the Proposal and shall obtain and keep in full force and effect all permits and approvals required to perform the Services herein. In the event DISTRICT is required to obtain an approval or permit from another governmental entity, CONTRACTOR shall provide all necessary supporting documents to be filed with such entity.

5.07 CONTRACTOR shall be solely responsible for obtaining Employment Eligibility Verification information from CONTRACTOR's employees, in compliance with the Immigration Reform and Control Act of 1986, Pub. L. 99-603 (8 U.S.C. 1324a), and shall ensure that CONTRACTOR's employees are eligible to work in the United States.

5.08 In the event that CONTRACTOR employs, contracts with, or otherwise utilizes any CalPERS retirees in completing any of the Services performed hereunder, such instances shall be disclosed in advance to the DISTRICT and shall be subject to the DISTRICT's advance written approval.

5.09 Drug-free Workplace Certification. By signing this Agreement, the CONTRACTOR hereby certifies under penalty of perjury under the laws of the State of California that the CONTRACTOR will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code, Section 8350 et seq.) and will provide a drug-free workplace.

5.10 CONTRACTOR shall comply at its sole expense with all applicable local, state and federal laws, rules, regulations, entitlements and/or permits applicable to, or governing the Services authorized hereunder.

5.11 In the performance of this contract the CONTRACTOR shall comply with all applicable federal, state and local statutory and regulatory requirements including, but not limited to California Department of Industrial Relations (Cal/OSHA) regulations; and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act, related to their scope of work and operations. In case of conflict in regulations, the most stringent shall apply.

6. Insurance.

CONTRACTOR shall procure and maintain for the duration of this Agreement the following insurance coverage relating to the services provided under this Agreement by the CONTRACTOR.

a. Professional Liability Insurance. Choose and check one: Required ___ /Not Required ___; CONTRACTOR will file with DISTRICT, before beginning professional services, a certificate of insurance satisfactory to DISTRICT evidencing professional liability coverage of not less than $1,000,000 per occurrence and $2,000,000 annual aggregate.

b. Cyber Liability Insurance REQUIRED IF CHECKED HERE ONLY [___] (Technology Professional Liability – Errors and Omissions), with limits not less than $2,000,000 per occurrence, and $2,000,000 aggregate or the full per occurrence limits of the policies available, whichever is greater. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by CONTRACTOR in this Agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations. CONTRACTOR will file with DISTRICT, before beginning professional services, certificates of insurance (Acord Form 25 or equivalent) satisfactory to DISTRICT evidencing.

c. If Claims Made Policies (applies only to professional liability and cyber liability policies):

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 after completion of contract work.

d. Commercial General Liability (CGL) - Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 00 01) including products and completed operations, property damage, bodily injury, personal and advertising injury with limit of at least two million dollars ($2,000,000) per occurrence or the full per occurrence limits of the policies available, whichever is greater. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (coverage as broad as the ISO CG 25 03, or ISO CG 25 04 endorsement provided to DISTRICT), or the general aggregate limit shall be twice the required occurrence limit.

e. Automobile Liability - Insurance Services Office (ISO) Business Auto Coverage (Form CA 00 01), covering Symbol 1 (any auto) or if CONTRACTOR has no owned autos, Symbol 8 (hired) and 9 (non-owned) with limit of one million dollars ($1,000,000) for bodily injury and property damage each accident.

f. Workers' compensation (statutory limits) and employer's liability ($1,000,000) per accident for bodily injury or disease. CONTRACTOR is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and CONTRACTOR will comply with such provisions before commencing the performance of the professional services under this agreement. As required by the State of California, with Statutory Limits and Employer's Liability Insurance of no less than $1,000,000 per accident for bodily injury or disease.

g. Verification of Coverage – CONTRACTOR shall furnish the DISTRICT with certificates and amendatory endorsements, or copies of the applicable policy language effecting coverage required by this clause copies of which are attached hereto as **Exhibit "B"**. 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 require complete, certified copies of all required insurance policies, including policy Declaration pages and Endorsement pages. CONTRACTOR shall provide new certificates of insurance prior to the expiration of any existing certificate of insurance.

h. Required Provisions –

- CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all requirements stated herein and provide proof of such insurance to DISTRICT, if requested. CONTRACTOR shall ensure that DISTRICT its directors, officers, employees, contractors, subcontractors and authorized volunteers are an additional insured on Commercial General Liability Coverage. CONTRACTOR shall provide certificates of insurance to the DISTRICT as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by DISTRICT's risk manager prior to commencement of performance. Current insurance certification shall be kept on file with DISTRICT at all times during the term of this contract. DISTRICT reserves the right to require complete, certified copies of all required insurance policies, at any time. CONTRACTOR shall maintain such coverage continuously for a period of at least five (5) years after the completion of the contract work.

- Waiver of Subrogation: The insurer(s) shall agree to waive all rights of subrogation against the DISTRICT, its elected or appointed officers, officials, agents, authorized volunteers, and employees for losses paid under the terms of the policy which arise from work performed by the named insured for the DISTRICT; but this provision applies regardless of whether or not the DISTRICT has received a waiver of subrogation from the insurer. Sole proprietors with no employees, LLCs, or partnerships who do not carry workers' compensation acknowledge that they are not subject to the Workers' Compensation Act of the State of California and agree to complete a signed workers compensation exemption form.

- The liability coverage shall give DISTRICT, its directors, officers, employees (collectively the DISTRICT), and authorized volunteers insured status (via ISO endorsement at least as broad as CG 20 10 10 01 or CG 20 10 07 04 specifically naming the DISTRICT, its directors, officers, employees, or authorized volunteers; or using the language that states "as required by written contract."

- The liability coverage is to state or be endorsed (with as broad as ISO endorsement CG 20 01 04 13) to state "such insurance shall be primary and any insurance, self-insurance or other coverage maintained by Mission Springs Water DISTRICT, its directors, officers, employees, or authorized volunteers shall not contribute to it".

- All coverage is to be placed with a carrier with an A.M. Best rating of no less than A: VII, or equivalent.

- The coverage shall contain no special limitations on the scope of protection afforded to DISTRICT, its directors, officers, employees, or authorized volunteers. If the CONTRACTOR maintains broader coverage and/or higher limits than the minimums shown above, the DISTRICT requires and shall be entitled to the broader coverage and/or higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the DISTRICT.

- If any of the required coverages expire or are cancelled during the term of this agreement, the CONTRACTOR shall deliver the renewal certificate(s) to DISTRICT at least ten (10) days prior to the expiration or cancellation date and shall obtain replacement insurance with

the same coverage prior to such expiration.

• Self-Insurance is not acceptable or permitted for any insurance coverage required under this Agreement.

• Self-Insured Retentions - Self-insured retentions must be declared to and approved by the DISTRICT in writing. The DISTRICT may require the CONTRACTOR to provide proof of the ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or DISTRICT.

7. Indemnification.

7.01 CONTRACTOR and DISTRICT agree that DISTRICT, its employees, agents and officials should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, defense costs, court costs or any other costs arising out of or in any way related to the performance of this Agreement by CONTRACTOR or any subcontractor or agent of either as set forth herein. Accordingly, the provisions of this indemnity are intended by the parties to be interpreted and construed to provide the fullest protection possible under the law to DISTRICT. CONTRACTOR acknowledges that DISTRICT would not enter into this Agreement in the absence of the commitment of CONTRACTOR to indemnify and protect DISTRICT as set forth herein.

a. To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless DISTRICT, its employees, agents and officials, from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, damages or costs of any kind, whether actual, alleged or threatened, actual attorneys' fees incurred by DISTRICT, court costs, interest, defense costs, including expert witness fees and any other costs or expenses of any kind whatsoever without restriction or limitation incurred in relation to, as a consequence of or arising out of, or in any way attributable actually, allegedly or impliedly, in whole or in part to the performance of this Agreement. CONTRACTOR's obligation to defend, indemnify and hold harmless shall include any and all claims, suits and proceedings in which CONTRACTOR (and/or CONTRACTOR's agents and/or employees) is alleged to be an employee of DISTRICT. All obligations under this provision are to be paid by CONTRACTOR as they are incurred by DISTRICT.

b. Without affecting the rights of DISTRICT under any provision of this Agreement or this Section, CONTRACTOR shall not be required to indemnify and hold harmless DISTRICT as set forth above for liability attributable solely to the fault of DISTRICT, provided such fault is determined by agreement between the parties or the findings of a court of competent jurisdiction.

7A. Indemnification Design Professionals.

7A.01 In the event that CONTRACTOR is a design professional under California Civil Code Section 2782.8 this Section 7A shall apply instead of Section 7. To the fullest extent permitted by California law and in accordance with California Civil Code section 2782.8, CONTRACTOR shall indemnify, and hold harmless the DISTRICT, its officers, employees, trustees and members ("Indemnified Parties") from any and all actions, assessments, counts, citations, claims, costs, damages, demands, judgments, liabilities (legal, administrative or otherwise), losses, notices, expenses, fines, penalties, proceedings, responsibilities, violations, attorney's and consultants' fees and causes of action including, but not limited to those for, injury to property or persons, including personal injury and/or death ("Claim(s)"), to the extent that the Claim(s) arises out of, pertains to, or relates to the negligence, recklessness, or willful misconduct of CONTRACTOR, its directors, officials, officers, employees and consultants arising out of, connected with, or resulting from the performance of the Services, the Project, or this Agreement. This indemnity excludes liability caused by the negligence or willful misconduct of any of the Indemnified Parties. The cost to indemnify, hold harmless, and defend charged to CONTRACTOR shall not exceed CONTRACTOR'S proportionate percentage of fault.

8. Additional Services, Changes and Deletions.

8.01 In the event CONTRACTOR performs additional or different services than those described herein without the prior written approval of the Project Manager of the DISTRICT, CONTRACTOR shall not be compensated for such services. CONTRACTOR expressly waives any right to be compensated for services and materials not covered by the scope of this Agreement or authorized by the DISTRICT in writing.

8.02 CONTRACTOR shall promptly advise the Project Manager and as soon as reasonably practicable upon gaining knowledge of a condition, event or accumulation of events which may affect the scope and/or cost of Services. All proposed changes, modifications, deletions and/or requests for additional services shall be reduced to writing for review and approval by the DISTRICT and/or Board of Directors.

9. Termination of Agreement.

9.01 Notwithstanding any other provision of this Agreement, DISTRICT, at its sole option, may terminate this Agreement with or without cause, or for no cause, at any time by giving twenty (20) days' written notice to CONTRACTOR.

9.02 In the event of termination, the payment of monies due CONTRACTOR for undisputed Services performed prior to the effective date of such termination shall be paid within thirty (30) business days after receipt of an invoice as provided in this Agreement. Immediately upon termination, CONTRACTOR agrees to promptly provide and deliver to DISTRICT all original documents, reports, studies, plans, specifications and the like which are in the possession or control of CONTRACTOR and pertain to DISTRICT.

10. Status of CONTRACTOR.

10.01 CONTRACTOR shall perform the Services in CONTRACTOR's own way as an independent contractor, and in pursuit of CONTRACTOR's independent calling, and not as an employee of DISTRICT. However, CONTRACTOR shall regularly confer with DISTRICT's Project Manager as provided for in this Agreement.

10.02 CONTRACTOR agrees that it is not entitled to the rights and benefits afforded to DISTRICT's employees, including disability or unemployment insurance, workers' compensation, retirement, CalPERS, medical insurance, sick leave, or any other employment benefit. CONTRACTOR is responsible for providing, at its own expense, disability, unemployment, workers' compensation and other insurance, training, permits, and licenses for itself and its employees and subcontractors.

10.03 CONTRACTOR hereby specifically represents and warrants to DISTRICT that it possesses the qualifications and skills necessary to perform the Services under this Agreement in a competent, professional manner, without the advice or direction of DISTRICT and that the Services to be rendered pursuant to this Agreement shall be performed in accordance with the standards customarily applicable to an experienced and competent professional rendering the same or similar services in the same geographic area where the DISTRICT is located. Further, CONTRACTOR represents and warrants that the individual signing this Agreement on behalf of CONTRACTOR has the full authority to bind CONTRACTOR to this Agreement.

11. Ownership of Documents; Audit.

11.01 All draft and final reports, plans, drawings, studies, maps, photographs, specifications, data, notes, manuals, warranties and all other documents of any kind or nature prepared, developed or obtained by CONTRACTOR in connection with the performance of Services performed for the DISTRICT shall become the sole property of DISTRICT, and CONTRACTOR shall promptly deliver all such materials to DISTRICT upon request. At the DISTRICT's sole discretion, CONTRACTOR may be permitted to retain original documents, and furnish reproductions to DISTRICT upon request, at no cost to DISTRICT.

11.02 Subject to applicable federal and state laws, rules and regulations, DISTRICT shall hold all intellectual property rights to any materials developed pursuant to this Agreement. CONTRACTOR shall not such use data or documents for purposes other than the performance of this Agreement, nor shall CONTRACTOR release, reproduce, distribute, publish, adapt for future use or any other purposes, or otherwise use, any data or other materials first produced in the performance of this Agreement, nor authorize others to do so, without the prior written consent of DISTRICT.

11.03 CONTRACTOR shall retain and maintain, for a period not less than four years following termination of this Agreement, all-time records, accounting records and vouchers and all other records with respect to all matters concerning Services performed, compensation paid, and expenses reimbursed. At any time during normal business hours and as often as DISTRICT may deem necessary, CONTRACTOR shall make available to

DISTRICT's agents for examination of all of such records and shall permit DISTRICT's agents to audit, examine and reproduce such records.

12. Miscellaneous Provisions.

12.01 This Agreement, which includes all attached exhibits, supersedes any and all previous agreements, either oral or written, between the parties hereto with respect to the rendering of Services by CONTRACTOR for DISTRICT and contains all of the covenants and agreements between the parties with respect to the rendering of such Services in any manner whatsoever. Any modification of this Agreement will be effective only if it is in writing signed by both parties.

12.02 CONTRACTOR shall not assign or otherwise transfer any rights or interest in this Agreement without the prior written consent of DISTRICT. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

12.03 CONTRACTOR shall timely file FPPC Form 700 Conflict of Interest Statements with DISTRICT if required by California law and/or the DISTRICT's conflict of interest policy.

12.04 If any legal action or proceeding, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs, in addition to any other relief to which that party may be entitled.

12.05 This Agreement is made, entered into and shall be performed in the County of Riverside in the State of California and shall in all respects be interpreted, enforced and governed under the laws of the State of California. The parties agree that the venue in any litigation between them shall be in Riverside County, California.

12.06 CONTRACTOR covenants that neither it nor any officer or principal of its firm has any interest, nor shall they acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of their Services hereunder. CONTRACTOR further covenants that in the performance of this Agreement, no person having such interest shall be employed by it as an officer, employee, agent, or subcontractor.

12.07 CONTRACTOR has read and is aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the Government Code relating to conflicts of interest of public officers and employees. CONTRACTOR agrees that they are unaware of any financial or economic interest of any public officer or employee of the DISTRICT relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement, the DISTRICT may immediately terminate this Agreement by giving notice thereof. CONTRACTOR shall comply with the requirements of Government Code section 87100 et seq. and section 1090 in the performance of and

during the term of this Agreement.

12.08 Improper Consideration. CONTRACTOR shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, services, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the DISTRICT in an attempt to secure favorable treatment regarding this Agreement or any contract awarded by DISTRICT. The DISTRICT, by notice, may immediately terminate this Agreement if it determines that any improper consideration as described in the preceding sentence was offered to any officer, employee or agent of the DISTRICT with respect to the proposal and award process of this Agreement or any DISTRICT contract. This prohibition shall apply to any amendment, extension or evaluation process once this Agreement or any DISTRICT contract has been awarded. The CONTRACTOR shall immediately report any attempt by any DISTRICT officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from CONTRACTOR.

12.09 Severability. If any portion of this Agreement is declared invalid, illegal or otherwise unenforceable by a court of competent jurisdiction, the entire balance of this Agreement not so affected shall remain in full force and effect.

[signatures on following page]

IN WITNESS WHEREOF, the parties hereby have made and executed this Agreement to be effective as of the day and year first above written.

DISTRICT:	**CONTRACTOR:**
MISSION SPRINGS WATER DISTRICT	Z&K CONSULTANTS, INC.
By: _____	By: _____
Print Name _____	Print Name _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT "A"

PROPOSAL

(insert behind this page)



Mission Springs Water District Inspection Services for the Critical Services Center & HWWTP Percolation Ponds Project

May 28, 2026



1. Cover Letter

1. Cover Letter

May 28, 2026

Daniel Virgen, Jr., *Associate Engineer*
Mission Springs Water District
66575 Second Street, Desert Hot Springs, CA 92240

Subject: Proposal Inspection Services for the Critical Services Center and Horton Wastewater Treatment Plant (HWWTP) Percolation Ponds Modification Project

Dear Mr. Virgen, Jr.,

Z&K Consultants, Inc. is pleased to submit this proposal to provide construction inspection services for the Critical Services Center and Horton Wastewater Treatment Plant Percolation Ponds Modification Project. We appreciate the opportunity to support Mission Springs Water District on this important capital improvement project and are confident our team possesses the qualifications, technical expertise, and utility infrastructure experience necessary to successfully support project delivery.

The project's combination of new headquarters and operations facilities, site development improvements, utility infrastructure, waterline improvements, roadway improvements, and wastewater facility enhancements aligns well with Z&K's experience providing inspection services for public facilities, water and wastewater infrastructure, utility improvements, and municipal capital projects throughout Southern California.

Z&K has extensive experience supporting public agencies with construction inspection services on projects involving vertical construction, utility infrastructure, treatment facilities, roadway improvements, and complex multi-disciplinary improvements. Our inspectors understand the importance of maintaining project quality while facilitating efficient project delivery through proactive communication, thorough documentation, and close coordination with contractors, designers, utility providers, and agency staff. Our team is committed to protecting the District's interests by ensuring all work is performed in accordance with approved plans, specifications, applicable codes, and industry standards.

To support the District, Z&K proposes two highly qualified Senior Construction Inspectors: Zack Faqih, PE, QSD/QSP, ICC, CBO, MSCE, and Saul J. Cruz, ICC, ACI, DSA. Zack brings more than 36 years of construction and inspection experience involving public facilities, water and wastewater systems, utility infrastructure, treatment facilities, roadway improvements, and complex multi-disciplinary projects. Saul is a highly qualified Senior Construction Inspector with extensive DSA, ICC, AWS, and ACI certifications and experience providing special inspection, quality assurance, testing coordination, and construction compliance services on complex public facility and utility infrastructure projects. Together, they provide the District with experienced inspection professionals capable of supporting all aspects of the Critical Services Center and Horton Wastewater Treatment Plant Percolation Ponds Modification Project.

Our team understands the importance of maintaining quality, safety, schedule adherence, and regulatory compliance throughout the 548-day construction duration. Z&K's inspectors are experienced in contractor coordination, documentation, testing and inspection coordination, verification of compliance with plans and specifications, review of contractor work for quality and conformance, and proactive communication with project stakeholders to support successful project completion. We recognize that this project includes critical facility construction, utility improvements, roadway work, treatment facility improvements, and active operational environments requiring careful coordination and consistent inspection presence throughout construction.

Crystal Fraire, PE, President (Principal-in-Charge), will serve as Z&K's principal point of contact for this proposal and is authorized to legally bind the firm in contractual matters. ***We appreciate your consideration and look forward to the opportunity to assist Mission Springs Water District with this important project.***

Sincerely,

Crystal Fraire, PE, *President (Principal-in-Charge)*
17130 Van Buren Blvd. #122, Riverside, CA 92504
Phone: (951) 310-7470 | Fax: N/A
Email: cfraire@zandkconsultants.com



2. Qualifications of Personnel

Zack Faqih, PE, QSD/QSP, ICC, CBO, MSCE

Senior Construction Inspector



PROFESSIONAL REGISTRATION
» Professional Engineer, P.E. State of California, C57958
» SWPPP (QSD) & (QSP) Certificate # 22055

EDUCATION
» MSCE - Structures Cal State Fullerton 2005
» BSCE - Civil /Transportation Cal State LA 1985

CERTIFICATIONS
» ICC Certified Accessibility Inspector/Plans Examiner
» ICC Certified Building Official
» ICC Certified Plans Examiner
» ICC Certified Mechanical Inspector
» ICC Certified Plumbing Inspector
» ICC Certified Electrical Inspector
» OSHA 30 Hour
» State Certified HERS Rater
» Certified Emergency Inspector
» C.G.B.P Certified Green Building Inspector
» Certified Special Inspector for Fire Proofing
» Certified Special Inspector for Structural Welding
» Certified Special Inspector for Structural Steel
» Certified Special Inspector for Reinforced Concrete

Zack Faqih is a Senior Construction Inspector with more than 36 years of experience managing the construction and inspection of public infrastructure and facility projects throughout Southern California. As a licensed Professional Engineer, Certified Building Official, and ICC-certified professional, Zack possesses expertise in construction management, contractor coordination, quality assurance, schedule oversight, submittal and RFI management, utility coordination, and regulatory compliance.

His background includes administration buildings, utility infrastructure, water and wastewater facilities, roadway improvements, and municipal capital projects. Zack's extensive experience overseeing multi-disciplinary construction efforts makes him well-suited to support the Mission Springs Water District Critical Services Center and Horton Wastewater Treatment Plant Percolation Ponds Modification Project.

Representative Project Experience

Long Beach Utilities Department, EO-3500 TP Lab & Operations Building HVAC System | As Senior Construction Inspector, Zack provided inspection oversight for HVAC system improvements within a treatment plant laboratory and operations building. His responsibilities included monitoring construction activities, verifying compliance with plans and specifications, coordinating testing and inspection services, reviewing contractor work for quality and conformance, and documenting project progress. This experience is directly relevant to the Mission Springs Water District Critical Services Center, which includes administration and operations facilities requiring inspection of complex building systems.

Long Beach Utilities Department, EO-3687 GWTP Booster Pump Station Rehabilitation | Zack provided inspection services for rehabilitation improvements at a groundwater treatment plant booster pump station. His responsibilities included verifying compliance with project requirements, coordinating testing and special inspections, documenting construction activities, monitoring contractor performance, and ensuring quality control throughout construction. This experience provides valuable knowledge of utility facility improvements and water infrastructure systems similar to those included in the Mission Springs Water District program.

Long Beach Utilities Department, Phase 2 GWTP Treatment Plant Filter Gallery Valve Rehabilitation | As Senior Construction Inspector, Zack performed inspection and quality assurance services for rehabilitation improvements within an active groundwater treatment facility. His responsibilities included monitoring construction activities, documenting project progress, coordinating testing and inspection services, and verifying compliance with plans, specifications, and applicable standards. The project required close coordination within an operating treatment facility while maintaining construction quality and operational continuity.

Long Beach Utilities Department, S-8 Lift Station Rehabilitation Project | Zack provided inspection services for rehabilitation improvements at an existing wastewater lift station. His responsibilities included construction observation, verification of contractor compliance with project requirements, coordination of testing and inspection activities, documentation of field conditions, and monitoring construction quality. This experience is directly applicable to the Horton Wastewater Treatment Plant Percolation Ponds Modification component of the Mission Springs Water District project due to its wastewater infrastructure and utility facility elements.

City of South Gate, Hollydale Community Park Community Building Project | As Senior Construction Inspector, Zack provided inspection services for the construction of a new ground-up community building and associated site improvements at Hollydale Community Park. His responsibilities included monitoring construction activities, verifying compliance with plans and specifications, coordinating testing and inspection services, documenting project progress, and ensuring quality control throughout construction. The project included building construction, utility improvements, site development, ADA-compliant features, hardscape, and landscape improvements requiring close coordination among contractors, consultants, and City staff. This experience is directly relevant to the Mission Springs Water District Critical Services Center due to its combination of vertical construction, site improvements, utility infrastructure, and public facility development.

Elsinore Valley Municipal Water District, Highway 74 El Cariso Water Improvements | Zack provided inspection services for water system improvements associated with transmission and distribution infrastructure within the Highway 74 corridor. His responsibilities included construction observation, verification of contractor compliance, coordination of testing activities, documentation of field conditions, and monitoring construction quality. The project involved utility installation within an active roadway environment and required coordination among contractors, utility providers, and agency stakeholders. This experience is directly applicable to the waterline and roadway improvement elements of the Mission Springs Water District project.

City of Norwalk, Water Main Replacement Project | As Senior Construction Inspector, Zack provided inspection oversight for replacement of existing water main infrastructure and related utility improvements. His responsibilities included monitoring contractor activities, coordinating testing and inspection services, documenting project progress, and verifying compliance with project requirements. The project involved underground utility construction, trenching, water system improvements, and roadway restoration activities similar to those included in the Mission Springs Water District program.

City of El Segundo, El Segundo Boulevard Improvement Project | Zack provided inspection services for roadway and utility improvements along El Segundo Boulevard. His responsibilities included construction observation, quality assurance, coordination of testing and inspection activities, documentation of project progress, and verification of contractor compliance with plans and specifications. The project included public roadway improvements, utility coordination, pavement restoration, and infrastructure enhancements, providing experience directly applicable to the Park Lane street improvement component of the Mission Springs Water District Critical Services Center project.

City of Corona, WRF 2 MCC Project | As Senior Construction Inspector, Zack provided inspection services for electrical improvements associated with the Water Reclamation Facility No. 2 Motor Control Center (MCC) Project. His responsibilities included monitoring construction activities, verifying compliance with plans and specifications, coordinating testing and startup activities, documenting project progress, and ensuring quality control throughout construction. The project involved electrical infrastructure improvements within an active treatment facility, requiring close coordination among contractors, utility operations staff, and project stakeholders. This experience is directly relevant to the Mission Springs Water District Critical Services Center due to its electrical systems, utility infrastructure, and operational facility components.

City of Corona, WRF 1 Static & Flash Mixer Project | Zack provided inspection oversight for treatment process improvements at Water Reclamation Facility No. 1 involving static and flash mixer systems. His responsibilities included construction observation, verification of contractor compliance, coordination of testing and inspection activities, documentation of field conditions, and monitoring construction quality. The project required coordination of mechanical, electrical, and process-related improvements within an active treatment facility environment, providing experience applicable to the utility and facility infrastructure elements of the Mission Springs Water District program.

Saul J. Cruz, ICC, ACI, DSA

Senior Construction Inspector



PROFESSIONAL REGISTRATION
» DSA Class II Project Inspector #6228
» DSA Shotcrete Inspector #6176
» DSA Masonry Inspector #6023
» AWS Certified Welding Inspector #16060251

CERTIFICATIONS
» ICC Master of Special Inspections
» ICC Structural Steel Inspector
» ICC Structural Steel & Bolting Inspector
» ICC Reinforced Concrete Inspector
» ICC Prestressed/Post-Tensioned Concrete Inspector
» ICC Fireproofing Inspector
» ICC Mechanical Inspector
» ACI Masonry Inspector #1322996
» ACI Field Technician #1322996
» ACI Post-Installed Anchor Inspector #1322996
» PCI Plant Inspector #17142
» LADBS Steel Construction Inspector
» San Diego Deputy Inspector (Concrete, Masonry, Steel)

Saul J. Cruz is a Senior Construction Inspector with extensive experience providing DSA inspection, special inspection, materials testing oversight, and construction quality assurance services for public facilities throughout Southern California. As a DSA Class II Project Inspector, AWS Certified Welding Inspector, and ICC Master of Special Inspections, he possesses expertise in structural steel, reinforced concrete, masonry, welding, shotcrete, post-installed anchors, fireproofing, and mechanical systems. His background in quality assurance, code compliance, testing coordination, and construction documentation makes him well-suited to support the Mission Springs Water District Critical Services Center and Horton Wastewater Treatment Plant Percolation Ponds Modification Project.

Representative Project Experience

Antelope Valley College District, Cedar Hall and Mesquite Hall Improvements ($47M) | Saul Cruz served as Special Inspector and Project Supervisor for the construction of a new three-story classroom facility, entry canopy improvements, and associated site development. His responsibilities included inspection of structural steel fabrication and erection, field welding, high-strength bolting, and verification of compliance with DSA requirements, project specifications, and applicable building codes. Saul coordinated testing and inspection activities, maintained quality assurance documentation, and worked closely with contractors and project stakeholders to ensure successful project delivery.

Southwestern Community College District, Student Union Building and Solar Improvements ($79M) | As Special Inspector and Project Supervisor, Saul provided inspection oversight for construction of a new Student Union Building and rooftop solar installation. His responsibilities included structural steel inspection, field welding, high-strength bolting, post-tensioning, post-installed anchors, and coordination of special inspections. Saul ensured construction activities met project requirements, maintained detailed inspection records, and supported successful delivery of this large-scale educational facility.

Eastern Municipal Water District, San Jacinto Valley Groundwater Treatment Facility | Saul is providing inspection services for this major water infrastructure improvement project. His responsibilities include monitoring construction activities, verifying compliance with plans and specifications, coordinating testing and inspection services, documenting project progress, and ensuring quality control throughout construction. This project provides direct experience with water utility facilities and infrastructure systems similar to those included in the Mission Springs Water District program.

Orange County Sanitation District, Digesters Rehabilitation at Plant No. 2 | Saul provided inspection services for the rehabilitation of existing wastewater treatment plant digesters, including repairs to digester domes, walls, bridges, hot water piping systems, electrical motor control centers, and associated safety improvements. His work involved inspection of structural, mechanical, and utility improvements within an active wastewater treatment facility while ensuring compliance with project specifications, safety requirements, and quality standards.



3. Experience Relative to District Needs/References

3. Experience Relative to District Needs/References

The following projects demonstrate Z&K Consultants' experience providing construction inspection services for public facilities, utility infrastructure, water and wastewater treatment facilities, electrical system improvements, roadway improvements, and complex multi-disciplinary capital improvement projects.

City of South Gate, Hollydale Community Park Community Building Project | The Hollydale Community Park Community Building Project involved the construction of a new ground-up community building and comprehensive site improvements designed to enhance recreational and community services for City residents. Improvements included construction of the new building, utility infrastructure installation, grading, ADA-compliant access improvements, hardscape features, landscaping, irrigation systems, site lighting, and related park enhancements. The project required extensive coordination among contractors, utility providers, consultants, and City staff to maintain project quality, schedule, and compliance with applicable codes and standards. The combination of vertical construction, utility improvements, and site development activities makes this project highly comparable to the Mission Springs Water District Critical Services Center.

Reference: Elias Saikaly, PE, *Project Manager*, (323) 563-9581, esaikaly@sogate.org, 8650 California Avenue, South Gate, CA 90280

City of Corona, WRF 2 MCC Project | The Water Reclamation Facility No. 2 Motor Control Center (MCC) Project involved electrical infrastructure improvements supporting critical wastewater treatment operations. The project included upgrades and modifications to electrical distribution systems, motor control equipment, control systems, startup and testing activities, and related facility infrastructure improvements necessary to support reliable plant operations. Construction activities were performed within an active treatment facility environment and required careful coordination to maintain operational continuity while implementing electrical system upgrades. The project demonstrates experience with treatment facility infrastructure, electrical systems, utility operations, contractor coordination, testing, commissioning, and quality assurance procedures similar to those required for the Mission Springs Water District project.

Reference: Aftab Hussain, *Project Manager,* (909) 202-5981, aftab.hussain@coronaca.gov, 755 Public Safety Way, Corona, CA 92878

City of El Segundo, El Segundo Boulevard Improvement Project | The El Segundo Boulevard Improvement Project consisted of roadway rehabilitation and utility infrastructure improvements along a major City transportation corridor. Improvements included pavement rehabilitation, utility adjustments, underground infrastructure coordination, traffic control implementation, pedestrian accessibility enhancements, striping, signage, and restoration of impacted public improvements. The project required significant coordination among contractors, utility providers, City staff, businesses, and the traveling public to maintain access and minimize construction impacts. The combination of roadway improvements, utility coordination, public infrastructure enhancements, and work within an active public right-of-way provides experience directly applicable to the Park Lane waterline and street improvement components of the Mission Springs Water District Critical Services Center project.

Reference: Cheryl Ebert, *City Engineer*, (310) 524-2321, cebert@elsegundo.org, 350 Main Street, El Segundo, CA 90245

Long Beach Utilities Department, Phase 2 GWTP Treatment Plant Filter Gallery Valve Rehabilitation | The Phase 2 GWTP Treatment Plant Filter Gallery Valve Rehabilitation Project involved improvements to critical groundwater treatment facility infrastructure within an active operating treatment plant. Improvements included rehabilitation and replacement of treatment process components, valve systems, utility infrastructure, and related facility improvements necessary to maintain reliable system operations. Construction activities required careful coordination with facility operations staff, contractors, and stakeholders to maintain uninterrupted treatment plant operations while completing the work safely and efficiently. The project demonstrates experience with active utility facilities, treatment systems, utility infrastructure, and multi-disciplinary construction activities similar to those included in the Mission Springs Water District program.

Reference: Dennis Santos, *Manager of Engineering*, (562) 570-2381, dennis.santos@lbwater.org, 1800 East Wardlow Road Long Beach, CA 90807

Cost Proposal

June 30, 2026

Daniel Virgen, Jr., *Associate Engineer*
Mission Springs Water District
66575 Second Street, Desert Hot Springs, CA 92240

Subject: Cost Proposal Inspection Services for the Critical Services Center and Horton Wastewater Treatment Plant (HWWTP) Percolation Ponds Modification Project

Dear Mr. Virgen, Jr.,

Z&K Consultants, Inc. proposes to provide construction inspection services for the Mission Springs Water District Critical Services Center and Horton Wastewater Treatment Plant (HWWTP) Percolation Ponds Modification Project on an hourly, as-needed basis in accordance with the attached rate schedule.

The District may utilize either Zack Faqih, PE, QSD/QSP, ICC, CBO, MSCE, or Saul J. Cruz, ICC, ACI, DSA, to provide inspection services based on project needs, availability, and District preferences. Services will be invoiced based on actual hours worked at the rates identified in the attached fee schedule.

All services will be performed only upon authorization by Mission Springs Water District. Travel within the project area, standard office support, routine communications, documentation, and inspection reporting are included in the proposed hourly rates unless otherwise requested by the District.

This proposal shall remain valid for a period of ninety (90) days from the date of submission.

Cost Proposal for Inspection Services for Critical Services Center and Horton Wastewater Treatment Plant (HWWTP) Percolation Ponds Modification Project		
Classification	**Senior Construction Inspector $198/Hour**	**Total**
Pre-Construction	**40**	**$7,920.00**
Construction	**3,160**	**$625,680.00**
Close-out	**40**	**$7,920.00**
Total	**3,240 Hours**	**$641,520.00**

Sincerely,

Crystal Fraire, PE, *President (Principal-in-Charge)*
17130 Van Buren Blvd. #122, Riverside, CA 92504
Phone: (951) 310-7470 | Fax: N/A
Email: cfraire@zandkconsultants.com

EXHIBIT "B"

CERTIFICATES OF INSURANCE AND ENDORSEMENTS

(insert behind this page)

AGREEMENT FOR PROFESSIONAL SERVICES BY INDEPENDENT CONTRACTOR TESTING SERVICES FOR CONSTRUCTION OF CRITICAL SERVICES CENTER PROJECT DIR # _____

THIS AGREEMENT FOR PROFESSIONAL SERVICES BY INDEPENDENT CONTRACTOR is made and effective as of **August 1, 2026,** by and between the MISSION SPRINGS WATER DISTRICT, a County Water DISTRICT ("DISTRICT") whose address is 66575 Second Street, Desert Hot Springs, CA 92240, California, and **Landmark Consultants, Inc.**, *a California Corporation* whose address is **77948 Wildcat Drive, Palm Desert. CA 92211** ("CONTRACTOR").

RECITALS

This Agreement is entered into on the basis of the following facts, understandings and intentions of the parties to this Agreement:

A. DISTRICT desires to engage CONTRACTOR to provide the following services: **Testing Services for Construction of Critical Services Center Project**; and

B. CONTRACTOR has made a proposal ("Proposal") to the DISTRICT to provide such professional services, which Proposal is attached hereto as **Exhibit "A"** and incorporated herein by this reference; and

C. CONTRACTOR agrees to provide such services pursuant to, and in accordance with, the terms and conditions of this Agreement, and represents and warrants to DISTRICT that CONTRACTOR possesses the necessary skills, licenses, certifications, qualifications, personnel and equipment to provide such services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals and mutual covenants contained herein, DISTRICT and CONTRACTOR agree as follows:

1. Term of Agreement. This Agreement is effective as of the date first above written and shall continue until terminated as provided for herein. Notwithstanding anything in this Agreement to the contrary, this Agreement shall automatically terminate on **June 30, 2028,** unless extended by the parties with the approval of the General Manager or Board of Directors of the DISTRICT.

2. Services to be Performed. CONTRACTOR agrees to provide the services ("Services") contained in the Proposal. All Services shall be performed in the manner and according to the timeframe set forth in the Proposal. CONTRACTOR designates **Greg Chandra** as CONTRACTOR'S professional(s) responsible for overseeing the Services provided by CONTRACTOR. DISTRICT designates the District General Manager, or his or her designee, to act as the project manager ("Project Manager") in connection with the delivery of Services under this Agreement.

3. Associates and Subcontractors. CONTRACTOR may, at CONTRACTOR'S sole cost and expense, employ such competent and qualified independent associates, subcontractors and consultants as CONTRACTOR deems necessary to perform the Services; provided, however, that CONTRACTOR shall not subcontract any of the Services without the prior written consent of DISTRICT.

4. Compensation.

4.01 CONTRACTOR shall be paid at the rates set forth in the Proposal and shall not increase any rate without the prior written consent of the DISTRICT. Notwithstanding anything in this Agreement to the contrary, total fees and charges paid by DISTRICT to CONTRACTOR under this Agreement shall not exceed the amount of **$250,000.00**.

4.02 CONTRACTOR shall not be compensated for any Services rendered nor reimbursed for any expenses incurred in excess of those authorized unless approved in advance by the DISTRICT, in writing.

4.03 CONTRACTOR shall submit to DISTRICT, on or before the fifteenth (15^{th}) of each month, itemized invoices for the Services rendered in the previous month. The DISTRICT shall not be obligated to pay any invoice for services that are submitted more than sixty (60) days after the date such services were provided. DISTRICT shall have the right to review and audit all invoices prior to or after payment to CONTRACTOR. This review and audit may include, but not be limited to DISTRICT's:

a. Determination that any hourly fee charged is consistent with this Agreement's approved hourly rate schedule;

b. Determination that the multiplication of the hours billed times the approved rate schedule dollars is correct;

c. Determination that each item charged is the usual, customary, and reasonable charge for the particular item. If the DISTRICT determines an item charged is greater than usual, customary, or reasonable, or is duplicative, ambiguous, excessive, or inappropriate, DISTRICT shall either return the bill to CONTRACTOR with a request for explanation or adjust the payment accordingly and give notice to CONTRACTOR of the adjustment.

4.04 If the work is satisfactorily completed, DISTRICT shall pay such invoice within thirty (30) days of its receipt, or as reasonably soon after required certified payroll information is submitted to the DISTRICT, if applicable. Should DISTRICT dispute any portion of any invoice, DISTRICT shall pay the undisputed portion within the time stated above, and at the same time advise CONTRACTOR in writing of the disputed portion.

5. Obligations of CONTRACTOR.

5.01 CONTRACTOR agrees to perform all Services in accordance with the

terms and conditions of this Agreement and the Proposal. In the event that the terms of the Proposal shall conflict with the terms of this Agreement or contain additional terms that purport to bind the DISTRICT other than the Services to be rendered and the hourly rate for the Services, the terms of this Agreement shall govern and said additional or conflicting terms shall be of no force or effect.

5.02 Except as otherwise agreed by the parties, CONTRACTOR will supply all personnel, materials and equipment required to perform the Services. CONTRACTOR shall provide its own offices, telephones, vehicles and computers and set its own work hours. CONTRACTOR will determine the method, details, and means of performing the Services under this Agreement.

5.03 CONTRACTOR shall keep DISTRICT informed as to the progress of the Services by means of regular and frequent consultations. Additionally, when requested by the DISTRICT, the CONTRACTOR shall prepare written status reports.

5.04 CONTRACTOR is responsible for paying, when due, all income and other taxes, fees and withholding, including withholding state and federal taxes, social security, unemployment and worker's compensation, incurred as a result of the compensation paid under this Agreement. CONTRACTOR agrees to indemnify, defend, and hold harmless DISTRICT for any claims, costs, losses, fees, penalties, interest, or damages suffered by DISTRICT resulting from CONTRACTOR's failure to comply with this provision.

5.05 In the event CONTRACTOR is required to prepare plans, drawings, specifications and/or estimates, the same shall be furnished in conformance with local, state and federal laws, rules and regulations.

5.06 CONTRACTOR represents that it possesses all required licenses necessary or applicable to the performance of Services under this Agreement and the Proposal and shall obtain and keep in full force and effect all permits and approvals required to perform the Services herein. In the event DISTRICT is required to obtain an approval or permit from another governmental entity, CONTRACTOR shall provide all necessary supporting documents to be filed with such entity.

5.07 CONTRACTOR shall be solely responsible for obtaining Employment Eligibility Verification information from CONTRACTOR's employees, in compliance with the Immigration Reform and Control Act of 1986, Pub. L. 99-603 (8 U.S.C. 1324a), and shall ensure that CONTRACTOR's employees are eligible to work in the United States.

5.08 In the event that CONTRACTOR employs, contracts with, or otherwise utilizes any CalPERS retirees in completing any of the Services performed hereunder, such instances shall be disclosed in advance to the DISTRICT and shall be subject to the DISTRICT's advance written approval.

5.09 Drug-free Workplace Certification. By signing this Agreement, the

CONTRACTOR hereby certifies under penalty of perjury under the laws of the State of California that the CONTRACTOR will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code, Section 8350 et seq.) and will provide a drug-free workplace.

5.10 CONTRACTOR shall comply at its sole expense with all applicable local, state and federal laws, rules, regulations, entitlements and/or permits applicable to, or governing the Services authorized hereunder.

5.11 In the performance of this contract the CONTRACTOR shall comply with all applicable federal, state and local statutory and regulatory requirements including, but not limited to California Department of Industrial Relations (Cal/OSHA) regulations; and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act, related to their scope of work and operations. In case of conflict in regulations, the most stringent shall apply.

6. Insurance.

CONTRACTOR shall procure and maintain for the duration of this Agreement the following insurance coverage relating to the services provided under this Agreement by the CONTRACTOR.

a. Professional Liability Insurance. Choose and check one: Required **X** /Not Required ___; CONTRACTOR will file with DISTRICT, before beginning professional services, a certificate of insurance satisfactory to DISTRICT evidencing professional liability coverage of not less than $1,000,000 per occurrence and $2,000,000 annual aggregate.

b. Cyber Liability Insurance REQUIRED IF CHECKED HERE ONLY [___] (Technology Professional Liability – Errors and Omissions), with limits not less than $2,000,000 per occurrence, and $2,000,000 aggregate or the full per occurrence limits of the policies available, whichever is greater. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by CONTRACTOR in this Agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations. CONTRACTOR will file with DISTRICT, before beginning professional services, certificates of insurance (Acord Form 25 or equivalent) satisfactory to DISTRICT evidencing.

c. If Claims Made Policies (applies only to professional liability and cyber liability policies):

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 after completion of contract work.

d. Commercial General Liability (CGL) - Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 00 01) including products and completed operations, property damage, bodily injury, personal and advertising injury with limit of at least two million dollars ($2,000,000) per occurrence or the full per occurrence limits of the policies available, whichever is greater. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (coverage as broad as the ISO CG 25 03, or ISO CG 25 04 endorsement provided to DISTRICT), or the general aggregate limit shall be twice the required occurrence limit.

e. Automobile Liability - Insurance Services Office (ISO) Business Auto Coverage (Form CA 00 01), covering Symbol 1 (any auto) or if CONTRACTOR has no owned autos, Symbol 8 (hired) and 9 (non-owned) with limit of one million dollars ($1,000,000) for bodily injury and property damage each accident.

f. Workers' compensation (statutory limits) and employer's liability ($1,000,000) per accident for bodily injury or disease. CONTRACTOR is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and CONTRACTOR will comply with such provisions before commencing the performance of the professional services under this agreement. As required by the State of California, with Statutory Limits and Employer's Liability Insurance of no less than $1,000,000 per accident for bodily injury or disease.

g. Verification of Coverage – CONTRACTOR shall furnish the DISTRICT with certificates and amendatory endorsements, or copies of the applicable policy language effecting coverage required by this clause copies of which are attached hereto as **Exhibit "B"**. 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 require complete, certified copies of all required insurance policies, including policy Declaration pages and Endorsement pages. CONTRACTOR shall provide new certificates of insurance prior to the expiration of any existing certificate of insurance.

h. Required Provisions –

• CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all requirements stated herein and provide proof of such insurance to DISTRICT, if

requested. CONTRACTOR shall ensure that DISTRICT its directors, officers, employees, contractors, subcontractors and authorized volunteers are an additional insured on Commercial General Liability Coverage. CONTRACTOR shall provide certificates of insurance to the DISTRICT as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by DISTRICT's risk manager prior to commencement of performance. Current insurance certification shall be kept on file with DISTRICT at all times during the term of this contract. DISTRICT reserves the right to require complete, certified copies of all required insurance policies, at any time. CONTRACTOR shall maintain such coverage continuously for a period of at least five (5) years after the completion of the contract work.

- Waiver of Subrogation: The insurer(s) shall agree to waive all rights of subrogation against the DISTRICT, its elected or appointed officers, officials, agents, authorized volunteers, and employees for losses paid under the terms of the policy which arise from work performed by the named insured for the DISTRICT; but this provision applies regardless of whether or not the DISTRICT has received a waiver of subrogation from the insurer. Sole proprietors with no employees, LLCs, or partnerships who do not carry workers' compensation acknowledge that they are not subject to the Workers' Compensation Act of the State of California and agree to complete a signed workers compensation exemption form.

- The liability coverage shall give DISTRICT, its directors, officers, employees (collectively the DISTRICT), and authorized volunteers insured status (via ISO endorsement at least as broad as CG 20 10 10 01 or CG 20 10 07 04 specifically naming the DISTRICT, its directors, officers, employees, or authorized volunteers; or using the language that states "as required by written contract."

- The liability coverage is to state or be endorsed (with as broad as ISO endorsement CG 20 01 04 13) to state "such insurance shall be primary and any insurance, self-insurance or other coverage maintained by Mission Springs Water DISTRICT, its directors, officers, employees, or authorized volunteers shall not contribute to it".

- All coverage is to be placed with a carrier with an A.M. Best rating of no less than A: VII, or equivalent.

- The coverage shall contain no special limitations on the scope of protection afforded to DISTRICT, its directors, officers, employees, or authorized volunteers. If the CONTRACTOR maintains broader coverage and/or higher limits than the minimums shown above, the DISTRICT requires and shall be entitled to the broader coverage and/or higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the DISTRICT.

- If any of the required coverages expire or are cancelled during the term of this agreement, the CONTRACTOR shall deliver the renewal certificate(s) to DISTRICT at least ten (10) days prior to the expiration or cancellation date and shall obtain replacement insurance with the same coverage prior to such expiration.

• Self-Insurance is not acceptable or permitted for any insurance coverage required under this Agreement.

• Self-Insured Retentions - Self-insured retentions must be declared to and approved by the DISTRICT in writing. The DISTRICT may require the CONTRACTOR to provide proof of the ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or DISTRICT.

7. Indemnification.

7.01 CONTRACTOR and DISTRICT agree that DISTRICT, its employees, agents and officials should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, defense costs, court costs or any other costs arising out of or in any way related to the performance of this Agreement by CONTRACTOR or any subcontractor or agent of either as set forth herein. Accordingly, the provisions of this indemnity are intended by the parties to be interpreted and construed to provide the fullest protection possible under the law to DISTRICT. CONTRACTOR acknowledges that DISTRICT would not enter into this Agreement in the absence of the commitment of CONTRACTOR to indemnify and protect DISTRICT as set forth herein.

a. To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless DISTRICT, its employees, agents and officials, from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, damages or costs of any kind, whether actual, alleged or threatened, actual attorneys' fees incurred by DISTRICT, court costs, interest, defense costs, including expert witness fees and any other costs or expenses of any kind whatsoever without restriction or limitation incurred in relation to, as a consequence of or arising out of, or in any way attributable actually, allegedly or impliedly, in whole or in part to the performance of this Agreement. CONTRACTOR's obligation to defend, indemnify and hold harmless shall include any and all claims, suits and proceedings in which CONTRACTOR (and/or CONTRACTOR's agents and/or employees) is alleged to be an employee of DISTRICT. All obligations under this provision are to be paid by CONTRACTOR as they are incurred by DISTRICT.

b. Without affecting the rights of DISTRICT under any provision of this Agreement or this Section, CONTRACTOR shall not be required to indemnify and hold harmless DISTRICT as set forth above for liability attributable solely to the fault of DISTRICT, provided such fault is determined by agreement between the parties or the findings of a court of competent jurisdiction.

7A. Indemnification Design Professionals.

7A.01 In the event that CONTRACTOR is a design professional under California Civil Code

Section 2782.8 this Section 7A shall apply instead of Section 7. To the fullest extent permitted by California law and in accordance with California Civil Code section 2782.8, CONTRACTOR shall indemnify, and hold harmless the DISTRICT, its officers, employees, trustees and members ("Indemnified Parties") from any and all actions, assessments, counts, citations, claims, costs, damages, demands, judgments, liabilities (legal, administrative or otherwise), losses, notices, expenses, fines, penalties, proceedings, responsibilities, violations, attorney's and consultants' fees and causes of action including, but not limited to those for, injury to property or persons, including personal injury and/or death ("Claim(s)"), to the extent that the Claim(s) arises out of, pertains to, or relates to the negligence, recklessness, or willful misconduct of CONTRACTOR, its directors, officials, officers, employees and consultants arising out of, connected with, or resulting from the performance of the Services, the Project, or this Agreement. This indemnity excludes liability caused by the negligence or willful misconduct of any of the Indemnified Parties. The cost to indemnify, hold harmless, and defend charged to CONTRACTOR shall not exceed CONTRACTOR'S proportionate percentage of fault.

8. Additional Services, Changes and Deletions.

8.01 In the event CONTRACTOR performs additional or different services than those described herein without the prior written approval of the Project Manager of the DISTRICT, CONTRACTOR shall not be compensated for such services. CONTRACTOR expressly waives any right to be compensated for services and materials not covered by the scope of this Agreement or authorized by the DISTRICT in writing.

8.02 CONTRACTOR shall promptly advise the Project Manager and as soon as reasonably practicable upon gaining knowledge of a condition, event or accumulation of events which may affect the scope and/or cost of Services. All proposed changes, modifications, deletions and/or requests for additional services shall be reduced to writing for review and approval by the DISTRICT and/or Board of Directors.

9. Termination of Agreement.

9.01 Notwithstanding any other provision of this Agreement, DISTRICT, at its sole option, may terminate this Agreement with or without cause, or for no cause, at any time by giving twenty (20) days' written notice to CONTRACTOR.

9.02 In the event of termination, the payment of monies due CONTRACTOR for undisputed Services performed prior to the effective date of such termination shall be paid within thirty (30) business days after receipt of an invoice as provided in this Agreement. Immediately upon termination, CONTRACTOR agrees to promptly provide and deliver to DISTRICT all original documents, reports, studies, plans, specifications and the like which are in the possession or control of CONTRACTOR and pertain to DISTRICT.

10. Status of CONTRACTOR.

10.01 CONTRACTOR shall perform the Services in CONTRACTOR's own way as an independent contractor, and in pursuit of CONTRACTOR's independent calling, and

not as an employee of DISTRICT. However, CONTRACTOR shall regularly confer with DISTRICT's Project Manager as provided for in this Agreement.

10.02 CONTRACTOR agrees that it is not entitled to the rights and benefits afforded to DISTRICT's employees, including disability or unemployment insurance, workers' compensation, retirement, CalPERS, medical insurance, sick leave, or any other employment benefit. CONTRACTOR is responsible for providing, at its own expense, disability, unemployment, workers' compensation and other insurance, training, permits, and licenses for itself and its employees and subcontractors.

10.03 CONTRACTOR hereby specifically represents and warrants to DISTRICT that it possesses the qualifications and skills necessary to perform the Services under this Agreement in a competent, professional manner, without the advice or direction of DISTRICT and that the Services to be rendered pursuant to this Agreement shall be performed in accordance with the standards customarily applicable to an experienced and competent professional rendering the same or similar services in the same geographic area where the DISTRICT is located. Further, CONTRACTOR represents and warrants that the individual signing this Agreement on behalf of CONTRACTOR has the full authority to bind CONTRACTOR to this Agreement.

11. Ownership of Documents; Audit.

11.01 All draft and final reports, plans, drawings, studies, maps, photographs, specifications, data, notes, manuals, warranties and all other documents of any kind or nature prepared, developed or obtained by CONTRACTOR in connection with the performance of Services performed for the DISTRICT shall become the sole property of DISTRICT, and CONTRACTOR shall promptly deliver all such materials to DISTRICT upon request. At the DISTRICT's sole discretion, CONTRACTOR may be permitted to retain original documents, and furnish reproductions to DISTRICT upon request, at no cost to DISTRICT.

11.02 Subject to applicable federal and state laws, rules and regulations, DISTRICT shall hold all intellectual property rights to any materials developed pursuant to this Agreement. CONTRACTOR shall not such use data or documents for purposes other than the performance of this Agreement, nor shall CONTRACTOR release, reproduce, distribute, publish, adapt for future use or any other purposes, or otherwise use, any data or other materials first produced in the performance of this Agreement, nor authorize others to do so, without the prior written consent of DISTRICT.

11.03 CONTRACTOR shall retain and maintain, for a period not less than four years following termination of this Agreement, all-time records, accounting records and vouchers and all other records with respect to all matters concerning Services performed, compensation paid, and expenses reimbursed. At any time during normal business hours and as often as DISTRICT may deem necessary, CONTRACTOR shall make available to DISTRICT's agents for examination of all of such records and shall permit DISTRICT's agents to audit, examine and reproduce such records.

12. Miscellaneous Provisions.

12.01 This Agreement, which includes all attached exhibits, supersedes any and all previous agreements, either oral or written, between the parties hereto with respect to the rendering of Services by CONTRACTOR for DISTRICT and contains all of the covenants and agreements between the parties with respect to the rendering of such Services in any manner whatsoever. Any modification of this Agreement will be effective only if it is in writing signed by both parties.

12.02 CONTRACTOR shall not assign or otherwise transfer any rights or interest in this Agreement without the prior written consent of DISTRICT. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

12.03 CONTRACTOR shall timely file FPPC Form 700 Conflict of Interest Statements with DISTRICT if required by California law and/or the DISTRICT's conflict of interest policy.

12.04 If any legal action or proceeding, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs, in addition to any other relief to which that party may be entitled.

12.05 This Agreement is made, entered into and shall be performed in the County of Riverside in the State of California and shall in all respects be interpreted, enforced and governed under the laws of the State of California. The parties agree that the venue in any litigation between them shall be in Riverside County, California.

12.06 CONTRACTOR covenants that neither it nor any officer or principal of its firm has any interest, nor shall they acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of their Services hereunder. CONTRACTOR further covenants that in the performance of this Agreement, no person having such interest shall be employed by it as an officer, employee, agent, or subcontractor.

12.07 CONTRACTOR has read and is aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the Government Code relating to conflicts of interest of public officers and employees. CONTRACTOR agrees that they are unaware of any financial or economic interest of any public officer or employee of the DISTRICT relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement, the DISTRICT may immediately terminate this Agreement by giving notice thereof. CONTRACTOR shall comply with the requirements of Government Code section 87100 et seq. and section 1090 in the performance of and during the term of this Agreement.

12.08 Improper Consideration. CONTRACTOR shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, services, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the DISTRICT in an attempt to secure favorable treatment regarding this Agreement or any contract awarded by DISTRICT. The DISTRICT, by notice, may immediately terminate this Agreement if it determines that any improper consideration as described in the preceding sentence was offered to any officer, employee or agent of the DISTRICT with respect to the proposal and award process of this Agreement or any DISTRICT contract. This prohibition shall apply to any amendment, extension or evaluation process once this Agreement or any DISTRICT contract has been awarded. The CONTRACTOR shall immediately report any attempt by any DISTRICT officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from CONTRACTOR.

12.09 Severability. If any portion of this Agreement is declared invalid, illegal or otherwise unenforceable by a court of competent jurisdiction, the entire balance of this Agreement not so affected shall remain in full force and effect.

[signatures on following page]

IN WITNESS WHEREOF, the parties hereby have made and executed this Agreement to be effective as of the day and year first above written.

DISTRICT:	**CONTRACTOR:**
MISSION SPRINGS WATER DISTRICT	LANDMARK CONSULTANTS, INC.
By: _____	By: _____
Print Name _____	Print Name _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT "A"

PROPOSAL AND FEE SCHEDULE

(insert behind this page)

LANDMARK
Geo-Engineers and Geologists
a MBE Company

780 N. 4th Street
El Centro, CA 92243
(760) 370-3000
landmark@landmark-ca.com

77-948 Wildcat Drive
Palm Desert, CA 92211
(760) 360-0665
gchandra@landmark-ca.com

June 5, 2026

Mr. Daniel Virgen, Jr.
Mission Springs Water District
66575 Second Street
Desert Hot Springs, CA 92240

Subject: Construction Testing Services
Critical Services Center & HWWTP Percolation Ponds
Desert Hot Springs, California
LCI Proposal No.: LP26100T

Dear Mr. Virgen:

LandMark Consultants, Inc. is pleased to provide this proposal for construction testing at the proposed Critical Services Center project located at 14512 Park Lane in the city of Desert Hot Springs, California. The construction is expected to start in July 2026, for 548 consecutive days

LandMark Consultants, Inc. is a small engineering firm in the geosciences. We have established offices/laboratories in Palm Desert and El Centro, CA. ***LandMark Consultants, Inc.*** is 100% MBE owned (American Indian Cherokee Nation) firm as certified by State of California, Department of Transportation (CALTRANS). Our facilities are certified by State of California DSA and accredited by American Association of State Highway and Transportation Officials (AASHTO). We have provided geotechnical consulting and materials testing and inspection services in the Coachella Valley area of Southern California, since 1987.

The following scope of work is anticipated for this project:

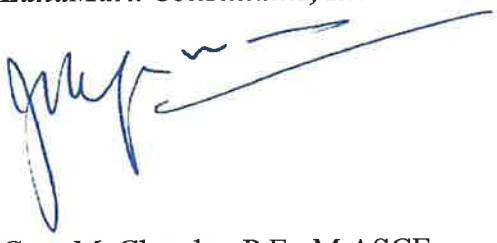
- Rough Grading Observation & Testing
- Compaction Testing of Utility Trench Backfill
- Compaction Testing of Curb/Gutter Subgrade
- Compaction Testing of Subgrade and Basegrade
- Compaction Testing Driveway Approaches & Sidewalk
- Compaction Testing during Asphalt Concrete Laydown
- Footing Inspection
- Concrete Inspection & Testing
- Masonry Inspection & Testing
- Nailing Inspection for Roof and Shear Walls
- Field Welding & HSB Inspection
- Fireproofing Inspection
- Ultrasonic Inspection (Level II)

Our services as described above will be provided for a ***budget*** of $ 250,000.00. Our services will be provided on ***a time and materials*** basis in accordance with the rates set forth in the attached 2026/2027 Prevailing Wage fee schedule.

We have attempted to be realistic in developing our estimate for this project; please keep in mind that our services are directly dependent upon the contractor's schedule and events which occur during the duration of the project, which cannot always be predicted in advance. Any change in the contractor's schedule will impact on our budget. We will attempt to coordinate our services with the contractor's site superintendent to efficiently service the project. If construction activities result in projected additional fees beyond those described herein, we will contact you for an additional written budget increase, if necessary.

The fees presented are based on prompt payment for services presented in our standard invoicing format. We appreciate the opportunity to provide these services for the subject project. Please feel free to call me if you have any questions.

Sincerely Yours,
LandMark Consultants, Inc.



Greg M. Chandra, P.E., M.ASCE
Area Manager- Palm Desert Office

LANDMARK
Geo-Engineers and Geologists
a MBE Company

780 N. 4th Street
El Centro, CA 92243
(760) 370-3000
(760) 337-8900 fax

77-948 Wildcat Drive
Palm Desert, CA 92211
(760) 360-0665
(760) 360-0521 fax

ESTIMATE WORKSHEET

CLIENT: MSWD
PROJECT: Critical Services Center & HWWTP Percolation Ponds
LOCATION: Desert Hot Springs, California
PROPOSAL NO.: LP26100T

FIELD	Trips	Hrs.		Rate	Total
Soil Technician - Grading	35	280	@	$ 140.00	$ 39,200.00
Soil Technician - Backfill/SG/Base/AC	80	640	@	$ 140.00	$ 89,600.00
ICC Inspector - Rebar & Conc	25	200	@	$ 145.00	$ 29,000.00
ICC Inspector - Rebar & Masonry	10	80	@	$ 145.00	$ 11,600.00
ICC Inspector - Field Welding/HSB	15	120	@	$ 145.00	$ 17,400.00
ICC Inspector - Fire Proofing	5	40	@	$ 145.00	$ 5,800.00
ICC Inspector - Ultrasonic (level II)	5	40	@	$ 225.00	$ 9,000.00
ICC Inspector - Framing & Nailing	10	80	@	$ 145.00	$ 11,600.00
Project Engineer (Meeting)	5	10	@	$ 225.00	$ 2,250.00
			Subtotal:		$ 215,450.00
LABORATORY					
Concrete Compression Test		80	@	$ 50.00	$ 4,000.00
Grout/Mortar Compression Test		30	@	$ 50.00	$ 1,500.00
AC Extraction/Gradation		2	@	$ 325.00	$ 650.00
Maximum Density - AC		2	@	$ 300.00	$ 600.00
Maximum Density/Optimum Moisture		5	@	$ 300.00	$ 1,500.00
Gradation		2	@	$ 175.00	$ 350.00
			Subtotal:		$ 8,600.00
PROJECT MANAGEMENT - REPORTS			10%	$ 224,050.00	$ 22,405.00
			Subtotal:		$ 22,405.00
			TOTAL:		$ 246,455.00

Landmark Consultants, Inc.
2026/2027 Standard Fee Schedule

PROFESSIONAL RATES (HOURLY)

Principal Engineer	**$275.00**
Geotechnical Engineer	**$275.00**
Senior Engineer	$250.00
Project Engineer	**$225.00**
Staff Engineer	$210.00
Operations Manager	**$175.00**
Senior Geologist	$250.00
Project Geologist	$225.00
Staff Geologist	$210.00
Legal Cases-Principal Engineer (investigation work)	$475.00
Legal Cases-Principal Engineer (depositions and trial)	$575.00

TECHNICAL RATES

Testing Technician-(Concrete/Masonry/Soils/Asphalt)	$115.00
Special Inspector-(Masonry, Steel, Concrete, Welding & HSB)	$125.00
PW Testing Technician-(Concrete/Masonry/Soils/Asphalt)	**$140.00**
PW Special Inspector-(Masonry, Steel, Concrete, Welding & HSB)	**$145.00**
DSA Project Technician/Inspector	$155.00
Admin. Support Staff	**$100.00**
Drafting	$125.00
Copies of Reports (Min)	$50.00
Trip Charges (per trip)	$225.00

EQUIPMENT/MATERIAL CHARGES

2 & 4 WD Vehicle (per mile)	$1.00
Tow-Behind Auger (per day)	$150.00
Truck Mounted Drilling (Flight Auger per hr.)	$550.00
Truck Mounted Drilling-(Prevailing Wage and Env. per hr.)	$650.00
Per Diem Technicians/Inspectors (per day)	$175.00
Per Diem Drillers (per day)	$600.00
Cone Penetrometer Mob	$3,800.00
Piezocone and Stratigraphic Plots (per ft.)	quote
Resistivity, Piezocone Testing (per ft.)	quote
Seismic Piezocone Testing (per ft.)	$45.00
Per Diem (CPT)	$600.00
Grouting (per ft.)	$20.00
Dozers, Backhoe, Portable Auger, etc.	$Cost+20%
2" diameter slotted PVC Piezometer (w/filter sock & gravel pack per ft.)	quote
8" diameter cast-iron Piezometer cover	$130.00

MATERIALS TESTING EQUIPMENT-FIELD (DAILY RATES)

Swiss Hammer (Concrete)	$95.00
Masonry Mortar Penetrometer	$95.00
Vibrating Probe (Concrete)	$110.00
Generator	$175.00
Coring Machine	$175.00
2" Diamond Bit/Core	$50.00
3" Diamond Bit/Core	$75.00
4" Diamond Bit/Core	$85.00
6" Diamond Bit/Core	$105.00
8" Diamond Bit/Core	$125.00
Rebar Locator (R-Meter)	$100.00

COMPACTION CURVES

Relative Compaction (CAL 216)	$325.00
Standard 4" Mold, D698 Method A	$325.00
Standard 6" Mold, D698 Method B,C,D	$325.00
Modified 4" Mold, D1557 Method A	**$300.00**
Modified 6" Mold, D1557 Method B,C,D	**$300.00**
Relative Density	$325.00
Relative Compaction	$325.00

SOIL & AGGREGATE STABILITY

R-Value (CAL 301)	$375.00
CBR 100% Compaction	$750.00
Soil Cement, CTB, Mix Design	$6,500.00
CTB Compression Test	$130.00
Soil-Lime Compression Test (Includes Prep)	$900.00

BASIC SOIL & AGGREGATE PROPERTIES

Sieve Analysis, Coarse & Fine Including Wash	**$175.00**
Sieve Analysis, Coarse (CAL 202)	$160.00
Sieve Analysis, Fine Including Wash	$160.00
#200 Wash (CAL 202)	$135.00
Sand Equivalent-Average of 3 (CAL 217)	**$125.00**
Plasticity Index (CAL 204)	$235.00
Expansion Index (UBC 29-2)	$185.00
Moisture Determination and Unit Weight	$80.00
Moisture Determination Only	$55.00
Permeability Test (Undisturbed Samples) (D5084)	$550.00
Permeability Test (Remolded Samples) (D5084)	$650.00
Hydrometer (Without Specific Gravity)	$375.00
Corrosivity Series (Resistivity, Ph, Sulfates, Chlorides	**$425.00**

Construction Administration/Project Management: **10% of Field & Laboratory Subtotal**

2 hrs minimum will be charged for all field work and thereafter in actual hours. An overtime premium of 1.5 times the standard rate will be charged for all personnel services periods in excess of 8 hrs per day or Saturday, and 2 times the standard rate for work in excess of 12 hrs per week day, in excess of 8 hrs on Saturday, and all day on Sunday or holidays. ICC inspection will be charged 4 hrs minimum

Landmark Consultants, Inc.
2026/2027 Standard Fee Schedule

SHEAR STRENGTH & CONSOLIDATION TEST

Unconfined Compression	$170.00
Direct Shear (3pt. Staged Test)	$425.00
Consolidation, Per load Increment w/ Time Rate	$160.00
Consolidation Test w/ Time Rate	$525.00

AGGREGATE QUALITY

Organic Impurities (CAL 213)	$140.00
Specific Gravity and Absorption, Coarse Aggregate (CAL 206)	$120.00
Specific Gravity and Absorption, Fine Aggregate (CAL 207/208)	$150.00
Unit Weight (Average of 3) (CAL 212)	$110.00
Los Angeles Rattler Test-500 Revs (CAL 211)	$325.00
Los Angeles Rattler Test-1000 Revs (CAL 211)	$475.00
Sulfate Soundness 5 cycle test per primary size (C88)	$185.00
Mortar Making Properties of Sand (CAL 515)	$600.00
Potential Reactivity Test (ASTM C289)	$1,400.00
Cleanness Value Test (CAL 227)	$210.00
% Crushed Particles (CAL 205)	$160.00
Flat & Elongated Particles per screen size (D4791)	$110.00
Clay Lumps and Friable Particles (C142)	$200.00
Lightweight Pieces in Aggregate (C123)	$390.00
Durability Index-Coarse or Fine (CAL 229)	$240.00

MASONRY

Compression Test, Grout Prisms	**$50.00**
Compression Test, Mortar Cube/Cylinder	**$50.00**
Compression Test, Masonry Unit	$110.00
Compression Test, Masonry Prism (Grouted)	$160.00
Absorption and Received Moisture, Masonry Unit (Unit weight, 3 required)	$135.00
Grout or Mortar Specimen, Handled & Cured But Not Tested	$45.00
Bond Test (Shear) for grout/masonry interface (DSA)	$160.00

CONCRETE

Concrete Mix Design or Review (Not Including Lab Test)	$800.00
Laboratory Trial Batch, Incl. Compression Testing of 6 Specimens	quote
Compression Test, Concrete Cylinder (CAL 521)	**$50.00**
Unit Weight of Concrete Cylinders (CAL 518)	$70.00
Flexural Strength, Concrete Beam (CAL 523)	$140.00
Compression Test, Gunite	$95.00
Compression Test on Cored Specimens	**$100.00**
Cylinder Molds (if not tested by Landmark)	$25.00
Drying Shrinkage Test, Set of 3 (CAL 537)	$600.00
Modulus of Elasticity of 6"x12" Concrete Cylinder	$375.00
Splitting Tensile Strength	$135.00
Chloride Ion Determination (Water Soluble)	$425.00

ASPHALT

Agg. Corr. Factor Ignition (Lab Mix)	$650.00
Extraction % Bitumen (Reflux Method)-Inc. Shipping	quote
%Bitumen (Ignition Oven /Gradation of Extracted Samp	**$325.00**
Stabilometer Test on Premixed Sample (CAL 366) Inc. Hveem Max. Density	$525.00
%Bitumen (Ignition Oven) (CAL 382)	$200.00
Complete Design of Wearing Surface for a Given Asphalt/Aggregate, Hveem (CAL 367)	quote
Stability & Flow on Premixed Sample (Set of 3) Inc. Marshall Max. Density	$525.00
Marshall Stability & Flow (Set of 4) Lab Mix Inc. Marshall Max. Density	$575.00
Unit Weight of Asphalt Core (CAL 308)	$90.00
Max Density of Mix by Marshall/Hveem Method (Without Mixing)	**$300.00**
Maximum Theoretical Specific Gravity (CAL 309)	$265.00
Maximum Theoretical Specific Gravity (ASTM D2041)	$265.00
Index of Retained Strength	$1,575.00
Tensile Strength Ratio (CAL 371)	$1,900.00
Tensile Stress Ratio	$1,000.00
Stripping (CAL 302)	$275.00

METALS

Tensile, Up to ¾" (Not Including Machining Cost)	$175.00
Greater than ¾"	$225.00
Bend	$175.00

WELDING QUALIFICATIONS - STRUCTURAL STEEL (PHYSICAL TEST METHOD - ASTM, AWS, API, AISC)

* Visual Inspection	$130.00
* Magnetic Particle/Ultrasonic Testing	$370.00
Operator Performance & Procedure Tests	$130.00
Machining & Material Costs	$110.00
Qualification Tests on Machined Coupons	$550.00

EXHIBIT "B"

CERTIFICATES OF INSURANCE AND ENDORSEMENTS

(insert behind this page)

Project Items	Construction	Contingency	Staff Time	Outside Services	Total	Budget
Main Campus (Job No: 11621)	$31,109,000.00	$3,110,900.00	$325,000.00		$34,544,900.00	
Z&K Consultants - Inspection				$606,257.13	$606,257.13	
Landmark Consultants - Geotech, Welding, etc.				$236,258.08	$236,258.08	
Ruhnau Clarke Architects - Design (Spent)				$1,742,258.65	$1,742,258.65	
Ruhnau Clarke Architects - C&M (Budget)				$530,699.03	$530,699.03	
Development Impact Fees*				$800,000.00		
Total	$31,109,000.00	$3,110,900.00	$325,000.00	$3,915,472.89	**$38,460,372.89**	**$40,000,000.00**
Water Fund (Job No: TBD)						
Park Lane Road and Water Improvements	$1,232,000.00	$123,200.00	$22,128.75		$1,377,328.75	
Z&K Consultants - Inspection				$23,871.28	$23,871.28	
Landmark Consultants - Geotech, etc.				$9,302.62	$9,302.62	
Ruhnau Clarke Architects - Design (Spent)				$68,601.16	$68,601.16	
Ruhnau Clarke Architects - C&M (Budget)				$20,896.19	$20,896.19	
Total	$1,232,000.00	$123,200.00	$22,128.75	$122,671.25	**$1,500,000.00**	**$1,500,000.00**
Sewer Fund (Job No: TBD)						
Percolation Ponds Relocation	$581,000.00	$58,100.00	$10,000.00		$649,100.00	
Z&K Consultants - Inspection				$11,391.59	$11,391.59	
Landmark Consultants - Geotech, etc.				$4,439.30	$4,439.30	
Ruhnau Clarke Architects - Design (Spent)				$32,737.11	$32,737.11	
Ruhnau Clarke Architects - C&M (Budget)				$9,971.86	$9,971.86	
Security Construction (Block Wall and Fencing)**	$746,000.00	$74,600.00	$21,760.14		$842,360.14	
Total	$1,327,000.00	$132,700.00	$31,760.14	$58,539.86	**$1,550,000.00**	**$1,550,000.00**

* - Pending City Negotiations

** - Pending Construction Addition

Outside Services	Budget	Spent	
Z&K Consultants - Inspection	$641,520.00		
Landmark Consultants - Geotech, Welding, etc.	$250,000.00		
Ruhnau Clarke Architects - Design (Spent)		$1,843,596.92	
Ruhnau Clarke Architects - C&M (Budget)	$561,567.08	**$2,405,164.00**	**Contract Total**
Total	**$1,453,087.08**		

AGENDA STAFF REPORT

MEETING NAME: REGULAR BOARD MEETING

MEETING DATE: JULY 16, 2026

FROM: ERIC WECK, ENGINEERING MANAGER

FOR: ACTION

CONTRACT AMENDMENT NO. 6 TO RUHNAU CLARKE ARCHITECTS FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE MSWD MAIN CAMPUS PROJECT

STAFF RECOMMENDATION

It is recommended to approve Contract Amendment No. 6 for the contract with Ruhnau Clarke Architects to expand the scope of work to include Construction Management services for the MSWD Main Campus Project, for an additional $180,200.

SUMMARY

On July 1, 2021, the Board of Directors approved executing a contract with Ruhnau Clarke Architects to develop plans and specifications for the construction of the MSWD Main Campus. At the time the contract was approved, Ruhnau Clarke's estimated fee for Construction Administration and close-out phase was based on 6.2% of the estimated construction cost of $31,200,000, which equates to $1,860,964. Based on the construction bid of $32,922,000 Ruhnau Clarke's contract amendment equated to $180,200.

ANALYSIS AND FISCAL IMPACT

See Attachment 3 - Analysis

BUDGET INFORMATION & STRATEGIC PLAN IMPLEMENTATION

Action Cost:	Current FY Cost:	Future FY Cost:	Funding Source	Acct/Project No.
$180,200	$80,000	$100,200	201-Water, 301-Sewer	11621
Covered in current FY budget?		**Adjustment Needed?**	**Current Balance:**	**Balance if Approved:**
Yes		No	$3,373,623	$3,193,423
Strategic Plan Goal Alignment:				
SMART Goal Goal 4.1: By September 2026, complete the construction of the MSWD Main Campus (formally Critical Services Center) which will foster increased collaboration, communication, and teamwork among employees working at one central location.				

ATTACHMENTS

Attachment 1 - RCA Cost Proposal, Attachment 2 - Funding Analysis RCA, Attachment 3 - Analysis, Attachment 4 - Contract Amendment No. 6 - Ruhnau Clarke Architects

AMENDMENT TO
Contract for Professional Services Agreement
Mission Springs Water District
66575 Second Street
Desert Hot Springs, CA 92240
Telephone 760-329-6448 – FAX 760-329-2482

TO: Ruhnau Clarke Architects
3775 Tenth Street
Riverside, CA 92501

DATE: _____

PROJECT DIR#: N/A

SIXTH AMENDMENT TO CONTRACT AGREEMENT

1. This amendment ("Amendment") is hereby made by Mission Springs Water District and **Ruhnau Clarke Architects**, parties to an agreement for **Critical Services Center/Administration Building** ("Agreement"), dated **June 30, 2021**.

2. In exchange for the promises herein and other good and valuable consideration, the sufficiency of which both parties acknowledged, it is mutually agreed by and between the undersigned contracting parties that the Agreement is amended as follows:

   This Sixth Amendment will:
   - **Increase the total Contract Agreement amount by $180,200.00, revising the not-to-exceed amount from $2,224,964.00 to a not-to-exceed amount of $2,405,164.00, as outlined in Attachment 1.**

3. Except as set forth in this Amendment, the Agreement is unchanged and shall continue in full force and effect in accordance with its terms. If there is conflict between this Amendment and the Agreement the terms of this amendment will prevail.

Instructions: Sign and return via email. Upon acceptance by Mission Springs Water District, an executed copy will be returned to you for your records. Insert the names of your authorized representative(s) below.

Accepted:

Mission Springs Water District

By: _____
Brian E. Macy, PE
Title General Manager

Other authorized representative(s):

Marion Champion
Assistant General Manager

Amanda Lucas
Contracts Analyst

Consultant:

Ruhnau Clarke Architects
(Business Name)

By: _____
Roger Clarke
Title President, Principal-In-Charge

Other authorized representative(s):

RUHNAU CLARKE ARCHITECTS

June 24, 2026

Re: Mission Springs Water District – Critical Services Center
Fee Reconciliation and Contract Extension from June 30, 2026, to June 30, 2028
Add Service No. 05 – RCA Project No. 5-09-01

Daniel Virgen

Project Manager

Mission Springs Water District

66575 Second Street
Desert Hot Springs, CA 92240

Dear Mr. Virgen,

Now that final bids are in, the project enters the Construction Phase and a contract extension is being contemplated from June 30, 2026, to June 30, 2028, we are here proposing our fee reconciliation based on the lowest submitted bid amount of $32,922,000.

Below is our breakdown and fee request.

Current Fee	$1,860,964	Based on 6.2% of $31,200,000 Construction Cost
Updated Fee	$2,041,164	Based on 6.2% of $32,922,000 Construction Cost

Fee Increase $ 180,200

Based upon the revised Construction Budget described above, and in keeping with our original fee base of 6.2% of total construction costs, we present this Add-Service proposal in the amount of $180,200 (One Hundred Eighty Thousand Two Hundred Fifty-Seven Dollars).

We thank you for your consideration of our proposal for your project. If you have any questions, please give me a call at 951-684-4664.

Respectfully Submitted,

Roger Clarke, AIA, NCARB
President, Principal in Charge

Tel. 951.684.4664
Email. rclarke@ruhnauclarke.com

AGENDA STAFF REPORT

MEETING NAME: REGULAR BOARD MEETING

MEETING DATE: JULY 16, 2026

FROM: ERIC WECK, ENGINEERING MANAGER

FOR: ACTION

APPROVE CHANGE ORDER #3 AND INCREASE OF CONTINGENCY TO CANYON SPRINGS ENTERPRISES CONTRACT FOR WELL 22 PROJECT

STAFF RECOMMENDATION

It is recommended to approve Change Order #3 for a new well pedestal, in the amount of $10,323.61 and increase the contingency amount to the contract of Canyon Springs Enterprises by $60,000 for a total contract amount of $1,527,307.60.

SUMMARY

The District awarded the construction contract to Canyon Springs Enterprises (Contractor) on April 15, 2024, to perform work which includes the removal and replacement of the well discharge piping and appurtenances, well pedestal, installing new electrical and SCADA equipment, and installing a new chemical building. The Contractor began work on January 5, 2026. To date, the Contractor has completed site demolition and has excavated and trenched for the installation of waterlines and electrical conduits. In addition, concrete has been placed for the chlorine building foundation, well pedestal, and housekeeping pad for the discharge piping system. The remaining work includes installation of the above-ground piping, chlorine building, well pump, and associated electrical components.

ANALYSIS AND FISCAL IMPACT

The project contingency was utilized for electrical equipment. Change Order #3 is additional work that is required to provide and install a new pump pedestal base due to removal of the existing pedestal/concrete base. The new pedestal will provide sufficient access to safely perform the casing extension work. The additional work was necessary to keep the construction moving forward to mitigate project delays. Staff is also requesting an increase to the contingency budget of $60,000 to cover any future change orders resulting from unforeseen site conditions. The total project budget is $2,355,000. After accounting for expenses related to design, construction, construction management, geotechnical services, and staff time, the remaining available budget is $689,486.76.

BUDGET INFORMATION & STRATEGIC PLAN IMPLEMENTATION

Action Cost:	Current FY Cost:	Future FY Cost:	Funding Source	Acct/Project No.
$60,000	$60,000	$0	201-Water	11611
Covered in current FY budget?		**Adjustment Needed?**	**Current Balance:**	**Balance if Approved:**
Yes		No	$689,486.76	$629,486.76
Strategic Plan Goal Alignment:				
SMART Goal 4.3-Maintain and renew assets while facilitating strategic capital improvements.				

ATTACHMENTS

Attachment 1 - Change Order No. 3

CHANGE ORDER

Order No. 3

Date: July 20, 2026

Agreement Date: July 11, 2024

Sheet: 1 of 2

Owner: **MISSION SPRINGS WATER DISTRICT (DISTRICT)**

Project Description: **Construction of the Well 22 Rehabilitation Project**

Contractor: **Canyon Springs Enterprises**

The following changes are hereby made to the Contract:

This change order is an additive modification resulting from a direct change to the Contractor's scope of work and increases the Contract Agreement amount by $10,323.61.

JUSTIFICATION

The Contractor submitted a proposal for additional work in the amount of $10,323.61 to perform work beyond the original scope of services. The additional work is required to provide and install a pump pedestal due to the removal of the entirety existing pump concrete base to provide sufficient access to safely perform the casing extension work. A detailed breakdown of the associated costs is attached and made part of this Change Order.

CHANGE IN CONTRACT PRICE

Original Contract Amount	$1,333,916.00
Current Contract Amount (Including Previously Approved Change Orders)	$1,458,916.00
Additional Cost Included in This Change Order	$10,323.61
Total Revised Contract Amount	$1,469,239.61

CHANGE IN CONTRACT TIME

Contract Time Will Be Increased	N/A
Date for Completion of all Work	August 31, 2026

APPROVALS REQUIRED

To be effective, this Change Order must be approved by the Owner if it changes the scope or objective of the Project, or as may otherwise be required by the Contract Documents.

Requested by: _____ Date: _____
Mission Springs Water District
Daniel Virgen – Associate Engineer

Recommended by: _____ Date: _____
Mission Springs Water District
Eric Weck, P.E. - Engineering Manager

Approved by: _____ Date: _____
Mission Springs Water District
Brian E. Macy, P.E. - General Manager

Accepted by: _____ Date: _____
Canyon Springs Enterprises
Thomas Uppena - President

06-15-2026

RE Mission Springs Well 22

Attention Michael Dietrick

Subject: Change Order Proposal (COR) # 004, New Well Pedestal Design adding rebar.

Dear Lisa Galloway

Canyon Springs Enterprises (CSE) is hereby submitting our ***lump sum*** price for COR # 004 in the total amount: Add Ten Thousand Three Hundred Twenty Three Dollars and 61/100 $10,323.61.

This Change Order proposal gives consideration only to the cost and schedule impacts directly attributable to the changes specifically addressed and included herein. CSE hereby reserves our right to pursue the cost and schedule impacts to the project resulting from the cumulative effect of the changes specifically addressed herein in combination with other changes not specifically addressed herein, either preceding or succeeding the subject changes addressed herein.

Contact the undersigned if you have any questions or require additional information.

