



Sunnyslope County Water District

BOARD OF DIRECTORS

SPECIAL MEETING

District Office Board Room/Teleconference



3570 Airline Hwy., Hollister, CA

NOTICE & AGENDA

OCTOBER 6, 2026

Special Board Meeting - 5:15PM

(The previously scheduled board meeting for September 22 was canceled, and regular items of the September meeting will be addressed on this date.)

IN PERSON PUBLIC ACCESS TO DISTRICT MEETINGS IS AVAILABLE AND REMOTE ACCESS CAN BE OBTAINED THROUGH THE FOLLOWING ACCESS POINTS:

ZOOM MEETING ACCESS LINK

<https://us06web.zoom.us/j/84939556110?pwd=P4mdNhOghlDy5kIqcpHDSGwcANmIWt.1> Passcode:
SSCWD

Or Telephone: Dial + 1 (669) 444-9171 and when prompted enter Meeting ID: 849 3955 6110
Dial in Passcode: 541111

ADDITIONAL INSTRUCTIONS TO JOIN MEETING

<https://us06web.zoom.us/join/85679568962/invitations?signature=whIJgIElyPEMkSMIdT1Q8Ols-a2i02yKau3XIZHhSc0>

HEALTH AND SAFETY GUIDELINES

Public access to this meeting is provided both in person and through electronic viewing. Virtual meeting access will continue to be provided as a public convenience until further notice. Remote viewing interruptions due to internet quality, power outages or other factors may occur and will not stop the meeting while a quorum is present in the Board Room; To ensure the health, safety, and welfare of those in attendance, all attendees must comply with any procedures/instructions announced by the Board of Directors or as directed by Staff prior to commencement of the meeting. Face coverings will be provided if health concerns dictate and will be made available upon request. The meeting will be available through Zoom for those who wish to join remotely. Anyone requiring accommodation may contact the Main Office at: (831) 637-4670 a minimum of 24 hrs prior to the start of the meeting.

Mission Statement:

"Our Mission is to provide safe, reliable, and high-quality water and wastewater services to our customers and all future generations in an environmentally and financially responsible manner."

A. CALL TO ORDER - ROLL CALL

President Alcorn _____, Vice President Martinez _____, Director Buzzetta _____,
Director Brown _____, and Director Perez-Kenny _____.

B. PUBLIC COMMENT ON CLOSED SESSION MATTERS – When agendized, members of the public may address the Board on the item or items listed on the Closed Session agenda, with a time limit of three minutes per speaker.

CLOSED SESSION @ 5:00PM

C. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS:

1. **Management Compensation/Benefits (§ 54957.8)** – Title: Unrepresented Management Staff Classifications
2. **Public Employee Performance Review (§ 54957)** – Title: General Manager

REGULAR SESSION @ 5:15PM

D. PLEDGE OF ALLEGIANCE

E. REPORT IN OPEN SESSION ACTION TAKEN IN CLOSED SESSION

F. APPROVAL OF AGENDA – Any requests to postpone consideration of an agenda item or move an item forward on the agenda will be considered at this time.

G. PUBLIC COMMENTS and AUDIENCE INTRODUCTIONS – The public may comment¹ on any District business, not on the agenda, with a time limit of three minutes per speaker. To make a public comment in person please fill out a "Speaker Card" and return to the Minutes Clerk prior to speaking. When virtual meeting access is provided, please use the

“hand-raise” feature and you will be called upon to speak. No action may be taken by the Board during the public comment period.

H. CONSENT AGENDA – Members of the Board and/or members of the public may pull matters from the Consent Agenda. Any matter pulled from the Consent Agenda requiring action shall be moved to New Business and treated as a matter of new business, or for matters needing clarification shall be moved to Staff Reports and addressed by the respective staff. The public may address the Board² on these items, not to exceed 3 minutes, when the Board reviews each pulled item.

1. Approve Minutes of the Board
 - Regular Board Meeting – August 25, 2026 (page 1)
 - Special Board Meeting – September 4, 2026 (page 7)
2. Receive and Accept Allowance of Claims for Disbursements from August 1, 2026 Through August 31, 2026 (page 9)
3. Receive and Accept Engineering Services Monthly Status Report (page 12)
4. Receive and Accept Finance Manager Monthly Status Reports:
 - a) Narrative Report (page 15)
 - b) Operation Summary (page 24)
 - c) Statement of Income (page 27)
 - d) Investment Summary (page 29)
 - e) Board Designated Reserves (page 30)
5. Receive and Accept Superintendent Monthly Status Reports:
 - a) Maintenance (page 31)
 - b) City Meter Reading (page 37)
 - c) Groundwater Level Measurement (page 38)
6. Receive and Accept General Manager Monthly Status Report (page 39)

I. NEW BUSINESS – The Board will review and discuss agenda items and take action or direct staff to return to the Board for action at a following meeting. The public may address the Board² on these items as the Board reviews each item when directed to do so.

1. Authorize The General Manager To Continue Participation In Shared Contractual GIS Services Through San Benito County For A Cost Not To Exceed \$22,983. (Not A Project Under CEQA Per Article 20, Section 15378) (page 43)
2. Consider Awarding A Contract For The Excavation & Restoration For Insertion Valves Project To Daleo Inc. At A Cost Not To Exceed \$95,000 (Project CEQA Exempt Title 22, Section 60101, Class 1: Existing Facilities) (page 47)

J. STATUS REPORT

1. Governance Committee (MA, DB) – (No Meeting)
2. Water / Wastewater Committee (DB, OM) – (No Meeting)
3. Finance Committee (MA, JB) – (No Meeting)
4. Policy and Procedure Committee (JB, AP-K)– (No Meeting)
5. Employee and Personnel Committee (DB, MA) – (Meeting Held Aug. 28th)
6. Water Resources Association of San Benito County (OM, Alt. DB) – (No Meeting)

K. BOARD and STAFF REPORTS

1. Directors
2. District Counsel
3. General Manager – General Manager Report (Oral Report)

L. FUTURE AGENDA ITEMS

1. October 27th the Ridgemark sewer flat rate proposal and rate model will be presented to the Board for discussion and authorization to distribute proposition 218 notification.
2. December 15th Public Hearing to accept public input and tabulate protests for Ridgemark sewer flat-rate proposal and rate model adoption.
3. December 15th the Board will conclude the meeting by administering the Oath of Office and seating board members for the 2027 calendar year. This agenda item

will also include appointing a new President and Vice President for the 2027 calendar year and the board will set and approve the regular meeting calendar for the 2027.

4. January 26th, 2027 the Board President will make Board committee appointments.

M. ADJOURNMENT

Upon request, Sunnyslope County Water District (SSCWD) will make a reasonable effort to provide written agenda materials in appropriate alternative formats, languages or disability-related modification or accommodation, including auxiliary aids or services, to enable all individuals to participate in public meetings. SSCWD will also make a reasonable effort to provide translation services upon request. Please submit a written request, including your name, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service as soon as possible in advance of the meeting.

Next Regular Board Meeting – October 27, 2026 @ 5:15 p.m., District Admin Office

AGENDA DEADLINE – October 21 @ 12:00 p.m.

Future Scheduled Committee Meetings

Water Resources Association of San Benito County – TBD

Employee and Personnel Committee – October 9th and 23rd @ 3pm.

Architectural Committee – October 8th @ 3pm.

¹ The person speaking is requested to fill out a speaker card stating items on which they wish to comment to be properly recognized during communications from the public and address comments to the Board of Directors. A limit of three (3) minutes per speaker is requested to allow others an opportunity to comment. Board members may ask questions of the speaker, but no action may be taken, and no discussion may be held on non-agenized items raised by the public. The General Manager may refer the matter to the proper personnel for review.

² The person speaking is requested to fill out a speaker card stating their name, address, and items on which they wish to comment to be properly recognized during communications from the public and address comments to the Board of Directors. Please limit your comment to three (3) minutes. Please step up to and speak at the podium.

MINUTES
Regular Meeting of the Board of Directors
of the
SUNNYSLOPE COUNTY WATER DISTRICT
August 25th, 2026

- A. CALL TO ORDER:** The meeting was called to order at 5:15 p.m. by President Alcorn, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.

ROLL CALL: Present in Person: President Michael Alcorn (MA), Vice President Orlando Martinez (OM), Director Dee Brown (DB), Director Alexis Perez-Kenny (APK), Director Jerry Buzzetta (JB).

- B. PUBLIC COMMENTS ON CLOSED SESSION MATTERS:** The Board welcomed members of the public and opened the meeting to public comments regarding matters identified on the Closed Session agenda. No comments were received.

C. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS:

- i. No items scheduled for discussion.*

- D. PLEDGE OF ALLEGIANCE:** Director Perez-Kenny led those in attendance in the Pledge of Allegiance.

E. REPORT IN OPEN SESSION ACTION TAKEN IN CLOSED SESSION:

- i. No items were on the agenda for discussion.*

- F. APPROVAL OF AGENDA:** President Alcorn asked the Board if there were any requests to postpone or modify the agenda. Director Brown motioned to approve the agenda, seconded by Director Martinez, for which President Alcorn took a roll call vote as follows: (DB), yes; (APK), yes; (JB), yes; (OM), yes; and (MA), yes; the motion carried 5-0.

- G. PUBLIC COMMENTS AND AUDIENCE INTRODUCTIONS:** The Board welcomed members of the public and opened the meeting to public comments regarding matters not itemized on the agenda. No comments were received.

Staff Present for Open Session: In Person: General Manager/Secretary Drew Lander, Principal Engineer Robert Hillebrecht, Water/Wastewater Superintendent Jose Rodriguez and Assistance Finance Manager Dana Sullivan.

Via Teleconference: Executive Assistant/Stenographer Madison Koester.

H. CONSENT AGENDA:

1. Approval of Minutes for:
Regular Board Meeting of July 28th, 2026
2. Allowance of Claims – The Board reviewed the Disbursement Summary (below) for the period of July 1, 2026 through July 31, 2026, totaling \$3,491,897.12 includes \$1,804,797.84 for payments to vendors, \$620,832.86 for Payroll, and \$646,677.49 paid to the City of Hollister for collection of City sewer billings (net of our fees).

Date	Number	Name	Amount
7/6/2026	ACH3432	Sterling Administration Health	65.00
7/7/2026	ACH3434	iCloud	14,393.59
7/7/2026	ACH3433	P G & E	50,670.68
7/7/2026	ACH3435	Principal	5,220.05
7/8/2026	55263	AARON & JENNIFER GARCIA	300.00
7/8/2026	55262	ADRYAN ALCARAZ JR AND NIKKOLE SUAREZ	125.00
7/8/2026	55264	BAY AREA WATER TRUCKS	364.91
7/8/2026	55261	KAYLYN ROSMARYN & HENRIK HAUDE	37.45
7/9/2026	55265	Ace Hardware (Johnson Lumber Co.)	1,182.25
7/9/2026	55266	Amazon Capital Services	710.92
7/9/2026	55267	Anne Muraski	9,450.00
7/9/2026	55268	Backflow Apparatus & Valve Co. (BAVCO)	949.57
7/9/2026	55269	Bazilio Hernandez	200.99
7/9/2026	55270	Brenntag Pacific, Inc.	35,291.93
7/9/2026	55271	Brigantino Irrigation	48.11
7/9/2026	55272	Bryan Mailey Electric, Inc	1,023.23
7/9/2026	55273	City of Hollister-Finance Dept	479,656.93
7/9/2026	55274	CM Analytical, Inc.	12,950.50
7/9/2026	55275	Community Printers, Inc.	3,448.02
7/9/2026	55276	DKF Solutions Group, LLC	3,220.00
7/9/2026	55277	Don Chapin Co. Inc., The	106.24
7/9/2026	55278	Grainger, Inc.	29.98
7/9/2026	55279	Hach Company	1,936.84
7/9/2026	55280	Iconix Waterworks (US) Inc.	6,017.86
7/9/2026	55281	J & J Air Conditioning	1,966.74
7/9/2026	55282	John Smith Road Landfill	2,462.89
7/9/2026	55302	Katch Environmental, Inc.	1,307,956.38
7/9/2026	EFT0000323	Final Check Jorge Mendoza	1,807.37
7/9/2026	55283	Meter, Valve & Control	89,524.38
7/9/2026	55284	Mission Uniform Service	622.36
7/9/2026	EFT0000324	Net Pay	89,533.64
7/9/2026	55285	PACE Supply Corp	2,806.66
7/9/2026	55286	Quinn Company	8,757.21
7/9/2026	55287	Raul Azcona	250.00
7/9/2026	55288	Recology San Benito County	375.19
7/9/2026	55289	Ryan Herco Flow Solutions	1,453.17
7/9/2026	55290	San Benito County Water District	391.25
7/9/2026	55291	Simplot Grower Solutions	1,858.85
7/9/2026	55292	Star Concrete	36.60
7/9/2026	55293	State Water Resources Control Board-DWOCF	60.00
7/9/2026	ACH3436	Sterling Administration Health	99.00
7/9/2026	55294	Toro Petroleum Corp.	4,865.91
7/9/2026	EFT0000325	Total Tax	21,911.99
7/9/2026	55296	Transene Company Inc (Shape Products)	169.60
7/9/2026	55297	U.S. Bank Corporate Payment Systems	8,313.03
7/9/2026	55298	USA Blue Book	619.56
7/9/2026	55299	UWUA Local 820	830.88
7/9/2026	55300	Waste Resource Recovery, Inc.	2,400.00
7/9/2026	55301	Wright Bros. Welding & Sheet Metal, Inc.	675.52
7/11/2026	EFT0000317	Net Pay	90,714.70
7/11/2026	EFT0000318	Total Tax	22,046.58
7/15/2026	55303	ACWA/JPIA	23,384.28
7/15/2026	55304	Brenntag Pacific, Inc.	3,665.86
7/15/2026	ACH3437	Colonial Life	2,613.38

7/15/2026	55305	InfoSend	3,356.60
7/15/2026	ACH3438	Sterling Administration Health	148.00
7/15/2026	55306	Toro Petroleum Corp.	2,243.19
7/15/2026	55307	Trans Union LLC	274.02
7/17/2026	55308	A-1 Services	504.00
7/17/2026	55309	Ace Hardware (Johnson Lumber Co.)	332.72
7/17/2026	ACH3439	ADP	2,454.77
7/17/2026	55310	Brenntag Pacific, Inc.	24,197.73
7/17/2026	55311	Brigantino Irrigation	63.50
7/17/2026	55312	City of Hollister-Finance Dept	167,020.56
7/17/2026	55313	De Lay & Laredo	2,700.00
7/17/2026	55314	EBCO Pest Control	82.00
7/17/2026	55315	First Trust Alarm Company	892.02
7/17/2026	55316	Keyes Truck Center	103,194.49
7/17/2026	55317	Mission Uniform Service	1,355.12
7/17/2026	55318	O'Reilly Auto Parts	29.67
7/17/2026	55319	USA Blue Book	546.18
7/20/2026	ACH3441	Sterling Administration Health	40.00
7/20/2026	ACH3440	Sterling Administration Health	200.00
7/21/2026	55326	BETH CHAVEZ	145.67
7/21/2026	ACH3443	CalPERS - Health Insurance	35,009.86
7/21/2026	ACH3448	CalPERS - Retirement	23.08
7/21/2026	ACH3446	CalPERS - Retirement	7,736.11
7/21/2026	ACH3444	CalPERS - Retirement	11,745.93
7/21/2026	ACH3442	CalPERS - Retirement	181,078.00
7/21/2026	55325	DARIUS PARKS & KIAUNA FAUSTO	39.96
7/21/2026	55323	GABRIEL & JESSICA SENBETU	320.22
7/21/2026	55322	ITSAMARA ALDANA & JOSE RIVERA	27.22
7/21/2026	55327	MCH ELECTRIC,	582.50
7/21/2026	ACH3447	Nationwide Retirements Solutions	1,112.00
7/21/2026	ACH3445	Nationwide Retirements Solutions	10,963.15
7/21/2026	55321	ROSALINDA OGAS	187.18
7/21/2026	55320	SHUNLIANG WANG	159.83
7/23/2026	55328	ACC Business	1,339.24
7/23/2026	55329	Ace Hardware (Johnson Lumber Co.)	581.87
7/23/2026	55330	Amazon Capital Services	97.28
7/23/2026	55331	Baker Supplies and Repairs	35.00
7/23/2026	55332	Brenntag Pacific, Inc.	19,782.37
7/23/2026	ACH3451	CalPERS - Retirement	23.08
7/23/2026	ACH3450	CalPERS - Retirement	7,507.37
7/23/2026	ACH3449	CalPERS - Retirement	11,920.47
7/23/2026	55333	E.H. Wachs Co.	990.87
7/23/2026	55334	Hollister Auto Parts, Inc.	115.58
7/23/2026	55335	ICON Cloud Solutions, LLC	296.48
7/23/2026	55336	Kevin Castro	250.00
7/23/2026	55337	Mc Master-Carr	185.79
7/23/2026	55338	Mission Uniform Service	535.79
7/23/2026	EFT0000326	Net Pay	84,606.59
7/23/2026	55339	O'Reilly Auto Parts	111.77
7/23/2026	55340	Rexel	292.71
7/23/2026	55341	SBC Chamber of Commerce	245.00
7/23/2026	55342	Toro Petroleum Corp.	2,503.22
7/23/2026	EFT0000327	Total Tax	20,375.28
7/23/2026	55343	UWUA Local 820	807.80
7/24/2026	ACH3453	Nationwide Retirements Solutions	1,112.00
7/24/2026	ACH3452	Nationwide Retirements Solutions	10,963.17

7/27/2026	ACH3454	Sterling Administration Health	169.00
7/30/2026	55344	Advanced Integration & Controls	1,600.00
7/30/2026	55345	Amazon Capital Services	59.53
7/30/2026	55346	AT&T	403.66
7/30/2026	55347	Brenntag Pacific, Inc.	16,125.89
7/30/2026	55348	exceedio	6,299.81
7/30/2026	55349	Grainger, Inc.	663.95
7/30/2026	55350	Hach Company	1,388.02
7/30/2026	55351	Mission Uniform Service	594.27
7/30/2026	55352	Petty Cash	15.00
7/30/2026	55353	SBC Business Council, Inc.	1,250.00
7/30/2026	55354	Star Concrete	1,140.03
7/30/2026	55355	Troy Quick	97.39
7/30/2026	55356	Underground Service Alert North 811	1,554.62
7/30/2026	55357	Verizon Wireless	611.17
7/31/2026	55358	San Benito County Water District	416,907.74
			-\$3,491,897.12

3. Receive Engineering Services Monthly Status Report.
4. Receive Finance Manager Monthly Status Reports: a. Narrative Report, b. Operation Summary, c. Statement of Income, d. Investment Summary, and e. Board Designated Reserves.
5. Receive Superintendent Monthly Status Reports: a. Maintenance, b. City Meter Reading, and c. Groundwater Level Measurement.
6. Receive General Manager Monthly Status Report.

President Alcorn asked for public comment and upon receiving none, requested a motion to approve the Consent Agenda. Upon a motion made by Director Brown to approve the Consent Agenda, seconded by Director Martinez, for which President Alcorn then took a roll call vote as follows: (DB), yes; (APK), yes; (JB), yes; (OM), yes; and (MA) yes; the motion carried 5-0.

I. NEW BUSINESS:

1. **Authorize The President To Sign The Agreement For Water Facilities And Service For The Fulton Way Tract No. 358 Development. (Mit Neg Dec Certified By San Benito County Planning Commission)**

Principal Engineer Rob Hillebrecht presented the agreement for water facilities and service for the Fulton Way Tract No. 358 Development, a 10-unit infill development near Southside Road. He explained that the agreement is the District's standard development agreement and requires the developer to cover all District costs associated with the project, including plan review, inspection, and other related expenses.

Mr. Hillebrecht also discussed approximately 1.7 acres on the western portion of the property where the District currently holds an exclusive easement for a potential future well and groundwater treatment facility. Upon approval of the final subdivision map, ownership of this property will be transferred to the District. Director Buzzetta expressed concern regarding the agreement's one-year warranty period for the water infrastructure and indicated that he did not believe a single-year warranty provided sufficient protection for the District.

Following discussion and with no public comment, President Alcorn requested a motion to approve the item. Director Brown made a motion to approve the item as written, seconded by Director Perez-Kenny. President Alcorn conducted a roll call vote as follows: (DB), yes; (APK), yes; (JB), no; (OM), yes; and (MA), yes. The motion carried 4-1.

2. Approve the Purchase of 5 Hydra-Stop Insertion Valves, Installation Equipment, and Training at a Cost Not To Exceed \$110,000 (Exempt From CEQA Per Article 19, Section 15301 Existing Facilities)

Principal Engineer Rob Hillebrecht presented the proposed purchase of five Hydra-Stop insertion valves, installation equipment, and operator training. Staff selected Hydra-Stop after researching multiple manufacturers, particularly due to its proven performance on asbestos concrete pipe, which makes up a significant portion of the District's system.

The Board discussed the equipment's cost, warranty, expected service life, staff training and certification, and the benefits of having trained District personnel available to perform installations during emergencies. Staff noted that approximately 70 valves have been identified as needing some level of repair, with approximately 15 currently considered strong candidates for this type of insertion valve replacement.

President Alcorn then asked for any public comment. Upon receiving no public comment, President Alcorn requested a motion to approve the item. Director Buzzetta made a motion to accept this item as written. This motion was seconded by Director Perez-Kenny, for which President Alcorn then took a roll call vote as follows: (DB), yes; (APK), yes; (JB), yes; (OM), yes; and (MA), yes; the motion carried 5-0.

3. Approve Resolution No. 622 Authorizing The General Manager To Surplus The 2007 Chevy Silverado ¾ Ton (207), The 2007 Chevy Silverado ¾ Ton (307), And The 2008 GMC Box Van. (Not A Project Under CEQA Per Article 20, Section 15378)

General Manager Drew Lander asked the Board to approve Resolution No. 622 authorizing the surplus of two 2007 Chevy Silverado ¾-ton trucks, Vehicles 207 and 307, and the 2008 GMC box van. He reported that the District has now received the replacement vehicles previously approved by the Board, including the new Chevy 3500, RIZON electric truck, and two electric vans, allowing the older vehicles to be removed from the District's fleet.

Staff anticipates receiving some revenue from the sale of the vehicles, which will be returned to the District's capital replacement fund.

Following Board discussion and with no public comment, President Alcorn requested a motion to approve the item. Director Martinez made a motion to accept this item as written. This motion was seconded by Director Brown, for which President Alcorn then took a roll call vote as follows: (DB), yes; (APK), yes; (JB), yes; (OM), yes; and (MA), yes; the motion carried 5-0.

J. BOARD COMMITTEE and STATUS REPORTS

1. **Governance Committee:** (Meeting held August 12th, 2026) General Manager Drew Lander reported that it was a good meeting with an informative presentation from San Benito County Water District's General Manager Dana Jacobsen on the ongoing ADROP project.
2. **Water/Wastewater Committee:** (No Meeting)
3. **Finance Committee:** (No Meeting)

4. **Policy and Procedure Committee:** (No Meeting)
5. **Personnel Committee:** (Meeting held July 27th, 2026) Management Compensation Discussions.
6. **Water Resources Association of San Benito County (WRA):** (Meeting held August 6th, 2026) General Manager Lander reported that WRA Manager Lundi will be on maternity leave for approximately four months and it was discussed how WRA operations will be managed during her absence.

K. BOARD and STAFF REPORTS

1. **Directors:** President Alcorn reported that he worked with Executive Assistant Madison Koester to register for the ACWA 2026 Fall Conference and encouraged any interested Board members to register as soon as possible due to limited hotel availability. President Alcorn also recommended that the Board begin General Manager Drew Lander's annual performance review and contract renewal process.
2. **District Counsel:** District Counsel Michael Laredo reported that there had been some miscommunication between the District and San Benito County regarding a public records request submitted by the County. The County had requested a substantial amount of data, which required additional time for the District to gather and properly provide on a hard drive in a format accessible to the County. Mr. Laredo reported that, after the circumstances were clarified, the County backed away from the threat of litigation it had previously announced at a public meeting that it intended to pursue. The parties are currently working together to resolve the request.
3. **General Manager Oral Report:** General Manager Lander provided an update on the District's meter project, reporting continued progress and improvements in ensuring the meters are reading correctly and producing reliable data. He recognized staff's efforts in reviewing the meter data and expressed satisfaction with the information currently being received. Mr. Lander also reported that coordination with the City and its new Public Works Director has been going well, with productive discussions focused on improving partnership, cooperation, and coordination between the agencies. He advised that his response to the Grand Jury report is nearing completion and is expected to be provided to the Board for review within the next couple of weeks. Mr. Lander also provided an update on the Water Consolidation Project, noting that the contractor continues to work diligently and that the project remains on schedule. Lastly, he reported that an electric compressor has been identified for the District's RIZON truck at favorable pricing and that the compressor manufacturer will coordinate directly with RIZON to ensure the equipment meets the District's needs.

- L. **FUTURE AGENDA ITEMS:** Wastewater analysis for Ridgemark Sewer Customers & response to Grand Jury report.

M. **ADJOURNMENT:** President Alcorn adjourned the meeting at 6:30 p.m.

APPROVED BY THE BOARD:

Michael H. Alcorn, President

RESPECTFULLY SUBMITTED:

Drew A. Lander, Secretary

MINUTES
Special Meeting of the Board of Directors
of the
SUNNYSLOPE COUNTY WATER DISTRICT
September 4th, 2026

- A. CALL TO ORDER:** The meeting was called to order at 5:15 p.m. by President Alcorn, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.

ROLL CALL: Present in Person: President Michael Alcorn (MA), Vice President Orlando Martinez (OM), Director Dee Brown (DB)

- B. PUBLIC COMMENTS ON CLOSED SESSION MATTERS:** The Board welcomed members of the public and opened the meeting to public comments regarding matters identified on the Closed Session agenda. No closed session items had been discussed prior to this meeting.

- C. PLEDGE OF ALLEGIANCE:** Director Martinez led those in attendance in the Pledge of Allegiance.

- D. REPORT IN OPEN SESSION ACTION TAKEN IN CLOSED SESSION:**

i. No reportable items.

- E. APPROVAL OF AGENDA:** President Alcorn asked the Board if there were any requests to postpone or modify the agenda. Director Brown motioned to approve the agenda, seconded by Director Martinez, for which President Alcorn took a roll call vote as follows: (DB), yes; (OM), yes; and (MA), yes; the motion carried 3-0, with 2 directors absent.

- F. PUBLIC COMMENTS AND AUDIENCE INTRODUCTIONS:** The Board welcomed members of the public and opened the meeting to public comments regarding matters not itemized on the agenda. No comments were received.

Staff Present for Open Session: In Person: General Manager/Secretary Drew Lander.

Via Teleconference: District Counsel, Michael Laredo.

- G. NEW BUSINESS:**

- 1. Consider Authorizing the Board President to Sign and Deliver a Response to the 25-2026 San Benito County Civil Grand Jury Report (The proposed action is not a project as defined by 14 California Code of Regulations 15378)**

President Alcorn invited General Manager Lander to present the prepared responses to the Grand Jury report. GM Lander shared an electronic version of the response letter to review together with the Board. Comments provided prior to the meeting by Director Perez-Kenny were included in the shared document and were included in the discussion of each response.

Each response was edited during discussion, and changes were tracked by District Counsel Laredo. At the conclusion of the discussion Mr. Laredo agreed to produce the clean version of the response and transmit the copy for board president signature.

Following Board discussion President Alcorn requested public comment, and no comments were made. He then requested a motion to approve the item. Director Martinez made a motion to accept this item as written. The motion to accept the

report as amended and authorize the Board President to sign the response was made by Director Brown was seconded by Director Martinez, for which President Alcorn then took a roll call vote as follows: (DB), yes; (OM), yes; and (MA), yes; the motion carried 3-0 with 2 directors absent.

H. ADJOURNMENT: President Alcorn adjourned the meeting at 6:46 p.m.

APPROVED BY THE BOARD:

Michael H. Alcorn, President

RESPECTFULLY SUBMITTED:

Drew A. Lander, Secretary



Sunnyslope Water District

SSCWD Special Board Meeting
October 6, 2026 - page 9

Disbursement Reports FY 26-27

August 1, 2026 through August 31, 2026

Date	Num	Name	Amount	Type
8/3/2026	DFT0001248	Sterling Administration Health	200.00	Payroll
8/5/2026	DFT0001242	Principal	5,035.23	Payroll
8/6/2026	55360	Abraham Romero	125.00	Payroll
8/6/2026	55361	Ace Hardware (Johnson Lumber Co.)	362.15	Vendors
8/6/2026	55362	Amazon Capital Services	48.29	Vendors
8/6/2026	55383	ANDREW BUSTAMANTE JACKIE ORTIZ & STEVEN ORTEZ	38.03	Customer
8/6/2026	55363	Auto Tech Service Center, Inc.	150.00	Vendors
8/6/2026	55364	Brenntag Pacific, Inc.	13,964.23	Vendors
8/6/2026	55365	Brigantino Irrigation	816.34	Vendors
8/6/2026	55366	Calcon System, Inc.	20,600.00	Vendors
8/6/2026	55367	City of Hollister-Finance Dept	516,954.24	Hollister
8/6/2026	55368	CWEA Membership- TCP	491.00	Vendors
8/6/2026	55369	Extreme Air, Inc.	360.00	Vendors
8/6/2026	55384	JACK CLAPSADDLE & OLGA ARREOLA	149.75	Customer
8/6/2026	55370	Jesse Mack Company Inc.	8,209.75	Vendors
8/6/2026	55371	John Smith Road Landfill	415.04	Vendors
8/6/2026	55382	KEVIN SANCHEZ & JAMIE JUAREZ	199.63	Customer
8/6/2026	55372	Mission Uniform Service	535.79	Vendors
8/6/2026	EFT0000328	Net Pay	84,968.56	Payroll
8/6/2026	55373	Recology San Benito County	375.19	Vendors
8/6/2026	55374	Reliable Translations	274.32	Vendors
8/6/2026	55375	San Benito County Water District	417.75	San Benito
8/6/2026	DFT0001250	Sterling Administration Health	175.23	Payroll
8/6/2026	55376	Toro Petroleum Corp.	2,786.61	Vendors
8/6/2026	EFT0000329	Total Tax	20,703.96	Payroll
8/6/2026	55377	U.S. Bank Corporate Payment Systems	1,647.68	Vendors
8/6/2026	55378	Underground Service Alert North 811	633.15	Vendors
8/6/2026	55379	USA Blue Book	3,129.14	Vendors
8/6/2026	55380	Wallace Group	2,880.25	Vendors
8/6/2026	55381	Wright Bros. Indust. Supply	400.70	Vendors
8/10/2026	DFT0001261	CalPERS - Retirement	23.08	Payroll
8/10/2026	DFT0001255	CalPERS - Retirement	7,841.78	Payroll
8/10/2026	DFT0001253	CalPERS - Retirement	11,987.88	Payroll
8/10/2026	DFT0001246	iCloud	15,593.45	Vendors
8/10/2026	DFT0001258	Nationwide Retirements Solutions	1,112.00	Payroll
8/10/2026	DFT0001259	Nationwide Retirements Solutions	10,963.16	Payroll
8/10/2026	DFT0001247	Sterling Administration Health	34.10	Payroll
8/10/2026	DFT0001249	Sterling Administration Health	99.00	Payroll
8/11/2026	55385	Ace Hardware (Johnson Lumber Co.)	63.16	Vendors
8/11/2026	55386	All American Mailing, Inc.	3,981.11	Vendors
8/11/2026	55387	Amazon Capital Services	100.29	Vendors
8/11/2026	55388	Brenntag Pacific, Inc.	36,380.36	Vendors
8/11/2026	55389	Calgon Carbon Corporation	71,697.79	Vendors
8/11/2026	55390	CM Analytical, Inc.	26,769.75	Vendors
8/11/2026	55391	Doane and Hartwig Water Systems, Inc.	1,847.91	Vendors
8/11/2026	55392	Iconix Waterworks (US) Inc.	9,365.17	Vendors

Disbursement Reports FY 26-27

8/11/2026	DFT0001244	P G & E	44,033.30	Vendors
8/11/2026	55393	Quinn Company	3,616.93	Vendors
8/11/2026	55394	Simplot Grower Solutions	1,774.10	Vendors
8/11/2026	55395	Smart Solar Cleaning	2,840.40	Vendors
8/11/2026	55396	USA Blue Book	61.13	Vendors
8/12/2026	DFT0001243	Colonial Life	2,515.14	Payroll
8/12/2026	55397	San Benito County- Surveyor	1,000.00	Vendors
8/12/2026	55398	San Benito County-LAFCO	7,500.00	Vendors
8/13/2026	DFT0001251	Sterling Administration Health	148.00	Payroll
8/14/2026	DFT0001245	ADP	2,541.88	Vendors
8/18/2026	55432	GILLIANA VALADEZ & JACOB ZAMORA	31.33	Customer
8/18/2026	55399	Katch Environmental, Inc.	1,206,886.24	Vendors
8/18/2026	55431	NORMA DI VALL C/O DENNIS ROBERTSON	3.01	Customer
8/18/2026	55430	ZENAIDA AND RAMON MENDOZA	34.09	Customer
8/20/2026	EFT0000334	Net Pay	89,358.26	Payroll
8/20/2026	EFT0000335	Total Tax	21,507.40	Payroll
8/21/2026	55400	A Tool Shed	1,104.66	Vendors
8/21/2026	55401	A-1 Services	504.00	Vendors
8/21/2026	55402	Abel Alvarez	250.00	Vendors
8/21/2026	55403	ACC Business	1,339.24	Vendors
8/21/2026	55404	Ace Hardware (Johnson Lumber Co.)	120.22	Vendors
8/21/2026	55405	Amazon Capital Services	846.52	Vendors
8/21/2026	55406	Brenntag Pacific, Inc.	38,758.62	Vendors
8/21/2026	55407	Brigantino Irrigation	290.47	Vendors
8/21/2026	55408	Community Printers, Inc.	2,176.66	Vendors
8/21/2026	55409	Dana Sullivan	2,141.03	Payroll
8/21/2026	55410	De Lay & Laredo	3,441.00	Vendors
8/21/2026	55411	EBCO Pest Control	82.00	Vendors
8/21/2026	55412	Frank A Olsen Co.	1,800.00	Vendors
8/21/2026	55413	Grainger, Inc.	62.84	Vendors
8/21/2026	55414	Hollister Auto Parts, Inc.	530.55	Vendors
8/21/2026	55415	ICON Cloud Solutions, LLC	296.48	Vendors
8/21/2026	55416	InfoSend	3,482.24	Vendors
8/21/2026	55417	Interstate Battery System of San Jose Inc	301.54	Vendors
8/21/2026	55418	Mission Uniform Service	1,124.00	Vendors
8/21/2026	55419	Raftelis Financial Consultants, Inc.	9,073.75	Vendors
8/21/2026	55420	Rio Vista Chevrolet	96,853.82	Vendors
8/21/2026	55421	Ryan Herco Flow Solutions	401.35	Vendors
8/21/2026	55422	Star Concrete	643.49	Vendors
8/21/2026	55423	State Water Resources Control Board-DWPF	105.00	Vendors
8/21/2026	55424	Toro Petroleum Corp.	2,587.48	Vendors
8/21/2026	55425	TPO	625.00	Vendors
8/21/2026	55426	Trans Union LLC	224.30	Vendors
8/21/2026	55427	ULINE	305.28	Vendors
8/21/2026	55428	USA Blue Book	137.67	Vendors
8/21/2026	55429	Veolia Water Technologies, Inc.	10,567.36	Vendors
8/24/2026	DFT0001252	CalPERS - Health Insurance	37,252.81	Payroll

Disbursement Reports FY 26-27

8/24/2026	DFT0001260	CalPERS - Retirement	23.08	Payroll
8/24/2026	DFT0001262	CalPERS - Retirement	7,700.20	Payroll
8/24/2026	DFT0001254	CalPERS - Retirement	11,968.54	Payroll
8/24/2026	DFT0001256	Nationwide Retirements Solutions	1,112.00	Payroll
8/24/2026	DFT0001257	Nationwide Retirements Solutions	10,963.16	Payroll
8/27/2026	55433	Ace Hardware (Johnson Lumber Co.)	60.59	Vendors
8/27/2026	55434	Amazon Capital Services	1,044.36	Vendors
8/27/2026	55435	Anne Muraski	14,760.00	Vendors
8/27/2026	55436	Atlas Copco Compressors LLC	158.00	Vendors
8/27/2026	55437	Auto Tech Service Center, Inc.	150.00	Vendors
8/27/2026	55438	B.S.K. Associates	2,206.53	Vendors
8/27/2026	55439	Brenntag Pacific, Inc.	18,896.20	Vendors
8/27/2026	55440	Brigantino Irrigation	20.62	Vendors
8/27/2026	55441	Calif. Dept. of Pesticide Regulation	270.00	Vendors
8/27/2026	55442	CM Analytical, Inc.	28,539.00	Vendors
8/27/2026	55443	CWEA Membership- TCP	133.00	Vendors
8/27/2026	55444	CWSRF Accounting Office	759,974.56	Debt
8/27/2026	55445	Doane and Hartwig Water Systems, Inc.	82.84	Vendors
8/27/2026	55446	E.H. Wachs Co.	103.85	Vendors
8/27/2026	55447	Ewald Associates Inc,	475.57	Vendors
8/27/2026	55448	First Trust Alarm Company	324.95	Vendors
8/27/2026	55449	Green Valley Farm Supply, Inc	112.16	Vendors
8/27/2026	55450	Hollister Auto Parts, Inc.	46.97	Vendors
8/27/2026	55451	Iconix Waterworks (US) Inc.	1,941.28	Vendors
8/27/2026	55452	Mission Uniform Service	591.24	Vendors
8/27/2026	55453	O'Reilly Auto Parts	91.98	Vendors
8/27/2026	55454	Quinn Company	2,842.10	Vendors
8/27/2026	55455	San Benito Tire Pros & Automotive	900.22	Vendors
8/27/2026	55456	Star Concrete	547.34	Vendors
8/27/2026	55457	USA Blue Book	6,175.27	Vendors
8/27/2026	55458	Veolia Water Technologies, Inc.	86,919.34	Vendors
8/27/2026	55459	Verizon Wireless	610.90	Vendors
8/27/2026	55460	Wallace Group	222,146.16	Vendors
8/27/2026	55461	Wright Bros. Indust. Supply	225.98	Vendors
8/28/2026	55462	GMC Electrical, Inc.	2,925.00	Vendors
8/31/2026	MISC0000584	PG&E Invoice correction	10.00	Vendors
			3,671,240.58	

S U M M A R Y:

Accounts Payable Paid to:

Vendors	\$2,065,479.59
Payroll - Employee	\$327,958.60
San Benito County	\$417.75
City of Hollister for City Billing Collected, Net of Fees	\$516,954.24
Customer Refunds & Returned Checks/ACH	\$455.84
Debt & Finance	\$759,974.56
Total Disbursements	\$3,671,240.58

Staff Report

Agenda Item: H-3

DATE: September 25, 2026 (October 6, 2026 Special Meeting)

TO: Board of Directors

FROM: Assistant Engineer, Alvin Do
Principal Engineer, Rob Hillebrecht P.E.

SUBJECT: Engineering Services Monthly Status Report

Small Water Systems Consolidation Project

Engineering staff have been prioritizing to minimize delays and to ensure everything is properly constructed according to the plans and specifications. As the completion deadline gets closer, Katch has adjusted to longer working hours and alternate construction strategies to make certain the project finishes on time. Schedule is a top concern due to the strict time limits on the grant funding.

On Harbern Way, the horizontal directional drilling (HDD) subcontractor completed installing pipes in early September, and those pipes are on hold to be tested and tied in to serve Venture Estates. The HDD subcontractor began installing pipes in Joes Ln in late September. Crosno finished welding a new 275,000 gallons tank in early September and commenced with coating. On Best Rd, Katch completed installing 3,300 ft of pipe and is on hold to be tested in late September. Along the easement on Hwy 25, SBCWD 18" blue valve water main was fully installed and tied in during the last week of September with support from the SBCWD crew. In Stonegate, the HDD subcontractor has begun drilling to install 800 ft of pipe, and Katch has been simultaneously potholing to prepare for crossing the PG&E gas main. On Quien Sabe Rd, Katch began grinding asphalt in late September and expects to have installed new pipe by early October. Sunnyslope staff and the project team coordinated closely with Caltrans to prepare for crossing Hwy 25. The new pipe in Bolado Rd and Southside Rd is on hold for tie-in. Katch anticipates repaving Bolado Rd and Southside Rd in late October following disinfection and tie-ins.

In addition to construction, engineering staff collaborated with Katch and Tres Pinos Elementary School to lead an educational tour for students, teachers, and parents, highlighting the benefits of the consolidation project and its effect on the water quality to the surrounding residents, construction methods, and career opportunities.

Best Road Mutual Water Company Consolidation & Well 5/Lessalt Blending Station

The additional funding request submitted to the Department of Water Resources (DWR) to cover additional expenses on the John Smith Road Pipeline Project moved closer to approval. The related improvements to Well 5 and Lessalt Blending Stations (which address potential CrVI issues for customers of the Foxhill Zone) are progressing. Engineering staff and the Wallace Group had a productive meeting to review the 50% of plans for this improvement and have been working toward 90% plans in October. Prepurchase of key equipment is being considered for October. Construction is estimated for early 2027.

Enterprise Garage and Well 7 Booster Station

Several beneficial meetings with the architect and the electrical engineer were held in early June to review the preliminary plans and to ensure the District's desires are thoroughly considered. Building pricing is being obtained to establish budgetary construction costs.

Valves Replacement

Sunnyslope staff had a meeting with Hydra-Stop to finalize a training plan to ensure it aligns with the installation schedule. The training date is scheduled for the first week of November. To support Sunnyslope staff with the valve installation, the Excavation and Restoration project with the scope of excavating pits, supporting during the valve installation, and restoring the road afterward, was requested for bids in late August, and Daleo Inc. was the apparent low bidder at \$83,000.

ADRoP

Sunnyslope staff, SBCWD, Kennedy Jenks (Construction Manager), HDR (Design Engineer), and Overaa (General Contractor) had an inspection tour with DDW in September. All parties have been working closely to fulfill DDW requirements and to complete the punch list. The construction of infrastructure is substantially completed. The aquifer storage and recovery (ASR) well sites are being developed and pipeline construction in San Felipe and Fallon are largely complete.

Hexavalent Chromium (CrVI) Response Plan

Sunnyslope staff conducted multiple experimental studies in the last couple of months to gather supporting data for the blending treatment strategy which has been presented to the Department of Drinking Water (DDW) to comply with State water regulations for CrVI. Engineering staff expect to submit the Compliance plan, Operation plan, and Permit Amendment to DDW in October.

Residential Developments

Fairview Corners Phase 1&2

Construction of the residential homes has been underway. The Notice of Acceptance and Completion was issued in August. It starts off the warranty period for this development.

Fairview Corners Phase 3

Fairview Corners Phase 3 is under design phase. Engineering staff have been reviewing the plans, ensuring the District's needs are implemented in the design.

Lands of Lee

Lands of Lee is also under the design phase. Engineering staff have worked closely with developer's engineers to produce development plans and a new lift station plan that implements the District's requirements.

Santana Ranch Phase 10&11

Construction of the residential homes in Phase 10 has started. The developer has completed a punch list, and the Notice of Acceptance and Completion was issued in late September, with the warranty period starting on the same date. These two phases are also the last phases of the entire Santana Ranch project.

San Benito High School Best Road & Hwy 25 Educator Workforce Housing

Engineering staff met with San Benito High School staff and partners to discuss their proposed educator workforce development along Best Rd. Sunnyslope outlined the technical and political hurdles to providing water and wastewater service for their development. Sunnyslope also submitted written comments to the San Benito County Planning Department concerning the project.

West of Fairview Phase 3

Staff conducted a Final Inspection and provided the developer with a Final Punch List of items.

Fulton Way

The 10-unit development at the end of Fulton Way was purchased by another developer to finish. Sunnyslope Board approved a new agreement with the developer to providing water service. Discussions are being had about the final conditions of Well #12 site for Sunnyslope's acceptance.

Vista Del Calabria

Staff are reviewing the actual construction cost of the Enterprise Lift Station as it relates to Sunnyslope's fair share of the cost. That share would be applied as a Sewer Capacity Fee Credit to the developer, as was originally approved in the Development Agreement. Once fully negotiated, the Board must approve an amendment to the agreement, changing the credit to the new negotiated value. The project is moving forward with Phase 3, engineering staff met with developer's designer to ensure that the District's requirements and standards are satisfied.

Staff Report

Agenda Item: H - 4

DATE: September 27, 2026 (October 6, 2026 Special Meeting)

TO: Board of Directors

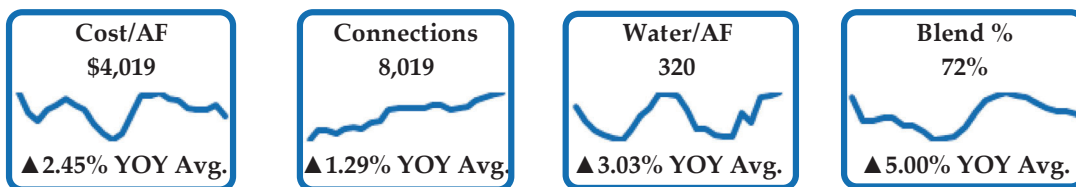
FROM: Finance Dept. Dana Sullivan & Barry Kelly

SUBJECT: Statements of: a. Operations, b. Income, c. Investment, and d. Board Designated Reserves.