Sincerely,

Cameron
Kreeger-
Project Manager

CSE
Change Order Request (COR)

	Date:	**15-Jun-26**
CSE 50103	**COR #:**	**4**
Mision Springs Well 22	**Description:**	**Well Pedestal New Updated Detail**

Direct Costs - Additions

Labor	$0.00
Materials	$0.00
Subcontractors	$10,323.61
Equipment & Miscellaneous	$0.00
Subtotal - Additions	**$10,323.61**

Direct Costs - Deletions

Labor	$0.00
Material	$0.00
Subcontractors	$0.00
Equipment & Miscellaneous	$0.00
Subtotal - Deletions	**$0.00**

COR #04 Grand Total **$10,323.61**

No time extension is requested for this additional work:

Signed, Cameron Kreeger

C: **Canton Springs Enterprises**

Date: 15-Jun-26

CSE 50103 **COR #:** 1

R: **Mision Springs Well 22** **4** **Description:** Well Pedestal New Updated Detail

Labor - Additions

Item No.	Work Description	Quantity	Unit	Craft	Hours/Days	Rate	Cost
1			EA	Foreman Allowance	0	$122.45	$0.00
2							$0.00
3							$0.00
4							$0.00
5							$0.00
6							$0.00

Subtotal - Labor **$0.00**
OH & P @ 15% **$0.00**

Total - Labor **$0.00**

Materials - Additions

Item No.	Material Description	Quantity	Unit	Material	Supplier	Unit Price	Cost
1							$0.00
2							$0.00
3							$0.00

Subtotal - Material **$0.00**
Tax @ 9.5 % **$0.00**
OH & P @ 15% **$0.00**

$0.00

Subcontractors - Additions

Item No.	Work Description	Quantity	Unit	Subcontractor		Unit Price	Cost
1	Well Pedestal	1	LS	CMB Builders		$9,832.01	$9,832.01
2							$0.00
3							$0.00
4							$0.00
8							$0.00

Subtotal - Subs **$9,832.01**
OH & P @ 5% **$491.60**

Total - Subs **$10,323.61**

Equipment & Miscellaneous - Additions

Item No.	Work Description	Quantity	Unit	Equipment	Day/hour	Unit Price	Cost
1							$0.00
2							$0.00
3							$0.00
5							$0.00
7							$0.00
8							$0.00
9							

Subtotal - Misc. **$0.00**
OH & P @ 15% **$0.00**

Total - Eq. & Misc. **$0.00**

CONSTRUCTION & ENGINEERING

BREAKDOWN

DATE: 6/11/2026 **JOB NUMBER:** 26006

LOCATION: WELL 22 REHAB

WORK PREFORMED FOR: CANYON SPRINGS ENTERPRISE

DESCRIPTION OF WORK: CONCRETE PUMP BASE EXTENSION

		OFFICE USE ONLY	
LABOR	**DAYS**	**RATE**	**EXTENSION**
REMOVE OLD FORM AND INSTALL NEW FORMS PER NEW DETAIL	1	2455	$ 2,455.00
POUR BASE	1	2455	$ 2,455.00
REMOVE FORMS AND CLEANOUT	1	2455	$ 2,455.00
	LABOR SUBTOTAL:		$ 7,365.00

			OFFICE USE ONLY	
EQUIPMENT	**QTY**	**HOURS**	**RATE**	**EXTENSION**
		EQUIPMENT SUBTOTAL:		

			OFFICE USE ONLY	
MATERIAL	**UNIT**	**QUANTITY**	**RATE**	**EXTENSION**
CONCRETE	1	10.00	$ 261.25	$ 2,612.50
SHORT LOAD CONCRETE	1	1.00	$ 500.00	$ 500.00
PARTICLE BOARD	1	6.00	$ 38.65	$ 231.90
2X4X16	1	20.00	$ 17.81	$ 356.20
REBAR POUNDS	1	2,190.27	$ 2.25	$ 4,928.11
		MATERIAL SUBTOTAL:		$ 8,628.71

SUBCONTRACTOR WORK	**AMOUNT**
SUBCONTRACTOR SUBTOTAL:	

COMMENTS:	**MARK-UP**	**SUMMARY**	**TOTALS**
		LABOR SUBTOTAL	$ 7,365.00
	20%	LABOR MARK-UP	$ 1,694.00
		EQUIPMENT SUBTOTAL	
		EQUIPMENT MARK-UP	
		MATERIAL SUBTOTAL	$ 8,628.71
	15%	MATERIAL MARK-UP	$ 1,294.31
	15%	SUBCONTRACTOR MARK-UP	
		SUBTOTAL	$ 18,982.01
		ORIGINAL COST FOR PUMP BASE	$ 9,150.00
		TOTAL AMOUNT DUE	**$ 9,832.01**

CONSTRUCTION & ENGINEERING

BREAKDOWN

DATE: 6/11/2026 **JOB NUMBER:** 26006

LOCATION: WELL 22 REHAB

WORK PREFORMED FOR: CANYON SPRINGS ENTERPRISE

DESCRIPTION OF WORK: CONCRETE PUMP BASE EXTENSION

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REMOVE FORMS AND CLEANOUT	1	2455	$ 2,455.00
LABOR SUBTOTAL:			$ 7,365.00

			OFFICE USE ONLY	
EQUIPMENT	**QTY**	**HOURS**	**RATE**	**EXTENSION**
EQUIPMENT SUBTOTAL:				

			OFFICE USE ONLY	
MATERIAL	**UNIT**	**QUANTITY**	**RATE**	**EXTENSION**
CONCRETE	1	10.00	$ 261.25	$ 2,612.50
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SUBCONTRACTOR WORK	**AMOUNT**
SUBCONTRACTOR SUBTOTAL:	

COMMENTS:	**MARK-UP**	**SUMMARY**	**TOTALS**
		LABOR SUBTOTAL	$ 7,365.00
	20%	LABOR MARK-UP	$ 1,694.00
		EQUIPMENT SUBTOTAL	
		EQUIPMENT MARK-UP	
		MATERIAL SUBTOTAL	$ 8,628.71
	15%	MATERIAL MARK-UP	$ 1,294.31
	15%	SUBCONTRACTOR MARK-UP	
		SUBTOTAL	$ 18,982.01
		ORIGINAL COST FOR PUMP BASE	$ 9,150.00
		TOTAL AMOUNT DUE	$ 9,832.01

Hi Cameron,
After reviewing the calculations for the pump pedestal, I have adjusted the rebar weight totals. My updated takeoff is as follows:

- 22 ea. #8 rebar (20' long): 1,174.8 lbs (53.4 lbs each)
- 22 ea. #6 rebar (20' long): 660.88 lbs (30.04 lbs each)
- 8 ea. #8 rebar (80" long): 160.2 lbs (yields 3 bars per stick)
- 8 ea. #6 rebar (80" long): 90.1 lbs (yields 3 bars per stick)

This brings the subtotal to 2,085.98 lbs. Including a 5% allowance for overage, the revised total is 2,190.27 lbs.
Please let me know if you need any further justification to move forward with the approval.

AGENDA STAFF REPORT

MEETING NAME: REGULAR BOARD MEETING

MEETING DATE: JULY 16, 2026

FROM: DANNY FRIEND, DIRECTOR OF OPERATIONS

FOR: ACTION

AWARD CONTRACT AGREEMENT WITH URBAN HABITAT FOR ANNUAL LANDSCAPE MAINTENANCE FOR DISTRICT FACILITIES FOR 2026-2027

STAFF RECOMMENDATION

It is recommended to authorize the General Manager to execute a one-year contract with Urban Habitat for Annual Landscape Maintenance for District Facilities for 2026-2027, with the option to extend the contract for two additional one-year terms. The total not to exceed contract amounts, including a 10% contingency, are $84,629.60 for FY 2026-2027, $87,230.00 for FY 2027-2028, and $89,883.20 for FY 2028-2029.

SUMMARY

The District utilizes contract services to maintain landscaping at 38 facilities throughout the service area, including the Administration Building Campus, HWWTP, Dos Palmas and 20th Avenue Lift Stations, DCWWTP, NWRWRF, Well 33 Solar Site, and all well and reservoir sites. A detailed contract cost breakdown is attached.

ANALYSIS AND FISCAL IMPACT

In May 2026, the District solicited bids for annual landscape maintenance services through OpenGov and received four bids. After bid qualification, Urban Habitat was determined to be the lowest responsive and responsible bidder. The contract provides landscape maintenance services at 38 District facilities, including tree trimming, pruning, weed control, irrigation repairs, debris removal, and related grounds maintenance activities.

BUDGET INFORMATION & STRATEGIC PLAN IMPLEMENTATION

Action Cost:	Current FY Cost:	Future FY Cost:	Funding Source	Acct/Project No.
$261,742.80	$84,629.60	$177,113.20	Operating 201 & 301	201-542-53000 301-582-53000
Covered in current FY budget?		**Adjustment Needed?**	**Current Balance:**	**Balance if Approved:**
Yes		No	$695,500.00	$610,870.40
Strategic Plan Goal Alignment:				
SMART Goal 4 – System Reliability				

ATTACHMENTS

Attachment 1 – Contract
Attachment 2 - Bid Summary
Attachment 3 - Cost Breakdown

Attachment 1

AGREEMENT FOR MAINTENANCE SERVICES
ANNUAL LANDSCAPE MAINTENANCE FOR DISTRICT FACILITIES 2026-2027
PROJECT DIR # _____

THIS AGREEMENT FOR MAINTENANCE SERVICES is made and effective as of **August 1, 2027,** by and between the MISSION SPRINGS WATER DISTRICT, a County Water District ("DISTRICT") whose address is 66575 Second Street, Desert Hot Springs, CA 92240, and **Urban Habitat,** *a California corporation* whose address is **73555 Alessandro Dr., Palm Desert, CA 92260** ("CONTRACTOR").

RECITALS

A. CONTRACTOR submitted a proposal ("Proposal") in response to a request from the DISTRICT to provide certain services, which Proposal is attached hereto as **Exhibit "A"** and made a part hereof by this reference; and

B. DISTRICT desires to engage CONTRACTOR to provide the services provided for in the Proposal; and

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals and mutual covenants contained herein, DISTRICT and CONTRACTOR agree as follows:

1. Term of Agreement. This Agreement is effective as of the date first above written and shall continue until completion of the services ("Services") provided for in the Proposal. Contractor shall commence the Services on or before **August 1, 2026,** and shall complete the Services no later than **June 30, 2027**. Notwithstanding the forgoing, DISTRICT may terminate this Agreement upon written notice to Contractor, provided it pays Contractor for all services provided prior to termination.

2. Services to be Performed. CONTRACTOR agrees to provide the services ("Services") contained in the Proposal. All Services shall be performed in the manner and according to the timeframe set forth in the Proposal. CONTRACTOR designates **Melissa Rexilius** as CONTRACTOR'S person(s) responsible for overseeing the Services provided by CONTRACTOR. DISTRICT designates the District General Manager, or his or her designee, to act as the Project Manager ("Project Manager") in connection with the delivery of Services under this Agreement. CONTRACTOR shall supply, at its sole expense, all equipment, tools, materials, and supplies necessary to perform Services.

3. Associates and Subcontractors. CONTRACTOR may, at CONTRACTOR's sole cost and expense, employ such competent and qualified independent associates, subcontractors and consultants as CONTRACTOR deems necessary to perform the Services; provided, however, that CONTRACTOR shall not subcontract any of the Services without the written consent of DISTRICT.

4. Compensation.

4.01 CONTRACTOR shall be paid at the rates set forth in the Proposal. Notwithstanding anything in this Agreement to the contrary, total fees and charges paid by DISTRICT to CONTRACTOR for the completion of the Services under this Agreement shall not exceed **$76,936.00**.

4.02 CONTRACTOR shall not be compensated for any Services rendered nor reimbursed for any expenses incurred in excess of those authorized unless approved in advance by the DISTRICT, in writing.

4.03 The DISTRICT shall not be obligated to pay any invoice for services that is submitted more than sixty (60) days after the date such services were provided.

5. Obligations of CONTRACTOR.

5.01 CONTRACTOR shall perform all Services under this Agreement in a good and workman like manner, consistent with the standards generally recognized as being employed by contractors in the State of California. CONTRACTOR warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, CONTRACTOR represents that it, its employees and subcontractors have, and shall secure all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, CONTRACTOR shall perform, at its own cost and expense and without reimbursement from the DISTRICT, any services necessary to correct errors or omissions which are caused by the CONTRACTOR's failure to comply with the applicable standard of care. In the event that the terms of the Proposal conflict with the terms of this Agreement or contain additional terms other than the Services to be rendered and the price for the Services, the terms of this Agreement shall govern and said additional or conflicting terms shall be of no force or effect.

5.02 CONTRACTOR is responsible for paying, when due, all income and other taxes, fees and withholding, including withholding state and federal taxes, social security, unemployment and worker's compensation, incurred as a result of the compensation paid under this Agreement. CONTRACTOR agrees to indemnify, defend and hold harmless DISTRICT for any claims, costs, losses, fees, penalties, interest, or damage suffered by DISTRICT resulting from CONTRACTOR's failure to comply with this provision.

5.03 CONTRACTOR shall be solely responsible for obtaining Employment Eligibility Verification information from CONTRACTOR's employees, in compliance with the Immigration Reform and Control Act of 1986, Pub. L. 99-603 (8 U.S.C. 1324a), and shall ensure that CONTRACTOR's employees are eligible to work in the United States.

5.04 Drug-free Workplace Certification. By signing this Agreement, the CONTRACTOR hereby certifies under penalty of perjury under the laws of the State of California that the CONTRACTOR will comply with the requirements of the Drug-Free Workplace Act of

1990 (Government Code, Section 8350 et seq.) and will provide a drug-free workplace.

5.05 CONTRACTOR shall comply with all applicable local, state and federal laws, rules, regulations, entitlements and/or permits applicable to, or governing the Services authorized hereunder.

5.06 In the performance of this contract the CONTRACTOR shall comply with all applicable federal, state and local statutory and regulatory requirements including, but not limited to California Department of Industrial Relations (Cal/OSHA) regulations; and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act, related to their scope of work and operations. In case of conflict in regulations, the most stringent shall apply.

5.07 Except as otherwise agreed by the parties, CONTRACTOR will supply all personnel, materials and equipment required to perform the Services. CONTRACTOR shall provide its own offices, telephones, vehicles and computers. CONTRACTOR will determine the method, details, and means of performing the Services under this Agreement.

5. Insurance.

CONTRACTOR shall procure and maintain for the duration of this Agreement the following insurance coverage relating to the services provided under this Agreement by the CONTRACTOR.

a. Commercial General Liability (CGL) - Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 00 01) including products and completed operations, property damage, bodily injury, personal and advertising injury with limit of at least two million dollars ($2,000,000) per occurrence or the full per occurrence limits of the policies available, whichever is greater. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (coverage as broad as the ISO CG 25 03, or ISO CG 25 04 endorsement provided to DISTRICT), or the general aggregate limit shall be twice the required occurrence limit.

b. Automobile Liability - Insurance Services Office (ISO) Business Auto Coverage (Form CA 00 01), covering Symbol 1 (any auto) or if CONTRACTOR has no owned autos, Symbol 8 (hired) and 9 (non-owned) with limit of one million dollars ($1,000,000) for bodily injury and property damage each accident.

c. Workers' compensation (statutory limits) and employer's liability ($1,000,000) per accident for bodily injury or disease. CONTRACTOR is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and CONTRACTOR will comply with such provisions before commencing the performance of the professional services under this agreement. As required by the State of California, with Statutory Limits and Employer's Liability Insurance of no less than $1,000,000 per accident for bodily injury or disease.

d. Verification of Coverage – CONTRACTOR shall furnish the DISTRICT with certificates and amendatory endorsements, or copies of the applicable policy language effecting coverage required by this clause copies of which are attached hereto as **Exhibit "B"**. 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 require complete, certified copies of all required insurance policies, including policy Declaration pages and Endorsement pages. Contractor shall provide new certificates of insurance prior to the expiration of any existing certificate of insurance.

e. Required Provisions –

- CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all requirements stated herein, and CONTRACTOR shall ensure that DISTRICT its directors, officers, employees, and authorized volunteers are an additional insured on Commercial General Liability Coverage.

- Waiver of Subrogation: The insurer(s) shall agree to waive all rights of subrogation against the DISTRICT, its elected or appointed officers, officials, agents, authorized volunteers, and employees for losses paid under the terms of the policy which arise from work performed by the named insured for the DISTRICT; but this provision applies regardless of whether or not the DISTRICT has received a waiver of subrogation from the insurer.

- The liability coverage shall give DISTRICT, its directors, officers, employees (collectively the DISTRICT), and authorized volunteers insured status (via ISO endorsement at least as broad as CG 20 10 10 01 or CG 20 10 07 04 specifically naming the DISTRICT, its directors, officers, employees, or authorized volunteers; or using the language that states "as required by written contract."

- The liability coverage is to state or be endorsed (with as broad as ISO endorsement CG 20 01 04 13) to state "such insurance shall be primary and any insurance, self-insurance or other coverage maintained by Mission Springs Water DISTRICT, its directors, officers, employees, or authorized volunteers shall not contribute to it".

- All coverage is to be placed with a carrier with an A.M. Best rating of no less than A: VII, or equivalent.

- The coverage shall contain no special limitations on the scope of protection afforded to DISTRICT, its directors, officers, employees, or authorized volunteers.

- If any of the required coverages expire or are cancelled during the term of this agreement, the CONTRACTOR shall deliver the renewal certificate(s) to DISTRICT at least ten (10) days prior to the expiration or cancellation date and shall obtain replacement insurance with the same coverage prior to such expiration.

• Self-Insurance is not acceptable or permitted for any insurance coverage required under this Agreement.

• Self-Insured Retentions - Self-insured retentions must be declared to and approved by the DISTRICT in writing. The DISTRICT may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or DISTRICT.

7. Indemnification.

7.01 CONTRACTOR and DISTRICT agree that DISTRICT, its employees, agents and officials should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, defense costs, court costs or any other costs arising out of or in any way related to the performance of this Agreement by CONTRACTOR or any subcontractor or agent of either. Accordingly, the provisions of this indemnity are intended by the parties to be interpreted and construed to provide the fullest protection possible under the law to DISTRICT. CONTRACTOR acknowledges that DISTRICT would not enter into this Agreement in the absence of the commitment of CONTRACTOR to indemnify and protect DISTRICT as set forth herein.

a. To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless DISTRICT, its employees, agents and officials, from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, damages or costs of any kind, whether actual, alleged or threatened, actual attorneys' fees incurred by DISTRICT, court costs, interest, defense costs, including expert witness fees and any other costs or expenses of any kind whatsoever without restriction or limitation incurred in relation to, as a consequence of or arising out of or in any way attributable actually, allegedly or impliedly, in whole or in part to the performance of this Agreement. CONTRACTOR's obligation to defend, indemnify and hold harmless shall include any and all claims, suits and proceedings in which CONTRACTOR (and/or CONTRACTOR's agents and/or employees) is alleged to be an employee of DISTRICT. All obligations under this provision are to be paid by CONTRACTOR as they are incurred by DISTRICT.

b. Without affecting the rights of DISTRICT under any provision of this Agreement or this Section, CONTRACTOR shall not be required to indemnify and hold harmless DISTRICT as set forth above for liability attributable solely to the fault of DISTRICT, provided such fault is determined by agreement between the parties or the findings of a court of competent jurisdiction.

8. Additional Services, Changes and Deletions.

8.01 In the event CONTRACTOR performs additional or different services than those described herein without the prior written approval of the Project Manager of the

DISTRICT, CONTRACTOR shall not be compensated for such services. CONTRACTOR expressly waives any right to be compensated for services and materials not covered by the scope of this Agreement or authorized by the DISTRICT in writing.

8.02 CONTRACTOR shall promptly advise the Project Manager and as soon as reasonably practicable upon gaining knowledge of a condition, event or accumulation of events which may affect the scope and/or cost of Services. All proposed changes, modifications, deletions and/or requests for additional services shall be reduced to writing for review and approval by the DISTRICT and/or Board of Directors.

9. Termination of Agreement.

9.01 Notwithstanding any other provision of this Agreement, either party, may terminate this Agreement with or without cause, or for no cause, at any time by giving thirty (30) days' written notice to CONTRACTOR.

9.02 In the event of termination, the payment of monies due CONTRACTOR for undisputed Services performed prior to the effective date of such termination shall be paid within thirty (30) business days after receipt of an invoice as provided in this Agreement. Immediately upon termination, CONTRACTOR agrees to promptly provide and deliver to DISTRICT all original documents, reports, studies, plans, specifications and the like which are in the possession or control of CONTRACTOR and pertain to DISTRICT.

10. Status of CONTRACTOR.

10.01 CONTRACTOR shall perform the Services in CONTRACTOR's own way as an independent contractor, and in pursuit of CONTRACTOR's independent calling, and not as an employee of DISTRICT. However, CONTRACTOR shall regularly confer with DISTRICT's DISTRICT Manager as provided for in this Agreement.

10.02 CONTRACTOR agrees that it is not entitled to the rights and benefits afforded to DISTRICT's employees, including disability or unemployment insurance, workers' compensation, retirement, CalPERS, medical insurance, sick leave, or any other employment benefit. CONTRACTOR is responsible for providing, at its own expense, disability, unemployment, workers' compensation and other insurance, training, permits, and licenses for itself and its employees and subcontractors.

10.03 CONTRACTOR hereby specifically represents and warrants to DISTRICT that it possesses the qualifications and skills necessary to perform the Services under this Agreement in a competent, professional manner, without the advice or direction of DISTRICT and that the Services to be rendered pursuant to this Agreement shall be performed in accordance with the standards customarily applicable to an experienced and competent professional rendering the same or similar services in the same geographic area where the DISTRICT is located. Further, CONTRACTOR represents and warrants that the individual signing this Agreement on behalf of CONTRACTOR has the full authority to bind CONTRACTOR to this Agreement.

11. Miscellaneous Provisions.

11.01 This Agreement, which includes all attached exhibits, supersedes any and all previous agreements, either oral or written, between the parties hereto with respect to the rendering of Services by CONTRACTOR for DISTRICT and contains all of the covenants and agreements between the parties with respect to the rendering of such Services in any manner whatsoever. Any modification of this Agreement will be effective only if it is in writing signed by both parties. The Recitals to this Agreement are hereby incorporated herein by this reference.

11.02 CONTRACTOR shall not assign or otherwise transfer any rights or interest in this Agreement without the prior written consent of DISTRICT. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

11.03 If any legal action or proceeding, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs, in addition to any other relief to which that party may be entitled.

11.04 This Agreement is made, entered into and shall be performed in the County of Riverside in the State of California and shall in all respects be interpreted, enforced and governed under the laws of the State of California.

11.05 CONTRACTOR covenants that neither it nor any officer or principal of its firm has any interest, nor shall they acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of their Services hereunder. CONTRACTOR further covenants that in the performance of this Agreement, no person having such interest shall be employed by it as an officer, employee, agent, or subcontractor.

11.06 Improper Consideration. CONTRACTOR shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, services, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the DISTRICT in an attempt to secure favorable treatment regarding this Agreement or any contract awarded by DISTRICT. The DISTRICT, by notice, may immediately terminate this Agreement if it determines that any improper consideration as described in the preceding sentence was offered to any officer, employee or agent of the DISTRICT with respect to the proposal and award process of this Agreement or any DISTRICT contract. This prohibition shall apply to any amendment, extension or evaluation process once this Agreement or any DISTRICT contract has been awarded. CONTRACTOR shall immediately report any attempt by any DISTRICT officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from CONTRACTOR.

11.07 Prevailing Wages. If the Services include work performed during the design, site assessment, feasibility study, and other preconstruction phases of construction, including, but not limited to, inspection and land surveying work, regardless of whether any further construction work is conducted, and work performed during the post-construction phases of

construction, CONTRACTOR shall be responsible to comply with applicable prevailing wages laws. As a condition of payment, CONTRACTOR shall pay wages under applicable state and federal laws and regulations relating to prevailing wages in accordance with the "General Wage Determination Made By the Director of Industrial Relations Pursuant To California Labor Code, Part 7, Chapter 1, Article 2, Sections 1770, 1773 and 1773.1", for Riverside County and/or 40 U.S.C. Section 276a, et. seq. Such wage rates shall conform with those posted at DISTRICT offices and the project site. In the event that the CONTRACTOR fails to pay the prevailing wages, the CONTRACTOR shall be solely liable for penalties and for the shortfall in wages and shall indemnify, defend and hold harmless DISTRICT under Section 8.01 against any of the same. The following Labor Code sections are hereby referenced and made a part of this Agreement:

1. Section 1775 - Penalty for Failure to Comply with Prevailing Wage Rates.
2. Section 1777.4 - Apprenticeship Requirements.
3. Section 1777.5 - Apprenticeship Requirements.
4. Section 1813 - Penalty for Failure to Pay Overtime.
5. Sections 1810 and 1811 - Working Hour Restrictions.
6. Section 1775 - Payroll Records.
7. Section 1773.8 - Travel and Subsistence Pay.

11.08 CONTRACTOR shall comply with the provisions of the Labor Code of the State of California. CONTRACTOR shall defend, indemnify and hold the DISTRICT, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with applicable prevailing wage laws.

11.09 CONTRACTOR shall have no authority to bind DISTRICT in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against DISTRICT, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by DISTRICT. CONTRACTOR shall not at any time or in any manner represent that CONTRACTOR or any of CONTRACTOR's officers, employees, or agents are in any manner officials, officers, employees or agents of DISTRICT.

11.10 CONTRACTOR has read and is aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the Government Code relating to conflicts of interest of public officers and employees. CONTRACTOR agrees that they are unaware of any financial or economic interest of any public officer or employee of the DISTRICT relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement, the DISTRICT may immediately terminate this Agreement by giving notice thereof. CONTRACTOR shall comply with the requirements of Government Code section 87100 et seq. and section 1090 in the performance of and during the term of this Agreement.

[signatures on following page]

IN WITNESS WHEREOF, the parties hereby have made and executed this Agreement to be effective as of the day and year first above written.

DISTRICT:	**CONTRACTOR:**
MISSION SPRINGS WATER DISTRICT	URBAN HABITAT
By: _____	By: _____
Print Name _____	Print Name _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT "A"

SCOPE OF WORK AND PROPOSAL
(insert behind this page)

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
101	Weekly Landscape Maintenance Services (Once Per Week) - MSWD Administration Campus	52	EA	$345.00	$17,940.00
102	Monthly Landscape Maintenance Services (Once Per Month) - MSWD Horton Wastewater Treatment Plant (HWWTP) - Exhibit G (Area 1)	12	EA	$900.00	$10,800.00
103	Quarterly Landscape Maintenance Services (Four Times Per Year) - MSWD Horton Wastewater Treatment Plant (HWWTP) - Exhibit G (Area 2)	4	EA	$545.00	$2,180.00
104	Monthly Landscape Maintenance Services (Once Per Month) - MSWD Well and Reservoir Sites	12	EA	$1,670.00	$20,040.00
105	Monthly Landscape Maintenance Services (Once Per Month) - MSWD Well 33 Solar Field	12	EA	$690.00	$8,280.00
106	Quarterly Landscape Maintenance Services (Four Service Visits Per Year) - MSWD Dos Palmas Lift Station (DPLS)	4	EA	$690.00	$2,760.00
107	Semi-Annual Landscape Maintenance (Two Service Visits Per Year) - MSWD Desert Crest (DC) - Exhibit I (Area 3)	2	EA	$200.00	$400.00
108	Quarterly Landscape Maintenance (Four Service Visits Per Year) - MSWD Desert Crest (DC) - Exhibit I (Area 2)	4	EA	$490.00	$1,960.00
109	Quarterly Landscape Maintenance (Four Service Visits Per Year) - MSWD Nancy Wright Regional Water Reclamation Facility (NWRWRF) - Exhibit H - (Area 2)	4	EA	$600.00	$2,400.00
110	Monthly Landscape Maintenance (Four Service Visits Per Year) - MSWD Nancy Wright Regional Water Reclamation Facility (NWRWRF) - Exhibit H (Area 1)	12	EA	$600.00	$7,200.00
111	Semi-Annual Landscape Maintenance (Two Service Visits Per Year) - MSWD Nancy Wright Regional Water Reclamation Facility (NWRWRF) - Exhibit H (Area 3)	2	EA	$798.00	$1,596.00
112	Quarterly Landscape Maintenance (Four Service Visits Per Year) - MSWD 20th Avenue Lift Station	4	EA	$345.00	$1,380.00
	Total				**$76,936.00**

Scope of Work

The Contractor shall furnish all labor, equipment, materials, tools, and supervision necessary to provide comprehensive landscape maintenance services for MSWD facilities. Services shall include, but are not limited to the following:

a. Weeding and cultivating
b. Tree and shrub trimming, pruning and training
c. Palm tree maintenance
d. Mulching
e. Litter removal
f. Brush clearance
g. Treatment and control of plant diseases
h. Chemical weed control at District-approved locations only
i. General site clean-up and debris removal
j. Hardscape maintenance, including sweeping or blowing concrete and asphalt surfaces and crack and/or gutter weed abatement
k. Irrigation repairs

In addition to the routine maintenance items listed above, the Contractor shall repair landscape and hardscape features damaged by vandalism, as directed by the Project Manager.

1. Facilities and Maintenance Frequency

MSWD Administration Campus

Location: 66575 Second Street, Desert Hot Springs, California

The Contractor shall provide full-service landscape maintenance services for the MSWD Administration Campus on a **weekly** basis, which include the following facilities/locations:

- Administration Building – 66575 Second Street
- Cell Tower – 66575 Second Street (the lots east of the Administration Building)
- Annex / Engineering Building – 66547 Second Street

MSWD Well and Reservoir Sites

The Contractor shall provide landscape maintenance services for the following MSWD well and reservoir facilities on a **monthly** basis:

	Site/Facility Name	Address	City
1	Well No. 22	65115 Pierson Blvd.	Desert Hot Springs
2	Well No. 24	Acoma - East of Little Morongo	Desert Hot Springs
3	Well No. 25	Rushmore South of Tamarack	Whitewater
4	Well No. 25A	13040 Rushmore Avenue	Whitewater
5	Well No. 26	Frontage Road - Off Verbena	Whitewater
6	Well No. 26A	55745 San Pierre	Whitewater

7	Well No. 27/31	64261 Dillion Road	Desert Hot Springs
8	Well No. 28	64355 Mission Lakes Blvd.	Desert Hot Springs
9	Well No. 29	65700 Ironwood Drive	Desert Hot Springs
10	Well No. 30	9950 Indian Avenue	Desert Hot Springs
11	Well No. 32	16075 Little Morongo Road	Desert Hot Springs
12	Well No. 33	19011 Little Morongo Road	Desert Hot Springs
13	Well No. 34	62998 Mission Lakes Blvd.	Desert Hot Springs
14	Well No. 37	65262 Two Bunch Palms Trail	Desert Hot Springs
15	Well No. 42	Acoma - East of Little Morongo	Desert Hot Springs
16	Woodridge Reservoir	12400 Woodridge Avenue	Whitewater
17	Cottonwood Reservoir	S/W Corner Cottonwood & Boulder	Whitewater
18	Valley View Reservoir	16263 Valley View Road	Desert Hot Springs
19	Overhill Reservoir	60755 Hilltop Road	Desert Hot Springs
20	Gateway Reservoir	61400 Pierson Blvd	Desert Hot Springs
21	Mission Lakes Reservoir	1000’ N. of Augusta E. of Clubhouse	Desert Hot Springs
22	Annandale Reservoir	1000’ N. of Annandale Road	Desert Hot Springs
23	Terrace Reservoir	66700 Terrace Way	Desert Hot Springs
24	Vista Reservoir	9030 Valencia Drive	Desert Hot Springs
25	High Northridge Reservoir	Across from 9755 Verbena Drive	Desert Hot Springs
26	Low Northridge Reservoir	Mission Lakes Blvd. E/ Verbena Ave.	Desert Hot Springs
27	Two Bunch Palms Reservoir	Casa Loma Rd S/ Rochelle Road	Desert Hot Springs
28	High Desert View Reservoir	Behind 12025 Highland Avenue	Desert Hot Springs
29	Low Desert View Reservoir	S/W Corner of Desert View and Mountain View	Desert Hot Springs
30	Quail Reservoir	Quail Trail E/ Long Canyon Road	Desert Hot Springs
31	Worsley Reservoir	11117 Worsley Road	Desert Hot Springs
32	Highland Reservoir	Redbud Road	Desert Hot Springs
33	Redbud Reservoir	12015 Redbud Road	Desert Hot Springs

MSWD Well No. 33 Solar Field

Location: 19011 Little Morongo Road, Desert Hot Springs

The Contractor shall provide landscape maintenance services at the Well No. 33 Solar Field on a **monthly** basis.

MSWD Horton Wastewater Treatment Plant

Location: 14601 Verbena Drive, Desert Hot Springs

The Contractor shall provide landscape maintenance services at the Horton Wastewater Treatment Plant on a **monthly and quarterly** basis. Refer to Exhibit “G” for a description of the maintenance areas and associated service intervals.

MSWD Nancy Wright Regional Water Reclamation Facility

Location: 19999 Little Morongo Road, Desert Hot Springs

The Contractor shall provide landscape maintenance services at the Nancy Wright Regional Water Reclamation Facility on a **monthly, quarterly, and semi-annual (every six months)** basis. Refer to Exhibit "H" for a description of the maintenance areas and associated service intervals.

MSWD Dos Palmas Lift Station

Location: 66920 Dillon Road, Desert Hot Springs

The Contractor shall provide landscape maintenance services at the Dos Palmas Lift Station on a **quarterly** basis.

MSWD 20th Avenue Lift Station

Location: 64167 20th Avenue, Desert Hot Springs

The Contractor shall provide landscape maintenance services at the 20th Avenue Lift Station on a **quarterly** basis.

MSWD Desert Crest Wastewater Treatment Plant

Location: 69521 Dillon Road, Desert Hot Springs

The Contractor shall provide landscape maintenance services at the Desert Crest Wastewater Treatment Plant on a **quarterly and semiannual (every six months)** basis. Refer to Exhibit "I" for a description of the maintenance areas and associated service intervals.

2. Schedule and Notifications

The Contractor shall submit a schedule of activities to the District. This schedule shall contain a comprehensive listing of maintenance activities and the day(s) on which they will be performed at each site consistent with Exhibit "F". This comprehensive check list shall be provided to the District and updates shall be submitted as needed. Contractor shall notify the District forty-eight (48) hours prior to commencing the following items:

- Tree trimming / palm tree maintenance
- Major tree removal
- Applying pesticides or herbicides
- Irrigation system repairs

Cleanup and Disposal

The Contractor shall remove and properly dispose of all litter, debris, and waste materials in compliance with all applicable laws and regulations.

3. General Terms and Conditions

The successful Contractor shall execute the Agreement attached as Exhibit “A”. and comply with all insurance and contractual requirements. All Agreement terms are non-negotiable, unless expressly modified through formal negotiations.

4. Work Standards

The Contractor shall perform all proposed landscape maintenance / repair services in a professional and workmanlike manner. The Contractor shall furnish all labor, tools, equipment, materials, supervision and supplies necessary to complete the work in a timely manner and in full compliance with the District’s requirements.

All maintenance activities shall be performed on a regular schedule established by the District to ensure the sites remain in a condition of weed-free and healthy, vigorous growth of established landscape.

All Contractor personnel working at District facilities shall wear appropriate personal protective equipment at all times.

5. Non-Performance for Services

The Contractor shall be deemed non-compliant when, in the judgment of the Project Manager or Authorized Staff, one or more of the following conditions occur:

1. The requested work is not performed in accordance with the performance standards established by this Agreement or as directed by the Project Manager.

2. The requested work is not performed or completed within the timeframes specified.

3. The required Landscape Facility Schedule (Exhibit “F”) is not completed and submitted to the Project Manager at the conclusion of the landscape maintenance period, verifying that all work has been completed.

6. Security and Identification

A Live Scan background check is required for all Contract personnel working on District facilities.

The Contractor shall certify in writing that a background check, to the extent permitted by law, has been completed for each Contractor employee prior to initial employment. Copies of all background checks shall be provided to the District no later than two (2) weeks prior to the employee’s first day on District premises.

Upon the termination or transfer of any Contractor employee, the Contractor shall immediately notify the Project Manager or Authorized Staff by both phone and email. The Contractor shall promptly recover and return all District-owned property (including keys and remotes) from the individual.

7. Performance Requirements

The Contractor must provide a level of maintenance that consistently presents a neat, pleasing, and desirable site appearance. The Contractor shall maintain all designated areas in accordance with these specifications.

The District shall be the sole judge of the adequacy of the Contractor's maintenance and the overall appearance of the sites.

8. Notice of Adverse Conditions

When conditions arise that require work believed to be outside of the scope of these specifications to prevent damage or loss to plants, materials, slopes, structures, or other District property, the Contractor shall notify the Project Manager in writing within 24 hours. The notification shall describe the adverse condition and include a recommended solution, if applicable.

9. Reporting Damage

The Contractor shall promptly report any damage caused by the Contractor to the sites covered by these specifications by the end of business day, as well as any damage or vandalism to District equipment or other property located on the sites, regardless of whether the damage is caused by the Contractor, third parties, or the District.

10. Repair of Damage

The Contractor shall promptly repair, at no cost to the District, all defective work and any damage caused by the Contractor's actions or failure to perform. Replacement of damaged irrigation systems or other facilities shall be of the same type and quality as those previously existing.

11. Keys and Locks

Prior to commencing work, the Project Manager shall issue a reasonable number of keys and/or remotes to the Contractor. The Contractor shall be responsible for controlling and distributing keys and/or remotes only to authorized personnel and for preventing unauthorized use.

All keys and/or remotes shall be returned to the District at the end of contract term or upon termination of the Agreement.

12. Working Hours

Maintenance and repair work shall be performed between the hours of 6:30 a.m. and 4:00 p.m.**,** Monday through Friday. Any work performed outside of these hours or days shall require prior Project Manager approval.

13. Maintenance Requirements

The Contractor shall perform and abide by all stipulations set forth in these specifications and requirements below.

14. Weeding

All sites shall be maintained in weed-free condition. Weed removal shall be performed manually at each scheduled site visit unless otherwise approved by the Project Manager (i.e., use of herbicide).

15. Shrub Trimming

Shrubs shall be trimmed and shaped in accordance with industry standards appropriate to each species to promote healthy growth. Shrubs and brush shall be trimmed away from electrical cabinets, doorways, gateways, walkways, fences, and property lines to ensure unobstructed access at all times.

All brush shall be cleared to a minimum of five (5) feet from any boundary fence. Shrubs and brush shall be maintained with a minimum six (6) foot clearance from all structures.

16. Irrigation

Minor irrigation leaks identified by the Contractor or District staff during scheduled work or inspections shall be repaired by District staff. Any major irrigation issues identified by District staff during routine site visits shall be reported to the Contractor. Any major irrigation issues identified by the Contractor shall be reported to the Project Manager immediately.

The Contractor shall submit a cost proposal for any repairs classified as major irrigation repairs to the Project Manager for review and approval. Approved irrigation repairs shall be billed separately from the standard contracted service amount.

17. Mulching

Where applicable, planting areas shall be cultivated and maintained with mulch at a depth of no less than two (2) inches and no more than four (4) inches, as appropriate, to maintain plant health.

The Contractor shall maintain all mulch and ground cover areas and notify the Project Manager when additional mulch is required.

18. Disease Control

The Contractor shall regularly inspect all landscaping for signs of disease or distress and take all reasonable measures to correct such conditions. If a condition cannot be remedied, the Contractor shall submit a written report explaining the issue and the reason corrective action is not feasible.

All costs associated with diagnosing and treating plant diseases shall be borne by the Contractor.

19. Tree Trimming

Tree trimming shall be performed at least annually and shall include the removal of suckers, crossing branches, dead, diseased, or damaged wood, and any growth that may compromise tree health or safety. Trees shall be properly thinned, shaped, and headed back as necessary to maintain a healthy structure and aesthetically pleasing appearance, at no additional cost to the District.

Palm tree maintenance shall include annual pruning of fronds, removal of seed pods and flower stalks, and trimming of dead, broken, or hazardous fronds in accordance with industry's best practices. Palm pruning shall be performed in a manner that preserves tree health and structural integrity, at no additional cost to the District.

Vine tendrils shall be removed down to ground level in a manner that prevents damage to the tree and avoids scarring of the trunk. The Contractor shall notify the District in advance of all tree and palm trimming activities.

20. Wind Damage

The Contractor shall be responsible for removing tress or limbs that fall as a result of high winds. In cases where fallen trees obstruct walkways or interfere with District operations, removal shall occur within twenty-four (24) hours when notified by the Project Manager.

Fallen trees shall be removed by the root. All resulting holes shall be filled, and the area restored to natural grade and contour. The Contractor shall submit a cost proposal for this work.

21. Walkways and Driveways

Where applicable, walkways, driveways, and parking lots shall be cleaned of all foreign substances during each scheduled site visit.

22 Litter Removal

Litter shall be removed from all sites on each visit per submitted schedule.

23. Herbicide Use at Reservoirs

The use of herbicides of any type is strictly prohibited within a 50-foot radius around wellheads and within 30-feet of reservoirs. Vegetation in these areas shall be removed manually.

EXHIBIT "B"

CERTIFICATES OF INSURANCE AND ENDORSEMENTS
(insert behind this page)

Attachment 2

July 1, 2026, through June 30, 2027				Universal Green LLC		Urban Habitat		Mariposa Landscapes, Inc.		J. Orozco Enterprises, Inc. DBA Orozco Landscape and Tree Company	
Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
101	Weekly Landscape Maintenance Services (Once Per Week) - MSWD Administration Campus	52	EA	$1,250.00	$65,000.00	$345.00	$17,940.00	$86.34	$4,489.68	$735.00	$38,220.00
102	Monthly Landscape Maintenance Services (Once Per Month) - MSWD Horton Wastewater Treatment Plant (HWWTP) - Exhibit G	12	EA	$100.00	$1,200.00	$900.00	$10,800.00	$347.79	$4,173.48	$2,630.00	$31,560.00
103	Quarterly Landscape Maintenance Services (Four Times Per Year) - MSWD Horton Wastewater Treatment Plant (HWWTP) - Exhibit G (Area 2)	4	EA	$25.00	$100.00	$545.00	$2,180.00	$930.32	$3,721.28	$7,230.00	$28,920.00
104	Monthly Landscape Maintenance Services (Once Per Month) - MSWD Well and Reservoir Sites	12	EA	$100.00	$1,200.00	$1,670.00	$20,040.00	$4,121.60	$49,459.20	$1,837.50	$22,050.00
105	Monthly Landscape Maintenance Services (Once Per Month) - MSWD Well 33 Solar Field	12	EA	$100.00	$1,200.00	$690.00	$8,280.00	$76.17	$914.04	$1,837.50	$22,050.00
106	Quarterly Landscape Maintenance Services (Four Service Visits Per Year) - MSWD Dos Palmas Lift Station (DPLS)	4	EA	$25.00	$100.00	$690.00	$2,760.00	$36.56	$146.24	$1,102.50	$4,410.00
107	Semi-Annual Landscape Maintenance (Two Service Visits Per Year) - MSWD Desert Crest (DC) - Exhibit I (Area 3)	2	EA	$25.00	$50.00	$200.00	$400.00	$435.44	$870.88	$1,000.00	$2,000.00
108	Quarterly Landscape Maintenance (Four Service Visits Per Year) - MSWD Desert Crest (DC) - Exhibit I (Area 2)	4	EA	$25.00	$100.00	$490.00	$1,960.00	$178.21	$712.84	$602.50	$2,410.00
109	Quarterly Landscape Maintenance (Four Service Visits Per Year) - MSWD Nancy Wright Regional Water Reclamation Facility (NWRWRF) - Exhibit H - (Area 2)	4	EA	$25.00	$100.00	$600.00	$2,400.00	$1,865.99	$7,463.96	$491.60	$1,966.40
110	Monthly Landscape Maintenance (Four Service Visits Per Year) - MSWD Nancy Wright Regional Water Reclamation Facility (NWRWRF) - Exhibit H (Area 1)	12	EA	$100.00	$1,200.00	$600.00	$7,200.00	$106.21	$1,274.52	$104.50	$1,254.00
111	Semi-Annual Landscape Maintenance (Two Service Visits Per Year) - MSWD Nancy Wright Regional Water Reclamation Facility (NWRWRF) - Exhibit H (Area 3)	2	EA	$25.00	$50.00	$798.00	$1,596.00	$2,592.04	$5,184.08	$596.16	$1,192.32
112	Quarterly Landscape Maintenance (Four Service Visits Per Year) - MSWD 20th Avenue Lift Station	4	EA	$25.00	$100.00	$345.00	$1,380.00	$23.42	$93.68	$602.50	$2,410.00
	Total				***$70,400.00***		***$76,936.00***		***$78,503.88***		***$158,442.72***

Attachment 3

Urban Habitat Landscape Contract Cost Breakdown

YEAR ONE FY 2026-27: Plus 10% Contingency

$76,936.00	Bid Amount
$7,693.60	10% Contingency
$84,629.60	Award Amount

YEAR TWO FY 2027-28: Plus 10% Contingency

$79,300.00	Bid Amount
$7,930.00	10% Contingency
$87,230.00	Award Amount

YEAR THREE FY 2028-29: Plus 10% Contingency

$81,712.00	Bid Amount
$8,171.20	10% Contingency
$89,883.20	Award Amount

$261,742.80 Total Action Cost (for all three years)

AGENDA STAFF REPORT

MEETING NAME: REGULAR BOARD MEETING

MEETING DATE: JULY 16, 2026

FROM: DANNY FRIEND, DIRECTOR OF OPERATIONS

FOR: ACTION

AWARD CONTRACT WITH GENTRY GENERAL ENGINEERING INC. FOR ON-CALL PAVEMENT AND CONCRETE REPAIRS FOR WATER AND SEWER PROJECTS FOR 2026-2027

STAFF RECOMMENDATION

It is recommended to authorize the General Manager to execute a one-year contract with Gentry General Engineering Inc. for On-call Pavement and Concrete Repairs for Water and Sewer Projects for 2026-2027, in an amount not to exceed $250,000.00, with the option to extend for two additional one-year terms, and to negotiate any associated price adjustments.

SUMMARY

Annually the District conducts over 100 repairs on water mains, services, valves, blow-offs, air-vacs, and sewer lines within its service area. Following these repairs, temporary asphalt patches are installed by staff until permanent patches are completed. Under this contract Gentry General Engineering Inc. (Gentry) will provide permanent paving and other concrete repairs. In collaboration with the City of Desert Hot Springs, the District has agreed to complete permanent asphalt repairs within 90 days of the initial work.

ANALYSIS AND FISCAL IMPACT

In May 2026, the District solicited bids for Pavement Repairs for Water and Sewer Projects for 2026-2027 through OpenGov and received six bids. After bid qualification, Gentry was determined to be the lowest responsive and responsible bidder.

BUDGET INFORMATION & STRATEGIC PLAN IMPLEMENTATION

Action Cost:	Current FY Cost:	Future FY Cost:	Funding Source	Acct/Project No.
$250,000.00	$250,000.00	$250,000.00	Operating 201	201-544-53490
Covered in current FY budget?		**Adjustment Needed?**	**Current Balance:**	**Balance if Approved:**
Yes		No	$400,000.00	$150,000.00
Strategic Plan Goal Alignment:				
SMART Goal 4 – System Reliability				

ATTACHMENTS

Attachment 1 – Contract
Attachment 2 - Bid Summary

Attachment 1

AGREEMENT FOR ON-CALL PAVEMENT AND CONCRETE REPAIRS FOR WATER AND SEWER PROJECTS BY INDEPENDENT CONTRACTOR
PROJECT DIR # _____

THIS AGREEMENT FOR ON-CALL PAVEMENT AND CONCRETE REPAIRS FOR WATER AND SEWER PROJECTS BY INDEPENDENT CONTRACTOR is made and effective as of **August 1, 2026,** by and between the MISSION SPRINGS WATER DISTRICT, a County Water District ("DISTRICT") whose address is 66575 Second Street, Desert Hot Springs, CA 92240, California, and **Gentry General Engineering, Inc.**, a *California corporation* whose address is **320 W Tropica Rancho Rd, Colton, CA 92324** ("CONTRACTOR").

RECITALS

This Agreement is entered into on the basis of the following facts, understandings and intentions of the parties to this Agreement:

A. DISTRICT desires to engage CONTRACTOR to provide the following services: pavement and concrete repair services associated with District water and sewer operations, including asphalt and concrete patching, replacement, and related work; and

B. CONTRACTOR has made a proposal ("Proposal") to the DISTRICT to provide such services, which Proposal is attached hereto as **Exhibit "A"** and incorporated herein by this reference; and

C. CONTRACTOR represents that it has examined and is fully familiar with all of the provisions of the Agreement; that it has satisfied itself as to the nature and location of all Services (defined below), the general and local conditions to be encountered in the performance of any Services, and all other matters which can in any way affect the Services or the cost thereof; and

D. CONTRACTOR agrees to provide such Services pursuant to, and in accordance with, the terms and conditions of this Agreement, and represents and warrants to DISTRICT that CONTRACTOR possesses the necessary skills, licenses, certifications, qualifications, personnel and equipment to provide such services; and

E. The parties acknowledge that some or all of the Services may constitute "public works" or "maintenance" under California Labor Code section 1720 et seq.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals and mutual covenants contained herein, DISTRICT and CONTRACTOR agree as follows:

1. Term of Agreement. This Agreement is effective as of the date first above written and shall continue until terminated as provided for herein. Notwithstanding anything in this Agreement to the contrary, this Agreement shall automatically terminate on **June 30, 2027,** unless

extended by the parties with the approval of the General Manager or Board of Directors of the DISTRICT.

2. Services to be Performed. CONTRACTOR agrees to provide on-call maintenance, repair, and emergency services ("Services") as requested by DISTRICT and contained within the Proposal. All Services shall be authorized through written task orders, service requests, work assignments, or other written direction ("Task Orders") issued by the DISTRICT. Each Task Order shall describe the scope of work, schedule, and compensation. CONTRACTOR shall not perform any Services without prior written authorization from DISTRICT. CONTRACTOR designates **Brenton Gentry** as CONTRACTOR'S representative(s) responsible for overseeing the Services provided by CONTRACTOR. DISTRICT designates the District General Manager, or his or her designee, to act as the Project Manager ("Project Manager") in connection with the delivery of Services under this Agreement. CONTRACTOR shall supply, at its sole expense, all equipment, tools, materials, and supplies necessary to perform Services.

2.01. Task Orders. DISTRICT shall issue Task Orders on an as-needed basis. For each Task Order, Compensation shall be based on the unit pricing set forth in the Proposal, and CONTRACTOR shall perform work as directed without the need for separate cost proposals unless requested by DISTRICT. Compensation shall include, labor, materials, subcontractors, and a proposed schedule for completion. No Task Order shall be binding, and CONTRACTOR shall not commence any work thereunder, unless and until the Task Order has been approved in writing by the DISTRICT. DISTRICT makes no representation or guarantee that CONTRACTOR will receive any minimum amount of work under this Agreement.

2.02. In addition to the requirements set forth in this Agreement, all Services performed pursuant to any Task Order shall be subject to, and CONTRACTOR shall comply with, the General Conditions, Special Conditions, and bond requirements applicable to the Work. The General Conditions and Special Conditions are attached hereto as Exhibit "C" and incorporated herein by this reference.

Each Task Order issued under this Agreement shall expressly incorporate the terms of this Agreement and Exhibit "C" , Additionally CONTRACTOR agrees that all work performed under any Task Order shall be governed by, and performed in accordance with, such provisions, whether or not expressly restated in the Task Order.

Without limiting the foregoing, CONTRACTOR shall comply with all requirements relating to performance bonds, payment bonds, maintenance bonds, and any other security required by the DISTRICT pursuant to Section 12 of this Agreement. In the event of any conflict between the terms of a Task Order and the General Conditions, Special Conditions, or bond requirements, the more stringent provision, as determined by DISTRICT, shall control.

3. Associates and Subcontractors. CONTRACTOR may, at CONTRACTOR'S sole cost and expense, employ such competent and qualified independent associates, subcontractors and consultants as CONTRACTOR deems necessary to perform the Services; provided, however, that CONTRACTOR shall not subcontract any of the Services without the prior written consent of DISTRICT. CONTRACTOR shall require all subcontractors to comply with all applicable

provisions of this Agreement, including prevailing wage, insurance, and indemnity obligations.

4. Compensation.

4.01 CONTRACTOR shall be paid at the rates set forth in the Proposal and shall not increase any rate without the prior written consent of the DISTRICT. This Agreement is a time-and-materials, on-call contract. Notwithstanding anything in this Agreement to the contrary, total fees and charges paid by DISTRICT to CONTRACTOR under this Agreement shall not exceed the amount of $[insert maximum authorized amount of **$250,000.00**. Each Task Order issued pursuant to this Agreement may include its own not-to-exceed amount, which shall not be exceeded without prior written approval of the DISTRICT.

4.02 CONTRACTOR shall not be compensated for any Services rendered nor reimbursed for any expenses incurred in excess of those authorized unless approved in advance by the DISTRICT, in writing. CONTRACTOR shall not exceed any not-to-exceed amount established in an approved Task Order without the prior written approval of the DISTRICT.

4.03 CONTRACTOR shall submit to DISTRICT, on or before the fifteenth (15^{th}) of each month, itemized invoices for the Services rendered in the previous month. Invoices shall reference the applicable Task Order. DISTRICT may withhold payment for: (i) defective work, (ii) non-compliance with prevailing wage laws, or (iii) incomplete or unauthorized work. The DISTRICT shall not be obligated to pay any invoice for services that are submitted more than sixty (60) days after the date such services were provided. DISTRICT shall have the right to review and audit all invoices prior to or after payment to CONTRACTOR. This review and audit may include, but not be limited to DISTRICT's:

a. Determination that any hourly fee charged is consistent with this Agreement's approved hourly rate schedule;

b. Determination that the multiplication of the hours billed times the approved rate schedule dollars is correct;

c. Determination that each item charged is the usual, customary, and reasonable charge for the particular item. If the DISTRICT determines an item charged is greater than usual, customary, or reasonable, or is duplicative, ambiguous, excessive, or inappropriate, DISTRICT shall either return the bill to CONTRACTOR with a request for explanation or adjust the payment accordingly and give notice to CONTRACTOR of the adjustment.

4.04 If the work is satisfactorily completed, DISTRICT shall pay such invoice within thirty (30) days of its receipt, or as reasonably soon after required certified payroll information is submitted to the DISTRICT, if applicable. Should DISTRICT dispute any portion of any invoice, DISTRICT shall pay the undisputed portion within the time stated above, and at the same time advise CONTRACTOR in writing of the disputed portion.

4.05 DISTRICT may withhold retention from progress payments on a Task Order basis where appropriate. Retention shall not exceed five percent (5%) of the amount payable under the applicable Task Order, unless a higher percentage is permitted by applicable law. Retention shall be released upon satisfactory completion and acceptance of the applicable Task Order, and if a Notice of Completion is recorded for such Task Order, in accordance with applicable law governing the release of retention. Retention, if any, shall be administered separately for each Task Order.

4.06 Stop Notices. CONTRACTOR acknowledges that DISTRICT may withhold funds otherwise due or to become due to CONTRACTOR in response to any stop notice, bonded stop notice, or other lawful claim made in accordance with California Civil Code. DISTRICT shall be entitled to withhold such amounts as required by law or as reasonably necessary to satisfy such claim. CONTRACTOR shall be solely responsible for resolving any such claim, and DISTRICT shall have no obligation to make payment to CONTRACTOR for amounts subject to such withholding until the claim is released, discharged, or otherwise resolved to the satisfaction of DISTRICT in accordance with applicable law.

5. Obligations of CONTRACTOR.

5.01 CONTRACTOR agrees to perform all Services in accordance with the terms and conditions of this Agreement and the Proposal. All Services shall be performed in accordance with applicable industry standards and in a good and workmanlike manner. In the event that the terms of the Proposal shall conflict with the terms of this Agreement or contain additional terms that purport to bind the DISTRICT other than for the Services to be rendered and the hourly rate for the Services, the terms of this Agreement shall govern and said additional or conflicting terms shall be of no force or effect.

5.02 Except as otherwise agreed by the parties, CONTRACTOR will supply all personnel, materials and equipment required to perform the Services. CONTRACTOR shall provide its own offices, telephones, vehicles and computers. CONTRACTOR shall perform the Services subject to the direction, control, and approval of DISTRICT as set forth in this Agreement and applicable Task Orders.

5.03 CONTRACTOR shall keep DISTRICT informed as to the progress of the Services by means of regular and frequent consultations. Additionally, when requested by DISTRICT, CONTRACTOR shall prepare written status reports.

5.04 CONTRACTOR is responsible for paying, when due, all income and other taxes, fees and withholding, including withholding state and federal taxes, social security, unemployment and worker's compensation, incurred as a result of the compensation paid under this Agreement. CONTRACTOR agrees to indemnify, defend, and hold harmless DISTRICT for any claims, costs, losses, fees, penalties, interest, or damages suffered by DISTRICT resulting from CONTRACTOR's failure to comply with this provision.

5.05 CONTRACTOR represents that it possesses all required licenses necessary

or applicable to the performance of Services under this Agreement and the Proposal and shall obtain and keep in full force and effect all permits and approvals required to perform the Services herein. In the event DISTRICT is required to obtain an approval or permit from another governmental entity, CONTRACTOR shall provide all necessary supporting documents to be filed with such entity.

5.06 CONTRACTOR shall be solely responsible for obtaining Employment Eligibility Verification information from CONTRACTOR's employees, in compliance with the Immigration Reform and Control Act of 1986, Pub. L. 99-603 (8 U.S.C. 1324a), and shall ensure that CONTRACTOR's employees are eligible to work in the United States.

5.07 In the event that CONTRACTOR employs, contracts with, or otherwise utilizes any CalPERS retirees in completing any of the Services performed hereunder, such instances shall be disclosed in advance to the DISTRICT and shall be subject to the DISTRICT's advance written approval.

5.08 Drug-free Workplace Certification. By signing this Agreement, the CONTRACTOR hereby certifies under penalty of perjury under the laws of the State of California that the CONTRACTOR will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code, Section 8350 et seq.) and will provide a drug-free workplace.

5.09 CONTRACTOR shall keep itself informed concerning and shall render all Services hereunder in accordance with all ordinances, resolutions, statutes, rule, and regulations of the DISTRICT and any federal, state or local governmental entity having jurisdiction in effect at the time service is rendered.

5.10 In the performance of this Agreement the CONTRACTOR shall comply with all applicable federal, state and local statutory and regulatory requirements including, but not limited to California Department of Industrial Relations (Cal/OSHA) regulations; and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act, related to their scope of work and operations. In case of conflict in regulations, the most stringent shall apply. DISTRICT shall have the right to suspend all or any portion of the Services upon written or verbal notice if DISTRICT reasonably determines that unsafe conditions or non-compliance with applicable laws or regulations exists. CONTRACTOR shall promptly correct any such conditions at its sole cost and expense. Any delay or cost resulting from such suspension attributable to CONTRACTOR'S failure to comply with this Section shall be borne solely by CONTRACTOR.

5.11 By executing this Agreement, CONTRACTOR warrants that CONTRACTOR (i) has thoroughly investigated and considered the scope of Services to be performed, (ii) has carefully considered how the Services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the Services under this Agreement. If the Services involve work upon any site, CONTRACTOR warrants that CONTRACTOR has or will investigate the site and is or

will be fully acquainted with the conditions there existing, prior to commencement of Services hereunder. Should the CONTRACTOR discover any latent or unknown conditions, which will materially affect the performance of the Services hereunder, CONTRACTOR shall immediately inform the DISTRICT of such fact and shall not proceed except at CONTRACTOR's sole risk until written instructions are received from the Project Manager.

CONTRACTOR warrants all Services shall be performed in a good and workmanlike manner, in accordance with applicable industry standards, and shall be free from defective or faulty workmanship and materials. CONTRACTOR agrees that for a period of one year (or the period of time specified elsewhere in the Agreement or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Services, whichever is later) after the date of final acceptance, CONTRACTOR shall within ten (10) days after being notified in writing by the DISTRICT of any defect in the Services or non-conformance of the Services to the Agreement, commence and prosecute with due diligence all Services necessary to fulfill the terms of the warranty at CONTRACTOR's sole cost and expense. CONTRACTOR shall act sooner as requested by the DISTRICT in response to an emergency. In addition, CONTRACTOR shall, at its sole cost and expense, repair and replace any portions of the Services (or work of other contractors) damaged by CONTRACTOR's defective Services or which becomes damaged in the course of repairing or replacing defective Services. For any Services so corrected, CONTRACTOR's obligation hereunder to correct defective Services shall be reinstated for an additional one-year period, commencing with the date of acceptance of such corrected Services. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of CONTRACTOR.

In the event that CONTRACTOR fails to fulfil its obligations under this Section, or under any other warranty or guaranty under this Agreement, to the reasonable satisfaction of the DISTRICT, the DISTRICT shall have the right to correct and replace any defective or non-conforming Services and any work damaged by such services or the replacement or correction thereof at CONTRACTOR's sole expense. CONTRACTOR shall be obligated to fully reimburse the DISTRICT for any expenses incurred hereunder upon demand. This provision may be waived if the services hereunder do not include construction of any improvements or the supply of equipment or materials.

Payment to CONTRACTOR for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by CONTRACTOR.

5.12 Time is of the essence with respect to each Task Order issued under this Agreement.

5.13 CONTRACTOR shall be available on a 24-hour basis and shall respond to emergency service requests within two (2) hours unless otherwise approved by DISTRICT.

6. Insurance.

CONTRACTOR shall procure and maintain for the duration of this Agreement the following insurance coverage relating to the services provided under this Agreement by the CONTRACTOR.

a. Commercial General Liability (CGL) - Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 00 01) including products and completed operations, property damage, bodily injury, personal and advertising injury with limit of at least two million dollars ($2,000,000) per occurrence or the full per occurrence limits of the policies available, whichever is greater. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (coverage as broad as the ISO CG 25 03, or ISO CG 25 04 endorsement provided to DISTRICT), or the general aggregate limit shall be twice the required occurrence limit.

b. Automobile Liability - Insurance Services Office (ISO) Business Auto Coverage (Form CA 00 01), covering Symbol 1 (any auto) or if CONTRACTOR has no owned autos, Symbol 8 (hired) and 9 (non-owned) with limit of one million dollars ($1,000,000) for bodily injury and property damage each accident.

c. Workers' Compensation Insurance - as required by the State of California, with statutory limits, and Employer's Liability Insurance with a limit of no less than $1,000,000 per accident for bodily injury or disease.

d. Verification of Coverage – CONTRACTOR shall furnish the DISTRICT with certificates and amendatory endorsements, or copies of the applicable policy language effecting coverage required by this clause copies of which are attached hereto as **Exhibit "B"**. 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 require complete, certified copies of all required insurance policies, including policy Declaration pages and Endorsement pages. CONTRACTOR shall provide new certificates of insurance prior to the expiration of any existing certificate of insurance.

e. If the CONTRACTOR maintains broader coverage and/or higher limits than the minimums shown above, the DISTRICT requires and shall be entitled to the broader coverage and/or higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to DISTRICT.

f. Required Provisions –

- Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the DISTRICT.

- CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all requirements stated herein and provide proof of such insurance to DISTRICT, if requested. CONTRACTOR shall ensure that DISTRICT its directors, officers, employees,

contractors, subcontractors and authorized volunteers are an additional insured on Commercial General Liability Coverage (at least as broad as ISO Form CG 20 10 10 01). CONTRACTOR shall provide certificates of insurance to DISTRICT as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by DISTRICT's risk manager prior to commencement of performance. Current certification of insurance shall be kept on file with DISTRICT at all times during the term of this contract. DISTRICT reserves the right to require complete, certified copies of all required insurance policies, at any time

- Waiver of Subrogation: The insurer(s) shall agree to waive all rights of subrogation against the DISTRICT, its elected or appointed officers, officials, agents, authorized volunteers, and employees for losses paid under the terms of the policy which arise from work performed by the named insured for the DISTRICT; but this provision applies regardless of whether or not the DISTRICT has received a waiver of subrogation from the insurer. Sole proprietors with no employees, LLCs, or partnerships who do not carry workers' compensation acknowledge that they are not subject to the Workers' Compensation Act of the State of California and agree to complete a signed workers compensation exemption form.

- The liability coverage shall give DISTRICT, its directors, officers, employees (collectively the DISTRICT), and authorized volunteers insured status (via ISO endorsement at least as broad as CG 20 10 10 01 or CG 20 10 07 04 specifically naming the DISTRICT, its directors, officers, employees, or authorized volunteers; or using the language that states "as required by written contract."

- Primary Coverage: For any claims related to this project, the CONTRACTOR's insurance coverage shall be primary at least as broad as ISO CG 20 01 04 13 with respects to DISTRICT, its directors, officers, employees and authorized volunteers. Any insurance or self-insurance maintained by DISTRICT, DISTRICT's directors, officers, employees and authorized volunteers shall be excess of the CONTRATOR's insurance and shall not contribute with it.

- All coverage is to be placed with a carrier with an A.M. Best rating of no less than A: VII, or equivalent.

- The coverage shall contain no special limitations on the scope of protection afforded to DISTRICT, its directors, officers, employees, or authorized volunteers. If the CONTRACTOR maintains broader coverage and/or higher limits than the minimums shown above, the DISTRICT requires and shall be entitled to the broader coverage and/or higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the DISTRICT.

- If any of the required coverages expire or are cancelled during the term of this agreement, the CONTRACTOR shall deliver the renewal certificate(s) to DISTRICT at least ten (10) days prior to the expiration or cancellation date and shall obtain replacement insurance with the same coverage prior to such expiration.

- Self-Insurance is not acceptable or permitted for any insurance coverage required

under this Agreement.

• Self-Insured Retentions - Self-insured retentions must be declared to and approved by the DISTRICT in writing. The DISTRICT may require the CONTRACTOR to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or DISTRICT.

7. Indemnification.

7.01 CONTRACTOR and DISTRICT agree that DISTRICT, its employees, agents and officials should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, defense costs, court costs or any other costs arising out of or in any way related to the performance of this Agreement by CONTRACTOR or any subcontractor or agent of either as set forth herein. Accordingly, the provisions of this indemnity are intended by the parties to be interpreted and construed to provide the fullest protection possible under the law to DISTRICT. CONTRACTOR acknowledges that DISTRICT would not enter into this Agreement in the absence of the commitment of CONTRACTOR to indemnify and protect DISTRICT as set forth herein.

a. To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless DISTRICT, its employees, agents and officials, from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, damages or costs of any kind, whether actual, alleged or threatened, actual attorneys' fees incurred by DISTRICT, court costs, interest, defense costs, including expert witness fees and any other costs or expenses of any kind whatsoever without restriction or limitation incurred in relation to, as a consequence of or arising out of, or in any way attributable actually, allegedly or impliedly, in whole or in part to the performance of this Agreement. CONTRACTOR's obligation to defend, indemnify and hold harmless shall include any and all claims, suits and proceedings in which CONTRACTOR (and/or CONTRACTOR's agents and/or employees) is alleged to be an employee of DISTRICT. All obligations under this provision are to be paid by CONTRACTOR as they are incurred by DISTRICT.

b. Without affecting the rights of DISTRICT under any provision of this Agreement or this Section, CONTRACTOR shall not be required to indemnify and hold harmless DISTRICT as set forth above for liability attributable solely to the fault of DISTRICT, provided such fault is determined by agreement between the parties or the findings of a court of competent jurisdiction.

8. Additional Services, Changes and Deletions.

8.01 In the event CONTRACTOR performs additional or different services than those described herein without the prior written approval of the Project Manager of the

DISTRICT, CONTRACTOR shall not be compensated for such services. CONTRACTOR expressly waives any right to be compensated for services and materials not covered by the scope of this Agreement or authorized by the DISTRICT in writing.

8.02 CONTRACTOR shall promptly advise the Project Manager and as soon as reasonably practicable upon gaining knowledge of a condition, event or accumulation of events which may affect the scope and/or cost of Services. All proposed changes, modifications, deletions and/or requests for additional services shall be reduced to writing for review and approval by the DISTRICT and/or Board of Directors.

9. Termination of Agreement.

9.01 Notwithstanding any other provision of this Agreement, DISTRICT, at its sole option, may terminate this Agreement with or without cause, or for no cause, at any time by giving thirty (30) days' written notice to CONTRACTOR. Upon receipt of any notice of termination from DISTRICT, CONTRACTOR shall immediately cease performance of all Services, unless otherwise expressly directed in writing by DISTRICT. CONTRACTOR shall not incur any additional costs, obligations, or liabilities related to the Services after receipt of such notice without the prior written authorization of DISTRICT. Any costs incurred without such authorization shall be the sole responsibility of CONTRACTOR and shall not be reimbursable by DISTRICT.

9.02 In the event of termination, the payment of monies due CONTRACTOR for undisputed Services performed prior to the effective date of such termination shall be paid within thirty (30) business days after receipt of an invoice as provided in this Agreement. Immediately upon termination, CONTRACTOR agrees to promptly provide and deliver to DISTRICT all original documents, reports, studies, plans, specifications and the like which are in the possession or control of CONTRACTOR and pertain to DISTRICT.

10. Status of CONTRACTOR.

10.01 CONTRACTOR shall perform the Services as an independent contractor, subject to the direction and requirements of this Agreement and applicable Task Orders. CONTRACTOR shall regularly confer with DISTRICT's Project Manager as provided for in this Agreement.

10.02 CONTRACTOR agrees that it is not entitled to the rights and benefits afforded to DISTRICT's employees, including disability or unemployment insurance, workers' compensation, retirement, CalPERS, medical insurance, sick leave, or any other employment benefit. Furthermore, CONTRACTOR expressly waives any claim CONTRACTOR may have to any such rights. CONTRACTOR is responsible for providing, at its own expense, disability, unemployment, workers' compensation and other insurance, training, permits, and licenses for itself and its employees and subcontractors.

10.03 CONTRACTOR hereby specifically represents and warrants to DISTRICT that it possesses the qualifications, experience, personnel, and resources necessary to

perform the Services under this Agreement in a competent and workmanlike manner, without the advice or direction of DISTRICT and that the Services to be rendered pursuant to this Agreement shall be performed faithfully, competently and to the best of CONTRACTOR'S ability, experience and talent. CONTRACTOR covenants that it shall follow the standards set forth in this Agreement, including Section 5.01, and that all materials and workmanship shall be of good quality and fit for their intended purpose. Further, CONTRACTOR represents and warrants that the individual signing this Agreement on behalf of CONTRACTOR has the full authority to bind CONTRACTOR to this Agreement.

10.04 Prevailing Wages.

A. To the extent applicable, each Task Order is subject to the State of California "Prevailing Wage Rates". Each applicable Task Order is subject to the requirements of California Labor Code Section 1720 et seq. requiring the payment of prevailing wages, the training of apprentices and compliance with other applicable requirements. In accordance with provisions of Section 1773 of the Labor Code, the Director of the Department of Industrial Relations has ascertained the general prevailing rate of wages and employer payments for health and welfare, pension, vacation, and similar purposes applicable to the particular craft, classification, or type of workers employed on the work. The wage determinations shall be included in the Proposal. All pertinent wage determinations shall be posted on the jobsite. If federal funding is included in the project, the higher of the State and Federal wage rates shall be used.

B. Pursuant to Labor Code sections 1725.5 and 1771.1, no contractor or subcontractor may work on a public works project unless registered with the Department of Industrial Relations (DIR) as a Public Works Contractor for contracts awarded on/after April 1, 2015. General Contractors shall ensure all subcontractors executing work under the contract are properly registered with DIR and maintain active registration throughout the duration of the Project. All public works contractors and subcontractors to furnish Certified Payrolls and related records to the Agency's representative and shall also furnish electronic certified payroll records directly to the Labor Commissioner using the DLSE's online portal.

C. As a condition of payment, CONTRACTOR shall timely submit all required certified payroll records and related documentation. DISTRICT may withhold any portion of a payment, including the full amount, if CONTRACTOR fails to comply with prevailing wage or DIR requirements.

D. CONTRACTOR shall comply with all applicable apprenticeship requirements set forth in California Labor Code sections 1777.5 and 1777.6, including the employment of properly registered apprentices and payment of required apprenticeship contributions. CONTRACTOR shall ensure that all subcontractors also comply with such requirements. CONTRACTOR shall maintain and submit all required apprenticeship documentation upon request. DISTRICT may withhold payments or take other appropriate action for failure to comply with this Section.

10.05 CONTRACTOR shall comply with the provisions of the Labor Code of the State of California. CONTRACTOR shall defend, indemnify and hold the DISTRICT, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with applicable prevailing wage laws.

10.06 CONTRACTOR shall have no authority to bind DISTRICT in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against DISTRICT, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by DISTRICT. CONTRACTOR shall not at any time or in any manner represent that CONTRACTOR or any of CONTRACTOR's officers, employees, or agents are in any manner officials, officers, employees or agents of DISTRICT.

11. Ownership of Documents; Audit.

11.01 All draft and final reports, plans, drawings, studies, maps, photographs, specifications, data, notes, manuals, warranties and all other documents of any kind or nature prepared, developed or obtained by CONTRACTOR in connection with the performance of Services performed for the DISTRICT shall become the sole property of DISTRICT, and CONTRACTOR shall promptly deliver all such materials to DISTRICT upon request. At DISTRICT's sole discretion, CONTRACTOR may be permitted to retain original documents, and furnish reproductions to DISTRICT upon request, at no cost to DISTRICT.

11.02 Subject to applicable federal and state laws, rules and regulations, DISTRICT shall hold all intellectual property rights to any materials developed pursuant to this Agreement. CONTRACTOR shall not use such data or documents for purposes other than the performance of this Agreement, nor shall CONTRACTOR release, reproduce, distribute, publish, adapt for future use or any other purposes, or otherwise use, any data or other materials first produced in the performance of this Agreement, nor authorize others to do so, without the prior written consent of DISTRICT.

11.03 CONTRACTOR shall retain and maintain, for a period not less than four years following termination of this Agreement, all-time records, accounting records and vouchers and all other records with respect to all matters concerning Services performed, compensation paid, and expenses reimbursed. At any time during normal business hours and as often as DISTRICT may deem necessary, CONTRACTOR shall make available to DISTRICT's agents for examination all of such records and shall permit DISTRICT's agents to audit, examine and reproduce such records.

12. Bond Requirements.

12.01 Purpose. This Section sets forth bonding and related security requirements applicable to the on-call pavement and concrete repair services to be performed by

CONTRACTOR on an as-needed, time-and-materials basis under this Agreement. For purposes of this section, "Surety" means an admitted surety insurer authorized to transact surety business in the State of California. Each bond shall be issued by a Surety admitted in California and acceptable to DISTRICT and shall be on DISTRICT'S then-current bond forms and shall not be subject to any condition, limitation, or modification not expressly approved in writing by DISTRICT. CONTRACTOR shall pay all premiums and costs for required bonds. Bonds are in addition to, and not in limitation of, any other security, insurance, indemnity, or remedy available to DISTRICT under this Agreement or applicable law.

12.02 Condition Precedent to Work; Delivery of Bonds. As a condition precedent to CONTRACTOR'S commencement of any Services, CONTRACTOR shall deliver to DISTRICT, in form and substance acceptable to DISTRICT, the bonds described in this Section, duly executed by CONTRACTOR as principal and by a Surety. DISTRICT may withhold issuance of any Task Order until all required bonds are received and approved. In the event of emergency Services requiring immediate response to protect public health, safety, or continuity of water operations, DISTRICT may authorize CONTRACTOR to proceed prior to delivery of bonds; provided, however, that CONTRACTOR shall deliver all required bonds within five (5) business days of such authorization, or as otherwise directed by DISTRICT. Failure to timely provide such bonds shall constitute a material breach.

12.03 Performance Bond. CONTRACTOR shall furnish a performance bond guaranteeing faithful performance of all obligations under this Agreement, including completion of all Services authorized by Task Orders issued during the term, in a penal sum equal to one hundred percent (100%) of the ttotal not-to-exceed amount established under this Agreement (the "Performance Bond"). The Performance Bond shall also apply to and secure the performance of all authorized change orders, amendments, and modifications to any Task Order, including increases in scope, time, or compensation. In the event of emergency Services performed prior to issuance of a Task Order or formal amendment, the Performance Bond shall be deemed to apply to such Services once the associated Task Order or written authorization is issued, including any retroactive approvals. The Performance Bond shall remain in full force and effect through final completion and acceptance of all Services authorized under the applicable Task Order and satisfaction of all CONTRACTOR obligations that survive completion (including warranty and indemnity obligations to the extent applicable).

12.04 Payment Bond. CONTRACTOR shall furnish a payment bond guaranteeing payment in full for all labor, services, equipment, and materials furnished for the Services, in a penal sum equal to one hundred percent (100%) of the Task Order's not-to-exceed amount (the "Payment Bond"). The Payment Bond shall extend to all labor, materials, and services furnished pursuant to authorized change orders, amendments, and modifications to any Task Order. The Payment Bond shall further apply to emergency Services authorized by DISTRICT, including work performed prior to formal Task Order issuance, provided such work is subsequently documented and approved in writing. The Payment Bond shall be conditioned as required by applicable California law for public works and

shall inure to the benefit of claimants as defined by law.

12.05 Maintenance Bond. CONTRACTOR shall furnish a maintenance bond guaranteeing the correction of defective work and warranty obligations arising under this Agreement in a penal sum equal to one hundred percent (100%) of the total not-to-exceed contract amount established under this Agreement (the "Maintenance Bond"). The Maintenance Bond shall remain in effect for the duration of the warranty period set forth in the Maintenance Bond, or such longer period as may be required by applicable law or manufacturer warranty requirements.

12.06 Maintenance of Bonds. CONTRACTOR shall maintain all required bonds continuously in effect. If any bond is canceled, expires, is materially modified, or becomes insufficient due to an increase in the Task Order's not-to-exceed amount, CONTRACTOR shall immediately notify DISTRICT and, within five (5) business days (or sooner if required to avoid any lapse), deliver replacement or supplemental bonds meeting this Section. In the event of any increase to a Task Order amount through change order or amendment, CONTRACTOR shall provide supplemental bonding to maintain coverage equal to one hundred percent (100%) of the revised not-to-exceed amount. For emergency Services resulting in increases to the Task Order amount, CONTRACTOR shall provide such supplemental bonds within five (5) business days of written direction by DISTRICT or execution of a confirming Task Order or amendment. Failure to provide or maintain required bonds constitutes a material breach. In addition to any other remedies, DISTRICT may (a) suspend Services, (b) withhold payments otherwise due, and/or (c) terminate this Agreement for default, without waiving any rights against CONTRACTOR or the Surety.

12.07 Notice of Completion. If DISTRICT elects to record a Notice of Completion for any Task Order, final payment, including any retained funds applicable to such Task Order, shall be made in accordance with Section 4.05 of this Agreement, and if a Notice of Completion is recorded, not earlier than thirty-five (35) days after such recordation, as required by applicable law. DISTRICT shall have discretion to determine whether a Notice of Completion is appropriate for a given Task Order, consistent with applicable law and DISTRICT's administrative practices. CONTRACTOR shall cooperate with DISTRICT and promptly provide such information and documentation as may be reasonably required for the preparation and recordation of any Notice of Completion.

13. Miscellaneous Provisions.

13.01 This Agreement, which includes all attached exhibits, supersedes any and all previous agreements, either oral or written, between the parties hereto with respect to the rendering of Services by CONTRACTOR for DISTRICT and contains all of the covenants and agreements between the parties with respect to the rendering of such Services in any manner whatsoever. Any modification of this Agreement will be effective only if it is in writing signed by both parties.

13.02 CONTRACTOR shall not assign or otherwise transfer any rights or interest in this Agreement without the prior written consent of DISTRICT. Unless specifically

stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

13.03 CONTRACTOR shall timely file FPPC Form 700 Conflict of Interest Statements with DISTRICT if required by California law and/or the DISTRICT's conflict of interest policy.

13.04 If any legal action or proceeding, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs, in addition to any other relief to which that party may be entitled.

13.05 This Agreement is made, entered into and shall be performed in the County of Riverside in the State of California and shall in all respects be interpreted, enforced and governed under the laws of the State of California. The parties agree that the venue in any litigation between them shall be in Riverside County, California.

13.06 CONTRACTOR covenants that neither it nor any officer or principal of its firm has any interest, nor shall they acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of their Services hereunder. CONTRACTOR further covenants that in the performance of this Agreement, no person having such interest shall be employed by it as an officer, employee, agent, or subcontractor.

13.07 CONTRACTOR has read and is aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the Government Code relating to conflicts of interest of public officers and employees. CONTRACTOR agrees that they are unaware of any financial or economic interest of any public officer or employee of the DISTRICT relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement, the DISTRICT may immediately terminate this Agreement by giving notice thereof. CONTRACTOR shall comply with the requirements of Government Code section 87100 et seq. and section 1090 in the performance of and during the term of this Agreement.

13.08 Improper Consideration. CONTRACTOR shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, services, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the DISTRICT in an attempt to secure favorable treatment regarding this Agreement or any contract awarded by DISTRICT. The DISTRICT, by notice, may immediately terminate this Agreement if it determines that any improper consideration as described in the preceding sentence was offered to any officer, employee or agent of the DISTRICT with respect to the proposal and award process of this Agreement or any DISTRICT contract. This prohibition shall apply to any amendment, extension or evaluation process once this Agreement or any DISTRICT contract has been awarded. CONTRACTOR shall immediately report any attempt by any DISTRICT officer, employee or agent to solicit (either directly or through an intermediary) improper

consideration from CONTRACTOR.

13.09 Severability. If any portion of this Agreement is declared invalid, illegal or otherwise unenforceable by a court of competent jurisdiction, the entire balance of this Agreement not so affected shall remain in full force and effect.

13.10 Covenant Against Discrimination. CONTRACTOR covenants that, by and for itself, its heirs, executors, assigns and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. CONTRACTOR shall take affirmative action to ensure that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin or ancestry.

13.11 Force Majeure. Neither party will be deemed in breach hereunder for any interruption or delay in the performance of its obligations hereunder if the interruption or delay is due to unforeseen events which are beyond the reasonable control of such party, such as strikes, blockade, war, terrorism, riots, pandemics, or natural disasters, insofar as such an event prevents or delays the affected party from fulfilling its obligations and such party is not able to prevent or avoid it at a reasonable cost.

13.12 Confidentiality. All information gained or work product produced by CONTRACTOR in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to CONTRACTOR. CONTRACTOR shall not release or disclose any such information or work product to persons or entities other than DISTRICT without prior written authorization from the District General Manager.

CONTRACTOR, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Project Manager or unless requested by the DISTRICT's Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided CONTRACTOR gives DISTRICT notice of such court order or subpoena.

If CONTRACTOR, or any officer, employee, agent or subcontractor of CONTRACTOR, provides any information or work product in violation of this Agreement, then DISTRICT shall have the right to reimbursement and indemnity from CONTRACTOR for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of CONTRACTOR's conduct.

CONTRACTOR shall promptly notify DISTRICT should CONTRACTOR, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding

this Agreement and the work performed there under. DISTRICT retains the right, but has no obligation, to represent CONTRACTOR or be present at any deposition, hearing or similar proceeding. CONTRACTOR agrees to cooperate fully with DISTRICT and to provide DISTRICT with the opportunity to review any response to discovery requests provided by CONTRACTOR. However, this right to review any such response does not imply or mean the right by DISTRICT to control, direct, or rewrite said response.

13.13 Waiver. Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by DISTRICT of any work or Services by CONTRACTOR shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

13.14 Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

13.15 Legal Action. In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purpose of this Agreement.

13.16 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

13.17 Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified neither party shall be responsible for the service of the other.

[signatures on following page]

IN WITNESS WHEREOF, the parties hereby have made and executed this Agreement to be effective as of the day and year first above written.

DISTRICT:	**CONTRACTOR:**
MISSION SPRINGS WATER DISTRICT	GENTRY GENERAL ENGINEERING, INC.
By: _____	By: _____
Print Name _____	Print Name _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT "A"

SCOPE OF WORK AND PROPOSAL

(insert behind this page)

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
101	Saw cut and remove temporary asphalt and replace with conventional hot mix asphalt	1	SF	$16.00	$16.00
102	Grind and overlay 0.10 ft. min. and replace with conventional asphalt per City of Desert Hot Springs & County of Riverside Standards	1	SF	$7.00	$7.00
103	Remove existing temporary materials and place 4-inches in depth PCC (560-C-3250) over compacted base per City of Desert Hot Springs & County of Riverside Standards	1	SF	$20.00	$20.00
104	Remove existing temporary materials and install PCC curb and gutter per City of Desert Hot Springs	1	LF	$100.00	$100.00
105	Remove existing temporary materials and install PCC rolled curb per City of Desert Hot Springs and County of Riverside Standards	1	LF	$75.00	$75.00
106	Replace pavement striping paint	1	LF	$10.00	$10.00
107	Apply one coat of hot rubberized crack fill to existing cracks	1	LF	$5.00	$5.00
108	Saw cut and remove at expansion joints concrete sidewalk and replace to original condition	1	SF	$20.00	$20.00
109	Clean and apply one coat of seal coat to area	1	SF	$5.00	$5.00
110	Prep area, form, pour, and finish 4" thick fiber mesh concrete flatwork (i.e., slabs, sidewalk)	1	SF	$35.00	$35.00
	Total				**$293.00**

SCOPE OF WORK

The Contractor shall furnish all labor, materials, parts, tools, equipment, traffic control, and supervision necessary to repair or replace asphalt and concrete pavement on an as-needed basis at various locations throughout the District's service area.

Most pavement repairs will occur following underground repairs to the District's water and wastewater infrastructure. Typical repair areas will range from 25 square feet and larger.

All work shall conform to the requirements and standard drawings of the Mission Springs Water District (MSWD), City of Desert Hot Springs, County of Riverside, and the Standards for Public Works Construction (latest edition).

Pricing Schedule
The bid schedule shall include unit pricing (per square foot) for the removal and replacement of asphalt and/or concrete pavement following underground repairs performed by District staff or as directed by the District. Work may include, but is not limited to, repairs to streets, sidewalks, curbs, gutters, and related appurtenances.

Traffic Control
Traffic control shall comply with the City of Desert Hot Springs, County of Riverside, the WATCH Manual (latest edition), and all applicable state and federal regulations. Traffic control shall remain in place until the repaired pavement has cooled sufficiently to support vehicular traffic without scuffing or rutting.

Schedule and Notifications
All pavement repairs shall be completed within ten (10) working days following notification from the District. The District will provide a list of required repairs on a quarterly basis or as needed.
A minimum 48-hour advance notice must be provided to the District's Project Manager prior to commencing any pavement repair work.

Asphalt Pavement Repair Process
The following procedures shall be strictly adhered to:

- Saw-cut or grind clean, straight, vertical edges extending 12 inches beyond the edge of the repair section.
- Collect, vacuum, and legally dispose of all liquids generated during saw-cutting in compliance with NPDES and the Federal Clean Water Act.
- Allow saw-cut areas to dry prior to application of SS-1H tack coat.
- Remove pavement to a depth 1 inch greater than the existing section, but not less than three inches total depth.
- Apply even hot tack coat to clean, dry vertical edges.
- Apply base course using ¾-inch PG 64-10 hot mix asphalt and compact to maximum density, leaving compacted surface 1 ½ inch below finished grade.
- Grind/cold mill 24 inches outside of sawcut section minimum 0.10 foot and prepare for cap.
- Apply an even hot tack coat to edges and surface to be capped.
- Apply finish course using ½-inch PG 64-10 hot mix asphalt and compact to maximum density.
- Apply seal coat to finish edges of finished pavement.

- Apply #30 silica-sand to edges of finished pavement as applicable.
- The finished surface shall exhibit a smooth, uniform appearance, free of voids and segregation.
- Traffic control shall remain in place until the new pavement is allowed to cool to the point that it can sustain motor vehicles without scuffing or rutting.

Cleanup and Disposal
The Contractor shall remove and properly dispose of all temporary cold mix, asphalt grindings, debris, and waste materials in compliance with all applicable laws and regulations.