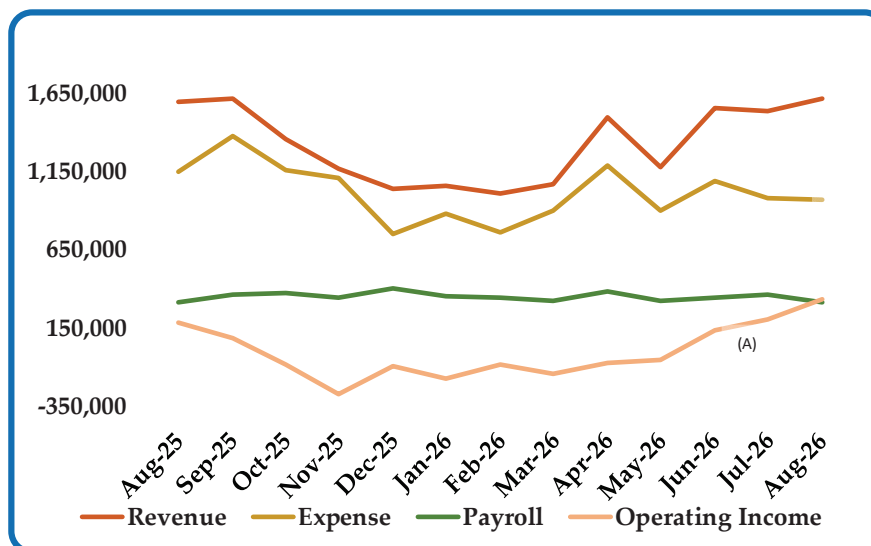
OVERVIEW

(August 2026)

12-Month Rolling Average Trend



Current Year Operations

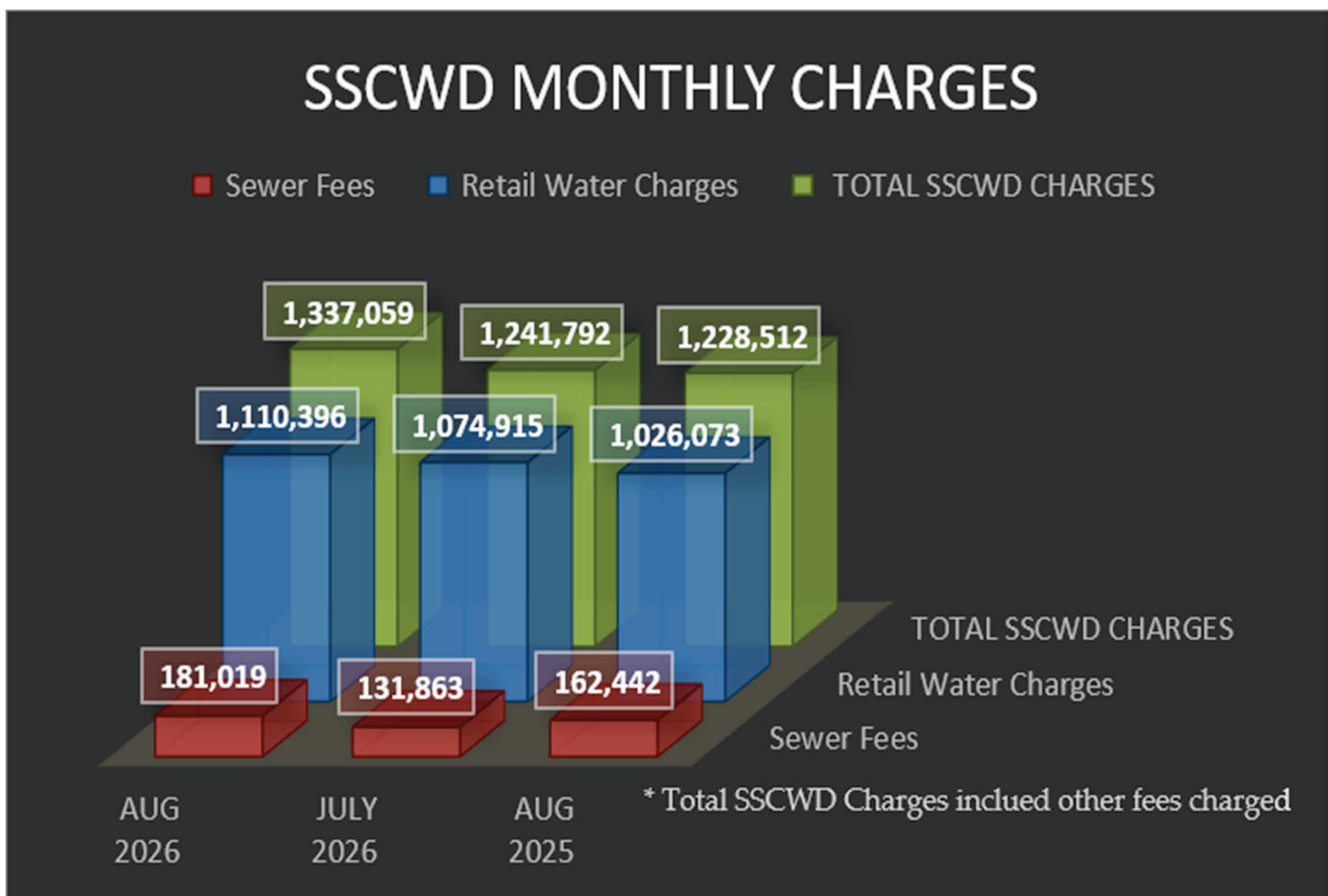


(A) Operating income continues to show gradual improvement, supported by staff diligence, responsible spending, and continued cost-saving efforts throughout District operations.

OPERATIONS SUMMARY

(August 2026)

The Operations Summary provides a high-level snapshot of the District's operational activity for the current fiscal year. It is designed to show trends in customer accounts, billing activity, water production and usage, revenue charges, and accounts receivable in a single consolidated view. This report allows readers to understand how the District's systems are performing operationally over time, identify emerging trends, and support financial and operational decision-making without requiring detailed technical knowledge of day-to-day operations. During August 2026, the District had 12 new water connections. The District served 8,019 active customers, with 6,438 utilizing online services and electronic payments. Financially, year-to-date revenue for FY 2026-2027 stands at \$2.6m. Receivables from operations total \$1.85m, with a past due portion of 4.49%. As of month-end, O&M receivables total \$322k. As the District begins the new fiscal year, staff remain committed to preserving District resources, controlling operational costs, and identifying savings wherever possible, while ensuring that cost-saving measures do not compromise operational integrity, safety, service reliability, or the District's ability to effectively fulfill its responsibilities. This continued focus on responsible spending and operational efficiency is reflected in the District's improving financial position. As we move through FY 2026-27, staff will continue to closely monitor revenues and expenditures, seek opportunities for operational savings, and responsibly manage District resources while maintaining the highest level of service to our customers.



OPERATING STATISTICS

(August 2026)

The Operating Stats section presents key performance indicators that illustrate the District's financial and operational performance over time using rolling averages and trend analysis. This section focuses on operating income, revenue and expense behavior, cost efficiency, and water production characteristics to help identify longer-term patterns rather than month-to-month fluctuations. The charts and trends are intended to support strategic evaluation of rate impacts, cost control efforts, and overall operational sustainability. The average water operating income year to date has increased year-over-year, reflecting the positive financial impact of the rate adjustments developed through the District's Raftelis Water Rate Study. Following completion of the required Proposition 218 process, including customer notification and a public hearing, the Board of Directors approved the water rate adjustments on August 6, 2024. The adjustments were designed to gradually realign water revenues with the actual cost of providing reliable water service and support the long-term financial sustainability of the Water Enterprise. The District's 12-month rolling average cost per acre-foot is approximately \$4k. Unit cost per acre-foot remained relatively stable on a YOY average basis. Despite ongoing inflationary pressures affecting utilities such as power, chemicals, and maintenance costs, staff are able to maintain nearly flat production costs. A key operational indicator, the 12-Month Blend Percentage Trend, demonstrates the District's ongoing strategy to balance surface water and well water use for water quality and regulatory compliance. The average blend over the 12-month period is approximately 72% surface water.

STATEMENT OF INCOME VS BUDGET

(August 2026)

The Budget to Actual section compares the District's adopted budget to actual financial results for the current fiscal year. This report highlights how revenues and expenses are tracking against planned expectations, identifies variances as they occur, and provides year-to-date context alongside prior-year comparisons. The report is intended to help readers assess financial performance, monitor cost control, and evaluate whether operations are aligning with the approved budget as the fiscal year progresses. The District's year-to-date (YTD) financial performance for fiscal year 2026–2027 reflects a net operating gain of \$559k, compared to a \$308k gain for the same period last fiscal year. The District is starting Fiscal Year 2026–2027 in a strong position, with operating results currently outperforming the same period in the prior fiscal year. While it is still early in the fiscal year, the positive YTD results provide an encouraging start. Staff will continue to closely monitor financial activity throughout the year, with particular attention to revenue trends, operating expenditures, and overall budget performance to ensure the District remains on track as the fiscal year progresses.

INVESTMENT SUMMARY

(August 2026)

The Investment Summary provides an overview of the District's cash and investment holdings for the current fiscal year. This section summarizes where funds are held, and how balances change over time, along with the interest earned. The report is intended to give readers visibility into liquidity, reserve positioning, and overall investment activity while demonstrating compliance with the District's investment strategy and prudent cash management practices. The District's cash and invested funds total \$26.4m, with \$22m earning interest at rates ranging from 1.1% to 4.5%. YTD income from these investments is \$67k. While these earnings provide a valuable source of non-operating revenue and help

preserve the purchasing power of District reserves against inflation, they do not substitute sustainable operating revenues. Investment income is dependent upon market conditions and interest rate environments, both of which can fluctuate significantly over time. Additionally, investment earnings are allocated monthly among the District's various reserve funds based on each reserve's proportional share of total invested assets. Because a substantial portion are designated restricted reserves for specific future purposes, most of the related investment earnings are likewise restricted. Consequently, much of the investment income generated during the year is not available to support day-to-day operations and should be excluded when evaluating the District's core operating performance.

ACCOUNTS RECEIVABLE

(August 2026)

The Accounts Receivable report provides a snapshot of outstanding customer balances at a point in time. While this information is not separately reported within the District's formal financial statements, it is included in this report to provide transparency into current billing activity, collection status, and trends in receivables. This information supports operational oversight by highlighting where balances stand, identifying potential collection risks, and helping staff monitor payment behavior as part of ongoing financial management. As of August 2026, the District is carrying \$7.1m in Other Receivables, which isn't reported on in the Operations Summary report. Much of this balance is pending reimbursement through the water system consolidation projects currently in progress:

Best Roads Consolidation Project: As of August 2026, the District recorded approximately \$616k in receivables related to the Best Roads Consolidation Project. The remaining balance is expected to be balanced over the next several months. DWR has provided initial approval to cover the additional funds request and together with the BRMWC final dissolution bank account dispersment this receivable will become current.

The Small Water Systems Consolidation With Sunnyslope Project: The Small Water Systems Consolidation with Sunnyslope Project currently reflects approximately \$6.5 million in receivables. As part of project implementation, the District temporarily carries project-related costs and submits reimbursement requests monthly in accordance with grant requirements. Unfortunately, staffing changes at San Benito County resulted in reimbursement processing delays that extended longer than anticipated. Because the County administers the grant and is responsible for reimbursing the District for eligible project expenditures, these delays contributed to the current outstanding receivable balance. County staff have been actively coordinating with District Finance and Management staff to process outstanding reimbursement requests and reduce the receivable balance as promptly as possible.

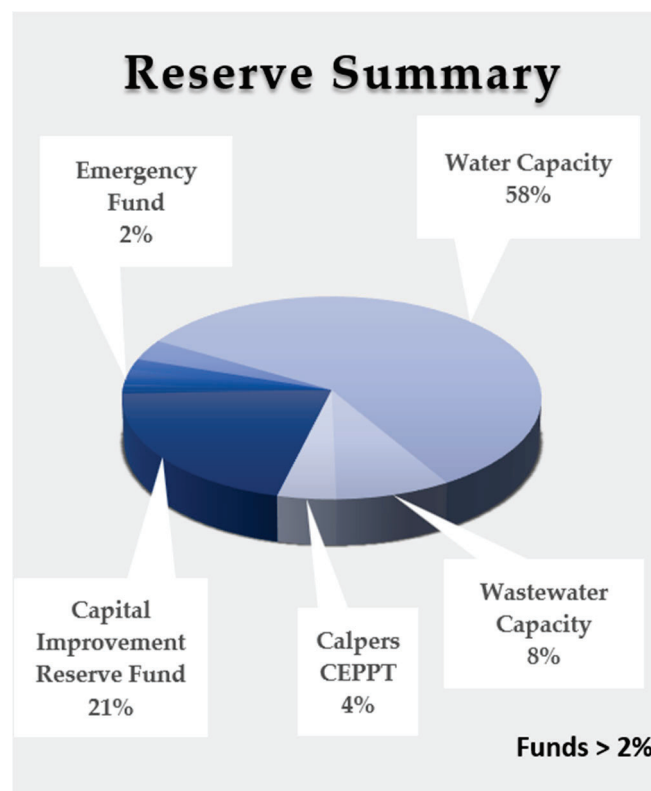
RESERVES

(August 2026)

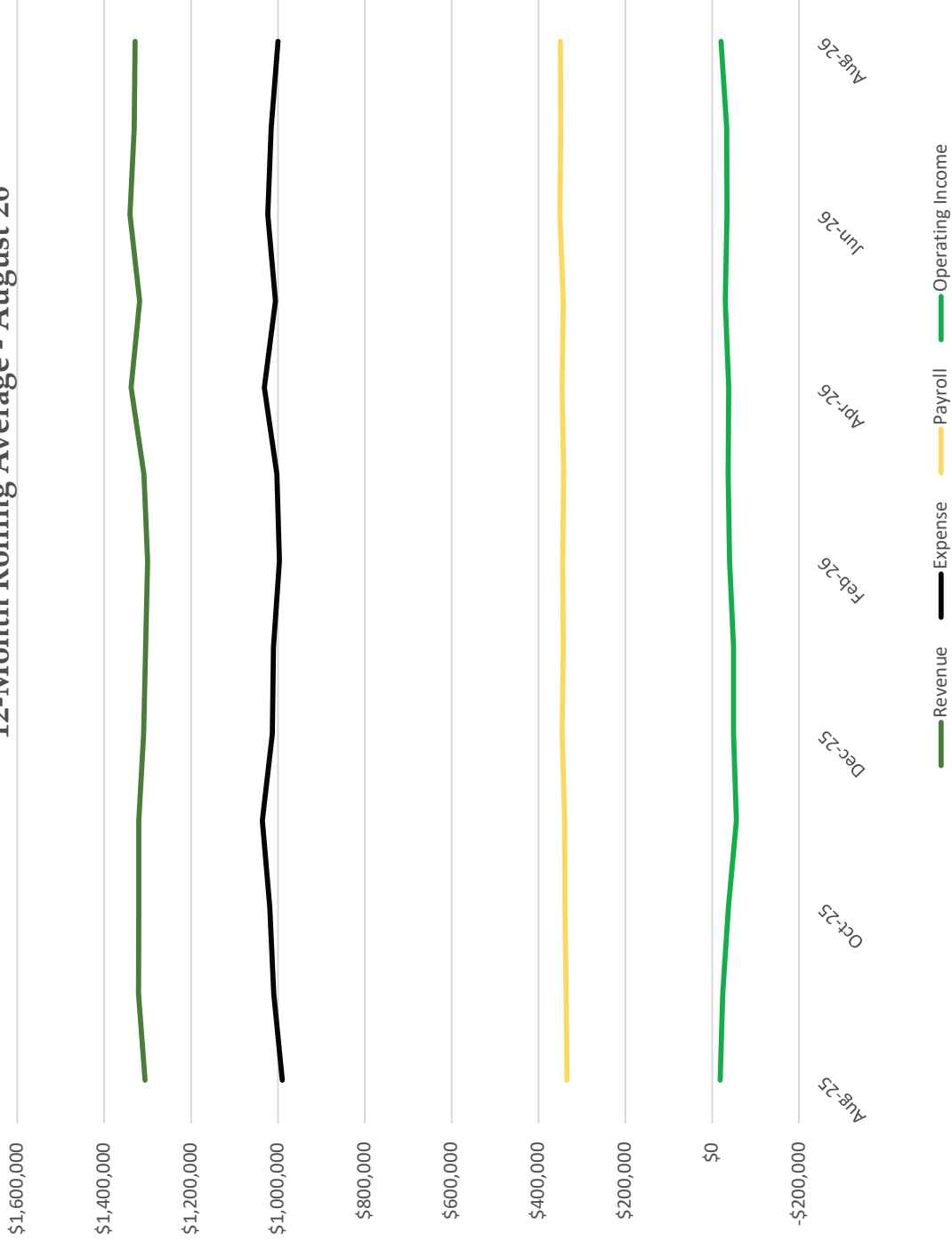
There are three major types of reserve funds: Legally Restricted Reserves, Board Designated Reserves, and Unrestricted Reserves. Legally Restricted Reserves have restrictions imposed by an outside source, such as bond covenants, contractual obligations, or other restrictions. Board Designated Reserves are set aside for a specific purpose as determined by action of the Board of Directors. The Board of Directors has the authority to redirect the use of these reserves as the needs of the District change. Unrestricted Reserves are required for adequate cash flow to meet operating needs, are planned for a source of funding the Capital Improvement Program, and to assist in providing for orderly rate increases. The

District's reserves total \$26.8m, representing 43.29% of capitalized assets. The Vehicle Replacement Fund and Office and Miscellaneous Equipment Replacement Fund operate as sinking funds, allowing the District to gradually set aside resources for the future replacement of vehicles and equipment as they reach the end of their useful lives. This approach helps spread replacement costs over multiple years rather than requiring the District to absorb a significant expenditure in a single fiscal year. Beginning in FY 2026–27, staff reevaluated these sinking funds in accordance with Reserve Policy No. 8600, Section 8600.4(B), Board Designated Reserves. The policy specifically provides for a Vehicle Replacement Fund based on annualized depreciation and Office and Miscellaneous Equipment Replacement Fund to accumulate resources for planned equipment replacement. The sinking funds are replenished from unrestricted District resources through the adopted fiscal year budget and are maintained as Board-designated reserves for future replacement needs. Maintaining adequate replacement reserves is important because it allows the District to proactively plan for major purchases, smooth future cash-flow requirements, and minimize the impact that large vehicle or equipment purchases could otherwise have on rates and the operating budget.

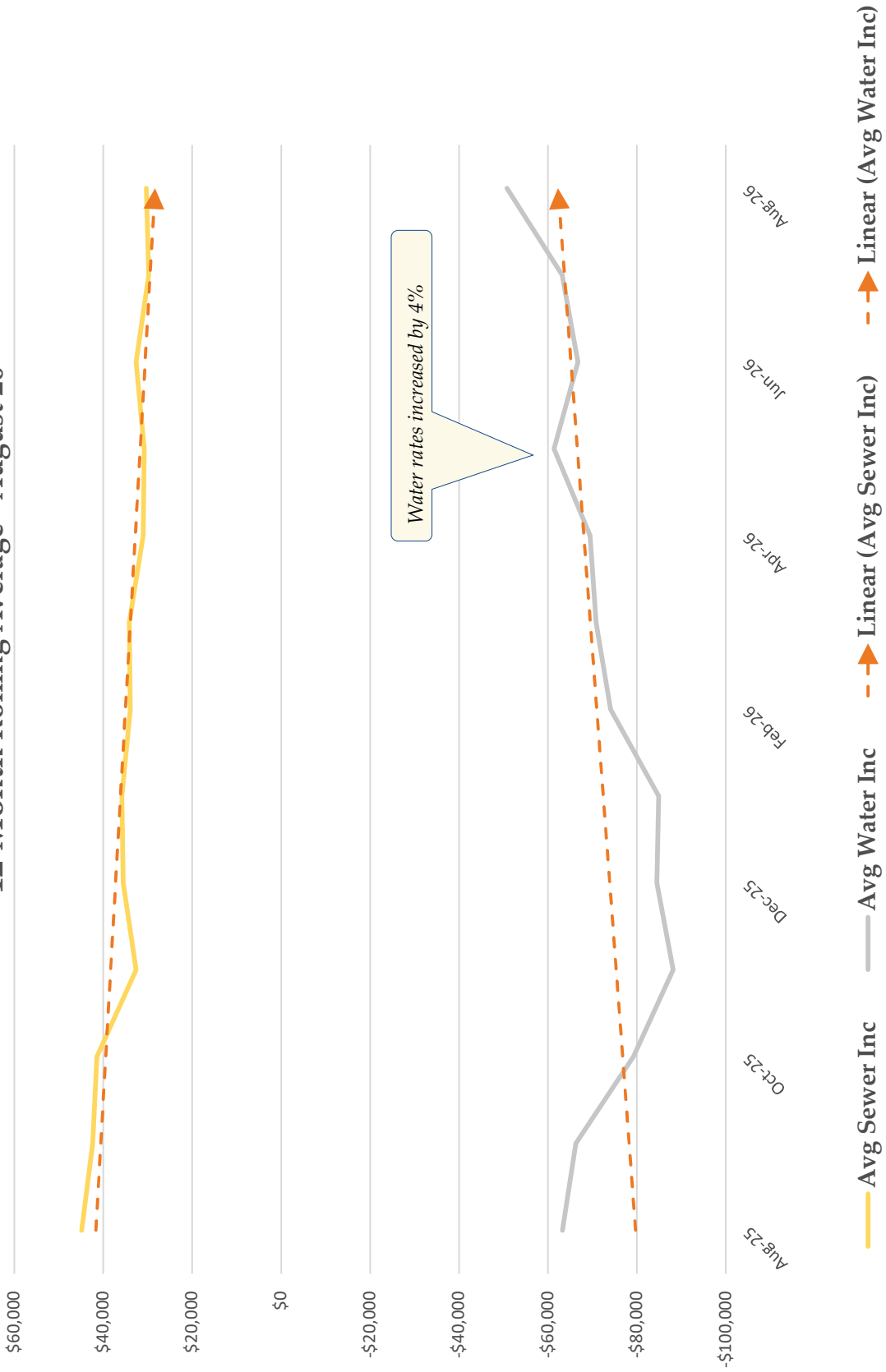
Any changes reflected in the Board Designated Reserves are directly tied to the completion and capitalization of approved capital projects during the current fiscal year. Each project highlighted in green within the Board Approved Disbursement Analysis represents a project that has been completed and capitalized. As projects are completed, their total incurred costs are transferred to capital assets and recorded on the District's balance sheet. At that time, the corresponding funding previously set aside in Board Designated Reserves was released, resulting in a decrease in the applicable reserve funds. These decreases reflect the planned and authorized use of reserves for capital improvements previously approved by the Board of Directors.