Additional Work (As Needed)
The Contractor may be directed to perform additional work, including but not limited to:

- Application of one (1) coat of hot rubberized crack seal to existing cracks
- Cleaning and application of one (1) coat of seal coat to designated areas

EXHIBIT "B"

CERTIFICATES OF INSURANCE AND ENDORSEMENTS

(insert behind this page)

EXHIBIT "C'

GENERAL CONDITIONS

(insert behind this page)

SECTION 2.1
of
GENERAL CONDITIONS

DEFINITIONS, TERMS, ABBREVIATIONS

2.1.01 Definitions - Wherever used in the Contract Documents, the following shall have the meanings indicated which shall be applicable to both the singular and plural thereof.

Acceptance, Final Acceptance - The formal action by the Owner accepting the Work as being complete.

Accepted Bid - The bid (proposal) accepted by the Owner.

Addenda - Written or graphic instruments issued prior to the opening of sealed bids, which modify or interpret the Contract Documents and Drawings by additions, deletions, clarifications or corrections.

Agreement - The written agreement (contract) executed between the Owner and the Contractor covering the performance of the Work.

Bid - The offer or proposal of the Bidder submitted on the prescribed form setting forth the prices for the Work to be performed.

Bidder - Any person, firm or corporation submitting a Bid for the Work.

Bonds - Bid, Performance, and Payment Bonds and other instruments of security, furnished by the Contractor and his surety in accordance with the Contract Documents.

Change Order - A written order to the Contractor authorizing an addition, deletion or revision in the Work within the general scope of the Contract Documents or authorizing an adjustment in the Contract Price or Contract Time.

Contract Documents - The Contract Documents, including Advertisement for Bids, Information for Bidders, Bid, Bid Bond, Agreement, Payment Bond, Performance Bond, Insurance Certificates, Notice of Award, Notice to Proceed, Change Order, General Conditions, Supplemental General Conditions, Special Conditions, Detailed Technical Provisions, Drawings, and Addenda.

Contract Price - The total monies payable to the Contractor under the terms and conditions of the Contract Documents.

Contract Time - The number of calendar days stated in the Contract Documents for the completion of the Work.

Contractor - The person, firm or corporation with whom the Owner has executed the Agreement.

Detailed Technical Provisions - A part of the Contract Documents consisting of written descriptions of the technical nature of materials, equipment, construction system, standards and workmanship.

Drawings - The part of the Contract Documents, which show the characteristics, and scope of the Work to be performed and which have been prepared or approved by the Engineer.

Engineer - The person, firm or corporation named as such in the Contract Documents.

Field Order - A written order affecting a change in the Work not involving an adjustment in the Contract Price or an extension of the Contract Time, issued by the Engineer to the Contractor during construction.

Laboratory - The laboratory authorized by the Owner or the Owner's representative to test materials and work involved in the Project.

Manufacturer - A person, firm or corporation that fabricates, processes, or creates from raw materials or component parts, materials or equipment to be incorporated into the Project.

Notice of Award - The written notice of the acceptance of the Bid from the Owner to the successful Bidder.

Notice to Proceed - Written communication issued by the Owner to the Contractor authorizing him to proceed with the Work and establishing the date of commencement of the Work.

Owner - A public or quasi-public body or authority, corporation, association, partnership, or individual for whom the Work is to be performed.

Owner's Representative - The person, consultant, or engineering firm authorized by the Owner to represent him during the performance of the Work by the Contractor and until final acceptance. The Owner's Representative is referred to throughout the Contract Documents as if singular in number and masculine in gender. The Owner's Representative means the Owner's representative or his assistants.

Project - The undertaking to be performed as provided in the Contract Documents.

Resident Project Representative - The authorized representative of the Owner who is assigned to the Project site or any part thereof.

Shop Drawings - All drawings, diagrams, illustrations, brochures, schedules and other data which are prepared by the Contractor, a Subcontractor, manufacturer, Supplier or distributor, which illustrate how specific portions of the Work shall be fabricated or installed.

Special Conditions - Modifications to Detailed Technical Provisions.

Specifications - The General Conditions, Supplemental General Conditions, Special Conditions, and Detailed Technical Provisions of these Contract Documents.

Subcontractor - An individual, firm or corporation having a direct contract with the Contractor or with any other Subcontractor for the performance of a part of the Work at the site.

Substantial Completion - That date as certified by the Engineer when the construction of the Project or a specified part thereof is sufficiently completed, in accordance with the Contract Documents, so that the Project or specified part can be utilized for the purposes for which it is intended.

Supplemental General Conditions - Modifications to General Conditions that are specifically applicable to this Project.

Supplier - Any person or organization who supplies materials or equipment for the Work, including that fabricated to a special design, but who does not perform labor at the site.

Utility - Public or private fixed works for the transportation of fluids, gases, power, signals or communications.

Work - All labor necessary to produce the construction required by the Contract Documents, and all materials and equipment incorporated or to be incorporated in the Project.

Written Notice - Any notice to any party of the Agreement relative to any part of this Agreement in writing and considered delivered and the service thereof completed, when posted by certified or registered mail to the said party at his last given address or delivered in person to said party or his authorized representative on the Work.

2.1.02 Terms - Wherever used in the Contract Documents, the terms "directed", "required", "permitted", "ordered", "designated", "prescribed", or terms of like import are used, it shall be understood that the direction, requirements, permission, order, designation, or prescription of the Owner's Representative is intended. Similarly, the terms "approved", "acceptable", "satisfactory", "or equal", or terms of like import shall mean approved by or acceptable to or satisfactory to the Owner's Representative, unless otherwise expressly stated.

The word "provide" shall be understood to mean furnish and install.

2.1.03 Abbreviations - Whenever used in the Contract Documents, the following abbreviations shall have the meanings indicated:

AASHTO	American Association of State Highway and Transportation Officials
ACI	American Concrete Institute
AGA	American Gas Association
AGMA	American Gear Manufacturer's Association
AI	The Asphalt Institute

AIA	American Institute of Architects
AIEE	American Institute of Electrical Engineers
AISC	American Institute of Steel Construction
AISI	American Iron & Steel Institute
ANSI	American National Standards Institute (formerly USASI, USAU, ASA)
API	American Petroleum Institute
APWA	American Public Works Association
AREA	American Railway Engineering Association
ASA	American Standards Association (now ANSI)
ASCE	American Society of Civil Engineers
ASHRAE	American Society of Heating, Refrigerating, and Air Conditioning Engineers
ASME	American Society of Mechanical Engineers
ASTM	American Society for Testing and Materials
AWS	American Welding Society
AWWA	American Water Works Association
CRSI	Concrete Reinforcing Steel Institute
CPR	Certified Payroll Records
DIR	California Department of Industrial Relations
IEEE	Institute of Electrical and Electronics Engineers
LCP	Labor Compliance Program
NBFU	National Board of Fire Underwriters
NEMA	National Electrical Manufacturers Association
PCA	Portland Cement Association
SSPC	Steel Structures Painting Council
UBC	Uniform Building Code, Pacific Coast Building Officials Conference of the International Conference of Building Officials
U/L or UL	Underwriters' Laboratories, Inc.
USASI or USAS	United States of America Standards Institute (now ANSI)

SECTION 2.2
of
GENERAL CONDITIONS

ADDITIONAL INSTRUCTIONS AND
DETAIL DRAWINGS

2.2.01 SECTION NOT USED.

2.2.02 SECTION NOT USED.

SECTION 2.3
of
GENERAL CONDITIONS

SCHEDULES, REPORTS AND RECORDS

2.3.01 A preconstruction conference will be held prior to commencement of the Work. Attendees shall be the Contractor, his Subcontractors, if applicable, the Owner, the Engineer, representatives of Federal, State or local regulatory or enforcement agencies, and any other parties deemed appropriate by the Owner.

2.3.02 The Contractor shall submit to the Owner such schedule of quantities and costs, progress schedules, payrolls, reports, estimates, records and other data where applicable as are required by the Contract Documents for the Work to be performed.

2.3.03 Prior to the start of construction, the Contractor shall submit a construction progress schedule to the Engineer for approval. Said schedule shall include, but is not limited to, the following information: Contractor's name, address and telephone number; project/contract number; date prepared; Engineer's name; Owner's name; date of Notice to Proceed; contract completion date; and, list of all important activities, including construction and material delivery, with starting and ending dates for each activity.

The schedule shall be prepared so that the Contractor can update it when significant changes in an activity time and/or completion time occur, as the Engineer may direct. After the Engineer approves the schedule, one (1) electronic copy shall be furnished to the Engineer for distribution. All costs for schedule preparation and printing are included in the Contractor's Bid.

The Engineer reserves the right to alter said schedule to prevent excessive public nuisance or to exclude areas where rights-of-way acquisition might still be in progress or provide timely facilities for testing and connection to other installations dependent upon this project.

2.3.04 Prior to starting construction, the Contractor shall submit to the Engineer for his approval a detailed breakdown of his cost estimate into the various elements of materials and construction operations. When approved, this breakdown will serve as a basis for the Engineer to determine partial payments.

2.3.05 Prior to the start of construction, the Contractor shall submit the dates at which special drawings will be required and the respective dates when applicable for submission of shop drawings, the beginning of manufacture, the testing and the installation of materials, supplies and equipment.

SECTION 2.4
of
GENERAL CONDITIONS

DRAWINGS AND SPECIFICATIONS

2.4.01 SECTION NOT USED.

2.4.02 SECTION NOT USED.

2.4.03 SECTION NOT USED.

2.4.04 SECTION NOT USED.

SECTION 2.5
of
GENERAL CONDITIONS

SHOP DRAWINGS/MATERIAL SUBMITTALS

2.5.01 SECTION NOT USED.

2.5.02 SECTION NOT USED.

2.5.03 SECTION NOT USED.

2.5.04 SECTION NOT USED.

SECTION 2.6
of
GENERAL CONDITIONS

MATERIALS, SERVICES AND FACILITIES

2.6.01 It is understood that, except as otherwise specifically stated in the Contract Documents, the Contractor shall provide and pay for all materials, labor, tools, equipment, water, light, power, transportation, supervision, temporary construction of any nature, and all other services and facilities of any nature whatsoever necessary to execute, complete, and deliver the Work within the specified time.

2.6.02 Materials and equipment shall be so stored as to ensure the preservation of their quality and fitness for the Work. Stored materials and equipment to be incorporated in the Work shall be located so as to facilitate prompt inspection. The Contractor shall be entirely responsible for damage or loss to material and equipment until the Work has been completed by the Contractor and accepted by the Owner.

2.6.03 Manufactured articles, materials, and equipment shall be applied, installed, connected, erected, used, cleaned and conditioned as directed by the manufacturer.

2.6.04 Materials, supplies and equipment shall be in accordance with samples submitted by the Contractor and approved by the Engineer.

2.6.05 Materials, supplies or equipment to be incorporated into the Work shall not be purchased by the Contractor or the Subcontractor subject to a chattel mortgage or under a conditional sale contract or other agreement by which an interest is retained by the seller.

2.6.06 Whenever under this Agreement it is provided that the Contractor shall furnish materials or manufactured articles, or shall do work for which no detailed specifications are set forth, the materials or manufactured articles shall be of the best grade in quality and workmanship obtainable in the market from firms of established good reputation, or, if not ordinarily carried in stock, shall conform to the usual standards for first class materials or articles of the kind required, with due consideration of the use to which they are to be put. In general, the Work performed shall be in full conformity and harmony with the intent to secure the best standard of construction and equipment of the Work as a whole or in part.

2.6.07 All equipment, materials, and supplies to be incorporated in the Work shall be new, unless otherwise specified.

SECTION 2.7

of
GENERAL CONDITIONS

INSPECTION AND TESTING

2.7.01 All materials and equipment used in the construction of the Project shall be subject to adequate inspection and testing in accordance with generally accepted standards, as required and defined in the Contract Documents.

2.7.02 The Owner shall provide all inspection and testing services not required by the Contract Documents. Performance of these tests and all costs will be borne by the Owner; except, the cost of any test which shows unsatisfactory results shall be borne by the Contractor.

2.7.03 The Contractor shall provide at his expense the testing and inspection services required by the Contract Documents.

2.7.04 If the Contract Documents, laws, ordinances, rules, regulations or orders of any public authority having jurisdiction require any Work to specifically be inspected, tested, or approved by someone other than the Contractor, the Contractor will give the Engineer timely notice of readiness. The Contractor will furnish the Engineer the required certificates of inspection, testing or approval. The Contractor shall pay for all inspection fees imposed by public agencies other than the Owner.

2.7.05 Inspections, tests, or approvals by the Engineer or others shall not relieve the Contractor from his obligations to perform the Work in accordance with the requirements of the Contract Documents.

2.7.06 The Engineer and his representatives will at all times have access to the Work. In addition, authorized representatives and agents of any participating Federal or State agency shall be permitted to inspect all work, materials, and other relevant data and records. The Contractor will provide proper facilities for such access and observation of the Work and also for any inspection or testing thereof.

2.7.07 If any Work is covered contrary to the written instructions of the Engineer or work done for which the Contractor has not requested and received inspection, it must, if requested by the Engineer, be uncovered for his observation and replaced at the Contractor's expense.

2.7.08 If the Engineer considers it necessary or advisable that covered Work be inspected or tested by others, the Contractor, at the Engineer's request, will uncover, expose or otherwise make available for observation, inspection or testing as the Engineer may require that portion of the Work in question, furnishing all necessary labor, materials, tools, and equipment. If it is found that such Work is defective, the Contractor will bear all the expenses of such uncovering, exposure, observation, inspection and testing and of satisfactory reconstruction. If, however, such Work is not found to be defective, the Contractor will be allowed an increase in the Contract Price or an extension of the Contract Time, or both, directly attributable to such uncovering, exposure,

observation, inspection, testing and reconstruction and an appropriate Change Order shall be issued.

2.7.09 Upon request of the Engineer, the Contractor shall furnish certification of compliance that fabricated or manufactured products conform to the standards of the industry as specified in these Contract Documents and that said fabricated or manufactured products were fabricated or manufactured under the quality control standards of the stated specifications of these Contract Documents.

SECTION 2.8
of
GENERAL CONDITIONS

SUBSTITUTIONS

2.8.01 Whenever a material, article or piece of equipment is identified in the Contract Documents by reference to brand name or catalog number, it shall be understood that this is referenced for the purpose of defining the performance or other salient requirements and that other products of equal capacities, quality and function shall be considered. The Contractor may recommend the substitution of a material, article, or piece of equipment of equal substance and function for those referred to in the Contract Documents by reference to brand name or catalog number, and if, in the opinion of the Engineer, such material, article, or piece of equipment is of equal substance and function to that specified, the Engineer may approve its substitution and use by the Contractor. The Contractor warrants that if substitutes are approved, no major changes in the function or general design of the Project will result. Incidental changes or extra component parts required to accommodate the substitute will be made by the Contractor without a change in the Contract Price or Contract Time.

2.8.02 The Contractor's use of approved substitutions or equals shall not relieve the Contractor from compliance with the Contract Documents. The Contractor shall bear all extra expense resulting from providing or using approved substitutions or equals where they affect the adjoining or related work, including the expense of required engineering, redesigning, drafting and permits, where necessary, whether the Owner's approval is given before or after receipt of Bids.

The Contractor shall bear the cost of all engineering work associated with the review of submittals for substitutions and equals. The Contractor shall approve the engineering costs prior to the performance of the engineering work using the form entitled "Authorization of Engineering Costs for the Evaluation of Substitutions and Equals" found in the General Conditions of the Specifications. The Engineer will not perform the submittal review until authorization is given. If the Contractor does not provide this authorization, the submittal will be rejected.

Engineering costs associated with redesign of adjoining or related work due to Substitutions or Equals shall be approved in writing by the Contractor prior to the performance of the work. The Contractor shall approve the cost of the engineering work using the form entitled, "Authorization of Engineering Costs for Redesign due to Substitutions and Equals" found in the General Conditions of the Specifications. The Engineer will not perform the redesign until the authorization is given. If the Contractor does not provide this authorization, the submittal, which created the need for redesign, shall be rejected.

SECTION 2.9
of
GENERAL CONDITIONS

INTELLECTUAL PROPERTY, PATENTS, ROYALTIES AND INDEMNIFICATION

2.9.01 The Contractor shall pay all applicable royalties and license fees. He shall defend all suits or claims for infringement of any patent rights and save the Owner harmless from loss on account thereof, including attorney's fees, except that the Owner shall be responsible for any such loss when a particular process, design, or the product of a particular manufacturer or manufacturers is specified. However, if the Contractor has reason to believe that the design, process or product specified is an infringement of a patent, he shall be responsible for such loss unless he promptly gives such information to the Engineer.

2.9.02 Contractor shall be responsible at all times for compliance with applicable patents, copyrights, trademarks, and/or other intellectual property rights held by others encompassing, in whole or in part, any invention, design, process, product, device, material, article or arrangement used, directly or indirectly, in the performance of the Work or incorporated into the Work.

Contractor shall pay, and include in the Contract Sum, all royalties and license fees and assume all costs incident to the use in the performance of the Work or the incorporation into the Work of any invention, design, process, product, device, material, article or arrangement which is the subject of a patent right, copyright, trademark, and/or other intellectual property right held by others.

To the fullest extent permitted by law, Contractor shall save, defend, hold harmless, and fully indemnify the District and all its officers and employees connected with the Project, other parties designated in Article “Insurance for Others” of Section 00 73 16, and all of their officers, agents, members, employees, authorized representatives, or any other persons deemed necessary by any of them acting within the scope of the duties entrusted to them, from all damages, claims for damage, costs, or expenses in law or equity, including attorney's fees and costs, that may at any time arise or be set up for any infringement or unauthorized use of any patent rights, copyrights, trademarks or other intellectual property claims by any person in consequence of the use by the District, or any of its officers, agents, members, employe authorized representatives, or any other person deemed necessary by any of them acting within the scope of the duties entrusted to them, of articles to be supplied under the Contract and of which Contractor is not the patentee or assignee or does not have the lawful right to sell the same.

This indemnity provision is in addition to all other defense, hold harmless and indemnity clauses in the Contract Documents and shall survive Final Completion and termination of the Contract. If the District is enjoined from the operation or use of the Work, or any part thereof, as a result of any suits or claims for infringement or unauthorized use of a patent right, copyright, trademark, and/or other intellectual property right, Contractor shall, at its sole expense and at no cost to the District, take reasonable steps to procure the right to operate or use the Work. If Contractor cannot procure such right within a reasonable time, Contractor shall promptly, at Contractor's sole expense and at no cost to the District, (1) modify the Work, consistent with applicable requirements of the Contract Documents, so as to avoid infringement of any such intellectual

property right, or (2) replace said Work with work that meets applicable requirements of the Contract Documents and that does not infringe or violate any such intellectual property right.

SECTION 2.10
of
GENERAL CONDITIONS

SURVEYS, PERMITS, REGULATIONS

2.10.01 SECTION NOT USED.

2.10.02 SECTION NOT USED.

2.10.03 SECTION NOT USED.

SECTION 2.11
of
GENERAL CONDITIONS

PROTECTION OF WORK, PROPERTY
AND PERSONS

2.11.01 The Contractor will be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Work. He will take all necessary precautions for the safety of, and will provide the necessary protection to prevent damage, injury or loss to all employees on the Work and other persons who may be affected thereby, all the Work and all materials or equipment to be incorporated therein, whether in storage on or off the site, and other property at the site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction.

2.11.02 The Contractor will comply with all applicable laws, ordinances, rules, regulations and orders of any public body having jurisdiction, including the applicable provisions of the California Occupational Safety and Health Act of 1973, Part 1, Division 5, of the Labor Code §6300 et. seq. and the Construction Safety Orders of the Division of Industrial Safety. He will erect and maintain, as required by the conditions and progress of the Work, all necessary safeguards for safety and protection. He will notify owners of adjacent utilities when prosecution of the Work may affect them.

2.11.03 The Contractor will remedy all damage, injury or loss to any property caused, directly or indirectly, in whole or in part, by the Contractor, any Subcontractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them be liable, except damage or loss attributable to the fault of the Contract Documents or to the acts or omissions of the Owner or the Engineer or anyone employed by either of them or anyone for whose acts either of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of the Contractor.

2.11.04 In emergencies affecting the safety of persons or the Work or property at the site or adjacent thereto, the Contractor, without special instruction or authorization from the Engineer or Owner, shall act to prevent threatened damage, injury or loss. He will give the Engineer prompt Written Notice of any significant changes in the Work or deviations from the Contract Documents caused thereby, and a Change Order shall thereupon be issued covering the changes and deviations involved.

2.11.05 Until the formal acceptance by the Owner of the performance of the Contractor hereunder, either by furnishing equipment and/or materials or by performance of Work, the Contractor shall have the charge and care thereof and shall bear the risk of injury or damage to any part thereof by the action of the elements or from any other cause, whether arising from the execution or from the nonexecution of the Work. The Contractor shall rebuild, repair, restore, and make good all injuries or damages to any portion of that which he is to provide or complete hereunder occasioned by any of the above causes before completion and acceptance and shall bear the expense thereof. In case

of suspension of Work from any cause whatsoever, the Contractor shall be responsible for all equipment and/or materials then upon Owner property and shall properly store them, if necessary, and shall erect temporary structures where necessary in so doing. Nothing in these Contract Documents shall be considered as vesting in the Contractor any right of property in materials used after they have been attached or affixed to the Work or the soil upon Owner's real property, but all such materials shall, upon being so attached or affixed, become the property of the Owner.

2.11.06 Prior to the beginning of any work, the Contractor shall obtain, at its sole expense, all permits required by the California Division of Occupational Safety and Health (Cal/OSHA) for permit-required activities associated with the Project and shall provide copies of such permits to the Owner upon request.

2.11.07 In accordance with Government Code Section 4216 and following, Contractor shall notify Underground Service Alert at least two days prior to excavation with a description of the area to be excavated to determine if any participant has a subsurface installation in the area.

2.11.08 The Contractor shall not commence any excavation over five (5) feet in depth until he has submitted to the Owner a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during any such excavation and such plan has been accepted by the Owner or by a registered civil or structural engineer, employed by the Owner, to whom authority to accept has been delegated. If such plan varies from the shoring system standards promulgated by the Department of Industrial Safety, the plan shall be prepared by a registered civil or structural engineer employed and paid by the Contractor. Nothing in this section shall be deemed to allow the use of a shoring, sloping, or protective system less effective than that required by the Construction Safety Orders. Nothing contained in this article shall be construed as relieving the Contractor of full responsibility for providing shoring, bracing, sloping, or other provisions, which are adequate for worker protection.

2.11.09 A working platform for any scaffolding swung or suspended from an overhead support more than ten (10) feet above the ground, floor or area in which an employee on the scaffolding might fall, shall have a safety rail of wood or other equally rigid material of adequate strength; such rail shall be in compliance with the applicable orders of the Division of Industrial Safety.

The suspended scaffolding shall be fastened so as to prevent the same from swaying from the building, or structure, or other object being worked on from such scaffolding. All parts of such scaffolding shall be of sufficient strength to support, bear, withstand with safety, any weight of persons, tools, appliances or materials which might reasonably be placed on it or which are to be supported by it.

In addition to the duties imposed by any law regulating or relating to scaffolding, the Contractor who uses scaffolding in connection with the construction, alteration, repairing, painting, cleaning, or doing of any work upon any building or structure shall furnish safety lines to tie all hooks and hangers back on the roof of such building or structure and provide safety lines hanging from the roof, securely tied thereto, for all swinging scaffolds which rely upon stirrups of the single point of suspension type to support the working platform. One such line shall be provided for each workman with a minimum of one line between each pair of hangers or falls.

Platforms or floors of scaffolding shall be not less than fourteen (14) inches in width and shall be free from knots or fractures impairing their strength.

The use of lean-to scaffolds, sometimes known as jack scaffolds, as support for scaffolds is prohibited.

2.11.10 In addition to any requirements imposed by law, the Contractor shall shore up, brace, underpin, and protect, as may be necessary, all foundations and other parts of all existing structures adjacent to and adjoining the site of the work which are in any way affected by the excavations or other operations connected with the performance of the Work. Whenever notice is required to be given by the Owner or the Contractor to any adjacent or adjoining landowner or other party before commencement of any work, such notice shall be given by the Contractor.

2.11.11 The Contractor shall not load nor permit any part of any structure to be loaded with any weights that will endanger the structure, nor shall subject any part of the Work to stresses or pressures that will endanger it.

2.11.12 The Contractor will be required to certify that he has an Injury, Illness Prevention Plan for his company as required by Labor Code Section 6401.7.

The names and telephone numbers of at least two medical doctors practicing in the vicinity and the telephone number of the local ambulance service shall be prominently displayed adjacent to telephones and carried by the supervisor of the work being performed.

The Contractor shall provide assurance to the District that all equipment has proper permits issued by the South Coast Air Quality Management District, or the local air quality district.

In addition, the Contractor shall be required to post notices required by Proposition 65 for any hazardous chemicals listed by the State Health Department, which are brought onto the property as part of the construction program.

2.11.13 Any public works contract of a local public entity, which involves digging trenches or other excavations that extend deeper than four feet below the surface, shall contain a clause, which provides the following:

a. That the contractor shall promptly, and before the following conditions are disturbed, notify the public entity, in writing, of any:

   (1) Material the Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, and that is required to be removed to Class I, Class II, or Class III disposal site in accordance with provisions of existing law.

   (2) Subsurface or latent physical conditions at the site differing from those indicated.

(3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the contract.

b. That the public entity shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in the contractor's cost of, or the time required for, performance of any part of the work shall issue a change order under the procedures described in the contract.

c. That, in the event that a dispute arises between the public entity and the contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in the contractor's cost of, or time required for, performance of any part of the work, the contractor shall not be excused from any scheduled completion date provided for by the contract, but shall proceed with all work to be performed under the contract. The contractor shall retain any and all rights provided either by contract or by law, which pertain to the resolution of disputes and protests between the contracting parties.

d. Differing Conditions shall not include:

1. All that is indicated in or reasonably interpreted from the Contract Documents or Reference Documents;
2. All that could be seen on Site;
3. Conditions that are materially similar or characteristically the same as those indicated or described in the Contract Documents or Reference Documents.
4. Conditions where the location of a building component is in the proximity where indicated in or reasonably interpreted from the Contract Documents or Reference Documents.

e. Contractor shall be responsible for the safety and protection of the affected area of the Work for the duration of the District's investigation of potential Differing Conditions.

f. Failure by Contractor to comply with the requirements of this Paragraph concerning the timing and content of any notice of unforeseen or differing site conditions or of any request for adjustment of the Contract Sum and/or Contract Time based on alleged unforeseen or differing site conditions shall be deemed a waiver of any Contract Claim or subsequent proceedings (e.g., Government Code Claims and litigation) by Contractor for adjustments to the Contract Sum or Contract Time arising from or relating to such conditions.

SECTION 2.12
of
GENERAL CONDITIONS

SUPERVISION BY CONTRACTOR

2.12.01 The Contractor shall supervise and direct the Work. He will be solely responsible for the means, methods, techniques, sequences and procedures of construction. The Contractor shall employ and maintain on the Work a qualified supervisor or superintendent who shall have been designated in writing by the Contractor as the Contractor's representative at the site. The supervisor shall have full authority to act on behalf of the Contractor and all communications given to the supervisor shall be as binding as if given to the Contractor. The supervisor shall be present on the site at all times as required to perform adequate supervision and coordination of the Work.

2.12.02 The Contractor shall employ only such foremen, mechanics and laborers as are competent and skilled in their respective lines of work, and whenever the Engineer shall notify the Contractor that any man on the Work is, in his opinion, incompetent, unfaithful, intemperate, or disorderly or refuses to carry out the provisions of this Contract, or uses threatening or abusive language to any person on the Work representing the Owner, or is otherwise unsatisfactory, such man shall be discharged immediately from the Work and shall not be re-employed upon it except with the consent of the Engineer. Such discharge shall not be the basis of any claim for damages against the Owner or his agents.

2.12.03 In the event that the Contractor proposes to substitute a key team member during the performance of the Contract, Contractor shall submit to the District Representative, at least seven days prior to engaging the person, an Experience Statement form for the District's review and acceptance. Any proposed substitution is subject to the approval of the District Representative based upon qualifying experience on similar projects as set forth in the bid documents for the project. Failure to obtain the District's acceptance shall not constitute a cause for delay. In addition, the District may issue an order to stop the work under these General Conditions until such time as the Contractor engages persons possessing skills and qualifications acceptable to the District.

2.12.04. Whenever the Work of a Subcontractor is dependent upon the work of other Subcontractors or Contractors, then Contractor shall require the Subcontractor to:

1. coordinate its Work with the dependent work;
2. provide necessary dependent data, connections, miscellaneous items, and other transitional requirements;
3. supply and install items to be built into dependent work of others;
4. make provisions for dependent work of others;
5. examine dependent drawings and specifications and submittals;
6. examine previously placed dependent work;
7. check and verify dependent dimensions of previously placed work;
8. notify Contractor of previously placed dependent work or dependent dimensions which are unsatisfactory or will prevent a satisfactory installation of its Work; and

9. not proceed with its Work until the unsatisfactory dependent conditions have been corrected.

2.12.05. Contractor shall immediately comply with and prosecute orders and instructions including, but not limited to, Change Orders, RFI replies and Clarifications given by the District in accordance with the terms of the Contract, but nothing herein contained shall be taken to relieve Contractor of any of its obligations or liabilities under the Contract, or of performing its required detailed direction and supervision.

2.12.06. Contractor shall at all times permit the District, its agents and authorized representatives to: (i) visit and inspect the Work, the materials and the manufacture and preparation of such materials; (ii) subject them to inspection at all such places; and (iii) reject the Work if it does not conform to the requirements of the Contract Documents. This obligation of Contractor shall include maintaining proper facilities and safe access for such inspection. Where the Contract requires Work to be tested or inspected, it shall not be covered up before inspection and approval by the District.

2.12.07. Whenever Contractor desires to perform Work outside regular working hours, Contractor shall give notice to the District of such desire and request and obtain the District’s written permission at least 3 working days in advance, or such other period as may be specified, except in the event of an emergency prior to performing such Work so that the District may make the necessary arrangement for testing and inspection.

2.12.08. If Contractor receives a written notice from the District that a Clarification is forthcoming from the District, all Work performed before the receipt of the Clarification shall be coordinated with the District to minimize the effect of the Clarification on Work in progress. All affected Work performed after receipt of the District's written notice but before receipt of the Clarification and not so coordinated shall be at Contractor's risk.

2.12.09. During all disputes or disagreements with the District, Contractor shall carry on the Work and adhere to the progress schedule required to be submitted under the requirements of the Contract Documents. No Work shall be delayed or postponed pending resolution of any disputes or disagreements, except as the District and Contractor may otherwise agree in writing.

SECTION 2.13
of
GENERAL CONDITIONS

CHANGES IN THE WORK

2.13.01 This Agreement may not be altered in whole or in part except by modification in writing and properly executed by all parties hereto or by a change order.

2.13.02 The Owner may at any time, as the need arises, order changes within the scope of the Work without invalidating the Agreement. If such changes increase or decrease the amount due under the Contract Documents, or in the time required for performance of the Work, an equitable adjustment shall be authorized by Change Order.

2.13.03 The Engineer, also, may at any time, by issuing a Field Order, make changes in the details of the Work. The Contractor shall proceed with the performance of any changes in the Work ordered by the Engineer unless the Contractor believes that such Field Order entitles him to a change in Contract Price or Time, or both, in which event he shall give the Engineer Written Notice thereof within seven (7) days after the receipt of the ordered change. Thereafter the Contractor shall document the basis for the change in Contract Price or Time within thirty (30) days. The Contractor shall not execute such changes pending the receipt of an executed Change Order or further instruction from the Owner.

SECTION 2.14
of
GENERAL CONDITIONS

CHANGES IN CONTRACT PRICE

2.14.01 The Contract Price may be changed only by a Change Order. The value of any Work covered by a Change Order or of any claim for increase or decrease in the Contract Price shall be determined by one or more of the following methods in the order of precedence listed below:

a. Unit prices. Original bid items. Unit prices previously approved are acceptable for pricing changes of original bid items. However, when changes in quantities exceed fifteen (15) percent of the original bid quantity and the total dollar change of that bid item is significant, the Owner shall review the unit price to determine if a new unit price should be negotiated.

b. An agreed lump sum.

c. The actual cost for labor, direct overhead, materials, supplies, equipment, and other services necessary to complete the work. In addition, there shall be added an amount to be agreed upon but not to exceed fifteen (15) percent of the actual cost of the Work to cover the cost of general overhead and profit.

When all or any part of the work covered by Change Order is performed by any of the Contractor's Subcontractors, the markups established in this section shall be applied to the Subcontractor's actual cost of such work, to which a markup of five (5) percent on the subcontracted portion of the work may be added by the prime Contractor.

SECTION 2.15
of
GENERAL CONDITIONS

TIME FOR COMPLETION AND
LIQUIDATED DAMAGES

2.15.01 The date of beginning and the time for completion of the Work are essential conditions of the Contract Documents and the Work embraced shall be commenced on or before a date specified in the Notice to Proceed. The Contractor should be aware that time is of the essence for this project.

2.15.02 The Contractor will proceed with the Work at such rate of progress to ensure full completion within the Contract Time. It is expressly understood and agreed, by and between the Contractor and the Owner, that the Contract Time for the completion of the Work described herein is a reasonable time, taking into consideration the average climatic and economic conditions and other factors prevailing in the locality of the Work.

2.15.03 If the Contractor shall fail to complete the Work within the Contract Time, or requests for extension of time approved by the Owner, then the Contractor will pay to the Owner the amount for liquidated damages as specified in the Agreement for each calendar day that the Contractor shall be in default after the time stipulated in the Contract Documents.

2.15.04 The Contractor shall not be charged with liquidated damages or any excess cost when the delay in completion of the Work is due to the following, and the Contractor has promptly given Written Notice of such delay to the Owner or Engineer.

a. To any preference, priority or allocation order duly issued by the Owner.

b. If delays are caused by unforeseen events beyond the control of both the Contractor and the Owner, such delays will entitle the Contractor to an extension of time as provided herein, but the Contractor shall not be entitled to damages or additional payment due to such delays. War, government regulations, labor disputes, strikes, fires, floods, adverse weather necessitating cessation of work, other similar action of the elements, inability to obtain materials, equipment, labor, required "extra work," or other specific reasons as may be further described in the specifications may constitute such a delay.

   No extension of time will be granted for a delay caused by the inability to obtain materials unless the Contractor furnishes to the Engineer documentary proof of the inability to obtain such materials in a timely manner in accordance with the sequence of the Contractor's operations and the approved construction schedule.

c. To any delays of Subcontractors occasioned by any of the causes specified in paragraphs 2.15.04a and 2.15.04b of this article.

d. If delays beyond the Contractor's control are caused by reasons other than those mentioned above, but substantially equal in gravity to those enumerated, and an extension of time is deemed by the Engineer to be in the best interests of the Owner, an extension of time may be granted, but the Contractor shall not be entitled to damages or additional payment due to such delays.

   If delays beyond the Contractor's control are caused solely by action or inaction by the Owner, such delays will entitle the Contractor to an extension of time.

e. Extensions of time, when granted, will be based upon the effect of delays on the project as a whole and will not be granted for noncontrolling delays to minor included portions of work unless it can be shown that such delays did, in fact, delay the progress of the project as a whole.

f. If the Contractor desires payment for a delay or an extension of time, he shall, within thirty (30) days after the beginning of the delay, file with the Owner a written request and report as to the cause and extent of the delay. The request for payment or extension must be made at least fifteen (15) days before the specified completion date. Failure by the Contractor to file these items within the times specified will be considered grounds for refusal by the Owner to consider such request.

2.15.05 In case the Work called for under this Contract is not completed within the time limit stipulated herein, the Owner shall have the right, in lieu of assessing liquidated damages, to extend the time of completion thereof. If the time limit be so extended, the Owner shall have the right to charge to the Contractor and to deduct from the final payment for the Work, the actual cost to the Owner of engineering, inspection, superintendence, and other overhead expenses which are directly chargeable to the Contract and which accrue during the period of such extension, except that the cost of final surveys and preparation of final estimate and the cost accruing by reason of unavoidable delays shall not be included in such charges.

SECTION 2.16
of
GENERAL CONDITIONS

CORRECTION OF WORK

2.16.01 The Contractor shall promptly remove from the premises all Work rejected by the Engineer for failure to comply with the Contract Documents, whether incorporated in the construction or not, and the Contractor shall promptly replace and re-execute the Work in accordance with the Contract Documents and without expense to the Owner and shall bear the expense of making good all Work of other Contractors destroyed or damaged by such removal or replacement.

2.16.02 All removal and replacement Work shall be done at the Contractor's expense. If the Contractor does not take action to remove such rejected Work within ten (10) days after receipt of Written Notice, the Owner may remove such Work and store the materials at the expense of the Contractor.

SECTION 2.17
of
GENERAL CONDITIONS

SUBSURFACE CONDITIONS AND
EXAMINATION OF CONTRACT DOCUMENTS

2.17.01 The Contractor represents that he has carefully examined the Contract Documents and the site where the Work is to be performed and that he has familiarized himself with all local conditions and Federal, State and local laws, ordinances, rules and regulations that may affect performance of the Work in any manner. The Contractor further represents that he has studied all surveys and investigation reports governing subsurface and latent physical conditions pertaining to the job site; that he has performed such additional surveys and investigations as he deems necessary to complete the Work at the Contract Price; and, that he has correlated the results of all such data with the requirements of the Contract Documents. The submittal of a Bid shall be conclusive evidence that the Contractor has investigated and is satisfied as to the conditions to be encountered and as to the character, quality and scope of the Work.

2.17.02 The Drawings for the Work show conditions as they are supposed or believed by the Engineer to exist; but it is not intended or to be inferred that the conditions as shown thereon constitute a representation that such conditions actually exist. The Owner and the Engineer shall not be liable for any loss sustained by the Contractor as a result of any variance of the conditions as shown in the Drawings and the actual conditions revealed during the progress of the Work or otherwise.

Where the Owner or the Engineer or their consultants have made investigations of subsurface conditions in areas where the Work is to be performed, such investigations were made only for the purpose of study and design. The conditions indicated by such investigations apply only at the specific location of each boring or excavation at the time the borings or excavations were made. Where such investigations have been made, the Contractor may inspect the records as to such investigations subject to and upon the conditions hereinafter set forth. The inspection of the records shall be made at the office of the Engineer.

The records of such investigations are not a part of the Agreement and are shown solely for the convenience of the Contractor. It is expressly understood and agreed that the Owner, the Engineer and their consultants assume no responsibility whatsoever in respect to the sufficiency or accuracy of the investigations; the records thereof; or of the interpretations set forth therein or made by the Owner's consultants, the Engineer or his consultants in the use thereof by the Engineer, and there is no warranty or guarantee, either express or implied, that the conditions indicated by such investigations or records thereof are representative of those existing throughout such areas, or any part thereof, or that unlooked for developments may not occur, or that materials other than, or in proportions different from, those indicated may not be encountered.

When a log of test borings showing a record of the data obtained by the investigation of subsurface conditions by the Owner, the Engineer or their consultants is included with the Drawings, it is expressly understood and agreed that said log of test borings does not constitute a part of the

Agreement, represents only the opinion of the Owner or the Engineer or their consultants as to the character of the materials encountered by them in the test borings, is included in the Drawings only for the convenience of the Contractor, and its use is subject to all of the conditions and limitations set forth in this article.

2.17.03 The availability or use of information described in this article is not to be construed in any way as a waiver of the provisions of Section 2.17.01 and the Contractor is cautioned to make such independent investigations and examinations as he deems necessary to satisfy himself as to conditions to be encountered in the performance of the Work.

2.17.04 No information derived from such inspection of records of investigations or compilation thereof made by the Owner, Engineer, or their consultants will in any way relieve the Contractor from any risk or from properly fulfilling the terms of the Agreement.

SECTION 2.18
of
GENERAL CONDITIONS

SUSPENSION OF WORK,
TERMINATION AND DELAY

2.18.01 The Owner may suspend the Work or any portion thereof for a period of not more than ninety (90) days or such further time as agreed upon by the Contractor, by Written Notice to the Contractor and the Engineer which notice shall fix the date on which Work shall be resumed. The Contractor will resume that Work on the date so fixed. The Contractor will be allowed an increase in the Contract Price or an extension of the Contract Time, or both, directly attributable to any suspension.

2.18.02 If the Contractor is adjudged a bankrupt or insolvent, or if he makes a general assignment for the benefit of his creditors, or if a trustee or receiver is appointed for the Contractor or for any of his property, or if he files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or applicable laws, or if he repeatedly fails to supply sufficient skilled workmen or suitable materials or equipment, or if he repeatedly fails to make prompt payments to Subcontractors or for labor, materials or equipment or if he disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction of the Work or if he disregards the authority of the Engineer, or if he otherwise violates any provision of the Contract Documents, then the Owner may, without prejudice to any other right or remedy and after giving the Contractor and his surety a minimum of ten (10) days from delivery of a Written Notice, terminate the services of the Contractor and take possession of the Project and of all materials, equipment, tools, construction equipment and machinery thereon owned by the Contractor, and finish the Work by whatever method he may deem expedient. In such case the Contractor shall not be entitled to receive any further payment until the Work is finished. If the unpaid balance of the Contract Price exceeds the direct and indirect costs of completing the Project, including compensation for additional professional services, such excess shall be paid to the Contractor. If such costs exceed such unpaid balance, the Contractor will pay the difference to the Owner. Such costs incurred by the Owner will be determined by the Engineer and incorporated in a Change Order.

2.18.03 Where the Contractor's services have been terminated by the Owner, said termination shall not affect any right of the Owner against the Contractor then existing or which may thereafter accrue. Any retention or payment of monies by the Owner due to the Contractor will not release the Contractor from compliance with the Contract Documents.

2.18.04 After ten (10) days from delivery of a Written Notice to the Contractor and the Engineer, the Owner may, without cause and without prejudice to any other right or remedy, elect to abandon the Project and terminate the Agreement. In such case, the Contractor shall be paid for all Work executed and any expense sustained plus reasonable profit. The Owner's authority and responsibility with respect to termination for convenience of owner or upon breach of contract are set forth in more detail in Section 2.35 of these General Conditions.

2.18.05 If, through no act or fault of the Contractor, the entire Work is suspended for a period of more than ninety (90) days by the Owner or under an order of court or other public authority, or by request of litigation relating to the Project, or the Engineer fails to act on any request for payment within thirty (30) days after it is submitted, or the Owner fails to pay the Contractor substantially the sum approved by the Engineer or awarded by arbitrators within thirty (30) days of its approval and presentation, then the Contractor may, after ten (10) days from delivery of a Written Notice to the Owner and the Engineer, terminate the Agreement and recover from the Owner payment for all Work executed and all expenses sustained. In addition and in lieu of terminating the Agreement, if the Engineer has failed to act on a request for payment or if the Owner has failed to make any payment as aforesaid, the Contractor may upon ten (10) days Written Notice to the Owner and the Engineer stop the Work until he has been paid all amounts then due, in which event and upon resumption of the Work, Change Orders shall be issued for adjusting the Contract Price or extending the Contract Time or both to compensate for the costs and delays attributable to the stoppage of the Work.

2.18.06 If the performance of all or any portion of the Work is suspended, delayed, or interrupted as a result of a failure of the Owner or Engineer to act within the time specified in the Contract Documents, or if no time is specified, within a reasonable time, an adjustment in the Contract Price or an extension of the Contract Time, or both, shall be made by Change Order to compensate the Contractor for the costs and delays necessarily caused by the failure of the Owner or Engineer.

SECTION 2.19
of
GENERAL CONDITIONS

PAYMENTS TO CONTRACTOR

2.19.01 SECTION NOT USED

2.19.02 SECTION NOT USED

2.19.03 SECTION NOT USED

2.19.04 SECTION NOT USED

2.19.05 SECTION NOT USED

2.19.06 SECTION NOT USED

2.19.07 SECTION NOT USED

2.19.08 SECTION NOT USED

SECTION 2.20
of
GENERAL CONDITIONS

ACCEPTANCE OF FINAL
PAYMENT AS RELEASE

2.20.01 The acceptance by the Contractor of final payment shall be and shall operate as a release to the Owner of all claims and all liability to the Contractor other than claims in stated amounts as may be specifically excepted by the Contractor for all things done or furnished in connection with this Work and for every act and neglect of the Owner and others relating to or arising out of this Work. Any payment, however, final or otherwise, shall not release the Contractor or his sureties from any obligations under the Contract Documents or the Performance Bond and Payment Bond.

SECTION 2.21
of
GENERAL CONDITIONS

INSURANCE

2.21.01 The Contractor shall not commence any work under the Contract Documents until he obtains at his own expense all required insurance. Such insurance must have the approval of the Owner as to Company, limits, form and amount. The Contractor shall not permit any Subcontractor to commence work on the Project until the Subcontractor has also complied with these insurance requirements. The types of insurance, which the Contractor shall secure and maintain for the full Contract time, are Workers' Compensation Insurance, Employer's Liability Insurance, Commercial General Liability Insurance, Automobile Liability Insurance, Builder's Risk "All Risk" Insurance, and Contractor's Pollution Liability Insurance as hereinafter specified. Nothing contained in these insurance requirements is to be construed as limiting the extent of the Contractor's responsibility for payment of damages resulting from his operations under the Contract Documents.

All policies required by this Section shall be primary insurance as to the Owner so that coverage held by the Owner will not contribute to any loss under the Contractor's insurance using the ISO endorsement CG 20 01 04 13 or coverage at least as broad.

Premiums for said insurance shall be paid for by the Contractor.

2.21.02 Before commencing any work, the Contractor shall submit written evidence that he and all Subcontractors have obtained for the Contract time full Worker's Compensation Insurance coverage, 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. **Waiver of Subrogation** (also known as Transfer of Rights of Recovery Against Others to Us)**:** The Contractor hereby agrees to waive rights of subrogation to obtain endorsement necessary to affect this waiver of subrogation in favor of the Owner, its directors, officers, employees, and authorized volunteers, for losses paid under the terms of this coverage which arise from work performed by the named insured for the Owner; this provision applies regardless of whether or not the Owner has received a waiver of subrogation from the insurer.

2.21.03 Before commencing any work, the Contractor shall procure for the entire Contract time full Commercial General Liability Insurance, Automobile Liability Insurance coverage, and Contractor's Pollution Liability as hereinafter specified. Such insurance shall insure the Contractor and all Subcontractors for all claims for personal injury, including sickness and death, and all claims for destruction of or damage to property, including loss of use, arising out of or in connection with any operations under the Contract Documents, whether such operations be by the Contractor or by any Subcontractor under the Contractor, or by anyone directly or indirectly employed by the Contractor or by any Subcontractor.

Such Commercial General Liability Insurance shall be written with a limit of liability of not less than five million dollars ($5,000,000) per occurrence or the full per occurrence limits of the

policies available, whichever is greater for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (coverage as broad as the ISO CG 25 03, or ISO CG 25 04 endorsement, or insurer's equivalent endorsement provided to the District) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit. Should the Contractor maintain insurance coverage exceeding the specified amount, any such additional coverage shall still benefit the Owner.

Such Commercial General Liability Insurance shall also be written for all damages arising out of injury to or destruction of property of others, arising directly or indirectly out of or in connection with the performance of the Work under the Contract Documents and in any one occurrence, including explosion, collapse and underground exposure.

Contractor's Pollution Liability – (optional: if project involves environmental hazards) with limits no less than $5,000,000 per occurrence or claim, and $10,000,000 policy aggregate.

Such Automobile Liability Insurance shall be written with a limit of liability of not less than one million dollars ($1,000,000) for all damages arising out of bodily injury, including sickness and death, at any time resulting therefrom, sustained by any one person in any one occurrence, and a limit of liability of not less than two million dollars ($2,000,000) aggregate for any such damages sustained by two or more persons in any one occurrence. Such automobile liability insurance shall be written with a limit of liability of not less than one million dollars ($1,000,000) for all damages arising out of injury to or destruction of property of others, arising directly or indirectly out of or in connection with the performance of the Work under the Contract Documents and in any one occurrence, including explosion, collapse and underground exposure.

If the Contractor maintains broader coverage and or/higher limits than the minimums shown above, the District requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum of insurance and coverage shall be available to the District.

Coverage for Commercial General Liability Insurance, Contractor's Pollution Liability Insurance and Automobile Liability Insurance shall be at least as broad as the following:

a. Insurance Services Office Commercial General Liability Coverage (Occurrence Form CG 00 01).

b. Insurance Services Office (Form CA 00 01), covering Symbol 1 (any auto) with a limit of one million dollars ($1,000,000) for bodily injury and property damage each accident.

c. Excess Liability Insurance (if necessary) - The limits of insurance required in this agreement may be satisfied by a combination of primary, umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of

the District (if agreed to in a written contract or agreement) before the District's own primary or self-insurance shall be called upon to protect it as a named insured.

Any deductible or self-insured retention must be declared to and approved by the District. At the option of the District, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its directors, officers, employees, agents and volunteers; or the contractor shall procure a bond guaranteeing payment of losses and related investigations, administration and defense expenses.

The Commercial General Liability Insurance policy and Contractor's Pollution (if necessary) are to contain, or be endorsed to contain, the following provisions:

The policy for such insurance shall include contractual coverage sufficiently broad to cover the Contractor's indemnification agreement contained in Section 2.24 excepting 2.24.04 of these General Conditions. The District, its directors, officers, employees, and authorized volunteers are to be given insured status at least as broad as ISO endorsement CG 20 10 11 85; or both CG 20 10 10 01 and CG 20 37 10 01 (or the CG 20 10 07 04 and CG 20 37 07 04 (or earlier edition date) specifically naming all of the District parties required in this agreement, or using language that states "as required by contract"). All Subcontractors hired by Contractor must also have the same forms or coverage at least as broad; as respects (via CG 20 38 04 13): liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; premises owned, occupied or used by the Contractor; and automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the District, its directors, officers, employees, or authorized volunteers.

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. The Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation Policy shall be endorsed with a waiver of subrogation in the favor of the District for all work performed by the Contractor, its employees, agents and subcontractors. this provision applies regardless of whether or not the District has received a waiver of subrogation from the insurer.

2.21.04 Until the completion and final acceptance by the Owner of all the work under and implied by this agreement, the work shall be under the Contractor's responsible care and charge. The Contractor shall rebuild, repair, restore and make good all injuries, damages, re-erections, and repairs occasioned or rendered necessary by causes of any nature whatsoever.

If applicable, the Contractor shall provide and maintain **Builder's Risk** (course of construction) or an installation floater (for materials and equipment) covering all risks of direct physical loss, damage or destruction to the work in the amount specified in the General Conditions, to insure against such losses until final acceptance of the work by Owner. Such insurance shall insure at least against the perils of fire and extended coverage, theft, vandalism and malicious mischief, and collapse. The policy shall be endorsed with Owner, its directors, officers, employees, and authorized volunteers named as loss payee, as their interest may appear. The making of progress payments to the Contractor shall not be construed as creating an insurable interest by or for Owner

or be construed as relieving the Contractor or his/her subcontractors of responsibility for loss from any direct physical loss, damage or destruction occurring prior to final acceptance of the work by Owner. The policy must specify that coverage is to include all materials and equipment to be incorporated in the Project while at the construction site and while in transit.

Such policy shall be endorsed with the District, the Owner, the Owner's Representative, the Engineer and their consultants and each of their directors, officers, employees, and authorized volunteers named as loss payee, as their interest may appear. The making of progress payments to the Contractor shall not be construed as creating an insurable interest by or for the District or be construed as relieving the Contractor or his/her subcontractors of responsibility for loss from any direct physical loss, damage or destruction occurring prior to final acceptance of the work by the District. A maximum deductible amount of five thousand dollars ($5,000.00) on all perils will be allowed. Also, the insurer shall waive all rights of subrogation.

If the Owner determines not to require the Contractor to procure such insurance, the Contract price shall be reduced by the amounts set forth in the bid items for the premium for such insurance.

If the Owner determines to require the Contractor to procure such insurance, such insurance shall be endorsed with the District, the Owner, the Owner's Representative, the Engineer and their consultants and each of their directors, officers, employees, and authorized volunteers named as loss payee, as their interest may appear. The policy or policies for such insurance may provide for a deductible amount not to exceed five (5) percent of the Contract price. As provided in Section 7104 of the Public Contracts Code, the Contractor is responsible for the cost of repairing or restoring work up to five (5) percent of the contract amount.

2.21.05 Contractor shall furnish the Owner with copies of certificates and amendatory endorsements affecting coverage required by this contract. All certificates and endorsements are to be received and approved by the Owner 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 Owner reserves the right to require complete, certified copies of all required insurance policies, including policy declaration pages and endorsement pages, required by these specifications, at any time. Failure to continually satisfy the insurance requirements is a material breach of contract.

Acceptability of Insurers - Any insurance carrier providing insurance coverage required by the Contract Documents shall be authorized to do business in the State of California unless waived, in writing, by the District's Contracts Analyst. Carrier(s) shall have an A.M. Best rating of no less than an A: VII or better.

Evidences of Insurance - Prior to execution of the agreement, the Contractor shall file with District a certificate of insurance (Acord Form 25 or equivalent) signed by the insurer's representative evidencing the coverage required by this agreement. Such evidence shall include an additional insured endorsement signed by the insurer's representative and evidence of waiver of rights of subrogation against the District. Such evidence shall also include (1) attached additional insured endorsements with primary & non-contributory wording, (2) Workers' Compensation waiver of subrogation, and (3) a copy of the Commercial General Liability declarations or

endorsement page listing all policy endorsements, and confirmation that coverage includes or has been modified to include required provisions. The District reserves the right to obtain complete, certified copies of all required insurance policies at any time and the Contractor shall provide the same within five (5) days of such request. Failure to continually satisfy the insurance requirements is a material breach of contract.

Continuation of Coverage - The Contractor shall, upon demand of the District deliver evidence of coverage showing continuation of coverage for at least ten (10) years after completion of the project. The Contractor further waives all rights of subrogation under this agreement. When any of the required coverages expires during the term of this agreement, the Contractor shall deliver the renewal certificate(s) including the general liability additional insured endorsement and evidence of waiver of rights of subrogation against District (if builder's risk insurance is applicable) to District at least ten (10) days prior to the expiration date.

The Contractor shall, upon demand of District, deliver to District copies such policy or policies of insurance and the receipts for payment of premiums thereon.

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

SECTION 2.22
of
GENERAL CONDITIONS

CONTRACT SECURITY

2.22.01 The Contractor shall within thirty (30) days after the receipt of the Notice of Award furnish the Owner with a Performance Bond in penal sum equal to the amount of the Contract Price and a Payment Bond in penal sum equal to one-hundred (100) percent of the amount of the Contract Price, requiring the performance by the Contractor of all undertakings, covenants, terms, conditions and agreements of the Contact Documents, and upon the payment by the Contractor to all subcontractors, persons supplying labor and materials in the prosecution of the Work provided by the Contract Documents.

2.22.02 Bonds shall be executed by the Contractor and a corporate bonding company licensed to transact such business in the state in which the Work is to be performed and named on the current list of "Surety Companies Acceptable on Federal Bonds" as published in the Treasury Department Circular Number 570 and by California law. The expense of these Bonds shall be borne by the Contractor. Bonds to be placed with insurers with a current A.M. Best's rating of no less than A: VII or better.

2.22.03 If at any time a surety on any such Bond is declared a bankrupt or loses its right to do business in the state in which the Work is to be performed or is removed from the list of Surety Companies accepted on Federal Bonds, Contractor shall within ten (10) days after notice from the Owner to do so, substitute an acceptable Bond (or Bonds) in such form and sum and signed by such other surety or sureties as may be satisfactory to the Owner. The premiums on such Bond shall be paid by the Contractor. No further payments shall be deemed due nor shall they be made until the new surety or sureties shall have furnished an acceptable Bond to the Owner.

2.22.04 The Performance Bond and the Payment Bond must remain in effect throughout the period for performance of the Work and through the time of final payment by the Owner, and the Performance Bond must remain in effect for a period of one (1) year from the date of approval of the work by the Board of Directors of Owner, which is the period of the Contractor's warranty, or as modified under the Supplemental General Conditions. If a changer order results in an increased contract amount, an updated bond must be submitted to reflect the revised total contract value.

SECTION 2.23
of
GENERAL CONDITIONS

ASSIGNMENTS AND BANKRUPTCY

2.23.01 The Contractor shall not sell, transfer, assign or otherwise dispose of the Agreement or any portion thereof, or of his right, title or interest therein, or his obligations thereunder, without written consent of the Owner.

2.23.02 In the event of bankruptcy of the Contractor, whether voluntary or involuntary, this Agreement is automatically terminated, and the Contractor is entitled to no further payments over and above the reasonable value of the actual work completed at that time.

SECTION 2.24
of
GENERAL CONDITIONS

INDEMNIFICATION

2.24.01 The Contractor and any Subcontractor, or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable during the term of this agreement and associated with the work performed thereunder, will indemnify, defend and hold harmless the Owner and any of their directors, independent contractors, agents and employees from and against all claims, damages, losses and expenses including attorney's fees arising out of or resulting from the performance of the Work, provided that any such claims, damage, loss or expense is attributable to personal injury, bodily injury, sickness, disease or death, or to injury to or destruction of tangible property including the loss of use resulting therefrom; and is caused in whole or in part by any act or omission of the Contractor, any Subcontractor, any supplier, anyone directly or indirectly employed by any of them or anyone for whose acts or omissions any of them may be liable, but not including the sole or active negligence or willful misconduct of the Owner.

Each of the indemnified parties named in this Section shall be entitled to designate the attorney of their choice and indemnitor agrees to keep Owner’s attorney advised as to the status of all claims, damages, losses, expenses and litigation which may arise hereunder.

2.24.02 In any and all claims against the Owner or any of their directors, independent contractors, agents or employees, by any employee of the Contractor, any Subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any Subcontractor under workmen's compensation acts, disability benefit acts or other employee benefits acts.

2.24.03 The obligation of the Contractor under this paragraph shall not extend to the liability of the Engineer, his agents or employees arising out of the preparation or approval of maps, drawings, opinions, reports, surveys, change orders, designs or specifications.

2.24.04 The Contractor shall indemnify, defend and save the Owner, the Owner's Representative, the Engineer, their consultants, and each of their directors, independent contractors, officers, employees and agents harmless from all costs, losses, expenses, damages, attorneys' fees, and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of Contractor to faithfully perform the Work and all of Contractor's obligations under the Agreement, including but not limited to, Contractor's failure to complete any portion of the Work by the time specified in the Contract Documents. Such costs, expenses, and damages shall include all costs incurred by the Owner, the Owner's Representative, the Engineer, and their consultants to defend against any claims, stop notices, or lawsuits based thereon in which any of them is made a party.

Each of the indemnified parties named in this section shall be entitled to designate the attorney of their choice and the indemnitor agrees to pay the fee of each such attorney so designated.

SECTION 2.25
of
GENERAL CONDITIONS

SEPARATE CONTRACTS

2.25.01 The Owner reserves the right to let other contracts in connection with this Project. The Contractor shall afford other Contractors reasonable opportunity for the introduction and storage of their materials and the execution of their Work and shall properly connect and coordinate his Work with theirs. If the proper execution or results of any part of the Contractor's Work depends upon the Work of any other Contractor, the Contractor shall inspect and promptly report to the Engineer any defects in such Work that render it unsuitable for such proper execution and results.

2.25.02 The Owner may perform additional Work related to the Project by himself, or he may let other Contracts containing provisions similar to these. The Contractor will afford the other Contractors who are parties to such Contracts (or the Owner, if he is performing the additional Work himself), reasonable opportunity for the introduction and storage of materials and equipment and the execution of Work and shall properly connect and coordinate his Work with theirs.

2.25.03 If the performance of additional Work by other Contractors or the Owner is not noted in the Contract Documents prior to the execution of the Contract, Written Notice thereof shall be given to the Contractor prior to starting any such additional Work. If the Contractor believes that the performance of such additional Work by the Owner or others involves him in additional expense or entitles him to an extension of the Contract Time, he may make a claim therefor as provided in Sections 2.14, 2.15, and 2.18.

SECTION 2.26
of
GENERAL CONDITIONS

SUBCONTRACTING

2.26.01 SECTION NOT USED.

2.26.02 SECTION NOT USED.

2.26.03 SECTION NOT USED.

2.26.04 SECTION NOT USED.

2.26.05 SECTION NOT USED.

2.26.06 SECTION NOT USED.

SECTION 2.27
of
GENERAL CONDITIONS

ENGINEER'S AUTHORITY

2.27.01 The Engineer shall act as the Owner's representative during the construction period. He shall decide questions which may arise as to quality and acceptability of materials furnished and Work performed. He shall interpret the intent of the Contract Documents in a fair and unbiased manner. The Engineer will make visits to the site and determine if the Work is proceeding in accordance with the Contract Documents.

2.27.02 The Contractor will be held strictly to the intent of the Contract Documents in regard to the quality of materials, workmanship and execution of the Work. Inspections may be at the factory or fabrication plant of the source of material supply.

2.27.03 The Engineer will not be responsible for the construction means, controls, techniques, sequences, procedures, or construction safety.

2.27.04 The Engineer shall promptly make decisions relating to interpretation of the Contract Documents.

2.27.05 Any plan or method of Work suggested by the Engineer but not specified or required, if adopted or followed by the Contractor in whole or in part, shall be used at the risk and responsibility of the Contractor, and the Engineer and the Owner shall assume no responsibility therefor.

2.27.06 Engineer’s authority and responsibility with respect to Resident Project Representation are as set forth in Section 2.33 of these General Conditions.

SECTION 2.28
of
GENERAL CONDITIONS

LAND AND RIGHTS-OF-WAY

2.28.01 Prior to issuance of Notice to Proceed, the Owner shall obtain land and all work shall be performed within existing public rights-of-way for carrying out the Work to be performed pursuant to the Contract Documents. Right-of-way limits are shown on the Drawings.

2.28.02 The Contractor shall provide at his own expense and without liability to the Owner any additional land and access thereto that the Contractor may desire for temporary construction facilities, or for storage of materials.

2.28.03 Contractor shall confine his equipment, the storage of materials and equipment and the operations of his workmen to areas permitted by law, ordinances, permits, or the requirements of the Contract Documents, and shall not unreasonably encumber the premises with materials or equipment.

2.28.04. Notwithstanding the designation of Contract limits or the indication of temporary fences or barricades, the provisions of the Contract Documents governing certain portions or phases of the Work may require that certain operations be carried out beyond such designated limits. In all cases, the Work shall be constructed solely within the boundaries described in the Contract Documents. Contractor shall coordinate with the District to obtain in advance of said operations all necessary permits, rights-of-way, or easements, and shall give proper notice thereof to owners of affected properties in accordance with section 832 of the California Civil Code. Contractor shall obtain all such permits, rights-of-way and easements at no cost to the District.

2.28.05. Pumping, draining and control of surface and ground water and excavating or other earthwork shall be carried out so as to avoid endangering the Work or adjacent facility or property, or interrupting, restricting or otherwise infringing or interfering with the use thereof. Contractor shall conform to the Code and applicable laws and regulations and shall obtain all permits necessary to perform grading or excavation or dispose of surface or ground water or excavated materials at the Site.

2.28.06. Contractor shall not load nor permit any part of any structure to be loaded in a manner that will endanger the structure, nor shall Contractor subject part of the Work or adjacent property to stresses or pressures that will endanger it.

2.28.07. Contractor shall assume full responsibility and shall promptly settle all claims for damage to areas within the Contract limits, or to adjoining areas or the owners or occupants thereof, resulting from the performance of the Work.

SECTION 2.29
of
GENERAL CONDITIONS

GUARANTEE

2.29.01 The Contractor shall guarantee that all materials and equipment furnished will be new unless otherwise specified.

2.29.02 The Contractor shall guarantee all materials and equipment furnished and Work performed for a period of one (1) year from the date of acceptance by the Board of Directors of Owner. The Contractor warrants and guarantees for a period of one (1) year from the date of acceptance by the Board of Directors of Owner that the completed work is free from all defects due to faulty materials or workmanship and the Contractor shall promptly make such corrections as may be necessary by reasons of such defects including the repairs of any damage to other parts of the work resulting from such defects. The Owner will give notice of observed defects with reasonable promptness. In the event that the Contractor should fail to make such repairs, adjustments, or other Work that may be made necessary by such defects, the Owner may do so and charge the Contractor the cost thereby incurred. The Performance Bond shall remain in full force and effect throughout the guarantee period.

SECTION 2.31
of
GENERAL CONDITIONS

TAXES

2.31.01 The Contractor shall be responsible for paying all taxes applicable during the performance of the Work or portions thereof, whether or not said taxes were in effect on or increased after the date of Bid opening including, but not limited to, all sales, consumer, use and other similar taxes assessed by Federal, State or local authorities where the Work is performed.

2.31.02 The terms of these Contract Documents may result in the creation of a possessory interest. If such a possessory interest is vested in a private party to these Contract Documents, the private party may be subjected to the payment of personal property taxes levied on such interest.

SECTION 2.32
of
GENERAL CONDITIONS

CONFLICT

2.32.01 SECTION NOT USED.

2.32.02 SECTION NOT USED.

SECTION 2.33
of
GENERAL CONDITIONS

RESIDENT PROJECT REPRESENTATIVE

2.33.01 The Engineer will furnish a Resident Project Representative and Assistants to assist the Engineer in carrying out his responsibilities at the Project sites. The duties, responsibilities, and limitations of authority of any such Resident Project Representative and Assistants are herein set forth.

2.33.02 The Resident Project Representative is the Engineer's agent and will act as directed by and under the supervision of the Engineer. He will confer with the Engineer regarding his actions. His dealings in matters pertaining to the on-site Work shall, in general, be only with the Engineer and the Contractor. His dealings with Subcontractors shall only be through or with the full knowledge of the Contractor or his superintendent. He will generally communicate with the Owner only through or as directed by the Engineer.

2.33.03 The duties and responsibilities of the Resident Project Representative will be as follows:

a. Schedules - Review the progress schedule, schedule of Shop Drawing submissions, and schedule of values prepared by the Contractor and consult with the Engineer concerning their acceptability.

b. Conferences - Attend preconstruction conferences. Arrange a schedule of progress meetings and other job conferences as required in consultation with the Engineer and notify those expected to attend in advance. Attend meetings and maintain and circulate copies of minutes thereof.

c. Liaison -

(1) Serve as the Engineer's liaison with the Contractor, working principally through the Contractor's superintendent and assist him in understanding the intent of the Contract Documents. Assist the Engineer in serving as Owner's liaison with the Contractor when Contractor's operations affect Owner's on-site operations.

(2) As requested by the Engineer, assist in obtaining from the Owner additional details or information, when required at the job site for proper execution of the Work.

(3) Alert the Contractor directly and through his superintendent, to the hazards involved in accepting or acting upon instructions from the Owner or others, except instructions transmitted through the Engineer or himself.

d. SECTION NOT USED

e. SECTION NOT USED

f. Interpretation of Contract Documents - Transmit to the Contractor the Engineer's clarifications and interpretations of the Contract Documents.

g. Modifications - Consider and evaluate the Contractor's suggestions for modifications in Drawings or Specifications and report them with recommendations to the Engineer.

h. Records -

(1) Maintain at the job site orderly files for correspondence, reports of job conferences, shop drawings and samples submissions, reproductions of original Contract Documents including all addenda, change orders, field orders, additional Drawings issued subsequent to the execution of the Agreement, the Engineer's clarifications and interpretations of the Contract Documents, progress reports, and other Project-related documents.

(2) Keep a diary or logbook, recording hours on the job site, weather conditions, data related to questions of extras or deductions, list of visiting officials, daily activities, decisions, observations in general and specific observations in more detail as in the case of observing test procedures. Send copies to the Engineer.

(3) Record names, addresses and telephone numbers of all the Contractors, Subcontractors, and major Suppliers of equipment and materials.

i. Reports -

(1) Furnish Engineer periodic reports as required of progress of the Work and the Contractor's compliance with the approved progress schedule and schedule of Shop Drawing submissions.

(2) Consult with the Engineer in advance of scheduled major tests, inspections or start of important phases of the Work.

j. Payment Requisitions - Review applications for payment with the Contractor for compliance with the established procedure for their submission and forward them with recommendations to the Engineer, noting particularly their relation to the schedule of values, Work completed and materials and equipment delivered at the site.

k. Guarantees, Certificates, Maintenance and Operation Manuals - During the course of the Work, verify that guarantees, certificates, maintenance and operation manuals and other data required to be assembled and furnished by the Contractor are applicable to the items actually installed; and deliver this material to the Engineer for his review and forwarding to the Owner prior to final acceptance of the Project.

l. Completion -

(1) Before the Engineer issues a Certificate of Substantial Completion, submit to the Contractor a list of observed items requiring correction.

(2) Conduct final inspection in the company of the Engineer, Owner and Contractor and prepare a final list of items to be corrected.

(3) Verify that all items on the final list have been corrected and make recommendations to the Engineer concerning acceptance.

2.33.04 Except upon written instructions of the Engineer, the Resident Project Representative shall not:

a. Authorize any deviation from the Contract Documents or approve any substitute materials or equipment.

b. Undertake any of the responsibilities of the Contractor, Subcontractors, or Contractor's superintendent.

c. Expedite Work for the Contractor.

d. Advise on or issue directions relative to any aspect of the means, methods, techniques, sequences or procedures of construction unless such is specifically called for in the Contract Documents.

e. Advise on or issue directions as to safety precautions and programs in connection with the Work.

f. Authorize the Owner to occupy the Project in whole or in part.

g. Participate in specialized field or laboratory tests.

SECTION 2.34
of
GENERAL CONDITIONS

LEGAL RELATIONS AND RESPONSIBILITY

2.34.01 The Contractor shall keep himself fully informed of all existing and future State and Federal laws and all county and city ordinances and regulations which in any manner affect the conduct of the Work, and all of such orders and decrees of bodies or tribunals having any jurisdiction or authority over same. If any discrepancy or inconsistency is discovered in the Contract Documents or Agreement for the Work in relation to any such law, ordinance, regulation, order or decree, he shall forthwith report the same to the Engineer in writing. He shall at all times observe and comply with and shall cause all his agents and employees to observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect, defend and indemnify the Owner, the Engineer, and all of its and their officers and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by himself or his employees.

If the Contractor performs any work knowing it to be contrary to such laws, ordinances, rules and regulations and without giving notice to the Owner, the Contractor shall bear all costs arising therefrom.

The Contractor's attention is directed to Division 2, Part 7, Chapter 1 of the Labor Code of California and especially to Article 2 (Wages); and Article 3 (Working Hours).

a. Wages to be paid for a day's work to all classes of laborers, workers, or mechanics on the work contemplated by the contract, shall be not less than the prevailing rate for a day's work in the same trade or occupation on the locality within the State where the work hereby contemplated is to be performed as determined by the State of California Director of Industrial Relations pursuant to his authority under Labor Code section 1720 et. seq. Each laborer, worker, or mechanic employed by a Contractor or by any Subcontractor shall receive the wages herein provided for. The Contractor shall pay up to two hundred ($200.00) per day penalty for each worker paid less than the prevailing rate of per diem wages. The difference between the prevailing rate of per diem wages and the wage paid to each worker shall be paid by the Contractor to the worker. NOTE: an error on the part of the awarding body does not relieve the Contractor from responsibility for payment of the prevailing wage of per diem wages and penalties pursuant to Labor Code section 1720 – 1781 and 1813 – 1815.

b. In accordance with Sections 1773.1 and 1773.8 of the Labor Code the Contractor shall pay travel and subsistence payments to each workman needed to execute the Work as such travel and subsistence payments are defined in the applicable collective bargaining assurances filed with the Department of Industrial Relations.

c. Pursuant to Labor Code Section 1810 et. seq., it is stipulated hereby that eight (8) hours labor constitutes a legal day's work hereunder.

d. Pursuant to Labor Code Section 1813, it is stipulated hereby that the Contractor shall, as a penalty to the Owner, forfeit up to twenty-five (25) Dollars for each workman employed in the execution of this Contract by the Contractor or by any Subcontractor hereunder for each calendar day during which such workman is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, unless such worker receives compensation for all hours worked in excess of 8 hours per day at not less than 1.5 times the base rate of pay (or 2 times base rate on Sunday/Holidays), in violation of the provisions of Article 3 (commencing with Section 1810), Chapter 1, Part 7, Division 2, of the Labor Code.

e. The Contractor is responsible for compliance with Labor Code Section 1777.5 and the California Code of Regulations 230 – 230.2 for all apprenticeable occupations, whether employed by the Contractor or by the Subcontractors. Included in these requirements is the Contractor's requirement to provide notification to the appropriate apprenticeship committees, pay training fund contributions, utilize apprentices in a minimum ratio of not less than once apprentice for each five journeyman hours (unless an exception is granted in accordance with Labor Code 1777.5) and/or request for the dispatch of apprentices.

Information relative to apprenticeship standards, wage schedules, and other requirements may be obtained from the Director of Industrial Relations, ex officio the Administrator of Apprenticeship, San Francisco, California, or from the Division of Apprenticeship Standards and its branch offices.

Willful violations of Section 1777.5 will result in a forfeiture of $100.00 for each calendar day of noncompliance which shall be withheld from progress payments by Owner upon notice from the Department of Industrial Relations. (Labor Code 1777.7).

f. Attention is directed to the provisions of Labor Code 1725.5 requiring all contractors and subcontractors who bid or work on a public works project to be registered with the Department of Industrial Relations (DIR) via its online portal: https://efiling.dir.ca.gov/PWCR/ActionServlet?action=displayPWCRegistrationForm

2.34.02 In the event of any legal or equitable proceeding to enforce the terms or conditions of this Agreement, the parties agree that venue shall be in the judicial district in which the office of the Owner is located.

2.34.03 If any provision of this Agreement is held by a Court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

All clauses contained in the Contract Documents shall be interpreted in a manner, which renders them valid under applicable provisions of State, and Federal law where a consistent interpretation is possible.

2.34.04 In the event any arbitration proceeding, administrative proceeding or litigation in law or in equity, including an action for declaratory relief, is brought to enforce or interpret the provisions or performance of this Agreement, the prevailing party shall be entitled to the award of a reasonable attorney's fee and the costs of the proceeding, which shall be determined by the Court or the presiding officer at the proceeding, authorized to make a determination of the issues at the hearing level, or in a separate action brought for that purpose, in addition to any other relief to which the prevailing party may be entitled.

If any party to this Agreement becomes a party to any litigation, administrative proceeding or arbitration concerning the enforcement or interpretation of the provisions of this Agreement or the performance of this Agreement by reason of any act or omission of another party or authorized representatives of another party to this Agreement and not by any act or omission of the party that becomes a party to that proceeding or any act or omission of its authorized representatives, the party that causes another party to become involved in the proceeding shall be liable to that party for reasonable attorney fees and costs of the proceeding incurred by that party in the proceeding. The award of reasonable attorney fees and costs shall be determined as provided above.

In the event opposing parties have each prevailed on one or more causes of action actually contested or admitted by pleadings or prehearing documents on file, the presiding officer may offset such fees and costs between prevailing parties after considering the necessity of the proceeding and the importance of the issue or issues upon which a party has prevailed.

2.34.05 It shall be the responsibility of the contractor to maintain an accurate payroll record showing the name, address, Social Security Number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each employee in accordance with Labor Code 1776, and to insure that each subcontractor on the project also complies with all provisions of Labor Code 1776 and this contract provision.

All payroll records shall be certified as accurate by the applicable contractor or subcontractor or its agent having authority over such matters.

The Contractor shall submit to the Agency’s designated Labor Compliance Officer a copy of Certified Payroll Records as enumerated by Labor Code 1776 for the Contractor’s, as well as Subcontractor’s, employees working on the project work. The Agency shall make no payment to the Contractor until the certified records are received by the Agency’s designated Labor Compliance Administrator/Department/Division. Each contractor performing work under contact shall keep an accurate payroll record, showing the name, address, social security number, work week, and the actual per diem wages to each journeyman, apprentice, worker, or other employee employed by him in connection with the public work. Such records shall be certified and available for inspection at all reasonable hours at the principal place of the Contractor as required by Labor Code section 1776. Contractor and Subcontractor shall keep accurate project records such as Daily Logs and Reports and may be asked to provide copies of such records per the State of California Public Records Act, Government Code section 6250 – 6276.48. Pursuant to SB854, all public works contractors and subcontractors shall also furnish electronic certified payroll records directly to the Labor Commissioner. For all projects awarded on or after April 1, 2015, the contractors and

subcontractors must furnish electronic certified payroll records to the Labor Commissioner using the online portal: http://www.dir.ca.gov/Public-Works/Certified-Payroll-Reporting.html

Records made available to the general public in accordance with the prior paragraph shall be marked or obliterated in such a manner that the name and address of the contractor and/or subcontractor and the name, address and telephone number of all employees do not appear on the modified records.

Contractor shall file a certified copy of any requested payroll records with the entity that requested such records within ten (10) days of the date a written request for payroll records has been received.

Failure of contractor to comply with any provision of this Section or Labor Code 1776 within ten (10) days of the date a written request for compliance is received shall result in a forfeiture of up to one hundred dollars ($100.00) per calendar day or portion thereof, for each worker, until strict compliance is obtained. Upon notification by the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement of the Department of Industrial Relations, the Owner shall withhold penalties under this Section or Labor Code 1776 from the contractor's progress payments then due.

2.34.06 By entering into this contract or any subcontract pursuant to this contract, the Contractor and each Subcontractor who performs work or supplies goods, services or materials hereby offers and agrees to assign to the Owner all rights, title, and interest in and to all causes of action it may have under Federal or State Anti-Trust Law, including, but not limited to, any Anti-Trust action any of them may have under Section 4 of the Clayton Act (15 U.S.C. Sec 15) or under the Cartwright Act (Chapter 2, commencing with Section 16700, of Part 2 of Division 7 of the Business and Professions Code), arising from the purchases of goods, services or materials pursuant to this contract or any related subcontract. This assignment is made and becomes effective at the time the awarding body tenders final payment to the Contractor shall insure that a comparable provision is included in all subcontracts at all tier levels which are executed pursuant to this prime contract. Contractor shall have the rights set forth in Section 4553 and 4554 of the Public Contract Code.

SECTION 2.35
of
GENERAL CONDITIONS

REMOVAL, RELOCATION OR PROTECTION
OF EXISTING UTILITIES

2.35.01 SECTION NOT USED

2.35.02 SECTION NOT USED

2.35.03 SECTION NOT USED

2.35.04 SECTION NOT USED

2.35.05 SECTION NOT USED

SECTION 2.36
of
GENERAL CONDITIONS

ANTI-TRUST CLAIMS

2.36.01 In entering into a public works contract or a subcontract to supply goods, services, or materials pursuant to a public works contract, the Contractor or Subcontractor offers and agrees to assign to the awarding body all rights, title and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2 of Part 2 of Division 7 of the Business and Professions Code) arising from purchases of goods, services, or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body tenders final payment to the Contractor, without further acknowledgment by the parties.

SECTION 2.37
of
GENERAL CONDITIONS

TERMINATION FOR CONVENIENCE
OF OWNER OR UPON BREACH OF CONTRACT

2.37.01 The performance of work under this contract may be terminated by Owner in accordance with this clause in whole or from time to time in part whenever Owner or Owner's Representative determines that such termination is in the best interest of Owner. Any such termination shall be affected by delivery to Contractor of a Notice of Termination specifying the extent to which performance of work under the contract is terminated, the date upon which the termination becomes effective, and the reason for the termination.

2.37.02 After receipt of a Notice of Termination, except as otherwise directed by Owner or Owner's Representative, Contractor shall:

a. Stop work under the contract on the date and to the extent specified in the Notice of Termination,

b. Place no further orders or subcontract for materials, services, or facilities, except as may be necessary for the completion of such portion of work under the contract as is not terminated,

c. Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination,

d. Assign to Owner in the manner, at the times, and to the extent directed by Owner or Owner's Representative all of the right, title, and interest of Contractor under the orders and subcontracts terminated, in which case Owner shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts,

e. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts to the extent Owner may require,

f. Transfer title and deliver to Owner, in the manner, at the times, and to the extent, if any, directed by Owner (1) the fabricated or unfabricated parts, work in process, completed work, supplies, and other material produced as a part of, or acquired in connection with the performance of work terminated by the Notice of Termination and (2) the completed or partially completed plans, drawings, information, and other property which, if the contract had been completed, would have been required to be furnished to Owner,

g. Use his best efforts to sell, in the manner, at the times, to the extent, and at the price or prices directed or authorized by Owner or Owner's Representative any property of the types referred to in f. above, provided Contractor (1) shall not be required to extend credit to any purchasers, and (2) may acquire any such property under the conditions prescribed by and at the prices approved by Owner or Owner's Representative. The proceeds of any such

transfer or disposition shall be applied in reduction of any payments to be made by Owner to Contractor under this contract or shall otherwise be credited to the price or cost of the work covered by this contract or paid in such other manner as Owner or Owner's Representative may direct,

h. Complete performance of such part of the work as shall not have been terminated by the Notice of Termination to the satisfaction of Owner,

i. Take such action as Owner or Owner's Representative may direct for the protection and preservation of the property related to this contract which is in the possession of Contractor and which the Owner has or may acquire an interest.

After receipt of a Notice of Termination, Contractor shall submit to Owner his termination claim, in the form and with certification prescribed by Owner or Owner's Representative. This claim shall be submitted promptly but in no event later than three (3) months from the effective date of termination, unless one or more extensions in writing are granted by the Owner or Owner's Representative upon Contractor's written request within such three (3) month period or any authorized extension of the three (3) month period. Owner may deny or grant the request for an extension of time as Owner may determine in its sole discretion. Owner's decision to grant or deny the extension shall be final and binding on all parties to this contract. Upon failure of Contractor to submit his termination claim within the time allowed, Owner or Owner's Representative may determine, on the basis of information available to him, the amount, if any, due to the Contractor by reason of termination and shall thereupon pay to Contractor the amount so determined.

2.37.03 Contractor and Owner may agree upon the whole or any part of the amount paid to Contractor by reason of the total or partial termination of work pursuant to this clause provided an agreement, in writing, has been reached within three months following the date the termination notice has become effective.

In the event Contractor and Owner are unable to agree on the termination price, Owner shall pay to Contractor the amount determined by Owner or Owner's Representative, in its sole discretion, to be fair and equitable under the circumstances excluding amounts Owner and Contractor have agreed to in accordance with the terms of this section.

In no event shall Contractor be entitled to receive any amount upon termination of this contract which exceeds the total contract price reduced by the amount of payments otherwise made and further reduced by the contract price of work not terminated, by the fair value, as determined by Owner or Owner's Representative, in its sole discretion, of property which is destroyed, lost, stolen, or damaged so as to become undeliverable to Owner, by all unliquidated advances or other payments on account made to Contractor applicable to the terminated portion of the contract, by any claim which Owner may have against Contractor in connection with this contract, by the agreed price for, or the proceeds of sale of any materials, supplies, or other things acquired by Contractor or sold, pursuant to the provisions of this clause and not otherwise recovered or credited to Owner, and by estimated or actual costs to correct Contractor's work which Owner or Owner's Representative, in its sole discretion, determines to be defective. The decision of Owner or Owner's

Representative to determine the proper termination amounts shall be final and binding on all parties to this contract.

2.37.04 Unless otherwise provided for in this contract, Contractor shall, from the effective date of termination until the expiration of three years after final settlement under this Contract, preserve and make available to Owner at all reasonable times at the office of Contractor, and without charge of any kind to Owner, all Contractor's books, records, documents, and other evidence bearing on the costs and expenses of Contractor under this contract. For this purpose, Contractor specifically consents to allow Owner to receive such copies of Contractor's tax returns as Owner may deem necessary to verify Contractor's costs.

2.37.05 In the event Owner terminates the contract in whole or in part due to the failure of Contractor, its agents, servants, employees or subcontractors to perform any work in the time or manner designated in the contract documents, Owner shall immediately serve written notice of the Termination upon the surety and the Contractor, and the surety shall have the right to take over and perform the contract; provided, however, that if the surety within ten (10) days after the serving upon it of a notice of termination does not give the Owner written notice of his intention to take over and perform the contract or does not commence performance thereof within thirty (30) days from the date of serving said notice, the Owner may take over the work and prosecute the same to completion by contract or by any other method he may deem advisable for the account and at the expense of the Contractor, and his surety shall be liable to the Owner for any excess costs or other damages occasioned the Owner thereby, and in such event the Owner may, without liability for so doing, take possession of and utilize in completing the work such materials, appliances, plants, and other property belonging to the Contractor that may be on the site of the work and be necessary therefor. For any portion of such work that the Owner elects to complete by furnishing his own employees, materials, tools and equipment, the Owner shall be compensated for such in accordance with the schedule of compensation for force account work in the article on payment for changes in the work.

2.37.06 In the event Owner terminates the contract as a result of a breach of any contract terms by Contractor, its agents, servants, employees or subcontractors, if the unpaid balance of the contract price exceeds the direct and indirect costs of completing the work, including, but not limited to, all costs to Owner arising from professional services and attorneys' fees and all costs generated to insure or bond the work of substituted contractors or subcontractors utilized to complete the work, such excess shall be paid to Contractor. If such costs exceed the unpaid balance, Contractor shall pay the difference to the Owner promptly upon demand; on failure of Contractor to pay, the Surety shall pay on demand by Owner. Excessive costs not paid by Contractor or its Surety within thirty (30) days following the mailing of a demand for such costs by Owner shall earn interest at the rate of fifteen percent (15%) per annum or the maximum rate authorized by California law, whichever is lower.

SECTION 2.38
of
GENERAL CONDITIONS

SUPPLEMENTAL GENERAL CONDITIONS

2.38.01 Responsibility of Job Site Conditions

Contractor agrees that he shall assume sole and complete responsibility for job site conditions during the course of construction of this project, including safety of all persons and property. This requirement shall apply continuously and not be limited to normal working hours. The Contractor shall defend, indemnify and hold the Owner and the Engineer harmless from any and all liability, real or alleged, in connection with the performance of work on this project, excepting for liability arising from the sole negligence of the Owner or the Engineer.

2.38.02 Mediation and Arbitration of Claims

Pursuant to Public Contract Code Section 20104(c), the current provisions of Article 1.5 of Chapter 1 of Part 3 of the Public Contract Code (commencing with Section 20103.5) dealing with the mediation and arbitration of public works claims are incorporated herein and a copy of these provisions are attached to these General Conditions.

SECTION 2.39
of
GENERAL CONDITIONS

PUBLIC CONTRACT CODE SECTIONS
20103.5 – 20207.7

The following Public Contract Code Sections are included for information.

20103.5. In all contracts subject to this part where federal funds are involved, no bid submitted shall be invalidated by the failure of the bidder to be licensed in accordance with the laws of this state. However, at the time the contract is awarded, the contractor shall be properly licensed in accordance with the laws of this state. The first payment for work or material under any contract shall not be made unless and until the Registrar of Contractors verifies to the agency that the records of the Contractors' State License Board indicate that the contractor was properly licensed at the time the contract was awarded. Any bidder or contractor not so licensed shall be subject to all legal penalties imposed by law, including, but not limited to, any appropriate disciplinary action by the Contractors' State License Board. The agency shall include a statement to that effect in the standard form of pre-qualification questionnaire and financial statement. Failure of the bidder to obtain proper and adequate licensing for an award of a contract shall constitute a failure to execute the contract and shall result in the forfeiture of the security of the bidder.

20104. (a) (1) This article applies to all public works claims of three hundred seventy-five thousand dollars ($375,000) or less which arise between a contractor and a local agency.

(2) This article shall not apply to any claims resulting from a contract between a contractor and a public agency when the public agency has elected to resolve any disputes pursuant to Article 7.1 (commencing with Section 10240) of Chapter 1 of Part 2.

(b) (1) "Public work" has the same meaning as in Sections 3100 and 3106 of the Civil Code, except that "public work" does not include any work or improvement contracted for by the state or the Regents of the University of California.

(2) "Claim" means a separate demand by the contractor for (A) a time extension, (B) payment of money or damages arising from work done by or on behalf of the contractor pursuant to the contract for a public work and payment of which is not otherwise expressly provided for or the claimant is not otherwise entitled to, or (C) an amount of payment of which is disputed by the local agency.

(c) The provisions of this article or a summary thereof shall be set forth in the plans or specifications for any work which may give rise to a claim under this article.

(d) This article applies only to contracts entered into on or after January 1, 1991.

20104.2. For any claim subject to this article, the following requirements apply:

(a) The claim shall be in writing and include the documents necessary to substantiate the claim. Claims must be filed on or before the date of final payment. Nothing in this subdivision is intended to extend the time limit or supersede notice requirements otherwise provided by contract for the filing of claims.

(b) (1) For claims of less than fifty thousand dollars ($50,000), the local agency shall respond in writing to any written claim within forty-five (45) days of receipt of the claim, or may request, in writing, within thirty (30) days of receipt of the claim, any additional documentation supporting the claim or relating to defenses to the claim the local agency may have against the claimant.

(2) If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of the local agency and the claimant.

(3) The local agency's written response to the claim, as further documented, shall be submitted to the claimant within fifteen (15) days after receipt of the further documentation or within a period of time no greater than taken by the claimant in producing the additional information, whichever is greater.

(c) (1) For claims of over fifty thousand dollars ($50,000) and less than or equal to three hundred seventy-five thousand dollars ($375,000), the local agency shall respond in writing to all written claims within sixty (60) days of receipt of the claim, or may request, in writing, within thirty (30) days of receipt of the claim, any additional documentation supporting the claim or relating to defenses to the claim the local agency may have against the claimant.

(2) If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of the local agency and the claimant.

(3) The local agency's written response to the claim, as further documented, shall be submitted to the claimant within thirty (30) days after receipt of the further documentation, or within a period of time no greater than that taken by the claimant in producing the additional information or requested documentation, whichever is greater.

(d) If the claimant disputes the local agency's written response, or the local agency fails to respond within the time prescribed, the claimant may so notify the local agency, in writing, either within fifteen (15) days of receipt of the local agency's response or within fifteen (15) days of the local agency's failure to respond within the time prescribed respectively, and demand an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand, the local agency shall, within thirty (30) days, schedule a meet-and-confer conference for the purpose of resolving the dispute.

(e) Following the meet and confer conference, if the claim or any portion remains in dispute, the claimant may file a claim as provided in Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code. For purposes of those provisions, the running of the period of time within which a claim must be filed shall be tolled from the time the claimant submits his or her written claim pursuant to subdivision

(a) until the time that claim is denied as a result of the meet and confer process, including any period of time utilized by the meet and confer process.

(f) This article does not apply to tort claims and nothing in this article is intended nor shall be construed to change the time periods for filing tort claims or actions specified by Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code.

20104.4. The following procedures are established for all civil actions filed to resolve claims subject to this article.

(a) Within sixty (60) days, but no earlier than thirty (30) days, following the filing or responsive pleadings, the court shall submit the matter to nonbinding mediation unless waived by mutual stipulation of both parties. The mediation process shall provide for the selection within fifteen (15) days by both parties of a disinterested third person as mediator, shall be commenced within thirty (30) days of the submittal, and shall be concluded within fifteen (15) days from the commencement of the mediation unless a time requirement is extended upon a good cause showing to the court or by stipulation of both parties. If the parties fail to select a mediator within the fifteen (15) day period, any party may petition the court to appoint the mediator.

(b) (1) If the matter remains in dispute, the case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1141.11 of that code. The Civil Discovery Act of 1986 (Article 3 (commencing with Section 2016) of Chapter 3 of Title 3 of Part 4 of the Code of Civil Procedure) shall apply to any proceeding brought under this subdivision consistent with the rules pertaining to judicial arbitration.

(2) Notwithstanding any other provision of law, upon stipulation of the parties, arbitrators appointed for purposes of this article shall be experienced in construction law, and, upon stipulation of the parties, mediators and arbitrators shall be paid necessary and reasonable hourly rates of pay not to exceed their customary rate, and such fees and expenses shall be paid equally by the parties, except in the case of arbitration where the arbitrator, for good cause, determines a different division. In no event shall these fees or expenses be paid by state or county funds.

(3) In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, any party who after receiving an arbitration award requests a trial de novo but does not obtain a more favorable judgement shall, in addition to payment of costs and fees under that chapter, pay the attorney's fees of the other party arising out of trial de novo.

(c) The court may, upon request by any party, order any witnesses to participate in the mediation or arbitration process.

20104.6. (a) No local agency shall fail to pay money as to any portion of a claim, which is undisputed except as, otherwise provided in the contract.

(b) In any suit filed under Section 20104.4, the local agency shall pay interest at the legal rate on any arbitration award or judgement. The interest shall begin to accrue on the date the suit is filed in a court of law.

As stated in subdivision (c) of Section 20104, any contract entered into on or after January 1, 1991, which is subject to this article shall incorporate this article. To that end, these contracts shall be subject to this article even if this article is repealed pursuant to subdivision (a).

20207.7. Unless the amount involved in the purchase at any one time of any articles for which no contract has been entered into exceeds ten thousand dollars ($10,000), the board may purchase the articles without the necessity of advertising or lettering contracts. Where the cost of any articles for which no contract has been entered into exceeds ten thousand dollars ($10,000), the board shall advertise for sealed bids for furnishing the district the articles. In the matter of advertising, opening and accepting bids, and the letting of contracts, the board shall proceed in all respects in the manner and form provided in the case of contracts for annual supplies.

Attachment 2

July 1, 2026, through June 30, 2027				Gentry General Engineering, Inc		Paveco Construction, Inc.		Hardy & Harper, Inc		B-81 PAVING INC		Access General Contracting, Inc.		Tri-Star Contracting II, Inc.	
Line Item	Description	Quantity	Unit of Measur	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
101	Saw cut and remove temporary asphalt and replace with conventional hot mix asphalt	1	SF	$16.00	$16.00	$45.00	$45.00	$31.00	$31.00	$13.50	$13.50	$75.00	$75.00	$24.30	$24.30
102	Grind and overlay 0.10 ft. min. and replace with conventional asphalt per City of Desert Hot Springs & County of Riverside	1	SF	$7.00	$7.00	$17.50	$17.50	$6.00	$6.00	$9.50	$9.50	$60.00	$60.00	$16.20	$16.20
103	Remove existing temporary materials and place 4-inches in depth PCC (560-C-3250) over compacted base per City of Desert Hot Springs & County of Riverside Standards	1	SF	$20.00	$20.00	$50.00	$50.00	$42.00	$42.00	$23.12	$23.12	$75.00	$75.00	$20.00	$20.00
104	Remove existing temporary materials and install PCC curb and gutter per City of Desert Hot Springs	1	LF	$100.00	$100.00	$65.00	$65.00	$121.00	$121.00	$204.12	$204.12	$102.00	$102.00	$757.00	$757.00
105	Remove existing temporary materials and install PCC rolled curb per City of Desert Hot Springs and County of Riverside Standards	1	LF	$75.00	$75.00	$35.00	$35.00	$127.00	$127.00	$204.12	$204.12	$110.00	$110.00	$757.00	$757.00
106	Replace pavement striping paint	1	LF	$10.00	$10.00	$20.00	$20.00	$11.00	$11.00	$6.50	$6.50	$5.00	$5.00	$688.00	$688.00
107	Apply one coat of hot rubberized crack fill to existing cracks	1	LF	$5.00	$5.00	$5.00	$5.00	$6.00	$6.00	$3.21	$3.21	$18.00	$18.00	$7.00	$7.00
108	Saw cut and remove at expansion joints concrete sidewalk and replace to original condition	1	SF	$20.00	$20.00	$50.00	$50.00	$44.00	$44.00	$14.87	$14.87	$35.00	$35.00	$61.00	$61.00
109	Clean and apply one coat of seal coat to area	1	SF	$5.00	$5.00	$5.00	$5.00	$2.00	$2.00	$.93	$.93	$3.00	$3.00	$5.00	$5.00
110	Prep area, form, pour, and finish 4" thick fiber mesh concrete flatwork (i.e., slabs, sidewalk)	1	SF	$35.00	$35.00	$40.00	$40.00	$40.00	$40.00	$17.81	$17.81	$45.00	$45.00	$63.00	$63.00
	Total				**$293.00**		**$332.50**		**$430.00**		**$497.68**		**$528.00**		**$2,398.50**

AGENDA STAFF REPORT

MEETING NAME: REGULAR BOARD MEETING

MEETING DATE: JULY 16, 2026

FROM: MARION CHAMPION, ASSISTANT GENERAL MANAGER

FOR: ACTION

AFFILIATION LIST UPDATE

STAFF RECOMMENDATION

At the discretion of the Board of Directors, discuss, amend and approve if desired, the 2026 Affiliation List.

SUMMARY

The President of the Board may suggest the appointment of representatives to attend various meetings on behalf of the District, subject to the approval of the full Board.
Per MSWD Resolution 2009-2, Section 2.B.2.e., a Director is entitled to a daily stipend for each day of attendance at District-related activities if designated by the Board as a representative on the Affiliate List.
The Board may, at its discretion, add or remove compensable meetings, conferences, events, and other District-related activities from the Affiliate List at any time through Board action. This item provides the opportunity to review and amend the list as deemed appropriate.

ANALYSIS AND FISCAL IMPACT

The addition of approved meetings and events may result in increased costs to the District, as Directors are paid a $250 stipend per meeting/event (with conditions).

BUDGET INFORMATION & STRATEGIC PLAN IMPLEMENTATION

Action Cost:	Current FY Cost:	Future FY Cost:	Funding Source	Acct/Project No.
Covered in current FY budget?		**Adjustment Needed?**	**Current Balance:**	**Balance if Approved:**
Strategic Plan Goal Alignment:				

ATTACHMENTS

2026 Affiliates List

Board of Directors 2026 Affiliate List

Amended and Approved on January 20, 2026

Conferences, Workshops, Meetings, Training & Tours	Strategic Plan Implementaion	
ACWA and ACWA/JPIA		
• Spring Conference & Expo *(Travel to Monterey will include travel days)*	**1.4.7**	
• Fall Conference	**1.4.7**	
• Region 9 meetings & tours	**1.4.7**	
• Webinars & Training & Committee meetings for assigned members	**1.4.7**	
American Water Works Association (AWWA)		
• Webinars & Training	**1.4.7**	
California Association of Sanitation Agencies (CASA)		
• Winter Conference	**1.4.7**	
• Annual Conference	**1.4.7**	
California Special Districts Association		
• Special District Leadership Academy *(Travel to Monterey will include travel days)*	**1.4.7**	
• Annual Conference & Exhibitor Showcase	**1.4.7**	
• Webinars & Training	**1.4.7**	
Coachella Valley Association of Governments (CVAG)		
• General Assembly Meetings	**1.4.2**	**All Directors are pre-approved to attend these functions**
Coachella Valley Economic Partnership (CVEP)		
• CVEP Economic Summit / Report	**1.4.2**	
CWEA/CORBS		
• Annual CORBS Award Dinner	**1.4.7**	
• Annual Conference	**1.4.7**	
Desert Hot Springs State of the City	**1.4.2**	
GCVCC - All Valley Mayors & Tribal Luncheon	**1.4.2**	
MSWD Employee Apprciation Events	**7.5.2**	
Palm Springs State of the City	**1.4.2**	
Palm Springs Unified School District (PSUSD) State of the District Legislative Breakfast	**1.4.2**	
Riverside County Board of Supervisors		
• RivCo Annual CV Business Conference & Economic Forecast	**1.4.2**	
• RivCo State of the District	**1.4.2**	
• RivCo Sr. Inspiration Awards	**1.4.2**	
UWI - Urban Water Institute		
• Spring Conference	**1.4.7**	
• Annual Conference	**1.4.7**	
WEF - Water Education Foundation		
• Water Tours - Southern California	**1.4.2**	
• Events - Water 101 Workshops, International Conference	**1.4.2**	

2026 designees

Assigned Meetings, Workshops, Events (compensable for Primary designees OR Alternate, UNLESS OTHERWISE NOTED)	Primary	Alternate	
Building Industry Association (BIA)*Only when held in the Coachella Valley.	Mayrhofen	Martin	**1.4.3**
CVWD Regular Board Meetings	Mayrhofen	Sewell	**1.4.3**
DWA Regular Board Meetings	Griffith	Mayrhofen	**1.4.3**
DHS City Council	Sewell	Duff	**1.4.2**
DHS Hoteliers' Association	Griffith	Sewell	**1.4.7**
Desert Valley Builders Association (DVBA)*Only when held in the Coachella Valley.	Martin	Mayrhofen	**1.4.7**
County Wide Oversight Board (Compensated by Riverside County)	Martin		**1.4.2**
Coachella Valley Cannabis Alliance Network (CVCAN)	Duff	Sewell	**1.4.7**
Urban Water Institue (Board Meetings, Board Events)	Duff	Martin	**1.4.7**
Greater Coachella Valley Chamber of Commerce (GCVCC)	Sewell	Martin	**1.4.7**

Legislative Representation: Washington D.C. and California (compensable for all designees)	Primary	Alternate	
Legislative Representation: Washington D.C. and California (compensable for all designees)	**Primary**	**Secondary**	
• MSWD Trip to Washington (D.C.) (travel days included)	Griffith	Duff	**1.4.6**
• ACWA Conference (D.C.) (travel days included)	Griffith	Duff	**1.4.6 & 7**
•ACWA Legislative Symposium (Sacramento) (travel days included)	Griffith	Duff	**1.4.6 & 7**

●CASA DC Conference (D.C.) (travel days included)	Griffith	Duff	**1.4.6 & 7**
●CSDA Legislative Days (Sacramento) (travel days included)	Griffith	Duff	**1.4.6 & 7**
Local Representation: compensable for primary OR Alternate	**Primary**	**Alternate**	
● Riverside County Flood Control & Water Conservation	Sewell		**1.4.6**
Coachella Valley Association of Governments (CVAG)(compensable for Primary OR Alternate)	**Primary**	**Alternate**	**1.4.2**
● Energy & Sustainability Resources Committee Meetings (CVAG)	Duff	Martin	**1.4.2**
● Coachella Valley Conservation Committee (CVAG)	Duff	Martin	**1.4.2**
San Gorgonio Pass Regional Water Alliance (compensable for Primary OR Alternate)	Duff	Mayrhofen	**1.4.2**
Please note: Directors that are not the primary or alternate may attend any of the meetings above; however, they will not receive a stipend, travel reimbursement or mileage reimbursement for their attendance unless pre-approved by the full board.			
Voting Delegates **(Must be paired with the above meeting/event to be compensable)**	**Primary**	**Alternate**	
ACWA Region 9	President	VP	**1.4.6**
ACWA Conferences	President	VP	**1.4.6**
ACWA/JPIA	President	VP	**1.4.6**
CV Conservation Commission (CVAG)	Duff	Martin	**1.4.2**
Energy/Environmental Resources Committee (CVAG)	Duff	Martin	**1.4.2**
Special District Association of Riverside County	President	VP	**1.4.2**

RES. 2024-03, **Section 2.B.2.e.**, A meeting attended or service provided on a given day at the request of the District Board and for which the District Board approves payment of a daily meeting stipend, including attendance at conferences or gatherings of those organizations set forth in the Board's Affiliate List, for which the Board has made a finding that attendance at those conferences or gatherings satisfy the requirements of this policy.

BOARD OF DIRECTORS SPECIAL MEETING (WORKSHOP) MINUTES

Wednesday, June 03, 2026 at 9:00 AM

66575 Second St, Desert Hot Springs, CA AND/OR Via Teleconference

CALL TO ORDER
President Duff called the meeting to order at 9:00 AM

ROLL CALL
BOARD MEMBERS PRESENT: President Amber Duff, Vice President Robert Griffith, Director Ivan Sewell Director Russ Martin

BOARD MEMBERS ABSENT: Director Ted Mayrhofen

STAFF MEMBERS PRESENT: Brian Macy, Marion Champion, Kurt Kettenacker, Skyler Aubrey, Will Whitten, Theresa Murphy, Oriana Hoffert, April Scott

PUBLIC INPUT
No public input

ACTION ITEMS

PUBLIC HEARING ~ ADOPTION OF THE 2025 COACHELLA VALLEY REGIONAL URBAN WATER MANAGEMENT PLAN (RUWMP) AND THE 2025 COACHELLA VALLEY WATER SHORTAGE CONTINGENCY PLAN (WSCP)
It is recommended to adopt the 2025 Coachella Valley Regional Urban Water Management Plan and the 2025 Coachella Valley Water Shortage Contingency Plan.

President Duff opened the public hearing and called for the secretary's report. Notice of public hearing was published to the Desert Sun on May 19th and May 24th, 2026. As of this afternoon there have been no written comments, protests or objections have been received.

Assistant General Manager Marion Champion presented the 2025 Coachella Valley Regional Urban Water Management Plan and Mission Springs Water District's related Water Shortage Contingency Plan. She explained that California's Urban Water Management Planning Act requires qualifying urban water suppliers to adopt an Urban Water Management Plan every five years to forecast long-term water demands and supplies, evaluate reliability under normal and drought conditions, identify water efficiency programs, and describe shortage response actions. Ms. Champion stated that MSWD participated with Coachella Valley Water District, Coachella Water Authority, Desert Water Agency, Indio Water Authority, and Myoma Dunes Mutual Water Company in preparing a joint regional plan, with agency-specific chapters addressing individual requirements, including MSWD's chapter. She noted that the public review period was held from April 13, 2026, through May 3, 2026, that comments received had been incorporated, and that the public hearing provided an additional opportunity for comment before the plan's submittal to the California Department of Water Resources by July 1, 2026.

Emily McCord of Rincon Consultants, who prepared the plan with Todd Groundwater on behalf of the participating agencies, provided an overview of the regional planning assumptions, water demand projections, supply sources, and reliability findings. She stated that the six agencies collectively serve more than 183,600 urban connections and more than 196,000 acre-feet of potable water annually, while MSWD has 13,213 connections and currently serves approximately 7,897 acre-feet per year. Ms. McCord reported that regional demand is projected to increase to approximately 193,000 acre-feet per year by 2050 and that MSWD's baseline demand is projected to increase by 84 percent due to population growth; however, conservation measures are expected to reduce MSWD's projected 2050 demand by approximately 23 percent. She stated that regional and District demands are expected to be met through groundwater from the Indio and Mission Creek subbasins, imported water used for recharge, increased recycled water, surface water use, conservation programs, and continued groundwater management.

Ms. McCord reviewed the Water Shortage Contingency Plan, which establishes six shortage levels and corresponding demand reduction measures ranging from water waste restrictions, leak repairs, rebates, and outdoor watering limits to broader restrictions, drought rate surcharges, and prohibition of potable outdoor water use during the most severe shortage conditions. She also described supply augmentation measures, including emergency interconnections and water exchanges with neighboring agencies, and reviewed the enforcement framework, which may include written notices, surcharges, flow restrictions, service discontinuance, reconnection fees, and fines. The presentation provided the Board with the statutory basis for the plan, the regional planning approach, projected demands, conservation assumptions, supply reliability findings, and the District's planned response to varying levels of shortage. The rationale for the regional approach was to coordinate planning among Coachella Valley water agencies, provide consistent public messaging and customer requirements, and demonstrate that projected demands can be met through groundwater management, imported water recharge, recycled water, conservation, and contingency planning.

The Board received public comment.

Tabitha Davies: Hi, my name is Tabitha Davies and I am a resident of ID8, uh, which is the Desert Edge Sky Valley Indio area and I'm here on the record. I want to speak to what it means for this board to adopt the 2025 [inaudible]…thing that this community has been through. So let's be honest about what happened. CVWD attempted [inaudible] to because you wanted us. So that stated reason was Chromium 6 compliance, but that's not why it was. And the issue that I have is that the record shows that it was the DHS city council publicly stating that the biggest barrier to the I-10 corridor development was the lack of sewer access and the lack of water connection.

(President Duff attempted to speak)Miss Davies transferring ID8 clears that regulatory. Miss Davies, I'm sorry to interrupt. This is a public hearing. Yes, Miss Davies. This is President Duff, This is a public hearing. It is. I'm reclaiming my time, and it is connected to the exact issue. So, as we found out, we showed up. We did our own research. And I'm really glad that you're bringing this exact because was ID8 ever considered in all of the research for this prop piece that you were folding into it? Because at

the end of the day, your community deserves to have accountability for the time and effort and money that was spent on this divestiture attempt, especially if this regional plan does not reflect the ID8 system that you're attempting to take in. So, I think that those answers are needed and they're not rhetorical. I also want to know that I want you to know that we are actively tracking how this plan connects broader supply interests in the valley including Cadiz. We have public record requests pending. We will be reading the plan care. And to the board members, I would strongly encourage each of you to exercise independent judgment. Ask your own questions and do not just stamp what your staff presents to you because everyone is now watching and none of us are going away. And your community deserves to have you be accountable to them for all of the time and effort. At the end of this, I'm gonna say, "Marion, thank you for joining the Mom's Group, giving your comment because you gave me exactly the clarity I needed to research and questions. Thank you and have a wonderful day.

There was no further board discussion.

Motion made by Vice President Griffith, Seconded by Director Sewell.
Voting Yea: President Duff, Vice President Griffith, Director Sewell, Director Martin

REGISTER OF DEMANDS (APRIL)
The register of demands totaling $3,305,102.63

General Manager Macy noted that last month's demands did not have description keys due to a change in the finance system. Those descriptions have been added and is now ready for action.

Motion made by Vice President Griffith, Seconded by Director Sewell.
Voting Yea: President Duff, Vice President Griffith, Director Sewell, Director Martin

DISCUSSION ITEMS

FY 2026/27 BUDGET REVIEW AND DISCUSSION
Review and discuss the FY 2026/27 budget.

The Board received a fiscal year 2026-27 budget review and discussion presented by Accounting Manager Skyler Aubry. The preliminary budget included operating revenues of approximately $25.8 million, reflecting approved increases of 9% for water rates and 7% for sewer rates, and operating expenses of approximately $31.7 million, representing a 6% increase from the prior year. Staff also explained that groundwater replenishment fee revenues and expenses had been corrected for fiscal year 2027 and restated in prior years for comparison purposes, as those amounts are collected from customers and remitted to Desert Water Agency as positive revenues and expenses.

Staff reviewed projected cash flows, cash and investment balances, fund-level budget results, staffing changes, and material operating and capital budget changes. The proposed budget reflected nonoperating revenue of approximately $20.5 million, primarily affected by using remaining

wastewater grant funds and a conservative approach to investment income, with no budgeted investment gains due to market uncertainty. Staff reported an estimated $4.8 million positive cash flow for the year after accounting for depreciation, amortization, pension-related adjustments, expected debt issuance, and anticipated capital project expenditures. In response to Board questions, staff clarified that the apparent decline in cash flow compared to prior years was significantly affected by the payoff of the Wells Fargo line of credit, and that any increase in the Desert Water Agency replenishment assessment would be treated as a pass-through charge with corresponding revenue and expense adjustments.

The Board also reviewed proposed staffing and budget changes, including the addition of a Regulatory Compliance and Safety Officer, reclassification of certain positions, a cost-of-living adjustment, equipment purchases, wastewater treatment and pretreatment needs, valve replacements, manhole pest control, and odor-control improvements intended to support regulatory compliance, operational reliability, employee safety, and reduced service disruptions. Staff further reviewed proposed capital budget adjustments, continuing appropriations, and the budget comparison report generated by the new Tyler ERP system, explaining that some line-item variances resulted from account restructuring and from the conversion from the prior system, rather than substantive budget changes. Board members acknowledged the amount of information provided, noted that additional detailed questions may be addressed at the study session or individually with staff, and no formal action was taken during the workshop discussion.

WEBSITE REDESIGN PREVIEW

Assistant General Manager Champion presented an update on the District's website redesign, noting that the current website is more than five years old and built on a platform that no longer receives technology upgrades. She stated that the redesign is intended to improve accessibility, comply with current government accessibility requirements, and better serve users accessing the site via mobile devices or tablets. She noted that staff have been working with the contractor on implementation and that the preview shown to the Board was a draft design, with content migration, page development, and quality assurance review still to be completed before launch.

The presentation highlighted several key design elements, including continued use of the District's established branding colors, retention of the existing menu structure and mega menu format, a rotating homepage carousel for featured information, improved placement of news, events, emergency notices, and customer resources, and a static footer with quick access to frequently used pages such as agendas, careers, bids, service start and stop information, contact information, and the customer portal. Champion also reviewed the proposed interior page format and mobile layout, noting that the redesigned site is intended to provide cleaner navigation and reduce current mobile display issues. Staff is also evaluating possible integration of social media feeds and have begun using some new forms on the existing site while learning the new platform, including meeting and agenda management components.

Champion reported that if content migration and quality assurance proceed as planned, the District will remain on track for a full website launch in the fall. In response to Board questions, staff confirmed that the District currently maintains a project area based on information from the budget book and intends to continue refreshing that information annually to keep it consistent with the budget document. Board members expressed support for the redesign, noted the importance of keeping the website current, and indicated interest in seeing the completed product.

COMMENTS

GENERAL MANAGER'S COMMENTS

A. GCVCC Annual Installation & Business Awards; Tuesday, June 9th from 5:30 - 8:00 PM @ Renaissance Esmeralda Resort & Spa - Indian Wells

The Board discussed scheduling considerations for the Greater Coachella Valley Chamber of Commerce Annual Installation and Business Awards, scheduled for Tuesday, June 9, from 5:30 p.m. to 8:00 p.m., as well as a request from Cabot Management to reschedule a District meeting previously scheduled for June 9. General Manager Macy explained that Cabot Management requested additional time because materials recently submitted for Board review were incomplete, including missing dates and contextual information. Board members expressed concern about postponing the related hearing again and emphasized the importance of resolving the matter within the month of June, while also acknowledging the need for complete information before the Board considers the item.

The Board considered whether attendance at the Greater Coachella Valley Chamber of Commerce event should be compensable for Board members, noting that the event included recognition of the District and that Board attendance would be appropriate. No opposition was expressed to compensating Board members who can attend. The Board also discussed potential rescheduling dates for the District meeting; however, June 22 was not available for at least one Board member, and staff indicated they would continue coordinating with Cabot Management to identify an alternative date.

Mr. Macy further reported that a court had ruled in favor of the State on hexavalent chromium. Staff stated that the ruling does not change the District's compliance approach, as MSWD had continued moving forward in anticipation of that outcome. He noted that some plaintiffs may seek an appeal and advised that the Board would be updated as additional information becomes available, including receipt of the judge's ruling by email.

ADJOURN

With no further business, President Duff adjourned the meeting at 10:03 AM

Respectfully submitted,

Dori Petee
Executive Assistant

BOARD OF DIRECTORS REGULAR MEETING STUDY SESSION MINUTES

Thursday, June 11, 2026 at 3:00 PM

66575 Second St, Desert Hot Springs, CA AND/OR Via Teleconference

CALL TO ORDER
President Duff called the meeting to order at 3:00 PM

ROLL CALL
BOARD MEMBERS PRESENT: President Amber Duff, Vice President Robert Griffith, Director Russ Martin, Director Ted Mayrhofen

BOARD MEMBERS ABSENT: Director Ivan Sewell

STAFF MEMBERS PRESENT: Brian Macy, Skyler Aubrey, Oriana Hoffert, Eric Weck, Will Whitten, Theresa Murphy, Amanda Lucas, Daniel Virgen, Dori Petee

RULES OF PROCEDURE
Rules of Procedure were read by General Counsel.
All noticed meetings are conducted using Rosenberg's Rules of Order as a procedural guideline. Directors should refrain from responding directly to public comments at meetings of the Board. The Board President will refer matters raised during public comment to the General Manager for follow-up when appropriate. Occasionally, a prompt response may be offered when an obvious answer resolution is available provided this is done in compliance with the Brown Act. Directors should refrain from debating or making decisions in response to public comments. The President of the Board presides at all meetings and decides all points of order and procedure during meetings. The President is responsible for maintenance and decorum at all Board meetings. No person shall be allowed to speak who has not first been recognized by the President. All questions and remarks should be addressed to the President as the presiding officer. No member of the Board should speak more than once about any one subject until every other member on the Board wishing to speak on the subject shall have been given the opportunity to speak. No Board member shall interfere with the orderly progress of a Board meeting. In order to ensure the orderly progress of Board meetings the Board President regulates the amount of time to be dedicated to a particular agenda item."

PUBLIC INPUT
No public input

EMPLOYEE RECOGNITION

HUMAN RESOURCES REPORT
This item will be acknowledged on Monday.

ACTION ITEMS

PUBLIC HEARING (MONDAY 6/15/2026) - RESOLUTION 2026-06 ~ TO ESTABLISH SEWER STANDBY ASSESSMENTS
It is recommended to adopt Resolution No. 2026-06, making a determination to fix, levy, and collect

sewer service standby assessments for the fiscal year 2026-2027.

President Duff noted that the public hearing would be held at a subsequent meeting, and the General Manager explained that a brief presentation was being provided for the benefit of the Board and any members of the public who may review the item. The Accounting Manager, Skyler Aubrey presented an overview of the proposed sewer standby assessments for Fiscal Year 2027, explaining that standby charges are assessed on undeveloped parcels to help ensure sewer service availability and support the maintenance of sewer infrastructure until such parcels connect to the District's sewer system.

Staff reported that the proposed amount to be submitted to the County tax roll for Fiscal Year 2027 was approximately $10,800, consistent with the prior year, and included 868 parcels. Staff further explained that the District uses a third-party consultant to identify parcels subject to the standby assessments and to submit the charges to the County for placement on the property tax roll. The charge is generally approximately $10 per parcel, although the amount may vary depending on acreage, and is removed once sewer service is established.

In response to Board questions, staff confirmed that the proposed standby charge would remain unchanged and noted that the District is generally not permitted to increase the charge under Proposition 218. There were no additional questions from the Board. No action was taken during this discussion, as the public hearing was scheduled to occur at the subsequent meeting.

PUBLIC HEARING (MONDAY 6/15/2026) RESOLUTION 2026-07 ~ TO ESTABLISH WATER STANDBY ASSESSMENTS

It is recommended that Resolution 2026-07 be adopted, making a determination to fix, levy, and collect water service standby assessments for the fiscal year 2026-2027.

Accounting Manager Skyler Alry explained that the assessments apply to undeveloped parcels that may connect to District water infrastructure during the development process and that the charge is removed once a water connection is established. The assessments are submitted to the County tax roll, with the proposed Fiscal Year 2027 amount totaling approximately $228,000, slightly less than the prior year amount of approximately $230,000.

Mr. Aubrey stated that the total standby revenue is expected to decrease over time as additional properties connect to water service. He noted that the current assessment roll includes approximately 4,500 parcels and that Willdan identifies the parcels subject to the standby charges and submits the information to the County on the District's behalf.

In response to Board inquiry, staff confirmed that there is no proposed increase to the water standby assessments.

RESOLUTION 2026-08~ ADDITION OF DELINQUENT ACCOUNTS TO COUNTY TAX ROLLS

It is recommended to adopt Resolution No. 2026-08 requesting the Addition of Delinquent Water and Sewer Charges and Other Fees of $5.00 or more to the 2026-2027 Riverside County Tax Rolls.

General Manager Brian Macy introduced the item and asked Accounting Manager Skyler Aubrey to present the report. Mr. Aubrey stated that accounts with balances exceeding $5 and more than 60 days delinquent are reviewed annually for placement on the tax roll. For the current year, 468 accounts met the criteria, totaling approximately $299,000, compared to approximately $293,000 in the prior year. He noted that many of the delinquent accounts were associated with vacant homes or lots and explained that, because the District participates in the County's Teeter Program, the District would receive the full delinquent amount in the following year, while any additional late fees or interest would be retained by the County.

Mr. Aubrey further reported that the tax roll process reduces staff time and collection costs. He also provided an update regarding United Way assistance contributions, stating that 58 customers had received assistance year to date totaling $8,600, compared to 41 customers totaling $4,100 during the prior year. He noted that this represented a 41 percent increase in customers assisted and a 110 percent increase in total contributions, which he attributed to Customer Service staff effectively informing customers of available resources.

Board members discussed concerns regarding several accounts with high delinquent balances, including whether service had been shut off and how certain balances had accrued to significant amounts. Mr. Aubrey explained that shutoffs generally occur after 90 days, while the tax roll review includes accounts delinquent for more than 60 days; therefore, some accounts may not yet have reached the shutoff threshold. General Manager Macy stated that staff would look further into the high-balance accounts identified by the Board. There were no public comments on the item, and no further questions or comments were raised by the Board or staff.

FISCAL YEAR 2026-27 BUDGET

A. It is recommended to adopt Resolution No. 2026-09, adopting the Operating and Capital Budgets FY 2026-27.

B. It is recommended to adopt Resolution No. 2026-10, adopting its Appropriations Limit for FYE June 30, 2027.

C. It is recommended to adopt Resolution No. 2026-11, adopting its Employee Classification Plan effective July 1, 2026.

General Manager Macy introduced the item and noted that the budget had been reviewed in detail at the prior budget workshop. Accounting Manager Skyler Aubry presented an overview of the proposed budget, including operating revenues of approximately $25.8 million, operating expenses including depreciation of approximately $31.7 million, and a projected net operating loss of approximately $5.9 million. He explained that nonoperating revenues, including property taxes, grant revenues, and investment income, totaled approximately $20.5 million, resulting in a projected total net income, or change in net position, of approximately $14.4 million. Mr. Aubry further noted that the reduction from the prior year was primarily due to a decrease in grant revenue and that the District anticipated

using the remaining State Water Resources Control Board wastewater grant funds during the fiscal year.

Mr. Aubry reviewed proposed revenues, expenses, fund allocations, restricted revenues, classification plan changes, capital budget adjustments, and the annual appropriations limit calculation. He explained that total revenues were projected at approximately $46.4 million, with operating revenues primarily generated from the water and sewer funds and nonoperating revenues derived from property taxes, investment income, and grant reimbursements. He stated that administrative costs are allocated to the water and sewer funds for financial reporting purposes and that the budget is balanced with nonoperating revenues, excluding restricted revenues, because grants and other restricted funds cannot be used for routine operations. Significant budget items included the addition of a compliance and safety officer, purchase of a backhoe, a 2.91 percent cost-of-living adjustment for staff, and spare rollers for the Horton and Nancy Wright belt presses. In response to a question regarding the vehicle maintenance budget, Mr. Aubry explained that the amount included staff time, fuel, and parts, and stated that additional information would be provided. The classification plan included restoration of the compliance and safety officer position, reclassification of an engineering technician position to senior engineering technician, reclassification of the customer service manager position to customer service supervisor, and a temporary increase to two water distribution superintendent positions to allow overlap and training before the current superintendent's anticipated retirement in September.

Mr. Aubry also summarized proposed capital budget changes, including increases for the Well 222 rehabilitation program, the 19th to 20th Avenue and Little Morongo roadway project, and the Well 27 motor and equipment evaluation and replacement project, explaining that the changes were needed to address additional contract time, unforeseen site conditions, design and construction costs, and timely restoration of key water infrastructure ahead of peak seasonal demand. He reported that continuing capital appropriations totaled approximately $181 million, with 16 projects totaling approximately $43.5 million expected to be completed in Fiscal Year 2026-2027. Mr. Aubry then reviewed the appropriations limit established under Proposition 4, explaining that the District's limit was calculated at approximately $141.5 million based on state per capita income and local population factors, and that the District remains well below the limit because most revenues are generated from user fees rather than taxes. Board members expressed appreciation for the overview, asked clarifying questions, and noted the importance of succession planning and financial oversight. There were no public comments on the item.

RESOLUTION 2026 -05 ~ AMENDING THE CODIFIED MISSION SPRINGS WATER DISTRICT PERSONNEL RULES AND REGULATIONS TITLE 3 - PERSONNEL

It is recommended that the Board adopt Resolution 2026-05 updating the codified Mission Springs Water District (MSWD) Personnel Rules and Regulations, Title 3 - Personnel.

Human Resources Manager Oriana Hofffert presented the proposed updates, explaining that the employee handbook serves as the primary written resource for District employment policies, procedures, and benefits, and was last updated in July 2025. She stated that the proposed revisions were intended to clarify language, remove outdated references, incorporate applicable labor law updates, and reflect employee-requested changes previously approved by the Board for Fiscal Year 2027. The updates included revisions related to retiree medical coverage, travel and lodging reimbursement language, standby and callout compensation, floating holiday hours, sick leave usage and cash-out procedures, duty summons notice requirements, disciplinary action language regarding voluntary disclosure of alcohol or drug dependency, eligible certifications for field employees, and an increase to bilingual pay.

During Board discussion, clarification was provided that the new standby callout compensation language reflected benefits previously approved through the employee process and was being incorporated into formal policy language. A Board member asked whether language education could qualify for District educational assistance, and staff and legal counsel explained that reimbursement would be reviewed on an individualized basis and must have a business relationship or business need, such as positions that interact with customers or field contacts in another language. Board members also expressed support for updates to travel reimbursement language, noting that government lodging rates may not always reflect actual market availability. Legal counsel further clarified that changes in cannabis law did not affect the District's ability to maintain a safe workplace, and that impairment at work, including impairment related to marijuana, alcohol, or prescription drugs, remains subject to discipline, while voluntary disclosure of dependency concerns would be addressed through an accommodation process where appropriate.

Additional discussion addressed veteran preference, bilingual pay, and equal employment policy considerations. Staff clarified that the District does not offer hiring incentives to any class or group of applicants, but the handbook includes a veteran preference when candidates are identically qualified. Legal counsel explained the distinction between selection criteria and compensation, noting that bilingual pay compensates an employee for providing an additional work-related skill beyond the job description, while veteran preference supports hiring consideration where qualifications are otherwise equal. In response to a question regarding affirmative action, legal counsel stated that the District relies on strong non-discrimination, non-retaliation, and non-harassment policies consistent with current state and federal law. Following the discussion, the Board President thanked staff and counsel for the presentation and noted that the matter would return for Board decision at the next meeting; no public comments were received online regarding the item.

RESOLUTION 2026-12~ NOTICE OF GENERAL DISTRICT ELECTION, NOVEMBER 3, 2026, AND ESTABLISHMENT OF DEPOSIT FOR OPTIONAL CANDIDATE'S STATEMENT

It is recommended to adopt Resolution No. 2026-12 and authorize the District Secretary to notify the County Registrar of Voters that the offices of two members of the Board are to be filled and that candidates will be responsible for costs associated with the Candidate's Statement.

The Board considered Resolution No. 2026-12, a notice of general district election for the November 3, 2026, election and establishment of a deposit for the optional candidate statement. General Manager Macy presented the item as routine and explained that two Board seats would be up for reelection. He stated that the resolution was necessary to allow the District to utilize the County Registrar of Voters' election process and reimburse the County for election-related services.

In response to a question regarding the cost to the District, staff indicated that the final cost would not be known until after the election process is completed. It was clarified that the optional candidate statement cost is paid by the candidate, not the District, and that the staff report estimates the deposit at approximately $550. Staff further noted that the overall budgeted election cost was approximately $40,000, although the District had not historically expended that full amount, and stated that additional information would be provided.

RESOLUTION 2026-14 ~ TO APPROVE THE INITIAL STUDY AND ADOPT THE MITIGATED NEGATIVE DECLARATION FOR THE MISSION SPRINGS WATER DISTRICT GROUNDWATER QUALITY PROTECTION PROGRAM

It is recommended that Resolution 2026-14 be adopted approving the Final Initial Study/Mitigated Negative Declaration for the Groundwater Quality Protection Plan, the Mitigation Monitoring and Reporting Plan, and authorizing the General Manager to sign and file a Notice of Determination with the County of Riverside within five days of the Mission Springs Water District Board meeting. Engineering Manager Eric Weck reported that Tom Dodson and Associates prepared the California Environmental Quality Act (CEQA) analysis for the program, which covers several assessment districts within the District's service area and includes analyses of noise, biological, and archaeological resources. He stated that the 30-day public review period was conducted from April 14 through May 14, 2026, and that two comment letters were received, one from the California Department of Transportation and one from the California Department of Fish and Wildlife, with responses included in the Initial Study. Mr. Weck further explained that, following Board approval, staff would coordinate with Tom Dodson and Associates to finalize the environmental documents and provide them to the U.S. Army Corps of Engineers for use in its NEPA documentation for the septic-to-sewer conversion project. He noted that approval of the item and adoption of the resolution would have no fiscal impact.

In response to Board questions, Kaitlyn Dodson-Hamilton, Vice President of Tom Dodson and Associates, summarized the environmental document as a guiding resource intended to support implementation of the program over an extended period and reduce the need for additional CEQA review as individual project areas proceed, while noting that certain resource evaluations, such as biological resources, may still require further review depending on future conditions. The Board discussed the scope and length of the CEQA materials, the history of the District's work with Tom Dodson and Associates, and broader statewide CEQA-related developments. Adam Rush, an environmental planner with BKF, provided additional public comment regarding a proposed CEQA reform initiative that may appear on a future statewide ballot and stated that the proposal could include significant changes, particularly affecting residential development. No further questions or comments were received, and staff had nothing further to add.

CONTRACT AGREEMENT RENEWAL WITH INTELESYS COMMUNICATIONS SERVICES FOR INFORMATION TECHNOLOGY PROFESSIONAL SERVICES

It is recommended to authorize the General Manager to enter into a contract with Intelesys Communications Services for Information Technology (IT) Professional Services for the twelve-month period of July 1, 2026, to June 30, 2027, in the amount of $247,870.08, plus a 10% contingency for a total of $272,657.09, and do all things necessary to execute the agreement.

General Manager Macy introduced IT Manager Kurt Kettenacker, who presented the item and explained that Intelesys was selected through an RFQ process approximately two years prior for a three-year contract subject to annual renewal, and that the proposed renewal represented the third year of that agreement.

Mr. Kettenacker stated that Intelesys has provided strong service and value to the District, including ongoing IT support and the management of various software and security-related licensing, which has helped consolidate invoices and simplify accounts payable. He further explained that the renewal also includes the opportunity for Intellus to bid on certain previously approved technology and security projects included in the fiscal year budget, with security-related projects anticipated to be eligible for grant funding. The purpose of the requested authorization was to continue the current level of service and allow certain smaller project-related matters to proceed without requiring separate Board approval for each minor change.

DISCUSSION ITEMS

ADMINISTRATION BUILDING UPDATE

This item will be addressed on Monday

GROUNDWATER PROTECTION PROGRAM UPDATE

This item will be addressed on Monday

CONSENT AGENDA

Consent agenda items are expected to be routine and non-controversial, to be acted upon by the Board at one time, without discussion. If a member would like an item to be handled separately, it will be removed from the Consent Agenda for separate action.

APPROVAL OF MINUTES

It is recommended to approve the minutes as follows:
May 14, 2026 ~ Study Session
May 18, 2026 ~ Board Meeting

REGISTER OF DEMANDS

The register of demands totaling $2,527,438.48

ACCEPTANCE OF BILL OF SALE FOR PROJECT VIENTO WATER AND SEWER INFRASTRUCTURE

It is recommended to authorize the General Manager to execute the Bill of Sale accepting the water and sewer infrastructure improvements associated with the Project Viento development, located at

64165 19th Avenue in the City of Desert Hot Springs, as contributed assets to the District, and to do all things necessary to complete the transfer of ownership of the public improvements to the District.

ACCEPTANCE OF BILL OF SALE FOR PALM PLACE WATER INFRASTRUCTURE
It is recommended to authorize the General Manager to execute the Bill of Sale accepting the water infrastructure improvements associated with the Palm Place development project, located at 66379 Pierson Blvd., in the City of Desert Hot Springs, as contributed assets to the District, and to do all things necessary to complete the transfer of ownership of the public improvements to the District.

ACCEPTANCE OF THE WATER SUPPLY ASSESSMENT AND WATER SUPPLY VERIFICATION FOR THE FIRST PALM SPRINGS COMMERCE CENTER II DEVELOPMENT PROJECT
It is recommended to accept and approve the Water Supply Assessment (WSA) and Water Supply Certification (WSV) for the First Palm Springs Commerce Center II Development Project (Project) located in the City of Palm Springs.

Engineering Manager Eric Weck presented an update regarding, the Water Supply Assessment and Water Supply Verification for the proposed Palm Springs Commerce Center 2 project, located near North Indian Canyon Drive and 19th Avenue. Mr. Weck explained that the project proposes development of more than 58 acres of vacant land for a warehouse building with approximately 10,000 square feet of office space, which triggers preparation of the assessment under Senate Bills 610 and 221 due to the project's size. Staff reported that the updated estimated water demand for the project is approximately 61 acre-feet per year, which falls within the District's available and projected water supplies, and noted that the developer provided a deposit to cover the cost of preparing the assessment and related District review.

In response to Board questions, staff and the project consultant, Adam Rush, explained that the revised demand figure resulted from clarification of the water demand factor and its associated time metric. The consultant stated that the original calculation included confusion as to whether the factor should be applied on a per-year or per-day basis, and that, after further coordination among the developer's consultant, District staff, and the District's consultant, the revised calculation was determined to be correct. Vice President Griffith expressed concern regarding the significant reduction in the projected demand and requested a comparison with other recent warehouse-related water supply assessments before the item returned for consideration.

The Board also discussed the need for additional information regarding wastewater service and how wastewater associated with the project would be returned to the District's system. Staff acknowledged the request and indicated that comparable assessments would be reviewed prior to the upcoming meeting.

REPORTS

DIRECTOR'S REPORTS
All reports will be given on Monday.

GENERAL MANAGER'S REPORT
Included in this report are the following oral reports:
A. Finance Report
B. Public Affairs Report

COMMENTS

DIRECTOR COMMENTS AND REQUESTS
A. General Comments
B. Requests for Future Agenda Items
C. Requests for Future Meetings

Director Martin noted that considering the size of the packet this was a surprisingly short meeting.

Director Mayrhofen stated that a recent Building Industry Association meeting held outside the Coachella Valley would have provided useful information to the Board, but he was unable to attend because current Board direction requires prior approval for meetings outside the Coachella Valley or personal payment followed by a reimbursement request. He expressed concern with those conditions and requested to be removed from the Building Industry Association assignment. President Duff acknowledged the request and indicated she would consult with staff on the appropriate process, then confirmed that Director Mayrhofen would be removed as requested and that the Board would determine how to proceed with the assignment.

ADJOURN
With no further business, President Duff adjourned the meeting at 4:15 PM

Respectfully submitted

_____
Dori Petee
Executive Assistant

BOARD OF DIRECTORS REGULAR MEETING MINUTES

Monday, June 15, 2026 at 3:00 PM

66575 Second St, Desert Hot Springs, CA AND/OR Via Teleconference

CALL TO ORDER
President Duff called the meeting to order at 3:00 PM

ROLL CALL
BOARD MEMBERS PRESENT: President Amber Duff, Vice President Robert Griffith, Director Ivan Sewell Director Russ Martin

BOARD MEMBERS ABSENT: Director Ted Mayrhofen

STAFF MEMBERS PRESENT: Brian Macy, Eric Weck, Oriana Hoffert, Kurt Kettenacker, Amanda Lucas, Dori Petee, April Scott

PLEDGE OF ALLEGIANCE
Led by Director Martin.

RULES OF PROCEDURE
Rules of Procedure were read by General Counsel.
All noticed meetings are conducted using Rosenberg's Rules of Order as a procedural guideline. Directors should refrain from responding directly to public comments at meetings of the Board. The Board President will refer matters raised during public comment to the General Manager for follow-up when appropriate. Occasionally, a prompt response may be offered when an obvious answer resolution is available provided this is done in compliance with the Brown Act. Directors should refrain from debating or making decisions in response to public comments. The President of the Board presides at all meetings and decides all points of order and procedure during meetings. The President is responsible for maintenance and decorum at all Board meetings. No person shall be allowed to speak who has not first been recognized by the President. All questions and remarks should be addressed to the President as the presiding officer. No member of the Board should speak more than once about any one subject until every other member on the Board wishing to speak on the subject shall have been given the opportunity to speak. No Board member shall interfere with the orderly progress of a Board meeting. In order to ensure the orderly progress of Board meetings, the Board President regulates the amount of time to be dedicated to a particular agenda item."

PUBLIC INPUT
Julie Casserly: Thank you. Uh Julie Cassley, Sky Valley. I'm here today to speak on the ID8 consolidation effort resolution 2026-03 that you all voted on at your um April 20th board meeting. I wanted to get onto the record the fact that the CVWD board voted 5 to zero on a three-part motion. One to rescind the letter of intent issued to you by their general manager. Two, to stop any further effort to move forward with the consolidation of the ID8 district, and three to make clear that this kind of action requires approval from their board. Um, we advised you at the 4/20 meeting that the CVWD board did not approve the letter of intent you were using. Yet you still voted three to two to adopt the resolution authorizing your general manager to sign and execute agreements and necessary supporting documents with the State Water Resources Control Board for the consolidation of the CVWD ID8

domestic water system, and submitted a $50 million grant application with that letter. Um, your general manager and his assistant were at the 5/27 meeting, where it was voted on unanimously to resend that letter and to stop this effort, but it has not yet appeared on your agenda to rescind the resolution formally. We want to make sure this effort by Mission Springs is stopped, and no further action will be taken in this regard. Our community is still pretty shaken um over the lack of concern your board exhibited in this matter. You were clearly made aware that there was no vote from the CVWD board supporting moving forward with the consolidation effort and that their general manager acted independently of the board in issuing the letter of intent. Um you did adopt this resolution 3 to2. Um we offer a sincere thank you to Director Martin and Director Mayrhofen for listening to our concerns and casting their opposition votes. In light of that, we're concerned that a formal public board action has not yet been taken to rescind that resolution and withdraw the grant application. Um, that needs to be taken and we would, you know, hope that you will um correct that and vote on it. Thank you.

EMPLOYEE RECOGNITION

HUMAN RESOURCES REPORT

NEW HIRES

Daniel Lopez Engineering Technician II

ANNIVERSARIES

Joseph McElrone Wastewater Treatment Plant Operator II 5 Years

Alexander Nine Lead Fleet and Facilities Maintenance Worker 9 Years

CERTIFICATIONS/EDUCATIONAL ACCOMPLISHMENTS

David Pena Water Distribution Grade 3 Certificate
(Lead Field Services Representative)

Theresa Murphy Associates in Arts Degree in Business Administration
Copper Mountain College

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL REGARDING POTENTIAL INITIATION OF LITIGATION
pursuant to Government Code Section 54956.9(d)(4) Five potential cases.

REPORT ON ACTION TAKEN DURING CLOSED SESSION
The Board met in closed session on the above-listed items; no reportable action was taken.

ACTION ITEMS

PUBLIC HEARING (MONDAY 6/15/2026) - RESOLUTION 2026-06 ~ TO ESTABLISH SEWER STANDBY ASSESSMENTS
It is recommended to adopt Resolution No. 2026-06, making a determination to fix, levy, and collect sewer service standby assessments for the fiscal year 2026-2027.

President Duff opened the public hearing and called for the secretaries report: Notice of this public hearing was po published in the Desert Sun on May 31st and June 7th, 2026. In addition, postcards notifying affected customers of this hearing were mailed on May 7th, 2026. As of this afternoon, no comments or protests have been received for this item.

Skyler Aubrey, Accounting Manager, reported that a standby charge is essentially an assessment that is charged to an undeveloped property to ensure that adequate water or sewer service will be available for that parcel when needed. This charge goes towards maintaining sewer infrastructure that undeveloped parcels can connect to when undergoing the development process. The standby charge is then removed after the sewer service is established. The district submits these charges on the county tax role to be billed with property taxes. The fiscal year 2027 amount we are proposing to send to the county is approximately $10.8,000 which matches the prior year. This amount includes 868 parcels. We use a third-party will to identify which parcels are subject to standby charges and to submit them to the county tax role on our behalf.

President Duff closed the public hearing; there was no board discussion.

Motion made by Vice President Griffith, Seconded by Director Martin.
Voting Yea: President Duff, Vice President Griffith, Director Sewell, Director Martin

PUBLIC HEARING (MONDAY 6/15/2026) RESOLUTION 2026-07 ~ TO ESTABLISH WATER STANDBY ASSESSMENTS
It is recommended that Resolution 2026-07 be adopted, making a determination to fix, levy, and collect water service standby assessments for the fiscal year 2026-2027.

President Duff opened the public hearing and called for the secretary's report: Notice of this public hearing was po published in the Desert Sun on May 31st and June 7th, 2026. In addition, postcards notifying affected customers of this hearing were mailed on May 7th, 2026. As of this afternoon, no comments or protests have been received for this item.

Skyler Aubrey, Accounting Manager, reported that the water standby assessments are similar to sewer, except these charges go toward maintaining water infrastructure that undeveloped parcels can connect to during the development process. The standby charge would also be removed when a water connection is established. These amounts are also submitted to the county tax role. The fiscal year 2027 amount we were proposing to send is approximately $228,000, slightly less than the prior year's $230,000. The total standby revenues are expected to decrease in the future as more properties connect to water service. The current year's total amount includes approximately 4,500 parcels. Wildan also identifies which parcels are subject to the standby water charges and submits them to the county tax role on our behalf.

President Duff closed the public hearing; there was no board discussion.

Motion made by Vice President Griffith, Seconded by Director Sewell.
Voting Yea: President Duff, Vice President Griffith, Director Sewell, Director Martin

RESOLUTION 2026-08~ ADDITION OF DELINQUENT ACCOUNTS TO COUNTY TAX ROLLS
It is recommended to adopt Resolution No. 2026-08 requesting the Addition of Delinquent Water and

Sewer Charges and Other Fees of $5.00 or more to the 2026-2027 Riverside County Tax Rolls.

The Board considered Resolution No. 2026-08, requesting that delinquent water and sewer charges and other fees of $5 or more be added to the 2026–2027 Riverside County tax roll. General Manager Macy introduced the item and stated that the matter had been reviewed during the prior study session. Accounting Manager Skyler Aubry reported that 468 accounts met the criteria for placement on the tax roll, totaling approximately $299,000 in delinquent charges, compared to approximately $293,000 the prior year.

In response to a prior question regarding the property located at 66700 5th Street, identified as the former Sahara Hotel site, Mr. Aubry explained that the delinquent balance included approximately $12,800 for water service and approximately $9,800 for sewer service. She stated that water service had been shut off since 2022 and that the vacant property continued to accrue fixed charges and late fees. Board members discussed why the charges continued to accumulate, whether they had been placed on the tax roll in prior years, and whether the property owner had options to remove meters or otherwise reduce future charges. Staff explained that delinquent amounts are added annually, that late fees contribute to the increasing balance, and that removal of meters may have future impact-fee implications for the property owner.

The Board further discussed the District's general policy for delinquent accounts, including shutoff procedures after 90 days and balances exceeding $50, and whether larger delinquent accounts could be reviewed for potential outreach to property owners regarding available options. Staff noted that the District's new Tyler system may assist with identifying similar parcels once billing implementation progresses later in the year.

Motion made by Vice President Griffith, Seconded by Director Martin.
Voting Yea: President Duff, Vice President Griffith, Director Sewell, Director Martin

FISCAL YEAR 2026-27 BUDGET
A. It is recommended to adopt Resolution No. 2026-09, adopting the Operating and Capital Budgets FY 2026-27.

B. It is recommended to adopt Resolution No. 2026-10, adopting its Appropriations Limit for FYE June 30, 2027.

C. It is recommended to adopt Resolution No. 2026-11, adopting its Employee Classification Plan effective July 1, 2026.

General Manager Macy noted that the budget had previously been presented at a workshop and study session, and invited Skyler Aubry to provide additional clarification. Mr. Aubry stated that there were no changes to the budget figures, but addressed a question raised during the study session regarding the Vehicle Maintenance Department budget. He explained that the approximately $995,000 budget included salaries, benefits, outside services, fuel-related costs, vehicle repair parts, welding supplies,

and a $175,000 backhoe to be used by multiple departments for both water and sewer operations. He further clarified that approximately $400,000 of the outside services amount represented Enterprise Fleet Management leases for 32 vehicles, which accounted for a significant portion of the department's budget.

During Board discussion, Vice President Griffith asked about the diesel fuel projection and whether it may increase given current fuel prices. Staff explained that the estimate had been prepared approximately two months earlier using multi-year trends for commodity costs and that the budget included sufficient flexibility to absorb potential increases or decreases. Vice President Griffith also recommended improving budget transparency by identifying the Enterprise Fleet Management lease expense as "fleet lease" rather than "outside services." Staff agreed that a separate account could be created for that purpose, and the recommendation was supported as a clearer way to present the cost to the public.

Motion made by Vice President Griffith, Seconded by Director Martin.
Voting Yea: President Duff, Vice President Griffith, Director Sewell, Director Martin

RESOLUTION 2026 -05 ~ AMENDING THE CODIFIED MISSION SPRINGS WATER DISTRICT PERSONNEL RULES AND REGULATIONS TITLE 3 - PERSONNEL
It is recommended that the Board adopt Resolution 2026-05 updating the codified Mission Springs Water District (MSWD) Personnel Rules and Regulations, Title 3 - Personnel.

A presentation was provided at Thursday's Study Session, there was nothing further to add.

Motion made by Director Sewell, Seconded by Vice President Griffith.
Voting Yea: President Duff, Vice President Griffith, Director Sewell, Director Martin

RESOLUTION 2026-12~ NOTICE OF GENERAL DISTRICT ELECTION, NOVEMBER 3, 2026, AND ESTABLISHMENT OF DEPOSIT FOR OPTIONAL CANDIDATE'S STATEMENT
It is recommended to adopt Resolution No. 2026-12 and authorize the District Secretary to notify the County Registrar of Voters that the offices of two members of the Board are to be filled and that candidates will be responsible for costs associated with the Candidate's Statement.

A presentation was provided at Thursday's Study Session, there was nothing further to add.

Motion made by Vice President Griffith, Seconded by Director Martin.
Voting Yea: President Duff, Vice President Griffith, Director Sewell, Director Martin

RESOLUTION 2026-14 ~ TO APPROVE THE INITIAL STUDY AND ADOPT THE MITIGATED NEGATIVE DECLARATION FOR THE MISSION SPRINGS WATER DISTRICT GROUNDWATER QUALITY PROTECTION PROGRAM
It is recommended that Resolution 2026-14 be adopted approving the Final Initial Study/Mitigated Negative Declaration for the Groundwater Quality Protection Plan, the Mitigation Monitoring and Reporting Plan, and authorizing the General Manager to sign and file a Notice of Determination with the County of Riverside within five days of the Mission Springs Water District Board meeting.

General Manager Macy provided a brief overview of this item. There was nothing further to add.

Motion made by Vice President Griffith, Seconded by Director Martin.
Voting Yea: President Duff, Vice President Griffith, Director Sewell, Director Martin

CONTRACT AGREEMENT RENEWAL WITH INTELESYS COMMUNICATIONS SERVICES FOR INFORMATION TECHNOLOGY PROFESSIONAL SERVICES
It is recommended to authorize the General Manager to enter into a contract with Intelesys Communications Services for Information Technology (IT) Professional Services for the twelve-month period of July 1, 2026, to June 30, 2027, in the amount of $247,870.08, plus a 10% contingency for a total of $272,657.09, and do all things necessary to execute the agreement.

A presentation was provided at Thursday's Study Session, there was nothing further to add.

Motion made by Vice President Griffith, Seconded by Director Martin.
Voting Yea: President Duff, Vice President Griffith, Director Sewell, Director Martin

DISCUSSION ITEMS

ADMINISTRATION BUILDING UPDATE
Staff provided an update on the Critical Services Center project and reported that the architect had reviewed the bids and recommended the low bid, which is anticipated to come before the Board in July. Michael Bush of Urban Futures presented an update on the proposed bond financing process, explaining that the financing team has been working with District staff, the underwriter, and bond counsel to address existing debt, remove restrictive covenants, and prepare the required financing documents. He reported that two prior debt transactions had already been paid off, that one remaining City National Bank loan was expected to be paid off following receipt of payoff notices, and that one low-interest loan would remain outstanding due to its favorable 2.2 percent rate and disadvantaged community eligibility requirements.

Mr. Bush reviewed current market conditions, noting recent volatility related to geopolitical events but indicating that treasury rates had declined from approximately one month earlier and that the municipal market could benefit if market conditions continued to stabilize. He summarized the documents expected to be presented to the Board, including District and financing authority resolutions, an installment purchase agreement, a trust agreement, an assignment agreement, a bond purchase agreement, the preliminary official statement, and the continuing disclosure certificate. He explained that the preliminary official statement would serve as the District's disclosure document for potential investors and would include financial information, rate study assumptions, and other required disclosures. He further outlined the anticipated schedule, including preparation of the preliminary official statement, a credit presentation, a rating call in early July, and presentation of the financing documents to the Board on July 20, along with a required good-faith estimate establishing not-to-exceed amounts for borrowing, interest rate, and underwriting costs.

In response to a Board question, Mr. Bush explained that financing a significant portion of the administrative building through bonds would spread the cost of a long-lived public facility over future

ratepayers who will benefit from it, rather than requiring current ratepayers to absorb the full cost through substantial short-term rate increases. He noted that the debt would be fixed over the financing term and could potentially be refinanced in the future if market conditions allow. Board members expressed appreciation for the information provided and noted support for the project remaining within budgeted assumptions. Staff indicated that the update concluded the report, with the financing documents expected to return for Board consideration at the July 20 meeting.

GROUNDWATER PROTECTION PROGRAM UPDATE

Engineering Manager Eric Weck reported that the monthly update was brief because the mitigated negative declaration for the program was presented to the Board for consideration, which was expected to support the District's environmental review process and expedite coordination with the Army Corps of Engineers.

With respect to Area M2, Mr. Weck stated that the construction contract had been awarded to Weka Incorporated and that the District had issued a limited notice to proceed for administrative work, including requests for information, clarifications, and material submittals. Construction was tentatively anticipated to begin in early July, pending receipt of the contractor's construction schedule, which would then be submitted to the State. General Manager Macy further reported that staff continued to work with the State to secure approval of the remaining grant funding for the project. He explained that, if the additional funding is not approved, staff has developed a reduced-scope plan focused on areas where waterline replacement can be completed in conjunction with sewer replacement, allowing approximately half of the original project to proceed in a logical south-to-north sequence while maintaining traffic control efficiency. Staff emphasized that the District's preference remains to secure full funding and complete the broader project scope.

CONSENT AGENDA

Consent agenda items are expected to be routine and non-controversial, to be acted upon by the Board at one time, without discussion. If a member would like an item to be handled separately, it will be removed from the Consent Agenda for separate action.

The Board pulled Items 22, 23, and 24 for separate discussion. For Item 22, staff presented the bill of sale for the completed Viento project, including water and sewer improvements and a new sewer lift station located west of the Nancy Wright Regional Wastewater Reclamation Facility. Staff reported that the developer-installed improvements had been inspected and found to meet District standards, and the Board clarified that District staff had physically inspected the facilities, including water lines and fire hydrants. For Item 23, staff presented the bill of sale for water improvements for Palm Place at 66379 Pearson Boulevard, noting that the developer-installed water improvements had been reviewed, approved, inspected, and found to meet District standards; staff further clarified that sewer improvements were not required because they had already been constructed as part of the original building improvements. Following the discussion, a motion to approve Consent Agenda Items 20, 21, 22, and 23 was made and seconded.

APPROVAL OF MINUTES
It is recommended to approve the minutes as follows:
May 14, 2026 ~ Study Session
May 18, 2026 ~ Board Meeting

REGISTER OF DEMANDS
The register of demands totaling $2,527,438.48

ACCEPTANCE OF BILL OF SALE FOR PROJECT VIENTO WATER AND SEWER INFRASTRUCTURE
It is recommended to authorize the General Manager to execute the Bill of Sale accepting the water and sewer infrastructure improvements associated with the Project Viento development, located at 64165 19th Avenue in the City of Desert Hot Springs, as contributed assets to the District, and to do all things necessary to complete the transfer of ownership of the public improvements to the District.

ACCEPTANCE OF BILL OF SALE FOR PALM PLACE WATER INFRASTRUCTURE
It is recommended to authorize the General Manager to execute the Bill of Sale accepting the water infrastructure improvements associated with the Palm Place development project, located at 66379 Pierson Blvd., in the City of Desert Hot Springs, as contributed assets to the District, and to do all things necessary to complete the transfer of ownership of the public improvements to the District.

Motion made by Director Sewell, Seconded by Director Martin.
Voting Yea: President Duff, Vice President Griffith, Director Sewell, Director Martin

ACCEPTANCE OF THE WATER SUPPLY ASSESSMENT AND WATER SUPPLY VERIFICATION FOR THE FIRST PALM SPRINGS COMMERCE CENTER II DEVELOPMENT PROJECT
It is recommended to accept and approve the Water Supply Assessment (WSA) and Water Supply Certification (WSV) for the First Palm Springs Commerce Center II Development Project (Project) located in the City of Palm Springs.

For Item 24, the Board discussed the water supply assessment for the First Palm Springs Commerce Center 2 project. Vice President Griffith raised concerns regarding the continued use of Colorado River entitlement assumptions, the reliance on projections from the 2020 Urban Water Management Plan, and whether the assessment reflected the most current demand and growth information. Staff explained that the assessment was prepared using the information available at the time, that future assessments would incorporate the recently adopted 2025 Urban Water Management Plan, and that the long-term planning figures used in related District plans were aligned. Staff and the District's consultant further addressed concerns regarding indoor and outdoor water demand calculations, noting that the indoor water demand included a conservative safety margin and that the higher landscape demand appeared attributable in part to additional landscaping and irrigated stormwater retention basin slopes. Although concerns were expressed regarding the need for careful review and use of current information, staff confirmed that the assessment values were acceptable for this type of analysis. A motion was made to accept the water supply assessment for the First Palm Springs Commerce Center 2 project, and after initial discussion regarding the absence of a second, the motion was seconded.

Motion made by Director Sewell, Seconded by Vice President Griffith.
Voting Yea: President Duff, Vice President Griffith, Director Sewell, Director Martin

REPORTS

DIRECTOR'S REPORTS

Director Martin reported attending the following meetings and events: 5/4-5/7 ACWA Spring Conference, 5/13 GCVCC All Chamber Mixer, 5/21 DVBA Public Officials Luncheon.

Director Sewell reported attending the following meetings and events: 5/1 GCVCC State of Education, 5/4-5/7 ACWA Spring Conference, 5/13 AWWA Webinar Training, 5/19 DHS City Council Meeting.

Vice President Griffith reported attending the following meetings and events: 5/4-5/7 ACWA Spring Conference, 5/19 DWA Board Meeting.

President Duff reported attending the following meetings and events: 5/4-5/7 AWCA Spring Conference, 5/14 CVAG~CVCC Meeting, 5/21 ACWA State Legislative Committee Region 9 Meeting, 5/31 CSDA Webinar.

GENERAL MANAGER'S REPORT

Included in this report are the following oral reports:

A. Finance Report

Accounting Manager Skyler Aubry presented the year-to-date financial report for the period of July 1, 2025, through April 30, 2026. Mr. Aubry reported that operating revenues were approximately $32.7 million, exceeding the budgeted amount of $16.6 million, primarily due to $17.2 million in wastewater industrial pretreatment non-compliance fees, which may be negotiated in the future. Operating expenses were approximately $19.2 million, compared to the budgeted $23.3 million, with savings attributed to lower-than-anticipated costs for outside services, materials, and electricity. He reported operating income of $13.5 million, up from $3.5 million in the prior year. Nonoperating revenues were $5.5 million compared to the budgeted $22.2 million, primarily due to the deferral of approximately $12 million in grant revenue to the following year and lower-than-expected investment income. Nonoperating expenses were approximately $381,000 compared to the budgeted $693,000, largely due to the payoff of the $15 million Wells Fargo line of credit, which reduced interest expense. The total net change in net position was reported at $18.5 million compared to a budgeted amount of $14.8 million.

Mr. Aubry further reported that the debt service ratio increased to 14.66 from 3.6 in the prior year as a result of the debt payoff, investment returns increased to 3.41% compared to 3.15% in the prior year, and total cash was $69.7 million compared to $74.5 million in the prior year, with the District carrying approximately $15 million less in long-term debt. In response to Board questions, Mr. Aubry clarified that the reported cash balance reflects cash on hand and does not include potential future collections from the non-compliance fees; under accrual accounting, those amounts are recognized as revenue and accounts receivable until collected. The Board noted that, after accounting for the debt payoff, the District's cash position remained favorable and expressed appreciation for the District's financial management.

B. Public Affairs Report

Public Affairs representative April Scott, standing in for Assistant General Manager Marion Champion, provided a monthly update on the Public Affairs Office's activities. She reported that MSWD sponsored and participated in several community and professional events, including the California Association of Public Information Officers Conference, Leadership Coachella Valley panel discussion, the Desert Hot Springs Day of the Child event, the Women's Club ice cream social and student scholarship event, and the Greater Coachella Valley Chamber of Commerce Installation Dinner and Business Awards. Ms. Scott noted that MSWD was honored as the West Valley Organization of the Year by the Greater Coachella Valley Chamber, with President Duff accepting the award on behalf of the District.

Ms. Scott also summarized the District's outreach related to Water Awareness Month, including conservation messaging focused on smart controllers, turf replacement, leak repairs, rebate promotion, and preparation for the summer conservation campaign. She reported that MSWD's water awareness and California Water Environment Association recognition stories were shared by the Uken Report and through related social media channels. Upcoming events were also identified, including the Desert Hot Springs Women's Club annual planning meeting, the MSWD Lifestream blood drive, the Desert Business and Visitors Alliance anniversary membership appreciation party, Aqua Region 9 activities, and various annual conferences.

Ms. Scott concluded by highlighting youth education efforts, including a congratulatory banner for Desert Hot Springs High School graduates, the upcoming start of Real Academy interns in several District departments, and scheduled water education activities at the Desert Hot Springs Recreation Center summer camp. She further reported that the District continued accepting sewer prepayments from wastewater customers, with customer service processing approximately 576 payments since the May 4 mailing, and that the June Water Matters newsletter would feature the 2025 Annual Water Quality Report, summer irrigation tips, and bill assistance information. She stated that the 2025 Consumer Confidence Report had been completed, sent to print, and would be mailed to customers beginning June 30, with online versions available in English and Spanish, and Spanish hard copies available upon request.

COMMENTS

DIRECTOR COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

1. General Comments
2. Requests for Future Agenda Items
3. Requests for Future Meetings

Director Martin noted that, based on the size of the packet, he expected this meeting to go longer than it did. He gave praise to staff for presenting all of the information in such an efficient manner.

Director Sewell thanked President Duff for running a very efficient but long meeting. He also thanked staff and the Board, noting that he appreciates being part of the team.

Vice President Griffith commented that the District has completed numerous water supply assessments for potential developments and asked whether there is a centralized repository of approved projects associated with those assessments. He noted that while assessments are based on projections, it is unclear how many approved or proposed projects may be relying on the same projected water supplies, and therefore how much of that supply may already be effectively allocated. Vice President Griffiths stated that he was not necessarily seeking an immediate, definitive answer, but suggested the District consider tracking this information so it can better understand and communicate the cumulative commitments tied to approved projects.

General Manager Macy responded that the District evaluates projected growth and demand through multiple planning efforts, including the Urban Water Management Plan, the Groundwater Sustainability Act Plan, and the Water and Sewer Master Plan. He noted that these documents assess long-term conditions, including projected growth, consecutive drought scenarios, and infrastructure needs through 2045, and indicate that the District has adequate water supply and sewer capacity based on current projects and planned upgrades. General Manager Macy further stated that conservation is also considered as a factor that may reduce future demand, and that the District takes these combined studies and assumptions into account when reviewing and accepting water supply assessments.

President Duff requested a Workshop discussion on Conservation is a Way of Life and to discuss what the District is doing to contest the percentage of reduction that our community is being asked to make.