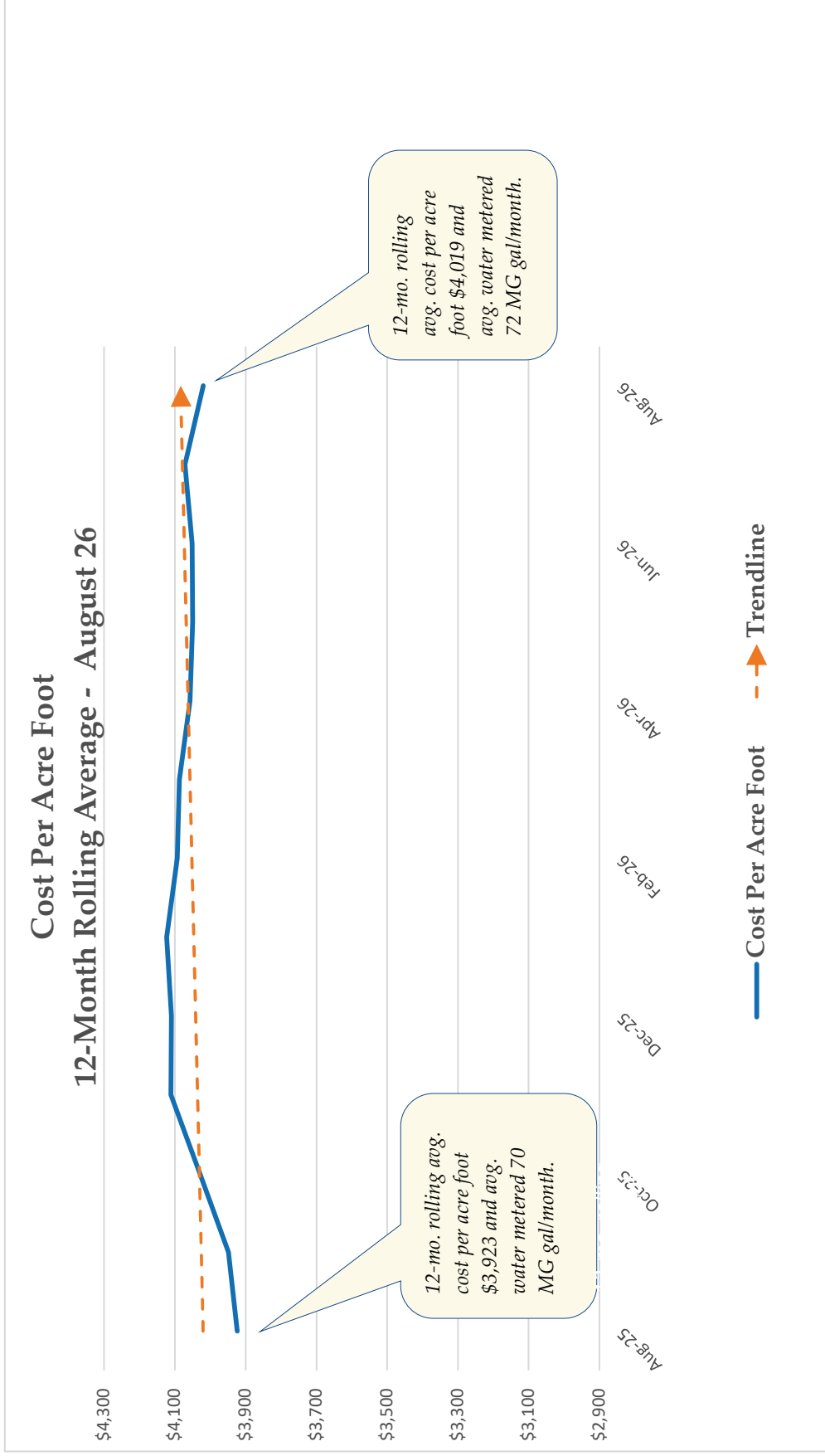


Statement of Operating Income 12-Month Rolling Average - August 26

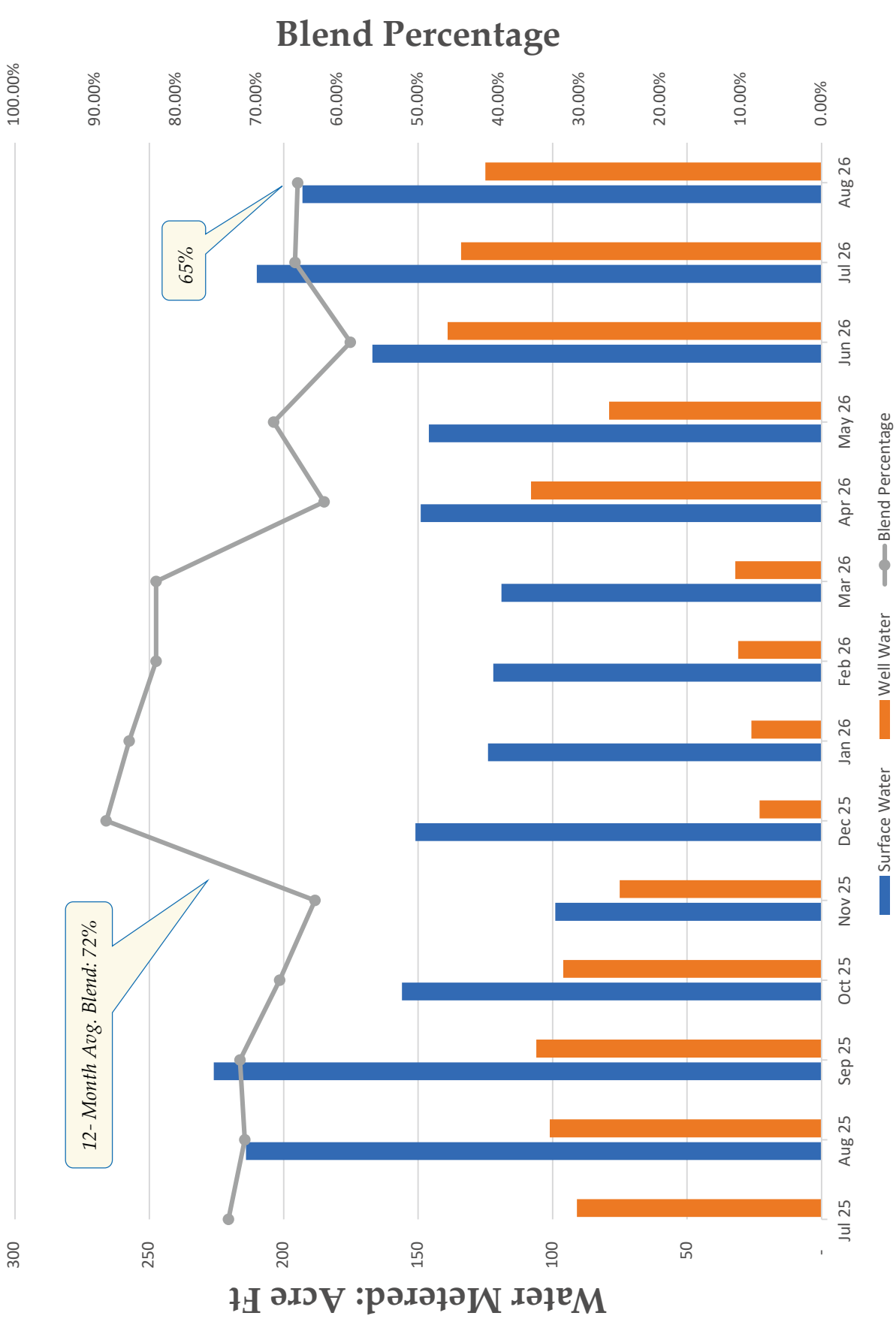


Operating Income by Segment 12-Month Rolling Average - August 26



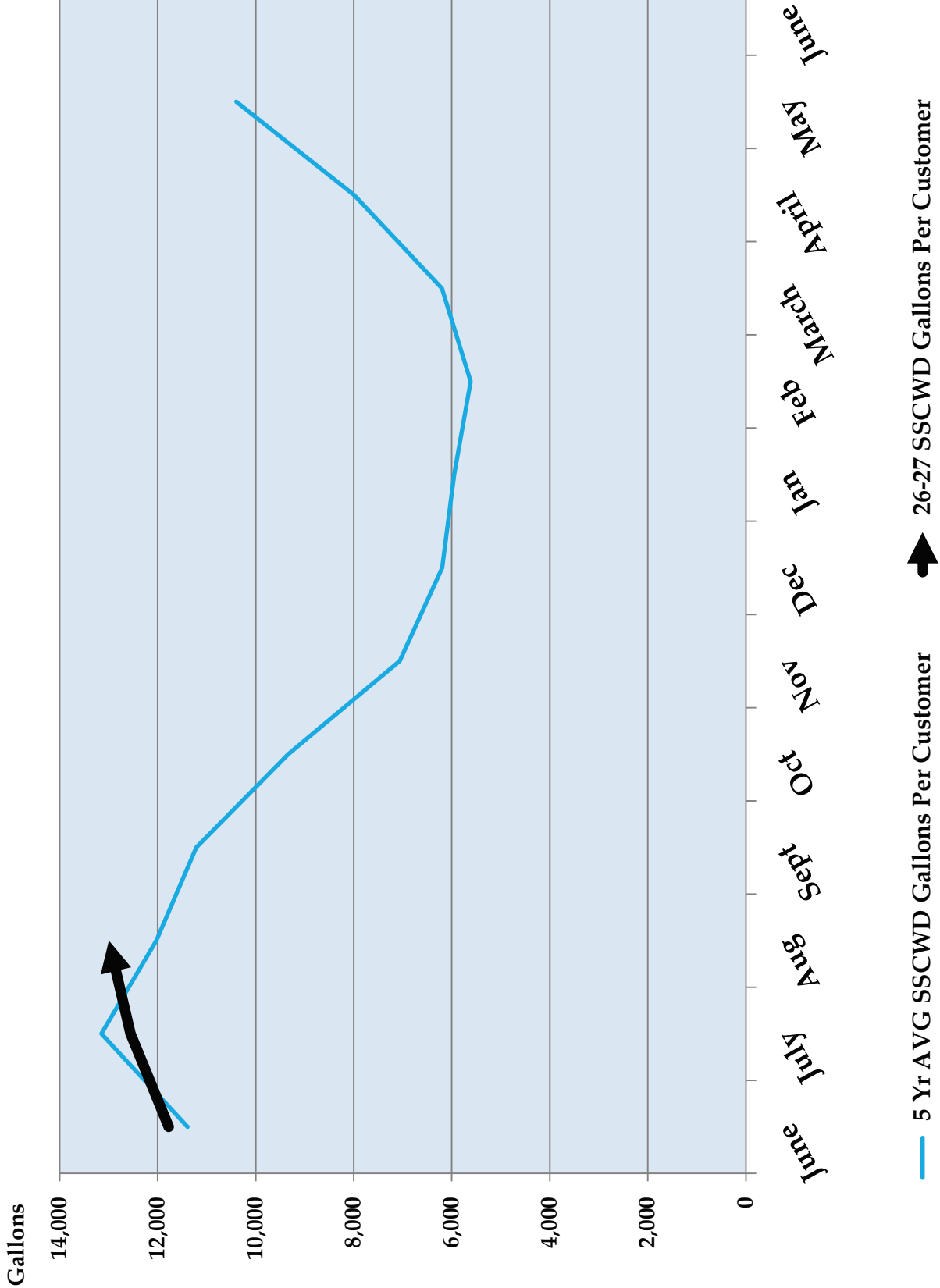


12-Month Blend Percentage Trend

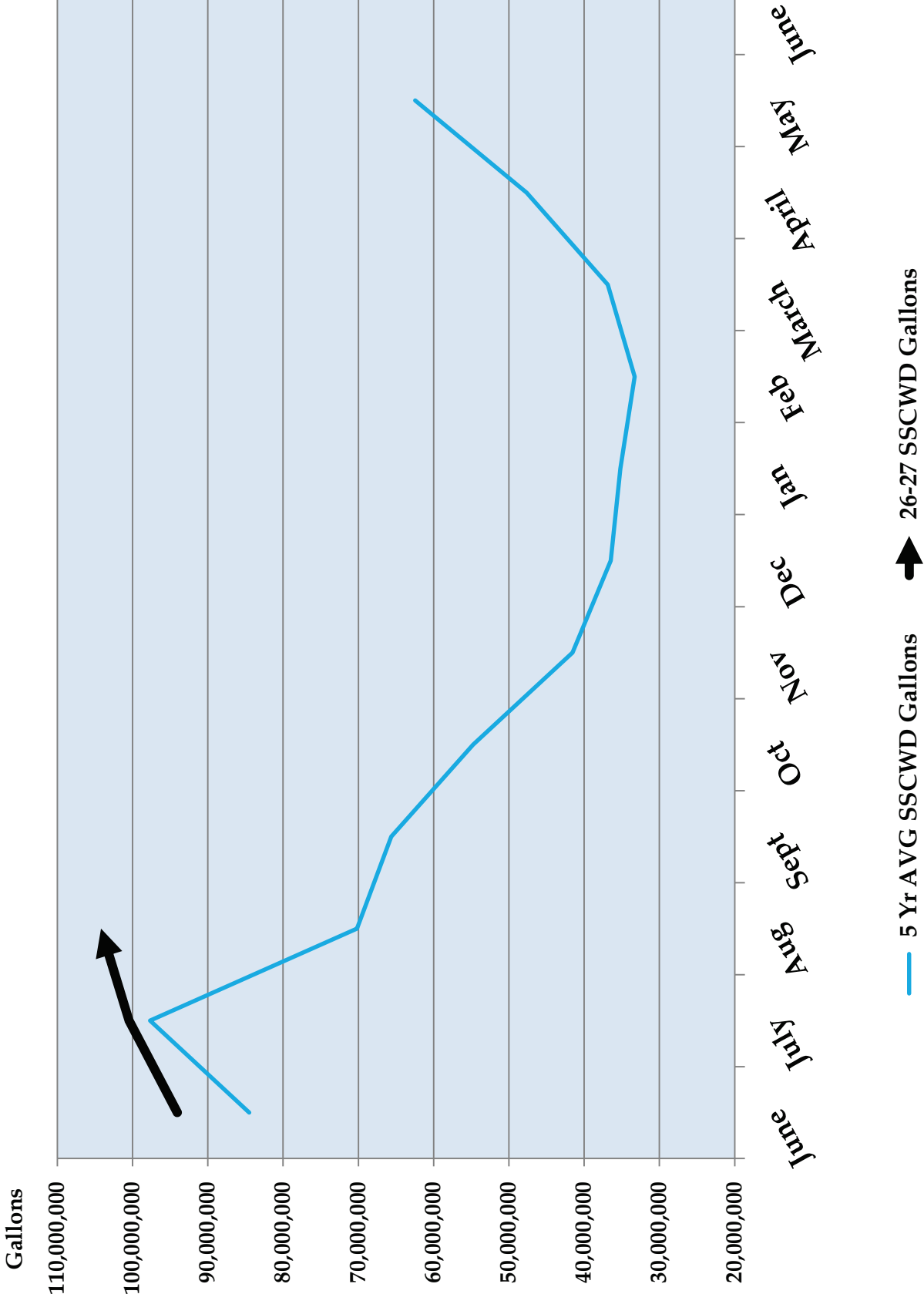


ITEMS	JULY 2026	AUG 2026	SEP 2026	OCT 2026	NOV 2026	DEC 2026	JAN 2027	FEB 2027	MAY 2027	JUNE 2027	YTD TOTAL / 12 month AVG
NO. WATER CAPACITY FEE RECD	-	-	-	-	-	-	-	-	-	-	-
NO. WW CAPACITY FEE RECD	-	-	-	-	-	-	-	-	-	-	-
NO. WATER ACCOUNTS	8,003	8,019									
NO. SSCWD SEWER ACCTS	1,489	1,495									
NO. COH SEWER ACCTS	5,348	5,556									
Total WaterSmart / Invoice Cloud	6,510	6,438									
NO. E-BILL Invoice Cloud (Paperless)	3,882	3,888									
MONTHLY CHARGES											
Retail Water Charges	\$ 1,074,914.76	\$ 1,110,396.04									\$ 2,185,310.80
Sewer Fees	131,862.94	181,019.10									\$ 312,882.04
Installation Fees	450.00	8,520.00									\$ 8,970.00
Late Fees	9,831.84	10,104.15									\$ 19,935.99
Admin. Collection Fees, net	(405.99)	1,878.36									\$ 1,472.37
COH Billing Fees	17,259.00	17,304.00									\$ 34,563.00
Other Misc. Fees	7,879.60	7,837.73									\$ 15,717.33
TOTAL SSCWD CHARGES	\$ 1,241,792.15	\$ 1,337,059.38									\$ 2,578,851.53
CITY OF HOLLISTER CHARGES											
COH Sewer fees	507,450.18	508,601.46									\$ 1,015,751.64
COH Street Sweeping	12,451.68	12,157.15									\$ 24,608.83
COH Property Disposal	17,733.00	18,583.59									\$ 36,316.59
COH Senior Discount	517,312.96	518,925.55									\$ 1,036,238.51
Late Fees / Charges	5,322.86	4,403.96									\$ 9,726.82
TOTAL COH CHARGES	\$ 522,835.82	\$ 523,379.51									\$ 1,046,215.33
ACCOUNTS RECEIVABLE - Aged											
A/R for Sunnyslope Water **	1,274,048.47	1,355,906.46									
A/R for City of Hollister **	559,878.10	563,719.65									
Unapplied Payments	(70,308.38)	(62,708.75)									
Outstanding Bills Owed	\$ 1,763,618.19	\$ 1,856,917.36									
Past Due	\$ 82,677.14	\$ 83,349.87									
% Past Due	4.69%	4.49%									
SSCWD O&M Owed	\$309,642.61	\$321,910.25									
WATER METERED											
Cubic Feet	13,436,300	13,933,400									27,369,700
Total SSCWD Gallons	100,503,524	104,221,832									204,725,356
WATER SOURCE											
Well #2 (Southside Road)	5,365,000	6,916,000									12,281,000
Well #5 (Ray Cir/Enterprise)	19,324,000	18,590,000									37,914,000
Well #7 (Enterprise Rd)	4,850,914	7,602,337									12,453,251
Well #8 (Ridgemark)	2,249,135	128,742									2,377,877
Well #11 (Southside Road)	23,465,000	16,353,000									39,818,000
Net Well Inter tie (Supplied to COH)	(11,604,500)	(8,876,900)									(20,481,400)
TOTAL from Wells	43,649,549	40,713,179									84,362,728
Lessalt W.T.P. 1 (High Zone)											
Lessalt W.T.P. 1 (Middle Zone)	27,468,000	22,401,000									49,869,000
West Hills W.T.P. 1 (Well #2)	21,548,000	19,670,000									41,218,000
West Hills W.T.P. 1 (Well #11)	16,871,000	12,058,000									28,929,000
West Hills W.T.P. 1 (Well #11)	16,058,000	21,258,000									37,316,000
West Hills W.T.P. 1 (Well #2)	12,258,000	8,759,000									21,017,000
West Hills W.T.P. 1 (Well #2)	12,440,000	9,425,000									21,865,000
West Hills W.T.P. 1 (Well #2)	16,851,000	11,925,000									28,776,000
TOTAL Surface Water (Plant Production)	123,494,000	104,925,000									228,419,000
Plant Production Used by Hollister											
SSCWD % of Plant Production	55.46%	60.07%									57.58%
Estimated Water Gain(Loss)	(11,633,330)	476,043									(11,157,287)
Percent Difference	-6.96%	0.33%									-3.57%
Water Consumption Per Customer	12558	12997									12778
Blend - % Surface	65.25%	64.93%									71.56%
Cost of Water Produced (Per Acre Foot)											
Prior YTD Cost	2,895	2,506									2,697
	3,312	3,535									4,102

FY27 Metered Water Per Customer



FY27 Metered Water



Sunnyslope County Water District
STATEMENT OF INCOME
FOR THE FISCAL YEAR ENDING JUNE 30, 2026 (This Year)
UN-AUDITED 9/16/2026

*** WATER ***	Jul-26	Aug-26	Variance Over / (Under) Prior Month	YEAR- TO-DATE	PRIOR YEAR- TO-DATE	FY 26/27 BUDGET
OPERATING REVENUES						
Water Sales	1,074,915	1,110,396	35,481	2,185,311	1,994,948	10,385,000
Contracted Services	309,643	321,910	12,268	631,553	773,645	3,856,000
Installation Fees	-	8,520	8,520	8,520	7,290	115,000
Late Fees	8,828	9,176	347	18,004	14,848	
Other Revenue	20,469	20,937	468	41,406	54,939	294,800
TOTAL OPERATING REVENUES	1,413,855	1,470,939	57,085	2,884,794	2,845,670	14,650,800
OPERATING EXPENSES						
Salaries and Benefits	(303,862)	(263,394)	40,467	(567,256)	(528,203)	(3,451,000)
Operating Expenses	(898,545)	(860,158)	38,387	(1,758,703)	(2,009,614)	(11,176,900)
TOTAL OPERATING EXPENSES	(1,202,406)	(1,123,552)	78,854	(2,325,959)	(2,537,817)	(14,627,900)
NET OPERATING INCOME	211,448	347,387	135,939	558,835	307,853	22,900
NON OPERATING INCOME & (EXPENSES)						
Capacity Fees	-	1,090,050	1,090,050	1,090,050	253,800	
Donated Asset	-	-	0	-	-	-
Miscellaneous Income	-	-	0	-	-	-
Adjust LAIF Investment to Fair Value			-	-	-	
Interest Income	28,485	25,030	(3,455)	53,515	58,881	579,000
Allocated from G & A (Interest & Sale of Assets)	121,390	4,370	(117,020)	125,760	31,471	175,300
TOTAL NON OPERATING INCOME & (EXPENSES)	149,875	1,119,450	969,575	1,269,325	344,152	754,300
NET WATER INCOME (LOSS)	\$ 361,323	\$ 1,466,837	1,105,514	\$ 1,828,160	\$ 652,005	\$ 777,200
NET WATER INCOME (LOSS) Adjusted for Non Budgeted Items	\$ 211,448	\$ 347,387	135,939	\$ 558,835	\$ 307,853	\$ 22,900