ADJOURN
With no further business, President Duff adjourned the meeting at 6:33 PM

Respectfully submitted,

Dori Petee
Executive Assistant

CHECK NUMBER	CHECK DATE	PAID TO VENDOR	DISBURSEMENT DESCRIPTION	INVOICE AMOUNT	OPERATING	CAPITAL	TOTAL
APA000370	6/18/2026	ACWA JPIA	2026-2027 PROPERTY PROGRAM	$127,671.85	$127,671.85		$127,671.85
APA000249	6/11/2026	ACWA JPIA	JULY 2026 HEALTH INSURANCES	$115,863.46	$115,863.46		$115,863.46
APA000371	6/18/2026	AECOM TECHNICAL SERVICES INC.	WELL 42 REDESIGN PP #31	$1,495.50		$1,495.50	$1,495.50
9900275	6/10/2026	AFLAC	MAY 2026 AFLAC DEDUCTIONS	$3,349.38	$3,349.38		$3,349.38
APA000250	6/11/2026	AIR & HOSE SOURCE INC.	INVENTORY	$766.50	$935.06		$935.06
APA000250	6/11/2026	AIR & HOSE SOURCE INC.	2-1/2" Pin Lug Washer (NST)	$168.56			
APA000372	6/18/2026	ALEX ACEVEDO	WORK BOOTS - ALEX ACEVEDO	$280.13	$280.13		$280.13
APA000373	6/18/2026	ALL AMERICAN ASPHALT	CUSTOMER REFUNDS R061226	$630.22	$630.22		$630.22
APA000374	6/18/2026	ALL AMERICAN FIRST AID	RESTOCK FIRST AID SUPPLIES	$84.42	$84.42		$84.42
APA000375	6/18/2026	AMADO L FLORES JR.	CUSTOMER REFUNDS R061226	$31.98	$31.98		$31.98
APA000456	6/25/2026	AMBER DUFF	MILEAGE REIMBURSEMENT MAY 2026	$9.79	$9.79		$9.79
APA000251	6/11/2026	ANSAFONE CONTACT CENTERS	ANSAPHONE ANSWERING SERVICE	$465.91	$465.91		$465.91
APA000149	6/8/2026	ANTHONY RYAN	ANTHONY RYAN - CUSTOMER REFUNDS R052026	$2,300.00	$2,300.00		$2,300.00
APA000376	6/18/2026	ANTWAN GIVENS	CUSTOMER REFUNDS R061226	$55.94	$55.94		$55.94
APA000457	6/25/2026	ASPHALT ZIPPER INC	[X020235.-1] Zipper Control Unit Module (ZCU-MCU),	$1,108.21	$1,108.21		$1,108.21
APA000150	6/8/2026	ASTRA INDUSTRIAL SERVICES INC	52-Backflow Test Equipment Calibration Fee SKU: US	$208.85	$208.85		$208.85
APA000377	6/18/2026	ATWORK FRANCHISE INC	WWTP OIT - JONAH T. W.E. 06.07.26	$2,116.80	$2,116.80		$2,116.80
APA000252	6/11/2026	ATWORK FRANCHISE INC	WWTP OIT TEMP - JONAH T. W.E 05.31.26	$2,096.64	$4,213.44		$4,213.44
APA000252	6/11/2026	ATWORK FRANCHISE INC	WWTP OIT TEMP - JONAH T. W.E 05.24.26	$2,116.80			
APA000378	6/18/2026	AUSTIN CARDENAS	CUSTOMER REFUNDS R061526	$21.00	$21.00		$21.00
APA000379	6/18/2026	BABCOCK LABORATORIES INC	TOTAL N PACKAGE - HORTON EFFLUENT	$429.00	$3,982.00		$3,982.00
APA000379	6/18/2026	BABCOCK LABORATORIES INC	65321 TWO BUNCH PALM TRL. - CULTURE DHS	$429.00			
APA000379	6/18/2026	BABCOCK LABORATORIES INC	TOTAL N PACKAGE - HORTON EFFLUENT	$113.00			
APA000379	6/18/2026	BABCOCK LABORATORIES INC	13310 LITTLE MORONGO RD. - SNIDER LS #2	$429.00			
APA000379	6/18/2026	BABCOCK LABORATORIES INC	13310 LITTLE MORONGO RD. - SNIDER LS #4	$429.00			
APA000379	6/18/2026	BABCOCK LABORATORIES INC	TOTAL N PACKAGE - WRIGHT INFLUENT	$162.00			
APA000379	6/18/2026	BABCOCK LABORATORIES INC	65000 TWO BUNCH PALMS TRL. - JEETER	$429.00			
APA000379	6/18/2026	BABCOCK LABORATORIES INC	TOTAL N PACKAGE - DESERT CREST EFFLUENT	$113.00			
APA000379	6/18/2026	BABCOCK LABORATORIES INC	TOTAL N PACKAGE - WRIGHT EFFLUENT	$162.00			
APA000379	6/18/2026	BABCOCK LABORATORIES INC	13310 LITTLE MORONGO RD. - SNIDER LS #3	$429.00			
APA000379	6/18/2026	BABCOCK LABORATORIES INC	65321 TWO BUNCH PALMS TRL. CULTURE DHS	$429.00			
APA000379	6/18/2026	BABCOCK LABORATORIES INC	13310 LITTLE MORONGO RD. - SNIDER LS #1	$429.00			
APA000253	6/11/2026	BABCOCK LABORATORIES INC	WRIGHT GROUNDWATER WELLS & PERC PONDS ANALYS	$812.00	$9,143.00		$9,143.00
APA000253	6/11/2026	BABCOCK LABORATORIES INC	TOTAL N PACKAGE - HORTON GROUNDWATER WELLS	$2,096.00			
APA000253	6/11/2026	BABCOCK LABORATORIES INC	WRIGHT BELT PRESS SLUDGE ANALYSIS	$1,244.00			
APA000253	6/11/2026	BABCOCK LABORATORIES INC	TOTAL N PACKAGE - WRIGHT GROUNDWATER WELLS	$1,572.00			
APA000253	6/11/2026	BABCOCK LABORATORIES INC	WRIGHT GROUNDWATER WELLS & PERC PONDS ANALYS	$1,015.00			
APA000253	6/11/2026	BABCOCK LABORATORIES INC	HORTON GROUNDWATER WELLS E.COLI ANALYSIS	$564.00			
APA000253	6/11/2026	BABCOCK LABORATORIES INC	HORTON BELT PRESS SLUDGE ANALYSIS	$1,727.00			
APA000253	6/11/2026	BABCOCK LABORATORIES INC	Total Nitrogen Package	$113.00			
APA000151	6/8/2026	BABCOCK LABORATORIES INC	TOTAL N PACKAGE - WRIGHT INFLUENT	$162.00	$1,153.00		$1,153.00
APA000151	6/8/2026	BABCOCK LABORATORIES INC	TOTAL N PACKAGE - WRIGHT EFFLUENT	$162.00			
APA000151	6/8/2026	BABCOCK LABORATORIES INC	WRIGHT GROUNWATER WELLS E.COLI ANALYSIS	$423.00			
APA000151	6/8/2026	BABCOCK LABORATORIES INC	TOTAL N PACKAGE - WELL 29 & WELL 37	$406.00			
APA000380	6/18/2026	BECK OIL, INC.	INVENTORY	$2,634.31	$15,155.10		$15,155.10
APA000380	6/18/2026	BECK OIL, INC.	DIESEL INVENTORY	$3,453.17			
APA000380	6/18/2026	BECK OIL, INC.	INVENTORY	$4,579.46			
APA000380	6/18/2026	BECK OIL, INC.	INVENTORY	$4,488.16			
APA000458	6/25/2026	BERLINDA BLACKBURN	SERVICES PERFORMED IN MAY 2026	$9,000.00	$9,000.00		$9,000.00
APA000381	6/18/2026	BRINKS INCORPORATED	MAY 2026 - CIT EXCESS FEE	$278.18	$698.86		$698.86
APA000381	6/18/2026	BRINKS INCORPORATED	JUNE 2026 SERVICES FLAT FEE	$420.68			
APA000459	6/25/2026	CA LOBBY LLC	CALIFORNIA ADVOCACY SERVICES JUNE 2026	$5,000.00	$10,000.00		$10,000.00

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APA000459	6/25/2026	CA LOBBY LLC	CALIFORNIA ADVOCACY SERVICES MAY 2026	$5,000.00			
APA000460	6/25/2026	CABOT'S MUSEUM FOUNDATION	Event: Earth Day Sponsorship for Earth Day 2026	$2,000.00	$2,000.00		$2,000.00
9900352	6/15/2026	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	PERS PPE 06.05.26	$42,756.96	$42,756.96		$42,756.96
9900039	6/1/2026	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	PERS PPE 05.22.26	$43,054.38	$43,054.38		$43,054.38
APA000461	6/25/2026	CAROLYN LANGDON	REFUND PENDING - BATCH # R062326	$667.56	$667.56		$667.56
APA000462	6/25/2026	CARPI & CLAY. INC	FEDERAL ADVOCACY SERVICES MAY 2026	$5,000.00	$5,000.00		$5,000.00
APA000463	6/25/2026	CASEY DOLAN	Monthly Digital Management and Consulting	$650.00	$650.00		$650.00
APA000152	6/8/2026	CHRIS GROBELS	CLOTHES WASHER REBATE	$150.00	$150.00		$150.00
APA000382	6/18/2026	CHRISTOPHER MARTINEZ	CUSTOMER REFUNDS R061526	$68.95	$68.95		$68.95
APA000383	6/18/2026	CITY OF DESERT HOT SPRINGS	ENC. CITY PERMIT 14010 PALM DR.	$357.97	$1,073.91		$1,073.91
APA000383	6/18/2026	CITY OF DESERT HOT SPRINGS	ENC. CITY PERMIT - MISSION LAKES E. OF N. INDIAN C	$357.97			
APA000383	6/18/2026	CITY OF DESERT HOT SPRINGS	ENC. CITY PERMIT 12375 AVE. SERENA	$357.97			
APA000254	6/11/2026	CITY OF DESERT HOT SPRINGS	2025-2026 CY SEC SS2 RECEIPTS	$150,639.11	$150,997.08		$150,997.08
APA000254	6/11/2026	CITY OF DESERT HOT SPRINGS	ENC. CITY PERMIT - 66721 MISSION LAKES BLVD.	$357.97			
APA000255	6/11/2026	CITY OF DESERT HOT SPRINGS	APRIL 2026 UUT PAYABLE	$40,168.12	$40,168.12		$40,168.12
APA000384	6/18/2026	CITY OF DHS - PUBLIC WORKS DEPT.	CUSTOMER REFUNDS R061226	$630.21	$630.21		$630.21
APA000385	6/18/2026	CLINICAL LABORATORY OF SAN BERNARDINO	LAB SERVICES FOR SAMPLES IN 05/2026	$2,309.00	$3,069.00		$3,069.00
APA000385	6/18/2026	CLINICAL LABORATORY OF SAN BERNARDINO	LAB SERVICES FOR SAMPLES 05/2026	$760.00			
APA000464	6/25/2026	CORE & MAIN LP	INVENTORY	$3,002.39	$9,449.12		$9,449.12
APA000464	6/25/2026	CORE & MAIN LP	INVENTORY	$132.61			
APA000464	6/25/2026	CORE & MAIN LP	INVENTORY	$1,672.12			
APA000464	6/25/2026	CORE & MAIN LP	INVENTORY	$3,700.00			
APA000464	6/25/2026	CORE & MAIN LP	INVENTORY	$696.00			
APA000464	6/25/2026	CORE & MAIN LP	INVENTORY	$246.00			
APA000386	6/18/2026	CORE & MAIN LP	INVENTORY	$973.44	$8,969.36		$8,969.36
APA000386	6/18/2026	CORE & MAIN LP	INVENTORY	$1,797.68			
APA000386	6/18/2026	CORE & MAIN LP	CLA-VAL 1/4" NPT SOLENOID CTRL VLV 120/60 HZ CSM11	$3,200.63			
APA000386	6/18/2026	CORE & MAIN LP	INVENTORY	$2,430.00			
APA000386	6/18/2026	CORE & MAIN LP	INVENTORY	$567.61			
APA000256	6/11/2026	CORE & MAIN LP	INVENTORY	$1,096.56	$2,624.04		$2,624.04
APA000256	6/11/2026	CORE & MAIN LP	INVENTORY	$1,527.48			
APA000153	6/8/2026	CORE & MAIN LP	2X1/8 DROP IN MTR GSK NEOPRENE BID SEQ# 30 N/I	$128.44	$34,762.25		$34,762.25
APA000153	6/8/2026	CORE & MAIN LP	INVENTORY	$448.00			
APA000153	6/8/2026	CORE & MAIN LP	INVENTORY	$438.00			
APA000153	6/8/2026	CORE & MAIN LP	INVENTORY	$5,433.38			
APA000153	6/8/2026	CORE & MAIN LP	INVENTORY	$3,832.00			
APA000153	6/8/2026	CORE & MAIN LP	INVENTORY	$3,832.00			
APA000153	6/8/2026	CORE & MAIN LP	INVENTORY	$989.00			
APA000153	6/8/2026	CORE & MAIN LP	INVENTORY	$328.40			
APA000153	6/8/2026	CORE & MAIN LP	INVENTORY	$4,589.31			
APA000153	6/8/2026	CORE & MAIN LP	INVENTORY	$6,650.39			
APA000153	6/8/2026	CORE & MAIN LP	INVENTORY	$1,840.00			
APA000153	6/8/2026	CORE & MAIN LP	CLA-VAL 6 REP KIT 20957465F BID SEQ# 10	$2,258.74			
APA000153	6/8/2026	CORE & MAIN LP	6X1/16 FLG RING NON-ASB GSKT BID SEQ# 10	$162.59			
APA000153	6/8/2026	CORE & MAIN LP	INVENTORY	$3,832.00			
APA000465	6/25/2026	CORONA ENVIRONMENTAL CONSULTING LLC	CHROMIUM-6 PDR	$3,495.00		$3,495.00	$3,495.00
APA000387	6/18/2026	CORONA ENVIRONMENTAL CONSULTING LLC	CHROMIUM -PDR	$2,672.50		$2,672.50	$2,672.50
APA000257	6/11/2026	COUNTY OF RIVERSIDE	DILLON ROAD Replace Valve & Fire Hydrant @ 63775 D	$2,111.00	$3,851.00		$3,851.00
APA000257	6/11/2026	COUNTY OF RIVERSIDE	warwick drive Trench cut 3'X30' for service line r	$1,740.00			
APA000154	6/8/2026	CROSS ROAD CAPITAL GROUP, LLC	CUSTOMER REFUNDS BATCH R050126	$164.00	$164.00		$164.00
APA000155	6/8/2026	CS-ASSOCIATED MUNICIPAL SALES CORP	DEZURIK,VALVE,PLUG PEC,4,F1,CI,NBR,CR,S30SB0*NT	$4,860.96	$4,860.96		$4,860.96
APA000466	6/25/2026	CV STRATEGIES	STRATEGIC COMMUNICATION SERVICES FOR MAY 2026	$4,293.75	$4,293.75		$4,293.75

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APA000388	6/18/2026	CYPRESS DENTAL ADMINISTRATORS	JULY 2026 DENTAL INSURANCE	$5,943.82	$5,943.82		$5,943.82
APA000156	6/8/2026	DANIEL VIRGEN JR	DANIEL VIRGEN BOOT REIMBURSEMENT	$300.00	$300.00		$300.00
APA000467	6/25/2026	DEGRAVE COMMUNICATIONS INC	MAY OUTREACH MONTH	$645.00	$1,626.25		$1,626.25
APA000467	6/25/2026	DEGRAVE COMMUNICATIONS INC	Design - Retractable Banners (wastewater/ drinking	$981.25			
APA000258	6/11/2026	DESERT ARC SHREDDING & RECYCLING	DESERT ARC SHREDDING AND RECYCLING	$75.00	$75.00		$75.00
APA000157	6/8/2026	DESERT FIRE EXTINGUISHER CO.,INC	AUTOMATIC FIRE SPRINKLER SYSTEM, DRAIN AND RECHA	$580.95	$580.95		$580.95
APA000158	6/8/2026	DESERT TIRE AND AUTO REPAIR	REPLACEMENT TIRE UNIT 414	$540.01	$1,640.04		$1,640.04
APA000158	6/8/2026	DESERT TIRE AND AUTO REPAIR	REPLACEMENT TIRES UNIT 437	$1,100.03			
APA000468	6/25/2026	DESERT URGENT CARE	PRE EMPLOYMENT PHYSICAL -S.DELOERA & D.LOPEZ	$275.00	$275.00		$275.00
APA000389	6/18/2026	DESERT VALLEY DISPOSAL, INC.	CORP YARD MAY SERVICE CHARGES	$1,715.54	$1,715.54		$1,715.54
APA000259	6/11/2026	DESERT VALLEY DISPOSAL, INC.	HORTON PLANT MAY SERVICE CHARGES	$511.50	$2,264.40		$2,264.40
APA000259	6/11/2026	DESERT VALLEY DISPOSAL, INC.	ADMIN BUILDING MAY SERVICE CHARGES	$1,177.46			
APA000259	6/11/2026	DESERT VALLEY DISPOSAL, INC.	WRIGHT PLANT MAY SERVICE CHARGES	$575.44			
9900348	6/16/2026	DOWNING CONSTRUCTION INC	RETENTION WIRE PP#23	$1,260.05	$1,260.05		$1,260.05
APA000469	6/25/2026	ECOLOGY AUTO PARTS	SLUDGE HAULING - 3 LOADS/W.E. 06.05.2026	$4,454.58	$4,454.58		$4,454.58
APA000260	6/11/2026	ECOLOGY AUTO PARTS	SLUDGE HAULING	$5,843.86	$17,467.86		$17,467.86
APA000260	6/11/2026	ECOLOGY AUTO PARTS	SLUDGE HAULING	$5,766.96			
APA000260	6/11/2026	ECOLOGY AUTO PARTS	SLUDGE HAULING - 4 LOADS/W.E. 05.08.26	$5,857.04			
APA000470	6/25/2026	EDOM HILL TRANSFER STATION	FINANCE CHARGES ON ACCOUNT	$12.72	$12.72		$12.72
9900344	6/12/2026	EFTPS-IRS PAYROLL TAX REMITTANCE	FED TAX PPE 06.05.26	$64,849.48	$64,849.48		$64,849.48
APA000390	6/18/2026	ENVIROGEN TECHNOLOGIES INC	WELL 26A URANIUM TREATMENT	$4,179.72	$4,179.72		$4,179.72
APA000391	6/18/2026	ENVIROLOGIC RESOURCES,INC.	CONSTRUCTION SERVICES FEB & MARCH 2026	$5,520.00	$5,520.00		$5,520.00
APA000261	6/11/2026	EXECUTIVE FACILITIES SERVICES INC	Janitorial Services for the month of May 2026 Amin	$3,185.37	$3,185.37		$3,185.37
9900330	6/8/2026	FARMERS & MERCHANTS BANK	FINAL LOAN INTEREST EXPENSE	$266.55	$266.55		$266.55
9900018	6/5/2026	FARMERS & MERCHANTS BANK	F&M Principal Balance Payoff	$145,506.04	$145,506.04		$145,506.04
9900014	6/5/2026	FARMERS & MERCHANTS BANK	DEBT PAYABLE F&M BANK JUNE 2026	$12,190.95	$12,190.95		$12,190.95
APA000471	6/25/2026	FERGUSON WATERWORKS #1083	INVENTORY	$2,289.05	$26,729.50		$26,729.50
APA000471	6/25/2026	FERGUSON WATERWORKS #1083	INVENTORY	$3,665.00			$0.00
APA000471	6/25/2026	FERGUSON WATERWORKS #1083	INVENTORY	$3,665.00			$0.00
APA000471	6/25/2026	FERGUSON WATERWORKS #1083	INVENTORY	$3,860.00			$0.00
APA000471	6/25/2026	FERGUSON WATERWORKS #1083	INVENTORY	$1,750.45			$0.00
APA000471	6/25/2026	FERGUSON WATERWORKS #1083	INVENTORY	$3,665.00			$0.00
APA000471	6/25/2026	FERGUSON WATERWORKS #1083	INVENTORY	$3,665.00			$0.00
APA000471	6/25/2026	FERGUSON WATERWORKS #1083	INVENTORY	$4,170.00			$0.00
APA000159	6/8/2026	FERGUSON WATERWORKS #1083	INVENTORY	$3,665.00	$49,978.16		$49,978.16
APA000159	6/8/2026	FERGUSON WATERWORKS #1083	INVENTORY	$4,125.00			
APA000159	6/8/2026	FERGUSON WATERWORKS #1083	INVENTORY	$3,665.00			
APA000159	6/8/2026	FERGUSON WATERWORKS #1083	INVENTORY	$3,665.00			
APA000159	6/8/2026	FERGUSON WATERWORKS #1083	INVENTORY	$3,665.00			
APA000159	6/8/2026	FERGUSON WATERWORKS #1083	INVENTORY	$3,080.00			
APA000159	6/8/2026	FERGUSON WATERWORKS #1083	INVENTORY	$3,665.00			
APA000159	6/8/2026	FERGUSON WATERWORKS #1083	INVENTORY	$6,428.16			
APA000159	6/8/2026	FERGUSON WATERWORKS #1083	INVENTORY	$3,665.00			
APA000159	6/8/2026	FERGUSON WATERWORKS #1083	INVENTORY	$3,665.00			
APA000159	6/8/2026	FERGUSON WATERWORKS #1083	INVENTORY	$2,900.00			
APA000159	6/8/2026	FERGUSON WATERWORKS #1083	INVENTORY	$4,125.00			
APA000159	6/8/2026	FERGUSON WATERWORKS #1083	INVENTORY	$3,665.00			
APA000160	6/8/2026	FERNANDO RUELAS	FERNANDO RUELAS BOOT REIMBURSEMENT	$28.89	$28.89		$28.89
APA000392	6/18/2026	FORD HALL COMPANY INC	REPLACEMENT BRUSHES FOR CLARIFIERS 4 & 5	$821.71	$821.71		$821.71
APA000393	6/18/2026	FORSHOCK	SCADA MONITORING 06/2026	$160.00	$2,201.45		$2,201.45
APA000393	6/18/2026	FORSHOCK	WELL 28 REFIT/REPAIR PLC.	$1,428.38			
APA000393	6/18/2026	FORSHOCK	Well 28 Transducer for Nat	$299.07			

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APA000393	6/18/2026	FORSHOCK	Production: SCADA Server Monitoring 06/2026	$314.00			
APA000394	6/18/2026	FRANCES PEREZ	CUSTOMER REFUNDS R061526	$42.14	$42.14		$42.14
APA000395	6/18/2026	FRANCISCA VILLEGAS	CUSTOMER REFUNDS R061226	$3.71	$3.71		$3.71
APA000472	6/25/2026	GAFCON PM-CM LLC	ON-CALL PROFESSIONAL LCP MONITORING	$2,399.25	$2,399.25		$2,399.25
APA000396	6/18/2026	GALLAGHER BENEFIT SERVICES INC	Ariele 2026 Classification Study Ariele Rodriguez	$1,500.00	$4,920.00		$4,920.00
APA000396	6/18/2026	GALLAGHER BENEFIT SERVICES INC	2026 ONGOING CLASSIFICATION & COMP CONSULTING	$120.00			
APA000396	6/18/2026	GALLAGHER BENEFIT SERVICES INC	Mike 2026 Classification Study Mike Harary - -	$3,300.00			
APA000262	6/11/2026	GALLAGHER BENEFIT SERVICES INC	Mike 2026 Classification Study Mike Harary - -	$3,300.00	$9,600.00		$9,600.00
APA000262	6/11/2026	GALLAGHER BENEFIT SERVICES INC	Ariele 2026 Classification Study Ariele Rodriguez	$1,500.00			
APA000262	6/11/2026	GALLAGHER BENEFIT SERVICES INC	Mike 2026 Classification Study Mike Harary - -	$3,300.00			
APA000262	6/11/2026	GALLAGHER BENEFIT SERVICES INC	Ariele 2026 Classification Study Ariele Rodriguez	$1,500.00			
APA000263	6/11/2026	GOVERNMENT FINANCE OFFICER	GFOA YEARLY MEMBERSHIP DUES	$200.00	$200.00		$200.00
APA000264	6/11/2026	GRAINGER	STRAIGHT PP BARBED1/2IN.MNPT3/4IN.PK10 MANUFACTU	$13.81	$13.81		$13.81
APA000161	6/8/2026	GRAINGER	IECMAGCONTACTOR NONREVERSING, 208VAC MANUFAC	$183.03	$599.09		$599.09
APA000161	6/8/2026	GRAINGER	SAFETY SIGN 14 INX 10IN, REFLCTV SHEETING MANUFACT	$20.64			
APA000161	6/8/2026	GRAINGER	SELECTOR SWITCH HORTON PLANT	$357.47			
APA000161	6/8/2026	GRAINGER	SAFETY SIGN,7 IN X 10 IN, VINYL MANUFACTURER # 479	$37.95			
APA000397	6/18/2026	HACH COMPANY	INSPECTION/TROUBLESHOOTING CHLORINE ANALYZERS	$4,603.69	$4,603.69		$4,603.69
APA000398	6/18/2026	HCI SYSTEMS INC	100% Completion Material Installation HCI - 5.2026	$5,119.00	$5,119.00		$5,119.00
APA000473	6/25/2026	INFOSEND INC	FIX A LEAK (SPANISH) PRINT FEE	$1,295.25	$11,687.93		$11,687.93
APA000473	6/25/2026	INFOSEND INC	MAY 2026 BILLING SERVICES	$5,693.43			
APA000473	6/25/2026	INFOSEND INC	MAY BILLINGS	$3,404.00			
APA000473	6/25/2026	INFOSEND INC	APRIL FIX A LEAK (ENGLISH) PRINT FEE	$1,295.25			
APA000265	6/11/2026	IRIS GROUP HOLDINGS LLC DB	CORP. YARD - SECURITY ALARM	$109.07	$409.28		$409.28
APA000265	6/11/2026	IRIS GROUP HOLDINGS LLC DB	ADMIN. BLDG. SECURITY ALARM	$79.56			
APA000265	6/11/2026	IRIS GROUP HOLDINGS LLC DB	CORP YARD SECURITY ALARM	$53.84			
APA000265	6/11/2026	IRIS GROUP HOLDINGS LLC DB	ADMIN BUILD. SECURITY ALARM	$76.99			
APA000265	6/11/2026	IRIS GROUP HOLDINGS LLC DB	ADMIN. BLDG. - SECURITY ALARM	$89.82			
APA000474	6/25/2026	IVAN SEWELL	MILEAGE REIMBURSEMENT MAY 2026	$18.85	$18.85		$18.85
APA000399	6/18/2026	JACOB CHAVEZ	CUSTOMER REFUNDS R061226	$615.49	$615.49		$615.49
APA000400	6/18/2026	JEFFERY ALLAN HATTERSLEY	CUSTOMER REFUNDS R061626	$38.43	$38.43		$38.43
APA000401	6/18/2026	JENNIFER R MAEL	VARIOUS FIREFLOW TESTS 05/01/2026-05/31/2026	$3,900.00	$3,900.00		$3,900.00
APA000402	6/18/2026	JESUS E GARCIA MADRIGAL	CUSTOMER REFUNDS R061226	$58.99	$58.99		$58.99
APA000162	6/8/2026	JOE HERNANDEZ	Captured Invoice from JOE HERNANDEZ boot reimburse	$233.58	$233.58		$233.58
APA000403	6/18/2026	KAYLA TURNER	CUSTOMER REFUNDS R061526	$51.27	$51.27		$51.27
APA000404	6/18/2026	KENNETH BLAKELEY	CUSTOMER REFUNDS R061526	$82.00	$82.00		$82.00
APA000405	6/18/2026	KENWOOD ENERGY	KENWOOD ENERGY MAY 2026	$1,693.75	$8,381.25		$8,381.25
APA000405	6/18/2026	KENWOOD ENERGY	KENWOOD ENERGY MAY 2026	$6,687.50			
APA000406	6/18/2026	KILLER BEE PEST CONTROL	BEEHIVE REMOVAL @ 66585 SAN MARCUS RD.	$200.00	$700.00		$700.00
APA000406	6/18/2026	KILLER BEE PEST CONTROL	66829 IRONWOOD DR. & 13334 HILDALGO ST.	$200.00			
APA000406	6/18/2026	KILLER BEE PEST CONTROL	BEEHIVE REMOVAL @17191 COVEY ST.	$100.00			
APA000406	6/18/2026	KILLER BEE PEST CONTROL	BEEHIVE REMOVAL @66610 12TH ST	$100.00			
APA000406	6/18/2026	KILLER BEE PEST CONTROL	BEEHIVE REMOVAL @ 64754 PINEHURST CIR.	$100.00			
APA000407	6/18/2026	KIMBERLY GILBERT	CUSTOMER REFUNDS R061526	$31.77	$31.77		$31.77
APA000475	6/25/2026	KYLE GROUNDWATER, INC.	WELL 28 HYDRO. SUPPORT SERVICES	$4,453.55	$4,453.55		$4,453.55
APA000408	6/18/2026	KYLE GROUNDWATER, INC.	WELL 28 HYDRO. SUPPORT SERVICES	$5,325.25	$5,325.25		$5,325.25
APA000409	6/18/2026	L O LYNCH QUALITY WELLS & PUMPS INC	PROGRESS PAYMENT #3 WELL 30 REHAB.	$22,757.50		$158,033.50	$158,033.50
APA000409	6/18/2026	L O LYNCH QUALITY WELLS & PUMPS INC	PROGRESS PAYMENT #1 WELL 30 REHAB	$66,956.00			
APA000409	6/18/2026	L O LYNCH QUALITY WELLS & PUMPS INC	PROGRESS PAYMENT #1 WELL 27 REHAB.	$33,230.00			
APA000409	6/18/2026	L O LYNCH QUALITY WELLS & PUMPS INC	PROGRESS PAYMENT #1 WELL 30 REHAB	$35,090.00			
APA000163	6/8/2026	L O LYNCH QUALITY WELLS & PUMPS INC	PROGRESS PAYMENT #4 WELL 27 REHAB	$48,126.25		$48,126.25	$48,126.25
APA000410	6/18/2026	LARRY DRAKE	CUSTOMER REFUNDS R061226	$75.15	$75.15		$75.15

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APA000411	6/18/2026	LASHERATA WILLIAMS	CUSTOMER REFUNDS R061526	$15.03	$15.03		$15.03
APA000476	6/25/2026	LAUGHLIN FALBO LEVY & MORESI LLP	LEGAL PROFESSIONAL SERVICES MSWD V FOURNIER DE	$200.00	$200.00		$200.00
APA000412	6/18/2026	LAYNE CHRISTENSEN COMPANY	PROGRESS PAYMENT #20	$222,609.79	$222,609.79		$222,609.79
APA000477	6/25/2026	LIEBERT CASSIDY WHITMORE	LCW ERC MEMBERSHIP FY 2026-2027	$5,745.00	$5,745.00		$5,745.00
9900354	6/15/2026	LINCOLN NATIONAL LIFE INS CO	DEF COMP PPE 06.05.26	$17,433.34	$17,433.34		$17,433.34
9900049	6/1/2026	LINCOLN NATIONAL LIFE INS CO	DEF COMP PPE 05.22.26	$17,019.95	$17,019.95		$17,019.95
APA000413	6/18/2026	LISA DIGIROLAMO	CUSTOMER REFUNDS R061626	$60.88	$60.88		$60.88
APA000478	6/25/2026	LORENZO JESSE SOTO	BOOT REIMBURSEMENT - I.SOTO	$116.25	$116.25		$116.25
APA000414	6/18/2026	LUKE ALAN JONES	CUSTOMER REFUNDS R061526	$37.18	$37.18		$37.18
APA000479	6/25/2026	MANPOWER US INC.	PAYROLL TECH TEMP WK. END. 06.14.26	$813.44	$813.44		$813.44
APA000266	6/11/2026	MANPOWER US INC.	PAYROLL TECH TEMP WK. END 05.31.26	$1,626.88	$1,626.88		$1,626.88
APA000164	6/8/2026	MANPOWER US INC.	PAYROLL TECH TEMP WK. END. 05.24.26	$2,033.60	$2,033.60		$2,033.60
APA000415	6/18/2026	MARCUS GEAR	CUSTOMER REFUNDS R061526	$8.38	$8.38		$8.38
9900047	6/1/2026	MARLIN LEASING CORPORATION	PEAC INVOICE CONTRACT 02 - MAY 2026	$173.99	$173.99		$173.99
APA000416	6/18/2026	MARY LOU COLLINS	CUSTOMER REFUNDS R061626	$700.00	$700.00		$700.00
APA000417	6/18/2026	MAYRA JIMENEZ	CUSTOMER REFUNDS R061526	$31.24	$31.24		$31.24
APA000267	6/11/2026	MCCROMETER INC	6" TOP PLATE w/ E7000-000 26-03951 / E26-05564 CUF	$5,017.94	$15,911.84		$15,911.84
APA000267	6/11/2026	MCCROMETER INC	REPAIR MATERIAL WTR PRODUCTION	$4,291.47			
APA000267	6/11/2026	MCCROMETER INC	10" TOP PLATE 26-03902/E26-05458 ID/10.136- CUF/10	$6,602.43			
APA000165	6/8/2026	MCMASTER-CARR	INVENTORY	$1,620.60	$4,973.23		$4,973.23
APA000165	6/8/2026	MCMASTER-CARR	INVENTORY	$1,264.13			
APA000165	6/8/2026	MCMASTER-CARR	INVENTORY	$598.40			
APA000165	6/8/2026	MCMASTER-CARR	INVENTORY	$1,490.10			
APA000480	6/25/2026	MDN WATER MANAGEMENT SERVICES INC	Wright RWRF Grant RWRF Construction - APRIL 2026	$11,021.50		$11,021.50	$11,021.50
APA000418	6/18/2026	MWH CONSTRUCTION INC	WELL 22 CM SERVICES FEBRUARY 2026	$18,720.00	$62,363.00		$62,363.00
APA000418	6/18/2026	MWH CONSTRUCTION INC	WELL 42 CM SERVICES JANUARY 2026	$19,405.00			
APA000418	6/18/2026	MWH CONSTRUCTION INC	WELL 42 CM SERVICES JANUARY 2026	$10,300.00			
APA000418	6/18/2026	MWH CONSTRUCTION INC	WELL 22 CM SERVICES APRIL 2026	$13,938.00			
APA000268	6/11/2026	MWH CONSTRUCTION INC	WELL 42 CM SERVICES MARCH 2026	$9,100.00	$35,423.00		$35,423.00
APA000268	6/11/2026	MWH CONSTRUCTION INC	WELL 42 CM SERVICES APRIL 2026	$4,263.00			
APA000268	6/11/2026	MWH CONSTRUCTION INC	WELL 22 CM SERVICES MARCH 2026	$8,980.00			
APA000268	6/11/2026	MWH CONSTRUCTION INC	WELL 42 CM SERVICES FOR FEBRUARY 2026	$7,480.00			
APA000268	6/11/2026	MWH CONSTRUCTION INC	WELL 42 CM SERVICES DECEMBER 2025	$5,600.00			
APA000481	6/25/2026	NEAL STEPHENSON	BOOT REIMBURSEMENT - N.STEPHENSON	$193.94	$193.94		$193.94
APA000419	6/18/2026	NOE AYALA	CUSTOMER REFUNDS R061226	$166.30	$166.30		$166.30
APA000420	6/18/2026	O'REILLY AUTOMOTIVE INC.	TRIM REMOVAL TOOL SET FOR SHOP	$18.48	$108.60		$108.60
APA000420	6/18/2026	O'REILLY AUTOMOTIVE INC.	BATTERY REPLACEMENT UNIT 400	$36.67			
APA000420	6/18/2026	O'REILLY AUTOMOTIVE INC.	OIL CHANGE UNIT 462	$53.45			
APA000269	6/11/2026	O'REILLY AUTOMOTIVE INC.	LEFT MARKER LIGHT FOR UNIT 395	$8.69	$263.47		$263.47
APA000269	6/11/2026	O'REILLY AUTOMOTIVE INC.	BATTERY REPLACEMENT UNIT 461	$224.68			
APA000269	6/11/2026	O'REILLY AUTOMOTIVE INC.	CABIN AIR FILTER UNIT 453	$25.85			
APA000269	6/11/2026	O'REILLY AUTOMOTIVE INC.	PIGTAIL FOR UNIT 395	$4.25			
APA000166	6/8/2026	O'REILLY AUTOMOTIVE INC.	MATERIALS FOR LIGHT BAR INSTALLATION	$105.84	$279.50		$279.50
APA000166	6/8/2026	O'REILLY AUTOMOTIVE INC.	ANTISEIZE FLEET MAINT.	$28.25			
APA000166	6/8/2026	O'REILLY AUTOMOTIVE INC.	OIL FILTER CHANGE UNIT 423	$145.41			
APA000421	6/18/2026	PALM SPRINGS PEST CONTROL, INC.	PEST CONTROL SVCS. - CORP. YARD	$125.00	$725.00		$725.00
APA000421	6/18/2026	PALM SPRINGS PEST CONTROL, INC.	PEST CONTROL SVCS. NWRWRF	$70.00			
APA000421	6/18/2026	PALM SPRINGS PEST CONTROL, INC.	PEST CONTROL SVCS. - ANNEX BLDG.	$80.00			
APA000421	6/18/2026	PALM SPRINGS PEST CONTROL, INC.	PEST CONTROL SVCS. - ADMIN BLDG	$150.00			
APA000421	6/18/2026	PALM SPRINGS PEST CONTROL, INC.	PEST CONTROL SVCS. - NWRWRF BAIT BOX INSTALLATIO	$300.00			
APA000270	6/11/2026	PALM SPRINGS PEST CONTROL, INC.	PEST CONTROL NWRWRF	$70.00	$425.00		$425.00
APA000270	6/11/2026	PALM SPRINGS PEST CONTROL, INC.	PEST CONTROL ADMIN BUILDING	$150.00			

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APA000270	6/11/2026	PALM SPRINGS PEST CONTROL, INC.	PEST CONTROL CORP YARD	$125.00			
APA000270	6/11/2026	PALM SPRINGS PEST CONTROL, INC.	PEST CONTROL - ANNEX BLDG.	$80.00			
APA000482	6/25/2026	PARKERS BUILDING SUPPLY	DRAIN REPAIR MATERIALS FOR CORP YARD	$11.62	$76.80		$76.80
APA000482	6/25/2026	PARKERS BUILDING SUPPLY	PAINT TRAY TO COMPLETE TRUCK BED LINE-X	$9.75			
APA000482	6/25/2026	PARKERS BUILDING SUPPLY	VALVES FOR OIL CHANGES	$55.43			
APA000422	6/18/2026	PARKERS BUILDING SUPPLY	FITTINGS FOR MULTIPLE WELLS	$139.12	$293.47		$293.47
APA000422	6/18/2026	PARKERS BUILDING SUPPLY	SHOVEL & PVS CONDUIT AND FITTINGS	$53.23			
APA000422	6/18/2026	PARKERS BUILDING SUPPLY	REPLACEMENT FAUCET FOR ADMIN BLDG.	$101.12			
APA000271	6/11/2026	PARKERS BUILDING SUPPLY	REPAIR MATERIALS FOR WELL 28	$58.65	$100.01		$100.01
APA000271	6/11/2026	PARKERS BUILDING SUPPLY	TOILET REPAIR MATERIALS - ADMIN BLDG.	$25.66			
APA000271	6/11/2026	PARKERS BUILDING SUPPLY	OSB SHEATING FOR WELL 28	$15.70			
APA000167	6/8/2026	PARKERS BUILDING SUPPLY	CONCRETE FORM MATERIAL	$15.15	$466.39		$466.39
APA000167	6/8/2026	PARKERS BUILDING SUPPLY	REPAIR COMPRESSION COUPLINGS C&M	$95.66			
APA000167	6/8/2026	PARKERS BUILDING SUPPLY	REPAIR MATERIAL FOR HYDRANT LOCKS	$28.58			
APA000167	6/8/2026	PARKERS BUILDING SUPPLY	REPAIR MATERIAL FOR SOLAR FARM	$16.30			
APA000167	6/8/2026	PARKERS BUILDING SUPPLY	AIR VAC CONCRETE FORM MATERIAL	$15.15			
APA000167	6/8/2026	PARKERS BUILDING SUPPLY	RESTOCK PALLET QUICKRETE BAGS C&M	$272.83			
APA000167	6/8/2026	PARKERS BUILDING SUPPLY	CONCRETE FORM MATERIAL	$22.72			
9900357	6/17/2026	PAYMENTUS CORPORATION	Payment Processing	$4,151.45	$4,151.45		$4,151.45
9900273	6/8/2026	PAYNEARME MT, INC.	May 2026 Paynearme Fees	$11,092.70	$11,092.70		$11,092.70
APA000423	6/18/2026	PHOTOVOLTAICS CALIFORNIA	Blend Annual 3 year subscription -	$1,500.00	$1,500.00		$1,500.00
APA000168	6/8/2026	PHOTOVOLTAICS CALIFORNIA	LITTLE MORONGO/19TH AVE SOLAR SITE REPAIRS	$107,067.57	$107,067.57		$107,067.57
APA000424	6/18/2026	PLATINUM STRATEGIES INC	MAY 2026 ACCOUNTING CONSULTANT	$4,298.38	$4,298.38		$4,298.38
APA000425	6/18/2026	POLYDYNE,INC.	2 TOTES POLYMER FOR SLUDGE WASTING	$8,957.46	$8,957.46		$8,957.46
APA000426	6/18/2026	POWERPLAN OIB	BRAKE PAD UNITS 400 & 401	$432.26	$432.26		$432.26
APA000169	6/8/2026	PROFORMA	Check Window Envelopes	$635.11	$1,002.37		$1,002.37
APA000169	6/8/2026	PROFORMA	Direct Deposit Vouchers	$367.26			
APA000483	6/25/2026	PROVOST & PRITCHARD ENGINE	2ND PEER REVIEW OF WSA/WSV	$192.50	$192.50		$192.50
APA000427	6/18/2026	PROVOST & PRITCHARD ENGINE	PEER REVIEW OF WSA REVISIONS	$412.50	$412.50		$412.50
9900391	6/22/2026	QUADIENT FINANCE USA, INC.	POSTAGE JUNE 2026 STATEMENT	$500.00	$500.00		$500.00
APA000428	6/18/2026	RAFTELIS FINANCIAL CONSULTANTS INC	PROFESSIONAL SERVICES MAY 2026	$1,677.50	$1,677.50		$1,677.50
APA000429	6/18/2026	RAY LOPEZ ASSOCIATES	RAY LOPEZ MAY 2026 CONSERVATION SERVICES	$5,775.00	$5,775.00		$5,775.00
APA000170	6/8/2026	RENE R RUVALCABA	RENE RUVALCABA BOOT REIMBURSEMENT	$111.86	$300.00		$300.00
APA000170	6/8/2026	RENE R RUVALCABA	BOOT REIMBURSEMENT R. RUVALCABA	$188.14			
APA000430	6/18/2026	RICHARD KRIEB	CUSTOMER REFUNDS R061226	$56.89	$56.89		$56.89
APA000272	6/11/2026	RITE-WAY COMPLIANCE GROUP LLC	FOG Annual Subscription for FOG BMP cloud- based F	$2,500.00	$2,500.00		$2,500.00
APA000171	6/8/2026	RITE-WAY COMPLIANCE GROUP LLC	FOG Municipal Yearly Subscription 2026-2027	$2,500.00	$2,500.00		$2,500.00
9900346	6/12/2026	RIVERSIDE COUNTY DCSS - MAIN OFFICE	MONTHLY IWO - PPE 06.05.26	$400.00	$400.00		$400.00
APA000484	6/25/2026	ROBERT G MODRICH	MAY 2026 UNIDATA SUPPORT	$3,297.00	$3,297.00		$3,297.00
APA000485	6/25/2026	ROBERT GRIFFITH	MILEAGE REIMBURSEMENT MAY 2026	$17.40	$17.40		$17.40
APA000486	6/25/2026	ROBERTO LOPEZ	BOOT REIMBURSEMENT - R.LOPEZ	$300.00	$300.00		$300.00
APA000487	6/25/2026	ROBERTO MOJICA	WATER TREATMENT RENEWAL T2 - ROBERT M.	$110.00	$110.00		$110.00
APA000431	6/18/2026	ROD AYERS	CUSTOMER REFUNDS R061526	$30.11	$30.11		$30.11
APA000432	6/18/2026	ROLLAPART BUILDINGS INC	90% COMPLETION OF WELL	$67,803.14	$67,803.14		$67,803.14
APA000433	6/18/2026	ROYAL EMERAL PHARMACEUTICALS	CUSTOMER REFUNDS R061226	$100.00	$100.00		$100.00
APA000434	6/18/2026	ROYAL EMERAL PHARMACEUTICALS	CUSTOMER REFUNDS R061226	$100.00	$100.00		$100.00
APA000488	6/25/2026	RUSS MARTIN	MILEAGE REIMBURSEMENT MAY 2026	$745.30	$745.30		$745.30
APA000435	6/18/2026	S AND S DIRECTIONAL DRILLING	CUSTOMER REFUNDS R061526	$660.00	$660.00		$660.00
APA000436	6/18/2026	SELECT VENTURES	CUSTOMER REFUNDS R061226	$424.53	$424.53		$424.53
APA000437	6/18/2026	SHADY MASHOUR	CUSTOMER REFUNDS R061226	$76.12	$76.12		$76.12
APA000438	6/18/2026	SHAHRIAR SEYED-EMAMI	CUSTOMER REFUNDS R061526	$54.17	$54.17		$54.17
APA000439	6/18/2026	SHEIKIA WILSON	CUSTOMER REFUNDS R061526	$82.00	$82.00		$82.00

CHECK NUMBER	CHECK DATE	PAID TO VENDOR	DISBURSEMENT DESCRIPTION	INVOICE AMOUNT	OPERATING	CAPITAL	TOTAL
APA000489	6/25/2026	SLOVAK BARON EMPEY MURPHY & PINKNEY LLP	LEGAL SERVICES OVER RETAINER	$2,420.00	$17,387.50		$17,387.50
APA000489	6/25/2026	SLOVAK BARON EMPEY MURPHY & PINKNEY LLP	LEGAL SERVICES - LAKEVIEW BOWMAN	$1,237.50			
APA000489	6/25/2026	SLOVAK BARON EMPEY MURPHY & PINKNEY LLP	LEGAL SERVICES RETAINER	$6,500.00			
APA000489	6/25/2026	SLOVAK BARON EMPEY MURPHY & PINKNEY LLP	LEGAL SERVICES LABOR ISSUES	$7,230.00			
APA000490	6/25/2026	SOUTH COAST AIR QUALITY	DPLS ANNUAL EMISSIONS FEES - AQMD	$176.41	$760.14		$760.14
APA000490	6/25/2026	SOUTH COAST AIR QUALITY	DPLS ANNUAL RENEWAL ICE GENERATOR PERMIT -AQMD	$583.73			
APA000440	6/18/2026	SOUTH WEST PUMP & DRILLING, INC.	WELL 28 SUPPLY & INSTALL 600-HP PUMPING EQUIPMENT	$81,952.31	$143,177.31		$143,177.31
APA000440	6/18/2026	SOUTH WEST PUMP & DRILLING, INC.	WELL 28 ELECTRICAL INSTALL OF PUMPING EQUIPMENT	$61,225.00			
APA000178	6/10/2026	SOUTH WEST PUMP & DRILLING, INC.	WELL NO. 28 REHAB. FINAL PROGRESS PYMT #5	$35,480.00	$35,480.00		$35,480.00
APA000441	6/18/2026	SOUTHERN CALIFORNIA EDISON	WELL 22 REHAB METER DESIGN	$12,120.54	$12,120.54		$12,120.54
9900406	6/29/2026	SOUTHERN CALIFORNIA EDISON COMPANY	301-8247 DILLON & DCWWTP 06.15.26 AUTOPAY	$2,049.34	$2,049.34		$2,049.34
9900389	6/22/2026	SOUTHERN CALIFORNIA EDISON COMPANY	201-6334 06.08.2026 AUTOPAY	$123,843.55	$123,843.55		$123,843.55
9900375	6/17/2026	SOUTHERN CALIFORNIA EDISON COMPANY	206-4802 06.04.2026 AUTOPAY	$12,995.76	$12,995.76		$12,995.76
9900380	6/16/2026	SOUTHERN CALIFORNIA EDISON COMPANY	301-7080 06.03.2026 AUTOPAY	$319.64	$319.64		$319.64
9900377	6/16/2026	SOUTHERN CALIFORNIA EDISON COMPANY	301-4547 06.03.2026 AUTOPAY	$17,380.72	$17,380.72		$17,380.72
9900041	6/2/2026	SOUTHERN CALIFORNIA EDISON COMPANY	301-8491 05.20.26 AUTOPAY	$8,466.06	$8,466.06		$8,466.06
APA000273	6/11/2026	STAPLES	RESTOCK PENS AND CASH TRANSMITAL BAGS	$145.22	$340.62		$340.62
APA000273	6/11/2026	STAPLES	RESTOCK SUPPLIES ADMIN BUILDING	$195.40			
9900342	6/12/2026	STATE OF CA EDD	STATE TAX PPE 06.05.26	$14,378.98	$14,378.98		$14,378.98
APA000442	6/18/2026	STEFON DAVIS	CUSTOMER REFUNDS R061626	$67.31	$67.31		$67.31
APA000443	6/18/2026	T4 SPATIAL, LLC	CCTV STORAGE - JUNE 2026	$1,250.00	$1,250.00		$1,250.00
APA000444	6/18/2026	TABITHA CUNNING	CUSTOMER REFUNDS R061626	$143.89	$143.89		$143.89
APA000491	6/25/2026	THE LAMAR COMPANIES	BILLBOARD RENEWAL PALM & DILLON	$1,000.00	$1,000.00		$1,000.00
APA000492	6/25/2026	THE LINCOLN NATL. LIFE INS. CO.	JULY 2026 LIFE INSURANCES	$5,109.78	$5,109.78		$5,109.78
APA000493	6/25/2026	THE UPS STORE #5062	BERKELEY SPRINGS WATER COMP. SUBMISSION	$139.79	$590.59		$590.59
APA000493	6/25/2026	THE UPS STORE #5062	LOBBY POSTER 02.27.2026	$35.89			
APA000493	6/25/2026	THE UPS STORE #5062	PARKING SIGN 04.13.2026	$87.00			
APA000493	6/25/2026	THE UPS STORE #5062	LESGISLATIVE BROCHURE 04.01.26	$327.91			
APA000445	6/18/2026	THE UPS STORE #5062	SHIPPING BACKFLOW TEST GAUGES	$16.42	$16.42		$16.42
APA000446	6/18/2026	TIM PARKER	CUSTOMER REFUNDS R061226	$40.62	$40.62		$40.62
APA000494	6/25/2026	TIMMONS GROUP INC	HOSTING FEES MONTHS 13-28 & CITYWORKS IMPLEMENT	$7,834.70		$7,834.70	$7,834.70
APA000447	6/18/2026	TKE ENGINEERING, INC	110-(FY 25-26) GENERAL ENG. SERVICES	$7,632.50	$16,122.50	$175.00	$16,297.50
APA000447	6/18/2026	TKE ENGINEERING, INC	DESIGN CONSULTANT APR 2026	$175.00			$0.00
APA000447	6/18/2026	TKE ENGINEERING, INC	110-86 - REGIONAL WATER RECLAMATION PROGRAM	$7,910.00			$0.00
APA000447	6/18/2026	TKE ENGINEERING, INC	GENERAL SERVICES PERFORMED FOR APRIL 2026	$580.00			$0.00
APA000274	6/11/2026	TOPS N BARRICADES, INC	TAPE CONSPICTY HI RED/SILVER	$375.19	$375.19		$375.19
APA000495	6/25/2026	TRIDENT MISSION SPRINGS	Alternative trenching as per RFI-4A Project No. 05	$51,313.00	$51,313.00		$51,313.00
APA000448	6/18/2026	TRIDENT MISSION SPRINGS	POWER BILLING MAY 2026	$8,698.83	$8,698.83		$8,698.83
APA000275	6/11/2026	TRIDENT MISSION SPRINGS	POWER BILLING APRIL 2026	$8,773.81	$16,979.52		$16,979.52
APA000275	6/11/2026	TRIDENT MISSION SPRINGS	POWER BILLING MARCH 2026	$8,205.71			
APA000496	6/25/2026	TRIMBLE INC	ASSET MANAGEMENT ELITE PACKAGE PP#3	$58,160.00	$58,160.00		$58,160.00
APA000449	6/18/2026	TYLER TECHNOLOGIES INC	ERP Pro Annual SaaS Fee Year 2 07/01/2026-06/30/20	$110,103.00		118604.25	$118,604.25
APA000449	6/18/2026	TYLER TECHNOLOGIES INC	GO-LIVE ASSISTANCE INVENTORY CONFIGURATION	$3,226.25			
APA000449	6/18/2026	TYLER TECHNOLOGIES INC	ERP PRO FINANCIALS - HUMAN RESOURCE MANAGEMENT	$2,900.00			
APA000449	6/18/2026	TYLER TECHNOLOGIES INC	Financial Management Data Conversion Data Conversi	$2,375.00			
APA000276	6/11/2026	ULINE INC	MULTI-PURPOSE GREASE CARTRIDGE HORTON	$878.10	$878.10		$878.10
APA000172	6/8/2026	UNDERGROUND SERVICE ALERT	Underground Service Alerts 06/2026	$420.65	$420.65		$420.65
APA000450	6/18/2026	URBAN FUTURES INC	Municipal Advisory Services for Activity 1	$20,000.00	$20,000.00		$20,000.00
APA000451	6/18/2026	URBAN HABITAT	LANDSCAPE SERVICES FOR 05/2026	$6,930.00	$6,930.00		$6,930.00
9900332	6/9/2026	US BANK CORPORATE TRUST SERVICES	US BANK ASSESSMENT DISTRICT 13 WIRE	$241,288.29	$241,288.29		$241,288.29
APA000497	6/25/2026	USA BLUEBOOK	Grundfos Connection Kit; PVDF 1/4";3/8";1/2"; 9769	$733.93	$5,985.94		$5,985.94
APA000497	6/25/2026	USA BLUEBOOK	Grundfos Injection Quill 100mm; PVDF / FKM; 957309	$1,854.21			

CHECK NUMBER	CHECK DATE	PAID TO VENDOR	DISBURSEMENT DESCRIPTION	INVOICE AMOUNT	OPERATING	CAPITAL	TOTAL
APA000497	6/25/2026	USA BLUEBOOK	Corp Stop 1 in NPT, No Lead PVDF Quill Corp Stop 1	$1,152.86			
APA000497	6/25/2026	USA BLUEBOOK	Pedestal Eyewash Stainless Steel Bowl GovMVMT Cont	$866.97			
APA000497	6/25/2026	USA BLUEBOOK	Pedestal Eyewash Stainless Steel Bowl	$866.97			
APA000497	6/25/2026	USA BLUEBOOK	Grundfos Replacement Diaphragm 97751707 GovMVMT Co	$278.08			
APA000497	6/25/2026	USA BLUEBOOK	L4N1XP THRU-BOLT 4-IN-1 Ratchet Wrenches GovMVMT C	$232.92			
APA000452	6/18/2026	USA BLUEBOOK	Insulating Rubber Gloves; Kit Class 0; Size 10; Or	$162.42	$4,377.63		$4,377.63
APA000452	6/18/2026	USA BLUEBOOK	AR/FR Arc Flash Dual Certified Coverall Kit 12 Cal	$626.36			
APA000452	6/18/2026	USA BLUEBOOK	Clear Braid PVC Hose; NSF-61; 1 in ID; 50' Roll Go	$188.06			
APA000452	6/18/2026	USA BLUEBOOK	W42: Special / Grundfos Pump 93065176 GovMVMT Cont	$3,097.42			
APA000452	6/18/2026	USA BLUEBOOK	Arc Flash Overpants; XL 12 cal/square cm protectio	$303.37			
APA000277	6/11/2026	USA BLUEBOOK	Hach IntelliCal Rugged LDO Probe; 5 M Cable; LDO10	$2,857.63	$3,807.57		$3,807.57
APA000277	6/11/2026	USA BLUEBOOK	Replacement Cap for LDO101xx IntelliCAL Probes (58	$706.66			
APA000277	6/11/2026	USA BLUEBOOK	REPLACE O.D MEASURING TAPES	$243.28			
APA000278	6/11/2026	VALLEY LOCK & SAFE	LOCKS FOR WELL 42	$4,212.90	$4,212.90		$4,212.90
APA000173	6/8/2026	VALLEY LOCK & SAFE	REPLACEMENT DOOR KEYS	$107.88	$107.88		$107.88
APA000279	6/11/2026	VERIZON CONNECT FLEET USA	GPS MONITORING FOR FLEET 06/2026	$611.63	$611.63		$611.63
APA000498	6/25/2026	VESTIS SERVICES INC	Uniform Service 06.18.2026	$454.31	$454.31		$454.31
APA000453	6/18/2026	VESTIS SERVICES INC	UNIFORM SERVICES 06.04.26	$548.18	$2,106.55		$2,106.55
APA000453	6/18/2026	VESTIS SERVICES INC	UNIFORM SERVICES 05.28.26	$476.14			
APA000453	6/18/2026	VESTIS SERVICES INC	UNIFORM SERVICES 06.11.26	$483.77			
APA000453	6/18/2026	VESTIS SERVICES INC	UNIFORM SERVICES 05.21.26	$598.46			
APA000280	6/11/2026	WATERLINE TECHNOLOGIES INC	8 DRUMS LIQUID CHLORINE REFILLED	$1,974.90	$9,627.64		$9,627.64
APA000280	6/11/2026	WATERLINE TECHNOLOGIES INC	10-2005 1.00 7.00 UN1791 HYPOCHLORITE SOLUTION 53	$1,728.04			
APA000280	6/11/2026	WATERLINE TECHNOLOGIES INC	10-2005 1.00 9.00 UN1791 HYPOCHLORITE SOLUTION 53	$2,221.76			
APA000280	6/11/2026	WATERLINE TECHNOLOGIES INC	10-2005 1.00 7.00 UN1791 HYPOCHLORITE SOLUTION 53	$1,728.04			
APA000280	6/11/2026	WATERLINE TECHNOLOGIES INC	10-2005 8.00 8.00 UN1791 HYPOCHLORITE SOLUTION 53	$1,974.90			
APA000454	6/18/2026	WEBB MUNICIPAL FINANCE, LLC	MSWD AD 13 FY 25-26 Admin	$10,000.00	$10,000.00		$10,000.00
9900340	6/11/2026	WELLS FARGO BANK	WF AUTO DEPOSIT PPE 06.05.26	$162,994.37	$162,994.37		$162,994.37
APA000174	6/8/2026	WEST COAST SAND AND GRAVEL INC.	RESTOCK BASE MATERIAL CORP YARD	$1,181.48	$1,181.48		$1,181.48
APA000175	6/8/2026	WESTAIR GASES & EQUIPMENT, INC.	WELDING GAS TANK EXCHANGE	$70.64	$70.64		$70.64
APA000281	6/11/2026	WESTCOAST INDUSTRIES	SunX30 Lotion And Wipe Combo Pack, 50 Per Box	$119.62	$725.58		$725.58
APA000281	6/11/2026	WESTCOAST INDUSTRIES	RESTOCK STEEL TOE RUBBER BOOTS FIELD STAFF	$605.96			
APA000455	6/18/2026	WILLDAN ENGINEERING	LABOR COMPLIANCE - GENERATOR MAINT. SVCS 5.2026	$142.50	$237.50		$237.50
APA000455	6/18/2026	WILLDAN ENGINEERING	LABOR COMPLIANCE - Z&K 05.2026	$95.00			
APA000282	6/11/2026	WILLDAN ENGINEERING	LABOR COMPLIANCE REPORTING - GENERATOR MAINT. 4.	$47.50	$47.50		$47.50
APA000283	6/11/2026	WILLDAN FINANCIAL SERVICES	MAIL POSTCARDS FOR NOTICE FY 26/27	$4,655.94	$4,655.94		$4,655.94
APA000176	6/8/2026	YES FRIENDS LLC	YES FRIENDS LLC - CUSTOMER REFUNDS R052026	$14.73	$14.73		$14.73
APA000499	6/25/2026	ZACHARY M NORMAN	WATER DISTRIBUTION CERTIFICATE GRADE 2 - ZACHARY	$60.00	$60.00		$60.00
APA000177	6/8/2026	ZORO TOOLS INC	5 HP 4" Manual Submersible Sewage Pump 460V	$5,789.14	$8,620.91		$8,620.91
APA000177	6/8/2026	ZORO TOOLS INC	1" Threaded Low Lead Bronze Swing Check Valve	$2,831.77			
			CURRENT CHECK TOTAL	$3,090,831.16	$2,739,372.96	$351,458.20	$3,090,831.16
TOTAL				$3,090,831.16	$2,739,372.96	$351,458.20	$3,090,831.16

AGENDA REPORT

REGULAR BOARD MEETING(S) JULY 16 & 20, 2026

DIRECTOR REPORTS – MEETINGS AND EVENTS FOR JUNE 2026

DIRECTOR REPORTS
(Per GC 53232.3(d), brief reports on meetings attended for which a daily stipend was claimed)

Date	Event	Attendees
6/2/2026	DWA BOARD MEETING	GRIFFITH
6/2/2026	DHS CITY COUNCIL MEETING	SEWELL
6/3/2026	ACWA REGION 9 MEETING	MARTIN
6/4/2026	DVBA LEGISLATIVE MEETING	MARTIN
6/9/2026	GCVCC BUSINESS AWARDS	GRIFFITH, DUFF, MARTIN, SEWELL
6/12/2026	ACWA REGION 9 MEETING	MARTIN
6/12/2026	ACWA STATE LEGISLATIVE COMMITTEE MEETING	DUFF
6/16/2026	DWA BOARD MEETING	GRIFFITH
6/16/2026	DHS CITY COUNCIL MEETING	SEWELL
6/17/2026	COUNTYWIDE OVERSIGHT BOARD MEETING	MARTIN
6/22/2026	ACWA STATE LEGISLATIVE COMMITTEE MEETING – EMERGENCY SESSION	DUFF
6/29/2026	CVAG – GENERAL ASSEMBLY	GRIFFITH, DUFF, MARTIN

(OTHER) MEETINGS ATTENDED *(no daily stipend was claimed*)

Date	Event	Attendees
6/17/2026	DVBA MIXER	MARTIN
6/22/2026	CABOT'S MUSEUM BOARD MEETING	MARTIN
6/24/2026	TRIBAL WATER AUTHORITY BOARD MEETING	MARTIN

MSWD

Mission Springs Water District



General Manager's Report

JULY 2026

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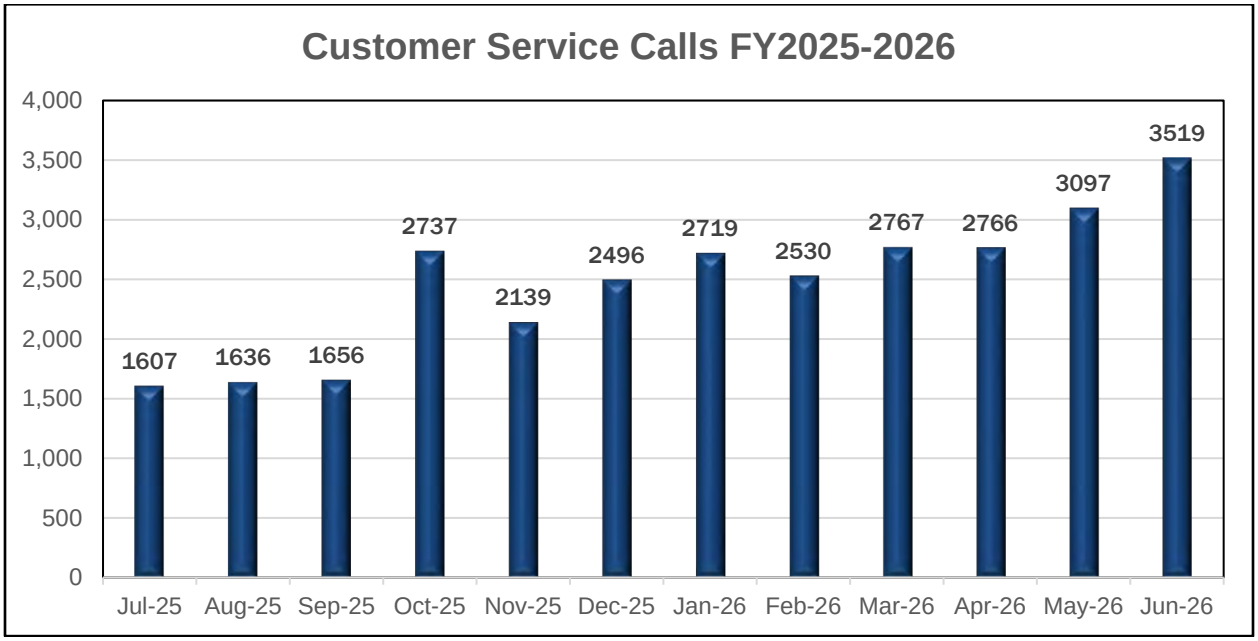
APPENDIX A – Innovation & Technology Information
APPENDIX B – Federal & State Legislative Information
APPENDIX C – Public Affairs Information
APPENDIX D – Financial Information
APPENDIX E – Wastewater & Water Production Tables

ADMINISTRATION DIVISION

Customer Service Department

Calls into the Customer Service Department

The chart below represents the total incoming calls received by staff in the Customer Service Department for Fiscal Year 2025-2026.



Most calls received by the Customer Service department are related to payment plans, bill assistance information, demand/lien release requests, new property start/stop service, and account balance requests. The table below provides a summary of the number of calls by category received by the Customer Service staff.

Customer Request	Total for June 2026	Total for CY 2026
Water Waste	1	3
High Bill / Service Line Leak	4	31
No Water	9	35
Illegal Disconnect	9	42
Disconnections	151	812
Reconnections	130	622
Service Transfers	136	734
High / Low Pressure	7	25
Water Quality	1	9
Other / Miscellaneous	96	484

Key Updates

During the month of June 2026, approximately 878 customers visited the office for various service-related matter, and engaging directly with Customer Service Representatives.

Customer Service has continued to provide excellent support to our customers. The team consistently distributes Conservation Kits and connects customers with valuable assistance programs and payment resources, including Help2Others and Jewish Family Services. Through these efforts, Customer Service remains committed to helping customers manage their utility needs and access available support services.

Sewer Pre-Payments

Total sewer pre-payments collected in June 2026 amounted to $359,764.84. Due to the sewer pre-payments, there has been an increase in walk-in customer traffic and phone calls.

Payment Type	Total Payment for June 2026
Card Payments	$185,191.77
Cash Payments	$29,518.59
Check Payments	$120,194.52
Payment of Customer Accounts	$24,859.96
Total	**$359,764.84**

WaterSmart Portal

WaterSmart Analytics data provides a comprehensive overview of leaks detected and automated alerts sent to MSWD customers. All customers are encouraged to sign up in the WaterSmart Portal to access bills and leak alerts. The table below provides a summary of the number of customers who have registered in the WaterSmart Portal.

WaterSmart Portal	Total for June 2026	Overall Total
Registered Customer Accounts	144	9,330

Billing

During June 2026, Customer Service reviewed a total of 16,196 bills.

Bill Type	Total Bill Count for June 2026	Total Bill Amount for June 2026
Regular Bills	11,309	$1,066,659.38
Delinquent Bills	4,673	$39,415,141.68
Closing Bills	214	$7,090.19
Delinquent Closing	-	-
Total	**16,196**	**$40,488,891.25**

Delinquency Service Statistics

Staff continued to reach out to customers with delinquent accounts to provide information for assistance and repayment options to avoid disconnection. The table below summarizes the activities of Customer Service staff regarding delinquent accounts.

Delinquency Service	Total for June 2026
Auto-Dialer Calls	430
Door Hangers	56

Customer Bill Assistance

The District continues to facilitate bill assistance programs for the benefit of its customers. The United Way Customer Bill Assistance Program continues to be utilized by those customers who need assistance for one billing period annually, paying $100 per approved customer. The table below summarizes the results of the customer bill assistance programs administered by the Customer Service staff.

Assistance Program	Customers Assisted in June 2026	Total Assistance In June 2026	Total Assistance in CY 2026
United Way of the Desert	4	$900	$9,650

Installment Payment Plans

The District continues to assist customers with delinquent bills by facilitating installment payment for the benefit of its customers. The table below summarizes the results of the installment payment plans administered by the Customer Service staff.

Total Active Payment Plans	Remaining Balance to be Collected
118	$69,198.98

Refunds

There was a total of 44 customer account refunds totaling $6,583.28, resulting from closed accounts for the month of June 2026.

Account Type	Total Refund Count for June 2026	Total Refund Amount for June 2026
Customer Refunds	39	$3,622.83
Construction Meter Refunds	5	$2,960.45
Total	**44**	**$6,583.28**

Liens

Customer Service identified nine accounts that were 90 days past due requiring Lien filing. Eight Release of Liens were issued after securing payment for outstanding balances on past due accounts.

Lien Type	Total Lien Count for June 2026
Lien Recordings	8
Lien Releases	19



Innovation & Technology Department

The Innovation and Technology (IT) department continues to work with staff and vendors to achieve technological enhancements and meet innovation goals established by the MSWD Board of Directors. Below are project highlights and summaries for June 2026.

Department Updates

- IT welcomed an intern from the REAL Academy internship program who immediately began providing the department value in quality assurance testing for new applications that will be deployed to staff and assisted in other valuable areas.
- IT continues working in conjunction with Timmons Group to project manage the GIS CMMS and asset management system project and perform ongoing user experience testing.
- IT continues working with Finance in the onboard process for the new ERP system.

Technology Improvements

- Cybersecurity improvements continue to be made to improve District security.
- Desktop computers and laptop upgrades continue as needed.

Cyber Security News Roundup

The IT Department tracks trends in cyber security to note new opportunities for security and new concerns to defend against. The news below is a brief selection intended for informational purposes and provides no insight into the District's cybersecurity controls.

- The state of Iowa decided to outsource major IT operations to Cognizant and AWS in a $419.7M contract over 10 years with the reason being that the state should focus on governing rather than keeping up with IT. As part of the deal, 196 state IT employees are being eliminated while offered positions at Cognizant with equal or better pay. The move consolidates 36 data centers into one is expected to improve cybersecurity. (GovTech)
- Researchers found that streaming devices, passive-income apps, and other consumer products can secretly route hacker traffic from residential internet connections. This allows cybercriminals, fraudsters, and state-sponsored hackers to disguise their activity as legitimate residential traffic. It is estimated that over 20 million U.S. IP addresses become part of these malicious proxy networks annually. (NextGov)
- A DHS Inspector General report found that the U.S. Secret Service routinely used unsecured personal mobile devices for official communication instead of government-issued devices due to limitations, reliability issues, and lack of support for common messaging apps. The Secret Service agreed to implement mobile security and oversight recommendations. (NextGov)

Intelesys IT Support

The District receives IT services and support through Intelesys. The Intelesys Monthly Client Report for June 2026 activities can be found in Appendix A.

Public Affairs Department

Past & Upcoming Sponsorships / Events

City of Desert Hot Springs Day of the Child: June 6, 2026



The City of Desert Hot Springs hosted their 2nd Annual Day of the Child / Día del Niño, a free family-friendly community event celebrating children, families, and the start of summer fun! MSWD had a booth focused on kid and family friendly water conservation and education along with a water tasting of our award-winning water.

GVCC The Chamber Honors – Annual Installation Dinner and Business Awards: June 9, 2026

Select Board members and staff attended the GCVCC The Chamber Honors: Annual Installation Dinner and Business Awards. The event celebrated the installation of the 2026 Boards of Directors for both the regional and local chambers, while also recognizing outstanding local businesses and community leaders who continue to make a lasting impact throughout the Coachella Valley. MSWD received the award for West Valley Large Business of the Year.





MSWD Blood Drive: June 24, 2026

Thanks to everyone's donations, the blood collected at this drive has the potential to save up to 42 adult lives or as many as 112 babies! Every donor truly makes a difference for patients and families in our community. The next opportunity to give is Wednesday, August 19, 2026.



DVBA Anniversary/Membership Appreciation Party: June 17, 2026



Select staff and Board members attended the DVBA 16th Anniversary & Membership Appreciation Party. This annual event is held in appreciation of the DVBA members, and to celebrate another successful year.

CVAG Annual General Assembly: June 29, 2026



Select staff and Board members attended the annual general assembly. CVAG is the regional planning agency coordinating government services within the Coachella Valley. CVAG promotes a better quality of life and balanced growth for residents of Central and Eastern Riverside County.

DVBA Public Officials Luncheon – Greater Palm Springs Economic Development: July 15, 2026

Select staff and Board members will attend DVBA's next Public Officials' Luncheon which will take place on July 15, 2026, featuring Sean Smith of Visit Greater Palm Springs. Guests will learn about the economic impact of tourism, current development initiatives, and the opportunities shaping the future of the Greater Palm Springs region. This informative presentation will provide valuable insights into one of the area's key economic drivers and its role in supporting local businesses and communities.

ACWA Region 9 Event: July 17, 2026

Select staff and Board members will attend the ACWA Region 9 event. This program will bring together water agency leaders, elected officials, and public agency professionals for a day of insightful discussions, strategic perspectives, and valuable networking opportunities.

DVBA Networking Night: July 22, 2026

Select staff and Board members will attend this monthly networking event which is an evening of networking for industry professionals.

BIASC Coachella Valley Summer Mixer: July 23, 2026

Select staff and Board members will attend the BIASC annual summer mixer, this event gives attendees an opportunity to meet industry leaders who are shaping the future of business in the Coachella Valley.

CVCAN Annual Pool Party: July 23, 2026

The Coachella Valley Cannabis Alliance Network (CVCAN) celebrates its 10-Year Anniversary, inviting members, supporters, and friends for a summer gathering that reflects what their organization is all about, community, connections and collaboration.

CASA Annual Conference: August 4-7, 2026

Select staff and Board members will attend the annual conference. The conference will feature a variety of speakers and panels that focus on issues that matter to our agencies, providing actionable takeaways. This event will also feature multiple technical tracks, awards presentations, and excellent networking opportunities! CASA's committee leaders and subject matter experts will be on hand to provide all the latest information on legislative and regulatory

Youth & Education Programs

Desert Hot Springs Recreation Center Summer Kids Camp Water Education Day: June 19 & July 15, 2026

Public Affairs staff joins the City of Desert Hot Springs Recreation Center Summer Kids Camp for a couple of days of water education and fun every summer. The kids participate in activities focused on water distribution and water loss, our aquifer, learn about water-saving and conservation initiatives, after all the action, they will get to cool off with a reusable MSWD water bottle, MSWD sunglasses, and a well-deserved ice cream treat!

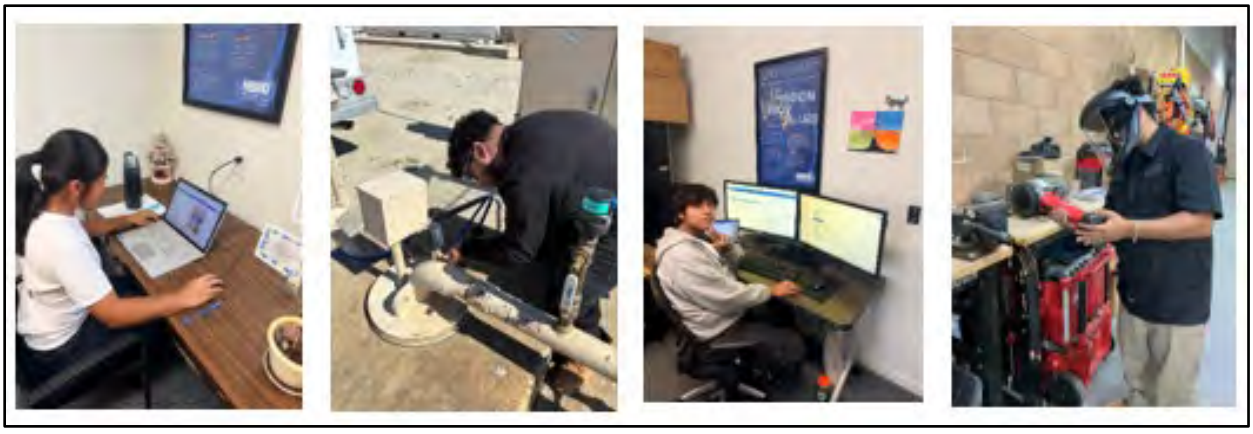


Desert Hot Springs High School REAL Academy Internships: June 29 – July 2, 2026

Growing our own! We are happy to host another group of interns from the Desert Hot Springs High School REAL Academy seniors. This program continues to be rewarding for the District and most important, it benefits the students in earning their internship hours along with the exposure to the vast world of public agencies and municipal water and wastewater management.

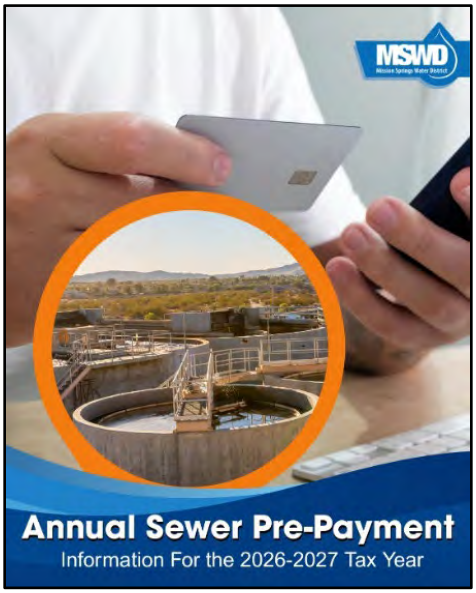
This summer, these talented students are gaining hands-on experience while making a difference across the District:

- Christopher – Water Production & Field Services
- Ezael – Wastewater
- Guadalupe – Public Affairs
- Michael – Information Technology (IT)



Public & Media Outreach

Annual Sewer Pre-Payment



Annual Sewer Pre-Payment – ended June 30, 2026. All sewer pre-payment letters were mailed May 4, 2026, to alert property owners of their option to pre-pay their sewer bill by June 30, 2026, to avoid the charges being applied to the property tax rolls.

The pre-payment option is being promoted through June 2026 on social media channels, digital advertising meta and google, the MSWD Water Matters Newsletter, and the MSWD website.

Because Water Quality Matters

MSWD's Annual Water Quality Report, also known as the Consumer Confidence Report, was mailed to all customers in the District's service area on June 26, 2026. This report provides a helpful snapshot of the water quality data collected during the previous calendar year and explains where our water comes from, how it is tested, and how it is protected.

Copies of the report in English were mailed to MSWD customers, if anyone would like a physical copy in Spanish, they can stop by our lobby and pick one up or call to request a copy to be mailed. The report is also now available to view on the website in both English and Spanish at mswd.org/CCR.

The annual report is being promoted through July 2026 on social media channels, digital advertising meta and google, Uken Report, El Informador Del Valle, the MSWD Water Matters Newsletter, and the MSWD website.



July is Smart Irrigation Month



Throughout the month of July 2026, and all year long, we encourage MSWD customers to take charge with a smart irrigation controller and upgrade their irrigation systems with weather-based irrigation controllers that use weather data (cellular, WiFi or sensor) and have rain shut-off capability.

Desert Renewal

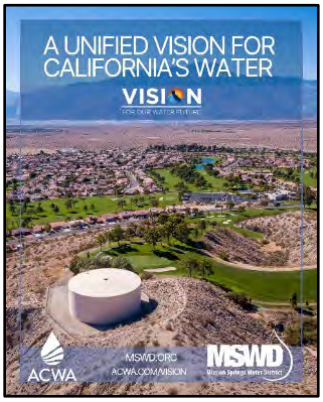


In partnership with CVAG, MSWD and local agencies are coordinating their response to the important issue of illegal dumping in our precious desert and conservation land.

- 1,284 acres cleaned
- 260,000 pounds od debris removed
- 45+ vehicles, RVs, and trailers removed.
- 23,300 pounds of tires removed
- 230 pounds of hazardous waste removed

To learn more view here: https://youtu.be/jTewtWsv_54?si=Fvkhu9yfR9RCSOaj

Vision for Our Water Future



Mission Springs Water District recently announced its support for Vision for Our Water Future, a statewide initiative led by the Association of California Water Agencies (ACWA) to advance a reliable, safe, and affordable water future for California.

The initiative brings together water agencies, business organizations, and labor partners to elevate water as a top priority for state leadership. Developed through workshops and member input, the Vision outlines practical, solutions-focused actions to strengthen California's water system and ensure long-term resilience.

Water Matters Newsletter



The MSWD June 2026 Water Matters newsletter features information about the annual water quality report, summer outdoor water conservation, and our bill assistance program. Our monthly newsletter can be found with your paper bill statement and the E-Bill digital statement (scroll down to view) in English and Spanish.

Legislative Updates

Federal: Reclamation Signs MOU to Explore Desalination and Water Recycling for Colorado River Basin

On June 3, 2026, the Bureau of Reclamation and major water agencies in California, Nevada, and Arizona signed a memorandum of understanding (MOU) to jointly explore how desalination and advanced water purification could strengthen long-term water reliability in the Colorado River Basin. Signatories include the San Diego County Water Authority, Metropolitan Water District of Southern California, Southern Nevada Water Authority, Arizona Department of Water Resources, Central Arizona Water Conservation District, and Salt River Project Agricultural Improvement and Power District. The MOU establishes a framework for evaluating how new water supplies produced through desalination or water recycling could be integrated into Basin operations, potentially allowing agencies to facilitate interstate water transfers using existing infrastructure without constructing new pipelines. The agreement does not alter existing water rights or commit any party to a specific project. Colorado River system storage currently stands at approximately 36 percent of capacity.

Federal: House Committee Releases WRDA 2026 Proposal

On June 26, 2026, House Transportation and Infrastructure Committee Chairman Sam Graves (R-MO) and Ranking Member Rick Larsen (D-WA) released the text of the Committee's version of the Water Resources Development Act (WRDA) of 2026 (H.R. 9497). The bill would authorize 10 Army Corps of Engineers construction projects and 131 new feasibility studies for locally proposed water resources infrastructure. The bill also includes policy changes aimed at streamlining project delivery, strengthening non-federal partners' ability to access Corps technical assistance and funding, and improving accountability. The Committee was scheduled to mark up the bill on Wednesday, July 1, 2026. The Senate Environment and Public Works Committee is working on a companion bill that has not yet been released. Congress has enacted a WRDA every two years since 2014.

A full Federal Update is available in Appendix B.

State: 2026 Legislative Update

In addition to all the budget activity, the Legislature spent June 2026 working to pass all bills out of policy committees in the second house. Any bill that failed to meet this July 2, 2026, deadline is dead and since it is the second year of the 2-year session, there is not an opportunity for the bill to move in 2027, it would have to be re-introduced in the new session.

State: 2026 Legislative Update

As mentioned above, the Legislature leaves for their month-long summer recess on July 2, 2026, and returns to Sacramento on August 3, 2026. When lawmakers return in August 2026, they will turn their focus on the fiscal impacts of the bills that are still alive. The final legislative deadline of the 2025-26 Session is August 31, 2026, at midnight when all bills must be sent to the Governor for action.

The State report and State Bill Tracking sheet are included in Appendix B.

Editorials

Uken Report

Running through June 2026, Uken Report posted our article about Because Water Quality Matters where we have taken the opportunity to highlight and promote our Consumer Confidence Report.





El Informador Del Valle

El Informador Del Valle posted the following articles on their website and can be found at the following address:
https://www.elinformadordelvalle.com/post/los-informes-anuales-de-calidad-del-agua-ya-est%C3%A1n-disponibles





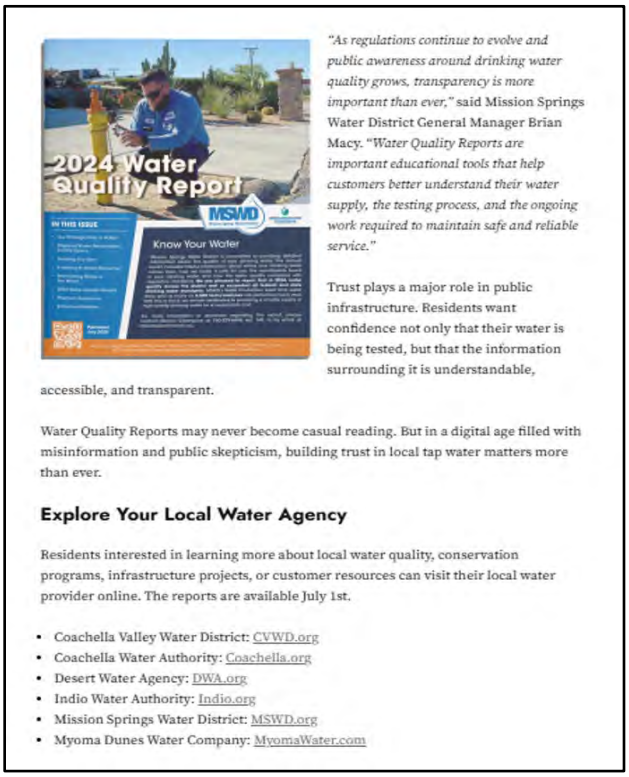
El Informador Del Valle posted the following articles in their print/hard copy newspaper.



Coachella Valley Independent

Coachella Valley Independent posted the following articles on their website and can be found at the following address: https://cvindependent.com/2026/06/distilling-the-details-how-some-local-agencies-are-raising-the-standard-on-public-outreach/





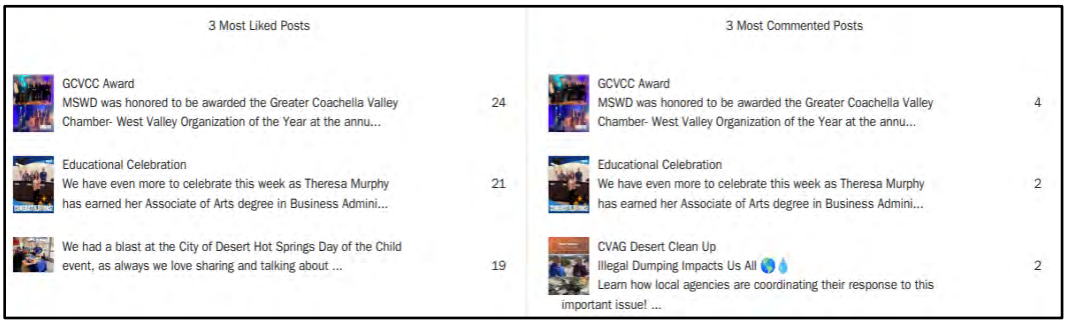
MSWD Digital Advertising

For the month of June 2026, the District featured two Google and Facebook/Instagram ads promoting various MSWD programs, the water quality campaign will run through July 2026. We have also launched a "Follow and Like Us" campaign which will run through the summer. The Google campaigns garnered 151.07k impressions, and 283 link clicks. Our Facebook/Instagram (Meta) ads garnered 108,528k impressions and 253 link clicks. The strongest engagement was the sewer pre-payment ad, garnering a reach of 26,302, and an impressive 108,528k impressions, and 108 link clicks. The MSWD website saw 5,567 users, 18,706 views, and 5,867 engaged sessions. You will notice a change in strategy, we will have one hero or main campaign, and one secondary campaign, we are seeing strong results from this approach. The full report is included in Appendix C.



Social Media

This report highlights activities and posts on the District's social media platforms. Some of our most engaging posts included the education celebration, certification celebration, and the CVAG desert clean-up posts. Facebook had a lot of traction this month. The most shared posts were the June 2026 blood drive promo, News Release/ACWA, and the We Are Here for You 24/7 posts. We had 106,652 total views, 1,583 total likes, 256 reel/video views, and 53 new page likes. Instagram had a total reach of 20,987 an average about 30 views per story shared, and 18 new followers. LinkedIn is growing with 2.566 impressions, up from 1,792 last month, 101 clicks, 4 new followers, and a 7.84% engagement rate. A copy of the full social media report can be found in Appendix C.



3 Most Liked Posts

GCVCC Award MSWD was honored to be awarded the Greater Coachella Valley Chamber- West Valley Organization of the Year at the annu...	24
Educational Celebration We have even more to celebrate this week as Theresa Murphy has earned her Associate of Arts degree in Business Admini...	21
We had a blast at the City of Desert Hot Springs Day of the Child event, as always we love sharing and talking about ...	19

3 Most Commented Posts

GCVCC Award MSWD was honored to be awarded the Greater Coachella Valley Chamber- West Valley Organization of the Year at the annu...	4
Educational Celebration We have even more to celebrate this week as Theresa Murphy has earned her Associate of Arts degree in Business Admini...	2
CVAG Desert Clean Up Illegal Dumping Impacts Us All 🌎💧 Learn how local agencies are coordinating their response to this important issue! ...	2

CV Water Counts

June 2026 was a busy multi-channel month for CV Water Counts. On the website, 2,739 visitors came through for 3,591 sessions and 4,754 pageviews, with the majority arriving on mobile. The Conservation Tips page was the runaway favorite at roughly 1,830 views, followed by the National Hydration Day summer article at just over 1,000, and the Water Rebate Map and Rebates pages drew steady interest as well. On Google Ads, the bilingual display campaigns in English and Spanish served 43,957 impressions and about 1,800 clicks, the search campaign added 7,547 impressions and 200 clicks, and the YouTube video ads, also run in both languages, reached 60,308 impressions with 31,870 video views. On the Meta side, the June 2026 ad delivered 46,709 impressions, reached 23,155 people, and pulled 766 link clicks. Organic social stayed active too: the Facebook page picked up 25,012 impressions and 592 post engagements, while Instagram content drew 28,068 views. And the Water Watch newsletter had a standout send, landing a 54.55 percent open rate and a 4.77 percent click rate, both well above industry norms, across 121 total clicks. A full report can be found in Appendix C.



Rebates & Conservation

The Public Affairs team continued to promote rebates and conservation throughout our service territory during the month of June 2026.

Rebate Type	Total Rebates for June 2026	Total Rebates for June 2026
Toilet	4	$400.00
Turf	1	$27,440.00
Clothes Washer	3	$450.00
Smart Controller	1	$150.00
Conservation Kit	32	-

Bottled Water Tracking Report

Date Supplied	Requested By	Event or Purpose	Cases Requested
06/02/2026	Riverside First 5	Community Events	5
06/10/2026	Community Action Partnership of Riverside	DHS Cooling Center	200 reusable water bottles
06/18/2026	DHS High School Athletics Department	Summer Athletic Program	5
06/24/2026	DHS Knights of Columbus	Meetings and Events	5
06/24/2026	Riverside County Office of Economic Development	Meetings and Events	5
		Total	**20**



ENGINEERING DIVISION

Engineering Department

Below is a list of Capital Projects and status updates for June 2026.

Well 42 Project
Staff continued to coordinate with the contractor, Layne Christensen, and the Construction Management Team, MWH. The Contractor is progressing on electrical items. Additionally, the Contractor completed the final inspection with Southern California Edison (SCE) and successfully passed. SCE will now proceed with installing an electrical service and meter.

Well 22 Rehabilitation
Staff continued to collaborate with the Contractor, Canyon Springs Enterprises, on reviewing and responding to RFIs, and procuring materials. The Contractor completed placing concrete for the Well Pedestal and now is working on electrical items related to Southern California Edison (SCW) acceptance. The first inspection with SCE for the project is scheduled for July 8, 2026. The District is also working with the Contractor to install the pump on the week of July 13, 2026.

Regional Water Reclamation Facility
The Project Team continues to coordinate with MSWD staff and the State Water Resources Control Board on the SRF/Grant funding agreement and reimbursement requests.

Regional Water Reclamation Facility Conveyance Line
The Project Team continued responding to submittals, RFIs, and processing change orders and payment requests submitted by the contractor, Downing Construction, Inc. The diversion structure construction is nearing completion with full start-up and commissioning on-going.

Area M2 Sewer Collection System (AD-15)
The Project Team began processing submittals and RFIs.



Water Resources Department

Below is a list of water resources related activities for June 2026.

Integrated Regional Water Management Planning

The Coachella Valley Regional Water Management Group (CVRWMG) implements the Integrated Regional Water Management (IRWM) Plan for the Coachella Valley IRWM Region. The CVRWMG met to discuss on-going grant funded projects and upcoming grant opportunities, including continued discussion on Conservation Regulations and Chromium-6 compliance.

Mission Creek Subbasin SGMA Compliance

The Mission Creek Subbasin Management Committee (Management Committee) had a monthly progress meeting with the consultant, WSP, for the 2027 Alternative Plan Update for the Mission Creek Subbasin for continued compliance with the Sustainable Groundwater Management Act (SGMA). Staff continued responding to the various data requests.

San Gorgonio Pass Subbasin SGMA Compliance

The San Gorgonio Pass Subbasin Groundwater Sustainability Agencies (GSAs) had a meeting to discuss SGMA items and progress on the 2027 Groundwater Sustainability Plan Update for the San Gorgonio Pass Subbasin for continued SGMA compliance. Staff completed review and comment on the administrative draft of Chapter 2, and began review and comment of the administrative draft of Chapters 3, 4, and 5.

Salt and Nutrient Management Planning

Staff attended the monthly Steering Committee meeting to discuss review of the draft Technical Memorandum 5 'Construct TDS/N Forecasting Models' and preparation of Technical Memorandum 6 'Forecast TDS/N for SNMP Scenarios'.

Community Workshop #3 is scheduled for July 1, 2026.C.

Urban Water Management Planning

The MSWD Board of Directors adopted the 2025 Coachella Valley Regional Urban Water Management Plan (CV RUWMP) and Water Shortage Contingency Plan at the June 2026 workshop.

The consultant, Todd Groundwater, submitted the final 2025 CV RUWMP and Water Shortage Contingency Plan to the California Department of Water Resources ahead of the July 1, 2026, deadline.

FINANCE DIVISION

Finance & Accounting Department

Department Overview

The Accounting Department continued regular operations throughout the month of June 2026.

- The fiscal year 2027 budget has been completed.
- Staff continues to work with Tyler on the Enterprise Resource Planning (ERP) system upgrade.
- Accounting is working on the Official Statement for the debt issuance related to the new Administration Building and a water booster stations.

Payroll Services

Payroll staff continues to process payroll changes from evaluations, including retroactive payments. These do require additional work as it relates to the amounts submitted to CalPERS for the employees' pensions.

ERP System Implementation

Phase 1, core financials has been completed. This is the largest module and includes general ledger, accounts payable, purchasing, budget, bank reconciliation, and fixed assets. Inventory just went live in June 2026. Payroll will go live in August 2026, and utility billing in November 2026.

Accounting Support

The Accounting department continues to support other departments as needed:

- Operations – Accounting continues to support operations on projects and deposits.
- Human Resources – Accounting continues to work with Human Resources to update employee information related to change of status, new hires, and CalPERS appointments.
- Customer Service – Accounting continues to support Customer Service by processing multiple customer refunds for credit balances on closed accounts. Accounting is also working with Customer Service on audit details for customer accounts that need to be corrected or simply to provide additional support as requested by the auditors.

Budget

There was one budget transfer requests for the month of June 2026, totaling $15,000.

Number	Account	Name	Amount	Post Date	Description
BA0000012	301-582-53465	Sewer Solids Hauling	$ (15,000.00)	06/30/2026	BA FY 2026
BA0000012	301-582-54100	System Repair Parts	$ 15,000.00	06/30/2026	BA FY 2026

Cash Receipts

Total cash receipts for the month of June 2026 amounted to $1,968,599.58. The largest sources of cash receipts were normal water and sewer customer account payments.

Cash Disbursements

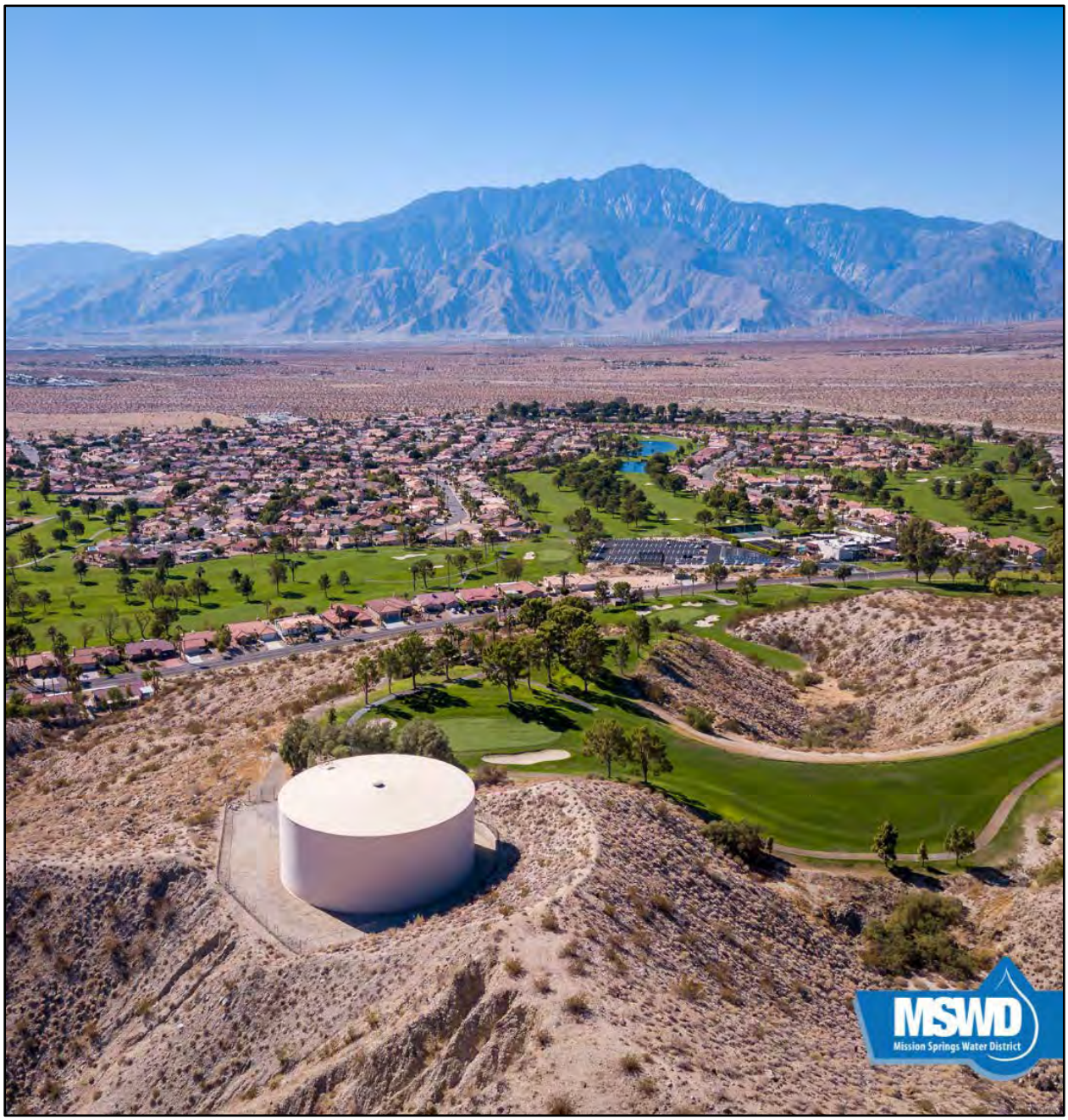
Total cash disbursement for the month of June 2026 amounted to $3,090,831.16, with the largest payments made for loan payoffs, transient occupancy tax, and insurance.

Financial Statement

A year-to-date summary of the District's financial position for Fiscal Year 2025-2026, in addition to a comparison to the previous fiscal year, can be found in Appendix D.

Capital Improvement Program

The District maintains a 5-year Capital Improvement Program that includes water and sewer infrastructure, facilities, and fleet. A year-to-date summary of the District's Capital Improvement Program for Fiscal Year 2025-2026 can be found in Appendix D.



Purchasing Department

Staff continues to source sanitization supplies to ensure wipes, hand sanitizers, disinfectants are available in all district buildings, and vehicles for the safety of the staff.

Price increases and supply chain issues continue to surface in our industry. Specifically, PVC pipe and fittings, ductile iron pipe and service brass fittings, restraints, hydrants, and valves, as well as many other products, are experiencing significant shortages that could lead to extended lead times. Along with these supply chain problems, pricing continues to escalate. These problems exist with both domestic and imported materials. We will continue to monitor the situation and do our due diligence in getting all the material that is needed to maintain our water systems.

Total inventory purchases were $49,443.59, and the total issued for use by field crews was $41,207.24 for the month of June 2026.



OPERATIONS & MAINTENANCE DIVISION

Construction & Maintenance Department

Water Line Locations

Staff completed approximately 221 water line location requests using iPads and the GeoViewer Mobile app to streamline and manage line locations.







Water System Repairs/Replacement

Staff continued to repair and replace components of the water distribution system keeping it in optimum working order and properly functioning without any interruption. Below is a summary of the repairs and replacements completed in June 2026.

Description	June 2026	CY 2026
Water Service Lines Replaced with Copper	14	77
Water Service Line Leaks Repaired	9	32
Water Mainline Leaks Repaired	7	22
Fire Hydrants Repaired/Replaced	1	24





Water System Maintenance

Staff continued to implement preventative maintenance and inspection programs to keep the water distribution system in optimal working order and properly functioning without any interruption. Below is a summary of the maintenance completed in June 2026.

Description	May 2026	CY 2026
Ground Valves Exercised	137	553
Fire Hydrants Flushed, Maintained, and Painted	44	208
Air-Release Valves Maintained/Repaired	1	202
Cla-Val Valves Maintained/Repaired	0	0
Blow-Offs Flushed	8	349







CMMS Workorder Program

A total of 30 work orders were processed in June 2026 using the CMMS program.

New Water Meter Service Installation

Staff installed four new water service lines in June 2026.

Fire Flow Testing

Staff conducted no field fire flow tests for the Engineering Department in June 2026. Engineering is still conducting fire flow test results using the new hydraulic model.



Fleet & Facility Maintenance Department

Janitorial Services

The District's janitorial company, Executive Facilities, has been very responsive to staff requests and continues to provide good service with no janitorial issues at this time. Staff received a response to our formal notice of breach of contract and has resolved this insurance coverage issue.

Building Maintenance

Staff completed the following building maintenance during the month of June 2026.

- Completed fabrication of six hydrant locks for use throughout the District.
- Replaced the float valve and flapper in the downstairs men's restroom at the Administration Building.
- Repaired six irrigation leaks at Well 27/31.
- Repaired three irrigation leaks at Well 28.
- Replaced the faucet in the downstairs breakroom at the Administration Building.
- Welded pipe restraint for line abandonment at Gateway Reservoir for Construction and Maintenance.
- Unclogged the drain in the Corporate Yard restroom sink.
- Repaired six irrigation leaks at Well 25.
- Repaired three irrigation leaks at Woodridge Reservoir.
- Cleaned under carport at Corporate Yard in preparation for the all-hands meeting.
- Repaired two irrigation leaks at Terrace Reservoirs.
- Repaired two irrigation leaks at Quail Reservoir.
- Repaired three irrigation leaks at Two Bunch Reservoir.
- Installed, then removed a keyboard slide out for the Contracts Analyst.
- Cleaned dirt buildup and debris from crevice areas in Corporate Yard shop.
- Replaced two burnt out bulbs in the Administration Building lobby.
- Cleaned and lubricated the deadbolt lock on the Annex Building security door.
- Replaced low tank of welding gas cylinder in the Corporate Yard shop.
- Replaced DEF barrel in Corporate Yard shop.
- Removed graffiti from the dumpster enclosure at the Administration Building.
- Completed the biweekly cleanup of Old stores.

Standby Generator Monthly Maintenance Program

Monthly testing is conducted to ensure that all generators are in good working order and ready for use when needed.

- All generators were run, including the equipment located in the CONEX storage container at the Corporate Yard.

Fleet Maintenance/Repairs

Staff completed the following fleet maintenance during the month of June 2026.

- Unit 442 had tire plugs installed on the front right and rear right inner tires due to puncture damage.
- Unit 453 had the cabin air filter replaced.
- Unit 461 had the battery replaced, and a PM service was performed. The oil was changed and the washer fluid was topped off.

- Unit 395 had the taillight wiring repaired, a side marker light housing fabricated, and rear light panel seam rewelded.
- Unit 369 had the PCM replaced.
- Unit 433 had the rear dual tires rotated.
- Unit 398 was picked up by GovDeals buyer.
- Unit 421 had the battery replaced under warranty.
- Unit 362 had the hydraulic fluid topped off and fire extinguisher retaining straps replaced.
- Unit 463 had a new tool stay fabricated for suction tube and a missing crossbolt replaced on suction tube end replaced.
- Unit 458 had rear left tire patched, and bed accessories were removed for upcoming bed replacement.
- Unit 462 had a PM service performed, oil changed, tires rotated, and washer fluid topped off.
- Units 400 and 401 had a PM service performed, oil changed, air and fuel filters changed, spark plugs replaced, and all brake pads replaced.
- Unit 468 had emergency strobes installed and was taken to Palm Springs Motors for a recall repair.
- Unit 466 had bedliner applied to the rearmost section of truck bed.
- Unit 385 had a crack in the top of the water tank temporarily mended, and a high-pressure water line and fitting replaced.
- Unit 448 had the left hub seal replaced and was inspected for a hydraulic fluid leak.
- Unit 414 had the right inner dual tire replaced at Desert Tire and Auto Repair and the secondary filter for the pony motor replaced.
- Unit 470 was upfitted with MSWD decals and unit numbers, emergency strobes, and the radio, tools, and toolboxes from Unit 450.
- Unit 447 was refueled onsite at the Wright Plant.
- Unit 466 had the vice assembly downsized.
- Unit 427 had the windshield replaced onsite by Mac's Auto Glass.
- Unit 439 had the chop saw pull cord replaced.
- Units 464 and 465 had fabrication of vice mount initiated.



Field Services Department

WaterSmart / Neptune 360

Staff routinely monitors for continuous usage and high-water usage on customer accounts and proactively makes contact through the Customer Portal, phone, email, or in person to inform them of potential issues. The following is the number of contacts made this month:

Contact Type	Total for June 2026	Total for CY 2026
Continuous Usage	67	354
High Usage (>Normal)	13	55
Reverse Flow	0	0
Total	**80**	**409**

Cross Connection Control Program

The Backflow and Cross Connection Specialist performs annual testing of Backflow Prevention Assemblies (BPAs) throughout the District as required by the SWRCB Cross Connection Control Policy Handbook.

Type	Total for June 2026	Total for CY 2026
BPAs Tested	207	1,153
Hazard Assessments	1	29

Service Orders

The Field Services team carries out a range of assignments throughout the month, based on requests submitted by customers or directives issued by the office, to support District-wide operations. A detailed breakdown is provided in the list below.

Type	Total for June 2026	Type	Total for June 2026	Type	Total for June 2026
Non-Pays	169	Change Out New Meter Box	2	Illegal Connections	9
Shut-Off per Customer	45	Customer Side Leaks	18	Construction Meter Reads	44
Shut-Off per Office	8	Meter Maintenance	145	Construction Meters Installed	2
Water Reconnection	118	Water Quality Investigation	1	Construction Meters Removed	2
Change Out Register	7	High Water Pressure Investigation	3	District Side Leak Investigation	4
White Door Hangars	57	Low Water Pressure Investigation	3	Customer Side Leak Investigation	22
Red Door Hangars	67	Water Waste Investigation	4		
High Bill Investigation	11	No Water Investigation	6		

Vegetation and Debris Removal

The Field Services team removed heavily vegetated areas to expose and clearly identify meter box easements.





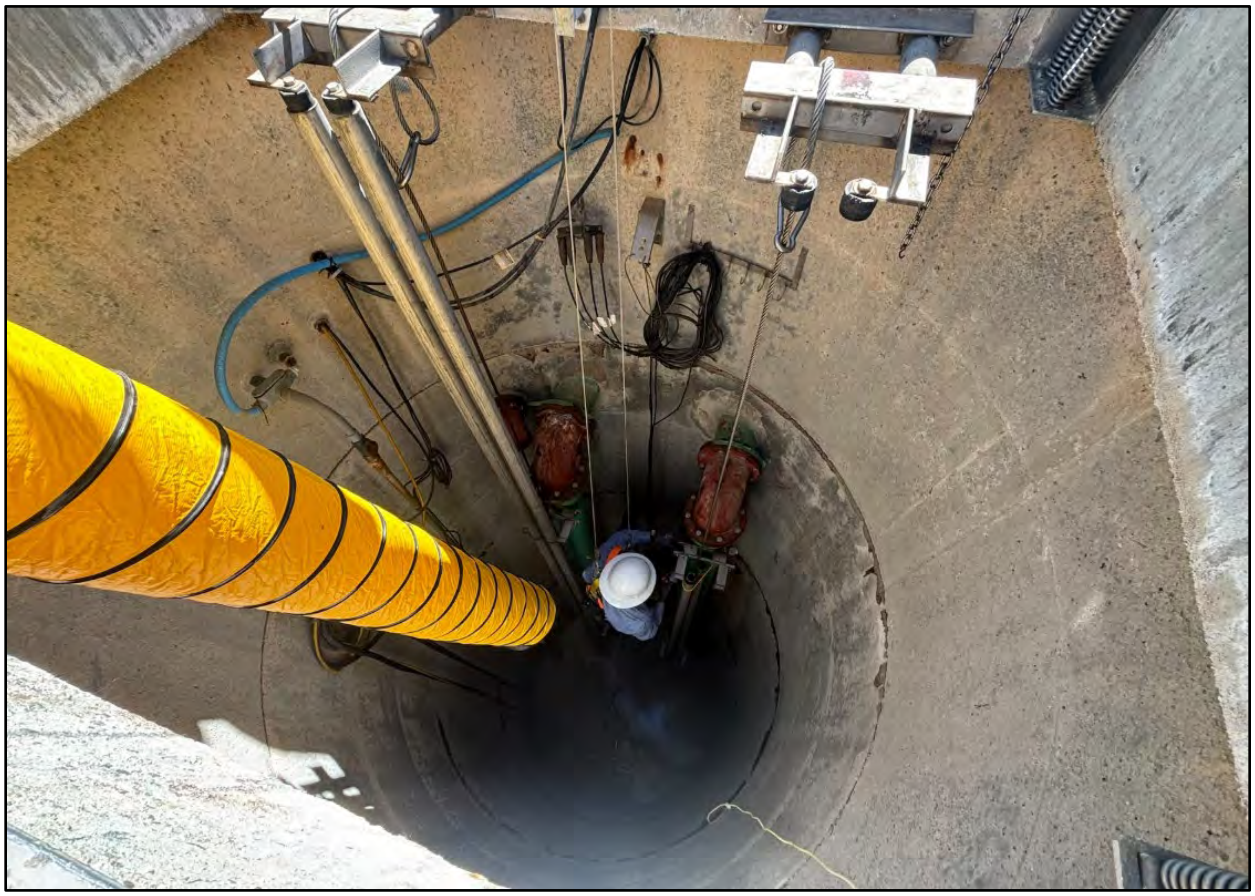
Wastewater Collection Department

Sanitary Sewer Overflow

There were no Sanitary Sewer Overflows (SSOs) in the collection system this month.

Dos Palmas Lift Station

Operators conducted daily site visits to ensure proper pump operation, Supervisory Control and Data Acquisition (SCADA) system functionality, and site security. Staff identified a damaged guide rail bracket caused by prolonged pump vibrations. To complete the repair, staff performed a confined space entry into the wet well and replaced the damaged bracket, restoring proper support and operation of the guide rail system.



Sewer Line Locations

Staff completed 227 sewer line location requests using iPads and the GeoViewer mobile application to streamline and manage line locations.

Sewer Line/Collections Maintenance

Staff conducted inspections of 6,982 feet of sewer mainlines using CCTV. Staff also completed cleaning of 0.97 miles of sewer mainlines this month.

Fats, Oils, and Grease (FOG) Inspections

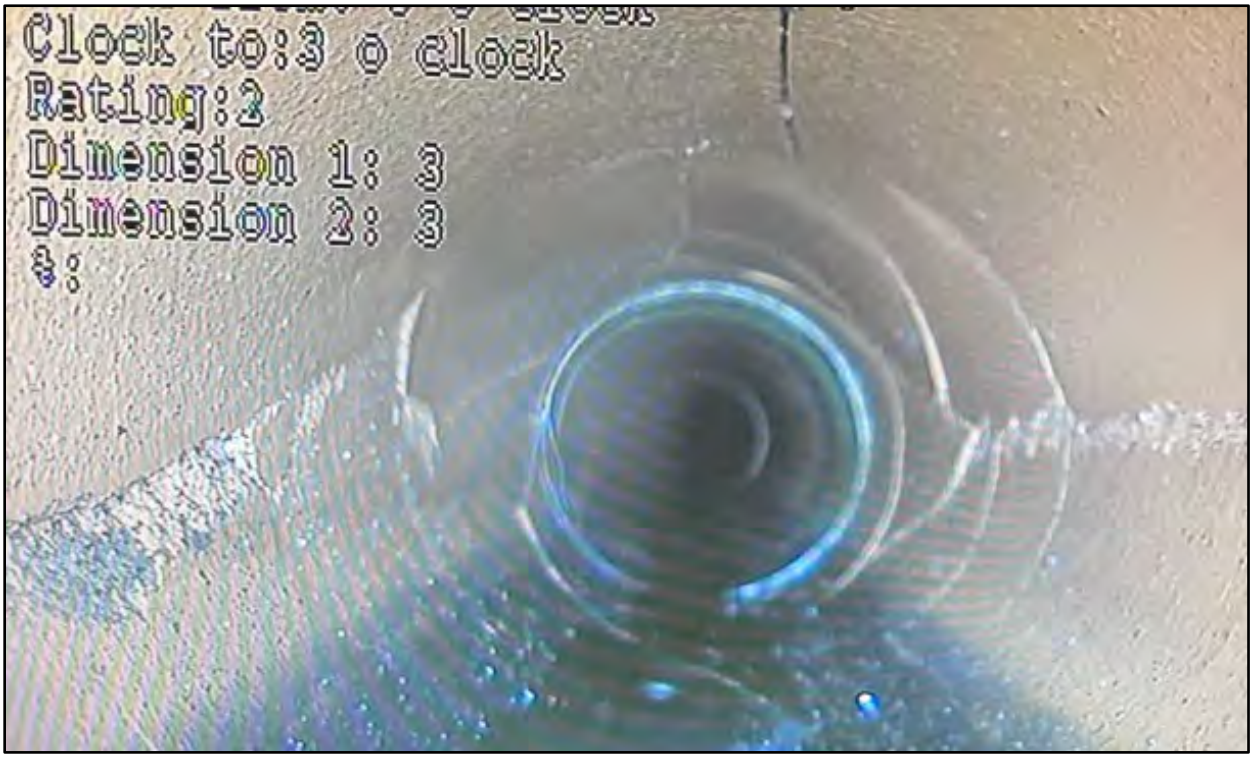
Staff did not perform any FOG inspections this month. The next round of FOG inspections will commence during the first half of July 2026.

Collections System Hotspot Inspections

Collections staff conducted hotspot inspections, cleaned the areas, and performed visual assessments of each segment using the CCTV truck. Through these inspections, staff were able to reevaluate and optimize hotspot cleaning frequencies, while identifying areas that can be adequately maintained through the routine cleaning schedule.







Wastewater Treatment & Disposal Department

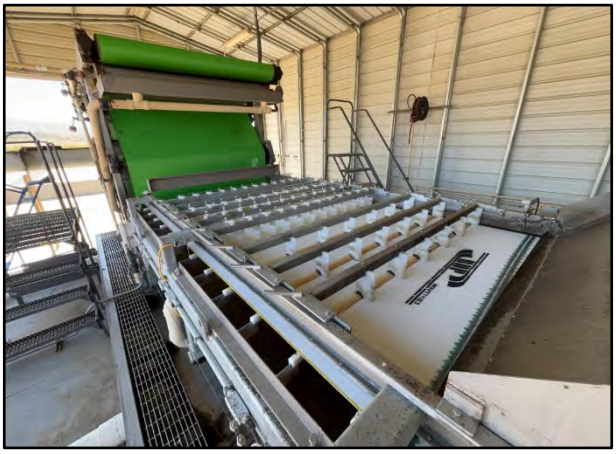
Plant Maintenance

Between the Horton, Desert Crest, and Wright Wastewater Treatment Plants, employees worked 943-man hours to execute routine plant maintenance, equipment maintenance, and plant operations. Staff members operated the sludge belt filter press for 126.2-man hours during this period, filling and emptying 15 trailers with sludge from the Horton, Wright, and Desert Crest plants.

Horton Belt Press Belt Changeout

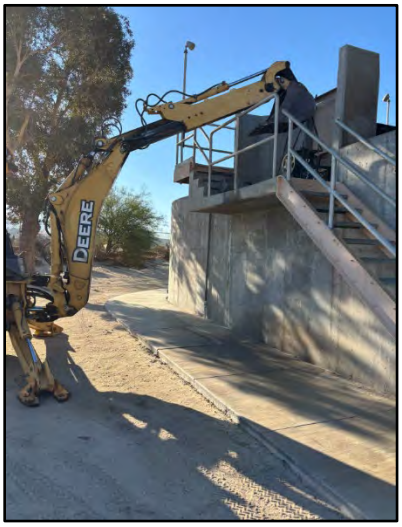
Staff replaced all three belts on the belt press, including the gravity zone belt, upper pressure belt, and lower pressure belt. This work was completed as a preventative maintenance measure to reduce the risk of equipment failure during periods of increased sludge production and to ensure the continued reliability of the dewatering process.





Horton Aeration Brush 1 Bearing Replacement

Staff replaced the outboard bearing on Aeration Brush No. 1 after excessive wear caused the bearing to seize and generate elevated temperature readings. The replacement restored normal operation and helped prevent further damage to the equipment.





Horton Clarifier 4 and 5 Brush Replacement

Staff replaced the outer wall brushes on Clarifiers 4 and 5. These brushes play a critical role in preventing the buildup of algae, sludge, and other unwanted scum on the clarifier walls, ensuring efficient operation and reducing maintenance requirements.





Wright RWRF Sequencing Batch Reactor (SBR) Tank 4 Changeover

Following the replacement of the damaged diffusers in SBR 4, staff transitioned operations back to the tank to verify proper functionality and performance. The tank has now been online for approximately one month, allowing the biological process to reestablish itself and effectively treat wastewater in compliance with State Water Resources Control Board permit requirements.



Sampling and Laboratory

Staff collected 94 samples and spent 188-man hours performing laboratory duties and analysis for process control and regulatory reporting purposes. Effluent from the Horton, Wright, and Desert Crest plants consistently met the District's discharge permit requirements.



Pond Maintenance

Horton Ponds 1, 4, 5, 6, 7, and 8 were cleaned and rehabilitated during June 2026. The ponds continue to exhibit a high percolation rate.



Wastewater Report

Through continued development in the Desert Hot Springs area, and at the request of new consumers, sanitary services are always being added to the collection system. Below is a summary of new sanitary service connections by month.

New Sanitary Service Connections to Collection System					
Fiscal Year	**2025/26**	**2024/25**	**2023/24**	**2022/23**	**2021/22**
July	13	9	4	4	18
August	20	7	12	26	20
September	4	2	17	20	20
October	26	2	3	13	36
November	3	22	7	8	29
December	1	5	21	8	12
January	4	1	2	35	14
February	30	55	1	4	7
March	16	30	1	24	17
April	20	46	7	16	7
May	25	42	8	9	16
June	18	4	0	4	2
Total	**180**	**235**	**83**	**171**	**198**

Additional sanitary service connection information is provided in Appendix E.

The following table shows the average daily flow and peak daily flow for the Horton WWTP, Desert Crest WWTP, and Wright RWRF.

Wastewater Flow (MGD)						
Fiscal Year 2025/26	**Horton WWTP**		**Desert Crest WWTP**		**Wright RWRF**	
	Average Daily Flow	**Peak 24-Hour Flow**	**Average Daily Flow**	**Peak 24-Hour Flow**	**Average Daily Flow**	**Peak 24-Hour Flow**
July	1.862374	1.999693	0.042087	0.048290	0.169682	0.194612
August	1.785411	1.918440	0.034649	0.040490	0.188708	0.236098
September	1.858563	1.995437	0.030936	0.039250	0.200613	0.240535
October	1.893174	1.994838	0.031488	0.038150	0.189350	0.250412
November	1.922275	2.161271	0.035959	0.046170	0.182794	0.208263
December	1.872361	1.992182	0.031247	0.040290	0.189836	0.243899
January	1.926865	2.046751	0.029501	0.035770	0.184522	0.209300
February	1.897698	2.081533	0.030420	0.037800	0.192446	0.271299
March	1.901059	2.085559	0.028617	0.035320	0.186100	0.290100
April	1.941607	2.034653	0.032565	0.042150	0.188973	0.245700
May	1.882155	2.045014	0.031495	0.038270	0.203787	0.296400
June	1.733136	1.948796	0.030246	0.035940	0.188783	0.210300

Additional wastewater flow information is provided in Appendix E.

Water Production Department

Water Produced

Water System	System Number	June 2026 (AF)	June 2026 (MG)
Mission Springs WD	CA3310008	791.43	257.80
West Palm Springs Village	CA3310078	11.62	3.70
Palm Springs Crest	CA3310081	6.29	2.00
	Total	**809.34**	**263.50**

Water Sampling/Testing

- Bacteriological Sampling – Staff collected 50 routine samples in the MSWD system, four routine samples in the ID-E area which includes the West Palm Springs Village (WPSV) and Palm Springs Crest (PSC) systems, and four well samples in ID-E.
- Staff collected 16 general physical samples in the MSWD system and two general physical samples in ID-E.
- Well 26A Uranium Treatment (IXP) Sampling – The monthly sample will be collected June 3, 2026.
- DDW Reporting – The District's Monthly and Quarterly Coliform Monitoring Report for all three water systems will be sent to the SWRCB Department of Drinking Water (DDW) on July 10, 2026.
- Chromium-6 Sampling – Staff completed the Chromium-6 sampling on June 17, 2026, for all our wells except for Wells 22 and 34 due to being offline for mechanical failure.

Chlorination System Updates

- Chlorination Pumps – Staff conducted routine maintenance and inspections on all chlorine pumps and related equipment at well sites. Staff made necessary adjustments, repairing and/or rebuilding to ensure proper operation. Chlorinator pumps continue to function properly, with only typical preventative maintenance required (i.e., repair of cracked chlorination suction/feed tubing and diaphragm replacements).
- Sodium Hypochlorite (Chlorine) Usage – During the month of June 2026, a total of 2,314 gallons of chlorine (12.5% solution strength) was used to disinfect the distribution system and our production facilities. (Reflects usage in the MSWD and ID-E water systems.)
- Chlorine Residuals at Production Well Sites – In June 2026, the Water Production staff checked and documented the chlorine residuals at all wells in use 195 times. The average chlorine residual of these readings was 1.04 ppm. (This data reflects the MSWD and ID-E water systems.)
- Distribution System Chlorine Residuals – During the month of June 2026, the Water Production staff checked and documented the chlorine residuals throughout the distribution system a total of 108 times. The average chlorine residual of these readings is 0.88 ppm. (This data reflects the MSWD and ID-E water systems.)

Well Soundings

Staff continued to sound the groundwater levels for 13 production wells and nine monitoring wells. Staff aim to complete these by the 20th of each month.

Water Production Facility Updates

Staff are responsible for oversight of all water production sites, including making necessary operational adjustments to ensure optimal performance. Their duties also include conducting monthly overflow maintenance, which may require climbing reservoirs when needed.

Sanitary Survey Corrections

In June 2026, staff continued to correct items that were brought to our attention during the last Sanitary Survey Inspection. All resolved issues are documented, and a photo is uploaded to a folder to be sent to the DDW.

Gateway Fire Pump Testing

Staff performed the monthly fire pump testing in June 2026. All systems functioned properly. Water loss data was captured and entered onto our water loss tracking worksheet.

Motor Oil Changes

All well and booster pump motors were changed in June 2026 to account for the warmer temperatures. Oil changes will be made again in September or October 2026 to account for cooler temperatures. Production staff installed ball valves at each well site, which will make oil changes quicker and more efficient.



Well 26 Bac-t Failure/4-Log Removal

In June 2026, staff conducted routine weekly bacteriological source and compliance point sampling in accordance with the 4-log removal agreement with the State Water Resources Control Board DDW. Weekly bac-t samples are collected each Wednesday, and chlorine residuals are collected each day the well pumps into the system, to ensure adequate dosing remains above the DDW required 0.50 mg/L. All documentation is being provided in the daily production run reports in GeoViewer.

Well 37 Analyzer

Production staff have begun preparation for the installation of a new chlorine analyzer. Work is pending the receipt of parts and materials needed to mount the analyzer cabinet.

Sample Station Maintenance

Production staff have completed cleaning and repainting all sample stations across the District.





Well 24

Well 24 was placed into stand-by status on November 19, 2025. The well will remain in stand-by status until further notice. The Cla-Val for flushing to waste has been adjusted and will not pump into the system.

Existing Well 33 RES-BCT Solar Site

Repair work began on April 20, 2026. The contractor is expected to complete construction repairs ahead of schedule sometime in the beginning of July 2026. Work completed in June 2026 included the following:

- Work Completed:
  - Staff issued Change Order No. 1, just under $30,000 for replacement of the stolen wire.
  - DC health checks continued; however, they stopped when the site was broken into.
  - A faulty power supply on TMAC 1 was identified and replaced.
  - Performed IV curve tracing across the entire site began, but this work is delayed due to the wire theft.
  - Work is at a standstill until the wire arrives, at which time the contractor will return to the site.
- Issues Encountered:
  - In June 2026, the site experienced a break in with vandalism and wire theft. AC and DC wiring was cut and stripped. Five of the six solar array tables are offline, and no other troubleshooting work can continue until the wires are replaced.
  - Two motor replacements were part of the original scope of work. The contractor discovered issues with two additional motors which will need to be replaced. Efforts to identify potential issues with the remaining two motors will resume once the stolen wires are replaced.
  - There were approximately 6 inverters that are faulted out. Troubleshooting was slated in June 2026. While the troubleshooting efforts would take some time to complete, the contractor noted that troubleshooting for a day or more (very likely) would exceed the cost of a new inverter. Staff is opting to go with inverter replacement.
  - Staff will be presenting an item to the Board in July 2026 to approve Change Order No. 2 and augment the capital budget to cover costs.
- Planned Work:
  - Next month, the contractor will focus on replacing the stolen wires once the material is received.

Upon completion of final repairs, efforts to initiate the RFP process for annual solar site operations and maintenance services will resume.

Horton WWTP PPA Solar Project

Kenwood Energy provided the table below that evaluates the performance and compares the most recent month's performance and the performance over the most recent 12-month period. Items to note:

- The "12-Months" column includes data from start-up in December 2025.

- Monthly Generation is 95% of projection, which is similar to the last few months.
- The net dollar savings continue to be significantly higher than projected. We are starting to see a significant savings from Max Demand reduction in summer months ($1,800 in June 2026).

	Horton WWTP	
	Recent Month	12-Months
Projected kWh Gen	75,272	452,743
Actual kWh Gen	71,388	400,723
Projected SCE $ Saved	$9,011	$54,104
Actual SCE $ Saved	$12,607	$58,311
Projected PPA Payment	$8,656	$52,065
Actual PPA Payment	$8,210	$46,083
Projected Net Savings	$355	$2,039
Actual Net Savings	$4,397	$12,228

Nancy Wright RWRF PPA Solar Project

The contractor returned in June 2026 to install back-ordered items and complete the remaining punch list. However, a wire splice repair still remains. Once this is completed, the Contractor will submit the Notice of Commercial Operation, initiating PPA payments.

New RES-BCT Solar Project

The application with SCE has been approved. Construction will begin following the Nancy Wright RWRF site. Work is tentatively scheduled to start in September 2026. However, there may be delays with SCE's work schedule delaying the start for the solar contractor.



Water Report

Through continued development in the Desert Hot Springs area and at the request of new customers, water services are always being added. Below is a summary of new water services added each month.

New Service Connections to the Water System					
Fiscal Year	**2025/26**	**2024/25**	**2023/24**	**2022/23**	**2021/22**
July	18	9	5	6	18
August	19	14	14	28	19
September	8	6	19	22	23
October	26	2	4	16	33
November	3	25	9	10	27
December	8	6	5	9	9
January	3	1	5	26	14
February	31	59	3	14	8
March	16	37	6	29	19
April	20	64	11	24	6
May	29	54	9	16	19
June	23	7	3	5	1
Total	**204**	**284**	**93**	**205**	**196**

Additional water service connection information is provided in Appendix E.

As expected, the new water services increase the amount of water needed to be pumped; however, the weather and water conservation continue to be the primary factor in MSWD water production. The following table summarizes the MSWD water production by month.

Monthly Water Production (AF)							
	FY 2025/26	**Variance from Prior Year**		**FY 2024/25**	**FY 2023/24**	**FY 2022/23**	**FY 2021/22**
		AF	**%**				
July	812.67	-126.40	-13.46	939.07	789.99	751.79	796.57
August	789.94	-28.69	-3.50	818.63	737.74	850.19	839.93
September	762.89	-22.96	-2.92	785.85	675.06	716.03	738.65
October	674.64	-43.62	-6.07	718.26	709.23	691.98	665.18
November	531.93	-42.15	-7.34	574.08	629.05	599.39	679.85
December	666.21	19.13	2.96	647.08	529.99	554.27	565.48
January	541.35	-30.89	-5.40	572.24	556.57	530.39	580.28
February	521.99	12.91	2.54	509.08	458.69	490.41	527.34
March	685.32	121.04	21.45	564.28	560.24	500.37	601.44
April	679.09	74.45	12.31	604.64	649.67	552.34	624.07
May	681.03	35.63	5.52	645.40	696.24	726.25	745.36
June	809.34	40.32	5.24	769.02	700.11	682.09	730.02
Total	**8,156.39**	**8.76**	**0.11**	**8,147.63**	**7,692.58**	**7,645.50**	**8,094.17**

Additional water production information is provided in Appendix E.

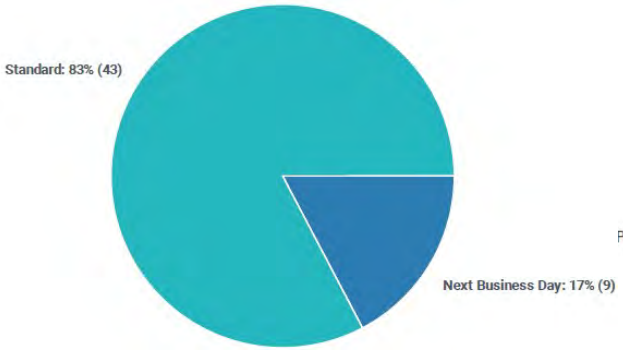
APPENDIX A – Innovation & Technology Information

INTELESYS
IT for Public Sector

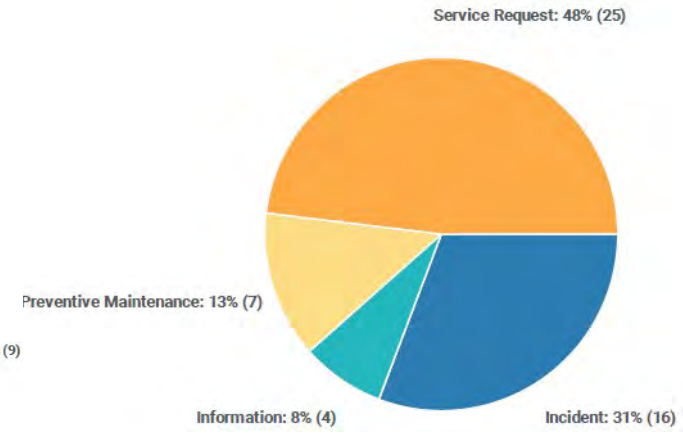
Mission Springs — June 2026 Client report

Client Activity Report and Analysis

Tickets received by Priority



Tickets received By Type



Client Service Rating	
Overall Satisfaction	—
Number of Service Requests	53
Number of Survey Responses	0
Response Rate	0%

Tickets Received	**53**
Tickets Closed	**51**
Ticket MTTR	**0.40**

Client Hours — June

Hours on SOs	138
Hours on Projects	6
Meeting Hours	0
TOTAL HOURS	144

INTELESYS
IT for Public Sector

Mission Springs — June 2026 Client report

June Client Meetings

Meeting Title	Topics	Time Allocated
N / A	• N / A	0

Client Pending Projects

Project Title	Purpose
Network Hardware	Upgrade Hardware to maintain cyber security resiliency
Client Server Updates	Update security servers
Server Replacement	Current servers at the end of life cycle

Client Email Filtering



APPENDIX B – Federal & State Legislative Information

CARPI & CLAY

Mission Springs Water District
Federal Update

June 30, 2026

Fiscal Year 2027 Appropriations Update

The House continued advancing FY27 spending bills in June and is on track to have passed all twelve appropriations bills by the July 4th Congressional recess. Over in the Senate, movement on the FY27 appropriations has continued to stall as Chair Susan Collins (R-ME) Collins and Ranking Member Patty Murray (D-WA) have not yet reached a bipartisan agreement on overall spending levels.

FY27 Appropriations Bill	House Subcommittee Allocation (in Billions)	House Subcommittee Markup	House Full Committee Markup	House Floor
Agriculture–Rural Development–FDA	$26.27	Passed on April 23 by a 10–7 vote	Passed on April 29 by a 35–25 vote	Passed on June 4 by a 213–210 vote
Commerce–Justice–Science	$77.341	Passed on April 30 by an 8–6 vote	Passed on May 13 by a 32–28 vote	
Defense		Passed on June 11 by a voice vote	Passed on June 24 by a 34–27 vote	
Energy–Water Development		Passed on May 15 by a voice vote	Passed on May 20 by a 34–25 vote	
Financial Services–General Government	$25.298	Passed on April 17 by a 9–6 vote	Passed on April 22 by a 34–28 vote	
Homeland Security		Passed on June 5 by a voice vote	Passed on June 10 by a 34–27 vote	
Interior–Environment		Passed on May 21 by a 7–5 vote	Passed on June 3 by a 35–27 vote	
Labor–HHS–Education		Passed on June 5 by an 11–7 vote	Passed on June 9 by a 34–28 vote	

Legislative Branch	$7.3	Passed on April 30 by a 5–4 vote	Passed on May 13 by a 34–28 vote	
Military Construction–VA	$157	Passed on April 17 by a voice vote	Passed on April 21 by a 58–0 vote	Passed on May 15 by a 400–15 vote
National Security–State	$47.32	Passed on April 23 by an 8–5 vote	Passed on April 28 by a 35–27 vote	
Transportation–HUD		Passed on May 21 by a 7–5 vote	Passed on June 3 by a 34–27 vote	

LEGISLATIVE ACTIVITY

Senate Committee Holds Hearing on OMB Nomination. On June 16, the Senate Budget Committee held a **hearing** to consider the nomination of Hal Duncan, to be the Deputy Director of the Office of Management and Budget (OMB). During the hearing, Senator Patty Murray (D-WA) pressed Duncan on whether the proposed OMB grants rule contains any guardrails to prevent cronyism or politically motivated grant terminations, warning that it could allow political appointees to terminate awards based on a President's personal or partisan preferences. Senator Alex Padilla (D-CA) argued that the rule would expand agency authority to suspend or terminate grants, elevate political appointees, and allow OMB to override congressional funding decisions; Duncan responded that the changes are about accountability and ensuring decisions are made by officials accountable to the President. Senator Chris Van Hollen (D-MD) echoed concerns raised by Murray and others, saying the proposal would further politicize the grantmaking process and is especially alarming in the context of this Administration's broader actions. Senator Mike Lee (R-UT) defended the proposal as a taxpayer-protection and anti-waste reform, and Duncan agreed, emphasizing political appointee review, restrictions on funding DEI, illegal immigration, and "radical gender ideologies," stronger fraud controls, and an E-Verify requirement for grant recipients and subrecipients.

House Committee Releases WRDA 2026 Proposal. On June 26, House Transportation and Infrastructure Committee Chairman Sam Graves (R-MO) and Ranking Member Rick Larsen (D-WA) released the **text** of the Committee's version of the *Water Resources Development Act (WRDA) of 2026* (**H.R. 9497**). The bill would authorize 10 Army Corps of Engineers construction projects and 131 new feasibility studies for locally proposed water resources infrastructure. The bill also includes policy changes aimed at streamlining project delivery, strengthening non-federal partners' ability to access Corps technical assistance and funding, and improving accountability. The Committee is scheduled to mark up the bill on Wednesday, July 1. The Senate Environment and Public Works Committee is working on a companion bill that has not yet been released. Congress has enacted a WRDA every two years since 2014.

FEDERAL FUNDING OPPORTUNITIES

EPA Accepting Applications for Rural, Small, and Tribal Wastewater Technical Assistance Grants. On June 17, the Environmental Protection Agency (EPA) **announced** the availability of $25.5 million in grants for technical assistance providers that help small, rural, and Tribal communities address wastewater infrastructure challenges and comply with the Clean Water Act. The grants support engineering and design expertise, operational support, workforce development, and financial management assistance for wastewater systems. Applications are due August 14.

Reclamation Publishes WaterSMART Cooperative Watershed Management Program NOFO. On June 10, the Bureau of Reclamation published a **NOFO** for the WaterSMART Cooperative Watershed Management Program, making $25 million available for watershed group development, restoration planning, and watershed management project planning and design. Eligible applicants include existing watershed groups and entities sponsoring the establishment of new watershed groups located in western states and territories. The opportunity has four application rounds, with deadlines of October 7, 2026; February 24, 2027; September 1, 2027; and February 15, 2028. Reclamation will host an **informational webinar** on July 21, 2026.

USDA Publishes Rural Water and Wastewater Revolving Fund Grants NOFO. The U.S. Department of Agriculture has published a **NOFO** for the Revolving Funds for Financing Water and Wastewater Projects program, making $1 million available to qualified nonprofit organizations to capitalize revolving loan funds for rural water and wastewater infrastructure projects. Recipients may use funds to cover pre-development costs and short-term capital improvement projects that are not part of regular operations and maintenance. Applications are due July 3.

FEDERAL FUNDING AWARDS

EPA Announces SmaRT Funding. On June 26, EPA **announced** more than $25 million in grant funding through the Small, Rural, and Tribal (SmaRT) Drinking Water Assistance Program to help small and rural water systems make infrastructure upgrades, address PFAS contamination, remove lead, and achieve compliance with the Safe Drinking Water Act. Funds are allocated to states and territories, which are responsible for administering grants to eligible water systems.

FEDERAL AGENCY ACTIONS AND PERSONNEL CHANGES

Supreme Court Gives President Broad Power to Fire Independent Agency Officials, Exempts Federal Reserve. On June 29, the Supreme Court issued two major decisions on

presidential removal authority. In *Trump v. Slaughter*, the Court **ruled** 6–3 that the Federal Trade Commission's statutory for-cause removal protection is unconstitutional, overruling precedent from 1935. In Chief Justice Roberts' majority opinion, the Court held that because the FTC exercises core executive power—including rulemaking, enforcement, and in-house adjudication—its commissioners must be removable by the President at will. The decision casts doubt on the constitutionality of for-cause removal protections at other independent agencies, potentially affecting dozens of commissions across the federal government. In *Trump v. Cook*, the Court **ruled** 5–4 to deny the President's request to immediately remove Federal Reserve Governor Lisa Cook while litigation over her firing continues, holding that the Federal Reserve occupies a distinct historical tradition of central bank independence and that Cook was entitled to notice and an opportunity to respond before being removed. Chief Justice Roberts' majority opinion leaves open questions about what constitutes sufficient cause for removal of a Federal Reserve Governor and what procedural protections are required.

Reclamation Signs MOU to Explore Desalination and Water Recycling for Colorado River Basin. On June 3, the Bureau of Reclamation and major water agencies in California, Nevada, and Arizona signed a **memorandum of understanding** (MOU) to jointly explore how desalination and advanced water purification could strengthen long-term water reliability in the Colorado River Basin. Signatories include the San Diego County Water Authority, Metropolitan Water District of Southern California, Southern Nevada Water Authority, Arizona Department of Water Resources, Central Arizona Water Conservation District, and Salt River Project Agricultural Improvement and Power District. The MOU establishes a framework for evaluating how new water supplies produced through desalination or water recycling could be integrated into Basin operations, potentially allowing agencies to facilitate interstate water transfers using existing infrastructure without constructing new pipelines. The agreement does not alter existing water rights or commit any party to a specific project. Colorado River system storage currently stands at approximately 36 percent of capacity.

Reclamation Principal Deputy Commissioner Named. Aubrey Bettencourt of California has been appointed Principal Deputy Commissioner at the Bureau of Reclamation and designated as the agency's lead under Secretary Burgum's **recent order** on Department leadership. She previously served as the top conservation official at the Department of Agriculture and, during President Trump's first term, as Deputy Assistant Secretary for Water and Science at the Department of the Interior. She has also served as executive director of both the Almond Alliance of California and the California Water Alliance. Bettencourt has been rumored as a potential nominee for Commissioner, a Senate-confirmed position, though no official nomination has been made.

##

CA LOBBY

Mission Springs Water District
Sacramento Update

June 2026

June was a busy month in Sacramento, starting with the June 2 statewide primary and ending with finalizing the 2026-27 state budget and a big legislative deadline. Now the Legislature will leave Sacramento for their one-month summer recess, returning on August 3.

Election Update

California held its primary election on June 2. Multiple races were not immediately called as mail-in ballots continued to arrive and be counted. It is now confirmed that Xavier Becerra (D) and Steve Hilton (R) will face off in November for Governor.

In the Mission Springs' service area, Senator Roscilie Ochoa Bogh was not on the ballot, but Assemblymember Greg Wallis had two Democrats running for second place to face him in November. Assemblymember Wallis (R) and Leila Namvar (D) are the two candidates that will be on the November ballot.

Initiative Update

In addition to budget and legislative deadlines in June there was also a deadline regarding statewide initiatives. June 25 was the deadline for the Legislature to place initiative measures on the November ballot and the final day for initiative proponents that had collected sufficient signatures for an initiative to quality to remove that initiative from the ballot.

Given the number of initiatives that had qualified for the November ballot, the Governor and Legislature wanted to negotiate deals that would remove some of them. In the end a deal was reached between Uber and the California Consumer Attorneys to remove their competing initiatives. Additionally, there was a deal with Howard Jarvis Taxpayers Association to remove their initiative that would have retroactively invalidated any local taxes passed without a 2/3 vote. Instead the Legislature placed on the ballot an initiative that would, if passed by voters, increase the vote threshold for local tax measures to 2/3, up from a simple majority, and only be prospective.

Despite Governor Newsom's opposition and attempts to convince backers of the measure to remove it, the billionaire tax, will remain on the ballot.

Leading up to the June 25 deadline the Legislature placed two additional initiatives on the November ballot, an $11.5 billion housing bond and a constitutional amendment to make changes to the state's rainy-day fund.

State Budget

On Friday, June 26 the Governor, Senate President pro Tem and Assembly Speaker announced an agreement on the $351.7 billion 2026-27 state budget. The agreement was placed into bills on Friday evening and passed by the Legislature and signed by the Governor on June 29, right before the start of the new fiscal year on July 1.

As has historically been the case, preceding this "3-party" agreement, the Senate and Assembly had reached their own budget agreement and passed that on June 15. June 15 is the Legislature's Constitutional deadline to pass a budget or lose their pay.

Unfortunately, just like last year Proposition 4 allocations were not included in the June budget agreement and will be dealt with in August when the Legislature returns from their summer recess.

Legislative Update

In addition to all the budget activity, the Legislature spent June working to pass all bills out of policy committees in the second house. Any bill that failed to meet this July 2 deadline is dead and since it is the second year of the 2-year session, there is not an opportunity for the bill to move in 2027, it would have to be re-introduced in the new session.

As mentioned above, the Legislature leaves for their month-long summer recess on July 2 and returns to Sacramento on August 3. When lawmakers return in August, they will turn their focus to the fiscal impacts of the bills that are still alive. The final legislative deadline of the 2025-26 Session is August 31 at midnight when all bills must be sent to the Governor for action.

APPENDIX C – Public Affairs Information



MSWD's 2025 Water Quality Report - Available Now

Keep an eye on your mailbox for MSWD's annual Water Quality Report, also known as the Consumer Confidence Report. Mailed to all customers in the district's service area, this report provides a helpful snapshot of the water quality data collected during the previous calendar year and explains where your water comes from, how it is tested, and how it is protected.

All community water systems in the U.S. are required by the Safe Drinking Water Act (SDWA) to produce and distribute an annual water quality report. These reports are due to customers by July 1st each year. The report compiles and shares the data collected throughout the previous year.

Behind the scenes, MSWD's Water Production Team works year-round to deliver safe, reliable drinking water. Water quality is monitored every day, with as many as 5,500 tests and analyses performed each year. The report offers a comprehensive look at those results and highlights the district's ongoing commitment to meeting and exceeding all state and federal drinking water standards.

MSWD water is not only safe to drink, but also award-winning. The District has earned 11 medals, 3 of which are gold, at the annual Berkeley Springs International Water Tasting Competition, including a bronze medal in 2025. These honors reflect the dedication of our staff protecting our groundwater and the exceptional quality of the water we provide to our community every day.



In addition to reporting water quality data, the CCR serves as an annual recap of the district's work, from completed initiatives to ongoing projects. It also gives customers a better understanding of the extensive testing, treatment, and monitoring that takes place throughout the year to protect public health and maintain confidence in the drinking water supply.

Beginning June 30, customers can also view the 2025 Water Quality Report online in both English and Spanish at mswd.org/CCR.

Copies of the report in English are being mailed to customers. If you would like a physical copy in Spanish, you can stop by our lobby and pick one up at 66575 2nd St. or call us at 760-329-6448 to request a copy, give the representative your mailing address and we will be happy to mail one to you.

Keep Your Landscape Healthy & Conserve Water This Summer

As temperatures rise, it's important to use water efficiently while keeping your plants and landscape thriving. A few simple irrigation practices can help your yard stay healthy, reduce water waste, and even lower your monthly water bill.

Water During the Coolest Hours

One of the easiest ways to improve irrigation efficiency is to water your yard during non-daylight hours, such as early morning or late evening. Cooler temperatures mean less water is lost to evaporation, allowing more moisture to soak into the soil where plant roots can absorb it. Healthier plants and less wasted water are a win-win for both your landscape and your wallet.

Mulch Makes a Difference

Adding mulch around trees, shrubs, and garden plants offers several benefits during hot weather. Mulch helps retain soil moisture by reducing evaporation and acts as a protective layer that keeps the soil cooler. This added insulation helps plants withstand summer heat and can reduce the amount of watering needed to maintain a healthy landscape.

Need More Irrigation Tips?

For additional seasonal watering recommendations and to view the monthly irrigation guidance, visit mswd.org/irrigation. Small changes in how and when you water can make a big difference in conserving our most precious resource.

Here For You in a Time of Need - MSWD & the Help2Others Program

MSWD is committed to supporting customers who may be experiencing financial hardship. While California's Constitution restricts public agencies from offering discounted water rates or bill forgiveness based on income or age, MSWD provides payment plans to help customers bring their accounts current. If you need a payment extension or payment plan, email customerservice@mswd.org. or call MSWD customer service at 760-329-6448.

In addition, MSWD has partnered with Inland SoCal United Way to create a dedicated assistance fund called Help2Others (H2O). This program offers up to $150 annually in water bill assistance to qualifying low-income households. Customers must meet income verification guidelines to be eligible. Beyond water bill support, Inland SoCal United Way may also connect you with other community organizations and programs that can help with additional expenses. To apply, visit: mswd.org/billassistance.





Informe de Calidad del Agua 2025 de MSWD – ¡Disponible Ahora!

Esté atento a su buzón para recibir el Informe Anual de Calidad del Agua de MSWD, también conocido como el Informe de Confianza del Consumidor. Enviado por correo a todos los clientes dentro del área de servicio del distrito, este informe ofrece un resumen útil de los datos sobre la calidad del agua recopilados durante el año calendario anterior y explica de dónde proviene su agua, cómo se analiza y cómo se protege.

Todos los sistemas comunitarios de agua en los Estados Unidos están obligados por la Ley de Agua Potable Segura (Safe Drinking Water Act, SDWA) a elaborar y distribuir un informe anual sobre la calidad del agua. Estos informes deben entregarse a los clientes antes del 1 de julio de cada año. El informe recopila y comparte los datos obtenidos durante el año anterior.

Tras bastidores, el Equipo de Producción de Agua de MSWD trabaja durante todo el año para proporcionar agua potable segura y confiable. La calidad del agua se monitorea diariamente, con hasta 5,500 pruebas y análisis realizados cada año. El informe ofrece una visión integral de esos resultados y destaca el compromiso continuo del distrito de cumplir y superar todas las normas estatales y federales de agua potable.

El agua de MSWD no solo es segura para beber, sino que también ha sido reconocida con premios. El Distrito ha obtenido 11 medallas, incluidas 3 de oro, en la Competencia Internacional de Cata de Agua de Berkeley Springs, incluyendo una medalla de bronce en 2025. Estos reconocimientos reflejan la dedicación de nuestro personal en la protección de nuestras aguas subterráneas y la excepcional calidad del agua que proporcionamos a nuestra comunidad todos los días.



Además de presentar los datos sobre la calidad del agua, el Informe de Confianza del Consumidor (CCR, por sus siglas en inglés) sirve como un resumen anual del trabajo realizado por el distrito, desde los proyectos completados hasta las iniciativas en curso. También brinda a los clientes una mejor comprensión de las amplias labores de análisis, tratamiento y monitoreo que se llevan a cabo durante todo el año para proteger la salud pública y mantener la confianza en el suministro de agua potable.

A partir del 30 de junio, los clientes también podrán consultar el Informe de Calidad del Agua 2025 en línea, tanto en inglés como en español, en mswd.org/CCR.

Se están enviando por correo copias del informe en inglés a los clientes. Si desea una copia impresa en español, puede visitar nuestro vestíbulo y recoger una en 66575 2nd St., o llamarnos al 760-329-6448 para solicitar una copia. Simplemente proporcione su dirección postal al representante y con gusto se la enviaremos por correo.

Mantenga Su Jardín Saludable y Conserve Agua Este Verano

A medida que aumentan las temperaturas, es importante utilizar el agua de manera eficiente mientras mantiene sus plantas y áreas verdes saludables. Unas sencillas prácticas de riego pueden ayudar a que su jardín se mantenga en buen estado, reducir el desperdicio de agua e incluso disminuir su factura mensual.

Riegue Durante las Horas Más Frescas

Una de las maneras más fáciles de mejorar la eficiencia del riego es regar su jardín durante las horas sin luz solar, como temprano por la mañana o al anochecer. Las temperaturas más frescas reducen la evaporación, permitiendo que más agua se infiltre en el suelo, donde las raíces de las plantas pueden absorberla. Plantas más saludables y menos desperdicio de agua benefician tanto a su jardín como a su bolsillo.

El Mantillo Hace la Diferencia

Agregar mantillo alrededor de árboles, arbustos y plantas del jardín ofrece varios beneficios durante el clima cálido. El mantillo ayuda a conservar la humedad del suelo al reducir la evaporación y actúa como una capa protectora que mantiene la tierra más fresca. Este aislamiento adicional ayuda a las plantas a resistir el calor del verano y puede reducir la cantidad de riego necesaria para mantener un paisaje saludable.

¿Necesita Más Consejos de Riego?

Para obtener más recomendaciones de riego según la temporada y consultar la guía mensual de riego, visite mswd.org/irrigation. Pequeños cambios en la forma y el momento en que riega pueden marcar una gran diferencia para conservar nuestro recurso más valioso.

Aquí Para Usted en Momentos de Necesidad - MSWD y el Programa Help2Others

MSWD está comprometido a apoyar a los clientes que puedan estar experimentando dificultades financieras. Si bien la Constitución de California limita a las agencias públicas para ofrecer tarifas de agua con descuento o condonación de facturas basadas en ingresos o edad, MSWD proporciona planes de pago para ayudar a los clientes a poner sus cuentas al día. Si necesita una extensión de pago o un plan de pagos, envíe un correo electrónico a customerservice@mswd.org o llame al servicio de atención al cliente de MSWD al 760-329-6448.

Además, MSWD se ha asociado con Inland SoCal United Way para crear un fondo de asistencia dedicado llamado Help2Others (H2O). Este programa ofrece hasta $150 anuales en asistencia para la factura de agua a hogares de bajos ingresos que califiquen. Los clientes deben cumplir con los requisitos de verificación de ingresos para ser elegibles.



Más allá del apoyo con la factura de agua, Inland SoCal United Way también puede conectarlo con otras organizaciones y programas comunitarios que pueden ayudar con gastos adicionales. Para solicitar, visite: mswd.org/billassistance.

MSWD
Mission Springs Water District

GROUNDWATER GUARDIAN
A program of The Groundwater Foundation



2025 WATER QUALITY REPORT



A YEAR OF PROGRESS

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BECAUSE WATER QUALITY MATTERS	14
WATER TESTING RESULTS	20-23

KNOW YOUR WATER

Mission Springs Water District is committed to keeping you informed about the quality of your drinking water. This annual report provides an overview of our water sources, the processes used to ensure its safety, the constituents detected, and how your water compares to regulatory standards. MSWD is proud to provide our community with safe, high-quality drinking water you can count on.

For more information or questions regarding this report, please contact **Marion Champion** at **760-329-6448, ext. 145**, or by email at **mchampion@mswd.org**

Este informe contiene información muy importante sobre su agua potable. Para más información ó traducción, favor de contactar a Marion Champion a 760-329-6448, ext. 145, o por correo electrónico a mchampion@mswd.org



A YEAR OF PROGRESS

Letter from the General Manager

Over the past two years, my focus as General Manager of Mission Springs Water District has been on rebuilding organizational culture and leadership. This intentional effort to strengthen accountability, transparency, and performance is helping position the District for long-term success, and I am pleased to share that this commitment is yielding meaningful results.

In the past year, we made significant progress advancing our Strategic Plan, strengthening the reliability of our water system while preparing for the future. We are rehabilitating key wells and reservoirs to maintain dependable water supplies, and we are expanding sewer service to areas that rely on septic systems, protecting our groundwater and improving public health. We also took an important step forward in planning for long-term water sustainability. Our Board adopted a new strategic goal to develop a District-wide recycled water program. This effort will diversify our water supply, reduce reliance on imported water, and position Mission Springs Water District to secure funding and advance projects that support regulatory compliance and future growth.

We are building a new culture at MSWD, one rooted in transparency, accountability, and good governance, and I am proud that these efforts have earned the Special Districts Leadership Foundation Platinum District of Distinction, the highest honor a California Special District can receive. This achievement distinguishes MSWD as the sole water district in the Coachella Valley to receive this level of recognition for its excellence in governance, transparency, and fiscal responsibility.



One of the most important efforts this year was our transparent rate review process, which was deliberately guided by information, analysis, and recommendations developed through our Community Listening Engagement and Advisory on Rates (CLEAR) Committee. We established this community advisory group and held public meetings to ensure that any decisions about rates were informed, open, and accountable.

This process looked not only at our current operating needs, but also at the long term investments required to maintain reliable service and protect the District's financial health. By setting rates in this transparent and methodical way, we established a clear and responsible course for financial stability—both now and into the future. That level of transparency is not a one-time effort; it is a standard we will continue to uphold.

While we are proud of this progress, we know there is more work ahead. Ensuring safe, reliable water services requires ongoing investment, careful planning, and a long-term perspective and MSWD remains committed to meeting that responsibility for our community now and into the future.

Brian Macy

WE ARE RAISING THE STANDARD IN WA

Government Finance Officers Association
Recognized for Financial Excellence by the Government Finance Officers Association

California Special Districts Association
Earned the District of Distinction Platinum Award from the California Special Districts Association

Special Districts Leadership Foundation
Certified Special District Manager Designation by the Special Districts Leadership Foundation



See page 8 for a full list of MSWD's recent achievements.

"WATER IS A PRECIOUS RESOURCE, AND HERE AT MSWD, WE WANT TO ENSURE THAT WE TREAT IT AS SUCH."



READ THE ARTICLE!

Municipal Water Leader magazine featured MSWD as a leader in the water industry. The article highlights the District's continued investment in innovation and service.

TURNING STRATEGY INTO RESULTS

In 2024, the District adopted a Strategic Plan that guides its future through clear priorities and **SMART** measurable goals. The plan serves as a practical roadmap for how the District invests, operates, and delivers reliable service to its customers.

SPECIFIC **MEASURABLE** **ACHIEVABLE** **REALISTIC** **TIMELY**

This past year, MSWD has made real advances, moving us closer to achieving these goals. Today, that progress can already be seen across the District and reflects our continued commitment to planning for the future while serving our communities.

KEY ACCOMPLISHMENTS

Customer Communications

Earning community trust

Over the past year, MSWD has strengthened its connection with the community by expanding outreach and improving how we serve our customers.

We increased engagement with local homeowner associations through monthly newsletter stories and deepened our presence in local community-based organizations to help share important MSWD information. At the same time, we launched monthly customer service trainings focused on respectful communication, effective greetings, and understanding customer needs, helping ensure every interaction reflects our commitment to service, care, and connection.

Water Supply

Diversifying local water resources

MSWD advanced its Water Supply and System Reliability goals by taking key steps to protect water quality and strengthen long term supply.

The District developed a comprehensive Chromium 6 remediation plan and is actively working with the State toward implementation to ensure continued delivery of safe drinking water. At the same time, MSWD is reducing reliance on imported water through a Recycled Water Program, completing a feasibility study and advancing toward 30% design for recycled water treatment, storage, and conveyance facilities to support a more resilient and sustainable water future.

Financial Management

Keeping rates fair and services strong

The District has advanced its Financial Management strategic goals by strengthening transparency, accountability, and community involvement. The District formed the CLEAR Committee and hosted public meetings to gather community input, resulting in responsible rate adjustments that will support critical infrastructure investments and ensure reliable service. MSWD also increased financial transparency by adopting a new procurement policy and continuing implementation of the Tyler ERP system, which will provide more detailed financial data, improved tracking, and greater visibility into District finances.

System Reliability

Strengthening the operations our community depends on

MSWD focused on improving system reliability by planning for growth and making infrastructure more accessible and resilient. The District is working collaboratively with the City of Desert Hot Springs to develop a wastewater infrastructure feasibility study for unserved areas expected to grow. We also identified opportunities to relocate water infrastructure from hard-to-access rear-yard easements into public streets to improve reliability and response time. In addition, MSWD finalized design plans for a new Administration/Critical Services Center to bring staff together in one central location to better support our customers.



Environmental Sustainability

Protecting the future

MSWD made significant progress toward environmental sustainability by investing in clean energy and strengthening wastewater protections. Through a new Power Purchase Agreement, the District is installing 4 megawatts of solar photovoltaic systems at MSWD owned facilities, with two sites already complete, a 1 Megawatt (MW) system at the Alan L. Horton Wastewater Treatment Plant and a 1 MW expansion at the District's existing solar facility, and a third solar field planned at the new Nancy Wright Regional Water Reclamation Facility. MSWD also updated its industrial pretreatment standards to include stricter penalties for illegal discharges and has begun working with a new consultant to address regulatory and operational gaps, and develop solutions for wastewater compliance as this work moves forward.

Improved Technology & Processes

Modernizing how we work to serve you better

MSWD has invested in new technology to improve efficiency, transparency, and customer service. The District is nearing completion of a new ESRI Geographic Information System (GIS) and has implemented a new OpenGov procurement system to enhance transparency in purchasing. In addition, MSWD launched several new electronic forms using ArcGIS and Power Automate, making it easier for customers to report water waste, request fire flow tests, apply for sewer and water information, and obtain will serve letters, streamlining services and improving the overall customer experience.

Workforce Excellence

Employees leading the way

As our employee base ages, the District is intentionally investing in the workforce of tomorrow through leadership training, internships, and industry programs. In the past year, MSWD has enrolled emerging leaders in an ACWA/JPIA Supervisor Training Program, a rigorous two year endeavor covering topics such as communication, accident investigation, discrimination and harassment, documentation, and legal compliance. In addition, the District is partnering with the Desert Hot Springs High School REAL Academy to provide internships and is supporting MSWD staff participation in professional development programs offered by industry organizations such as the California Special Districts Association.



EXPLORE THE FULL 5-YEAR STRATEGIC PLAN



OUR MISSION IS OUR FOCUS

At Mission Springs Water District, our mission is simple and guides everything we do: to provide, protect, and preserve our most precious resource — water.



PROVIDE

Expanding Local Water and Wastewater Solutions

MSWD is actively diversifying local water supplies and modernizing critical infrastructure to reduce reliance on imported water and build climate resilience. A key effort is the advancement of a district-wide Recycled Water Program, which will allow treated wastewater to be reused for non-potable purposes. MSWD has completed a feasibility study and is now moving forward with 30% infrastructure design. In parallel, MSWD continues to rehabilitate and optimize existing wells, including upgrades at Well 42 and Well 22, to increase system capacity, extend asset life, and maintain reliable service.

Equally important is MSWD's major sewer infrastructure investment. Through the M2 Septic to Sewer Project, up to 700 homes/parcels will be made sewer-ready, significantly improving groundwater protection, environmental quality, and community health.





PROTECT

Safeguarding Water Quality and Public Health

Protecting water quality remains a top priority for the District. California has adopted the nation's most stringent drinking water standard for hexavalent chromium (chromium 6), and MSWD is proactively implementing a comprehensive Chromium 6 Compliance Plan. This includes planning and design for treatment facilities, operational adjustments, removal of certain wells from service, and development of new water sources, all to ensure continued delivery of safe drinking water.

MSWD is also advancing regulatory coordination, environmental documentation, and groundwater protection strategies to meet state standards and reduce risk. These efforts are guided by sound engineering practices and reinforced by design standards that ensure long-term system integrity.



PRESERVE

Planning, Funding, and Building for the Future

To support these improvements, MSWD recently adopted new Water and Sewer Master Plans that provide a roadmap for infrastructure investments over the coming decades. These plans are fully aligned with the District's newly adopted Financial Master Plan, which outlines a responsible, phased funding strategy to maintain affordability while delivering essential upgrades.

A cornerstone of this approach is MSWD's aggressive pursuit of grant funding to offset project costs and reduce the burden on ratepayers. Pending grant applications include an earthquake retrofit of the Terrace Reservoirs, backup generators for critical well sites, an intertie between the water systems in the ID-E area, and the MSWD Groundwater Protection Project.

Recently secured grants include funding for the M2 Septic to Sewer project, cybersecurity enhancements, water conservation and customer rebate programs, and equipment replacements to improve air quality.

Together, these investments reflect MSWD's commitment to thoughtful planning, fiscal responsibility, and continuous improvement, ensuring safe water, resilient infrastructure, and a sustainable future for the communities we serve.

STRIVING FOR EXCELLENCE

RECOGNIZED FOR LEADERSHIP, OPERATIONS AND COMMUNITY

MSWD's commitment to excellence extends well beyond water quality.



MSWD earned the Special Districts Leadership Foundation Platinum District of Distinction, the highest level of recognition available to a California Special District, one that requires demonstrated excellence in governance, transparency, and fiscal accountability.

General Manager Brian Macy also earned his Certified Special District Manager Designation, making him one of only 80 certified general managers in the state.

MSWD has received the Government Finance Officers Association Distinguished Budget Presentation Award three consecutive years, reflecting responsible stewardship of your water dollars.

YOUR AWARD-WINNING WATER DISTRICT

Since 1989, Mission Springs Water District has earned numerous recognitions from local, state, and national organizations, a testament to the people, the planning, and the commitment behind every drop of water we deliver. This past year was no exception.



The Best-Tasting Water in the World

Every February, MSWD submits a carefully drawn water sample to the Berkeley Springs International Water Tasting Competition in West Virginia, where entries are judged on appearance, odor, flavor, mouthfeel, aftertaste, and overall impression.





The Nancy Wright Regional Water Reclamation Facility earned 2nd Place statewide for CWEA Small Plant of the Year, and our Desert Hot Springs High School REAL Academy Partnership earned 3rd Place statewide for CWEA Outreach and Engagement.



Programs and Public Affairs Specialist April Scott was named MSWD Person of the Year during the Desert Hot Springs Rotary Club annual Big Heart Awards.

Wastewater Treatment Plant Operator I Joseph McElrone and Wastewater Treatment Plant Operator I Mark Vermeer were awarded the CORBS/CWEA Gizmos and Gadget Award for a shield the two operators invented to prevent wind from blowing debris out of the grit chamber at the new Nancy Wright Regional Water Reclamation Facility.

Since first competing in 1997, **MSWD has medaled 11 times**, more than any other municipal water agency in the world. Our most recent honor was a Bronze Medal in 2025.

MSWD
Mission Springs Water District
Value is our Mission

Berkeley Springs Medal History

Gold	Silver	Bronze
2020, 2004, 1999	2011, 2008, 2001, 1997	2025, 2022, 2018, 2003

For more information, visit **mswd.org/awards**



STRAIGHT FROM THE SOURCE

MSWD's award-winning water comes from groundwater wells within the Mission Creek Subbasin, a high-quality local aquifer that is sustained through natural recharge and imported water from the Colorado River.

A COMMITMENT TO EDUCATION

At MSWD, we are dedicated to delivering safe water and helping our community understand where that water comes from. Through hands-on learning, community partnerships, and youth engagement, we invest in education, so our customers are empowered to help protect this vital resource.





GROWING THE NEXT GENERATION OF WATER LEADERS

One of MSWD's most impactful initiatives is its partnership with the DHS High School REAL Academy, where students gain real-world experience and exposure to careers spanning from engineering to management in the water industry.

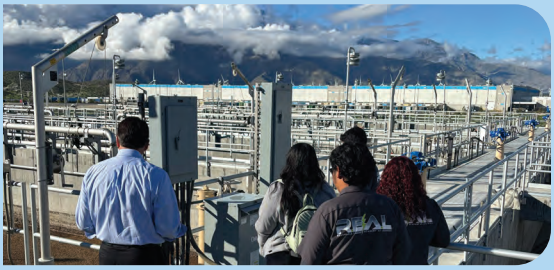
SUMMER CAMP WATER EDUCATION DAYS

Each year, MSWD joins the City of Desert Hot Springs Recreation Center Summer Program for learning and fun. Students leave with new knowledge, a reusable MSWD water bottle, and a well-earned ice cream treat.



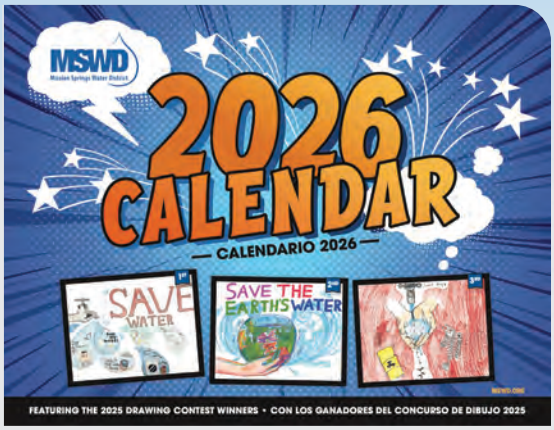
WINTER CAMP FACILITY TOURS

During the winter season, MSWD welcomed Recreation Center students to the Nancy Wright Regional Water Reclamation Facility for a behind-the-scenes look at what happens after water goes down the drain.



CONNECTING CLASSROOMS TO THE ENVIRONMENT

MSWD's partnership with The Wildlands Conservancy brings learning outdoors through Mission Creek Preserve field trips. These fully funded trips that align with Next Generation Science Standards are available to Desert Hot Springs schools, with transportation costs reimbursed by MSWD.





INSPIRING CURIOSITY THROUGH SCHOOL ENGAGEMENT

MSWD actively participates in local school and community events to promote water awareness and career exploration. Staff connect directly with students through events at Desert Hot Springs High School, Desert Springs Middle School, Painted Hills Middle School, Bella Vista Elementary School, Bubbling Wells Elementary School, Cabot Yerxa Elementary School, Julius Corsini Elementary School, and Two Bunch Palms Elementary School.



ENCOURAGING CREATIVITY AND COMMUNITY PARTICIPATION

MSWD's Annual Student Calendar Contest invites K–12 students to share water conservation messages through art. All participants are recognized, and the winning artwork is featured in a printed calendar distributed throughout the community. Free copies are available at the MSWD offices and various locations in Desert Hot Springs.

CONSERVATION AS A WAY OF LIFE



As a desert community, MSWD understands the importance of using water wisely every day. The state's **"Making Conservation a California Way of Life"** legislation establishes permanent water use standards for urban water suppliers, known as Urban Water Use Objectives, which are tailored to each agency.

Beginning in 2027, suppliers must meet their assigned targets or take corrective action. MSWD intends to comply through the alternative compliance pathway, which allows agencies to demonstrate steady progress by reducing water use by 1% per year. This approach reflects the unique conditions of our region while maintaining accountability to state goals.

MSWD is actively working toward these targets and recently received approval from the State Water Resources Control Board for a rare evaporative cooler variance. Out of all water districts statewide, MSWD was one of only two approved.

This variance adds more than 62 million gallons to the District's allowable water use, helping align local conditions with state requirements and strengthening MSWD's overall compliance position.





SAVING WATER STARTS AT HOME,
AND MSWD MAKES IT EASY

While policy sets the framework, conservation happens at home and in the community. MSWD offers a range of programs and tools to help customers save water and money.



INDOOR/OUTDOOR REBATES

- Up to $100 for eligible ultra-low-flow toilets
- Up to $150 for premium high-efficiency and dual-flush toilet
- Up to $150 for eligible high-efficiency clothes washers
- Up to $2 per square foot for turf replacement

FOR MORE INFORMATION, VISIT

MSWD.ORG/REBATES



SMART IRRIGATION CONTROLLER REBATE

- Up to $150 for qualifying smart irrigation controllers
- Residential customers may receive up to $100 toward professional installation
- Commercial and HOA customers may qualify up to $5,000 for smart irrigation controllers

MSWD.ORG/CUSTOMERCONNECT



LEAK ALERTS AND CUSTOMER PORTAL

- Monitor daily water usage
- Receive leak alerts to catch problems early
- Access billing and payment options



TAKE THE WATERFIT CHALLENGE AND REDUCE INDOOR WATER USE

- Improve efficiency without sacrificing performance
- Save thousands of gallons of water each year

MSWD.ORG/WATERFIT



NON-FUNCTIONAL TURF

California is moving away from non-functional turf, which is grass that is not used for recreation or community benefit. This shift supports long-term water savings across the state. Find out if your landscape meets current non-functional turf guidelines at **mswd.org/nonfunctionalturf**

SCAN TO LEARN MORE

BECAUSE WATER QUALITY MATTERS

Clean, safe drinking water is essential, and MSWD works every day to protect it. MSWD routinely monitors water to ensure it meets or exceeds all state and federal drinking water standards. As regulations evolve and science advances, the District remains committed to transparency, proactive planning, and keeping customers informed.



UNDERSTANDING PFAS

PFAS, or per- and polyfluoroalkyl substances, are a group of man-made compounds that have been used in a variety of products for decades. EPA regulations introduced in 2024 placed stricter limits and expanded monitoring requirements for these substances in drinking water. MSWD is fully compliant with all current PFAS Maximum Contaminant Levels set by the EPA, all test results remain below regulatory limits, and MSWD continues to evaluate treatment and testing options as part of long-term planning.

LEAD AND COPPER RULE

In 2021, the United States Environmental Protection Agency (EPA) updated its Lead and Copper Rule to better protect children and communities. Starting in October 2024, all water providers were required to complete a service line inventory, make it available to the public, and notify customers if lead or copper levels exceed action thresholds. MSWD has completed our inventory, and we are pleased to report that no lead service lines were found in our system.

Lead can cause serious health effects in people of all ages, especially pregnant people, infants (both formula-fed and breastfed), and young children. Lead in drinking water is primarily from materials and parts used in service lines and in home plumbing. Mission Springs Water District is responsible for providing high-quality drinking water and removing lead pipes but cannot control the variety of materials used in the plumbing in your home. Because lead levels may vary over time, lead exposure is possible even when your tap sampling results do not detect lead at one point in time. You can help protect yourself and your family by identifying and removing lead materials within your home plumbing and taking steps to reduce your family's risk. Using a filter certified by an American National Standards Institute-accredited certifier to reduce lead is effective in reducing lead exposures.

Follow the instructions provided with the filter to ensure it is used properly. Use only cold water for drinking, cooking, and making baby formula. Boiling does not remove lead from water. Before using tap water for drinking, cooking, or making baby formula, flush your pipes for several minutes. You can do this by running your tap, taking a shower, or doing laundry or a load of dishes. If you have a lead or galvanized service line requiring replacement, you may need to flush your pipes for a longer period. If you are concerned about lead and wish to have your water tested, contact Mission Springs Water District at **(760) 329-6448** or **customerservice@mswd.org**. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available at **epa. gov/safewater/lead**.

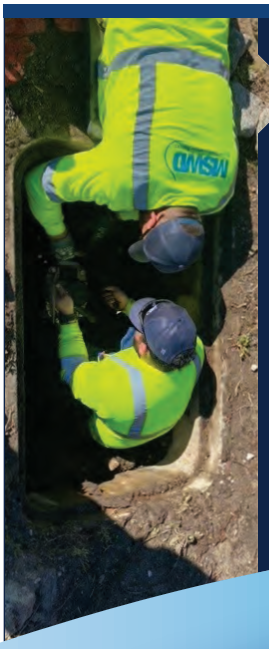
CHROMIUM-6 AND CHANGING STANDARDS

California has adopted a more stringent drinking water standard, becoming the first and only state in the nation to regulate chromium 6 in drinking water. The new Maximum Contaminant Level (MCL) is set at 10 parts per billion (ppb).

Your tap water remains safe to drink, cook with, and use for all household purposes, the water itself has not changed. Chromium is found naturally in groundwater throughout California, including the Coachella Valley, and the state's action reflects a tighter regulatory standard based on potential long term health considerations, not any immediate health risk.

MSWD is committed to meeting this new requirement, though compliance will take time as it involves constructing treatment facilities, removing some wells from service, and drilling new wells to ensure continued delivery of safe, reliable drinking water.





TAKING ACTION AND PLANNING AHEAD

- Submitting a Compliance Plan to the State for review and approval
- Moving forward with a Chromium-6 treatment project, expected online as early as 2027
- Evaluating the most cost-effective, long-term solutions for our customers

Water quality can be complex, but MSWD is committed to keeping it clear and understandable for customers. Find regular updates and resources at **mswd.org/waterquality**









YOUR RATES AT WORK

Every day, your water rates support the systems, infrastructure, and people that keep reliable service flowing to your home or business. From maintaining pipelines to operating treatment facilities, these investments are here to safeguard the future.

WHAT IT TAKES TO DELIVER WATER TO YOU

- 279 Miles of Pipeline
- 13 Active Wells (4 inactive)
- 24 Reservoirs
- 11 Pump Stations
- 1,900 Fire Hydrants
- 21 Service Vehicles



Your rates also support three wastewater treatment plants, an administration center, and a team of more than 50 skilled employees dedicated to serving Desert Hot Springs and parts of Sky Valley, North Palm Springs, and some of the unincorporated areas of Riverside County.

EXPLORE YOUR WATER SYSTEM UP CLOSE

Join us for FREE tours every March. Make sure to visit our website and register at **MSWD.org**

WHAT IS IN MY DRINKING WATER?

Your drinking water is tested by certified professional water system operators and laboratories to ensure its safety. The chart in this report shows the average and range of concentrations of the constituents detected in tests of your drinking water during 2025 or from the most recent tests. The state allows us to monitor for some contaminants less than once per year because the concentrations of these contaminants do not change frequently. Some of our data, though representative, are more than 1 year old. The chart lists all the contaminants detected in your drinking water that have federal and state drinking water standards. Detected unregulated contaminants of interest are also included.

DRINKING WATER ASSESSMENT

Source water assessments for the District's wells were completed by May 2007, as required by law. The assessments indicated that the wells are not being impacted by surface development.

Although no man-made contaminants have been detected, the Source Water Assessments found that septic systems, illegal dumping, and chemical/petroleum lines are potential sources of contamination.

Assessment reports are available for review at MSWD's Administrative Offices located at 66575 Second Street in Desert Hot Springs.

ABOUT YOUR DRINKING WATER QUALITY

SOURCES OF DRINKING WATER AND CONTAMINANTS THAT MAY BE PRESENT IN SOURCE WATER

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:



MICROBIAL CONTAMINANTS, such as viruses and bacteria that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.



INORGANIC CONTAMINANTS, such as salts and metals, that can be naturally occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.



PESTICIDES AND HERBICIDES, which may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.



RADIOACTIVE CONTAMINANTS, which can be naturally occurring or can be the result of oil and gas production and mining activities.



ORGANIC CHEMICAL CONTAMINANTS, including synthetic and volatile organic chemicals that are by-products of industrial processes and petroleum production, and can also come from gasoline stations, urban stormwater runoff, agricultural application, and septic systems.

Some people may be more vulnerable to contaminants in drinking water than the general population. Immunocompromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections.

These people should seek advice about drinking water from their health care providers. U.S. EPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by Cryptosporidium and other microbial contaminants are available from the **Safe Drinking Water Hotline** at **1-800-426-4791**.

ABOUT YOUR DRINKING WATER QUALITY



To ensure that tap water is safe to drink, the United States Environmental Protection Agency (U.S. EPA) and the State Water Resources Control Board, Division of Drinking Water (DDW), prescribe regulations that limit the amount of certain contaminants in water provided by public water systems. U.S. Food and Drug Administration regulations and California law also establish limits for contaminants in bottled water that provide the same protection for public health.

Drinking water standards established by U.S. EPA and DDW set limits for substances that may affect consumer health or aesthetic qualities of drinking water. The chart in this report shows the following types of water quality standards:

- **Maximum Contaminant Level (MCL):** The highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the Public Health Goals (PHGs) or Maximum Contaminant Level Goals (MCLGs) as is economically and technologically feasible.
- **Secondary MCLs:** Are set to protect the odor, taste, and appearance of drinking water.
- **Maximum Residual Disinfectant Level (MRDL):** The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.
- **Primary Drinking Water Standard (PDWS):** MCLs and MRDLs for contaminants that affect health along with their monitoring and reporting requirements and water treatment requirements.
- **Regulatory Action Level (AL):** The concentration of a contaminant, which, if exceeded, triggers treatment or other requirements that a water system must follow.
- **Notification Level (NL):** An advisory level which, if exceeded, requires the drinking water system to notify the governing body of the local agency in which users of the drinking water reside (i.e. city council/county board of supervisors).

ABOUT YOUR DRINKING WATER QUALITY

In addition to mandatory water quality standards, U.S. EPA and DDW have set voluntary water quality goals for some contaminants. Water quality goals are often set at such low levels that they are not achievable in practice and are not directly measurable. Nevertheless, these goals provide useful guideposts and direction for water management practices. The chart in this report includes three types of water quality goals:



- **Maximum Contaminant Level Goal (MCLG):** The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs are set by the U.S. EPA.
- **Maximum Residual Disinfectant Level Goal (MRDLG):** The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.
- **Public Health Goal (PHG):** The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the U.S. EPA's **Safe Drinking Water Hotline** at **1-800-426-4791**.