Sunnyslope County Water District
STATEMENT OF INCOME
FOR THE FISCAL YEAR ENDING JUNE 30, 2026 (This Year)
UN-AUDITED 9/16/2026

SSCWD Special Board Meeting
October 6, 2026 - page 28

*** WASTEWATER ***	Jul-25	Aug-26	Variance Over / (Under) Prior Month	YEAR- TO-DATE	PRIOR YEAR-TO- DATE	FY 25/26 BUDGET
OPERATING REVENUES						
Sewer Sales	131,863	181,019	49,156	312,882	325,222	2,035,000
Contracted Services	-	-	0	-	99,633	-
Installation Fees	450	-	(450)	450	-	
Late Fees	1,003	928	(75)	1,932	1,768	
Other Revenue	4,263	6,084	1,821	10,347	9,008	94,200
TOTAL OPERATING REVENUES	137,579	188,031	50,452	325,611	435,631	2,129,200
OPERATING EXPENSES						
Salaries and Benefits	(52,998)	(51,772)	1,226	(104,771)	(169,619)	(899,100)
Operating Expenses	(72,056)	(104,018)	(31,963)	(176,074)	(204,977)	(1,168,100)
TOTAL OPERATING EXPENSES	(125,054)	(155,791)	(30,737)	(280,845)	(374,596)	(2,067,200)
NET OPERATING INCOME	12,525	32,241	19,715	44,766	61,035	62,000
NON OPERATING INCOME & (EXPENSES)						
Capacity Fees	-	-	0	-	-	-
Donated Asset- Electric Vans Grant	-	-	0	-	-	-
Miscellaneous Income	-	-	0	-	-	-
Adjust LAIF Investment to Fair Value	-	-	0	-	-	-
Interest Income	4,185	3,814	(372)	7,999	10,337	120,800
Allocated from G & A (Interest & Sale of Assets)	34,725	1,791	(32,935)	36,516	(15,409)	5,000
Shenkmann Litigation Expense (Districting)	-	-	0	-	-	-
TOTAL NON OPERATING INCOME & (EXPENSES)	38,911	5,604	(33,306)	44,515	(5,071)	125,800
NET WASTEWATER INCOME (LOSS)	51,436	37,845	(13,591)	89,281	55,964	187,800
NET WASTEWATER INCOME (LOSS)	\$ 12,525	\$ 32,241	(13,591)	\$ 44,766	\$ 61,035	\$ 62,000
<i>Adjusted for Non Budgeted Items</i>						
*** WATER & WASTEWATER ***						
*** COMBINED INCOME (LOSS) WATER & WASTEWATER***	412,759	1,504,682	1,091,923	1,917,441	707,969	965,000
*** COMBINED INCOME (LOSS) WATER & WASTEWATER	\$ 223,974	\$ 379,627	\$ 155,654	\$ 603,601	\$ 368,888	\$ 84,900
<i>Adjusted for Non - Budgeted Items</i>						

Sunnyslope County Water District

Investment Summary
2026 / 2027 (This Year)

BANK ACCOUNT	INTEREST RATE	JULY 2026	AUGUST 2026	SEPTEMBER 2026	OCTOBER 2026	NOVEMBER 2026	DECEMBER 2026	JANUARY 2027	FEBRUARY 2027	MARCH 2027	APRIL 2027	MAY 2027	JUNE 2027	JUNE 2026
<u>Heritage Bank of Commerce</u>														
CHECKING ACCOUNT	0	3,553,320	4,196,817											2,551,936
Operating - General Fund														
CHECKING SUBTOTAL		3,553,320	4,196,817	0	0	0	0	0	0	0	0	0	0	2,551,936
MONEY MARKET ACCT (MMA)	0.40%	92,214	92,277											92,182
Invested - General Fund														
MMA SUBTOTAL		92,214	92,277	0	0	0	0	0	0	0	0	0	0	92,182
<u>L.A.I.F.</u>														
(Local Agency Investment Fund)	As of: Dec 2025													
General Fund	4.20%	-4,011,546	-4,011,546											-1,011,546
Water Connect. Fee	4.20%	0	0											0
Sewer Connect. Fee	4.20%	0	0											0
SRF Loan Reserve	4.20%	904,572	904,572											904,572
Board Designated Reserves	4.20%	5,650,241	5,650,241											5,650,241
L.A.I.F. SUBTOTAL		2,543,267	2,543,267	0	0	0	0	0	0	0	0	0	0	5,543,267
<u>CEPPI</u>														
(CA Employee Pension Plan Trust)														
Employee Pension Reserve	0	1,131,744	1,131,744											1,131,744
CEPPT SUBTOTAL		1,131,744	1,131,744	0	0	0	0	0	0	0	0	0	0	1,131,744
<u>MBS Securites</u>														
(CD Brokerage - Water Capacity Funds)														
Water Connect. Fee	4.00%	14,527,048	15,527,469											14,613,050
Sewer Connect. Fee	4.00%	2,213,309	2,214,695											2,211,384
Board Designated Reserves	4.00%	1,533,870	1,371,340											1,496,009
General Fund	4.00%	140,836	-686,914											78,603
MBS SUBTOTAL		18,415,063	18,426,590	0	0	0	0	0	0	0	0	0	0	18,399,046
GRAND TOTAL		25,735,608	26,390,695	0	0	0	0	0	0	0	0	0	0	27,718,174
YTD Total														
* TOTAL INTEREST RECORDED	66,546	34,819	31,728											1,003,384

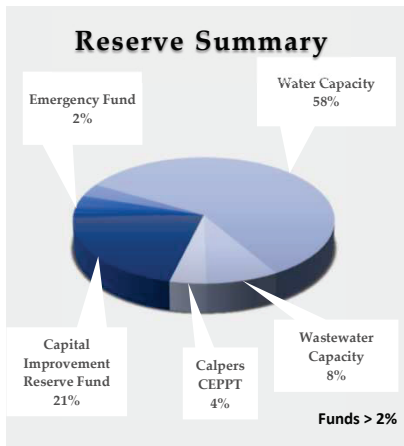
Sunnyslope County Water District

Reserve Summary As of August 31, 2026 (Policy #8600)

	8/31/2026	Increase	Decrease	6/30/2026	6/30/2025	Change	Board Approval
1 Capital Improvement Reserve Fund	\$ 5,524,095	\$ 2,262		\$ 5,521,832	\$ 5,357,885	\$ 163,947	Jun-26
2 Rate Stabilization Fund	\$ 125,000			125,000	125,000	\$ -	Jun-26
3 Drought Contingency Reserve	250,000			250,000	250,000	-	Jun-26
4 Emergency Fund	500,000			500,000	500,000	-	Jun-26
5 Vehicle Replacement Fund	158,912	24,182	200,048	334,778	284,323	50,455	Jun-26
6 Office and Misc. Equipment Replacement Fund	463,574	48,935		414,639	383,457	31,182	Jun-26
Board Designated Reserves	7,021,581	75,379	200,048	7,146,250	6,900,666	245,584	
7 CSWRCB Loan	904,572	-		904,572	869,673	34,900	
8 Water Capacity	15,527,469	1,111,864	197,445	14,613,050	14,153,966	459,083	
9 Wastewater Capacity	2,214,695	3,311	-	2,211,384	2,421,434	(210,050)	
10 Calpers CEPPT	1,131,744			1,131,744	1,040,877	90,867	
Legally Restricted Reserves	19,778,480	1,115,175	197,445	18,860,750	18,544,492	374,801	
TOTAL	\$ 26,800,061	\$ 1,190,554	\$ 397,493	\$ 26,007,000	\$ 25,445,158	\$ 620,385	
Unreserved Cash	-\$409,366						
Percentage of Total Capital Assets	43.29%						

Detailed Transactions:

Depr. Expense	\$ 73,116	
Interest	\$ 66,390	
Debt Amortization		197,445
Water Capacity Fees	1,090,050	
Sewer Capacity Fees	-	
Fixed asset Additions	-	200,048
FMV YTD	(39,001)	
Transfers		-
Fair Market Value & Misc Adj		-
	\$ 1,190,555	\$ 397,493
	(0)	



Board Approved Disbursement Analysis				
Date:	Description:	Vendor	Resolution	Actual
4/23/2024	BRMWC Consolidation	Wallace Group	3,050,000	616,456
2/25/2025	Two Electric Vans w/grant	Greenwood Chevy	20,000	7,467
2/25/2025	HD Electric Box Truck	Keyes Truck Center	115,000	103,194
2/25/2025	MG Segment B - Pipeline	Ruggeri-Jensen-Azar	120,000	106,510
2/25/2025	MG Potholing Contract Amend	Wallace Group	316,250	
2/25/2025	BRMWC Well #5 Improvements	Wallace Group	384,171	59,610
3/25/2024	BRMWC - SCADA Upgrades	Calcon Systems	184,850	157,123
5/20/2025	Meter Upgrade Project	Meter Valve & Control	1,250,000	882,701
5/20/2025	2.0 MG Tank Rehab, Design, Insp	Harper & Assosc.	158,410	63,170
9/2/2025	Installation Well 7 Sensors	Calcon Systems	38,000	35,525
12/16/2025	Small Water Sys. Consolidation	Katch Enviornmental	15,000,000	6,481,186
1/27/2026	Lessalt Solar	Eva Green Power	289,131	280,977
1/27/2026	Vehicle Purchases	Greenwood Chevy	165,000	154,392
3/24/2026	Design & Permitting Enterprise Facility	Multiple Vendors	120,000	5,250
8/22/2026	Insertion Valves- Installation Eq. & Training	HydraStop	110,000	
Complete				

Staff Report

Agenda Item: **H – 5**

DATE: September 21, 2026 (October 6, 2026, Special Meeting)

TO: Board of Directors

FROM: Water/Wastewater Superintendent, Jose J. Rodriguez

SUBJECT: Superintendent Monthly Status Report: a. Maintenance, b. City Meter Reading, and c. Groundwater Level Measurement.

NARRATIVE

1. Regulatory Reporting

All three required water quality reports were completed and successfully submitted by September 10, 2026. Staff continue to monitor and maintain required regulatory reporting to ensure the District remains in compliance with applicable state and federal drinking water requirements.

2. Water Production Summary – August 2026

During August 2026, the Westhills Water Treatment Plant produced 11.77 million gallons, while the Lessalt Water Treatment Plant produced 43.71 million gallons. Combined production for the month was approximately 170.277 acre-feet. As of August 31, 2026, the District had 2,414.08 acre-feet remaining from its 4,200-acre-foot allocation for the 2026–2027 water production year. Westhills WTP production was lower than normal during August due to required testing and commissioning of the recently upgraded treatment equipment and disinfection systems. The reduced production allowed staff to complete required testing and verify system performance in accordance with Division of Drinking Water (DDW) requirements while maintaining water production through Lessalt WTP. The temporary reduction in Westhills production was necessary to complete regulatory testing and verify the upgraded treatment and disinfection systems before returning the plant to normal operation. Completing this work supports regulatory compliance and the reliable operation of the upgraded facility while preserving the District's remaining water allocation for the 2026–2027 production year.

3. Water Valve Exercise and Hydrant Flushing Programs

During the month of August, Sunnyslope County Water District staff exercised 43 water valves and flushed 112 fire hydrants. The valve exercising and hydrant flushing program continues to advance the District's preventative maintenance schedule, ensuring that both existing infrastructure and newly integrated assets from the Gavilan College, Cielo Vista, Santana Ranch, and Best Road Water Mutual systems are maintained consistently and proactively.

4. Lead and Copper Testing – August 2026

Sunnyslope County Water District completed its required Lead and Copper Rule (LCR) monitoring during August 2026. Samples were collected from customer taps, results were evaluated using the required 90th percentile, and customer notifications were completed within the required timeframe. The regulatory action levels are 0.015 mg/L for lead and 1.3 mg/L for copper. The District's 90th percentile results were 0.00 mg/L for lead and 0.184 mg/L for copper, both well below their respective action levels. The monitoring results demonstrate that lead and copper levels at participating customer taps remained well below the regulatory action levels. Timely completion of sampling, evaluation, and customer notification ensures continued compliance with the Lead and Copper Rule and helps confirm the quality of water delivered to District customers.

5. Operations & Maintenance – CMMS Usage

The Westhills and Lessalt Water Treatment Plants continue to effectively utilize the Computerized Maintenance Management System (CMMS) to manage equipment maintenance, track corrective work, and maintain preventative maintenance schedules. During this reporting period, Sunnyslope staff completed 204 maintenance work orders across the two treatment facilities. The completed work included routine preventative maintenance and equipment-related repairs necessary to maintain reliable plant operations. Continued use of the CMMS provides staff with a structured method to track maintenance activities, identify recurring equipment needs, and ensure preventative maintenance is completed on schedule. Completing these work orders helps reduce the potential for unexpected equipment failures and supports the reliable operation of both treatment facilities.

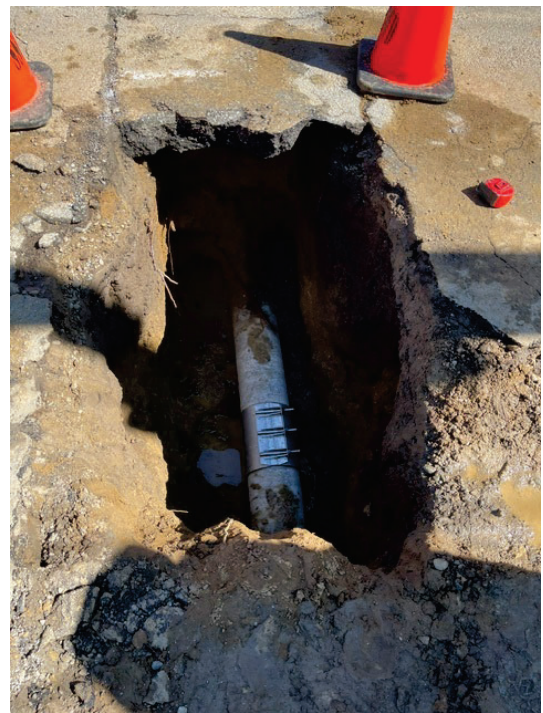
In addition to the daily, weekly & monthly work schedule, our maintenance personnel also performed these additional special work projects.

Water (10) - Update 9/4/2026

1. Water Main Repair – 280 Mansfield Road - Repaired a broken water main and restored water service to the affected area. The repair also helped prevent continued water loss and potential damage to surrounding infrastructure.
2. Service Saddle Replacements – 1980 and 1960 Sunset Drive - Replaced leaking service saddles to eliminate active leaks and reduce water loss. Completing the repairs also helps prevent further deterioration of the service connections and surrounding roadways or property.
3. Service Line Replacement – 875 Foxhill Circle - Replaced a leaking service line to restore the integrity of the customer service connection and eliminate ongoing water loss.
4. Service Manifold Repair – 155 Villa Pacheco - Repaired a leaking service manifold to restore a reliable connection and prevent continued leakage and potential damage to adjacent infrastructure.
5. Solar Panel Maintenance – District Office and SBR Facility - Cleaned and inspected solar panels at the District office and SBR facility. Routine cleaning and inspection help maintain panel

efficiency, identify potential issues early, and support continued performance of the District's renewable energy systems.

6. Barricade Battery Inspection and Replacement - Inspected batteries in traffic barricades and replaced batteries as needed. Maintaining properly functioning barricades ensures that required warning and safety equipment is available and operational during field work and emergency repairs.
7. Lead and Copper Monitoring- Completed required Lead and Copper Rule sampling at designated customer locations. This work supports regulatory compliance and provides monitoring data to verify that lead and copper concentrations remain below applicable action levels.
8. Oak Creek PRV – Y-Strainer Replacement - Replaced a leaking Y-strainer at the Oak Creek Pressure Reducing Valve. The repair eliminated the leak and helps protect the PRV from debris while maintaining proper pressure control within the water system.
9. Well #5 – Pressure Relief Valve Repair - Repaired the pressure relief valve at Well #5 to maintain the well's pressure protection and ensure the equipment is available to operate safely and reliably.
10. District Facility Vegetation Control - Cleared weeds and vegetation at District facilities to maintain safe access to equipment and structures, improve site visibility, and reduce potential interference with facility operations and maintenance activities.



Project Location	: 280 Mansfield Road
Project	: Broken 8" ACP Water Main
Department	: Water Department
Description	: Cracked 8" ACP water main at 280 Mansfield Road. Turn main down to workable pressure excavated and installed Romac full circle clamp.

LESSALT Water Treatment Plant (12) – Updated 9/4/2026.

1. CMF CIP – All Three Units - Completed Clean-in-Place (CIP) cleaning on all three Ceramic Membrane Filtration (CMF) units. This removes accumulated fouling and buildup from the membrane systems, helping maintain filtration performance, flow capacity, and membrane efficiency.
2. Dose Analyzer Maintenance - Replaced tubing and greased the rollers on the dose analyzer. This maintenance helps ensure accurate chemical monitoring and reliable analyzer operation.
3. Facility Vegetation Control - Cleared weeds around the treatment facility to maintain safe access to equipment, improve site visibility, and prevent vegetation from interfering with facility operations and maintenance.
4. Sodium Permanganate Piping Repair - Repaired a leak in the sodium permanganate piping. The repair eliminated the chemical leak and restored the integrity of the chemical feed system, supporting safe and reliable chemical treatment operations.
5. Chlorine Injector Fitting Replacement - Replaced a 90-degree fitting on the chlorine injector. This addressed the equipment deficiency and helps maintain reliable chlorine delivery for the disinfection process.
6. Chlorine Pump Diaphragm Replacement - Replaced diaphragms on the chlorine pumps to maintain reliable chemical feed. Properly functioning pump diaphragms are critical for consistent chlorine dosing and effective disinfection.
7. Combined Turbidimeter Desiccant Replacement - Replaced the desiccant cartridge in the combined turbidimeter. This helps protect the analyzer from moisture-related issues and supports reliable turbidity measurements.
8. Turbidity Analyzer Calibration - Calibrated all turbidity analyzers to verify accurate measurement of treated water quality. Reliable turbidity readings are important for monitoring filtration performance and confirming treatment effectiveness.
9. Dose Analyzer Liquid Junction Replacement - Replaced the liquid junctions on the dose analyzers to restore proper analyzer performance and maintain accurate chemical monitoring.
10. ORP and NTU Analyzer Cleaning - Cleaned the Oxidation-Reduction Potential (ORP) and Nephelometric Turbidity (NTU) analyzers to remove buildup and maintain accurate readings. Routine cleaning helps extend analyzer life and reduce the potential for inaccurate process data.
11. High Zone and Mid Zone Pump Maintenance - Greased the High Zone and Mid Zone pumps as part of the District's preventative maintenance program. Proper lubrication helps reduce wear on pump components, extend equipment life, and maintain reliable water system pressure and pumping capacity.
12. CL17 Analyzer Acid Cleaning - Acid cleaned the CL17 chlorine analyzers to remove mineral buildup and deposits that can affect analyzer performance. This maintenance helps maintain accurate chlorine residual measurements and supports reliable monitoring of the disinfection process.

West Hills Water Treatment Plant (9) – Updated 9/16/2026.

1. Polymer Chase Water Solenoid Valve Replacement - Replaced the polymer chase water solenoid valve to restore reliable operation of the polymer system and maintain consistent chemical feed equipment performance.

2. Facility Vegetation Control - Continued clearing overgrown weeds and vegetation around the main treatment plant and Raw Water Pump Station perimeter. This work maintains safe access to equipment, improves site visibility, and reduces potential interference with facility operations and maintenance activities.
3. Filter #4 Backwash Supply Valve Repair - Replaced the air regulator diaphragm on the Filter #4 backwash supply valve. This repair helps maintain proper pneumatic control of the valve and ensures reliable operation during filter backwash cycles.
4. Acid Injection Line Check Valve Replacement - Replaced the swing check valve on the acid injection line at the strainers. The new valve helps prevent unintended chemical flow or backflow and supports safe and reliable operation of the acid cleaning system.
5. New Treatment Train Air Compressor - Atlas Copco installed a new air compressor serving the treatment trains. The new compressor provides a reliable source of instrument and process air, supporting the operation of pneumatically controlled treatment equipment and improving system reliability.
6. Sodium Permanganate Manifold Repairs - Repaired leaks on the sodium permanganate manifold at the Raw Water Pump Station. The repairs eliminated chemical leaks and restored the integrity of the chemical feed system, supporting safe and reliable treatment operations.
7. Chlorine Pump #1 Diaphragm Replacement - Replaced the diaphragm on Chlorine Pump #1 to restore reliable chemical feed operation and maintain consistent chlorine dosing for the disinfection process.
8. Polymer Pump #1 Brush Replacement - Replaced the brushes on Polymer Pump #1 to restore reliable pump operation and maintain consistent polymer feed to the treatment process.
9. Filter #3 Effluent Valve I/P Converter Replacement - Replaced the I/P converter for the Filter #3 effluent valve. This restored reliable pneumatic control of the valve and supports proper filter operation and process control.

Wastewater/Collections (5) -Updated 9/4/2026.

1. Sludge Removal – Drying Beds - Removed dried sludge from the sludge drying beds and transported it to John Smith Landfill for disposal. This work maintains available drying-bed capacity and supports continued effective solids management at the wastewater treatment facility.
2. Collection System Hydro-Jetting - Completed hydro-jetting of identified trouble spots throughout the wastewater collection system. This preventative maintenance removes accumulated grease, debris, and other restrictions, helping maintain adequate flow capacity and reduce the potential for sewer blockages and backups.
3. SBR Blower #1 Service - Atlas Copco serviced Blower #1 at the Sequencing Batch Reactor (SBR). Routine servicing helps maintain blower efficiency and reliability, supporting the aeration process required for effective wastewater treatment.
4. Enterprise Lift Station Generator Service - Quinn Power Systems serviced the backup generator at the Enterprise Lift Station. Maintaining the emergency generator ensures the lift station has reliable backup power during electrical outages, reducing the risk of sewage overflows and service interruptions.
5. SBT Basin #2 Air Actuating Valve Replacement - R&B Automation replaced the air-actuated valve for Basin #2 at the SBR. The repair restored reliable automated valve operation and supports proper process control during the treatment cycle.

Completed This Month	Job Descriptions Updated 4/15/2025	Completed YTD 2026 – 2027 July 1 to June 30	Completed 2025 – 2026 July 1 to June 30	Completed 2024 – 2025 July 1 to June 30	Completed 2023 – 2024 July 1 to June 30
481	Work Orders	1011	6896	6037	4338
21	Temporary Manual Read Water Meters Installed in New Construction Accounts	32	153	141	171
0	Radio Read Meters & ERTs Installed in New Construction Accounts	0	0	3	5
19	Total: Manual Read Meters Replaced with Radio Read Meters & ERT's, including Radio Meters Installed in New Construction Accounts	71 (Total = 7954)	185	270	216
108	Existing Radio Read Meters & ERTs Replaced with New Radio Read Meters & ERTs	158	1527	524	180
43	Valves Exercised (Approx. 3160 in SSCWD System 5/2026)	88	1230	280	299
112	Fire Hydrants Flushed (Approx. 1025 in SSCWD System 5/2026)	166	1079	502	466
3	Meters on Repair List	33	252	204	209
32	Emergency Calls	56	164	142	138
229	Locates on our Water/Sewer Lines	416	1907	2002	1722
0	Sewer Inspections	0	0	0	0
6	Shutoff Notices	18	96	59	23
1	Water Services Replaced	4 (Total = 996)	15	14	17

(5/2026 Update Valve and Fire Hydrant Count, Includes Santana Ranch pH 1, Villages, Tyler Knoll, Walnut Park, Creekside)



Hollister/Sunnyslope Intertie Water Balance

Report Date: September 1, 2026 Current Consumption Period: July 13, 2026 to August 12, 2026					
Intertie Location	Groundwater Flow to COH	Surface Flow to COH	Groundwater Flow to SSCWD	Surface Flow to SSCWD	
	in Gallons				
Southside Road Intertie Water Total Flow	0	2,289,290			
Sunset & Memorial Water Total Flow	4,664,600	5,298,900	0		0
Sunnyslope & Memorial Water Total Flow	3,983,600	3,462,800	0		0
Hillcrest and Memorial Water Total Flow	4,200	8,600	400		1,000
Santa Ana & La Baig Water Total Flow	224,500	1,294,800	0		0
Intertie Sub-Total Water Flow	8,876,900	12,354,390	400		1,000
<i>Total Combined Surface and Ground Water Intertie Flow</i>	21,231,290		1,400		
City of Hollister Well 2 Surface Water Total Flow (West Hills)		8,759,000			
City of Hollister Well 4 Surface Water Total Flow (West Hills)		9,028,000			
City of Hollister Well 5 Surface Water Total Flow (West Hills)		11,751,000			
Sunnyslope Well 2 Surface Water Total Flow (West Hills)					12,058,000
Sunnyslope Well 11 Surface Water Total Flow (West Hills)					21,258,000
Sunnyslope Surface Water Total Flow (LESSALT)					42,071,000
Surface Water Flow Sub-Totals		29,538,000			75,387,000
Ground Water and Surface Water Flow Totals	8,876,900	41,892,390	400		75,388,000
Current Period:	COH half of Surface Water Flow to Distribution (LESSALT & WH)	52,462,500			
	Net Ground/Surface Water Balance Owed to SSCWD (to COH)	8,876,500	-10,571,110		
	Beginning Water Balance Owed to SSCWD (to COH)	868,379,100	-254,520,622		
	Gallons Billed to COH thru Report Date August 1, 2026	0		Informational Last Month Net Total	613,858,478
	Sub-total Ending Water Balance Owed to SSCWD (to COH)	877,255,600	-265,091,732	Net Sub Total	612,163,868
	Half of Total Gallons LESSALT Discharge to City of Hollister Wastewater Treatment Plant during the current consumption period		2,201,000		
	Exchange Factor; Half of the total gallons discharged to COH WWTP from LESSALT multiplied by a factor of 4				8,804,000
	Ending Water Balance Owed to SSCWD (to COH)	868,451,600	-265,091,732	Net Total	603,359,868

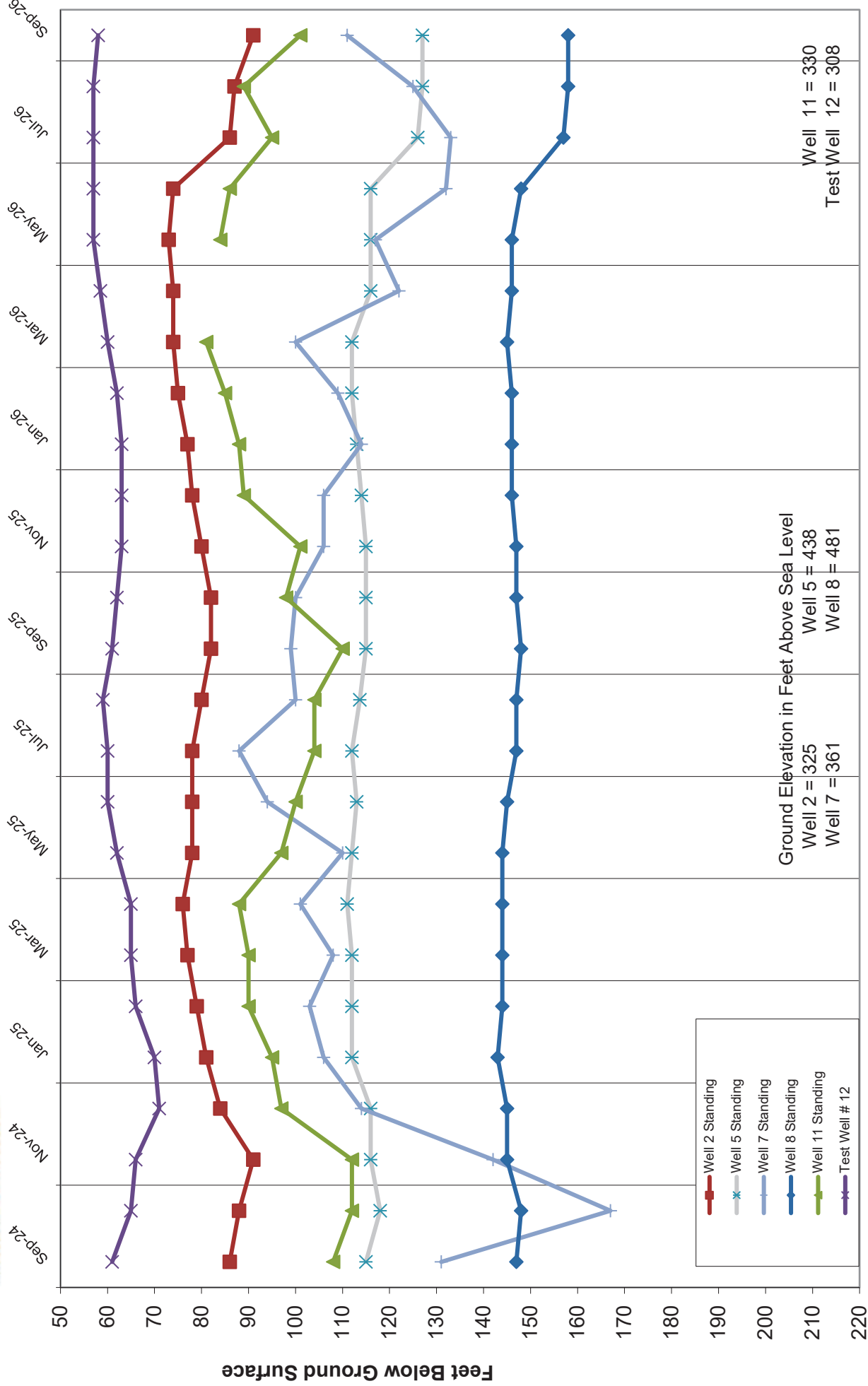
Current:	LESSALT WTP Total Flow to Distribution	42,071,000			
	Percent of LESSALT Surface Water Received	COH	29.4%	SSCWD	70.6%
Current:	COH half of LESSALT Total Flow to Distribution	21,035,500			
	Intertie Net Surface Water Total Flow to COH	12,353,390			
	Intertie Net Ground Water Total Flow to COH	8,876,500			
Current:	West Hills WTP Total Flow to Distribution	62,854,000			
	Percent of Surface Water Received	COH	47.0%	SSCWD	53.0%
Current:	COH half of West Hills WTP Total Flow to Distribution	31,427,000			
	West Hills WTP Surface Water Total Flow to COH	29,538,000			

YTD	LESSALT WTP Total Flow to Distribution	226,338,000			
	West Hills WTP Total Flow to Distribution	402,822,000			
	Surface WTPs Total Flow to Distribution	629,160,000			
	Total YTD Surface Flow to COH/SSCWD	COH	308,394,067	SSCWD	320,765,933
	Percent of Surface Water Received	COH	49.0%	SSCWD	51.0%



Depth to Standing Water Level Below Ground Surface

Month/Year



Staff Report

Agenda Item: H – 6

DATE: September 22, 2026 (October 6, 2026 Special Meeting)

TO: Board of Directors

FROM: General Manager, Drew Lander P.E.

SUBJECT: General Manager Monthly Status Report

ACTIVE TASKS:

1. **Sewer Rate Model Update** – The revised sewer rate analysis is complete and will be presented at the October 27, 2026 board meeting following review by the Finance Committee. With direction from the Board, the Proposition 218 notification will be mailed out by October 30th and a hearing to adopt the proposed rate model will be held at the December 15, 2026 Board meeting.
2. **El Niño Preparation** – City and County jurisdictions across the state have been preemptively adopting emergency resolutions in preparation for an anticipated exceptionally stormy rainy season this year. Sunnyslope has participated with the County Hazard Assessment Plan preparation and remains eligible for Federal Assistance in the event of significant impacts. Sunnyslope staff has considered these abnormal storm events and have prepared accordingly.
3. **Inter-Agency Coordination** – Management staff have been working with the City of Hollister throughout August and September to assist in the analysis of both water and wastewater operations. These conversations have been productive in helping the city strengthen the ability to effectively operate their internal public utilities.
As the ADRoP project progresses, the negotiations for operational coordination between the water plant production and transmission of treated water to the Aquifer Storage and Recover (ASR) wells continues. When parameters for this water transmission agreement have been developed
The Westhills Water Treatment plant remains offline while final operational testing of the new filter train is optimized. Sunnyslope is helping to monitor City water supply while this testing continues.
Minutes from the August 24th Water advisory meeting are attached with this report.
4. **Vehicle Acquisition** – Now that all vehicles ordered by the district have arrived the liquidation of two of our 20-year-old trucks occurred and \$8550 was returned to the Vehicle replacement reserve.

MINUTES

COMMITTEE: Water Advisory Committee	DATE: 08-24-2026
-------------------------------------	------------------

ATTENDANCE

Members:	Staff:	Public:
1) Dana Jacobson	1) Barbara Mauro	1) None
2) Brett Miller	2)	2)
3) Drew Lander	3)	3)
4) Ana Cortez	4)	4)
5) Ashley Collick		
6) Tony White		
Members Absent: None		

AGENDA DISCUSSIONS

Item:	Agenda Items:	Discussion:	Action:
1(a)	Water Supply	Mr. Jacobson reported the USBR gave the District an additional 3% allocation. This translates into the District having a full San Justo Reservoir and storing approximately 3300 AF in San Luis Reservoir; so there is plenty of water. Mr. Lander added the two treatment plants (COH/SSCWD) have an allocation of 4200 AF this year. Mr. Jacobson added, M & I water takes precedence over AG water. Ms. Cortez asked if the fish affect the allocation. Mr. Lander stated, yes, that definitely affects the amount of the annual allocation.	
1(b)	Water Quality	Mr. Lander reported the water quality is good and currently, it is easy to treat at the plants. He further reported West Hills WTP has been down for 3 weeks and likely down another 2 weeks, due to the expansion at the plant and the initial start-up from the construction. Mr. Jacobson asked if it will be complete by middle/end of September? Mr. Lander reported yes, all should be done and the plant should be back up no later than the end of September.	

1(c)	Billing/Invoice Status Administrative Fee	Mr. Jacobson reported there were a couple of errors in the WSTA signed last fall. There was to be a fixed administrative cost from SBCWD of 5%, which was to include both wages and employee related expenses. The last 2 quarters, SBCWD has only charged the other two agencies for wages. SBCWD will not be going back to charge any additional, but in going forward, will charge 5% of both wages and employee related expenses. Mr. Lander added this fee is based on a fixed employee scale, so additional employees are not added to this expense.	
1(d)	Lessalt WTP	Mr. Lander reported the changes Operations staff have made in regards to chemical use, will show a cost reduction this year. All is working well at the plant. He will work with Mr. Macdonald on an agreement for the installed solar and also the cathodic protection project is complete.	
1(e)	West Hills WTP	Due to the expansion at WHWTP, Mr. Lander reported a T4 operator must be used there instead of a T3, as it has been in the past. He does have 2 employees with their T4 license. All maintenance is up to date. There was some discussion about NEXGEN. All operations are good at the plant and they will be asphaltting this week.	
1(f)	O&M Recap	Discussion occurred amongst the group about making this a sub category under the two plants for future meetings.	
1(g)	Capital Replacement	Mr. Lander reported, besides the compressor that was replaced at WHWTP, he didn't have anything for this item.	
1(h)	Regulatory Issues	Mr. Lander reported he is just waiting for the Department of Drinking Water (DDW) so he can get WHWTP back online. Mr. Jacobson asked if they (DDW) were waiting on anything. Mr. Lander stated the cross-connection report, which he is working with staff to complete.	

1(i)	Contract Compliance WSTA Approval Issue	Mr. Jacobson reported there is a second issue in respect to the WSTA approval. Due to a version control issue, one of the changes was not included that all had agreed on. This is regarding some last minute wording. He would like input on how to rectify this. Can we replace the page with the correct language? He could write a letter stating that change was meant to be included in the final version? All agreed this did not need to return to the boards/councils. Mr. Lander suggested sending the replacement page and include a letter from Mr. Jacobson explaining the issue. All agreed on that solution.	
1(j)	Other issues	There were none.	
1(k)	Action items from previous meeting	Budgets from all agencies to Brett. Mr. Lander stated he had forwarded his budget already. Ms. Cortez and Ms. Collick stated they would send links to their budgets. Mr. Miller added, all agencies please forward your audits, once they have been completed.	
2,	Action items for next meeting	None	
3.	Future Meetings	October 26, 2026 1 p.m.	

MEETING RECORDER	Barbara Mauro 1:35 p.m.
------------------	--------------------------------

Staff Report

Agenda Item: I - 1

DATE: September 18, 2024 (October 6, 2026 Special Meeting)

TO: Board of Directors

FROM: General Manager, Drew Lander P.E.

SUBJECT: Authorize The General Manager To Continue Participation In Shared Contractual GIS Services Through San Benito County For A Cost Not To Exceed \$22,983. (Not A Project Under CEQA Per Article 20, Section 15378)

RECOMMENDATION:

Authorize the general manager to pay the district fair share of Graphical Information Systems (GIS) services through San Benito County for a cost not to exceed \$22,983. (Not a project under CEQA per article 20, section 15378)

BACKGROUND:

Sunnyslope has participated in the joint funding agreement presented by the County each year for the past 10 years to receive GIS services from County staff. County staff update Sunnyslope maps and provide district engineering staff access to edit County GIS layers so that all agencies are working with the most current and up to date information.

DISCUSSION:

The annual cost of participation in the joint services agreement has increased significantly over the past 4 years (nearly double the cost), however the services being provided through the GIS services agreement with the county have been very valuable to the district. The County continues to update several mapping functions and software which as increased program costs, but recently Sunnyslope has moved all mapping and tracking of pipeline assets to a digital format which is hosted by the County GIS program. The services are important for Sunnyslope maintenance of our maps and for good record keeping between agencies.

FINANCIAL IMPACT:

The current operations budget included an anticipated cost of \$20,000 for GIS services through contractual services line item. The additional \$2,983 is an increase over expected cost but is not

expected to influence the line item significantly. The total expenditure invoiced will not exceed \$22,983.

ATTACHMENTS:

County of San Benito GIS services invoice.

Drew Lander
Sunnyslope Water District
3570 Airline Highway
Hollister, CA 95023

July 1, 2026

Subject: County of San Benito Geographic Information System FY25/26 Membership

Dear General Manager Drew Lander,

Thank you for your continued participation in the County's Geographic Information System (GIS) program. Attached you will find the invoice for FY 25/26. A Steering Committee meeting was held on December 20, 2023, where the Committee discussed the future allocation of costs for the countywide program. The Committee discussed the development of a formula to more equitably allocate costs and ensure program sustainability given the importance of GIS in the development of solutions and informed decision making. These changes will impact the FY 25/26 and future budgets. The next policy review date is December 15, 2026.

As a member of the program and GIS Steering Committee you receive a number of benefits using GIS, and your involvement guides and impacts the future of GIS for the County. We look forward to working with you to further discuss your role as a member in the GIS program and to further discover how GIS can serve the Sunnyslope Water District.

Sincerely,
GIS Management Team / Assessors Department

Donna Esquivel
Accounting Appraiser Technician

On behalf of:

Rene Anchietta, GIS Coordinator

Attachment



San Benito County

1131 San Felipe Rd
Hollister, CA 95023
Phone: (831) 636-4030

CUSTOMER NO: 142
SUNNYSLOPE WATER DISTRICT
3570 AIRLINE HWY

Hollister, CA 95023

INVOICE DATE: 06/30/2026
INVOICE NO: 2026-00000002
DUE DATE: 07/31/2026
TOTAL DUE: **\$22,983.00**

Please detach and return with payment

PER MOA GIS SHARED COST

Item	Description	Quantity	Unit Price	Total Price
	ANNUAL SHARE OF GIS PROGRAM	1	\$22,983.0000	\$22,983.00

TOTAL DUE: \$22,983.00

Staff Report

Agenda Item: I – 2

DATE: September 29, 2026 (October 6, 2026 Special Meeting)

TO: Board of Directors

FROM: Alvin Do, Assistant Engineer
Rob Hillebrecht, Principal Engineer

SUBJECT: Consider Awarding A Contract For The Excavation & Restoration For Insertion Valves Project To Daleo Inc. At A Cost Not To Exceed \$95,000 (Project CEQA Exempt Title 22, Section 60101, Class 1: Existing Facilities)

RECOMMENDATION:

Approve a motion to enact all the following:

1. Approve the Plans and Specifications for the Excavation & Restoration for Insertion Valves Project which are available at the Sunnyslope County Water District Office, and grant the General Manager the authority to approve all amendments thereto as necessary for conditions in the field, not to exceed a total project cost of \$95,000;
2. Accept all responsive and responsible bids;
3. Award a construction contract to the lowest responsive and responsible bidder, namely: Daleo Inc. at a bid price of \$83,000;
4. Authorize the General Manager to execute the contract upon receipt and acceptance of all elements identified in the Plans & Specifications as required prior to the contract;
5. Authorize expenditure of an additional \$12,000 as “Construction Contingency” for Construction Change Orders. This contingency represents about 14% of the awarded bid price.

BACKGROUND:

Sunnyslope has identified five valves that were installed Ridgemark in the 1970s that no longer properly isolate key sections of the water system. They are being replaced as part of CIP Project WD 21 – Gate Valve Replacement. It was determined that insertion valves are the optimal solution for replacing these valves. To optimize the use of Sunnyslope’s employee labor, staff recommend that the traffic control, excavation, backfill and pavement restoration be out-sourced to a contractor. Only the actual valve installations will be done in-house. On September 15, 2026, the following bids were received with their bid amounts:

Daleo Inc.	\$83,000.00
Monterey Peninsula Engineering	\$99,900.00
Mountain Cascade	\$250,500.00

Sunnyslope staff reviewed all elements of the bid submitted by Daleo Inc and found the bid and company to be responsive and responsible, meeting all the qualifications and requirements listed in the Invitation for Bids.

Sunnyslope staff recommends that the additional contingency be authorized for potential construction change orders arising from previously unknown issues or conflicts not foreseen at the time of the original scope of work preparation. The project, including the full bid and contingency, is estimated not to exceed \$95,000.

FISCAL IMPACT:

The cost approving the contract for Excavation & Restoration for Insertion Valves shall not exceed \$95,000. The work is included as part of the Capital Improvement Plan Project WD 21 – Gate Valve Replacement which has a budget of \$400,000 for FY 26/27. Approximately \$110,000 was allocated from this project budget for the purchase of the 5 insertion valves and installation equipment in the August 25 Board Meeting. This leaves about \$200,000 budgeted for additional valve replacements in FY 26/27.

All project costs will be drawn from the Water Capacity Reserve Fund.

ENVIRONMENTAL IMPACT:

This project is Exempt from CEQA per California Code of Title 22, Section 60101, Class 1: Existing Facilities.

ATTACHMENTS:

1. Prevailing Bid – Daleo Inc.
2. Construction Contract

CONSTRUCTION CONTRACT

THIS CONTRACT made on _____ by, and between, **SUNNYSLOPE COUNTY WATER DISTRICT** (District), and **DALEO INC.**, (Contractor). Any and all obligations of the District and Contractor, collectively “Parties” are fully set forth and described herein.

In consideration of the mutual covenants and conditions set forth in this Contract, the Parties agree as follows:

1. WORK TO BE PROVIDED

Contractor agrees to furnish all tools, equipment, apparatus, facilities, labor, transportation, and material necessary to perform and complete the Work in a good and workmanlike manner, as called for, and in the manner designated in, and in strict conformity with, the specifications in the District Notice Inviting Bids and Bid Form.

The Work is generally described as follows:

The District is requesting bids from qualified general contractors for the following work: The Contractor shall furnish all labor, equipment, and materials as required by the project scope of work titled “Excavation & Restoration for Insertion Valve Install”. In general, the project scope of work includes the following tasks:

Task 1 – Mobilization & Project Coordination

1. Provide the District project administration with a work plan and schedule for approval.
2. Post notification at Ridgemark guard house of the days and times work will be conducted at least 48 hours prior to the commencement of work.
3. Identify the insertion valve locations and extents of excavation in the field with the District.
4. Take pre-construction photos and/or video.
5. Request and verify USA markings prior to any excavation work.
6. Mobilize equipment on site.

Task 2 – Traffic Control

1. Provide the District project administration with a Traffic Control Plan for each specific site. The plan must show the location of all signs, cones, flaggers, etc.
2. Furnish, install, and maintain all necessary warning signs.
3. Traffic control shall be implemented during all construction activities. This includes excavation, insertion valve installation by District staff, backfill, and pavement restoration.
4. Provide and maintain traffic steel plates for any open excavation.

Task 3 – Excavation

1. Saw cut and dispose of the asphalt from the 4’x4’ work area.

2. Excavate the 4'x4' work area to 6 inches below the bottom of the pipe. Depth to the bottom of the pipe is generally 4.5' so assume 5' total excavation depth.
3. Excavation a 24-inch-long section under the pipe for the insertion valve clamp to fit under it during installation. Leave soil supporting the pipe on either side of this section.
4. Remove and dispose of excavation spoils.
5. Install shoring if necessary for OSHA compliance.

Task 4 – Assistance During Insertion Valve Installation

1. Coordinate with Sunnyslope staff for insertion valve installation date and time.
2. Establish proper traffic control.
3. Provide adequate mechanical equipment, operator, and chains or straps to remove the steel plate and to lift and hold the valve and equipment (weighing about 250 lbs.) during install.
4. Insertion valve installation is expected to take 2-3 hours to complete.
5. Provide 8-mil poly sheeting and wrap the bolts and clamp of the valve. The stem does not need to be wrapped.