2025 WATER SAMPLE RESULTS

REGULATED SUBSTANCES

			MISSION SPRINGS W.D. PWS: CA3310008			WEST PALM SPRINGS VILLAGE PWS: CA3310078			PALM SPRINGS CREST PWS: CA3310081		
ANALYTE / UNIT	MCL (MRDL) (MRDLG)	PHG (MCLG)	YEAR SAMPLED	RANGE	AVERAGE	YEAR SAMPLED	RANGE	AVERAGE	YEAR SAMPLED	RANGE	AVERAGE
ARSENIC / µg/L	10	0.004	2024*	ND	ND	2023	ND	ND	2023	ND	ND
No Violations Found | Major Source of Contaminant: Erosion of natural deposits: glass/electronics production waste											
FLUORIDE / mg/L	2	1	2024*	0.46 - 0.85	0.60	2023	0.73 - 0.82	0.81	2023	1.30	1.30
No Violations Found | Major Source of Contaminant: Erosion of natural deposits											
GROSS ALPHA PARTICLE ACTIVITY / pCi/L	15	0	2024*	ND - 9.70	4.27	2025	ND	0.00	2023	3.50 - 4.10	3.72
No Violations Found | Major Source of Contaminant: Erosion of natural deposits											
NITRATE (N) / mg/L	10	10	2025	ND - 1.40	0.81	2025	1.60 - 3.20	2.38	2025	0.89 - 1.30	1.21
No Violations Found | Major Source of Contaminant: Runoff and leaching from fertilizer use; leaching from septic tanks and sewage; erosion of natural deposits											
RADIUM-226 / pCi/L	Combined MCL = 5	0.019	2024*	ND - 1.26	0.72	2025	0.05 - 0.56	0.43	2024	ND - 0.72	0.57
RADIUM-228 / pCi/L		0.019	2024*	ND - 2.31	1.05	2025	ND - 1.47	1.13	2024	ND - 1.86	0.39
No Violations Found | Major Source of Contaminant: Radium Combined: Erosion of natural deposits											
CHROMIUM VI (HEXAVALENT CHROMIUM) / µg/L	10	0.02	2025	1.10 - 14	8.27	2025	1.80 - 2.90	2.37	2025	3.50 - 4.80	3.78
No Violations Found | Major Source of Contamination: Runoff/leaching from natural deposits. Chromium (hexavalent) was detected at levels that exceed the MCL. While a water system of our size is not considered in violation of the chromium (hexavalent) MCL until after October 2026, we are working to address this exceedance and comply with the MCL. Specifically, MSWD is currently completing a preliminary design report for the installation of treatment systems to meet MCL requirements, which includes implementation of an ion exchange pilot program.											
TOTAL CHROMIUM / µg/L	50	0.02	2024*	ND - 17	10.06	2024	ND	ND	2024	ND	ND
No Violations Found | Major Source of Contaminant: Discharge from electroplating factories, leather tanneries, wood preservation, chemical synthesis, refractory production, and textile manufacturing facilities, erosion of natural deposits											
URANIUM / pCi/L	20	0.43	2024*	1.80 - 15	6.43	2025*	ND - 4.30	2.99	2024	3.90 - 4.60	4.45
No Violations Found | Major Source of Contaminant: Erosion of natural deposits											

2025 WATER SAMPLE RESULTS

SECONDARY STANDARDS

			MISSION SPRINGS W.D. PWS: CA3310008			WEST PALM SPRINGS VILLAGE PWS: CA3310078			PALM SPRINGS CREST PWS: CA3310081		
ANALYTE / UNIT	MCL (MRDL) (MRDLG)	PHG (MCLG)	YEAR SAMPLED	RANGE	AVERAGE	YEAR SAMPLED	RANGE	AVERAGE	YEAR SAMPLED	RANGE	AVERAGE
CHLORIDE / mg/L	500	NS	2024*	3.60 - 86	18.13	2023	15 - 28	16.98	2023	6.90 - 9.20	7.35
No Violations Found | Major Source of Contaminant: Runoff/leaching from natural deposits											
COLOR / Color Units	NA	NA	2025	ND	ND	2025	ND	ND	2025	ND	ND
No Violations Found | Major Source of Contaminant: Runoff/leaching from natural deposits											
IRON / µg/L	NA	NA	2024*	ND - 250	27.70	2024	ND	ND	2024	ND	ND
No Violations Found | Major Source of Contaminant: Erosion of natural deposits											
ODOR-THRESHOLD / TON	3	NS	2025	1.0 - 2.0	1	2025	1.0 - 2.0	1.08	2025	1	1
No Violations Found | Major Source of Contaminant: Naturally occurring organic materials											
SPECIFIC CONDUCTANCE / uS/cm	1,600	NS	2024*	340 - 1000	646.12	2023	470 - 650	497.35	2023	420 - 450	425.92
No Violations Found | Major Source of Contaminant: Substances that form ions in water											
SULFATE / mg/L	500	NS	2024*	30 - 330	166.47	2024	24 - 68	28.56	2024	14 - 19	17.95
No Violations Found | Major Source of Contaminant: Runoff/leaching from natural deposits and industrial wastes											
TOTAL DISSOLVED SOLIDS / mg/L	1,000	NS	2023	190 - 690	407.82	2023	260 - 400	281.27	2023	230 - 250	233.95
No Violations Found | Major Source of Contaminant: Runoff/leaching from natural deposits											
TURBIDITY / NTU	5	NS	2025	ND - 0.81	0.20	2025	ND - 0.29	0.25	2025	ND - 0.22	0.16
No Violations Found | Major Source of Contaminant: Soil runoff											
ZINC / µg/L	5	NS	2024*	ND	ND	2023	ND	ND	2023	ND	ND
No Violations Found | Major Source of Contaminant: Runoff/leaching from natural deposits											

2025 WATER SAMPLE RESULTS

UNREGULATED SUBSTANCES

			MISSION SPRINGS W.D. PWS: CA3310008			WEST PALM SPRINGS VILLAGE PWS: CA3310078			PALM SPRINGS CREST PWS: CA3310081		
ANALYTE / UNIT	MCL (MRDL) (MRDLG)	PHG (MCLG)	YEAR SAMPLED	RANGE	AVERAGE	YEAR SAMPLED	RANGE	AVERAGE	YEAR SAMPLED	RANGE	AVERAGE
ALKALINITY / mg/L	NA	NA	2024*	76 - 170	129.22	2023	190 - 220	194.56	2023	180 - 200	183.95
No Violations Found | Major Source of Contaminant: Naturally occurring from runoff/leaching of rocks that contain carbonate, bicarbonate, and hydroxide compounds											
BICARBONATE / mg/L	NA	NA	2024*	94 - 200	159.19	2023	230-270	236.08	2023	220-250	225.92
No Violations Found | Major Source of Contaminant: Runoff/leaching from landfills and other sites where alkaline or basic chemicals have been dumped											
BORON / µg/L	1000	NA	2024*	ND - 110	18.07	2023	ND	ND	2023	ND	ND
No Violations Found | Major Source of Contaminant: Runoff/leaching from natural deposits											
CALCIUM / mg/L	NA	NA	2024*	26 - 99	51.79	2023	60 - 68	61.22	2023	53 - 56	53.59
No Violations Found | Major Source of Contaminant: Runoff/leaching from natural deposits											
HARDNESS / mg/L	NA	NA	2024*	79 - 340	166.25	2024	210 - 270	216.22	2024	190 - 200	192.11
No Violations Found | Major Source of Contaminant: Runoff/leaching from natural deposits											
MAGNESIUM / mg/L	NA	NA	2024*	3.40 - 23	11.23	2024	13 - 23	14.04	2024	13.00	13.00
No Violations Found | Major Source of Contaminant: Erosion of natural deposits											
POTASSIUM / mg/L	NA	NA	2024*	4.70 - 11	7.03	2023	3.60 - 7.10	4.13	2023	3.40 - 3.90	3.80
No Violations Found | Major Source of Contaminant: Runoff/leaching from natural deposits											
SODIUM / mg/L	NA	NA	2024*	42 - 110	64.39	2023	21 - 33	22.82	2023	17-23	18.18
No Violations Found | Major Source of Contaminant: Runoff/leaching from natural deposits											
VANADIUM / µg/L	50	NA	2024*	7.80 - 25	14.34	2023	6.10 - 11.0	6.84	2023	6.60 - 10.00	7.27
No Violations Found | Major Source of Contaminant: Runoff/leaching from natural deposits											



2025 WATER SAMPLE RESULTS

LEAD & COPPER

			MISSION SPRINGS W.D. PWS: CA3310008			WEST PALM SPRINGS VILLAGE PWS: CA3310078			PALM SPRINGS CREST PWS: CA3310081		
ANALYTE / UNIT	AL	PHG	YEAR SAMPLED	AMOUNT DETECTED (90TH%TILE)	SITES ABOVE AL/TOTAL SITES	YEAR SAMPLED	AMOUNT DETECTED (90TH%TILE)	SITES ABOVE AL/TOTAL SITES	YEAR SAMPLED	AMOUNT DETECTED (90TH%TILE)	SITES ABOVE AL/TOTAL SITES
LEAD / mg/L	.015 mg/L	0.20 µg/L	2023	<0.005	0/30	2023	<0.005	0/5	2023	<0.005	0/6
No Violations Found | Major Source of Contaminant: Corrosion of household plumbing											
COPPER / mg/L	1.30 mg/L	0.30 mg/L	2023	0.095	0/30	2023	0.17	0/5	2023	0.15	0/6
No Violations Found | Major Source of Contaminant: Corrosion of household plumbing											

DISINFECTION RESIDUALS & BYPRODUCTS

			MISSION SPRINGS W.D. PWS: CA3310008			WEST PALM SPRINGS VILLAGE PWS: CA3310078			PALM SPRINGS CREST PWS: CA3310081		
ANALYTE / UNIT	MCL (MRDL) (MRDLG)	PHG (MCLG)	YEAR SAMPLED	RANGE	AVERAGE	YEAR SAMPLED	RANGE	AVERAGE	YEAR SAMPLED	RANGE	AVERAGE
CHLORINE (CL2) / mg/L	4	4	2025	0.18 - 1.29	0.83	2025	0.45 - 1.46	0.91	2025	0.43 - 1.29	0.74
No Violations Found | Major Source of Contaminant: Drinking water disinfectant added for treatment											

			MISSION SPRINGS W.D. PWS: CA3310008			WEST PALM SPRINGS VILLAGE PWS: CA3310078			PALM SPRINGS CREST PWS: CA3310081		
ANALYTE / UNIT	MCL (MRDL) (MRDLG)	PHG (MCLG)	YEAR SAMPLED	RANGE	LEVEL DETECTED	YEAR SAMPLED	RANGE	LEVEL DETECTED	YEAR SAMPLED	RANGE	LEVEL DETECTED
HALOACETIC ACIDS / µg/L	60	NA	2025	ND	ND	2025	1.30	1.30	2025	1.10	1.10
No Violations Found | Major Source of Contaminant: By-product of drinking water disinfection											
TTHMS / µg/L (TOTAL TRIHALOMETHANES)	80	NA	2025	3.50	3.50	2025	11.40	11.40	2025	5.30	5.30
No Violations Found | Major Source of Contamination: By-product of drinking water disinfection											

ABBREVIATIONS

AL = Action Level
DLR = Detection Limit for Purposes of Reporting
MCL = Maximum Contaminant Level
MCLG = Maximum Contaminant Level Goal
mg/l = parts per million or milligrams per liter
ng/l = parts per trillion or nanograms per liter
MRDL = Maximum Residual Disinfectant Level
MRDLG = Maximum Residual Disinfectant Level Goal
NA = No Applicable Limit
ND = Not Detected at DLR
NL = Notification Level
NS = No Standard
TON = Threshold Odor Number
NTU = Nephelometric
pCi/l = picoCuries per liter
PHG = Public Health Goal
µg/l = parts per billion or micrograms per liter
µS/cm = microsiemens per centimeter

NOTES

* The year sampled may include samples prior to 2025 based on the monitoring schedule per State Water Resources Control Board.

QUESTIONS ABOUT YOUR WATER?

If you have questions about this report or your water quality, please contact Marion Champion at 760-329-6448, ext. 145, or by email at mchampion@mswd.org

For more information on these constituents, please visit mswd.org/waterquality

MISSION SPRINGS WATER DISTRICT
66575 2ND STREET
DESERT HOT SPRINGS, CA 92240-9803

NEED A LITTLE HELP WITH YOUR WATER BILL?

WE'VE GOT YOU COVERED.



MSWD's Help2Others program now provides eligible customers with $150 towards their water bill once every 12 months.

You may qualify if you:

- Are an MSWD customer
- Have the bill in your name for your primary residence

No past due balance required.
Quick and easy to apply online.
mswd.org/billassistance

APPLY HERE

Help2Others ASSISTANCE PROGRAM

United Way of the Desert

LEARN MORE ABOUT YOUR WATER



We invite you to attend a Board of Directors meeting held on the third Monday of each month at 3:00 p.m. at the District's offices.

Meeting agendas are available on the website at **MSWD.org**

FOLLOW US:

WaterCOUNTS

CVWC Digital Marketing Report

Website, Social, and Marketing Performance

Jun 1–30, 2026

by Hunter | Johnsen

Item 22.

Google Ads Campaigns

DISPLAY AD IMPRESSIONS
CV Water Counts
43,957

SEARCH AD IMPRESSIONS
CV Water Counts
7,547

VIDEO IMPRESSIONS
CV Water Counts
60,308

Clicks
CV Water Counts
2,054

GOOGLE PROGRAMMATIC DISPLAY AD CAMPAIGN PERFORMANCE

CV Water Counts

Campaign name	Clicks	Impr.
CV Water Counts Spanish June 2026	959	26,989
CV Water Counts June 2026	836	16,968
	1,795	43,957

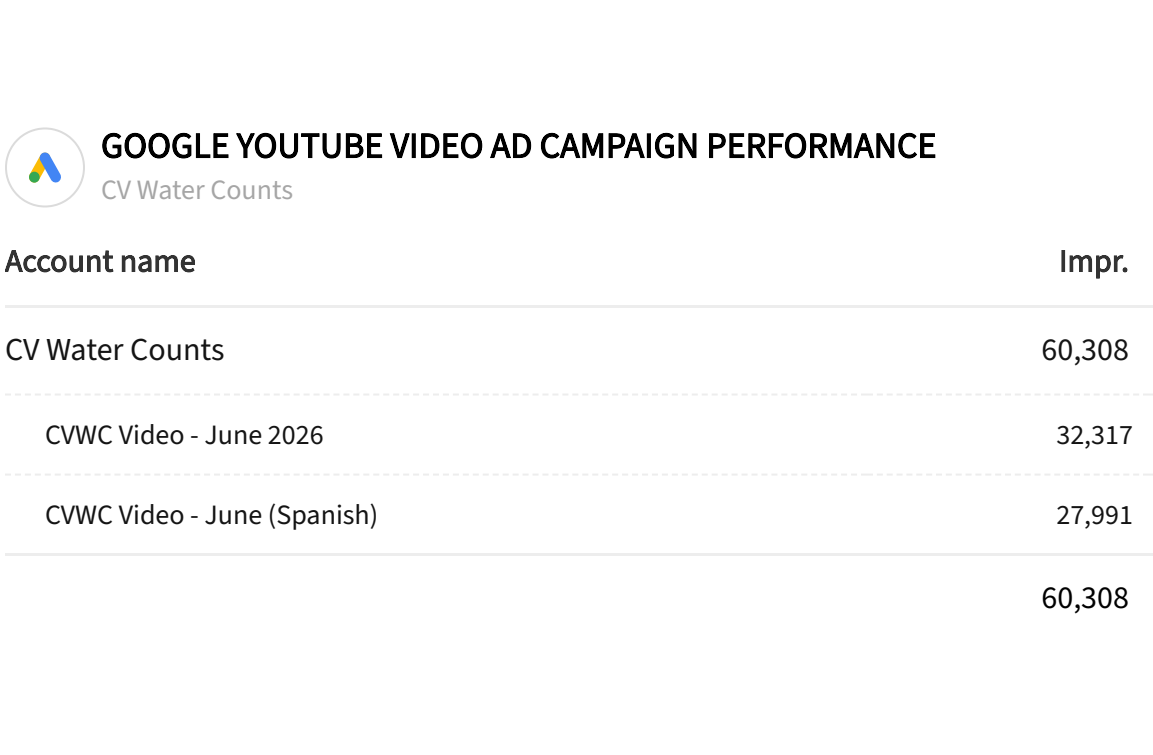




GOOGLE YOUTUBE VIDEO AD CAMPAIGN PERFORMANCE

CV Water Counts

Account name	Impr.	Engagements	Video views	Clicks
CV Water Counts	60,308	36,202	31,870	59
CVWC Video - June 2026	32,317	19,495	17,070	27
CVWC Video - June (Spanish)	27,991	16,707	14,800	32
	60,308	36,202	31,870	59



GOOGLE ADS PAID SEARCH CAMPAIGN PERFORMANCE

CV Water Counts

Campaign	Clicks	Impr.
CVWC Search Campaigns	200	7,547
	200	7,547

Facebook Ad Campaigns

FACEBOOK AD PERFORMANCE

Hunter Johnsen

Ad preview	Link Clicks	Impr.	Reach	Frequency	Page engagement
 CVWC - June2026 www.instagram.com Conservation Tip of the Month: Water your yard during non-daylight hours. More water will reach the roots, and less water will evaporate. 💧🌙 Fo…	766	46,709	23,155	2.02	794
	766	46,709	23,155	2.02	794

Website Information

Users
CV Water - CV Water Counts - GA4

2,739

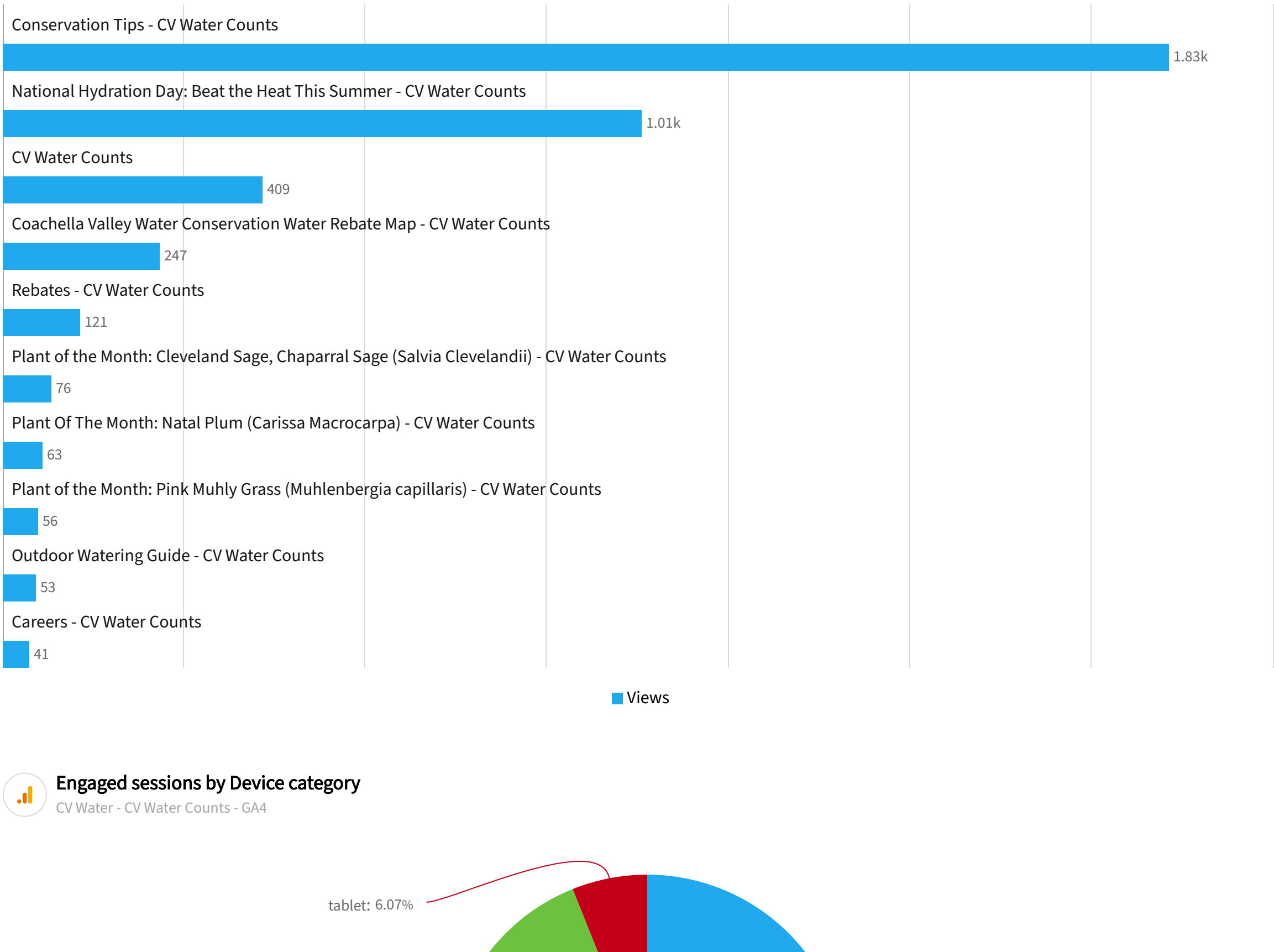
Sessions
CV Water - CV Water Counts - GA4

3,591

PAGEVIEWS
CV Water - CV Water Counts - GA4

4,754

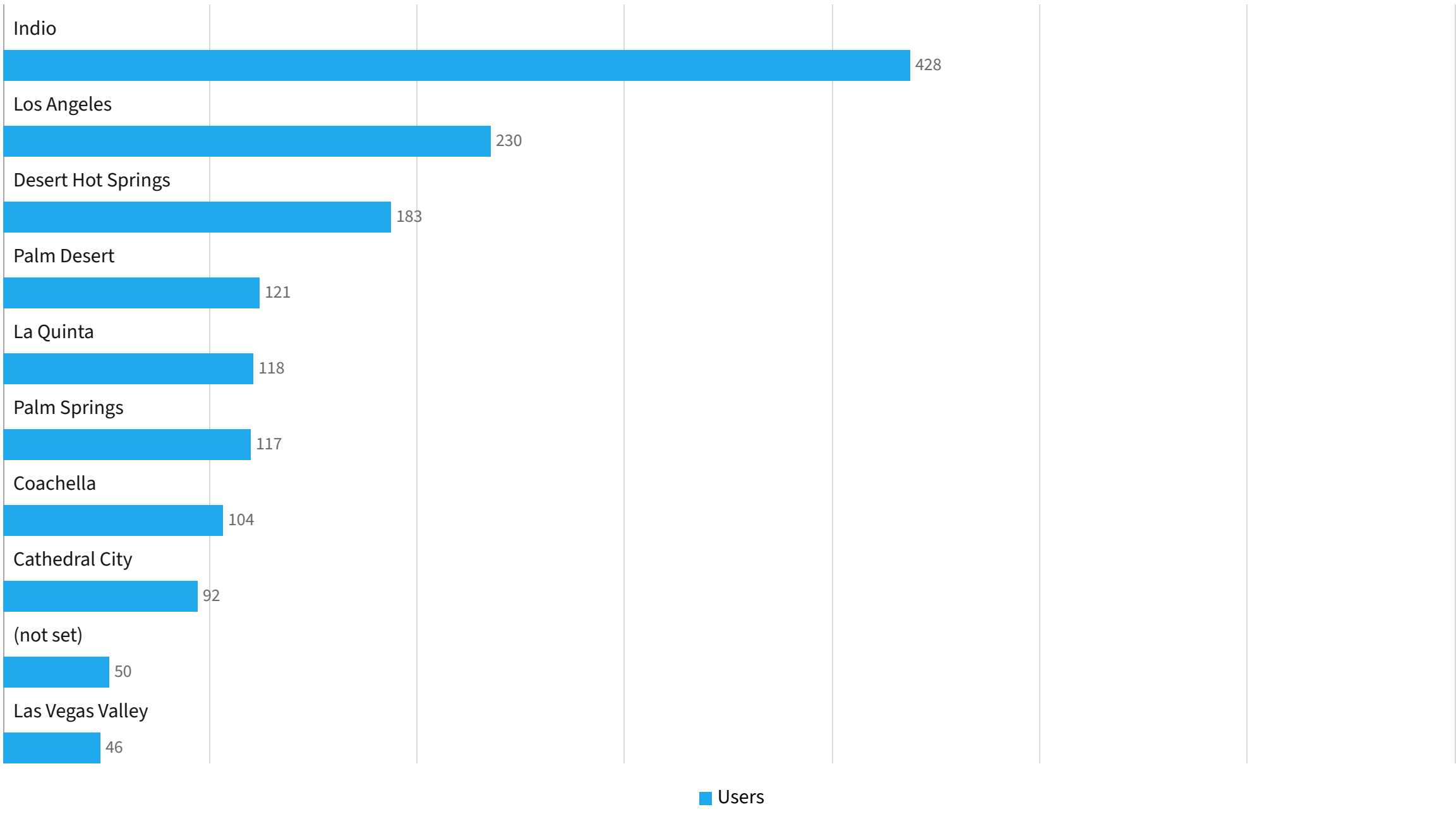
Views by Page title and screen class
CV Water - CV Water Counts - GA4



Engaged sessions by Device category
CV Water - CV Water Counts - GA4

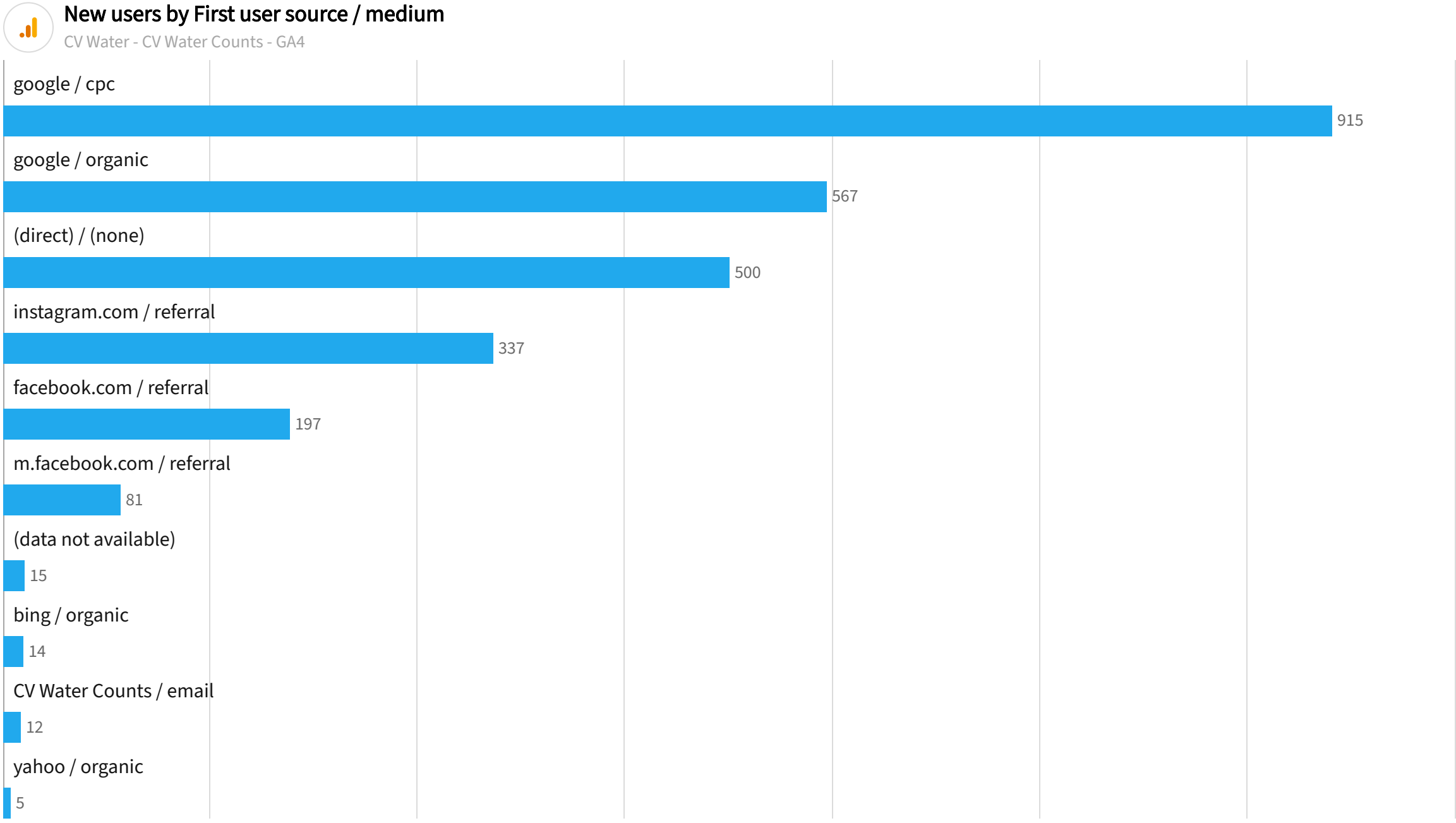
Users by City

CV Water - CV Water Counts - GA4



New users by First user source / medium

CV Water - CV Water Counts - GA4



Month performance

Last 6 months: CV Water - CV Water Counts - GA4

Month	New users	Engaged sessions	Engagement rate	Sessions per User	Average engagement time
June 2026	2,671	1,131	31.5%	1.31	19s
May 2026	2,925	1,295	33.3%	1.3	21s
April 2026	2,451	1,093	35.2%	1.21	22s
March 2026	3,513	1,378	28.4%	1.33	24s
February 2026	2,774	1,049	29.1%	1.26	16s
January 2026	3,569	1,427	30.0%	1.3	20s
	17,903	7,448	31.2%	1.31	21s

Organic Search

Query performance

cvwatercounts.com/

Query	Impr.	Clicks	CTR	Avg. position
natal plum	6,300	9	0.14%	1.14
golden barrel cactus	5,504	4	0.07%	1.32
carissa macrocarpa	5,485	18	0.33%	1.13
barrel cactus	4,578	4	0.09%	1.3
echinocactus grusonii	3,713	3	0.08%	1.63
cleveland sage	2,960	17	0.57%	1.26
desert marigold	2,517	5	0.2%	1.21
cuscino della suocera	2,128	1	0.05%	1
金鯱 サボテン	2,051	0	0%	1.01
national hydration day 2026	2,050	7	0.34%	9.31
	102,599	177	0.17%	13.37

Page performance

cvwatercounts.com/

Page	Impr.	Clicks	CTR	Avg. position
https://cvwatercounts.com/plant-of-the-month-golden-barrel-cactus-echinocactus-grusonii/	50,929	35	0.07%	1.39
https://cvwatercounts.com/plant-of-the-month-natal-plum-carissa-macrocarpa/	18,616	43	0.23%	2.12
https://cvwatercounts.com/plant-of-the-month-texas-ranger-bush-leucophyllum-frutescens/	9,463	20	0.21%	8.66
https://cvwatercounts.com/plant-of-the-month-cleveland-sage-chaparral-sage-salvia-clevelandii/	7,388	40	0.54%	2.2
https://cvwatercounts.com/plant-of-the-month-desert-marigold-baileya-multiradiata/	4,107	7	0.17%	3.03
https://cvwatercounts.com/ten-ways-to-help-protect-our-groundwater/	4,090	9	0.22%	5.73
https://cvwatercounts.com/wp-content/uploads/2022/02/CV-Water-Counts-Academy-Olivia-Bennett-Presentation.pdf	3,741	3	0.08%	21.85
https://cvwatercounts.com/national-hydration-day-what-you-should-know/	2,926	10	0.34%	9.81
https://cvwatercounts.com/where-does-the-coachella-valley-water-come-from/	2,802	16	0.57%	6.29
https://cvwatercounts.com/plant-of-the-month-red-yucca-hesperaloe-parviflora/	2,692	4	0.15%	3.97
	165,596	479	0.29%	14.43

Facebook Information

Impressions
CV Water Counts
25,012

Reach
CV Water Counts
14,753

Follows
CV Water Counts
3

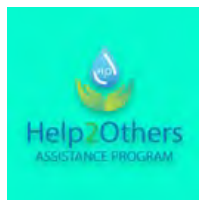
Unfollows
CV Water Counts
2

Post engagement
CV Water Counts
592

Total page views
CV Water Counts
118

Page likes
CV Water Counts
3,925

Post performance
CV Water Counts

Post		Date	Reach	Likes
	Happy Social Media Day! Thank you for following, sharing, and helping spread the word about water conservation across the…	June 30, 2026	13	3
	Coachella Water Authority & Sanitary District works each and every day to protect our environment and make Coachell…	June 29, 2026	7	2
	If you or someone you know needs help paying a water bill, assistance may be available through the Help2Others program. 💧👐…	June 28, 2026	23	4
	As summer temperatures climb across the Coachella Valley, your landscape can quickly become stressed by heat and evaporatio…	June 27, 2026	7	2
	Spending time outdoors this weekend? Remember to apply sunscreen, drink plenty of water, and take breaks in the shade to…	June 26, 2026	14	2
	Water-rich foods like watermelon, cucumbers, berries, and tomatoes can help you stay hydrated during the hot summer months. 🍉🥒…	June 24, 2026	21	4
	As temperatures rise in the desert, remember to drink water regularly—even before you feel thirsty. This National Hydration Day is a…	June 23, 2026	19	4
	When temperatures soar in our Valley, staying hydrated becomes more than a healthy habit—it's essential. National Hydration Da…	June 22, 2026	16	3
			24,149	73

Item 22.

Post		Date	Reach	Likes
	National CPR and AED Awareness Week is a reminder that preparation matters. Whether you're enjoying time by the pool…	June 19, 2026	23	3
	https://www.facebook.com/reel/16	June 18, 2026	13	3
	Check your garden hose regularly for leaks or worn washers. Even small drips can add up to significant water waste over tim…	June 17, 2026	78	3
	Looking to add dramatic color and texture to your landscape without increasing water use? Pink Muhly Grass may be the perfect additio…	June 15, 2026	12	2
	Stay informed with the latest conservation tips, local water news, and community updates by signing up for our Water Watch…	June 12, 2026	19	4
	What's in Your Drinking Water? Your Annual Water Quality Report Has the Answers. Have you ever wondered where your drinking…	June 12, 2026	11	2
	Wash full loads of laundry whenever possible to help save water and energy. A few simple changes can make a big impact…	June 10, 2026	102	3
	Even here in our desert, our everyday actions can help protect oceans and waterways. This World Oceans Day, keep in mind that…	June 8, 2026	23	3
	Looking for a rewarding career with long-term opportunities? Consider the water industry. Every day, water professionals help…	June 6, 2026	18	3
	Today is World Environment Day. Small everyday actions—like fixing leaks, watering wisely, and reducing waste—can make a big…	June 5, 2026	249	4
	Conservation Tip of the Month: Water your yard during non-daylight hours. More water will reach the roots, and less water w…	June 4, 2026	23,434	16
	June is National Rivers Month. Rivers provide water, food, irrigation, and habitat for wildlife. Protecting and preserving these…	June 1, 2026	29	2
			24,149	73

Instagram Information

Views
CV Water Counts

28,068

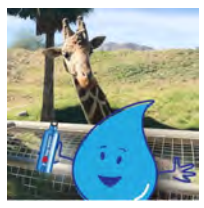
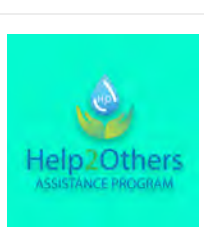
Likes
CV Water Counts

18

Followers (lifetime)
CV Water Counts

262

Post performance
CV Water Counts

Post		Views	Engagement	Reach	Saved
	June is National Rivers Month. Rivers provide water, food, irrigation, and habitat for wildlife. Protecting and preserving these…	18	2	9	0
	Today is World Environment Day. Small everyday actions—like fixing leaks, watering wisely, and reducing waste—can make a big…	15	2	7	0
	As temperatures rise in the desert, remember to drink water regularly—even before you feel thirsty. This National Hydration Day is a…	12	2	8	0
	Conservation Tip of the Month: Water your yard during non-daylight hours. More water will reach the roots, and less water w…	10	2	7	0
	Stay informed with the latest conservation tips, local water news, and community updates by signing up for our Water Watch…	9	2	5	0
	Spending time outdoors this weekend? Remember to apply sunscreen, drink plenty of water, and take breaks in the shade to…	8	1	7	0
	Even here in our desert, our everyday actions can help protect oceans and waterways. This World Oceans Day, keep in mind that…	7	1	5	0
	If you or someone you know needs help paying a water bill, assistance may be available through the Help2Others program. 💧👐…	6	2	5	0
	National CPR and AED Awareness Week is a reminder that preparation matters. Whether you're enjoying time by the pool…	6	1	4	0
	Wash full loads of laundry whenever possible to help save water and energy. A few simple changes can make a big impact…	5	1	3	0
		103	18	67	0

Item 22.

Post		Views	Engagement	Reach	Saved
	Check your garden hose regularly for leaks or worn washers. Even small drips can add up to significant water waste over tim…	4	1	4	0
	Water-rich foods like watermelon, cucumbers, berries, and tomatoes can help you stay hydrated during the hot summer months. 🍉🥒…	2	1	2	0
	Happy Social Media Day! Thank you for following, sharing, and helping spread the word about water conservation across the…	1	0	1	0
		103	18	67	0

E-Blast Information

Campaign performance

CV Water Counts

Campaign	Send Time	Emails Sent	Unique Opens	Total Opens	Open Rate	Industry Open Rate	Total Clicks	Click Rate	Industry Click Rate	Unsubscribe Count
CV Water Counts - Water Watch Newsletter - June 2026	Wednesday, June 3, 2026 10:00 AM	803	438	805	54.55%	17.58%	121	4.77%	1.07%	3
		803	438	805	54.55%	17.58%	121	4.77%	1.07%	3

MSWD Digital Marketing & Website Report

Website, Social, and Marketing Performance

Jun 1–30, 2026

Google Ads Campaigns

Impressions
MSWD
151.07K

Clicks
MSWD
283

CTR
MSWD
0.19%

Campaign Performance
MSWD

Campaign name	Impr.	Clicks	CTR
MSWD Sewer Renewal 2026	74,178	149	0.2%
MSWD - Water Quality Report 2026	76,893	134	0.17%
	151,071	283	0.19%





Meta Campaign Performance

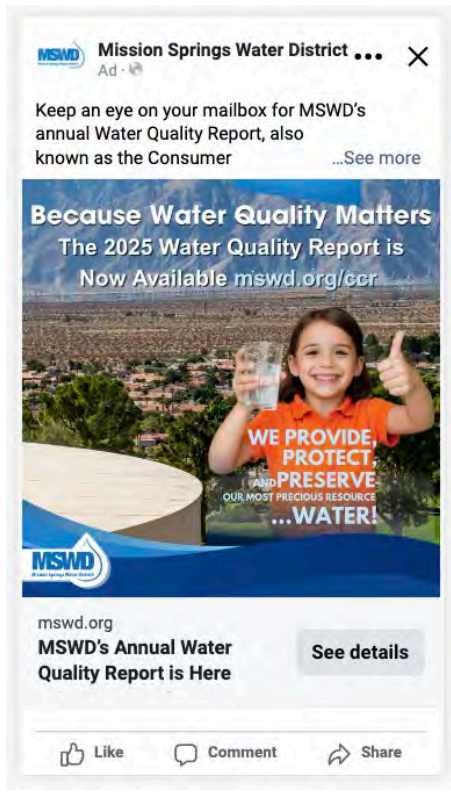
Includes Facebook and Instagram campaigns

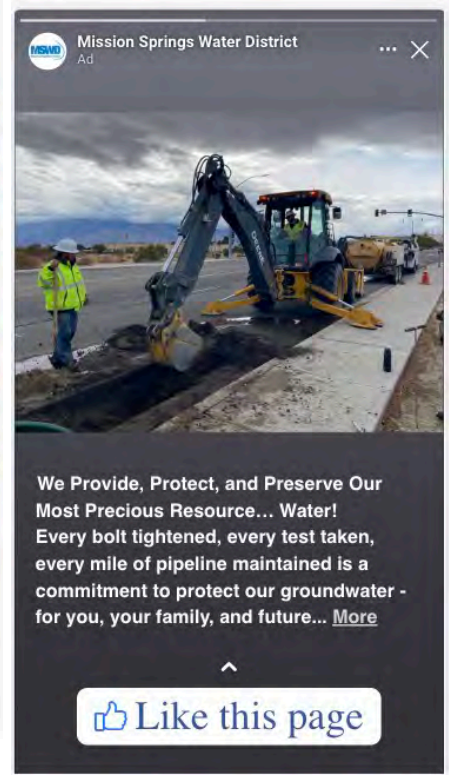
Campaign performance

MSWD

Campaign	Link Clicks	Impr.	Reach	Page Likes
MSWD Sewer payment	103	57,578	26,302	0
MSWD Water Quality Report - 2026	58	34,563	16,659	0
MSWD IG Enagement 2026	53	8,880	1,716	0
MSWD Facebook Enagement 2026	39	7,507	3,580	44
	253	108,528	32,795	44







Website Information

Users
www.mswd.org - http://www.ms…

5,567

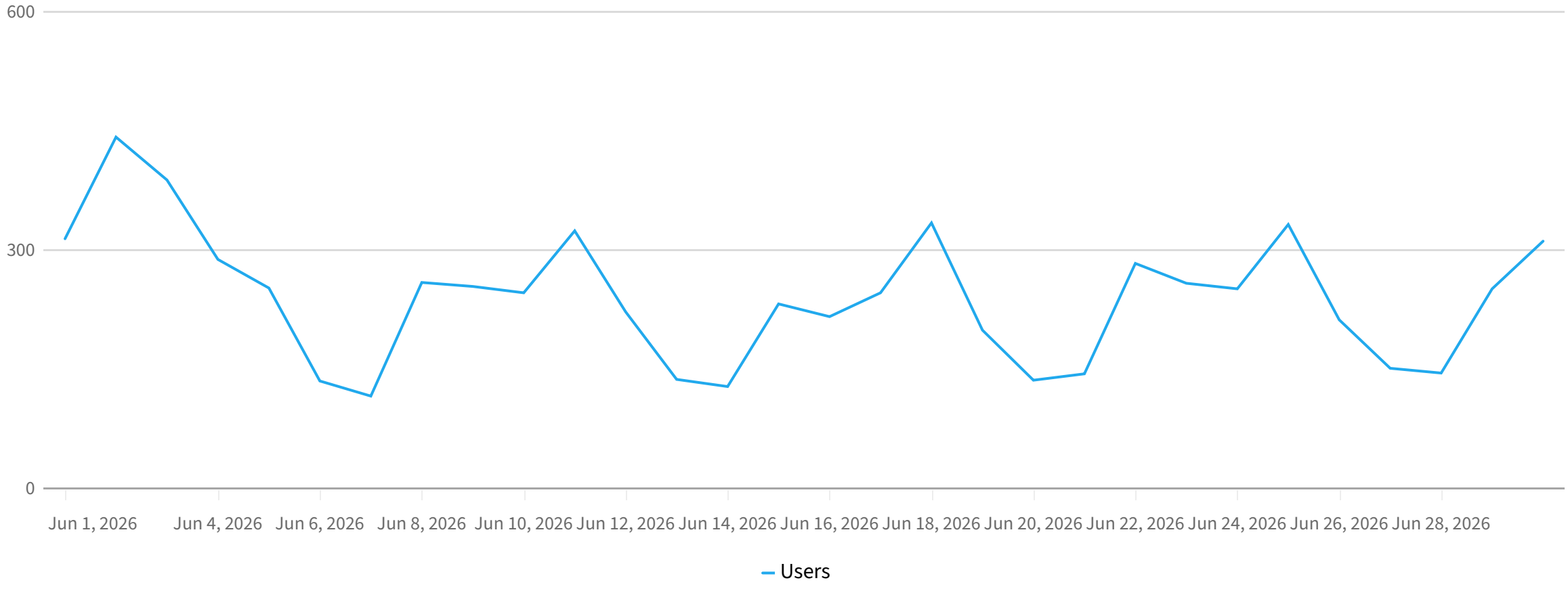
Views
www.mswd.org - http://www.ms…

18,706

Engaged sessions
www.mswd.org - http://www.ms…

5,867

Users by Day
www.mswd.org - http://www.mswd.org - GA4

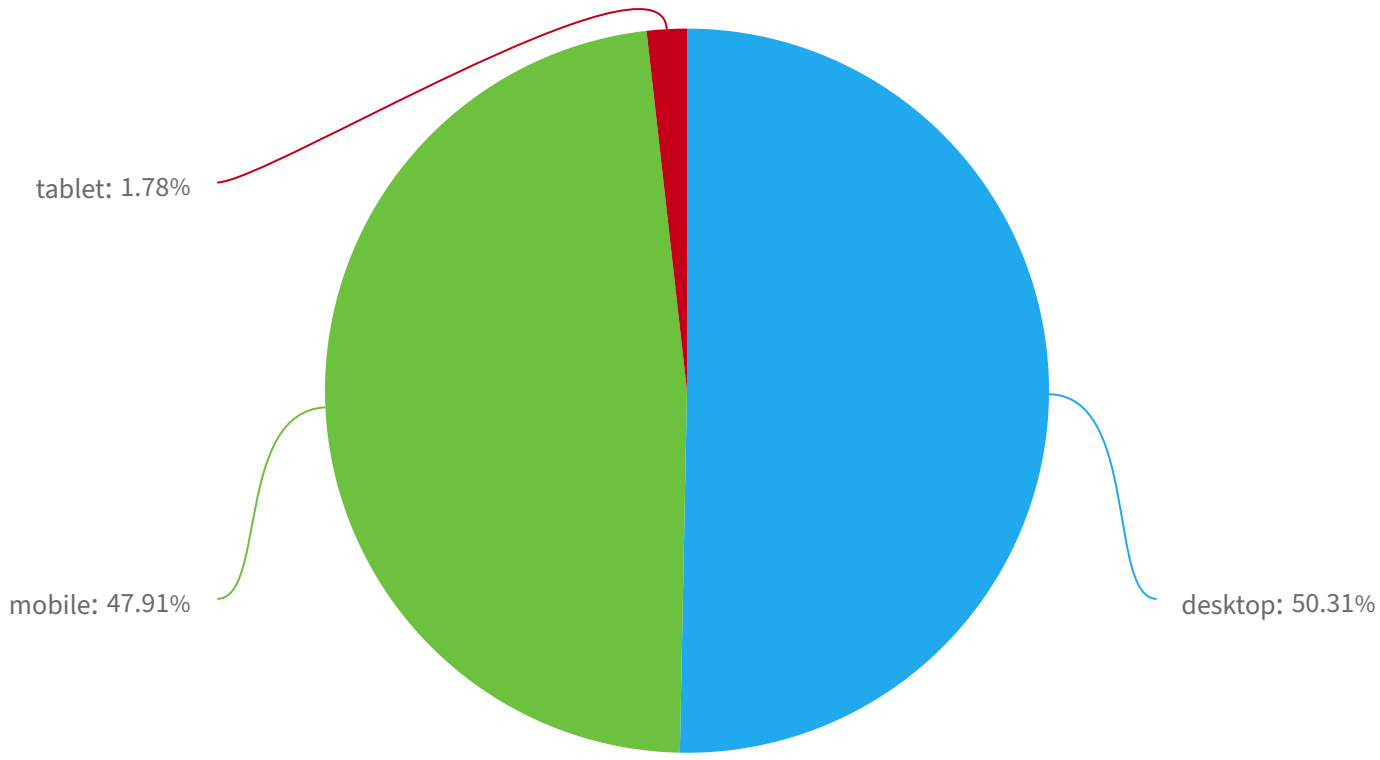


Page path performance
www.mswd.org - http://www.mswd.org - GA4

Page path	Views	Views per user	Users	Engaged sessions	Sessions per User	Average engagement time
/	5,481	1.67	3,278	4,097	1.47	17s
/mswd/page/customer-portal	4,577	1.82	2,480	3,286	1.6	16s
/jobs	932	2.53	367	513	1.77	16s
/mswd/page/careers	565	2.16	262	474	1.94	24s
/mswd/page/application-water-service	474	2.55	182	238	1.62	4m 22s
/mswd/page/bill-pay-options	461	1.31	349	304	1.2	21s
/meetings	381	3.07	123	288	2.88	45s
/mswd/page/startstop-water-service	273	1.53	179	220	1.28	31s
/mswd/page/water-quality-reports	253	1.19	209	75	1.15	10s
/meetings/recent	219	2.46	88	140	2.27	45s
	18,706	3.32	5,567	5,867	1.65	56s

Engaged sessions by Device category

www.mswd.org - http://www.mswd.org - GA4



Users by City

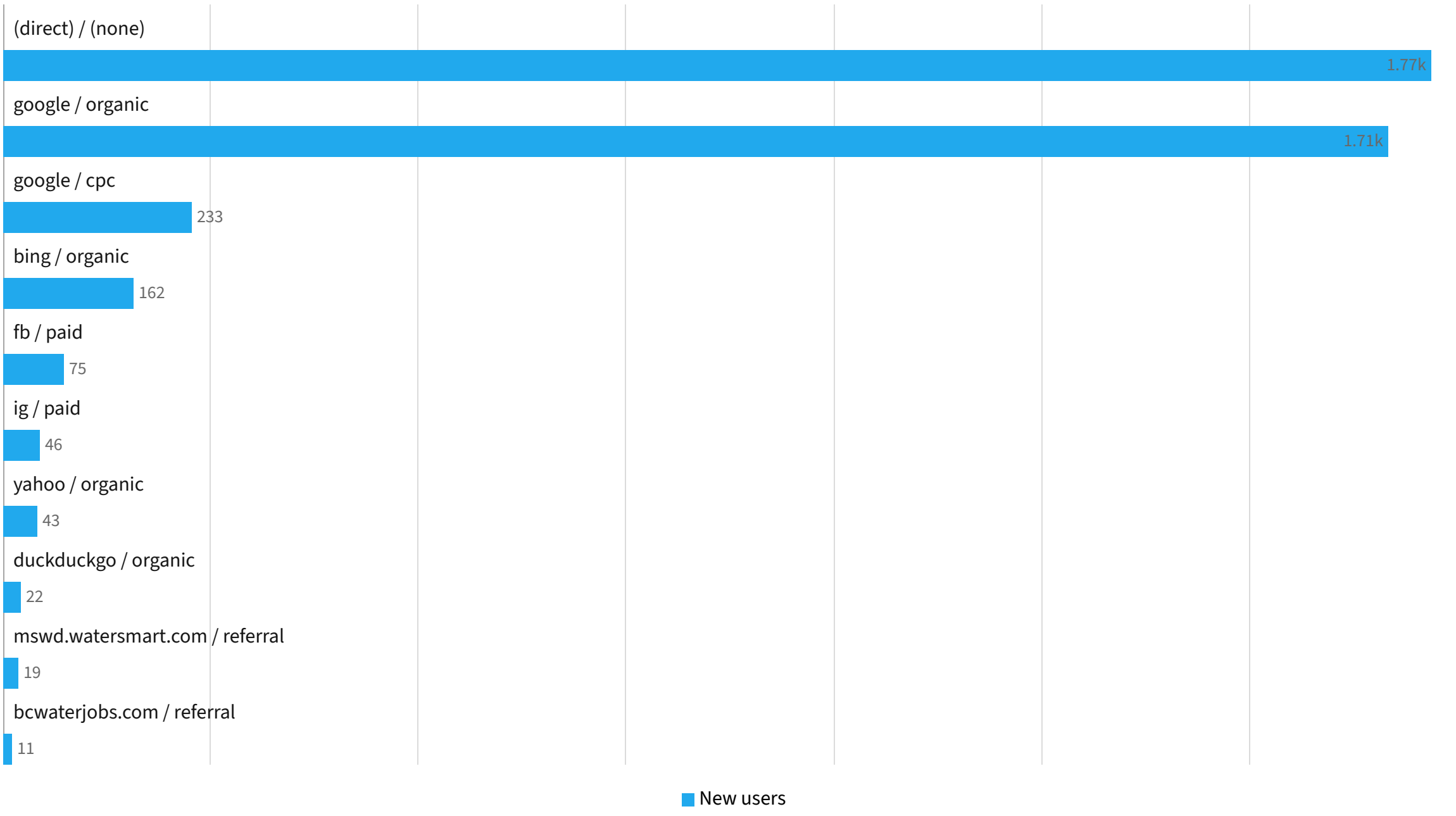
www.mswd.org - http://www.mswd.org - GA4

City	Users
Desert Hot Springs	970
Los Angeles	959
Indio	230
La Quinta	155
(not set)	137
Palm Springs	112
(not set)	89
San Diego	89
Cathedral City	76
Palm Desert	76
	5,567

Item 22.

New users by First user source / medium

www.mswd.org - http://www.mswd.org - GA4



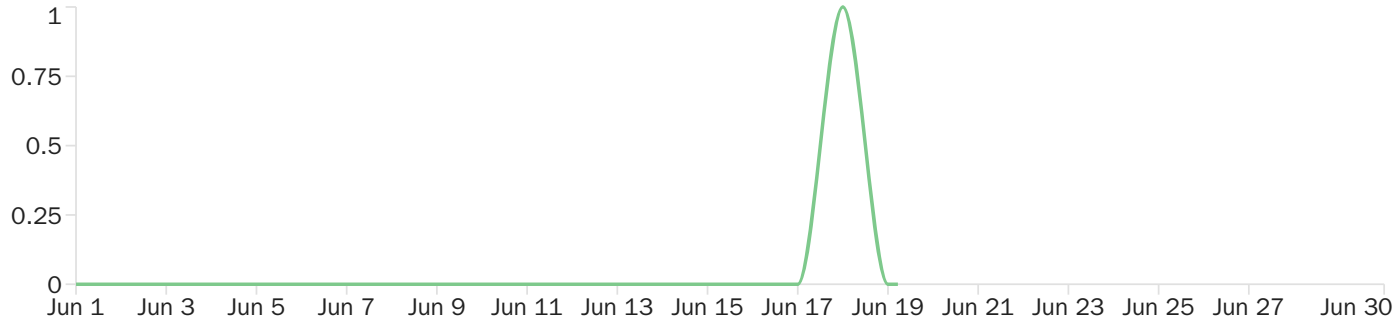
Loom.ly Account Overview (June 1 - 30, 2026)

Total Clicks

1

-1 (-50.0%)

Clicks Over Time



Click Sources

Click Locations



Facebook Account Overview (June 1 - 30, 2026)

Posts Published
16 +5 (45.5%)

Total Likes
1,583 +53 (3.5%)

Total Views
106,652 -26,122 (-19.7%)

Organic Views
18,202 +8,732 (92.2%)

Paid Views
88,450 -34,854 (-28.3%)

Video Views
256 -75 (-22.7%)

3 Most Viewed Posts



Educational Celebration
We have even more to celebrate this week as Theresa Murph... 7,872



Congratulations Employee
We are happy to share that Field Service Lead David Pena ... 2,957



CVAG Desert Clean Up
Illegal Dumping Impacts Us All 🌎💧
Learn how local agenc... 1,103

3 Most Shared Posts



Blood Drive Promo
Join us next week for our blood drive and save lives! 🩸
... 1



News Release: Mission Springs Water District recently ann... 0



We are here for you
🚨 Water emergency at 2 a.m.? Main break on a holiday? Sew... 0

3 Least Viewed Posts

		53
	Water Matters Newsletter Stay in the know with MSWD! 📰💧 The MSWD June Water Matte...	108
	Calendar Contest Student artist Daniel S. from Bubbling Wells Elementary S...	124

3 Least Shared Posts

	CVAG Desert Clean Up Illegal Dumping Impacts Us All 🌎💧 Learn how local agenc...	0
	Calendar Contest Student artist Daniel S. from Bubbling Wells Elementary S...	0
	Water Quality Report CCR Keep an eye on your mailbox for MSWD's annual Water Quali...	0

Likes By Country

1. United States of America *(1,550 likes)*
2. Mexico *(20 likes)*
3. France *(4 likes)*
4. Canada *(3 likes)*
5. China *(3 likes)*

Likes By City

1. Desert Hot Springs, CA *(672 likes)*
2. Cathedral City, CA *(78 likes)*
3. Palm Springs, CA *(58 likes)*
4. Palm Desert, CA *(51 likes)*
5. La Quinta, CA *(48 likes)*

Facebook Post Metrics (June 1 - 30, 2026)

Date	Format	Post	Labels	Impressions	Reactions	Comments	Shares	Clicks	Video Views
June 30, 2026 6:45 PM PDT	Image	 CVAG Desert Clean Up Illegal Dumping Impacts Us All 🌎💧 Learn how local agencies are coordinating their response to this important issue! https://youtu.be/jTewtWsv_54?si=Fvkhu9yfR9RCSOaj #CVAG #MSWD #DesertHotSpring...	Event	1,103	27	4	0	43	0
June 29, 2026 11:11 AM PDT	Image	 Calendar Contest Student artist Daniel S. from Bubbling Wells Elementary School reminds us to value our precious resource, save water, and that flushable wipes are not flushable, they can clog your pipes and our sy...		124	7	0	0	2	0
June 26, 2026 11:11 AM PDT	Image	 Water Quality Report CCR Keep an eye on your mailbox for MSWD's annual Water Quality Report, also known as the Consumer Confidence Report. Mailed to all customers in the district's service area, this report provides a help...	Customer Service	156	8	0	0	0	0

Date	Format	Post	Labels	Impressions	Reactions	Comments	Shares	Click	
June 25, 2026 1:57 PM PDT	Image	 Water Matters Newsletter Stay in the know with MSWD! 📰💧 The MSWD June Water Matters newsletter features information about the annual water quality report, summer outdoor water conservation, and our bill assistance program...	Customer Service	108	5	0	0	1	0
June 25, 2026 1:50 PM PDT	Simple Status			53	0	0	0	0	0
June 24, 2026 11:14 AM PDT	Image	 Congratulations Employee We are happy to share that Field Service Lead David Pena had achieved his Distribution Operator Grade 3 (D-3)! 🎉 David continues to excel in his lead role, providing invaluable support in maintain...	Worker Wed	2,957	34	5	0	106	0
June 22, 2026 5:37 PM PDT	Image	 Milestone Anniversary At this month's board meeting, we proudly recognized Wastewater Treatment Plant Operator II Joey McElrone for a milestone anniversary, 5 years of service with MSWD. 🎉 Joey takes great pride in the...	Worker Wed	1,097	21	1	0	40	0
									535

Date	Format	Post	Labels	Impressions	Reactions	Comments	Shares	Click	
June 19, 2026 11:11 AM PDT	Image	 Blood Drive Promo Join us next week for our blood drive and save lives! 🩸 Sign up now for the MSWD Blood Drive on Wednesday, June 24th, 7am. - 12pm. To schedule an appointment, call 800.879.4484, or visit lstream.o...	Event	245	6	0	1	2	0
June 18, 2026 7:43 PM PDT	Image			195	4	0	0	1	0
June 18, 2026 4:37 PM PDT	Image	 Educational Celebration We have even more to celebrate this week as Theresa Murphy has earned her Associate of Arts degree in Business Administration! 🎉 Throughout her career at MSWD, Theresa has served in several depart...	Worker Wed	7,872	86	12	0	288	0
June 17, 2026 5:04 PM PDT	Image	 New Hire Welcome We are happy to welcome new hire, Daniel Lopez who joins us as an Engineering Technician II. Daniel brings more than six years of experience supporting public sector engineering departments. He po...	Worker Wed	537	10	0	0	10	0

Date	Format	Post	Labels	Impressions	Reactions	Comments	Shares	Click	
June 10, 2026 5:01 PM PDT	Image	 GCVCC Award MSWD was honored to be awarded the Greater Coachella Valley Chamber - West Valley Organization of the Year at the annual GCVCC Installation and Business Awards Dinner. 🎉 The special evening celebr...	Event	1,040	29	4	0	60	0
June 10, 2026 10:36 AM PDT	Image			209	6	0	0	0	0
June 06, 2026 11:27 AM PDT	Multi-Image	 +1 Great turn out at the The City of Desert Hot Springs Day of the Child event, we are here until 1pm., enjoy our delicious award-winning water and the fun activities for the kids! 💙		794	19	1	0	56	0
June 03, 2026 5:04 PM PDT	Video	 We are here for you 🚨 Water emergency at 2 a.m.? Main break on a holiday? Sewer issue on a weekend? No matter the time, day, or weather, MSWD is here for you 24/7. Our crews are always on call and ready to respond, ...	Worker Wed	248	8	0	0	3	55

Date	Format	Post	Labels	Impressions	Reactions	Comments	Shares	Clicks	
June 02, 2026 3:01 PM PDT	Image	 News Release: Mission Springs Water District recently announced its support for Vision for Our Water Future, a statewide initiative led by the Association of California Water Agencies (ACWA) to ad...		403	13	1	0	13	0
			Total	17,141	283	28	1	625	55
			Average	1,071.3	17.7	1.8	0.1	39.1	3.4

Instagram Account Overview (June 1 - 30, 2026)

Posts Published	Total Followers	New Followers	Reach
13 +3 (30.0%)	596 +16 (2.8%)	18 -3 (-14.3%)	20,987 -31,264 (-59.8%)

3 Most Liked Posts

	GCVCC Award MSWD was honored to be awarded the Greater Coachella Valley Chamber- West Valley Organization of the Year at the annu...	24
	Educational Celebration We have even more to celebrate this week as Theresa Murphy has earned her Associate of Arts degree in Business Admini...	21
	We had a blast at the City of Desert Hot Springs Day of the Child event, as always we love sharing and talking about ...	19

3 Most Commented Posts

	GCVCC Award MSWD was honored to be awarded the Greater Coachella Valley Chamber- West Valley Organization of the Year at the annu...	4
	Educational Celebration We have even more to celebrate this week as Theresa Murphy has earned her Associate of Arts degree in Business Admini...	2
	CVAG Desert Clean Up Illegal Dumping Impacts Us All 🌎💧 Learn how local agencies are coordinating their response to this important issue! ...	2

3 Least Liked Posts



Post 52326044
Mission Springs Water District recently announced its support for Vision for Our Water Future, a statewide initiative...
2



Calendar Contest
Student artist Daniel S. from Bubbling Wells Elementary School reminds us to value our precious resource, save water,...
3



Water Matters Newsletter
Stay in the know with MSWD! 📰💧
The MSWD June Water Matters newsletter features information about the annual water qu...
3

3 Least Commented Posts



Calendar Contest
Student artist Daniel S. from Bubbling Wells Elementary School reminds us to value our precious resource, save water,...
0



Water Quality Report CCR
Keep an eye on your mailbox for MSWD's annual Water Quality Report, also known as the Consumer Confidence Report. Mai...
0



Water Matters Newsletter
Stay in the know with MSWD! 📰💧
The MSWD June Water Matters newsletter features information about the annual water qu...
0

Instagram Story Metrics (June 1 - 30, 2026)

Date	Story	Labels	Exits	Impressions	Reach	Replies	Taps Forward	Taps Back
June 29, 2026 4:35 PM PDT			5	33	33	0	26	1
June 29, 2026 4:35 PM PDT			0	34	34	0	31	2
June 29, 2026 4:34 PM PDT			3	38	38	0	31	2
June 29, 2026 4:34 PM PDT			8	45	45	0	32	1
June 24, 2026 11:31 AM PDT			6	27	27	0	22	0
June 24, 2026 11:31 AM PDT			2	27	27	0	24	0
June 24, 2026 11:31 AM PDT			1	27	27	0	26	0
June 24, 2026 11:30 AM PDT			0	26	26	0	24	1
June 24, 2026 11:30 AM PDT			3	28	28	0	22	0
June 20, 2026 9:22 AM PDT			4	26	25	0	23	2

Date	Story	Labels	Exits	Impressions	Reach	Replies	Taps Forward	T
June 20, 2026 9:22 AM PDT			2	28	28	0	26	2
June 20, 2026 9:22 AM PDT			4	30	30	0	27	0
June 20, 2026 9:22 AM PDT			4	34	34	0	24	0
June 19, 2026 12:20 PM PDT			4	30	30	0	22	4
June 19, 2026 12:20 PM PDT			4	32	32	0	27	3
June 19, 2026 12:20 PM PDT			2	32	32	0	30	1
June 19, 2026 12:20 PM PDT			3	33	33	0	26	0
June 19, 2026 12:20 PM PDT			8	38	38	0	23	0
June 18, 2026 5:02 PM PDT			4	41	41	0	27	2
June 17, 2026 6:35 PM PDT			8	53	51	0	46	7

Date	Story	Labels	Exits	Impressions	Reach	Replies	Taps Forward	T
June 17, 2026 6:35 PM PDT			2	52	51	0	47	4
June 17, 2026 6:35 PM PDT			3	54	53	0	49	3
June 17, 2026 6:34 PM PDT			2	55	55	0	45	6
June 17, 2026 6:34 PM PDT			7	63	62	1	53	0
June 03, 2026 5:12 PM PDT			1	25	25	0	21	0
June 03, 2026 5:12 PM PDT			6	21	21	0	16	0
June 03, 2026 5:11 PM PDT			1	28	28	0	25	1
June 03, 2026 5:11 PM PDT			5	36	35	0	26	4
June 03, 2026 5:11 PM PDT			5	40	40	1	25	0
June 02, 2026 5:21 PM PDT			4	28	28	0	27	0

Date	Story	Labels	Exits	Impressions	Reach	Replies	Taps Forward	T
June 02, 2026 5:21 PM PDT			1	29	29	0	27	0
June 02, 2026 5:20 PM PDT			0	29	29	0	28	0
June 02, 2026 5:20 PM PDT			2	29	29	0	26	0
June 02, 2026 5:20 PM PDT			2	32	32	0	24	0

Instagram Post Metrics (June 1 - 30, 2026)

Date	Format	Post	Labels	Likes	Comments	Impressions	Reach	Engagements	Engagement Rate	Saves	Reels Plays
June 30, 2026 5:34 PM PDT	Image	 CVAG Desert Clean Up Illegal Dumping Impacts Us All 🌎💧 Learn how local agencies are coordinating their response to this important issue! https://youtu.be/jTewtWsv_54?si=Fvkhu9yfR9RCSOaj #CVAG #MSWD #DesertHotSprings ...	Event	6	2	190	91	8	8.79%	0	190
June 29, 2026 11:11 AM PDT	Image	 Calendar Contest Student artist Daniel S. from Bubbling Wells Elementary School reminds us to value our precious resource, save water, and that flushable wipes are not flushable, they can clog your pipes and our sy...		3	0	148	65	4	6.15%	1	148
June 26, 2026 11:11 AM PDT	Image	 Water Quality Report CCR Keep an eye on your mailbox for MSWD's annual Water Quality Report, also known as the Consumer Confidence Report. Mailed to all customers in the district's service area, this report provides a help...	Customer Service	4	0	193	83	4	4.82%	0	193

Date	Format	Post	Labels	Likes	Comments	Impressions	Reach	Engagements	Engagement Rate	Saves	
June 25, 2026 1:57 PM PDT	Image	 Water Matters Newsletter Stay in the know with MSWD! 📰💧 The MSWD June Water Matters newsletter features information about the annual water quality report, summer outdoor water conservation, and our bill assistance program...	Customer Service	3	0	122	62	3	4.84%	0	122
June 24, 2026 11:15 AM PDT	Image	 Congratulations Employee We are happy to share that Field Service Lead David Pena had achieved his Distribution Operator Grade 3 (D-3)! 🎉 David continues to excel in his lead role, providing invaluable support in maintain...	Worker Wed	13	1	231	107	14	13.08%	0	231
June 22, 2026 5:37 PM PDT	Image	 Milestone Anniversary At this month's board meeting, we proudly recognized Wastewater Treatment Plant Operator II Joey McElrone for a milestone anniversary, 5 years of service with MSWD. 🎉 Joey takes great pride in the...	Worker Wed	15	1	397	229	16	6.99%	0	397

Date	Format	Post	Labels	Likes	Comments	Impressions	Reach	Engagements	Engagement Rate	Saves	
June 19, 2026 11:11 AM PDT	Image	 Blood Drive Promo Join us next week for our blood drive and save lives! 🩸 Sign up now for the MSWD Blood Drive on Wednesday, June 24th, 7am. - 12pm. To schedule an appointment, call 800.879.4484, or visit Istream.o...	Event	4	0	146	69	4	5.8%	0	146
June 18, 2026 4:37 PM PDT	Image	 Educational Celebration We have even more to celebrate this week as Theresa Murphy has earned her Associate of Arts degree in Business Administration! 🎉 Throughout her career at MSWD, Theresa has served in several depart...	Worker Wed	21	2	434	137	23	16.79%	0	434
June 17, 2026 5:04 PM PDT	Image	 New Hire Welcome We are happy to welcome new hire, Daniel Lopez who joins us as an Engineering Technician II. Daniel brings more than six years of experience supporting public sector engineering departments. He po...	Worker Wed	19	0	416	140	19	13.57%	0	416

Date	Format	Post	Labels	Likes	Comments	Impressions	Reach	Engagements	Engagement Rate	Saves	
June 10, 2026 5:01 PM PDT	Image	 GCVCC Award MSWD was honored to be awarded the Greater Coachella Valley Chamber-West Valley Organization of the Year at the annual GCVCC Installation and Business Awards Dinner. 🎉 The special evening celebra...	Event	24	4	437	195	28	14.36%	0	437
June 06, 2026 1:00 PM PDT	Carousel	 We had a blast at the City of Desert Hot Springs Day of the Child event, as always we love sharing and talking about our award-winning water, but the best part is connecting with our community. 💙💧#...		19	1	400	143	20	13.99%	0	400
June 03, 2026 5:04 PM PDT	Video	 We are here for you 🚨 Water emergency at 2 a.m.? Main break on a holiday? Sewer issue on a weekend? No matter the time, day, or weather, MSWD is here for you 24/7. Our crews are always on call and ready to respond, ...	Worker Wed	10	0	600	254	10	3.94%	0	600

Date	Format	Post	Labels	Likes	Comments	Impressions	Reach	Engagements	Engagement Rate	Saves	
June 02, 2026 3:02 PM PDT	Image	 Post 52326044 Mission Springs Water District recently announced its support for Vision for Our Water Future, a statewide initiative led by the Association of California Water Agencies (ACWA) to advance a reliab...		2	0	239	96	2	2.08%	0	239
			Total	143	11	3,953	1,671	155		1	3,953
			Average	11.0	0.8	304.1	128.5	11.9	9.28%	0.1	304.1

LinkedIn Account Overview (June 1 - 30, 2026)

Posts Published	Likes	Views	Followers
8 +4 (100.0%)	119 +51 (75.0%)	26 -2 (-7.1%)	540 +4 (0.7%)

Comments	Impressions	Clicks	Engagement Rate
17 +11 (183.3%)	2,566 +774 (43.2%)	101 +11 (12.2%)	7.84% +0.1

3 Most Engaging Posts



CVAG Desert Clean Up
Illegal Dumping Impacts Us All 🌎💧
Learn how local agencies are coordinating their response to this important issue!... 12.93%



GCVCC Award
MSWD was honored to be awarded the Greater Coachella Valley Chamber - West Valley Organization of the Year at the ann... 11.26%



Educational Celebration
We have even more to celebrate this week as Theresa Murphy has earned her Associate of Arts degree in Business Admini... 9.67%

3 Most Shared Posts



Post 52326044
News Release: Mission Springs Water District recently announced its support for Vision for Our Water Future, a statew... 1



GCVCC Award
MSWD was honored to be awarded the Greater Coachella Valley Chamber - West Valley Organization of the Year at the ann... 1



Educational Celebration
We have even more to celebrate this week as Theresa Murphy has earned her Associate of Arts degree in Business Admini... 1

3 Least Engaging Posts



New Hire Welcome
We are happy to welcome new hire, Daniel Lopez who joins us as an Engineering Technician II.
Daniel brings more than... 7.03%



Post 52326044
News Release: Mission Springs Water District recently announced its support for Vision for Our Water Future, a statew... 7.64%



Water Matters Newsletter
Stay in the know with MSWD! 📰💧
The MSWD June Water Matters newsletter features information about the annual water qu... 7.69%

3 Least Shared Posts



CVAG Desert Clean Up
Illegal Dumping Impacts Us All 🌎💧
Learn how local agencies are coordinating their response to this important issue!... 0



Water Matters Newsletter
Stay in the know with MSWD! 📰💧
The MSWD June Water Matters newsletter features information about the annual water qu... 0



Congratulations Employee
We are happy to share that Field Service Lead David Pena had achieved his Distribution Operator Grade 3 (D-3)! 🎉
Dav... 0

LinkedIn Post Metrics (June 1 - 30, 2026)

Date	Format	Post	Labels	Shares	Clicks	Engagement Rate	Reactions	Impressions	Comments
June 30, 2026 5:34 PM PDT	Image	 CVAG Desert Clean Up Illegal Dumping Impacts Us All 🌎💧 Learn how local agencies are coordinating their response to this important issue! https://lnkd.in/etEkfRmn #CVAG #MSWD #DesertHotSprings #CoachellaValley	Event	0	7	12.93%	7	116	1
June 25, 2026 1:57 PM PDT	Image	 Water Matters Newsletter Stay in the know with MSWD! 📰💧 The MSWD June Water Matters newsletter features information about the annual water quality report, summer outdoor water conservation, and our bill assistance program...	Customer Service	0	1	7.69%	4	65	0

Date	Format	Post	Labels	Shares	Clicks	Engagement Rate	Reactions	Impressions	Item 22.
June 24, 2026 11:14 AM PDT	Image	 Congratulations Employee We are happy to share that Field Service Lead David Pena had achieved his Distribution Operator Grade 3 (D-3)! 🎉 David continues to excel in his lead role, providing invaluable support in maintain...	Worker Wed	0	17	9.18%	26	512	4
June 22, 2026 5:37 PM PDT	Image	 Milestone Anniversary At this month's board meeting, we proudly recognized Wastewater Treatment Plant Operator II Joey McElrone for a milestone anniversary, 5 years of service with MSWD. 🎉 Joey takes great pride in the...	Worker Wed	0	7	7.95%	11	239	1
June 18, 2026 4:37 PM PDT	Image	 Educational Celebration We have even more to celebrate this week as Theresa Murphy has earned her Associate of Arts degree in Business Administration! 🎉 Throughout her career at MSWD, Theresa has served in several depart...	Worker Wed	1	28	9.67%	22	579	5

Date	Format	Post	Labels	Shares	Clicks	Engagement Rate	Reactions	Impressions	*Item 22.*
June 17, 2026 5:04 PM PDT	Image	 New Hire Welcome We are happy to welcome new hire, Daniel Lopez who joins us as an Engineering Technician II. Daniel brings more than six years of experience supporting public sector engineering departments. He po...	Worker Wed	0	4	7.03%	9	185	0
June 10, 2026 5:01 PM PDT	Image	 GCVCC Award MSWD was honored to be awarded the Greater Coachella Valley Chamber - West Valley Organization of the Year at the annual GCVCC Installation and Business Awards Dinner. 🎉 The special evening celebr...	Event	1	35	11.26%	32	657	6
June 02, 2026 3:02 PM PDT	Image	 Post 52326044 News Release: Mission Springs Water District recently announced its support for Vision for Our Water Future, a statewide initiative led by the Association of California Water Agencies (ACWA) to ad...		1	4	7.64%	16	288	1
			Total	3	103		127	2,641	1

Date	Format	Post	Labels	Shares	Clicks	Engagement Rate	Reactions	Impressions	Item 22.
			Average	0.4	12.9	9.17%	15.9	330.1	2.3

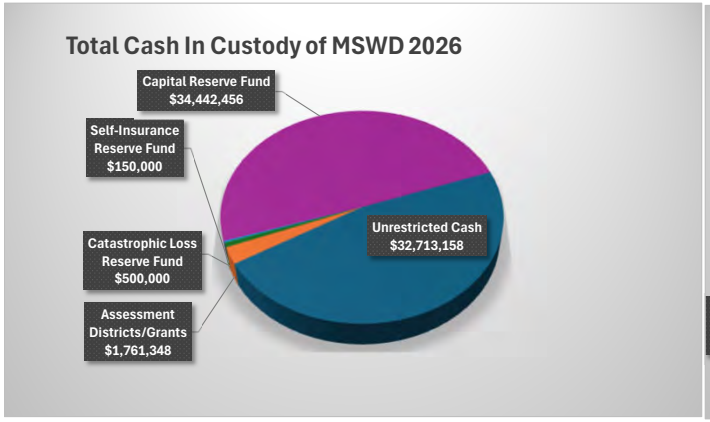
APPENDIX D – Financial Information

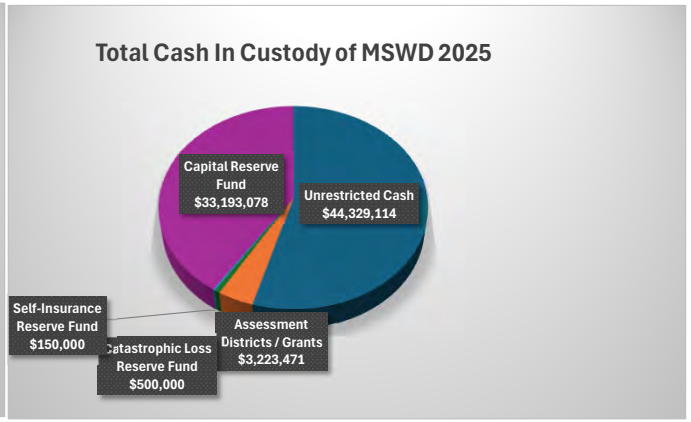
MISSION SPRINGS WATER DISTRICT
COMBINED FUNDS
DISTRICT SUMMARY
JULY 1, 2025 TO MAY 31, 2026

YEAR TO DATE					JULY 1, 2024 TO MAY 31, 2025			
ACTUAL	BUDGET	FAVORABLE (UNFAVORABLE) VARIANCE AMOUNT	FAVORABLE (UNFAVORABLE) VARIANCE PERCENT		ACTUAL	BUDGET	FAVORABLE (UNFAVORABLE) VARIANCE AMOUNT	FAVORABLE (UNFAVORABLE) VARIANCE PERCENT
37,595,419	19,865,585	17,729,833	89%	**OPERATING REVENUE:**	19,199,588	18,690,584	509,004	3%
21,494,388	25,649,798	4,155,410	16%	**OPERATING EXPENSE:**	18,831,188	24,541,685	5,710,497	23%
16,101,031	(5,784,213)	21,885,244	378%	**OPERATING INCOME**	368,400	(5,851,101)	6,219,501	106%
6,762,171	24,433,219	(17,671,049)	-72%	**NON-OPERATING REVENUE**	12,451,910	5,112,000	7,339,910	144%
381,662	762,061	380,399	50%	**NON-OPERATING EXPENSE**	849,686	624,525	(225,161)	-36%
6,380,509	23,671,159	(17,290,650)	-73%	**NON-OPERATING INCOME**	11,602,224	4,487,475	7,114,749	159%
22,481,539	17,886,946	4,594,594	26%	**CHANGE IN NET POSITION**	11,970,624	(1,363,626)	13,334,250	-978%

OTHER INFORMATION

	17.79	**DEBT SERVICE RATIO**	2.45		
	4.02%	**INVESTMENT RETURN**	3.41%		
	$ 82,272,246	**CASH - JULY 1**	$ 62,533,816		
	$ (12,705,284)	**INCREASE/(DECREASE) IN CASH**	$ 18,861,847		
	$ 69,566,962	**CASH - END OF PERIOD**	$ 81,395,663		
WELLS FARGO	$ 32,713,158	**UNRESTRICTED CASH**	$ 44,329,114	**WELLS FARGO**	
WELLS FARGO	$ 1,761,348	**RESTRICTED - ASSESSMENT DISTRICTS**	$ 3,223,471	**WELLS FARGO**	
CALTRUST	$ 7,613,933	**RESTRICTED - SHORT TERM FUND**	$ 7,328,498	**CALTRUST**	
CALTRUST	$ 24,433,043	**RESTRICTED - MEDIUM TERM FUND**	$ 23,589,546	**CALTRUST**	
CALTRUST	$ 3,045,480	**RESTRICTED - LIQUIDITY FUND**	$ 2,925,034	**CALTRUST**	
	$ 69,566,962	**RESTRICTED TOTAL CASH**	$ 81,395,663		





Mission Springs Water District, CA

Project Budget Report

Date Range 07/01/2025 - 05/31/2026

Project Number	Project Name	Group	Period Budget	Period Activity	Variance Favorable (Unfavorable)	Total Budget	Total Activity	Variance Favorable (Unfavorable)
10693	WELL SITE-WORSLEY RD NORTH-27 ACRES	Eric Weck						
	Expense		39,326.00	39,326.00	0.00	39,326.00	39,326.00	0.00
	Total 10693 - WELL SITE-WORSLEY RD NORTH-27 ACRES:		**39,326.00**	**39,326.00**	**0.00**	**39,326.00**	**39,326.00**	**0.00**
10747	1240Z TRANS LINE QUAIL/TERRACE	Eric Weck						
	Expense		447,995.00	0.00	447,995.00	447,995.00	0.00	447,995.00
	Total 10747 - 1240Z TRANS LINE QUAIL/TERRACE:		**447,995.00**	**0.00**	**447,995.00**	**447,995.00**	**0.00**	**447,995.00**
11147	WELL #42 (NEAR TO EXISTING WELL # 22)	Eric Weck						
	Expense		5,207,000.00	3,903,172.74	1,303,827.26	5,207,000.00	3,903,172.74	1,303,827.26
	Total 11147 - WELL #42 (NEAR TO EXISTING WELL # 22):		**5,207,000.00**	**3,903,172.74**	**1,303,827.26**	**5,207,000.00**	**3,903,172.74**	**1,303,827.26**
11159	1530 ZONE REDBUD TANK #2 LAND AND CONST	Eric Weck						
	Expense		80,000.00	70,708.46	9,291.54	80,000.00	70,708.46	9,291.54
	Total 11159 - 1530 ZONE REDBUD TANK #2 LAND AND CONST:		**80,000.00**	**70,708.46**	**9,291.54**	**80,000.00**	**70,708.46**	**9,291.54**
11205	I-10 & INDIAN SEWER COLLECTION SYSTEM	Danny Friend						
	Expense		652,000.00	629,350.27	22,649.73	652,000.00	629,350.27	22,649.73
	Total 11205 - I-10 & INDIAN SEWER COLLECTION SYSTEM:		**652,000.00**	**629,350.27**	**22,649.73**	**652,000.00**	**629,350.27**	**22,649.73**
11282	MISSION CREEK - 80 ACRES	Eric Weck						
	Expense		328,000.00	325,077.18	2,922.82	328,000.00	325,077.18	2,922.82
	Total 11282 - MISSION CREEK - 80 ACRES:		**328,000.00**	**325,077.18**	**2,922.82**	**328,000.00**	**325,077.18**	**2,922.82**
11424	REGIONAL WASTEWATER TREATMENT PLANT	Danny Friend						
	Expense		55,049,300.00	54,461,214.54	588,085.46	55,049,300.00	54,461,214.54	588,085.46
	Total 11424 - REGIONAL WASTEWATER TREATMENT PLANT:		**55,049,300.00**	**54,461,214.54**	**588,085.46**	**55,049,300.00**	**54,461,214.54**	**588,085.46**
11425	AREA M-2 (AD #15)	Danny Friend						
	Expense		23,795,000.00	802,705.34	22,992,294.66	23,795,000.00	802,705.34	22,992,294.66
	Total 11425 - AREA M-2 (AD #15):		**23,795,000.00**	**802,705.34**	**22,992,294.66**	**23,795,000.00**	**802,705.34**	**22,992,294.66**
11426	CONVEYENCE LINE FROM LS TO RWWTP	Danny Friend						
	Expense		8,438,932.00	8,339,935.87	98,996.13	8,438,932.00	8,339,935.87	98,996.13
	Total 11426 - CONVEYENCE LINE FROM LS TO RWWTP:		**8,438,932.00**	**8,339,935.87**	**98,996.13**	**8,438,932.00**	**8,339,935.87**	**98,996.13**

Project Budget Report **Date Range 07/01/2025 6**

Project Number	Project Name	Group	Period Budget	Period Activity	Variance Favorable (Unfavorable)	Total Budget	Total Activity	Variance Favorable (Unfavorable)
11451	CHROMIUM 6 COMPLIANCE STUDY	Danny Friend						
	Expense		910,000.00	226,794.16	683,205.84	910,000.00	226,794.16	683,205.84
	Total 11451 - CHROMIUM 6 COMPLIANCE STUDY:		**910,000.00**	**226,794.16**	**683,205.84**	**910,000.00**	**226,794.16**	**683,205.84**
11472	AREA J-2	Danny Friend						
	Expense		420,000.00	299,859.99	120,140.01	420,000.00	299,859.99	120,140.01
	Total 11472 - AREA J-2:		**420,000.00**	**299,859.99**	**120,140.01**	**420,000.00**	**299,859.99**	**120,140.01**
11498	HWWTP PERCULATION POND REHAB	Brad Adams						
	Expense		42,000.00	28,181.34	13,818.66	42,000.00	28,181.34	13,818.66
	Total 11498 - HWWTP PERCULATION POND REHAB:		**42,000.00**	**28,181.34**	**13,818.66**	**42,000.00**	**28,181.34**	**13,818.66**
11556	HWWTP ASU DEMOLITION	Eric Weck						
	Expense		167,275.00	45,077.20	122,197.80	167,275.00	45,077.20	122,197.80
	Total 11556 - HWWTP ASU DEMOLITION:		**167,275.00**	**45,077.20**	**122,197.80**	**167,275.00**	**45,077.20**	**122,197.80**
11557	HWWTP PERCOLATION PONDS (2)	Brad Adams						
	Expense		380,000.00	0.00	380,000.00	380,000.00	0.00	380,000.00
	Total 11557 - HWWTP PERCOLATION PONDS (2):		**380,000.00**	**0.00**	**380,000.00**	**380,000.00**	**0.00**	**380,000.00**
11566	DESIGNING & ENGINEERING AREAS H & I	Eric Weck						
	Expense		800,000.00	374,479.15	425,520.85	800,000.00	374,479.15	425,520.85
	Total 11566 - DESIGNING & ENGINEERING AREAS H & I:		**800,000.00**	**374,479.15**	**425,520.85**	**800,000.00**	**374,479.15**	**425,520.85**
11599	BLOCK WALL/FENCE AT TERRACE RESERVOIR	Eric Weck						
	Expense		226,288.00	25,947.91	200,340.09	226,288.00	25,947.91	200,340.09
	Total 11599 - BLOCK WALL/FENCE AT TERRACE RESERVOIR:		**226,288.00**	**25,947.91**	**200,340.09**	**226,288.00**	**25,947.91**	**200,340.09**
11600	BOOSTER PUMP REHAB PROGRAM	Nathaniel Mather						
	Expense		150,000.00	119,375.93	30,624.07	150,000.00	119,375.93	30,624.07
	Total 11600 - BOOSTER PUMP REHAB PROGRAM:		**150,000.00**	**119,375.93**	**30,624.07**	**150,000.00**	**119,375.93**	**30,624.07**
11601	MODULAR ENCLOSURE FOR CHLORINE EQUIPMENT AT \	Nathaniel Mather						
	Expense		293,654.00	88,417.25	205,236.75	293,654.00	88,417.25	205,236.75
	Total 11601 - MODULAR ENCLOSURE FOR CHLORINE EQUIPMENT AT WELL SITES:		**293,654.00**	**88,417.25**	**205,236.75**	**293,654.00**	**88,417.25**	**205,236.75**
11607	TERRACE RESERVOIR NO. 1	Eric Weck						
	Expense		2,754,343.00	30,667.76	2,723,675.24	2,754,343.00	30,667.76	2,723,675.24
	Total 11607 - TERRACE RESERVOIR NO. 1:		**2,754,343.00**	**30,667.76**	**2,723,675.24**	**2,754,343.00**	**30,667.76**	**2,723,675.24**
11608	TERRACE RESERVOIR NO. 2	Eric Weck						
	Expense		2,814,461.00	32,374.80	2,782,086.20	2,814,461.00	32,374.80	2,782,086.20
	Total 11608 - TERRACE RESERVOIR NO. 2:		**2,814,461.00**	**32,374.80**	**2,782,086.20**	**2,814,461.00**	**32,374.80**	**2,782,086.20**

Project Budget Report **Date Range 07/01/2025 6**

Project Number	Project Name	Group	Period Budget	Period Activity	Variance Favorable (Unfavorable)	Total Budget	Total Activity	Variance Favorable (Unfavorable)
11609	TERRACE RESERVOIR NO. 3	Eric Weck						
	Expense		2,361,363.00	30,882.54	2,330,480.46	2,361,363.00	30,882.54	2,330,480.46
	Total 11609 - TERRACE RESERVOIR NO. 3:		**2,361,363.00**	**30,882.54**	**2,330,480.46**	**2,361,363.00**	**30,882.54**	**2,330,480.46**
11610	VISTA RESERVOIR NO. 2	Eric Weck						
	Expense		975,427.00	127,028.72	848,398.28	975,427.00	127,028.72	848,398.28
	Total 11610 - VISTA RESERVOIR NO. 2:		**975,427.00**	**127,028.72**	**848,398.28**	**975,427.00**	**127,028.72**	**848,398.28**
11611	WELL REHABILITATION PROGRAM - WELL 22	Nathaniel Mather						
	Expense		2,355,000.00	1,653,031.20	701,968.80	2,355,000.00	1,653,031.20	701,968.80
	Total 11611 - WELL REHABILITATION PROGRAM - WELL 22:		**2,355,000.00**	**1,653,031.20**	**701,968.80**	**2,355,000.00**	**1,653,031.20**	**701,968.80**
11613	HWWTP ABOVE GROUND PIPING & APPURTENANCE REI	Eric Weck						
	Expense		150,000.00	343.68	149,656.32	150,000.00	343.68	149,656.32
	Total 11613 - HWWTP ABOVE GROUND PIPING & APPURTENANCE REHAB:		**150,000.00**	**343.68**	**149,656.32**	**150,000.00**	**343.68**	**149,656.32**
11617	HWWTP SCADA UPGRADES	Brad Adams						
	Expense		129,008.00	0.00	129,008.00	129,008.00	0.00	129,008.00
	Total 11617 - HWWTP SCADA UPGRADES:		**129,008.00**	**0.00**	**129,008.00**	**129,008.00**	**0.00**	**129,008.00**
11618	DESIGN & ENGINEERING FOR AREAS A & G	Eric Weck						
	Expense		2,107,143.00	627,934.19	1,479,208.81	2,107,143.00	627,934.19	1,479,208.81
	Total 11618 - DESIGN & ENGINEERING FOR AREAS A & G:		**2,107,143.00**	**627,934.19**	**1,479,208.81**	**2,107,143.00**	**627,934.19**	**1,479,208.81**
11621	Admin Building	Brian Macy						
	Expense		40,595,783.00	2,112,709.81	38,483,073.19	40,595,783.00	2,112,709.81	38,483,073.19
	Total 11621 - Admin Building:		**40,595,783.00**	**2,112,709.81**	**38,483,073.19**	**40,595,783.00**	**2,112,709.81**	**38,483,073.19**
11622	2020 WATER CIP PIPELINE REPLACEMENT	Eric Weck						
	Expense		2,264,975.00	275,188.54	1,989,786.46	2,264,975.00	275,188.54	1,989,786.46
	Total 11622 - 2020 WATER CIP PIPELINE REPLACEMENT:		**2,264,975.00**	**275,188.54**	**1,989,786.46**	**2,264,975.00**	**275,188.54**	**1,989,786.46**
11657	SEWER SYSTEM COLLECTIONS	Danny Friend						
	Expense		750,000.00	561,007.76	188,992.24	750,000.00	561,007.76	188,992.24
	Total 11657 - SEWER SYSTEM COLLECTIONS:		**750,000.00**	**561,007.76**	**188,992.24**	**750,000.00**	**561,007.76**	**188,992.24**
11665	WELL AND RESERVOIR SITES SECURITY CAMERAS	Nathaniel Mather						
	Expense		225,075.00	2,366.86	222,708.14	225,075.00	2,366.86	222,708.14
	Total 11665 - WELL AND RESERVOIR SITES SECURITY CAMERAS:		**225,075.00**	**2,366.86**	**222,708.14**	**225,075.00**	**2,366.86**	**222,708.14**
11666	EMERGENCY BACKUP GENERATOR WELL 27/31	Eric Weck						
	Expense		411,002.00	20,289.15	390,712.85	411,002.00	20,289.15	390,712.85
	Total 11666 - EMERGENCY BACKUP GENERATOR WELL 27/31:		**411,002.00**	**20,289.15**	**390,712.85**	**411,002.00**	**20,289.15**	**390,712.85**