Task 5 – Backfill

1. Pour a concrete kicker around the valve clamp with wings extending to the edges of the trench. This will generally be about a half yard of concrete per valve.
2. Backfill the excavation with clean utility sand in 1-foot lifts up to base rock.
3. Compact sand using a tamper rammer (jumping jack compactor).
4. Provide and install a 8" dia SDR 35 PVC riser of sufficient length, and Christy G-5 box for the valve stem. Pour a 12-inch wide x 12" deep concrete collar around the valve box.
5. Place and compact Class 2 Base Rock for a final 12" section before paving. In the period prior to paving, install approximately 16" of Class 2 Base Rock as 4" will be removed for final paving.
6. Place a minimum of 1" of compacted temporary cold patch mix.

Task 6 – Patch Paving

1. Saw cut a T-cap 1 foot beyond the edge of the excavation, making approximately a 6'x6' patch area.
2. Coat the edges of the asphalt and G-5 collar with tack oil.
3. Install and compact 4 inches of Hot Mix Asphalt using a roller and vibratory plate.
4. Repair any road striping to match existing, if impacted by construction activities.

INSERTION VALVE LOCATIONS

1. Ridgemark Dr at Pacheco Villa Ct (North Leg)
2. Ridgemark Dr at Pacheco Villa Ct (South Leg)
3. Ridgemark Dr at Donald Dr (West Leg)
4. Ridgemark Dr at Donald Dr (South Leg)
5. Donald Dr at Ray Circle (East Leg)

2. COMPONENT PARTS

This Contract shall consist of the following documents, each of which is on file in the office of the Owner and all of which are incorporated herein and made a part hereof by reference thereto:

- (a) This Agreement
- (b) Performance Bond
- (c) Payment Bond
- (d) Notice of Award
- (g) Addenda Numbered 1 through 2 inclusive
- (k) Executed Change Orders, if any, which may be effective after the date of this Agreement.

There are no Contract Documents other than those listed above.

3. CONTRACT PRICE

The District agrees to pay, and Contractor agrees to accept as full payment for the Work within the Contract Documents, as follows:

<u>Eighty Three Thousand</u>	<u>Dollars (\$83,000)</u>
(written)	(number)

Included within this price are all labor, materials, tools, equipment, traffic control, overhead, profit, and other miscellaneous costs. Any additional work required beyond that described herein is subject to authorization by the District Field Representative.

4. CONTRACT TIME

In accordance with the Specifications the Contractor further agrees to plan the Work and to prosecute it with diligence and shall commence the Work within ten (10) calendar days after the date established in Notice to Proceed from the Owner, and shall Finally Complete the Work within Forty-Five (45) calendar days from date of commencement in the Notice to Proceed.

5. LIQUIDATED DAMAGES

The Owner and the Contractor recognize that time is of the essence of this Agreement and that

the Owner will suffer financial loss if the Work is not completed within the times specified in Section 4. They also recognize the delays, expense and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by the Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, the Owner and the Contractor agree that as liquidated damages for delay (but not as a penalty) the Contractor shall pay the Owner Five Thousand Dollars (\$5,000) for each day that expires after the time specified in Section 4 for Completion until the Work is fully complete and the Owner issues a notice of Final Completion.

6. RETAINAGE

(a) The Owner will withhold 5% as retainage from each progress payment due to the Contractor. Retainage shall be paid to the Contractor at the time of Final Payment.

(b) In accordance with California Public Contract Code Sections 10263 and 22300, the Contractor is hereby permitted to substitute securities of the kind listed below in place of the retention withheld in accordance with this section, or any other moneys withheld by the Owner to insure performance of this contract. At the request and expense of the Contractor, securities equivalent to the amount withheld may be deposited directly with a state or federally chartered bank as the escrow agent, who shall pay such moneys to the Contractor at the time of Final Payment and upon satisfactory completion of this contract. The Owner is authorized to execute documents necessary for this purpose. The Contractor shall be the beneficial owner of any securities substituted for moneys withheld and shall be entitled to receive any interest thereon. Securities eligible for investment under this provision shall include those listed in Government Code, Section 16430, or bank or savings and loan certificates of deposit. The retention or other moneys withheld will not be released to the Contractor until the Owner has satisfied itself that the substitution of securities has been made in accordance with the provisions of this paragraph.

7. PAYMENTS

(a) Payments will be made to the Contractor for work performed at the times and in the manner provided in the Contract Documents. Payment will be made at bid prices for awarded Bid Items, plus amounts of approved Change Orders.

(b) If recommended by the Engineer, payments may include _100_% of the value of major equipment and custom fabricated items that have been delivered, stored and protected at the site.

(c) The period covered by each Application for Payment shall be one calendar month ending on the last day of each month. The Owner shall make payment within 30 days after the

Engineer issues a Recommendation for Payment.

8. CONTRACT REPRESENTATIONS

In consideration of the Owner entering into this Agreement, the Contractor makes the following representations:

(a) The Contractor has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, and all local conditions and laws and regulations that in any manner may affect cost, progress, performance or furnishing of the Work.

(b) The Contractor has obtained and carefully studied (or assumes responsibility for obtaining and carefully studying) all such examinations, investigations, explorations, tests, reports and studies (in addition to or to supplement those referred to in this article which pertain to the subsurface or physical conditions at or contiguous to the site or otherwise may affect the cost, progress, performance or furnishing of the Work as the Contractor considers necessary for the performance or furnishing of the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents; and no additional examinations, investigations, explorations, tests, reports, studies or similar information or data are or will be required by the Contractor for such purposes.

(c) The Contractor has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing facilities, existing utilities, existing underground or concealed utilities and existing underground facilities at or contiguous to the site and accepts the limitations set forth in the General Conditions as to the extent to which the Contractor may rely on such information or on other information provided by the Owner, the Design Engineer or the Engineer. No additional examinations, investigations, explorations, tests, reports, studies or similar information or data in respect to said existing facilities, existing utilities, existing underground or concealed utilities and underground facilities are or will be required by the Contractor in order to perform and furnish the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of Article 3 of the General Conditions.

(d) The Contractor has correlated the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the terms and conditions of the Contract Documents.

(e) The Contractor has given the Engineer written notice of all conflicts, errors or

discrepancies that he has discovered in the Contract Documents and the written resolution therefor by the Engineer is acceptable to the Contractor.

9. CONTRACTOR DECLARATIONS

The Contractor declares the Work will be conducted pursuant to the following additional requirements of the State of California:

(a) **Prevailing Wage Scale:** Reference is hereby made to the rate of prevailing wage scale established by the State of California Director of Industrial Relations, the provisions of which are hereby specified as the rate of prevailing wage to be paid workers on this project, and the provisions of Article 2, Chapter 1, Part 7, Division 2 (commencing with Section 1770) of the Labor Code shall be complied with.

(b) **Hours of Labor:** Eight-hour labor constitutes a legal day's work. The Contractor shall forfeit, as penalty to the Owner, twenty-five dollars (\$25.00) for each worker employed in the execution of the contract by him or by any subcontractor, for each calendar day during which any worker is required or permitted to labor more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, except as permitted by the provisions of Article 3, Chapter 1, Part 7, Division 2 (commencing with Section 1810) of the Labor Code of the State of California.

(c) **Apprentices:** In accordance with the provisions of Section 1777.5 of the Labor Code, and in accordance with the regulations of the California Apprenticeship Council, properly registered, apprentices may be employed in the prosecution of the work. Information relative to number of apprentices, identifications, wages, hours of employment and standards of working conditions shall be obtained from the Director of the Department of Industrial Relations, who is the Administrative Officer of the California Apprenticeship Council.

(d) **Prohibited Employment Discrimination:** Attention is directed to Section 1735 of the California Labor Code, which reads as follows:

"No discrimination shall be made in the employment of persons upon public works because of the race, religious creed, color, national origin, ancestry, physical handicap, mental condition, marital status, or sex of such persons, except as provided in Section 12940 of the Government Code, and every contractor for public works violating this section is subject to all the penalties imposed for a violation of this chapter."

(e) **Workers' Compensation Insurance:** In accordance with the provisions of Article 5, Chapter 1, Part 7, Division 2 (commencing with Section 1860) and Chapter 4, Part 1, Division 4 (commencing with Section 3700) of the California Labor Code, the Contractor is required to

secure the payment of compensation to his employees and shall for that purpose obtain and keep in effect adequate Workers' Compensation Insurance. The undersigned Contractor is aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for Workers' Compensation claims or to undertake self-insurance in accordance with the provisions of that Code, and will comply with such provisions before commencing the performance of the Work in this contract.

(f) **Security for Compensation:** The Contractor hereby stipulates that the provisions of Section 1775 of the California Labor Code will be complied with. The Contractor further agrees to secure the payment of compensation to his employees in accordance with the provisions of Section 3700 of the California Labor Code.

(g) **Contractor Claims Against the Owner:** Effective January 1, 1991, the California Legislature enacted a requirement that all contract claims of \$375,000.00 or less on local government public works contracts must be submitted to mediation and judicial arbitration. Article 1.5 (Sections 20104 through 20104.6, inclusive) of Chapter 1 of Part 3 of the Public Contract Code concerning Resolution of Construction Claims, is hereby incorporated into this agreement. See Supplementary Conditions for a summary of the timing provisions in Section 20104 through 20104.6.

(h) **Contractor's License:** The Contractor declares that it possesses a valid California Contractor's License of the required class at the time of signing this Agreement. The Contractor shall affirm its license number, classification and expiration date on this Agreement.

The following statement is included in accordance with Section 7030 of the California Business and Professions Code: "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, P.O. Box 26000, Sacramento, California 95826."

10. INDEMNIFICATION

To the extent permitted by law, Contractor shall defend, indemnify and hold harmless Owner, its directors, officers, employees, and authorized volunteers from and against all claims, damages, losses and expenses, including reasonable attorneys' fees and costs to defend arising out of the performance of the work described herein, and caused in whole or in part by any negligent act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them, or anyone whose acts any of them may be liable, except where caused by the active negligence, sole negligence, or willful misconduct of the Owner, its directors, officers, employees, and authorized volunteers.

11. INSURANCE

Minimum Scope and Limits of Insurance: Contractor shall procure and maintain for the duration of the contract, *and for 5 years thereafter*, insurance against claims for injuries or death to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees, or subcontractors.

Coverage - Coverage shall be at least as broad as the following:

1. **General Liability - 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 three million dollars (\$3,000,000) 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 Owner) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability** - Insurance Services Office (ISO) Business Auto Coverage (Form CA 00 01), covering Symbol 1 (any auto) with limit of one million dollars (\$1,000,000) for bodily injury and property damage each accident.
3. **Workers' Compensation Insurance** - The Contractor shall provide workers' compensation 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.
4. **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.

If the Contractor maintains broader coverage and or/higher limits than the minimums shown above, the Owner 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 Owner)

Other Required Provisions – The Commercial General Liability policy and Contractors Pollution (if necessary) are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured Status:** Owner, its directors, officers, employees, and authorized volunteers are to be given insured status (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10 10 01 and CG 20 37 10 01, with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance.
2. **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 as respects to the Owner, its directors, officers, employees, and authorized volunteers. Any insurance or self-insurance maintained by the Owner, its directors, officers, employees, and authorized volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Notice of Cancellation: Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the Owner.

Acceptability of Insurers - Insurance is to be placed with insurers having a current A.M. Best rating of no less than A: VII or equivalent or as otherwise approved by Owner.

The Contractor agrees and he/she will comply with such provisions before commencing work. All of the insurance shall be provided on policy forms and through companies satisfactory to Owner. The Owner reserves the right to obtain complete, certified copies of all required insurance policies, including the policy declarations page with endorsement number. Failure to continually satisfy the Insurance requirements is a material breach of contract.

Responsibility for Work - Until the completion and final acceptance by 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-erectments, and repairs occasioned or rendered necessary by causes of any nature whatsoever.

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.

Deductibles and Self-Insured Retentions - Insurance deductibles or self-insured retentions must be declared by the Contractor, and approved by the Owner. At the election of Owner the Contractor shall either cause the insurer to reduce or eliminate such self-insured retentions as respects the Owner, its directors, officers, employees, and authorized volunteers or the Contractor shall provide a financial guarantee satisfactory to the Owner guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or the Owner.

Verification of Coverage - Evidences of Insurance Contractor shall furnish the Owner with copies of certificates and amendatory endorsements effecting 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.

Continuation of Coverage - The Contractor shall, upon demand of Owner deliver evidence of coverage showing continuation of coverage for at least (5) years after completion of the project. Contractor further waives all rights of subrogation under this agreement When any of the required coverages expire 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 Owner (if builder's risk insurance is applicable) to Owner at least ten (10) days prior to the expiration date.

Sub-Contractors - In the event that the Contractor employs other Contractors (sub-contractors) as part of the work covered by this agreement, it shall be the Contractor's responsibility to require and confirm that each sub-contractor meets the minimum insurance requirements

specified above (via as broad as ISO CG 20 38 04 13). The Contractor shall, upon demand of Owner, deliver to Owner copies such policy or policies of insurance and the receipts for payment of premiums thereon.

12. TERMINATION

The District may terminate this Contract for any reason by giving written notice of termination at least fourteen (14) calendar days prior to the effective termination date, which shall be specified in such notice. The District may immediately terminate this Contract for good cause. "Good cause" includes but is not limited to a breach of or failure to perform any section of this Contract or poor workmanship. In the event of such termination, the amount payable under this Contract shall be limited to payment for the Work performed prior to the date of termination.

13. INSPECTION OF SITE, RECORDS, & DOCUMENTATION

Contractor shall maintain books, records, and other documentation pertinent to their work in accordance with generally accepted accounting principles and practices. Records shall be subject to inspection by Owner or State department issuing the grant at any and all reasonable times. All records shall be preserved for at least three (3) years after issuance of the Notice of Completion and shall be made available upon request.

Owner, State, or any agent duly authorized by Owner shall have the right to access and inspect the work being performed at any and all reasonable times during the term of the contract. Contractor shall ensure that safe and suitable access is provided to the site at all reasonable times during project construction and thereafter for the term of the contract.

14. AMENDMENTS & MODIFICATIONS

No modification or amendment of this Contract shall be valid unless it is set forth in writing and executed by the Parties hereto.

15. LICENSING REQUIREMENTS

Contractor is required, by law, to be licensed and regulated by Contractor's state license board and must abide by all licensing and reporting regulations.

16. APPRENTICES

Contractor agrees to comply with all provisions of the law regarding the employment of apprentices. (Labor Code §§ 1773.3, 1777.5, 1777.6 and 3077 et seq.) These Labor Code sections

require Contractor employ apprentices in apprenticeship occupations in a ratio of not less than one (1) apprentice for each five (5) journeyman hours, unless an exemption is granted. Contractor shall not discriminate among otherwise qualified employees as indentured apprentices on any Public Works project solely on the grounds of race, religious creed, color, national origin, ancestry, sex, or age. Only apprentices who are in training under written apprenticeship agreements shall be employed on Public Works contracts in apprenticeship occupations. The responsibility for compliance with these provisions for all apprenticeship occupations rests with Contractor.

17. PREVAILING WAGE

The Work under this Contract qualifies as Public Works subject to California Labor Code Section 1720 et seq. Contractor shall comply with and be bound by all pertinent sections of the Labor Code beginning with Section 1720 regarding payment of prevailing wage rates, holiday and overtime pay, hiring of apprentices, workers compensation insurance, etc., all as set forth by the California Department of Industrial Relations (DIR). Contractor shall be registered with DIR as a Public Works Contractor and abide by all relevant reporting requirements. Contractor is responsible for maintaining all applicable payroll records and reports, which shall be made available to District for review upon written request.

18. PAYROLL RECORDS

Pursuant to Labor Code §1776, Contractor shall keep accurate records, 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 journeyman, apprentice, worker, or other employee employed by it in connection with the Work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following: 1) The information contained in the payroll record is true and correct; 2) The employer has complied with the requirements of Labor Code §§1771, 1811, and 1815 for any Work performed. Payroll records enumerated shall be certified and shall be available for inspection at all reasonable hours at the principal office of Contractor.

19. INDEPENDENT CONTRACTOR

In the performance of the Work, duties, and obligations under this Contract, Contractor is at all times acting and performing as an independent contractor and not as an employee of the District. No offer or obligation of permanent employment with the District is intended in any manner, and Contractor shall not become entitled by virtue of this Contract to receive from District any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits.

Contractor shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Contract. In connection therewith, Contractor shall defend, indemnify, and hold District harmless from any and all liability which District may incur because of Contractor's failure to pay such taxes.

20. NON-DISCRIMINATION

During the performance of this Funding Agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, gender identity, and denial of medical and family care leave or pregnancy disability leave. Contractors and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractors and its subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated thereunder (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission are incorporated into this Agreement by reference. Contractors and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

21. NOTICES

Notices required under this Contract shall be delivered personally or by first-class, postage pre-paid mail to the District's and Contractor's contract administrators at the addresses listed below:

FOR DISTRICT: Drew Lander General Manager 3570 Airline Highway Hollister, CA 95023 (831) 637-4670 generalmanager@sunnyslopewater.org	FOR CONTRACTOR: David Levisay President 550 E Luchessa Ave. Gilroy, CA 95020 (408) 846-9621
---	---

22. GOVERNING LAWS

This Contract shall be construed and enforced according to the laws of the State of California, and the Parties hereby agree that the County of San Benito shall be the proper venue for any dispute arising hereunder.

23. DISPUTES

a. Contractor shall continue to perform under this Contract during any dispute. The Parties agree to make good faith efforts to resolve disputes as quickly as possible.

b. Claims

(1) Upon receipt of a claim by Contractor, the District shall conduct a reasonable review of the claim and, within a period not to exceed 45 days, shall provide Contractor a written statement identifying the portions of the claim that are disputed and undisputed. The Parties may, by mutual agreement, extend the time period.

(a) Contractor shall furnish reasonable documentation to support the claim.

(b) If the District needs approval from its Board to provide Contractor a written statement identifying the disputed portion and the undisputed portion of the claim, and the Board does not meet within the 45 days or within the mutually agreed to extension of time following receipt of a claim sent by registered mail or certified mail, return receipt requested, the District shall have up to three days following the next duly publicly noticed Board meeting after the 45-day period, or extension, expires to provide Contractor a written statement identifying the disputed portion and the undisputed portion.

(c) Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after the District issues its written statement. If the District fails to issue a written statement, paragraph (2) shall apply.

(2) If Contractor disputes the District's written response, or if the District fails to respond to a claim issued pursuant to this section within the time prescribed, Contractor may demand in writing an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand in writing sent by registered mail or certified mail, return receipt requested, the District shall schedule a meet and confer conference within 30 days for settlement of the dispute.

(a) Within 10 business days following the conclusion of the meet and confer conference, if the claim or any portion of the claim remains in

dispute, the District shall provide Contractor a written statement identifying the portion of the claim that remains in dispute and the portion that is undisputed. Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after the District issues its written statement. Any disputed portion of the claim, as identified by Contractor in writing, shall be submitted to nonbinding mediation, with the Parties sharing the associated costs equally. The Parties shall mutually agree to a mediator within 10 business days after the disputed portion of the claim has been identified in writing. If the Parties cannot agree upon a mediator, each party shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the claim. Each party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator. If mediation is unsuccessful, the parts of the claim remaining in dispute shall be subject to applicable procedures outside this section.

(b) For purposes of this section, mediation includes any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the parties in dispute resolution through negotiation or by issuance of an evaluation. Any mediation utilized shall conform to the timeframes in this section.

(c) Unless otherwise agreed to by the Parties in writing, the mediation conducted pursuant to this section shall excuse any further obligation under Section 20104.4 to mediate after litigation has been commenced.

(d) The District is not precluded from requiring arbitration of disputes under private arbitration or the Public Works Contract Arbitration Program, if mediation under this section does not resolve the Parties' dispute.

(3) Failure by the District to respond to a claim from Contractor within the time periods described in this subdivision or to otherwise meet the time requirements of this section shall result in the claim being deemed rejected in its entirety. A claim denied by reason of the District's failure to have responded to a claim, or its failure to otherwise meet the time requirements of this section, shall not constitute an adverse finding with regard to the merits of the claim or the responsibility or qualifications of Contractor.

(4) Amounts not paid in a timely manner as required by this section shall bear interest at 7 percent per annum.

(5) If a subcontractor or a lower tier subcontractor lacks legal standing to assert a claim against the District because privity of contract does not exist,

- Contractor may present to the District a claim on behalf of a subcontractor or lower tier subcontractor. A subcontractor may request in writing, either on his or her own behalf or on behalf of a lower tier subcontractor, that Contractor present a claim for work performed by the subcontractor or by a lower tier subcontractor on behalf of the subcontractor. The subcontractor requesting that the claim be presented to the District shall furnish reasonable documentation to support the claim. Within 45 days of receipt of this written request, Contractor shall notify the subcontractor in writing as to whether Contractor presented the claim to the District and, if Contractor did not present the claim, provide the subcontractor with a statement of the reasons for not having done so.
- c. In the event any dispute arising from or relating to this Contract results in litigation or arbitration, the prevailing party shall be entitled to recover all reasonable costs incurred, including court costs, attorneys' fees, expenses for expert witnesses (whether or not called to testify), expenses for accountants or appraisers (whether or not called to testify), and other related expenses. Recovery of these expenses shall be as additional costs awarded to the prevailing party, and shall not require initiation of a separate legal proceeding.

24. UNFAIR BUSINESS PRACTICES CLAIM

In accord with California Public Contracts Code § 7103.5, Contractor agrees to assign to the District 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. 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 purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time the District tenders final payment to Contractor, without further acknowledgment by the Parties.

25. CONSTRUCTION OF CONTRACT

The Parties agree that each party has fully participated in the review and revision of this Contract and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Contract or any exhibit or amendment. To that end, it is understood and agreed that this Contract has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Contract within the meaning of Civil Code section 1654.

26. CONFLICT OF INTEREST

Contractor represents it presently has no interest and agrees not to acquire any interest during the term of this Contract which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the Work required to be rendered under this Contract.

27. NON-EXCLUSIVE CONTRACT

This Contract is non-exclusive and both Parties expressly reserve the right to contract with other entities for the same or similar services.

28. WAIVER

Any waiver of any term or condition hereof must be in writing and signed by the District. No such waiver shall be construed as a waiver of any other term or condition herein.

29. SUCCESSORS AND ASSIGNS

This Contract and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the Parties and their respective successors, permitted assigns and heirs. Contractor shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Contract without the prior written consent of the District.

30. COUNTERPARTS

This Contract may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Contract.

31. AUTHORITY

Any individual executing this Contract on behalf of the District or Contractor represents and warrants hereby that he or she has the requisite authority to enter into this Contract on behalf of such party and bind the party to the terms and conditions of this Contract.

32. SEVERABILITY

If any of the provisions contained in the Contract are held illegal, invalid, or unenforceable, the enforceability of the remaining provisions shall not be impaired thereby. Limitations of liability

and indemnities shall survive termination of the Contract for any cause. If a part of this Contract is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this Contract is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

33. ENTIRE CONTRACT

As of the effective date, this Contract, including the exhibits and any documents incorporated by reference, represents the entire Contract between the District and Contractor with respect to the subject matter of this Contract, and supersedes any and all prior written or oral negotiations and representations between the Parties concerning all matters relating to the subject of this Contract.

34. WARRANTY

The contractor shall guarantee the entire Work constructed by them under the Contract to be free of defects in materials and workmanship for a period of one (1) year following the date of written Notice of Completion & Acceptance of the Work by Owner. The contractor shall agree to make, at their own expense, any repairs or replacements made necessary by defects in materials or workmanship which become evident within said guarantee period. The contractor shall make all repairs and replacements promptly upon receipt of written order from Owner. If the contractor fails to make the repairs and replacements promptly, Owner may do the Work and the contractor, and their Performance Bond shall be liable to Owner for the cost of such Work.

35. DRUG-FREE WORKPLACE CERTIFICATION

By signing this Funding Agreement, Contractor and its subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by the Government Code section 8355.

B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:

i. The dangers of drug abuse in the workplace,

- ii. Contractor's policy of maintaining a drug-free workplace,
- iii. Any available counseling, rehabilitation, and employee assistance programs, and
- iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.

C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this project:

- i. Will receive a copy of Contractor's drug-free policy statement, and
- ii. Will agree to abide by terms of Contractor's condition of employment, contract, or subcontract.

36. ACCIDENT PROTECTION & SAFETY

Precautions shall be exercised at all times for the protection of persons (including employees) and property. The safety provisions of applicable laws, building codes, and construction codes shall be observed. Machinery, equipment, and other hazards shall be guarded or eliminated in accordance with the safety provisions of the Construction Safety Orders issued by the Occupational Safety and Health Standards Board of the State of California.

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. The Contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work covered by the contract. Safety precautions shall include but shall not be limited to: adequate life protection and life saving equipment; adequate illumination; instructions in accident prevention for all employees, such as the use of machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection, and other safety devices; equipment and wearing apparel as are necessary or lawfully required to prevent accidents, injuries, or illnesses (including but not limited to exposure to the Coccidioides fungus and Valley Fever); and adequate facilities for the proper inspection and maintenance of all safety measures

Contractor must obtain all applicable Division of Occupational Safety and Health (CAL-OSHA) permit(s) and others required by California Labor Code and California Government Code, prior to the initiation of any practices, work, method, operation, or process related to the work covered

in the contract. Permits required by governmental authorities will be obtained at Contractor's expense.

It is a condition of this contract, and shall be made a condition of each subcontract which the Contractor enters into pursuant to this contract, that the Contractor and any subcontractor shall not permit any employee, in performance of the contract, to work in surroundings or under conditions which are unsanitary, hazardous or dangerous to his/her health or safety, as determined under Cal/OSHA safety and health standards.

The Contractor shall be responsible for the safeguarding of all utilities. At least two working days before beginning work, the Contractor shall call the Underground Service Alert (USA) in order to determine the location of sub-structures. The Contractor shall immediately notify Owner and the utility owner if he/she disturbs, disconnects, or damages any utility.

In accordance with Section 6705 of the California Labor Code, the Contractor shall submit to Owner specific plans to show details of provisions for worker protection from caving ground during excavations of trenches of five feet or more in depth. The excavation/trench safety plan shall be submitted to and accepted by Owner prior to starting excavation. The trench safety plan shall have details showing the design of shoring, bracing, sloping or other provisions to be made for worker protection from the hazard of caving ground. If such a plan varies from the shoring system standards established by the Construction Safety Orders of the California Department of Industrial Relations (Cal/OSHA), the plan shall be prepared by a California registered civil or structural engineer. As part of the plan, a note shall be included stating that the registered civil or structural engineer certifies that the plan complies with the Cal/OSHA Construction Safety Orders, or that the registered civil or structural engineer certifies that the plan is not less effective than the shoring, bracing, sloping or other provisions of the Safety Orders. In no event shall the Contractor use a shoring, sloping, or protective system less effective than that required by said Construction Safety Orders. Submission of this plan in no way relieves the Contractor of the requirement to maintain safety in all areas. If excavations or trench work requiring a Cal/OSHA permit are to be undertaken, the Contractor shall submit his/her permit with the excavation/trench work safety plan to Owner before work begins.

IN WITNESS WHEREOF, two identical counterparts of this Contract, each of which shall for all purposes be deemed an original thereof, have been duly executed by the parties herein above named, on the day and year first herein written.

SUNNYSLOPE COUNTY WATER DISTRICT

DALEO INC.

By: _____
Drew Lander

By: _____
David Levisay

Title: General Manager

Title: President

Attachment A: BID FORM

Project Identification: Excavation & Restoration for Insertion Valves

This Bid is submitted to:

Sunnyslope County Water District,
3570 Airline Highway,
Hollister, CA, 95023.
Telephone: (831) 637-4670.

Communications concerning this bid shall be addressed to:

Rob Hillebrecht, Principal Engineer
Sunnyslope County Water District
3570 Airline Hwy, Hollister, CA, 95023
Email: rob@sunnyslopewater.org

Article 1

The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into a contract with District in the form included in the Contract Documents to perform and furnish all Work as specified or indicated in the Contract Documents for the Contract Price and within the Contract Time indicated in this Bid and in accordance with the other terms and conditions of the Contract Documents.

Article 2

Bidder accepts all the terms and conditions. This Bid will remain subject to acceptance for sixty (60) days after the day of Bid opening. Bidder will sign and submit the Contract and other documents required by the Bidding Requirements within fourteen (14) calendar days after the date of the District's Notice of Award.

Article 3

In submitting this Bid, Bidder represents, as more fully set forth in the Contract, that:

(a) Bidder has examined copies of all the Bidding Documents.

(b) Bidder has examined copies of the following Addenda (receipt of which is hereby acknowledged): 1 dated 9.2.26 - 2 dated 9.11.26

(Write the Addendum Numbers if any)

(c) Bidder has familiarized themselves with the nature and extent of the Contract documents, the Work, site locality, and all local conditions, laws, and regulations that in any manner may affect cost, progress, performance, or furnishing of the Work.

(d) Bidder represents that its bid is based on fully accounting for the cost of all labor, material, tools, equipment mobilization, traffic control, debris disposal, taxes, fees, and any other miscellaneous charges necessary to complete the Work in full compliance with the Contract.

In the event that additional work not specified in the scope of the Bid Form, Invitation for Bid, or Contract, the contractor must obtain in writing from the District Principal Engineer, confirmation and terms for claiming additional work expenses. Any work claimed without prior approval cannot be approved for payment.

Article 4

Bidder declares it is registered and qualified to perform public work under California Labor Code § 1725.5. Bidder declares it possesses a valid State of California Contractor's license at the time of submitting this Bid. Bidder shall state its license number, classification and expiration date on its Bid Form. Bidder declares that it possesses a current contractor's license of the required classification, valid in the appropriate jurisdiction at the time of submitting this bid.

Contractor's license number:	<u>458944</u>
License classification:	<u>A C-10</u>
License expiration date:	<u>9/30/2028</u>
Submitted on:	<u>9.15.2026</u>

Article 5

Bidder will complete the Work of Excavation & Restoration for Insertion Valves for the final total lump sum bid price as filled and submitted in the following Schedule of Bid Items tabulation. Should the written and numerical values differ, the written value shall govern.

SCHEDULE OF BID ITEMS & PRICES

Bid Item	Description	Quantity	Units	Unit Price	Total Price
1.	Mobilization & Coordination	1	LS	5,000.00	5,000.00
2.	Traffic Control	1	LS	20,500.00	20,500.00
3.	Excavation	5	EA	5,000.00	25,000.00
4.	Assistance During Valve Install	5	EA	2,000.00	10,000.00
5.	Backfill	5	EA	2,000.00	10,000.00
6.	Pavement Restoration	5	EA	2,500.00	12,500.00
TOTAL					83,000.00

Written Total Bid Price

Eighty Three Thousand Dollars and zero Cents

If Bidder is:
A Corporation

By: (SEAL)

Corporation's Name: Daleo Inc.

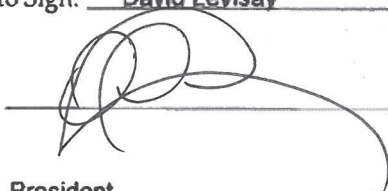
State of Incorporation: California

Business Address: 550 E Luchessa Ave., Gilroy, CA 95020

Telephone No: 408-846-9621

By:

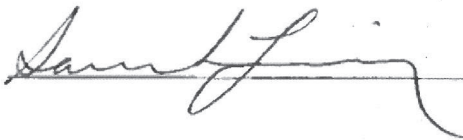
Name of Person Authorized to Sign: David Levisay

Signature: 

Title: President

Attest:

Secretary Name: Savannah Levisay

Secretary Signature: 

BID BOND

KNOW ALL PERSONS BY THESE PRESENTS, that we, the undersigned,
Daleo, Inc. as Principal, and Everest National Insurance Company as
Surety, are hereby held and firmly bound unto SUNNYSLOPE COUNTY WATER DISTRICT as Owner
in the penal sum of Ten percent (10%)
of the maximum price dollars for the payment of which sum, well and
truly to be made, we hereby bind ourselves, our successors and assigns jointly and severally firm by
these presents.

Signed and sealed, this 11th day of September, 2026.

The Condition of the above obligation is such that where the Principal has submitted a certain Bid,
attached hereto and hereby made a part hereof the enter into a contract in writing, for construction of
Excavation & Restoration for Insertion Valve Project.

NOW, THEREFORE;

- a) If said Bid shall be rejected, or
- b) If said Bid shall be accepted and the Principal shall execute and deliver a contract in the Form of
the Agreement attachment hereto (properly completed in accordance with said Bid) and shall
furnish Bonds for Faithful Performance of said contract, and for the Payment of all persons
performing labor and furnishing material in connection therewith, and provide certificates and
policies of insurance as specified in the Bid documents and shall in all other respects perform the
agreement created by the acceptance of said Bid, then this obligation shall be void, otherwise the
same shall remain in force and effect; it being expressly understood and agreed that the liability
of the Surety for any and all claims hereunder shall, in no event, exceed the penal amount of this
obligation as herein stated.

The Surety, for value received, hereby stipulates and agrees that the obligations of said Surety and its
Bond shall be in no way impaired or affected by any extension of the time within which the Owner may
accept such Bid; and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunto set their hands and seals, and
such of them as are corporations have caused their corporate seals to be hereto affixed and these
presents to be signed by their duly authorized officers, the day and year first set forth above.

Daleo, Inc. (Seal)
(Principal)

Everest National Insurance Company
(Surety)

By: [Signature]

By: Rossio Polio, Attorney-in-Fact

END OF BID BOND

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Francisco)
On 09/11/2026 before me, Christopher Michael Howell, Notary Public,
Date Here Insert Name and Title of the Officer
personally appeared Rossio Polio
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature _____
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Rossio Polio
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☒ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

**POWER OF ATTORNEY
EVEREST REINSURANCE COMPANY and EVEREST NATIONAL INSURANCE COMPANY**

KNOW ALL PERSONS BY THESE PRESENTS: That Everest Reinsurance Company and Everest National Insurance Company, corporations of the State of Delaware ("Company") having their principal offices located at Warren Corporate Center, 100 Everest Way, Warren, New Jersey, 07059, do hereby nominate, constitute, and appoint:

Charles R. Shoemaker, Mark M. Munekawa, Nerissa S. Bartolome, Yvonne Roncagliolo, Zachary V. Overbay, Patrick R. Diebel, Valerie Takeuchi, Kelly Holtemann, Christina Parsons, Karen Rhodes, Andrew S. Holloway, Rossio Polio, Christopher M. Howell, Lucy M. Dunham, Kathleen West, Jacquelin Muro Silva, Keith Lovitt, Nathalia P. Sholl, Melissa Schellinkhout, Zackary McCann, Kelly Niemela, Sarah Harren

its true and lawful Attorney(s)-in-fact to make, execute, attest, seal and deliver for and on its behalf, as surety, and as its act and deed, where required, any and all bonds and undertakings in the nature thereof, for the penal sum of no one of which is in any event to exceed UNLIMITED, reserving for itself the full power of substitution and revocation.

Such bonds and undertakings, when duly executed by the aforesaid Attorney(s)-in-fact shall be binding upon the Company as fully and to the same extent as if such bonds and undertakings were signed by the President and Secretary of the Company and sealed with its corporate seal.

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Board of Directors of Company ("Board") on April 21, 2016:

RESOLVED, that the President, any Executive Vice President, and any Senior Vice President are hereby appointed by the Board as authorized to make, execute, seal and deliver for and on behalf of the Company, any and all bonds, undertakings, contracts or obligations in surety or co-surety with others and that the Secretary or any Assistant Secretary of the Company be and that each of them hereby is authorized to attest to the execution of any such bonds, undertakings, contracts or obligations in surety or co-surety and attach thereto the corporate seal of the Company.

RESOLVED, FURTHER, that the President, any Executive Vice President, and any Senior Vice President are hereby authorized to execute powers of attorney qualifying the attorney named in the given power of attorney to execute, on behalf of the Company, bonds and undertakings in surety or co-surety with others, and that the Secretary or any Assistant Secretary of the Company be, and that each of them is hereby authorized to attest the execution of any such power of attorney, and to attach thereto the corporate seal of the Company.

RESOLVED, FURTHER, that the signature of such officers named in the preceding resolutions and the corporate seal of the Company may be affixed to such powers of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be thereafter valid and binding upon the Company with respect to any bond, undertaking, contract or obligation in surety or co-surety with others to which it is attached.

IN WITNESS WHEREOF, Everest Reinsurance Company and Everest National Insurance Company have caused their corporate seals to be affixed hereto, and these presents to be signed by their duly authorized officers this 10th day of October 2023.



Everest Reinsurance Company and Everest National Insurance Company

By: Anthony Romano, Senior Vice President

On this 22nd of March 2023, before me personally came Anthony Romano, known to me, who, being duly sworn, did execute the above instrument; that he knows the seal of said Company; that the seal affixed to the aforesaid instrument is such corporate seal and was affixed thereto; and that he executed said instrument by like order.

LINDA ROBINS
Notary Public, State of New York
No 01R06239736
Qualified in Queens County
Term Expires April 25, 2027

Linda Robins, Notary Public

I, Sylvia Semerdjian, Assistant Secretary of Everest Reinsurance Company and Everest National Insurance Company do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the bylaws and resolutions of said Corporation as set forth in said Power of Attorney, with the ORIGINALS ON FILE IN THE HOME OFFICE OF SAID CORPORATION, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Company, this 11th day of September 2026.



By: Sylvia Semerdjian, Assistant Secretary

CALIFORNIA ALL- PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

County of Santa Clara }

On September 14 2026 before me, Daniel Kuwabara Notary Public,
(Here insert name and title of the officer)

personally appeared Deborah Joan Christian,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

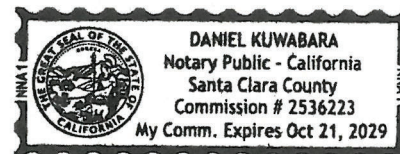
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Daniel Kuwabara

Notary Public Signature

(Notary Public Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

Bid Bond

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages 3 Document Date 9-11-2026

CAPACITY CLAIMED BY THE SIGNER

- ☒ Individual (s)
☐ Corporate Officer

(Title)

- ☐ Partner(s)
☐ Attorney-in-Fact
☐ Trustee(s)
☐ Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they, is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

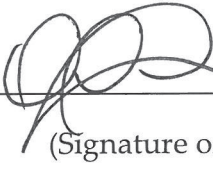
SECURITY FOR COMPENSATION CERTIFICATE

(Required by Section 1861, California Labor Code)

TO: Sunnyslope County Water District

(Owner)

I am aware of the provision of Section 3700 of the Labor Code of the State of California which requires every employer to be insured against liability for workers' compensation claims or to undertake self-insurance in accordance with the provision of that Code, and I will comply with such provision before commencing the performance of the Work of this Contract.



(Signature of Bidder)

David Levisay

(Type or Print Name)

President

(Title)

Daleo Inc.

(Company)

550 E Luchessa Ave., Gilroy, CA 95020

(Business Address)

7280 Webster Rd., Creston CA 93432

(Place of Residence)

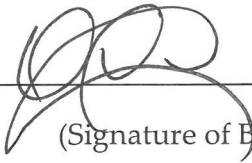
END OF SECURITY FOR COMPENSATION CERTIFICATE

CERTIFICATION OF INSURANCE COMPLIANCE

TO: Sunnyslope County Water District

(Owner)

I acknowledge that I am aware of and accept the provisions of the Agreement with regard to the insurance requirements and hereby certify that I can and shall obtain insurance that fully complies with all insurance requirements.



(Signature of Bidder)

David Levisay

(Type or Print Name)

President

(Title)

Daleo Inc.

(Company)

550 E Luchessa Ave., Gilroy, CA 95020

(Business Address)

7280 Webster Rd., Creston CA 93432

(Place of Residence)

END OF CERTIFICATION OF INSURANCE COMPLIANCE

BIDDER'S QUALIFICATIONS & REFERENCES

The Bidder has been engaged in the contracting business, under the present business name for 45 Years. Experience in work of a nature similar to that covered in the proposal extends over period of 45 years.

The Bidder, as a contractor, has never failed to satisfactorily complete a contract awarded to him, except as follows:

A minimum of three contracts of similar size and scope have been satisfactorily completed in the last three years for the people, firm or authority indicated, and to whom reference is made:

Year	Type of Work	Contract Amount	Reference Contact Info.
2018	Water Main Replacement City Of Palo Alto	4,946,846.24	Aaron Perkins (650) 566-4521
2026	Gas Main Replacement PG&E	799,382.31	Jason Scott (415)264-9602
2025	Gas Main Replacement City Of Palo Alto	7,982,446.73	Aaron Perkins(650) 566-4521

Signed


(Same signature as on bid form)

END OF BIDDER'S QUALIFICATIONS & REFERENCES

SUBCONTRACTOR LIST

(To be submitted with Bid)

Public Contracts Code §4104 states that public project Bid Documents or general bidding conditions must require persons making bids to set forth the names and locations of subcontractors which will perform work in excess of one-half of one percent (0.5) of the total bid. The bidding contractor must also set forth the portion of the Work which will be done by each subcontractor.

If the Contractors fail to specify a subcontractor for any item of work that a subcontractor designation is required, he agrees to perform that part of the work him/herself. In accordance with Section §4101 of the Government Code of the State of California, as amended, the following is the list of subcontractors who will performing in excess of 0.5% of the total bid amount:

Subcontractor Name	Address, Phone Number and Email	Class of Work	License No.	\$ Value & % Of Work
NA				

Signature:



Date: 9.15.26

Printed Name/ Title: David Levisay, President

Make copies of and use if more space is needed.

NON-COLLUSION AFFIDAVIT

In accordance with Section 7106 of the State of California Public Contract Code, Bidders are required to execute the following Non-collusion Affidavit.

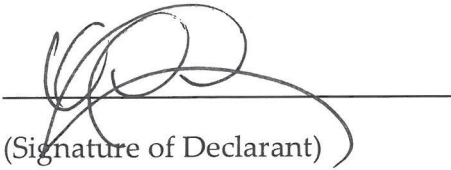
NON-COLLUSION DECLARATION TO BE SUBMITTED WITH BID

I, David Levisay, declare that I am President
(Name) (Title)

of Daleo Inc., the party making the foregoing bid, that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder or fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract or anyone interested in the proposed contract; that all statement contained in the bid are true; and further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee, to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

Executed on September 15, 2026, in Gilroy, CA.
(Date) (Location)

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.


(Signature of Declarant)

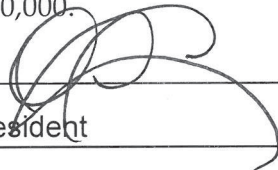
END OF NON-COLLUSION AFFIDAVIT

IRAN CONTRACTING ACT CERTIFICATION

(Public Contract Code Section 2200 et seq.)

As required by California Public Contract Code Section 2204, the Contractor certifies subject to penalty for perjury that the option checked below relating to the Contractor's status in regard to the Iran Contracting Act of 2010 (Public Contract Code Section 2200 et seq.) is true and correct:

- 1) The Contractor is not:
 - a) Identified on the current list of persons and entities engaging in investment activities in Iran prepared by the California Department of General Services in accordance with subdivision (b) of Public Contract Code Section 2203; or
 - b) A financial institution that extends, for 45 days or more, credit in the amount of \$20,000,000 or more to any other person or entity identified on the current list of persons and entities engaging in investment activities in Iran prepared by the California Department of General Services in accordance with subdivision (b) of Public Contract Code Section 2203, if that person or entity uses or will use the credit to provide goods or service in the energy section in Iran.
- 2) Agency has exempted the Contractor from the requirements of the Iran Contracting Act of 2010 after making public find, absent the exemption, Agency will be unable to obtain the goods and/or services to be provided pursuant to the Contract.
- 3) The amount of the Contract payable to the Contractor for the Project does not exceed \$1,000,000.

Signed  _____

Title President _____

Firm Daleo Inc. _____

Date 9.15.2026 _____

Note: In accordance with Public Contract Code Section 2205, false certification of this form shall be reported to the California Attorney General and may result in civil penalties equal to the greater of \$250,000 or twice the Contract amount, termination of Contract and/or ineligibility to bid on contracts for three years.

END OF IRAN CONTRACTING ACT CERTIFICATION

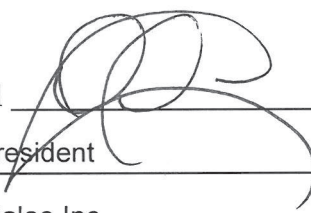
ECONOMIC SANCTIONS AGAINST RUSSIA CERTIFICATION

(California Executive Order N-6-22)

On March 4, 2022, the Governor issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf>.

"Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under State law. The EO directs DWR to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities.

The Contractor hereby certifies that they have reviewed the EO and remain in compliance with all economic sanctions, that the Contractor is not the target of economic sanctions, and that the Contractor is not conducting prohibited transactions with sanctioned individuals or entities.

Signed 
Title President
Firm Daleo Inc.
Date 9.15.26

END OF ECONOMIC SANCTIONS AGAINST RUSSIA CERTIFICATION