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Project Number	Project Name	Group	Period Budget	Period Activity	Variance Favorable (Unfavorable)	Total Budget	Total Activity	Variance Favorable (Unfavorable)
11667	EMERGENCY BACKUP GENERATOR WELL 32	Eric Weck						
	Expense		300,331.00	20,221.64	280,109.36	300,331.00	20,221.64	280,109.36
	Total 11667 - EMERGENCY BACKUP GENERATOR WELL 32:		**300,331.00**	**20,221.64**	**280,109.36**	**300,331.00**	**20,221.64**	**280,109.36**
11668	EMERGENCY BACKUP GENERATOR WELL 37	Eric Weck						
	Expense		300,331.00	20,252.01	280,078.99	300,331.00	20,252.01	280,078.99
	Total 11668 - EMERGENCY BACKUP GENERATOR WELL 37:		**300,331.00**	**20,252.01**	**280,078.99**	**300,331.00**	**20,252.01**	**280,078.99**
11689	FILTRATION FOR HWWTP	Eric Weck						
	Expense		1,500,000.00	112,312.57	1,387,687.43	1,500,000.00	112,312.57	1,387,687.43
	Total 11689 - FILTRATION FOR HWWTP:		**1,500,000.00**	**112,312.57**	**1,387,687.43**	**1,500,000.00**	**112,312.57**	**1,387,687.43**
11691	Municode Website	Marion Champion						
	Expense		31,000.00	0.00	31,000.00	31,000.00	0.00	31,000.00
	Total 11691 - Municode Website:		**31,000.00**	**0.00**	**31,000.00**	**31,000.00**	**0.00**	**31,000.00**
11692	Municode Agenda	Marion Champion						
	Expense		20,000.00	0.00	20,000.00	20,000.00	0.00	20,000.00
	Total 11692 - Municode Agenda:		**20,000.00**	**0.00**	**20,000.00**	**20,000.00**	**0.00**	**20,000.00**
11693	GQPP AREA D3-1 SEWER DESIGN	Eric Weck						
	Expense		2,383,765.00	88,737.31	2,295,027.69	2,383,765.00	88,737.31	2,295,027.69
	Total 11693 - GQPP AREA D3-1 SEWER DESIGN :		**2,383,765.00**	**88,737.31**	**2,295,027.69**	**2,383,765.00**	**88,737.31**	**2,295,027.69**
11719	RESERVOIR REHAB PROGRAM DESIGN - 2022 FY	Nathaniel Mather						
	Expense		120,000.00	0.00	120,000.00	120,000.00	0.00	120,000.00
	Total 11719 - RESERVOIR REHAB PROGRAM DESIGN - 2022 FY:		**120,000.00**	**0.00**	**120,000.00**	**120,000.00**	**0.00**	**120,000.00**
11720	WELL REHAB PROGRAM DESIGN - 2022 FY	Nathaniel Mather						
	Expense		120,000.00	68,918.31	51,081.69	120,000.00	68,918.31	51,081.69
	Total 11720 - WELL REHAB PROGRAM DESIGN - 2022 FY:		**120,000.00**	**68,918.31**	**51,081.69**	**120,000.00**	**68,918.31**	**51,081.69**
11737	PIERSON BOULEVARD SLURRY SEAL PROJECT	Brian Macy						
	Expense		183,000.00	0.00	183,000.00	183,000.00	0.00	183,000.00
	Total 11737 - PIERSON BOULEVARD SLURRY SEAL PROJECT:		**183,000.00**	**0.00**	**183,000.00**	**183,000.00**	**0.00**	**183,000.00**
11738	RIVERSIDE COUNTY MOUNTAIN VIEW RESURFACING PR(	Brian Macy						
	Expense		33,000.00	0.00	33,000.00	33,000.00	0.00	33,000.00
	Total 11738 - RIVERSIDE COUNTY MOUNTAIN VIEW RESURFACING PROJECT:		**33,000.00**	**0.00**	**33,000.00**	**33,000.00**	**0.00**	**33,000.00**
11741	35C WELL REHABILITATION	Eric Weck						
	Expense		3,055,990.00	469,248.15	2,586,741.85	3,055,990.00	469,248.15	2,586,741.85
	Total 11741 - 35C WELL REHABILITATION:		**3,055,990.00**	**469,248.15**	**2,586,741.85**	**3,055,990.00**	**469,248.15**	**2,586,741.85**

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Project Number	Project Name	Group	Period Budget	Period Activity	Variance Favorable (Unfavorable)	Total Budget	Total Activity	Variance Favorable (Unfavorable)
11742	34C WELL REHABILIATION	Eric Weck						
	Expense		814,000.00	796,395.08	17,604.92	814,000.00	796,395.08	17,604.92
	Total 11742 - 34C WELL REHABILIATION:		**814,000.00**	**796,395.08**	**17,604.92**	**814,000.00**	**796,395.08**	**17,604.92**
11743	INSTALL 18-INCH INTERTIE LINE	Eric Weck						
	Expense		1,100,000.00	3,881.81	1,096,118.19	1,100,000.00	3,881.81	1,096,118.19
	Total 11743 - INSTALL 18-INCH INTERTIE LINE:		**1,100,000.00**	**3,881.81**	**1,096,118.19**	**1,100,000.00**	**3,881.81**	**1,096,118.19**
11769	19TH-20TH AVE & LITTLE MORONGO RD ROADWAY PRO	Eric Weck						
	Expense		2,720,000.00	278,686.38	2,441,313.62	2,720,000.00	278,686.38	2,441,313.62
	Total 11769 - 19TH-20TH AVE & LITTLE MORONGO RD ROADWAY PROJECT:		**2,720,000.00**	**278,686.38**	**2,441,313.62**	**2,720,000.00**	**278,686.38**	**2,441,313.62**
11776	ENERGY CONSERVATION AND EFFICIENTCY SVCS PLAN	Brian Macy						
	Expense		1,072,110.00	599,421.33	472,688.67	1,072,110.00	599,421.33	472,688.67
	Total 11776 - ENERGY CONSERVATION AND EFFICIENTCY SVCS PLAN:		**1,072,110.00**	**599,421.33**	**472,688.67**	**1,072,110.00**	**599,421.33**	**472,688.67**
11791	ERP System Replacement	Kurt Kettenacker						
	Expense		1,710,000.00	201,830.48	1,508,169.52	1,710,000.00	201,830.48	1,508,169.52
	Total 11791 - ERP System Replacement:		**1,710,000.00**	**201,830.48**	**1,508,169.52**	**1,710,000.00**	**201,830.48**	**1,508,169.52**
11809	13TH AVE DAMAGE: TSTORM HILARY	Eric Weck						
	Expense		220,000.00	215,483.68	4,516.32	220,000.00	215,483.68	4,516.32
	Total 11809 - 13TH AVE DAMAGE: TSTORM HILARY:		**220,000.00**	**215,483.68**	**4,516.32**	**220,000.00**	**215,483.68**	**4,516.32**
11810	THOMAS DR DAMAGE: TSTORM HILARY	Eric Weck						
	Expense		285,000.00	277,416.09	7,583.91	285,000.00	277,416.09	7,583.91
	Total 11810 - THOMAS DR DAMAGE: TSTORM HILARY:		**285,000.00**	**277,416.09**	**7,583.91**	**285,000.00**	**277,416.09**	**7,583.91**
11813	MISSION LAKES DAMAGE: TSTORM HILARY	Eric Weck						
	Expense		520,000.00	498,656.06	21,343.94	520,000.00	498,656.06	21,343.94
	Total 11813 - MISSION LAKES DAMAGE: TSTORM HILARY:		**520,000.00**	**498,656.06**	**21,343.94**	**520,000.00**	**498,656.06**	**21,343.94**
11837	GIS ESRI - SBITA	Brian Macy						
	Expense		253,514.00	245,417.25	8,096.75	253,514.00	245,417.25	8,096.75
	Total 11837 - GIS ESRI - SBITA:		**253,514.00**	**245,417.25**	**8,096.75**	**253,514.00**	**245,417.25**	**8,096.75**
11838	GIS CITYWORKS - SBITA	Brian Macy						
	Expense		646,602.00	404,553.15	242,048.85	646,602.00	404,553.15	242,048.85
	Total 11838 - GIS CITYWORKS - SBITA:		**646,602.00**	**404,553.15**	**242,048.85**	**646,602.00**	**404,553.15**	**242,048.85**
11842	WALK BEHIND TRENCHER	Jason Weekley						
	Expense		12,100.00	0.00	12,100.00	12,100.00	0.00	12,100.00
	Total 11842 - WALK BEHIND TRENCHER:		**12,100.00**	**0.00**	**12,100.00**	**12,100.00**	**0.00**	**12,100.00**

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Project Number	Project Name	Group	Period Budget	Period Activity	Variance Favorable (Unfavorable)	Total Budget	Total Activity	Variance Favorable (Unfavorable)
11843	AXLE WEIGHING SYSTEM	Brad Adams						
	Expense		15,070.00	0.00	15,070.00	15,070.00	0.00	15,070.00
	Total 11843 - AXLE WEIGHING SYSTEM:		**15,070.00**	**0.00**	**15,070.00**	**15,070.00**	**0.00**	**15,070.00**
11846	AVILIGON CAMERA SYSTEM (HORTON)	Brad Adams						
	Expense		71,886.00	0.00	71,886.00	71,886.00	0.00	71,886.00
	Total 11846 - AVILIGON CAMERA SYSTEM (HORTON):		**71,886.00**	**0.00**	**71,886.00**	**71,886.00**	**0.00**	**71,886.00**
11848	ODOR CONTROL GREASE FILTER	Brad Adams						
	Expense		17,000.00	0.00	17,000.00	17,000.00	0.00	17,000.00
	Total 11848 - ODOR CONTROL GREASE FILTER:		**17,000.00**	**0.00**	**17,000.00**	**17,000.00**	**0.00**	**17,000.00**
11849	PSC - WPSV INTERTIE	Eric Weck						
	Expense		1,291,001.00	0.00	1,291,001.00	1,291,001.00	0.00	1,291,001.00
	Total 11849 - PSC - WPSV INTERTIE:		**1,291,001.00**	**0.00**	**1,291,001.00**	**1,291,001.00**	**0.00**	**1,291,001.00**
11850	WATERLINE REPLACEMENT(S): EASEMENTS	Eric Weck						
	Expense		62,000,000.00	0.00	62,000,000.00	62,000,000.00	0.00	62,000,000.00
	Total 11850 - WATERLINE REPLACEMENT(S): EASEMENTS:		**62,000,000.00**	**0.00**	**62,000,000.00**	**62,000,000.00**	**0.00**	**62,000,000.00**
11852	GATEWAY PLC UPGRADE	Nathaniel Mather						
	Expense		23,150.00	0.00	23,150.00	23,150.00	0.00	23,150.00
	Total 11852 - GATEWAY PLC UPGRADE:		**23,150.00**	**0.00**	**23,150.00**	**23,150.00**	**0.00**	**23,150.00**
11854	LITTLE MORONGO BOOSTER INSTALL	Nathaniel Mather						
	Expense		167,605.00	0.00	167,605.00	167,605.00	0.00	167,605.00
	Total 11854 - LITTLE MORONGO BOOSTER INSTALL:		**167,605.00**	**0.00**	**167,605.00**	**167,605.00**	**0.00**	**167,605.00**
11855	LOW DESERT VIEW BOOSTER REHABILITATION	Nathaniel Mather						
	Expense		69,304.00	2,978.40	66,325.60	69,304.00	2,978.40	66,325.60
	Total 11855 - LOW DESERT VIEW BOOSTER REHABILITATION:		**69,304.00**	**2,978.40**	**66,325.60**	**69,304.00**	**2,978.40**	**66,325.60**
11857	SCADA SERVER UPGRADE	Nathaniel Mather						
	Expense		24,341.00	14,870.10	9,470.90	24,341.00	14,870.10	9,470.90
	Total 11857 - SCADA SERVER UPGRADE:		**24,341.00**	**14,870.10**	**9,470.90**	**24,341.00**	**14,870.10**	**9,470.90**
11858	TERRACE BOOSTER REHAB PROJECT	Nathaniel Mather						
	Expense		119,304.00	5,646.66	113,657.34	119,304.00	5,646.66	113,657.34
	Total 11858 - TERRACE BOOSTER REHAB PROJECT:		**119,304.00**	**5,646.66**	**113,657.34**	**119,304.00**	**5,646.66**	**113,657.34**
11860	WELL 25A REHABILITATION	Nathaniel Mather						
	Expense		104,211.00	0.00	104,211.00	104,211.00	0.00	104,211.00
	Total 11860 - WELL 25A REHABILITATION:		**104,211.00**	**0.00**	**104,211.00**	**104,211.00**	**0.00**	**104,211.00**

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Project Number	Project Name	Group	Period Budget	Period Activity	Variance Favorable (Unfavorable)	Total Budget	Total Activity	Variance Favorable (Unfavorable)
11861	WELL 26A FENCING & ELECTRICAL POLE PROJECT	Nathaniel Mather						
	Expense		56,901.00	0.00	56,901.00	56,901.00	0.00	56,901.00
	Total 11861 - WELL 26A FENCING & ELECTRICAL POLE PROJECT:		**56,901.00**	**0.00**	**56,901.00**	**56,901.00**	**0.00**	**56,901.00**
11862	M-2 WATERLINE REPLACEMENT	Eric Weck						
	Expense		3,574,309.00	5,448.28	3,568,860.72	3,574,309.00	5,448.28	3,568,860.72
	Total 11862 - M-2 WATERLINE REPLACEMENT:		**3,574,309.00**	**5,448.28**	**3,568,860.72**	**3,574,309.00**	**5,448.28**	**3,568,860.72**
11869	GIS VERTICAL ASSET MODEL	Brian Macy						
	Expense		196,292.00	92,594.30	103,697.70	196,292.00	92,594.30	103,697.70
	Total 11869 - GIS VERTICAL ASSET MODEL:		**196,292.00**	**92,594.30**	**103,697.70**	**196,292.00**	**92,594.30**	**103,697.70**
11876	GQPP AD18 D3 PHASE 1 WATER MAIN REPLACEMENT: D	Eric Weck						
	Expense		2,067,000.00	59,749.15	2,007,250.85	2,067,000.00	59,749.15	2,007,250.85
	Total 11876 - GQPP AD18 D3 PHASE 1 WATER MAIN REPLACEMENT: DESIGN:		**2,067,000.00**	**59,749.15**	**2,007,250.85**	**2,067,000.00**	**59,749.15**	**2,007,250.85**
11880	WELL BENCHMARK SURVEY	Eric Weck						
	Expense		21,000.00	12,356.45	8,643.55	21,000.00	12,356.45	8,643.55
	Total 11880 - WELL BENCHMARK SURVEY:		**21,000.00**	**12,356.45**	**8,643.55**	**21,000.00**	**12,356.45**	**8,643.55**
11882	Open Gov Digital Budget/Procurement S/W	Danny Friend						
	Expense		230,392.00	151,407.71	78,984.29	230,392.00	151,407.71	78,984.29
	Total 11882 - Open Gov Digital Budget/Procurement S/W:		**230,392.00**	**151,407.71**	**78,984.29**	**230,392.00**	**151,407.71**	**78,984.29**
11884	WELL #28 REHABILITATION PROJECT	Danny Friend						
	Expense		919,846.00	659,273.10	260,572.90	919,846.00	659,273.10	260,572.90
	Total 11884 - WELL #28 REHABILITATION PROJECT:		**919,846.00**	**659,273.10**	**260,572.90**	**919,846.00**	**659,273.10**	**260,572.90**
11885	REPLACEMENT OF HORTON WELLS: MON. WELL #1/REH	Danny Friend						
	Expense		222,970.00	162,732.53	60,237.47	222,970.00	162,732.53	60,237.47
	Total 11885 - REPLACEMENT OF HORTON WELLS: MON. WELL #1/REHAB WELL #11:		**222,970.00**	**162,732.53**	**60,237.47**	**222,970.00**	**162,732.53**	**60,237.47**
11886	WELL #30 REHABILITATION PROJECT	Danny Friend						
	Expense		790,230.00	54,074.47	736,155.53	790,230.00	54,074.47	736,155.53
	Total 11886 - WELL #30 REHABILITATION PROJECT:		**790,230.00**	**54,074.47**	**736,155.53**	**790,230.00**	**54,074.47**	**736,155.53**
11894	CR(VI) TREATMENT WELL FACILITIES (27/31 22/24 & 32)	Danny Friend						
	Expense		27,305,000.00	4,553.53	27,300,446.47	27,305,000.00	4,553.53	27,300,446.47
	Total 11894 - CR(VI) TREATMENT WELL FACILITIES (27/31 22/24 & 32):		**27,305,000.00**	**4,553.53**	**27,300,446.47**	**27,305,000.00**	**4,553.53**	**27,300,446.47**
11895	CIMIS WEATHER STATION	Marion Champion						
	Expense		21,898.00	0.00	21,898.00	21,898.00	0.00	21,898.00
	Total 11895 - CIMIS WEATHER STATION:		**21,898.00**	**0.00**	**21,898.00**	**21,898.00**	**0.00**	**21,898.00**

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Project Number	Project Name	Group	Period Budget	Period Activity	Variance Favorable (Unfavorable)	Total Budget	Total Activity	Variance Favorable (Unfavorable)
11896	DOS PALMAS LIFT STATION MOTOR CONTROL CENTER R	Brad Adams						
	Expense		247,040.00	958.26	246,081.74	247,040.00	958.26	246,081.74
	Total 11896 - DOS PALMAS LIFT STATION MOTOR CONTROL CENTER REHAB:		**247,040.00**	**958.26**	**246,081.74**	**247,040.00**	**958.26**	**246,081.74**
11897	John Deere 320P Backhoe (AQMD Grant Program)	Danny Friend						
	Expense		181,000.00	0.00	181,000.00	181,000.00	0.00	181,000.00
	Total 11897 - John Deere 320P Backhoe (AQMD Grant Program):		**181,000.00**	**0.00**	**181,000.00**	**181,000.00**	**0.00**	**181,000.00**
11898	NEW DHS MONITORING WELL	Eric Weck						
	Expense		240,250.00	1,263.91	238,986.09	240,250.00	1,263.91	238,986.09
	Total 11898 - NEW DHS MONITORING WELL:		**240,250.00**	**1,263.91**	**238,986.09**	**240,250.00**	**1,263.91**	**238,986.09**
11899	WELL #27 MOTOR/EQUIP EVAL AND REPLACEMENT	Danny Friend						
	Expense		184,800.00	151,410.34	33,389.66	184,800.00	151,410.34	33,389.66
	Total 11899 - WELL #27 MOTOR/EQUIP EVAL AND REPLACEMENT:		**184,800.00**	**151,410.34**	**33,389.66**	**184,800.00**	**151,410.34**	**33,389.66**
11900	Well #33: RES-BCT Solar Site Repairs	Nathaniel Mather						
	Expense		333,881.00	110,847.75	223,033.25	333,881.00	110,847.75	223,033.25
	Total 11900 - Well #33: RES-BCT Solar Site Repairs:		**333,881.00**	**110,847.75**	**223,033.25**	**333,881.00**	**110,847.75**	**223,033.25**
11917	NWRWRF ODOR CONTROL UNIT MEDIA REPLACEMENT	Brad Adams						
	Expense		15,741.00	1,655.81	14,085.19	15,741.00	1,655.81	14,085.19
	Total 11917 - NWRWRF ODOR CONTROL UNIT MEDIA REPLACEMENT:		**15,741.00**	**1,655.81**	**14,085.19**	**15,741.00**	**1,655.81**	**14,085.19**
11922	WELL 26A REPAIR WORK	Nathaniel Mather						
	Expense		50,000.00	47,184.77	2,815.23	50,000.00	47,184.77	2,815.23
	Total 11922 - WELL 26A REPAIR WORK:		**50,000.00**	**47,184.77**	**2,815.23**	**50,000.00**	**47,184.77**	**2,815.23**
11923	WELL 26 REPAIRS AND TREATMENT	Nathaniel Mather						
	Expense		205,700.00	0.00	205,700.00	205,700.00	0.00	205,700.00
	Total 11923 - WELL 26 REPAIRS AND TREATMENT:		**205,700.00**	**0.00**	**205,700.00**	**205,700.00**	**0.00**	**205,700.00**
11924	WELL 26A RESIN EXCHANGE	Nathaniel Mather						
	Expense		215,000.00	0.00	215,000.00	215,000.00	0.00	215,000.00
	Total 11924 - WELL 26A RESIN EXCHANGE:		**215,000.00**	**0.00**	**215,000.00**	**215,000.00**	**0.00**	**215,000.00**
	Report Total:		**273,703,215.00**	**81,093,885.16**	**192,609,329.84**	**273,703,215.00**	**81,093,885.16**	**192,609,329.84**

Group Totals

Group	Period Budget	Period Activity	Variance Favorable (Unfavorable)	Total Budget	Total Activity	Variance Favorable (Unfavorable)
Brad Adams	-917,745.00	-30,795.41	886,949.59	-917,745.00	-30,795.41	886,949.59
Brian Macy	-42,980,301.00	-3,454,695.84	39,525,605.16	-42,980,301.00	-3,454,695.84	39,525,605.16
Danny Friend	-119,849,470.00	-66,504,319.61	53,345,150.39	-119,849,470.00	-66,504,319.61	53,345,150.39
Eric Weck	-103,527,575.00	-8,788,606.59	94,738,968.41	-103,527,575.00	-8,788,606.59	94,738,968.41
Jason Weekley	-12,100.00	0.00	12,100.00	-12,100.00	0.00	12,100.00
Kurt Kettenacker	-1,710,000.00	-201,830.48	1,508,169.52	-1,710,000.00	-201,830.48	1,508,169.52
Marion Champion	-72,898.00	0.00	72,898.00	-72,898.00	0.00	72,898.00
Nathaniel Mather	-4,633,126.00	-2,113,637.23	2,519,488.77	-4,633,126.00	-2,113,637.23	2,519,488.77
Report Revenues Over/(Under) Expenses:	**-273,703,215.00**	**-81,093,885.16**	**192,609,329.84**	**-273,703,215.00**	**-81,093,885.16**	**192,609,329.84**

Mission Springs Water District, CA

Income Statement
Account Summary

For Fiscal: 2025-2026 Period Ending: 05/31/2026

		Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 101 - General						
Revenue						
101-430-44400	Returned Checks	-1,649.34	-1,649.34	0.00	0.00	-1,649.34
101-440-44900	Miscellaneous Revenue	0.00	0.00	0.00	1,055.76	-1,055.76
	Revenue Total:	**-1,649.34**	**-1,649.34**	**0.00**	**1,055.76**	**-2,705.10**
	Fund: 101 - General Total:	**-1,649.34**	**-1,649.34**	**0.00**	**1,055.76**	
Fund: 201 - Water Operating						
Revenue						
201-400-40000	Consumption Charge - Residential	5,607,756.00	5,607,756.00	0.00	4,628,184.27	979,571.73
201-400-40100	Consumption Charge - Commercial	1,022,590.80	1,022,590.80	0.00	974,668.86	47,921.94
201-400-40200	Water Consumption Charge - Land & Irrig	1,374,450.00	1,374,450.00	0.00	1,316,306.83	58,143.17
201-400-40900	Consumption Charge - Construction	263,894.40	263,894.40	0.00	54,398.31	209,496.09
201-400-41200	Base Rate - Landscape & Irrigation	0.00	0.00	0.00	-46,252.16	46,252.16
201-405-41000	Base Rate - Residential	2,375,049.60	2,375,049.60	65,232.56	2,126,988.17	248,061.43
201-405-41100	Base Rate - Commercial	192,423.00	192,423.00	0.00	164,918.28	27,504.72
201-405-41200	Base Rate - Landscape & Irrigation	75,099.86	75,099.86	0.00	64,677.35	10,422.51
201-405-41400	Base Rate - Construction	15,393.84	15,393.84	0.00	13,311.55	2,082.29
201-420-49000	Standby Charges From Tax Roll	175,929.60	175,929.60	58,790.94	176,467.39	-537.79
201-430-42000	New Meter Installation Fees	164,934.00	164,934.00	0.00	67,530.54	97,403.46
201-430-42900	Temporary Construction Meter Installation ...	3,298.68	3,298.68	0.00	1,680.00	1,618.68
201-430-43000	Backup Facilities Charge	659,736.00	659,736.00	0.00	1,094,178.00	-434,442.00
201-430-43100	Front Footage Charge	65,973.60	65,973.60	0.00	0.00	65,973.60
201-430-44000	Reconnect/Disconnect Fees	76,969.20	76,969.20	0.00	79,320.00	-2,350.80
201-430-44100	Backflow Device Maintenance Fees	111,055.56	111,055.56	0.00	99,570.55	11,485.01
201-430-44110	R.P. Device & Dbl Check Installations	8,466.59	8,466.59	0.00	8,265.00	201.59
201-430-44200	Fire Flow Charges	153,938.40	153,938.40	0.00	147,310.95	6,627.45
201-430-44210	Fire Flow Tests	21,991.20	21,991.20	0.00	20,877.51	1,113.69
201-430-44300	Unauthorized Water Use Penalties	2,199.12	2,199.12	0.00	3,750.00	-1,550.88
201-430-44400	Returned Check Service Charges	10,995.60	10,995.60	0.00	11,075.00	-79.40
201-430-44500	Delinquent Charges	164,934.00	164,934.00	0.00	477,114.12	-312,180.12
201-430-44600	Lien Fees-Recording/Release	10,995.60	10,995.60	0.00	9,783.69	1,211.91
	Revenue Total:	**12,558,074.65**	**12,558,074.65**	**124,023.50**	**11,494,124.21**	**1,063,950.44**
	Fund: 201 - Water Operating Total:	**12,558,074.65**	**12,558,074.65**	**124,023.50**	**11,494,124.21**	
Fund: 206 - Water Operating Fund WPS						
Revenue						
206-400-40000	Consumption Charge - Residential	109,956.00	109,956.00	0.00	94,811.95	15,144.05
206-400-40900	Consumption Charge - Construction	0.00	0.00	0.00	-167.28	167.28
206-405-41000	Base Rate - Residential	69,272.28	69,272.28	0.00	67,241.82	2,030.46
206-405-41100	Base Rate - Commercial	2,748.90	2,748.90	0.00	2,443.12	305.78
206-405-41200	Base Rate - Landscape & Irrigation	142.89	142.89	0.00	134.63	8.26
206-420-49000	Standby Charges From Tax Roll	31,062.57	31,062.57	0.00	0.00	31,062.57
206-430-42000	New Meter Installation Fees	5,497.80	5,497.80	0.00	7,025.00	-1,527.20
206-430-43000	Backup Facilities Charge	49,480.20	49,480.20	0.00	42,139.00	7,341.20
206-430-44000	Reconnect/Disconnect Fees	2,199.12	2,199.12	0.00	3,150.00	-950.88
206-430-44100	Backflow Device Maintenance Fees	1,429.34	1,429.34	0.00	1,464.96	-35.62
206-430-44200	Fire Flow Charges	1,946.12	1,946.12	0.00	1,794.94	151.18
206-430-44400	Returned Check Service Charges	0.00	0.00	0.00	400.00	-400.00
206-430-44500	Delinquent Charges	21,991.20	21,991.20	0.00	25,996.46	-4,005.26
206-430-44600	Lien Fees-Recording/Release	439.78	439.78	0.00	121.00	318.78
	Revenue Total:	**296,166.20**	**296,166.20**	**0.00**	**246,555.60**	**49,610.60**
	Fund: 206 - Water Operating Fund WPS Total:	**296,166.20**	**296,166.20**	**0.00**	**246,555.60**	

Income Statement **For Fiscal: 2025-2026 Period Ending: 05/**

		Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 301 - Sewer Operating Fund						
Revenue						
301-410-41500	Sewer Service Charge - Residential	5,965,113.00	5,965,113.00	2,459,644.24	5,592,414.87	372,698.13
301-410-41600	Sewer Service Charge - Commercial	824,670.00	824,670.00	0.00	721,182.76	103,487.24
301-410-46000	Fats, Oil And Grease Permitting Fees	3,298.68	3,298.68	0.00	7,075.00	-3,776.32
301-410-47000	Industrial Pre-Treatment Noncompliance F...	0.00	0.00	0.00	19,428,000.00	-19,428,000.00
301-410-49000	Standby Charges From Tax Roll	10,995.60	10,995.60	3,232.35	8,260.33	2,735.27
301-430-43000	Backup Facilities Charge	153,938.40	153,938.40	0.00	48,870.00	105,068.40
301-430-43100	Front Footage Charge	54,978.00	54,978.00	0.00	47,880.00	7,098.00
	Revenue Total:	**7,012,993.68**	**7,012,993.68**	**2,462,876.59**	**25,853,682.96**	**-18,840,689.28**
	Fund: 301 - Sewer Operating Fund Total:	**7,012,993.68**	**7,012,993.68**	**2,462,876.59**	**25,853,682.96**	
	Total Surplus (Deficit):	**19,865,585.19**	**19,865,585.19**	**2,586,900.09**	**37,595,418.53**	

Income Statement **For Fiscal: 2025-2026 Period Ending: 05/**

Group Summary

Account Type	Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 101 - General					
Revenue	-1,649.34	-1,649.34	0.00	1,055.76	-2,705.10
Fund: 101 - General Total:	**-1,649.34**	**-1,649.34**	**0.00**	**1,055.76**	**-2,705.10**
Fund: 201 - Water Operating					
Revenue	12,558,074.65	12,558,074.65	124,023.50	11,494,124.21	1,063,950.44
Fund: 201 - Water Operating Total:	**12,558,074.65**	**12,558,074.65**	**124,023.50**	**11,494,124.21**	**1,063,950.44**
Fund: 206 - Water Operating Fund WPS					
Revenue	296,166.20	296,166.20	0.00	246,555.60	49,610.60
Fund: 206 - Water Operating Fund WPS Total:	**296,166.20**	**296,166.20**	**0.00**	**246,555.60**	**49,610.60**
Fund: 301 - Sewer Operating Fund					
Revenue	7,012,993.68	7,012,993.68	2,462,876.59	25,853,682.96	-18,840,689.28
Fund: 301 - Sewer Operating Fund Total:	**7,012,993.68**	**7,012,993.68**	**2,462,876.59**	**25,853,682.96**	**-18,840,689.28**
Total Surplus (Deficit):	**19,865,585.19**	**19,865,585.19**	**2,586,900.09**	**37,595,418.53**	

Fund Summary

Fund	Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
101 - General	-1,649.34	-1,649.34	0.00	1,055.76	-2,705.10
201 - Water Operating	12,558,074.65	12,558,074.65	124,023.50	11,494,124.21	1,063,950.44
206 - Water Operating Fund...	296,166.20	296,166.20	0.00	246,555.60	49,610.60
301 - Sewer Operating Fund	7,012,993.68	7,012,993.68	2,462,876.59	25,853,682.96	-18,840,689.28
Total Surplus (Deficit):	**19,865,585.19**	**19,865,585.19**	**2,586,900.09**	**37,595,418.53**	

Mission Springs Water District, CA

Income Statement
Account Summary

For Fiscal: 2025-2026 Period Ending: 05/31/2026

		Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 101 - General						
Revenue						
101-420-60000	General Purpose Property Taxes	768,482.44	768,482.44	274,785.14	1,027,390.07	-258,907.63
101-440-61000	Interest - Non-Restricted	1,561,100.31	1,561,100.31	0.00	71,595.27	1,489,505.04
101-440-61100	Interest - Restricted	120,951.60	120,951.60	0.00	66,725.22	54,226.38
101-440-68000	Electric Utility - Excess Solar Energy Credits	152,838.84	152,838.84	0.00	94,269.59	58,569.25
101-600-68500	Investment (Gain)/Loss - Unrestricted	-725,709.60	-725,709.60	0.00	-108,032.87	-617,676.73
101-600-68600	Investment (Gain)/Loss - Restricted	136,345.44	136,345.44	0.00	7,705.46	128,639.98
101-600-68700	Gain/Loss On Disposition Of Fixed Assets	0.00	0.00	0.00	4,587.51	-4,587.51
101-600-68900	Prior Year Income	10,995.60	10,995.60	0.00	0.00	10,995.60
	Revenue Total:	**2,025,004.63**	**2,025,004.63**	**274,785.14**	**1,164,240.25**	**860,764.38**
	Fund: 101 - General Total:	**2,025,004.63**	**2,025,004.63**	**274,785.14**	**1,164,240.25**	
Fund: 201 - Water Operating						
Revenue						
201-420-60000	General Purpose Property Taxes	840,998.40	840,998.40	336,239.68	1,268,383.42	-427,385.02
201-440-61000	Interest - Non-Restricted	260,210.83	260,210.83	0.00	145,243.17	114,967.66
201-440-61100	Interest - Restricted	989,604.00	989,604.00	0.00	556,731.26	432,872.74
201-440-68100	Cell Tower Lease	114,354.24	114,354.24	0.00	72,110.71	42,243.53
201-440-68200	Enersponse Program Rebates	21,991.20	21,991.20	0.00	8,973.28	13,017.92
201-600-62100	State Revenue Grants	0.00	0.00	0.00	56,300.00	-56,300.00
201-600-62110	Water Developer Contributed Cash Grants	1,832,600.00	1,832,600.00	0.00	0.00	1,832,600.00
201-600-68500	Investment (Gain)/Loss - Unrestricted	252,898.80	252,898.80	0.00	11,923.69	240,975.11
201-600-68501	Investment (Gain)/Loss - Restricted	1,143,542.40	1,143,542.40	0.00	64,291.49	1,079,250.91
201-600-68700	Gain/Loss On Disposition Of Fixed Assets	0.00	0.00	0.00	18,334.25	-18,334.25
	Revenue Total:	**5,456,199.87**	**5,456,199.87**	**336,239.68**	**2,202,291.27**	**3,253,908.60**
	Fund: 201 - Water Operating Total:	**5,456,199.87**	**5,456,199.87**	**336,239.68**	**2,202,291.27**	
Fund: 202 - Improvement District 2						
Revenue						
202-440-61100	Interest - Restricted	1,319.45	1,319.45	0.00	728.43	591.02
202-600-68500	Investment (Gain)/Loss - Unrestricted	1,429.34	1,429.34	0.00	84.11	1,345.23
	Revenue Total:	**2,748.79**	**2,748.79**	**0.00**	**812.54**	**1,936.25**
	Fund: 202 - Improvement District 2 Total:	**2,748.79**	**2,748.79**	**0.00**	**812.54**	
Fund: 204 - Assessment District 5						
Revenue						
204-440-61100	Interest - Restricted	3,848.46	3,848.46	0.00	2,006.85	1,841.61
204-600-68500	Investment (Gain)/Loss - Unrestricted	4,123.35	4,123.35	0.00	231.76	3,891.59
	Revenue Total:	**7,971.81**	**7,971.81**	**0.00**	**2,238.61**	**5,733.20**
	Fund: 204 - Assessment District 5 Total:	**7,971.81**	**7,971.81**	**0.00**	**2,238.61**	
Fund: 206 - Water Operating Fund WPS						
Revenue						
206-420-60000	General Purpose Property Taxes	40,540.72	40,540.72	0.00	0.00	40,540.72
206-440-61000	Interest - Non-Restricted	-179,283.17	-179,283.17	0.00	-79,947.23	-99,335.94
206-440-61100	Interest - Restricted	36,285.48	36,285.48	0.00	19,238.70	17,046.78
206-600-68500	Investment (Gain)/Loss - Unrestricted	38,484.60	38,484.60	0.00	2,221.69	36,262.91
206-600-68501	Investment (Gain)/Loss - Restricted	-199,020.36	-199,020.36	0.00	-8,087.50	-190,932.86
	Revenue Total:	**-262,992.73**	**-262,992.73**	**0.00**	**-66,574.34**	**-196,418.39**
	Fund: 206 - Water Operating Fund WPS Total:	**-262,992.73**	**-262,992.73**	**0.00**	**-66,574.34**	
Fund: 301 - Sewer Operating Fund						
Revenue						
301-420-60000	General Purpose Property Taxes	534,902.94	534,902.94	154,568.83	681,624.99	-146,722.05

Income Statement **For Fiscal: 2025-2026 Period Ending: 05/**

		Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
301-440-61000	Interest - Non-Restricted	238,153.63	238,153.63	0.00	456,772.84	-218,619.21
301-440-61100	Interest - Restricted	605,674.30	605,674.30	41.84	341,278.42	264,395.88
301-600-62100	State Revenue Grants	14,821,152.50	14,821,152.50	0.00	0.00	14,821,152.50
301-600-68500	Investment (Gain)/Loss - Unrestricted	13,194.72	13,194.72	0.00	70,357.37	-57,162.65
301-600-68501	Investment (Gain)/Loss - Restricted	698,220.60	698,220.60	0.00	39,352.93	658,867.67
301-600-68700	Gain/Loss On Disposition Of Fixed Assets	0.00	0.00	0.00	-5,037.31	5,037.31
	Revenue Total:	**16,911,298.69**	**16,911,298.69**	**154,610.67**	**1,584,349.24**	**15,326,949.45**
	Fund: 301 - Sewer Operating Fund Total:	**16,911,298.69**	**16,911,298.69**	**154,610.67**	**1,584,349.24**	
Fund: 302 - Assessment District 1						
Revenue						
302-440-61100	Interest - Restricted	43.89	43.89	0.00	23.10	20.79
302-600-68500	Investment (Gain)/Loss - Unrestricted	43.89	43.89	0.00	2.68	41.21
	Revenue Total:	**87.78**	**87.78**	**0.00**	**25.78**	**62.00**
	Fund: 302 - Assessment District 1 Total:	**87.78**	**87.78**	**0.00**	**25.78**	
Fund: 303 - Assessment District 3						
Revenue						
303-440-61100	Interest - Restricted	10,995.60	10,995.60	0.00	6,618.58	4,377.02
303-600-68500	Investment (Gain)/Loss - Unrestricted	13,194.72	13,194.72	0.00	760.68	12,434.04
	Revenue Total:	**24,190.32**	**24,190.32**	**0.00**	**7,379.26**	**16,811.06**
	Fund: 303 - Assessment District 3 Total:	**24,190.32**	**24,190.32**	**0.00**	**7,379.26**	
Fund: 304 - Assessment District 4						
Revenue						
304-440-61100	Interest - Restricted	329.78	329.78	0.00	182.32	147.46
304-600-68500	Investment (Gain)/Loss - Unrestricted	329.78	329.78	0.00	21.06	308.72
	Revenue Total:	**659.56**	**659.56**	**0.00**	**203.38**	**456.18**
	Fund: 304 - Assessment District 4 Total:	**659.56**	**659.56**	**0.00**	**203.38**	
Fund: 305 - Assessment District 7						
Revenue						
305-440-61100	Interest - Restricted	-967.56	-967.56	0.00	-471.11	-496.45
305-600-68500	Investment (Gain)/Loss - Unrestricted	-1,044.56	-1,044.56	0.00	-58.32	-986.24
	Revenue Total:	**-2,012.12**	**-2,012.12**	**0.00**	**-529.43**	**-1,482.69**
	Fund: 305 - Assessment District 7 Total:	**-2,012.12**	**-2,012.12**	**0.00**	**-529.43**	
Fund: 306 - Assessment District 11						
Revenue						
306-440-61100	Interest - Restricted	3,991.35	3,991.35	0.00	4,292.73	-301.38
306-600-68500	Investment (Gain)/Loss - Unrestricted	2,419.01	2,419.01	0.00	138.66	2,280.35
	Revenue Total:	**6,410.36**	**6,410.36**	**0.00**	**4,431.39**	**1,978.97**
	Fund: 306 - Assessment District 11 Total:	**6,410.36**	**6,410.36**	**0.00**	**4,431.39**	
Fund: 308 - Assessment District 12						
Revenue						
308-440-61100	Interest - Restricted	222,968.68	222,968.68	344,479.85	802,526.96	-579,558.28
308-600-68500	Investment (Gain)/Loss - Unrestricted	40,683.72	40,683.72	0.00	-538.39	41,222.11
	Revenue Total:	**263,652.40**	**263,652.40**	**344,479.85**	**801,988.57**	**-538,336.17**
	Fund: 308 - Assessment District 12 Total:	**263,652.40**	**263,652.40**	**344,479.85**	**801,988.57**	
	Total Surplus (Deficit):	**24,433,219.36**	**24,433,219.36**	**1,110,115.34**	**5,700,856.52**	

Income Statement **For Fiscal: 2025-2026 Period Ending: 05/**

Group Summary

Account Type	Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 101 - General					
Revenue	2,025,004.63	2,025,004.63	274,785.14	1,164,240.25	860,764.38
Fund: 101 - General Total:	**2,025,004.63**	**2,025,004.63**	**274,785.14**	**1,164,240.25**	**860,764.38**
Fund: 201 - Water Operating					
Revenue	5,456,199.87	5,456,199.87	336,239.68	2,202,291.27	3,253,908.60
Fund: 201 - Water Operating Total:	**5,456,199.87**	**5,456,199.87**	**336,239.68**	**2,202,291.27**	**3,253,908.60**
Fund: 202 - Improvement District 2					
Revenue	2,748.79	2,748.79	0.00	812.54	1,936.25
Fund: 202 - Improvement District 2 Total:	**2,748.79**	**2,748.79**	**0.00**	**812.54**	**1,936.25**
Fund: 204 - Assessment District 5					
Revenue	7,971.81	7,971.81	0.00	2,238.61	5,733.20
Fund: 204 - Assessment District 5 Total:	**7,971.81**	**7,971.81**	**0.00**	**2,238.61**	**5,733.20**
Fund: 206 - Water Operating Fund WPS					
Revenue	-262,992.73	-262,992.73	0.00	-66,574.34	-196,418.39
Fund: 206 - Water Operating Fund WPS Total:	**-262,992.73**	**-262,992.73**	**0.00**	**-66,574.34**	**-196,418.39**
Fund: 301 - Sewer Operating Fund					
Revenue	16,911,298.69	16,911,298.69	154,610.67	1,584,349.24	15,326,949.45
Fund: 301 - Sewer Operating Fund Total:	**16,911,298.69**	**16,911,298.69**	**154,610.67**	**1,584,349.24**	**15,326,949.45**
Fund: 302 - Assessment District 1					
Revenue	87.78	87.78	0.00	25.78	62.00
Fund: 302 - Assessment District 1 Total:	**87.78**	**87.78**	**0.00**	**25.78**	**62.00**
Fund: 303 - Assessment District 3					
Revenue	24,190.32	24,190.32	0.00	7,379.26	16,811.06
Fund: 303 - Assessment District 3 Total:	**24,190.32**	**24,190.32**	**0.00**	**7,379.26**	**16,811.06**
Fund: 304 - Assessment District 4					
Revenue	659.56	659.56	0.00	203.38	456.18
Fund: 304 - Assessment District 4 Total:	**659.56**	**659.56**	**0.00**	**203.38**	**456.18**
Fund: 305 - Assessment District 7					
Revenue	-2,012.12	-2,012.12	0.00	-529.43	-1,482.69
Fund: 305 - Assessment District 7 Total:	**-2,012.12**	**-2,012.12**	**0.00**	**-529.43**	**-1,482.69**
Fund: 306 - Assessment District 11					
Revenue	6,410.36	6,410.36	0.00	4,431.39	1,978.97
Fund: 306 - Assessment District 11 Total:	**6,410.36**	**6,410.36**	**0.00**	**4,431.39**	**1,978.97**
Fund: 308 - Assessment District 12					
Revenue	263,652.40	263,652.40	344,479.85	801,988.57	-538,336.17
Fund: 308 - Assessment District 12 Total:	**263,652.40**	**263,652.40**	**344,479.85**	**801,988.57**	**-538,336.17**
Total Surplus (Deficit):	**24,433,219.36**	**24,433,219.36**	**1,110,115.34**	**5,700,856.52**	

Fund Summary

Fund	Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
101 - General	2,025,004.63	2,025,004.63	274,785.14	1,164,240.25	860,764.38
201 - Water Operating	5,456,199.87	5,456,199.87	336,239.68	2,202,291.27	3,253,908.60
202 - Improvement District 2	2,748.79	2,748.79	0.00	812.54	1,936.25
204 - Assessment District 5	7,971.81	7,971.81	0.00	2,238.61	5,733.20
206 - Water Operating Fund...	-262,992.73	-262,992.73	0.00	-66,574.34	-196,418.39
301 - Sewer Operating Fund	16,911,298.69	16,911,298.69	154,610.67	1,584,349.24	15,326,949.45
302 - Assessment District 1	87.78	87.78	0.00	25.78	62.00
303 - Assessment District 3	24,190.32	24,190.32	0.00	7,379.26	16,811.06
304 - Assessment District 4	659.56	659.56	0.00	203.38	456.18
305 - Assessment District 7	-2,012.12	-2,012.12	0.00	-529.43	-1,482.69
306 - Assessment District 11	6,410.36	6,410.36	0.00	4,431.39	1,978.97
308 - Assessment District 12	263,652.40	263,652.40	344,479.85	801,988.57	-538,336.17
Total Surplus (Deficit):	**24,433,219.36**	**24,433,219.36**	**1,110,115.34**	**5,700,856.52**	

Mission Springs Water District, CA

Income Statement
Account Summary

For Fiscal: 2025-2026 Period Ending: 05/31/2026

		Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 101 - General						
Expense						
101-500-50000	Regular Pay	-48,644.53	1,288,239.47	27,679.53	994,187.34	294,052.13
101-500-50200	Federal Payroll Taxes	522,225.00	522,225.00	57,117.68	454,450.59	67,774.41
101-500-50210	State Payroll Taxes	8,268.59	13,268.59	151.52	11,587.88	1,680.71
101-500-50400	Benefit - Medical Insurance	1,478,699.20	1,478,699.20	130,954.87	1,281,805.22	196,893.98
101-500-50405	Benefit - Medical Insurance Retiree	26,059.55	26,059.55	0.00	0.00	26,059.55
101-500-50410	Benefit - Other Insurance	15,723.62	15,723.62	0.00	8,493.45	7,230.17
101-500-50420	Benefit - Worker Comp. Insurance	158,358.53	158,358.53	0.00	98,116.29	60,242.24
101-500-50450	Benefit - Retirement CalPERS	958,992.21	958,992.21	81,890.88	651,473.47	307,518.74
101-500-50451	Benefit - Retirement CalPERS Fees	4,585.13	4,585.13	0.00	550.00	4,035.13
101-500-50455	Benefit - Retirement 457	214,546.09	214,546.09	861.84	9,524.72	205,021.37
101-500-50499	Benefit - Clearing	-3,288,498.07	-4,625,382.07	0.00	0.00	-4,625,382.07
101-500-53000	Outside Services	3,210.68	3,210.68	1,218.89	3,285.90	-75.22
101-500-53560	Legal	448,987.00	448,987.00	62,864.58	229,850.53	219,136.47
101-500-57000	Insurance - Liability	284,786.04	284,786.04	28,118.10	329,991.07	-45,205.03
101-500-57100	Insurance - Auto	25,289.88	26,289.88	0.00	28,224.71	-1,934.83
101-500-57200	Insurance - Property	16,493.40	16,493.40	0.00	10,860.34	5,633.06
101-500-57300	Insurance - Fidelity Bond	1,649.34	1,649.34	0.00	587.00	1,062.34
101-500-57301	Insurance - Inland Marine	1,649.34	2,649.34	0.00	2,670.72	-21.38
101-501-50000	Regular Pay	525,197.42	525,197.42	76,804.93	763,021.69	-237,824.27
101-501-50010	Overtime Pay	13,414.61	13,414.61	0.00	1,277.46	12,137.15
101-501-50030	Other Compensation-Term Life Insurance	0.00	0.00	-609.25	-736.85	736.85
101-501-50032	Other Compensation-Auto Allowance	36,549.37	36,549.37	2,330.97	29,955.22	6,594.15
101-501-50034	Other Compensation-Bilingual Pay	12,095.16	12,095.16	735.00	7,145.00	4,950.16
101-501-50036	Other Compensation-Certification Pay	0.00	33,000.00	3,094.21	30,954.30	2,045.70
101-501-50491	Benefits - Allocated	392,497.05	392,497.05	0.00	0.00	392,497.05
101-501-50600	Training And Education	0.00	0.00	1,111.00	24,786.98	-24,786.98
101-501-53000	Outside Services	789,565.59	742,465.59	2,363.25	115,256.09	627,209.50
101-501-53110	Advertising	5,497.80	5,497.80	0.00	2,290.31	3,207.49
101-501-54000	Materials Unclassified	8,429.96	8,429.96	0.00	5,810.35	2,619.61
101-501-54910	Business - Meals	11,820.27	11,820.27	0.00	5,702.60	6,117.67
101-501-56010	Membership Dues - Not Detailed	37,909.08	37,909.08	0.00	38,256.26	-347.18
101-501-56100	Membership Dues - A.C.W.A.	30,490.79	30,490.79	0.00	27,420.00	3,070.79
101-501-56200	Publications	461.78	461.78	0.00	0.00	461.78
101-501-58000	Permits And Regulatory Fees	4,585.13	4,585.13	0.00	60.00	4,525.13
101-503-50000	Regular Pay	311,076.48	311,076.48	17,708.06	192,010.08	119,066.40
101-503-50491	Benefits - Allocated	255,581.70	255,581.70	0.00	150.00	255,431.70
101-503-50600	Training And Education	20,341.86	20,341.86	0.00	1,415.20	18,926.66
101-503-50700	Employee Recruitment & Retention	0.00	7,000.00	0.00	951.87	6,048.13
101-503-53000	Outside Services	99,517.44	99,517.44	1,535.00	21,602.39	77,915.05
101-503-53110	Advertising	12,831.83	5,831.83	0.00	3,720.23	2,111.60
101-503-56010	Membership Dues - Not Detailed	7,784.81	7,784.81	0.00	7,666.11	118.70
101-503-56200	Publications	912.56	912.56	0.00	0.00	912.56
101-505-50000	Regular Pay	215,337.76	215,337.76	11,714.77	141,223.73	74,114.03
101-505-50010	Overtime Pay	0.00	0.00	0.00	164.22	-164.22
101-505-50491	Benefits - Allocated	155,345.74	155,345.74	0.00	0.00	155,345.74
101-505-50600	Training And Education	14,657.06	14,657.06	0.00	11,365.23	3,291.83
101-505-53000	Outside Services	509,913.58	509,913.58	25,999.86	309,065.82	200,847.76
101-505-53100	Printing Costs	39,397.16	39,397.16	7,093.14	18,739.61	20,657.55
101-505-53110	Advertising	32,074.13	32,074.13	1,000.00	30,737.56	1,336.57
101-505-54000	Materials Unclassified	137,895.78	137,895.78	5,645.00	55,100.84	82,794.94
101-505-56010	Membership Dues - Not Detailed	1,418.34	1,418.34	0.00	758.99	659.35

Income Statement **For Fiscal: 2025-2026 Period Ending: 05/**

		Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
101-505-56200	Publications	142.89	142.89	0.00	169.28	-26.39
101-507-50000	Regular Pay	309,702.03	309,702.03	30,699.86	332,971.56	-23,269.53
101-507-50010	Overtime Pay	0.00	0.00	0.00	34.52	-34.52
101-507-50491	Benefits - Allocated	250,270.79	250,270.79	0.00	0.00	250,270.79
101-507-50600	Training And Education	9,163.00	9,163.00	0.00	0.00	9,163.00
101-507-52110	Cellular Telephone	6,414.10	6,414.10	0.00	1,565.90	4,848.20
101-507-53000	Outside Services	544,433.34	565,573.34	190.00	342,382.06	223,191.28
101-507-53130	Blueprint Services	1,869.23	1,869.23	0.00	0.00	1,869.23
101-507-54200	Tools	3,115.42	3,115.42	0.00	161.99	2,953.43
101-507-54300	Office Supplies	4,581.50	4,581.50	-1,136.77	-945.53	5,527.03
101-507-56010	Membership Dues - Not Detailed	1,832.60	1,832.60	0.00	0.00	1,832.60
101-507-56200	Publications	2,290.75	2,290.75	0.00	0.00	2,290.75
101-507-58000	Permits And Regulatory Fees	2,290.75	2,290.75	0.00	0.00	2,290.75
101-509-50000	Regular Pay	264,784.96	364,784.96	27,829.39	364,510.89	274.07
101-509-50010	Overtime Pay	0.00	300.00	0.00	102.60	197.40
101-509-50491	Benefits - Allocated	218,966.33	218,966.33	0.00	0.00	218,966.33
101-509-53000	Outside Services	218,262.66	218,262.66	10,206.25	181,460.78	36,801.88
101-511-50000	Regular Pay	373,476.51	373,476.51	18,754.62	247,798.28	125,678.23
101-511-50010	Overtime Pay	0.00	100.00	0.00	184.63	-84.63
101-511-50491	Benefits - Allocated	331,748.23	331,748.23	0.00	0.00	331,748.23
101-511-50600	Training And Education	26,939.22	26,939.22	0.00	4,184.24	22,754.98
101-511-53000	Outside Services	169,698.76	169,698.76	15,813.91	125,180.75	44,518.01
101-511-53100	Printing Costs	5,497.80	5,497.80	0.00	190.25	5,307.55
101-513-50000	Regular Pay	74,418.19	74,418.19	8,038.91	76,461.48	-2,043.29
101-513-50491	Benefits - Allocated	54,274.22	54,274.22	0.00	0.00	54,274.22
101-513-50600	Training And Education	5,497.80	5,497.80	0.00	1,760.12	3,737.68
101-513-53000	Outside Services	43,982.40	43,982.40	0.00	10,300.00	33,682.40
101-513-53300	Computer Service Contract	17,757.85	17,757.85	0.00	11,600.00	6,157.85
101-513-53310	Software Support Contract	206,288.39	195,148.39	-3,460.50	82,869.17	112,279.22
101-513-53320	Outside Computer Services	123,242.35	123,242.35	0.00	62,150.00	61,092.35
101-513-54000	Materials Unclassified	440,747.56	430,747.56	0.00	159,646.39	271,101.17
101-515-50000	Regular Pay	15,129.84	15,129.84	2,193.73	39,395.35	-24,265.51
101-515-50010	Overtime Pay	0.00	0.00	0.00	82.36	-82.36
101-515-50491	Benefits - Allocated	11,391.38	11,391.38	0.00	0.00	11,391.38
101-515-53125	Pest And Insect Control - Other	6,410.36	6,410.36	345.00	4,170.00	2,240.36
101-515-53140	Office Cleaning	45,818.63	45,818.63	6,016.81	33,977.28	11,841.35
101-515-53150	Security Services	2,748.90	2,748.90	818.56	3,361.93	-613.03
101-515-53160	Waste Disposal	12,468.94	12,468.94	2,661.32	9,928.68	2,540.26
101-515-54000	Materials Unclassified	120,038.93	120,038.93	688.83	48,258.65	71,780.28
101-517-50000	Regular Pay	21,551.31	21,551.31	6,260.29	62,874.00	-41,322.69
101-517-50491	Benefits - Allocated	16,240.40	16,240.40	0.00	0.00	16,240.40
101-517-53000	Outside Services	339,214.26	309,214.26	33,183.73	231,826.02	77,388.24
101-517-54000	Materials Unclassified	41,563.28	41,563.28	577.27	8,674.72	32,888.56
101-517-54400	Fuel - Gasoline	77,892.76	77,892.76	540.01	66,104.52	11,788.24
101-517-54410	Fuel - Diesel	36,648.26	36,648.26	0.00	29,606.14	7,042.12
101-517-54430	Oils And Lubricants	0.00	0.00	28.25	28.25	-28.25
101-517-54440	Vehicle And Equipment Repair Parts	108,119.66	138,119.66	13,681.06	125,920.64	12,199.02
101-517-54520	Welding Supplies Other Than Gases	2,287.01	2,287.01	310.88	752.93	1,534.08
101-519-50000	Regular Pay	272,569.88	166,269.88	8,239.36	74,030.34	92,239.54
101-519-50010	Overtime Pay	0.00	1,000.00	0.00	669.03	330.97
101-519-50299	Payroll Penalties And Interest	5,497.80	5,497.80	0.00	61.97	5,435.83
101-519-50491	Benefits - Allocated	233,623.50	233,623.50	0.00	0.00	233,623.50
101-519-50600	Training And Education	14,385.91	14,385.91	0.00	1,210.33	13,175.58
101-519-52000	Electric Utility	64,570.66	64,570.66	4,348.95	44,081.55	20,489.11
101-519-52100	Regular Telephone	39,730.68	39,730.68	0.00	18,693.63	21,037.05
101-519-52110	Cellular Telephone	10,995.60	10,995.60	0.00	5,859.36	5,136.24
101-519-52200	Southern California Gas	3,298.68	3,298.68	0.00	206.65	3,092.03
101-519-53000	Outside Services	162,309.62	162,309.62	13,496.76	120,823.30	41,486.32
101-519-53120	Office Equipment Service Contract	12,370.05	12,370.05	205.48	11,583.12	786.93

Income Statement **For Fiscal: 2025-2026 Period Ending: 05/**

		Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
101-519-53125	Office Equipment Rental	6,047.58	6,047.58	650.58	2,057.39	3,990.19
101-519-53200	Armored Car Services	6,872.25	6,872.25	418.65	4,977.68	1,894.57
101-519-53210	Bank Service Charges	73,487.26	73,487.26	0.00	53,030.08	20,457.18
101-519-53220	Credit Card Merchant Discount Fees	157,603.60	157,603.60	13,999.15	134,273.51	23,330.09
101-519-54000	Materials Unclassified	114,684.02	114,684.02	5,211.04	39,647.29	75,036.73
101-519-54300	Office Supplies	18,791.41	18,791.41	1,314.11	10,374.72	8,416.69
101-519-54310	Postage	4,398.24	4,398.24	0.00	1,750.00	2,648.24
101-519-58010	County Administrative Charges	3,848.46	8,848.46	0.00	6,671.17	2,177.29
101-521-50000	Regular Pay	85,369.79	85,369.79	7,203.62	91,940.87	-6,571.08
101-521-50100	Directors Fees	137,445.00	137,445.00	9,475.00	95,825.00	41,620.00
101-521-50491	Benefits - Allocated	64,950.93	64,950.93	0.00	0.00	64,950.93
101-521-50600	Training And Education	58,166.68	58,166.68	4,937.58	55,363.53	2,803.15
101-521-53000	Outside Services	26,114.55	26,114.55	0.00	0.00	26,114.55
101-521-54000	Materials Unclassified	1,099.56	1,099.56	0.00	646.49	453.07
101-540-51010	Groundwater Education	14,657.06	14,657.06	0.00	2,472.61	12,184.45
101-700-59000	Depreciation	285,885.60	285,885.60	0.00	198,394.50	87,491.10
	Expense Total:	**10,962,969.16**	**10,955,969.16**	**791,125.52**	**9,605,875.47**	**1,350,093.69**
	Fund: 101 - General Total:	**10,962,969.16**	**10,955,969.16**	**791,125.52**	**9,605,875.47**	
Fund: 201 - Water Operating						
Expense						
201-420-53170	Standby Reports	14,660.80	14,660.80	3,491.96	14,141.96	518.84
201-501-50491	Benefits - Allocated	18,439.52	18,439.52	0.00	0.00	18,439.52
201-505-50000	Regular Pay	31,997.13	31,997.13	336.71	2,502.21	29,494.92
201-505-50491	Benefits - Allocated	5,255.80	5,255.80	0.00	0.00	5,255.80
201-505-53000	Outside Services	59,563.13	59,563.13	150.00	6,047.00	53,516.13
201-505-54000	Materials Unclassified	59,563.13	59,563.13	0.00	36,722.12	22,841.01
201-511-50000	Regular Pay	288,161.61	288,161.61	18,228.30	241,884.30	46,277.31
201-511-50010	Overtime Pay	0.00	4,000.00	0.00	3,807.87	192.13
201-511-50491	Benefits - Allocated	273,867.33	273,867.33	0.00	0.00	273,867.33
201-511-54000	Materials Unclassified	6,868.51	6,868.51	0.00	1,832.24	5,036.27
201-519-58010	County Administrative Charges	140,743.68	140,743.68	0.00	8,555.08	132,188.60
201-540-50020	Standby Overtime Pay	176,952.16	176,952.16	9,347.72	122,293.91	54,658.25
201-540-51000	Ground Water Replenishment Assessments	-1,773,590.28	-1,773,590.28	157,111.60	1,694,135.51	-3,467,725.79
201-540-53450	Consulting Engineer	74,220.30	74,220.30	5,400.00	27,161.50	47,058.80
201-540-54100	System Repair Parts	0.00	0.00	0.00	-964.85	964.85
201-542-50000	Regular Pay	552,495.90	552,495.90	33,119.11	329,719.74	222,776.16
201-542-50010	Overtime Pay	74,253.19	74,253.19	3,760.69	37,196.72	37,056.47
201-542-50491	Benefits - Allocated	474,548.03	474,548.03	0.00	0.00	474,548.03
201-542-50600	Training And Education	10,995.60	10,995.60	0.00	3,123.11	7,872.49
201-542-52000	Electric Utility	2,056,858.87	2,056,858.87	124,338.50	1,463,947.10	592,911.77
201-542-52110	Cellular Telephone	12,919.83	12,919.83	0.00	2,146.47	10,773.36
201-542-53000	Outside Services	650,587.63	650,587.63	17,046.45	156,862.86	493,724.77
201-542-53470	Laboratory Services	47,643.86	47,643.86	3,176.00	36,366.00	11,277.86
201-542-54000	Materials Unclassified	213,952.31	213,952.31	13,129.18	86,335.38	127,616.93
201-542-54100	System Repair Parts	109,956.00	109,956.00	13,152.64	21,018.13	88,937.87
201-542-54200	Tools	18,329.63	18,329.63	2,048.55	6,896.23	11,433.40
201-542-54430	Oils And Lubricants	15,580.73	15,580.73	0.00	9,685.55	5,895.18
201-542-54500	Liquid Chlorine	82,467.00	82,467.00	18,020.97	92,540.81	-10,073.81
201-542-58000	Permits And Regulatory Fees	56,352.45	56,352.45	0.00	58,096.74	-1,744.29
201-544-50000	Regular Pay	673,557.39	673,557.39	61,417.34	690,026.08	-16,468.69
201-544-50010	Overtime Pay	27,280.00	27,280.00	5,764.93	70,784.07	-43,504.07
201-544-50491	Benefits - Allocated	598,457.42	598,457.42	0.00	0.00	598,457.42
201-544-50600	Training And Education	22,914.76	22,914.76	5,000.00	16,719.65	6,195.11
201-544-52110	Cellular Telephone	22,903.76	22,903.76	0.00	8,545.58	14,358.18
201-544-53000	Outside Services	25,198.25	20,198.25	784.90	13,527.66	6,670.59
201-544-53160	Waste Disposal	12,791.46	12,791.46	2,573.31	12,881.24	-89.78
201-544-54000	Materials Unclassified	399,711.95	399,711.95	24,790.94	227,571.10	172,140.85
201-544-54010	Inventory Adjustments	10,995.60	10,995.60	0.00	-29,508.43	40,504.03
201-544-54100	System Repair Parts	245,568.40	245,568.40	15,130.64	229,884.67	15,683.73

Income Statement **For Fiscal: 2025-2026 Period Ending: 05/**

		Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
201-544-54200	Tools	37,106.41	37,106.41	66.84	19,840.41	17,266.00
201-544-54510	Asphalt Purchased	374,762.96	374,762.96	13,213.50	281,249.50	93,513.46
201-544-54530	Sand And Gravel For Fill	7,330.40	12,330.40	1,181.48	10,560.12	1,770.28
201-544-58000	Permits And Regulatory Fees	49,029.31	49,029.31	4,924.91	38,904.68	10,124.63
201-700-59000	Depreciation	2,224,409.88	2,224,409.88	0.00	1,811,148.18	413,261.70
201-700-59110	Amortization Of Costs Of Issuance	109,956.00	109,956.00	0.00	0.00	109,956.00
	Expense Total:	**8,595,617.80**	**8,599,617.80**	**556,707.17**	**7,864,188.20**	**735,429.60**
	Fund: 201 - Water Operating Total:	**8,595,617.80**	**8,599,617.80**	**556,707.17**	**7,864,188.20**	
Fund: 206 - Water Operating Fund WPS						
Expense						
206-420-53170	Standby Reports	1,832.60	1,832.60	93.12	377.12	1,455.48
206-511-50000	Regular Pay	0.00	3,000.00	2,531.10	4,804.12	-1,804.12
206-519-58010	County Administrative Charges	4,838.02	4,838.02	0.00	0.00	4,838.02
206-540-50020	Standby Overtime Pay	0.00	0.00	0.00	394.43	-394.43
206-540-51000	Ground Water Replenishment Assessments	-35,185.92	-35,185.92	2,928.10	32,591.15	-67,777.07
206-542-50000	Regular Pay	0.00	0.00	1,059.40	18,646.55	-18,646.55
206-542-50010	Overtime Pay	0.00	0.00	0.00	1,838.85	-1,838.85
206-542-52000	Electric Utility	107,621.25	107,621.25	0.00	60,043.12	47,578.13
206-542-53000	Outside Services	76,969.20	76,969.20	8,359.44	43,684.94	33,284.26
206-542-54000	Materials Unclassified	16,031.51	16,031.51	0.00	1,125.18	14,906.33
206-542-58000	Permits And Regulatory Fees	2,287.01	2,287.01	0.00	1,614.24	672.77
206-544-50000	Regular Pay	0.00	0.00	5,783.67	43,340.42	-43,340.42
206-544-50010	Overtime Pay	0.00	0.00	0.00	3,867.61	-3,867.61
206-582-54430	Oils And Lubricants	1,286.45	1,286.45	0.00	0.00	1,286.45
206-700-59000	Depreciation	54,978.00	54,978.00	0.00	35,177.97	19,800.03
	Expense Total:	**230,658.12**	**233,658.12**	**20,754.83**	**247,505.70**	**-13,847.58**
	Fund: 206 - Water Operating Fund WPS Total:	**230,658.12**	**233,658.12**	**20,754.83**	**247,505.70**	
Fund: 301 - Sewer Operating Fund						
Expense						
301-420-53170	Standby Reports	4,581.50	4,581.50	1,070.86	4,336.86	244.64
301-519-58010	County Administrative Charges	80,267.88	80,267.88	0.00	3,835.57	76,432.31
301-580-50000	Regular Pay	152,409.95	152,409.95	13,036.36	133,708.26	18,701.69
301-580-50010	Overtime Pay	14,030.28	14,030.28	778.72	6,695.01	7,335.27
301-580-50020	Standby Overtime Pay	179,942.95	179,942.95	10,893.16	136,196.74	43,746.21
301-580-50491	Benefits - Allocated	135,157.88	135,157.88	0.00	0.00	135,157.88
301-580-53000	Outside Services	177,769.46	177,769.46	380.00	27,238.55	150,530.91
301-580-54000	Materials Unclassified	41,233.50	41,233.50	8,021.12	30,641.24	10,592.26
301-580-54100	System Repair Parts	4,398.24	4,398.24	0.00	0.00	4,398.24
301-582-50000	Regular Pay	598,732.31	598,732.31	69,534.39	666,424.77	-67,692.46
301-582-50010	Overtime Pay	92,330.04	92,330.04	3,275.16	21,356.34	70,973.70
301-582-50491	Benefits - Allocated	493,801.33	493,801.33	0.00	0.00	493,801.33
301-582-50600	Training And Education	8,708.48	8,708.48	0.00	2,703.35	6,005.13
301-582-52000	Electric Utility	584,295.14	584,295.14	46,840.71	428,487.11	155,808.03
301-582-52110	Cellular Telephone	8,708.48	8,708.48	0.00	4,721.79	3,986.69
301-582-53000	Outside Services	425,135.70	425,135.70	82,102.80	333,699.58	91,436.12
301-582-53150	Security Services	5,035.91	5,035.91	0.00	5,930.36	-894.45
301-582-53465	Sewer Solids Hauling	403,175.63	403,175.63	68,464.96	370,795.86	32,379.77
301-582-54000	Materials Unclassified	122,333.31	122,333.31	30,308.63	106,700.34	15,632.97
301-582-54100	System Repair Parts	82,467.00	82,467.00	12,379.93	87,295.82	-4,828.82
301-582-54420	Fuel	9,159.26	9,159.26	0.00	0.00	9,159.26
301-582-54430	Oils And Lubricants	6,410.36	6,410.36	0.00	3,823.81	2,586.55
301-582-56010	Membership Dues - Not Detailed	2,748.90	2,748.90	251.00	1,506.00	1,242.90
301-582-58000	Permits And Regulatory Fees	125,877.62	125,877.62	344.98	130,686.11	-4,808.49
301-584-50000	Regular Pay	126,515.29	126,515.29	0.00	0.00	126,515.29
301-584-50291	Taxes Allocated	77,024.09	77,024.09	0.00	0.00	77,024.09
301-584-50491	Benefits - Allocated	29,050.34	29,050.34	0.00	0.00	29,050.34

Income Statement **For Fiscal: 2025-2026 Period Ending: 05/**

		Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
301-700-59000	Depreciation	1,869,252.00	1,869,252.00	0.00	1,270,034.80	599,217.20
	Expense Total:	**5,860,552.83**	**5,860,552.83**	**347,682.78**	**3,776,818.27**	**2,083,734.56**
	Fund: 301 - Sewer Operating Fund Total:	**5,860,552.83**	**5,860,552.83**	**347,682.78**	**3,776,818.27**	
	Total Surplus (Deficit):	**-25,649,797.91**	**-25,649,797.91**	**-1,716,270.30**	**-21,494,387.64**	

Income Statement **For Fiscal: 2025-2026 Period Ending: 05/**

Group Summary

Account Type	Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 101 - General					
Expense	10,962,969.16	10,955,969.16	791,125.52	9,605,875.47	1,350,093.69
Fund: 101 - General Total:	**10,962,969.16**	**10,955,969.16**	**791,125.52**	**9,605,875.47**	**1,350,093.69**
Fund: 201 - Water Operating					
Expense	8,595,617.80	8,599,617.80	556,707.17	7,864,188.20	735,429.60
Fund: 201 - Water Operating Total:	**8,595,617.80**	**8,599,617.80**	**556,707.17**	**7,864,188.20**	**735,429.60**
Fund: 206 - Water Operating Fund WPS					
Expense	230,658.12	233,658.12	20,754.83	247,505.70	-13,847.58
Fund: 206 - Water Operating Fund WPS Total:	**230,658.12**	**233,658.12**	**20,754.83**	**247,505.70**	**-13,847.58**
Fund: 301 - Sewer Operating Fund					
Expense	5,860,552.83	5,860,552.83	347,682.78	3,776,818.27	2,083,734.56
Fund: 301 - Sewer Operating Fund Total:	**5,860,552.83**	**5,860,552.83**	**347,682.78**	**3,776,818.27**	**2,083,734.56**
Total Surplus (Deficit):	**-25,649,797.91**	**-25,649,797.91**	**-1,716,270.30**	**-21,494,387.64**	

Fund Summary

Fund	Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
101 - General	-10,962,969.16	-10,955,969.16	-791,125.52	-9,605,875.47	-1,350,093.69
201 - Water Operating	-8,595,617.80	-8,599,617.80	-556,707.17	-7,864,188.20	-735,429.60
206 - Water Operating Fund...	-230,658.12	-233,658.12	-20,754.83	-247,505.70	13,847.58
301 - Sewer Operating Fund	-5,860,552.83	-5,860,552.83	-347,682.78	-3,776,818.27	-2,083,734.56
Total Surplus (Deficit):	**-25,649,797.91**	**-25,649,797.91**	**-1,716,270.30**	**-21,494,387.64**	

Mission Springs Water District, CA

Income Statement
Account Summary

For Fiscal: 2025-2026 Period Ending: 05/31/2026

		Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 101 - General						
Expense						
101-511-75200	Professional Collection Costs	4,398.24	4,398.24	0.00	1,200.00	3,198.24
	Expense Total:	**4,398.24**	**4,398.24**	**0.00**	**1,200.00**	**3,198.24**
	Fund: 101 - General Total:	**4,398.24**	**4,398.24**	**0.00**	**1,200.00**	
Fund: 201 - Water Operating						
Expense						
201-511-75100	Uncollectible Accounts	11,545.38	11,545.38	0.00	332.79	11,212.59
201-600-70000	Interest Expense	8,356.59	8,356.59	0.00	1,617.79	6,738.80
201-600-75300	Unreimbursable Expenses	13,744.50	13,744.50	0.00	-8,711.05	22,455.55
	Expense Total:	**33,646.47**	**33,646.47**	**0.00**	**-6,760.47**	**40,406.94**
	Fund: 201 - Water Operating Total:	**33,646.47**	**33,646.47**	**0.00**	**-6,760.47**	
Fund: 206 - Water Operating Fund WPS						
Expense						
206-600-70000	Interest Expense	8,939.37	8,939.37	0.00	0.00	8,939.37
	Expense Total:	**8,939.37**	**8,939.37**	**0.00**	**0.00**	**8,939.37**
	Fund: 206 - Water Operating Fund WPS Total:	**8,939.37**	**8,939.37**	**0.00**	**0.00**	
Fund: 301 - Sewer Operating Fund						
Expense						
301-600-70000	Interest Expense	532,516.82	532,516.82	0.00	387,304.17	145,212.65
	Expense Total:	**532,516.82**	**532,516.82**	**0.00**	**387,304.17**	**145,212.65**
	Fund: 301 - Sewer Operating Fund Total:	**532,516.82**	**532,516.82**	**0.00**	**387,304.17**	
Fund: 304 - Assessment District 4						
Expense						
304-600-70000	Interest Expense	0.00	0.00	0.00	-81.68	81.68
	Expense Total:	**0.00**	**0.00**	**0.00**	**-81.68**	**81.68**
	Fund: 304 - Assessment District 4 Total:	**0.00**	**0.00**	**0.00**	**-81.68**	
Fund: 308 - Assessment District 12						
Expense						
308-600-70000	Interest Expense	182,559.85	182,559.85	0.00	0.00	182,559.85
	Expense Total:	**182,559.85**	**182,559.85**	**0.00**	**0.00**	**182,559.85**
	Fund: 308 - Assessment District 12 Total:	**182,559.85**	**182,559.85**	**0.00**	**0.00**	
	Total Surplus (Deficit):	**-762,060.75**	**-762,060.75**	**0.00**	**-381,662.02**	

Income Statement **For Fiscal: 2025-2026 Period Ending: 05/**

Group Summary

Account Type	Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 101 - General					
Expense	4,398.24	4,398.24	0.00	1,200.00	3,198.24
Fund: 101 - General Total:	**4,398.24**	**4,398.24**	**0.00**	**1,200.00**	**3,198.24**
Fund: 201 - Water Operating					
Expense	33,646.47	33,646.47	0.00	-6,760.47	40,406.94
Fund: 201 - Water Operating Total:	**33,646.47**	**33,646.47**	**0.00**	**-6,760.47**	**40,406.94**
Fund: 206 - Water Operating Fund WPS					
Expense	8,939.37	8,939.37	0.00	0.00	8,939.37
Fund: 206 - Water Operating Fund WPS Total:	**8,939.37**	**8,939.37**	**0.00**	**0.00**	**8,939.37**
Fund: 301 - Sewer Operating Fund					
Expense	532,516.82	532,516.82	0.00	387,304.17	145,212.65
Fund: 301 - Sewer Operating Fund Total:	**532,516.82**	**532,516.82**	**0.00**	**387,304.17**	**145,212.65**
Fund: 304 - Assessment District 4					
Expense	0.00	0.00	0.00	-81.68	81.68
Fund: 304 - Assessment District 4 Total:	**0.00**	**0.00**	**0.00**	**-81.68**	**81.68**
Fund: 308 - Assessment District 12					
Expense	182,559.85	182,559.85	0.00	0.00	182,559.85
Fund: 308 - Assessment District 12 Total:	**182,559.85**	**182,559.85**	**0.00**	**0.00**	**182,559.85**
Total Surplus (Deficit):	**-762,060.75**	**-762,060.75**	**0.00**	**-381,662.02**	

Fund Summary

Fund	Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
101 - General	-4,398.24	-4,398.24	0.00	-1,200.00	-3,198.24
201 - Water Operating	-33,646.47	-33,646.47	0.00	6,760.47	-40,406.94
206 - Water Operating Fund...	-8,939.37	-8,939.37	0.00	0.00	-8,939.37
301 - Sewer Operating Fund	-532,516.82	-532,516.82	0.00	-387,304.17	-145,212.65
304 - Assessment District 4	0.00	0.00	0.00	81.68	-81.68
308 - Assessment District 12	-182,559.85	-182,559.85	0.00	0.00	-182,559.85
Total Surplus (Deficit):	**-762,060.75**	**-762,060.75**	**0.00**	**-381,662.02**	

APPENDIX E – Wastewater & Water Production Tables

WASTEWATER REPORT

SEWER CONNECTION SUMMARY														
	2025/26	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13
July	13	9	4	4	18	8	7	9	51	2	1	139	2	0
August	20	7	12	26	20	4	1	8	53	2	4	214	4	0
September	4	2	17	20	20	5	2	12	8	11	2	90	2	1
October	26	2	3	13	36	9	4	8	12	4	21	65	8	2
November	3	22	7	8	29	50	10	9	7	7	1	52	18	7
December	1	5	21	8	12	9	3	3	64	1	0	86	22	11
January	4	1	2	35	14	21	7	1	16	8	3	27	3	11
February	30	55	1	4	7	23	5	1	42	0	3	5	46	6
March	16	30	1	24	17	48	1	0	23	5	0	31	16	2
April	20	56	7	16	7	18	3	3	15	30	0	8	95	14
May	25	42	8	9	16	17	11	3	20	45	7	13	98	3
June	18	4	0	4	2	21	7	3	6	70	4	4	72	2
Annual	**180**	**235**	**83**	**171**	**198**	**233**	**61**	**61**	**60**	**317**	**185**	**46**	**386**	**59**

Connections to Sewer Collection System:

As of June 30, 2025	9,154
Plus YTD	180
Total Sewer Connections =	**9,334**

WASTEWATER FLOW MGD						
2025/26	HORTON PLANT		DESERT CREST		WRIGHT PLANT	
	Avg. Daily Flow	Peak 24 hr. Flow	Avg. Daily Flow	Peak 24 hr. Flow	Avg. Daily Flow	Peak 24 hr. Flow
July	1.862374	1.999693	0.042087	0.048290	0.169682	0.194612
August **	1.785411	1.918440	0.034649	0.040490	0.188708	0.236098
September	1.858563	1.995437	0.030936	0.039250	0.200613	0.240535
October	1.893174	1.994838	0.031488	0.038150	0.189350	0.250412
November	1.922275	2.161271	0.035959	0.046170	0.182794	0.208263
December	1.872361	1.992182	0.031247	0.040290	0.189836	0.243899
January	1.926865	2.046751	0.029501	0.035770	0.184522	0.209300
February	1.897698	2.081533	0.030420	0.037800	0.192446	0.271299
March	1.904059	2.085559	0.028617	0.035320	0.186100	0.290100
April	1.941607	2.034653	0.032565	0.042150	0.188973	0.245700
May	1.882155	2.045014	0.031495	0.038270	0.203787	0.296400
June	1.733136	1.948796	0.030246	0.035940	0.188783	0.210300

** Influent Flow Meters Calibrated 8/26/2025

WASTEWATER FLOW MGD						
2024/25	HORTON PLANT		DESERT CREST		WRIGHT PLANT	
	Avg. Daily Flow	Peak 24 hr. Flow	Avg. Daily Flow	Peak 24 hr. Flow	Avg. Daily Flow	Peak 24 hr. Flow
July	2.065945	2.184078	0.039738	0.046230	0.000000	0.000000
August	2.132868	2.253870	0.045258	0.063150	0.000000	0.000000
September	2.084274	2.299028	0.042407	0.050700	0.000000	0.000000
October	2.056787	2.242007	0.045147	0.054820	0.000000	0.000000
November	2.080992	2.260242	0.045151	0.050590	0.000000	0.000000
December	2.063171	2.208058	0.043790	0.047380	0.000000	0.000000
January	2.052011	2.229541	0.043768	0.046930	0.000000	0.000000
February	2.021628	2.159446	0.042657	0.048510	0.196484	0.266883
March	1.881538	1.992163	0.046467	0.054370	0.175171	0.213597
April	1.866151	1.940300	0.042551	0.048930	0.164590	0.189517
May	1.843367	1.999516	0.039008	0.048140	0.170625	0.191499
June	1.860553	1.990549	0.041387	0.046620	0.169051	0.194171

WATER REPORT

WATER CONNECTION SUMMARY

	2025/26	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14
July	18	9	5	6	18	7	4	5	7	2	0	0	1
August	19	14	14	28	19	6	10	5	3	2	2	0	1
September	8	6	19	22	23	18	2	14	4	13	3	0	2
October	26	2	4	16	33	13	3	21	8	3	20	0	5
November	3	25	9	10	27	10	16	4	0	7	3	0	1
December	8	6	5	9	9	2	17	3	3	2	0	0	2
January	3	1	5	26	14	15	6	3	20	1	1	2	2
February	31	59	3	14	8	13	8	5	11	1	0	1	0
March	16	37	6	29	19	16	2	3	6	5	0	12	0
April	20	64	11	24	6	11	1	3	7	11	2	7	0
May	29	54	9	16	19	15	12	5	11	9	8	2	0
June	23	7	3	5	1	24	11	2	8	2	10	1	0
Annual	**204**	**284**	**93**	**205**	**196**	**150**	**92**	**73**	**88**	**58**	**49**	**25**	**14**
Avg./ Mo.	**17.00**	**23.67**	**7.75**	**17.08**	**16.33**	**12.50**	**7.67**	**6.08**	**7.33**	**4.83**	**4.08**	**2.08**	**1.17**

Connections to Water System:

As of June 30, 2025	13,920
Plus YTD	204
Total Water Connections =	**14,124**

WATER PRODUCTION SUMMARY

	FY 2025/26	Variance from prior year		FY 2024/25	FY 2023/24	FY 2022/23	FY 2021/22	FY 2020/21	FY 2019/20	FY 2018/19	FY 2017/18	FY 2016/17	FY 2015/16
	AF	AF	%	AF	AF	AF	AF	AF	AF	AF	AF	AF	AF
July	812.67	-126.40	-13.46%	939.07	789.99	751.79	796.57	857.77	853.23	857.20	835.87	714.50	659.11
August	789.94	-28.69	-3.50%	818.63	737.74	850.19	839.93	885.31	795.18	806.47	829.93	808.54	706.62
September	762.89	-22.96	-2.92%	785.85	675.06	716.03	738.65	784.80	757.08	689.47	712.40	679.54	657.37
October	674.63	-43.63	-6.07%	718.26	709.23	691.98	665.18	755.84	709.39	709.81	733.86	678.33	575.86
November	531.93	-42.15	-7.34%	574.08	629.05	599.39	679.85	690.13	619.87	631.75	642.41	601.89	582.22
December	666.21	19.13	2.96%	647.08	529.99	554.27	565.48	588.32	537.23	502.16	584.24	520.63	503.10
January	541.35	-30.89	-5.40%	572.24	556.57	530.39	580.28	537.96	553.20	570.20	599.52	465.10	431.38
February	521.99	12.91	2.54%	509.08	458.69	490.41	527.34	495.61	520.85	415.49	512.79	453.39	483.92
March	685.32	121.04	21.45%	564.28	560.24	500.37	601.44	625.80	557.73	490.92	536.09	549.50	514.05
April	679.09	74.45	12.31%	604.64	649.67	552.34	624.07	649.34	573.02	635.08	644.06	540.56	502.36
May	681.03	35.63	5.52%	645.40	696.24	726.25	745.36	723.62	698.99	598.36	697.15	731.81	601.83
June	809.34	40.32	5.24%	769.02	700.11	682.09	730.02	761.63	806.02	710.39	688.74	732.68	685.93
TOTAL	**8,156.39**	**8.76**	**0.11%**	**8,147.63**	**7,692.58**	**7,645.50**	**8,094.17**	**8,356.13**	**7,981.79**	**7,617.30**	**8,017.06**	**7,476.47**	**6,903.75**